MERCED COUNTY CIVIL GRAND JURY
2025/2026 ANNUAL REPORT

Acknowledgements

Front Cover

Courthouse Park Bear

Wood carving by Tommy McCarty Jr. Of McCarty Wood Sculpting

Photo credit Matthew Branstutter-Peckham

The newly carved bear in Courthouse Park was sculpted from a 100 year-old diseased redwood tree. Merced County commissioned Tommy McCarty Jr. of Dos Palos to transform the trunk of the tree into a large bear sculpture. It stands near the 20th Street side of the County Courthouse Park.

Back Cover

Merced County Courthouse Museum

Photo credit Julie Penders Abbate

The historic Merced County Courthouse Museum, built in 1875, has recently gone through a $3.75 million exterior restoration and preservation process. The project, which should last several decades, included repairing, restoring, refinishing and repainting. Paired with the Courthouse Bear, it is well worth your time to visit both of these historical and cultural landmarks.

Merced County Map

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June 30, 2026

The Honorable Stephanie Jamieson
Presiding Judge of the Merced County Civil Grand Jury
Merced County Superior Court

Dear Judge Jamieson:

The 2025-26 Merced County Civil Grand Jury has completed its service and presents this final consolidated report to the Merced County Superior Court and the citizens of the County of Merced in accordance with Penal Code Section 933.

After completing the training provided by the County of Merced in July of 2025, the Grand Jury immediately got to work, reviewing complaints carried over from the prior year and new incoming complaints. By the end of the year some four dozen complaints had been reviewed and considered by the Grand Jury. Several were selected for further investigation, however, many more were deemed to be outside of the Grand Jury's jurisdiction. Every complainant was sent a responding letter acknowledging receipt of their complaint. The only exceptions are where the complainants were anonymous or provided no information allowing for a response.

The Grand Jury inspected multiple county detention facilities as mandated by law and as reflected by the contents of our report. We are grateful to the cooperation we received from the Merced County Sheriff's Department in accommodating these inspections.

The jurors and I would also like to express our appreciation for the help we received from multiple departments within the County. This includes the Auditor's Office, the Superior

Court's Administrative staff, the Information and Technology Department, the County Counsel's Office and the Custodial staff.

I would also like to commend the County for providing the training we received from the Civil Grand Jury Association (CGJA) and strongly recommend that practice be continued. The training was excellent, and I don't think it is an exaggeration to say we would have been lost without it as the CGJA was a resource we relied on countless times during the course of the year.

Finally, I ask your indulgence in allowing me to express my warmest regards and thanks to my fellow Grand Jurors. Every one of them approached their work with good intentions and an eye toward improving the work of local government. Many of them gave up countless hours of their time performing investigative work, writing, editing and other tasks assigned to them. Next year's Grand Jury would be well served by having one or more of them continue on as jurors.

Respectfully submitted,

Jeffrey S. Kaufman
Foreperson, 2025-26 Merced County Civil Grand Jury

2025-2026 Merced County Civil Grand Jury Members

1. Benavidez, Chris
2. Boese, Sandee
3. Branstutter-Peckham, Matthew
4. Crivelli, Chris
5. Kaufman, Jeffrey - Foreperson
6. Freitas, Kim
7. Kroski, Thomas
8. Hunton, Linda
9. Laguna, Martin
10. Larson, Margaret
11. LePore, Brian
12. Manfredi, Marilynne
13. Mooneyham, Craig - Pro-Tem
14. Penders Abbate, Julie
15. Piro, Robyn - Recording Secretary
16. Plascencia, Manuel
17. Roberts, Aaron*
18. Sechrist, Gregory*
19. Tackett, Patricia
20. Talmant, Mark
21. Torres, Rachel

*Members unable to complete their term

The 2025-2026 Civil Grand Jury members reside in the following communities in Merced County: Atwater, Merced, Dos Palos, Livingston, Los Banos, Santa Nella, Gustine, and Hilmar

About the Grand Jury

Every year, in each of California's 58 counties, a group of ordinary citizens take an oath to serve as Civil Grand Jurors. The function of the Grand Jury is to investigate the operations of the various officers, departments and agencies of local government. Each Civil Grand Jury determines which officers, departments and agencies it will investigate during its term of office.

As a truly independent body, each Grand Jury is free to choose which local governmental entities or public officials to investigate. Ideas for investigations generally come by way of three avenues:

- Citizen complaints
- Matters raised by members of the Grand Jury
- Referrals from the preceding Grand Jury

Grand Jurors are agents of change in their communities. They come from all walks of life. They bring with them a broad range of interests, talents, and life experiences, but they share a dedication to democratic ideals and a willingness to devote their time and energies to matters of civic importance.

Penal Code section 893 states that a person is qualified to be a Grand Juror if he or she is:

- An American citizen at least 18 years old
- Has been a resident of the county for at least one year immediately prior to selection
- Possesses ordinary intelligence, of sound judgment, and good character
- Possesses a sufficient knowledge of the English language to communicate both orally and in writing

No particular background, training or experience is necessary to be a grand juror. In fact, it is the diversity of its members that is one of the grand jury's greatest strengths.

The Grand Jury's fact-finding efforts result in written reports which contain specific findings aimed at identifying problems and offering recommendations for improving government operations and enhancing responsiveness. In this way, the Grand Jury acts as a representative of county residents in promoting government accountability.

MANDATED INSPECTION OF MERCED COUNTY DETENTION FACILITIES

The 2025-2026 Merced County Civil Grand Jury (MCCGJ), in accordance with the requirements of the California Penal Code Section 919(b), conducted inspections of four detention facilities in Merced County. The purpose of these inspections was to "inquire into the conditions and management of the public prisons within the county," as stated in California Penal Code Section 919(b).

Under these provisions, members of the MCCGJ toured and inspected the following facilities:

- Merced County Sheriff's Department Main Jail
- John Latorraca Correctional Center (JLCC)
- Iris Garrett Juvenile Correctional Complex (IGJC)

The MCCGJ also toured the new detention facility at the Los Banos Police Department Headquarters with the intention of seeing the conditions and management of a new facility.

The MCCGJ fulfilled its duty to inquire into the condition and management of the local detention facilities within Merced County. Information was obtained during tours of the detention facilities, interviews with staff members, and reviews of program statistics, written policy, and procedures.

The following departments are exempt from annual Civil Grand Jury inspections per California Penal Code 925. Arrestees from these departments are transferred to the Merced County Main Jail:

- Atwater Police Department
- California Highway Patrol
- Dos Palos Police Department
- Fish and Game Department
- Gustine Police Department
- Livingston Police Department
- Merced Police Department

GLOSSARY

Ace Overcomers: Merced nonprofit that helps people understand the effects of adverse childhood experiences

BSCC: Board of State and Community Corrections

Celebrate Recovery: An American Christian twelve-step program designed to facilitate recovery from a wide variety of troubling behavior patterns like alcohol/drug addiction, anxiety, anger or other life challenges

CVOC: Central Valley Opportunity Center

GED- General Educational Development

GEO Reentry Services: a company that works with counties, probation departments and jails to help people transition from custody back into the community

IGJJC: Iris Garrett Juvenile Justice Complex

MCCGJ: Merced County Civil Grand Jury

MCOE: Merced County Office of Education

Phoenix Projects: programs that help formerly incarcerated individuals find jobs or recover from addiction and rebuild lives

RISE: Reentry program to help formerly incarcerated individuals transition back into the community

ROP: Regional Occupational Program

JOHN LATORRACA CORRECTIONAL CENTER (JLCC)

John Latorraca Correctional Center 2025 Credit: Brianna Vaccari / The Merced FOCUS

SUMMARY

On October 7, 2025, the MCCGJ conducted an inspection of the John Latorraca Correctional Center (JLCC) located at 2840 W. Sandy Mush Road in Merced County. This inspection was part of the MCCGJ annual review as mandated by California Penal Code Section 919(b).

The JLCC houses both male and female inmates in segregated housing units. At the time of the inspections, construction was underway to expand the facility, which is expected to improve the current physical conditions. However, the MCCGJ primary concerns included the shortage of permanent staff and the ongoing facility maintenance issues.

BACKGROUND

The JLCC is classified as a Type II jail facility and is operated by the Merced County Department of Corrections and Rehabilitation. The facility has a capacity of 564 inmates.

However, two sections of the facility were closed to accommodate the ongoing expansion project, resulting in a temporary reduction in available housing. Construction on the expansion project began on January 27, 2022 with a projected completion date of February 2027. Due to construction activities, existing directional signage around the facility was observed to be lacking.

METHODOLOGY

The MCCGJ reviewed the Board of State and Community Corrections (BSCC) inspection report, met with representatives of the Sheriff's Department who presented a 40-minute presentation addressing the facility's conditions, staffing levels, and inmate statistics. All questions posed by MCCGJ were answered satisfactorily. The jurors also conducted a physical inspection of the facility, held discussions with management and staff, and interviewed several inmates during their visit.

DISCUSSION

The John Latorraca Correctional Center (JLCC) was constructed in 1990, and at the time of the inspections, ongoing construction was evident throughout the facility. Due to the construction, two dormitories were closed. The remaining open dormitories were clean but crowded to accommodate the displaced inmate population. Plans are in place to remodel all dormitories once construction is complete.

The Merced County Sheriff's website outlines a range of inmate programs, including 12-step programs, parenting and anger management classes, life skills development, job placement services, General Educational Development (GED) classes, and the Celebrate Recovery program organized by Yosemite Church of Merced.

The Sheriff's Department partners with the Merced County Probation Department to reduce the jail population through supervised release programs. Community organizations such as GEO Re-entry Services, ACE Overcomers, and the Phoenix Project, in collaboration with the Merced County Office of Education, provide behavioral and mental health counseling, transitional housing assistance, and employment services. Under consideration are plans to include the construction of an on-site animal care facility where inmates will work with county animal control shelters.

Staffing shortages remain a major concern at the facility. The shortage of deputies has been an ongoing issue. Staff shortages pose a safety risk and financial burden leading to overtime requirements. During the February 2025 inspection, deputies reported a slight reduction in overtime hours as new deputies were in training.

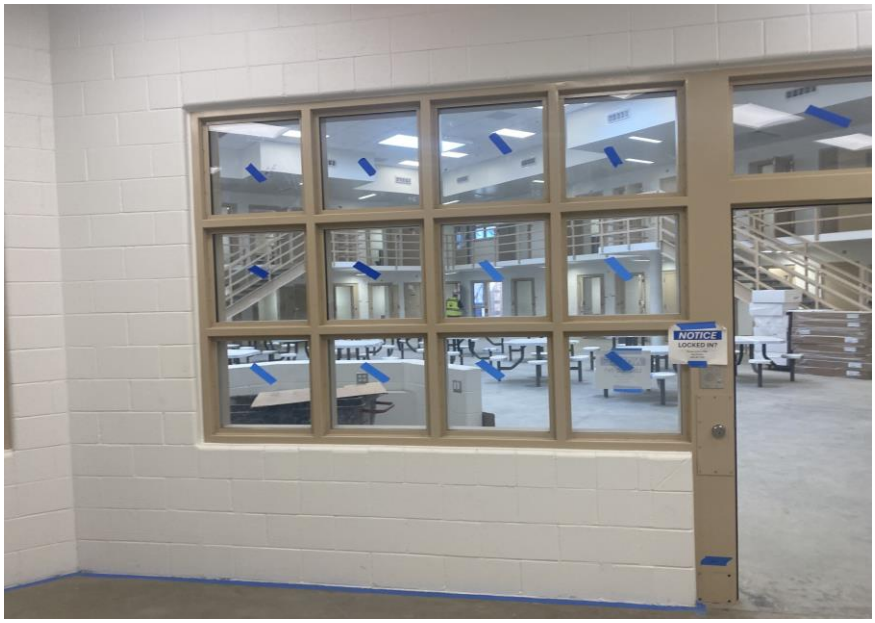
The kitchen facility at JLCC is responsible for preparing approximately 1,500 meals daily for inmates and youths housed at the Main Jail, JLCC, and Iris Garrett Juvenile Justice Center (IGJJC). A new kitchen is currently under construction as part of the expansion project.

Visitor guidelines are clearly posted on the Merced County Sheriff's website, at the visitor entrance, and in inmate common areas. Visits are scheduled based on housing units and most are limited to 30 minutes. Resources are available for visitors who may require assistance navigating the visitation process. However, issues with the phone service in the visiting area persist due to the aging infrastructure, resulting in frequent static on the lines. The Merced County Sheriff's Department is exploring the use of tablets for video visitation and inmate mail services to address this problem.

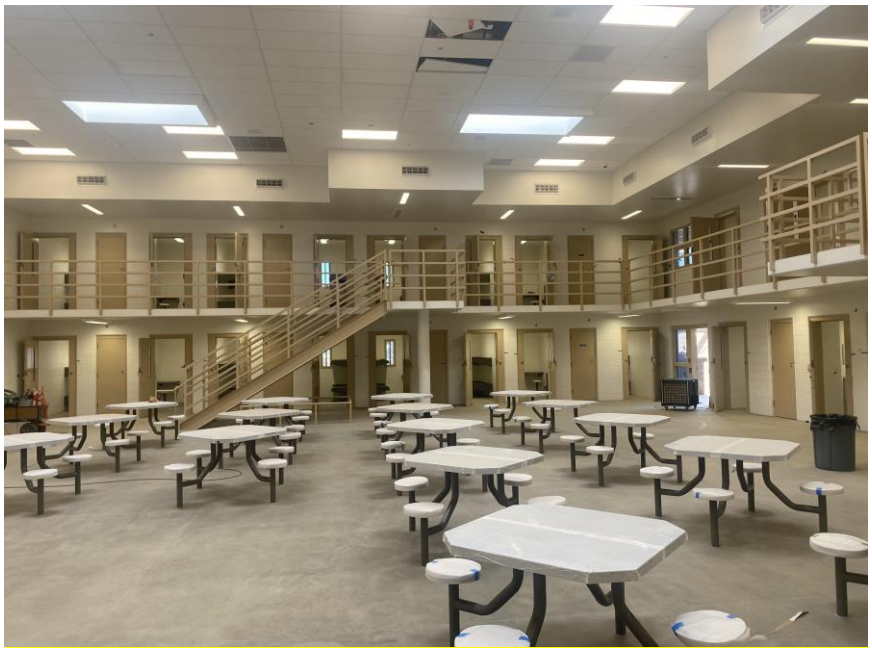
During the inspection, several inmates were interviewed. Overall, inmates reported respectful treatment by staff, adequate medical care including personal hygiene kits, and access to basic programs such as behavior management. Several concerns were consistently raised, including what appeared to be water damage in bathrooms and ceilings, deteriorating conditions in the shower area and persistent maintenance issues that the facility-provided cleaning supplies cannot address. Commissary prices were viewed as high. Phone service and visitation were accessible but had limitations such as short visit durations and poor phone connections. Some inmates expressed an interest in additional programs such as vocational training and mental health support.

MCCGJ observed dorms to be clean and orderly and inmates were responsible for daily housekeeping using supplies provided by the staff.

MCCGJ observed that there was a lack of clear directional signage throughout the area. The facility is very large and there were no visible signs to guide the public to designated parking and visiting areas. Additionally, there was no signage distinguishing between the Iris Garrett Juvenile Justice Correctional Complex (IGJJC) and the adjacent JLCC.



(figure 1) Looking into a new cell block pod from the outside
Photo credit MCCGJ



(figure 2) Inside a new pod showing rooms housing two inmates each and common area
Photo credit MCCGJ

FINDINGS

F1. The JLCC facility is in disrepair due to deferred maintenance. Upon completion of the new JLCC facility in 2027, the old dormitories will be renovated.

F2. Maintenance repairs are dependent on the completion of the new JLCC facility. There is no clear date for completion or when the inmates will be moved to the new facility.

RECOMMENDATIONS

R1. It is recommended that the Merced County Sheriff's Department and the Merced County Board of Supervisors update Merced County citizens on the date of completion of the John Latorraca Correctional Center and the date of inmate transfers.

REQUEST FOR RESPONSE

Responses are to be submitted to the Presiding Judge of the Merced County Superior Court in accordance with Penal Code §933.05.

- Merced County Sheriff Vernon Warnke respond to F1, F2 R1 within 60 days of receipt of this report.

DISCLAIMER

Reports issued by the Grand Jury do not identify the individuals who have been interviewed. Penal Code § 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

MERCED COUNTY SHERIFF'S DEPARTMENT MAIN JAIL

SUMMARY

The MCCGJ inspected the Merced County Sheriff's Main Jail at 700 W. 22nd Street, Merced, on October 6, 2025. Annual visits by the Grand Jury are mandated by California Penal Code Section 919 (b).

The Main Jail continues to be in disrepair and substantial improvements are still needed to adhere to state standards. The MCCGJ's main concern was not with the physical condition of the outdated facility but with the lack of staffing. Challenges faced by the Merced County Sheriff's Department to retain staff, attract lateral transfers and new staff are attributed mainly to a lack of competitive salaries, stacking incentives and benefit packages.

A new facility at John Latorraca Correctional Center (JLCC) is under construction where the Main Jail inmates will be transferred when the new correctional center is complete.

BACKGROUND

The Main Jail, constructed in 1968, currently houses low-risk to high-risk inmates and is managed by the Merced County Department of Corrections and Rehabilitation (MCDCR). The Main Jail is a Type II Facility jail with a capacity for 189 inmates.

The MCCGJ inspection included a review of all mandated inspection reports including Fire, Medical/Health, Environmental Health, and Nutritional Health. All inspection reports were confirmed completed and passed by the Board of State and Community Corrections (BSCC).

Merced County will address the capacity, security, and facility needs reflected in the Main Jail through the construction of the John Latorraca Correctional Center Expansion Project. The Main Jail will move inmates to the new JLCC. This will help the County comply with California's Title

15 and Title 24 regulations and guidelines which address minimum standards for local detention facilities.

METHODOLOGY

The Grand Jury utilized the inspection reports from the Board of State and Community Corrections (BSCC) based on their scheduled inspection and their unannounced inspection. Additionally, MCCGJ met with the deputies of the Merced County Sheriff's Department. The meeting was very professional and included presentations by the Sheriff's Department and those overseeing the areas of food, clothing, security, medical and intake. The MCCGJ also reviewed BSCC reports, toured the facility, reviewed the website and met with staff and management.

DISCUSSION

The Main Jail was built in 1968 and is in disrepair. The MCCGJ observed a moldy ceiling in a closet, paint peeling throughout the facility and a broken window in the intake area. The facility is outdated. It was noted a preventative maintenance plan was not available. The repairs are in reaction to work orders being placed with priority on safety issues.

A new detention facility will be located at JLCC scheduled to be open in 2027. Inmates will be transferred to the new facility once it is completed and additional staff is employed.

FINDINGS

F1. The Main Jail facility is in disrepair due to deferred maintenance and the anticipation of moving inmates to the new JLCC facility upon its completion. Only necessary repairs that affect safety are required.

RECOMMENDATIONS

R1. It is recommended that safety maintenance in the Main Jail be a priority while the new JLCC is completed and inmates are transferred.

REQUEST FOR RESPONSE

Responses are to be submitted to the Presiding Judge of the Merced County Superior Court in accordance with Penal Code §933.05.

- Merced County Sheriff Vernon Warnke respond to F1, F2 R1, R2 within 60 days of receipt of this report.

DISCLAIMER

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IRIS GARRETT JUVENILE JUSTICE COMPLEX

SUMMARY

The 2025-2026 MCCGJ conducted a facility inspection of the Iris Garrett Juvenile Justice Complex (IGJJC) located at 2840 West Sandy Mush Road in Merced County on November 13, 2025.This facility is a secure detention and youth treatment facility under the operation of the Merced County Probation Department. The facility contains youth housing and a complete juvenile court system including a courtroom, clerk's office, and conference rooms for attorneys to meet privately with their clients. The presiding juvenile court judge, the youth, attorneys, a county bailiff, and court reporter are present in the courtroom facility. Additionally, youth detained in the facility receive mental health, medical and dental care. Additional staff is needed to provide a wider scope of programs to assist with transitioning to life after detainment. The probation department continues to seek out businesses and organizations which will allow youth to complete community service hours.

BACKGROUND

Several representatives presented the inspection presentation. This included the Merced County Probation Department, a Probation Division Manager, a Deputy Program Specialist, a representative from GEO Reentry Services, and a representative from the Merced County Office of Education.

The primary areas of focus for the youth are well-being, family stability, education, training and employment. Other support services include mentoring, tutoring, community services, life skills, and supervised off-grounds activities.

Upon intake, IGJJC staff categorize each youth according to their criminal offenses. A variety of assessments and screenings are also conducted, including evaluations for medical and mental health status, community risk factors, suicidal tendencies, trauma, and potential sexual

victimization behaviors. These intake procedures are consistent with BSCC state standards and exceed state requirements.

METHODOLOGY

The MCCJG inspected the intake area, medical facility, the outdoor recreation area, common area, monitoring area, holding cells, classrooms and an incentive room. The BSCC report was reviewed and indicated no Juvenile Justice and Delinquency Prevention Act violations.

DISCUSSION

The intake area was clean and organized. The holding cells were examined and were also clean and well-kept. The medical facility was composed of two rooms, the office and the exam room. Medical care is provided by Wellpath. They provide basic medical care, however, youth are transported to other facilities for major medical, dental and vision care.

The MCCGJ also observed a dedicated recreation and garden area. Produce from the garden is harvested and prepared by the youth. A chicken coop near the garden houses chickens and eggs which are gathered and used for meal preparation. Youth earn the privilege to play, exercise and work in the outside area. All the outside area was well-maintained by the youth.

The next areas observed were the common area, cells and the monitoring area. The common area was located between the cells. This area had several tables with attached chairs that the youth utilized for eating and socializing. The cells were very clean and organized. Central to these areas is the monitoring area. This area is manned by staff who provide ongoing monitoring of the youth, their communications, devices and actions. There are several monitors in place and are observed at all times. Signage leading to the complex is still vague and confusing. Signs identifying each building are non-existent.

The MCCGJ also observed the rooms dedicated to education where students were present and engaged in their studies. The Merced County Office of Education (MCOE) operates the

educational program for the IGJJC. On staff are a principal and two full-time teachers, a full-time tutor, an Instructional Aide, a Youth Engagement Specialist, Counselor, School Psychologist, College and Career Transition Advisor, Construction/Culinary Career Tech Educator, as well as a Special Education Liaison when needed. There are also opportunities for the youth to pursue further education through Merced College.

The classrooms were well-organized and provided flexible seating arrangements. Youth were observed working on their academics with teachers and adult volunteers. Students and staff were respectful to each other. Individual tablets are assigned to the youth to be used for academics. Youth were actively engaged in their assignments. They appeared well-groomed, healthy and were wearing clean clothes.

MCOE also offers the Regional Occupational Program (ROP), community college enrollment, and new to the facility, technology. The ROP Program includes culinary education/experience, construction, forklift certification, automotive training, and landscaping/gardening.

Transitional services occur for committed youth as they exit, including a team meeting with the Office of Education, the Merced High School District and the parents to come up with a collaborative educational plan upon release. Youth continue to work with probation officers for one to two years following release with services available until the age of 25. Despite this collaborative plan, staff says that it can be difficult for youth to find education and job opportunities.

In addition to the academic program, a variety of programs shown to be evidence-based using best practices are offered:

Anger Management, Parenting Violence Management, Gang Intervention Program, Substance Abuse & Mental Health Management, Motivation & Social Skills, Coping and Life Skills, Re- Entry Planning, Trauma and Family Relationships, Victim Awareness, RISE,

Additional vocational opportunities are also available for qualified youth such as

Coffee Cart, a 4-year old program

Central Valley Opportunity Center (CVOC), Truck Driving Certification

Graffiti Abatement, Solar Panel Installation, Warehouse Program

MCCGJ visited another room called the Honor Room. Youth earn the privilege to utilize this room. The Honor Room contains a television, private rooms with comfortable seating used for private counseling sessions and areas where youth are allowed to use their monitored tablet devices.

The Grand Jury also observed another wing of the facility which was undergoing refurbishment. This area will contain additional cells and another common area.

Youth from rival gangs are integrated to provide an opportunity for relationship building. Staff provides opportunities for youth to engage in dialog aimed at breaking down barriers between the groups.

All inspection reports were completed by the BSCC and found to be satisfactory.

FINDINGS

F1. Jobs and community service opportunities for those who have been released are often difficult to find.

F2: Staff at the facility is to be commended for their dedication to providing the best correctional opportunities for the youth while detained. The interactions observed between the staff and youth demonstrated a mutual respect. The staff works diligently to prepare youth for life after release and they are continuously searching for new programs that will provide more opportunities for the youth that could lead them to success after detainment.

RECOMMENDATIONS

R1. Continue to look for more job opportunities after youth are released by connecting with local businesses who would offer job training to support these youth.

R2. Expand and develop new connections with Merced College and University of California Merced (UCM) students and staff to mentor youth while incarcerated and after their release.

REQUEST FOR RESPONSE

Responses are to be submitted to the Presiding Judge of the Merced County Superior Court in accordance with Penal Code §933.05.

- Merced County Sheriff Vernon Warnke respond to F1, F2 and R1, R2 within 60 days

DISCLAIMER

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UNINCORPORATED MERCED COUNTY ROADS CAN USE SOME TENDER-LOVING CARE

Photo of Merced County Roads Division Work Truck with Logo on the Door
Photo credit Thomas Kroski

SUMMARY

Anyone driving on Merced County's rural roads has experienced rough roads. Pot holes and deteriorating roads increase driving hazards and puts excess wear on vehicles. Merced County roads serve commuters, local agricultural vehicles and heavy equipment vehicles on a daily basis. But, because the roads were designed years ago, they are not able to hold up to the increased daily heavy use.

The Merced County Civil Grand Jury's (MCCGJ) decision to make an inquiry into why the conditions of Merced County rural roads are so bad was prompted by a citizen complaint. Merced County Public Works Road Division is well aware of the multiple rural roads in need of

repair, anywhere from filling potholes to re-surfacing or some other type of repair. Many bridges are also in need of attention.

Merced County has 1,750 miles of roadway and over 400 bridges to maintain with an annual budget relying on Measure V and state funds. Since 2016, approximately $15 million was the approved fiscal budget. This was not enough money to address all the roads in need of repair and maintenance in the county in one year. In early 2026, the Merced County Board of Supervisors approved a $31.9 million Bond Financing Strategy Plan[1], a large scale project which will repair 41.3 miles of roads in all five districts within a three year timeframe beginning in mid 2026.

While Merced County rural drivers may find many roads substandard, the MCCGJ finds that the Merced County Public Works Road Division is making every effort possible to maintain and repair the roads and bridges with the funds available from local and state taxes.

BACKGROUND

The Merced County Civil Grand Jury (MCCGJ) received a written complaint submitted on September 16, 2025 by a rural driver who pointed out that many of the highways in Merced County and many of the county roads the rural driver travels frequently are filled with pot holes and are deteriorated making driving hazardous. The complaint also mentions that many bridges are also deteriorating and in need of repair. Several colored photos accompanied the complaint showing specifically Fox Road and Yosemite Avenue bridges near Kibby Road where one lane was closed on both bridges for some time. While the highways mentioned in the complaint are out of the MCCGJ's jurisdiction and there were only a few roads and bridges named in the written complaint, MCCGJ recognizes that anyone driving on Merced County roads has experienced the same conditions.

Fox Road begins at Santa Fe and borders Castle Airport Aviation and Development Center on the east side. It ends at W. Olive Avenue and is used by residents, a dairy, a poultry ranch, a lawn care business and a variety of agricultural orchards and crops. Fox Road is indeed filled

with pot holes and is very rough with deteriorating shoulders. See the picture (figure 1) below. The two bridges on Yosemite Avenue near Kibby Road still had only one lane in use as shown in the picture below (figure 2). This section of Yosemite Avenue is a rural road utilized mostly by agricultural vehicles and local commuter drivers.

(Figure 1) Fox Road Pavement Deterioration

(Figure 2) Yosemite Avenue Bridge Closure

After several interviews with Merced County's Public Works and Road Division, the MCCGJ learned how road repairs are determined and how repairs are budgeted. Merced County Road Division is well aware of the county's poor road conditions. The county is following all the protocols for repairs under the approved budget for the fiscal year mostly from monies allocated by Measure V and other state funds. Prior to 2016, road repairs were dependent on other inconsistent funding sources and the roads and bridges suffered badly over time.

METHODOLOGY

Interviews & Communications

During the investigation the MCCGJ interviewed Merced County Public Works Department Roads Division. We also interviewed a Merced County Supervisor about the approved $35 million bond strategy to repair county roads.

Site Tours

MCCGJ visited the roads and bridges mentioned in the rural driver's complaint and observed other roads and their conditions in the county.

Documents

The MCCGJ reviewed the following documents from the Merced County Roads Division:

County of Merced Road Closures: www.countyofmerced.com/801/road-closures-delays

County of Merced Roads: https://www.countyofmerced.com/798/Roads

Countywide Pavement Management Program Update Final Report NCE Project No. 950.02.55 March 2019

Merced County Times article: Merced County leaders OK bond strategy to confront road problems, March 5, 2026 https://mercedcountytimes.com/merced-county-leaders-ok-bond-strategy-to-confront-road-problems/

PAVER The Pavement Maintenance Management System PAVER Version 7.0.8.

DISCUSSION

On October 21, 2025 MCCGJ met with the Merced County Public Works Roads Division to discuss concerns about the condition of many of Merced County rural roads and bridges. Jurors learned that Merced County has approximately 50 public works employees that are assigned to regular road maintenance in the spring, summer and fall. However, there is an increased work load during the winter months due to weather conditions and flooding problems. Also, during the winter months, larger projects are contracted out to the lowest bidder in most, if not all cases, so staffing is not a problem for immediate needed repairs.

ROAD REPAIR FUNDING SOURCES

Merced County has 1,750 miles of roadway and over 400 bridges. The county spends approximately $15 million on the roads and bridges per fiscal year, and all the funding for 2025-2026 is approved for projects. The funding comes from a variety of sources from local and state:

- **SB-1**: the Road Repair and Accountability Act of 2017[2]
- **Measure V**: a 30-year half-cent transportation sales tax approved by Merced County voters in 2016 which generates from $5 - $6 million annually depending on sales tax receipts[1]
- **Highway User Tax Account (HUTA):** a trust fund in California's Transportation Tax Fund that receives net revenues from gasoline, diesel, and other motor vehicle fuel taxes to finance the construction, maintenance, and operation of public streets and highways
- **Road Impact Agreement Account**: a dedicated fund used by developers or contractors to manage fees, credits, and reimbursements related to public road construction or improvements, often established through a credit agreement with a county or municipality
- **Grants** are also applied for

BOND FINANCING STRATEGY PLAN

In March of 2026, Merced County Board of Supervisors approved a $31.9 million bond financing strategy plan to address the county's poor road conditions. The "large-scale project" is in alignment with Merced County's *2025-2028 Strategic Plan* approved by the Board of Supervisors in January of 2025. The rationale is to save money on rising repair costs and allow for a large roadway improvement project all at one time. The project identified 17 roads in all five districts for a total of 41.3 miles to be repaired. With the current cost of $775,000 per mile, the county's annual revenue alone would only allow for the repair of about 6 to 7 miles of road per year. This financing strategy plan provides for tax-exempt bonds, allowing the money to be spent on repairs now and to pay it back over time with interest. This plan secures today's prices which will likely increase in the future. The funding is expected to be available by the middle of May 2026 and construction should begin sometime in the summer. The project is expected to be completed sometime between 2028 and 2029.[1]

THE PROPOSED ROAD LIST FOR THE BOND FINANCING STRATEGY PLAN:

District 1

- Sandy Mush Rd., from SR59 to Healy Rd., in El Nido. 3 miles. $2.1 million
- Minturn Rd., from Buchanan Hollow Rd. to the county line, in Le Grand. 3.3 miles. $2.3 million
- Westside Blvd., from Washington Blvd. to Lincoln Blvd., in Livingston. 2 miles. $1.4 million
- Santa Fe, from Ash St. to E. Mission Ave., in Planada/Le Grand. 1.3 miles. $910,000

District 2

- Arboleda Drive, from S. Bear Creek Dr. to SR140, in Merced. 1 mile. $700,000

District 3

- Buhach Rd., from SR 140 to SP Ave., in McSwain. 2.1 miles. $1.4 million
- Franklin Rd., from Asby Rd. to Dan Ward Rd., in Franklin Beachwood. 0.6 miles. $360,000

District 4

- Longview Ave., from Sultana Dr. to Bert Crane Rd., in Livingston. 3 miles. $2.2 million

- Bradbury Rd., from Santa Fe Dr. to Lee Rd., in Ballico. 2.5 miles. $1.6 million
- Griffith Rd., from Golden State Blvd. to Williams Ave., in Hilmar. 5.2 miles. $3.3 million
- Bloss Rd., from SR 165 to Columbus Ave., in Hilmar. 2 miles. $1.5 million.
- American, from Columbus Ave. to the county line, in Hilmar. 4.5 miles. $2.9 million

District 5

- Turner Island Rd., from SR 152 to Henry Miller Ave., in Dos Palos. 3 miles. $2.2 million
- Pioneer Rd., from Volta Rd. to Los Banos city limits, in Los Banos. 2.3 miles. $1.7 million
- Arroya Ave., from SR 152 to Eucalyptus Ave., in Dos Palos. 3 miles. $2.2 million
- Wilson Rd., from Henry Miller Ave. to China Camp Rd., in Los Banos. 1 mile. $750,000
- Eucalyptus Rd., SR33 to Aubrey Ave., in Dos Palos. 1.5 miles. 1.1 million

MERCED COUNTY

PROPOSED ROAD LIST

MEASURE V BONDING

DISTRICT	ROAD NAME	FROM	TO	LOCATION	LENGTH (MILES)	ESTIMATED COST
1	SANDY MUSH RD	SR59	HEALY RD	EL NIDO	3.0	$ 2,100,000.00
1	MINTURN RD	BUCHANAN HOLLOW RD	COUNTY LINE	LE GRAND	3.3	$ 2,310,000.00
1	WESTSIDE BLVD	WASHINGTON BLVD	LINCOLN BLVD	LIVINGSTON	2.0	$ 1,400,000.00
1	SANTA FE	ASH ST	E MISSION AVE	PLANADA - LE GRAND	1.3	$ 910,000.00
				SUBTOTAL	**9.6**	**$ 6,720,000.00**
2	ARBOLEDA DRIVE	SOUTH BEAR CREEK DR	SR 140	MERCED	1.0	$ 700,000.00
				SUBTOTAL	**1.0**	**$ 700,000.00**
3	BUHACH RD	SR 140	SP AVE	McSWAIN	2.1	$ 1,470,000.00
3	FRANKLIN RD	ASHBY RD	DAN WARD RD	FRANKLIN BEACHWOOD	0.6	$ 360,000.00
				SUBTOTAL	**2.7**	**$ 1,830,000.00**
4	LONGVIEW AVE	SULTANA DR	BERT CRANE RD	LIVINGSTON	3.0	$ 2,250,000.00
4	BRADBURY RD	SANTA FE DR	LEE RD	BALLICO	2.5	$ 1,625,000.00
4	GRIFFITH RD	GOLDEN STATE BLVD	WILLIAMS AVE	HILMAR	5.2	$ 3,380,000.00
4	BLOSS RD	SR 165	COLUMBUS AVE	HILMAR	2.0	$ 1,500,000.00
4	AMERICAN	COLUMBUS AVE	COUNTY LINE	HILMAR	4.5	$ 2,925,000.00
				SUBTOTAL	**17.2**	**$ 11,680,000.00**
5	TURNER ISLAND RD	SR 152	HENRY MILLER AVE	DOS PALOS	3.0	$ 2,250,000.00
5	PIONEER RD	VOLTA RD	LOS BANOS CITY LIMITS	LOS BANOS	2.3	$ 1,725,000.00
5	ARROYA AVE	SR 152	EUCALYPTUS AVE	DOS PALOS	3.0	$ 2,250,000.00
5	WILSON RD	HENRY MILLER AVE	CHINA CAMP RD	LOS BANOS	1.0	$ 750,000.00
5	EUCALYPTUS RD	SR33	AUBREY AVE	DOS PALOS	1.5	$ 1,125,000.00
				SUBTOTAL	**10.8**	**$ 8,100,000.00**
				TOTAL	**41.3**	**$ 29,030,000.00**
				PE & CM COST	**10%**	**$ 2,903,000.00**
				TOTAL PROJECT COST		**$ 31,933,000.00**

(figure 3) Bond Financing Proposed Road List

MERCED COUNTY ROAD MAINTENANCE RESPONSIBILITIES

Merced County road maintenance is the responsibility of the Merced County Public Works Roads Division which provides routine maintenance of county roads and unincorporated areas like pothole repair, drainage maintenance, asphalt overlays, and immediate responses to hazards and public complaints. It also oversees construction projects approved by the Board of Supervisors. Highways like SR-99 and SR 152 that run through Merced County are the responsibility of Caltrans District 10. Streets within the many cities and towns in Merced County are maintained by the individual city public works departments.

ROAD REPAIR DECISIONS

Merced County road maintenance and repair decisions are based on several factors:

- Funding
- Pavement Maintenance Management System (PAVER)
- Citizen complaints

The PAVER software is capable of assessing current road health through inspector collection data input like cracking and potholes to calculate the Pavement Condition Index (PCI) using the Road Ranking System (see figure 4 below). PAVER can also predict future conditions based on similar construction and traffic histories and schedule and budget maintenance and repair activities of Merced's county roads. Finally, it helps with project planning and budgeting.

The Merced County Board of Supervisors and the Merced County Association of Governments (MCAG) manage the allocation and distribution of road repair funds. MCAG administers Measure V revenues and the Board of Supervisors approves major rehabilitation projects and budgets.

THE ROAD RANKING SYSTEM:

Merced County Roads Department relies on a standardized Pavement Condition Index (PCI) to objectively rank overall road health and maintenance plans. The following chart shows how the conditions of the roads are ranked on the scale of 0-100 (the lower the number the worse the condition):

PCI Score	Structural Condition Rating	Strategic Maintenance Treatment
85 -100	Excellent	Preventive maintenance / Light seals to prevent water intrusion and oxidation.
70 - 84	Good	Minor surface preservation
50 - 69	Fair	Overlay rehabilitation to prevent total failure
25 - 49	Poor	Heavy structural overlay or localized recycling
0 - 24	Failed	Full reconstruction / Base replacement

(figure 4) Road Ranking System Chart

FOX ROAD AND YOSEMITE BRIDGES

Fox Road is ranked 10 which is “failed” according to the PCI and will need full construction and base repair. (See figure 1 under Background). The Roads Department is well aware of the condition of Fox Road and many of the other rural roads that serve both commuter drivers and agricultural usage where heavy truck traffic and farm equipment leads to deterioration and damage much faster than normal. We learned that Fox Road, a main concern by the rural driver complaint, has flooding issues during the winter which increases the road deterioration. Fox Road will become a cul-de-sac or dead end road during Phase 2 of the Atwater

Expressway Project three years in the future. Repairing the road now would not be financially prudent, however, the county is continuing to fill pot holes and working with the land owners to improve drainage.

The two bridges on Yosemite Road near Kibby Road running over Black Rascal Creek and the Merced Irrigation District Fairfield Canal had been one lane for a very long time. MCCGJ learned the bridge over the canal could not be repaired while there was water running under it. Once MID drained the water, the repair on the bridges was done and the closed lanes were opened up again. This project was completed on March 9, 2026. (See figure 5 below)

(figure 5) Yosemite Avenue Bridge Completion
Photo credit Thomas Kroski

MERCED COUNTY PRIORITIZES ROAD REPAIR PROJECTS BASED ON SEVERAL KEY CRITERIA:

- **Functional Classification**: Roads that serve as major collectors, arterials, or main connectors between cities and unincorporated areas are prioritized. These roads handle higher traffic volumes and are critical for regional mobility.
- **Population and Usage**: Priority is given to roads serving larger populations and providing access to essential services, employment centers, and schools. The goal is to address the "biggest need for the most people."

- **Strategic Planning Alignment**: Projects align with *Merced County's 2025–2028 Strategic Plan*[3] which emphasizes roadway resurfacing and infrastructure improvement.
- **Funding Source Requirements**: Projects funded through Measure V[2] (the half-cent sales tax) must follow voter-approved guidelines, including allocating funds across all five supervisorial districts and leveraging bond financing to accelerate large-scale work.
- **Safety and Condition**: Local Roadway Safety Plan (LRSP)[4] is a localized data-driven traffic safety plan that provides opportunities to address unique roadway safety needs and reduce the number of fatalities and serious injuries.
- **Smaller roads**: cul-de-sacs, and low-traffic rural roads are generally lower priority for major rehabilitation projects.

HOW TO REPORT ROAD CONCERNS AND HAZARDS

- Merced County Roads Division encourages drivers or anyone to report road hazards, pot holes or any road concerns by calling the Roads Office at (209) 385-7601 or by filling out a form online at https://www.countyofmerced.com/802/Road-Service-Request
- The Merced County Public Works Department also makes it easy to follow the progress of road closures and their expected dates of opening on their website at www.countyofmerced.com/801/road-closures-delays

DISCLAIMER

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

FINDINGS

F1. Merced County Public Works Roads Division is doing its job effectively to identify and repair damaged roads and bridges throughout Merced County.

F2. Merced County Public Works Roads Division provides a road closure alert and update page on its website for citizens to monitor road closures.

F3. Merced County Public Works Roads Division encourages the public to report road hazards, pot holes, and other concerns both by the online reporting system and by phone.

F4. Merced County Board of Supervisors currently approves an annual fiscal budget to repair Merced County roads using the funds available from local and state sources which help maintain county roads but does not adequately cover all the needed road reconstruction repairs. Merced County Board of Supervisors acknowledged the funding inadequacies and took steps to secure a bond financing strategy plan to make large road repairs in all five districts at the same time.

RECOMMENDATIONS

None

REQUEST FOR RESPONSES

None

FOOTNOTES:

1. https://mercedcountytimes.com/merced-county-leaders-ok-bond-strategy-to-confront-road-problems/

2. https://www.countyofmerced.com/3166/Measure-V---SB1

3. https://www.countyofmerced.com/4202/Merced-County-Strategic-Plan-2025-2028

4. https://www.countyofmerced.com/DocumentCenter/View/47322/Local-Road-Safety-Plan-2024?bidId=

"POP-UPS": A CASE STUDY IN LOCAL GOVERNMENT RESPONSE

SUMMARY

In 2025, the issue of "pop-ups", non-permanent booths or mobile units serving food for retail sales, emerged as a public health issue. Residents of Merced began to see new food vendors set up in a variety of locations: vacant lots, the margins of established parking areas and sometimes on the side of low-traffic streets between residential and commercial areas. Sometimes these were temporary structures like simple awnings often covering tables and chairs or even just vans or SUVs with the back or side doors open. These drew a considerable number of customers, ready to utilize the convenient and often inexpensive food options available. But any business selling food products must comply with existing government regulations. The Merced County Civil Grand Jury (MCCGJ) found that the relevant local government authorities made a good effort to respond to the emerging problem, but the issue will demand continuous monitoring.

BACKGROUND

Mobile food vendors like "taco trucks" have long been a fixture locally, so consumers typically saw nothing unusual about these options. However, the emergence of new food vendors raised public policy questions. Permitted food businesses were concerned about having to compete with unpermitted businesses that could charge lower prices. On October 7, 2025 local food businesses presented a petition to the Merced City Council signed by over 70 local restaurant owners and food trucks demanding action against the unpermitted competition. One spokesperson noted that at a recent downtown "Mercado" event, 15 unpermitted food trucks and "pop-ups" had set up in parking areas adjacent to the organized event.

Retail food service is, by necessity, highly regulated. The Centers for Disease Control (CDC) reported in 2025 seven major foodborne pathogens were responsible for 9.9 million cases of illness, 53,300 hospitalizations, and 931 deaths.[1] The CDC also reported the emergence of

several drug-resistant strains of bacteria such as Shigella, easily transmitted by agents like raw greens or undercooked vegetables. The CDC said in a health alert[2] that the proportion of the approximately 450,000 annual U.S. Shigella infections that are resistant to all known antibiotic treatments rose from 0% in 2015 to 0.4% in 2019 to 5% in 2022, an indicator of potentially greater spread.

California food service regulations, modeled after the federal Food and Drug Administration (FDA) guidelines, are extensive and contained in the California Retail Food Code.[3] It covers requirements for:

- Management and personnel (e.g., food handler training and certification, food protection manager knowledge)
- General food safety (e.g., temperature controls, preventing contamination, proper cooking/cooling/reheating)
- Cleaning and sanitizing equipment/utensils
- Equipment, utensils, linens, water supply, plumbing, waste, and physical facilities
- Specific facility types (e.g., permanent facilities, mobile food facilities, temporary events, cottage food operations, certified farmers' markets)

In California, enforcement is primarily handled by local environmental health agencies. In Merced County, it is the Department of Environmental Health with the California Department of Public Health (CDPH), Food and Drug Branch, providing support, technical guidance and oversight.

Retail food facilities, like restaurants and schools, require a health permit to operate. They undergo regular inspections and pay fees to stay in compliance with the law. In Merced County, these are ranked by a points system and are categorized as either Good (0-6), Satisfactory (7-13), or Unsatisfactory (14+). Points received indicate that a factor is found to be out of compliance with regulations.

Under California law most food handlers must complete an approved food safety training course[4] and obtain a food handler card.[5] They must work under the supervision of someone who has obtained a Food Manager Certification.[6]

There are two particular requirements to note. Installations preparing and serving food on-site must comply with:

1. **The 3-Sink Rule:** separate tubs to wash/rinse/sanitize[7]
2. **Temperature Holding Ranges**
    - **Hot Holding**: Potentially hazardous foods must be held at 135°F or above to prevent bacterial growth. This applies to all foods reheated for hot holding, except for certain commercially processed, hermetically sealed foods, which may be held at 135°F or above after reheating.
    - **Cold Holding**: Potentially hazardous foods must be held at 41°F or below. This includes refrigerated foods and items stored in coolers or refrigerated display units.
    - **Temperature Danger Zone:** The range between 41°F and 135°F is considered the danger zone where bacteria grow rapidly. Foods must not remain in this range for more than two cumulative hours during preparation or service.

While all food vendors must be licensed by the local municipality, food safety inspections are managed by Merced County Department of Environmental Health. Their website reports food inspections that list over 1,000 food service providers who are required to pay annual fees and are subject to inspections by county personnel.[8] This is a significant task.

In recent years, the California State Legislature added another degree of complexity to the regulatory structure by creating a minimally regulated option for "cottage food" providers who typically produce home-baked goods for sale elsewhere. Also, "sidewalk vendors" selling pre-packaged goods outside were granted a degree of protection under SB 946, known as the *Safe Sidewalk Vending Act*.[9] This law protects such vendors from outright bans on their activities but does not absolve them of responsibility to comply with food safety regulations that apply to

other providers. Related follow-up legislation includes SB 972[10] which further eased health permitting for certain compact mobile food operations (e.g., no health permit needed for small prepackaged non-hazardous items, streamlined cart approvals, more prep location options).[11]

The problem with unpermitted pop-ups received minimal attention from media sources, save for one notable episode widely reported in the San Francisco Bay Area in May 2025. In Monterey County, the District Attorney reported: "Investigators have traced ownership of these stands to kingpins operating out of Merced County. Food sold at the stands in Monterey County is reportedly prepared in Merced and then transported over two hours all over the central coast, including Monterey, Santa Cruz, San Benito, and Santa Clara."[12] Officials say that there are no refrigerated units to maintain proper meat and condiment temperatures that could create dangerous pathogens like E. coli, salmonella and listeria.[13] The investigation dated back to September 2024 when Merced authorities say they had already found large-scale unsanitary food preparation sites in warehouses and garages.[14]

New reports from coastal areas re-emerged in February 2026. Monterey County officials reported numerous unlicensed vendors and stated they saw evidence of out-of-area origination for the vehicles involved in distribution that could be traced to Merced County.[15] Merced County Environmental Health stated that this is currently under investigation and some of the responsible parties have been identified.

METHODOLOGY

Merced County Civil Grand Jury members used extensive web searches as the initial basis for investigation after reviewing initial reports by local radio station KYOS, the Merced Sun-Star and Merced County Times newspapers. Jurors reviewed federal, state and local government sites regarding current laws and reports relevant to the issue. Merced City Council meetings[16] and Merced County Board of Supervisors meetings[17] provided important information to answer questions. Jurors made site visits to food truck and pop-up vendors to see them in operation.

Finally, MCCGJ emailed then interviewed the Merced County Environmental Health Department.

DISCUSSION

On August 28, 2025, TheMercedFocus.org published an article "Who gets to sell in Merced? City eyes new rules for street vendors".[18] Merced added to its municipal code in August 2021, and set fines for unpermitted vendors at $250 for a first offense, rising to as much as $1,000 for repeat violations. At the August 4, 2025 Merced City Council meeting, a subcommittee was established to review the code. The city does not have the authority to confiscate property or deny access to vacant lots or sidewalks. While customers expressed support for the street vendors, one councilmember stated, "A street vendor can pop up, and the perception is that they're free-riding on a market that somebody's paid to be a part of." Another city official said the issue was being reviewed by a countywide working group attempting to assess how to deal with multiple types of vendors ranging from street carts, sidewalk stands, taco trucks, and pop-ups. Merced Police reported receiving many complaints about vendors taking over vacant lots, food being prepared in unsafe conditions, and cited liability issues and health safety as concerns. One councilmember spoke in support of vendors located away from retail centers, making it easier for residents to access food. Another councilmember said while there were already regulations for food trucks, street and sidewalk vendors must be permitted as well but advocated for a means of simplifying the process of getting permitted. Another councilmember cited an effort by Fresno city holding a "one-stop shop" event for prospective vendors. There was a brief discussion about drafting a revised ordinance that could be considered when the council meets in October.

On October 20, 2025, a Merced County Supervisor spoke at the City of Merced Council meeting to assure them that the county was addressing the issue. The council did not modify the municipal code added in August 2021, assigning it to be studied by a subcommittee for possible action at a later date.

On October 21, 2025 at the Merced County Board of Supervisors meeting, the Merced County Department of Environmental Health gave a presentation titled: “Unpermitted Food Vendor Update” about what the county was doing with the unpermitted vendors. County personnel had already executed a number of "sweeps" backed up by county and municipal law enforcement, confiscated vendor equipment from unpermitted vendors and written citations against numerous operations. The county initiated cooperative relationships with municipal law enforcement agencies in order to monitor and prevent vendors from shutting down in one location and moving over to an adjacent city. The Department of Environmental Health recognized the seriousness of the issue and had already commenced a procedure to hire additional inspection personnel.

On December 19, 2025, Merced County Civil Grand Jury members met with Merced County Environmental Health personnel to inquire about the current status of the department’s inspection efforts. Jurors learned that out of 24 employees, 14 were full-time on-site inspectors and plans were in progress to hire two more inspectors. Anticipating the issues of weekend and nighttime pop-up operations, the department had assigned personnel to work on an "on-call" basis in order to be able to respond to reports from law enforcement that a violation of health regulations was in progress. At the meeting, Merced County Environmental Health Department personnel presented colored postcards “How to Spot Unpermitted Food Vendors” with tips on how to spot and report vendors in question. The postcard has two "QR" codes, one for how to get permitted and the other a complaint form. These postcards are being distributed at local street fairs and other events where Environmental Health Department personnel are present. The postcards are also available at many regulated food businesses throughout Merced County. (See figures 1 and 2 on the next page)

Figure 1: postcard front

Figure 2: postcard back

On January 13, 2026, Merced County Environmental Health personnel addressed the Merced County Board of Supervisors. They reported that the two additional inspectors were hired, trained and were on the job. For the Fiscal Year 2025-26, 40 coordinated operations and sweeps were planned and 13 have been completed. $52,000 in fines was levied and a large amount of equipment that was in the possession of unpermitted vendors was confiscated**.** The operators can get their equipment back if they pay the fines. First-time violators must pay the established vendor fee of $780 and then double or triple damages for additional violations. Pictures of illegal foods and equipment were displayed at the meeting.

As of early 2026, Merced City has two sites available for food vendors. Downtown Grubs is at the intersection of Martin Luther King Way and 16th Street which has covered table seating. Valley Eats is adjacent to the intersection of Highway 59 and West Olive Avenue which includes a picnic area and restroom facilities. Both offer vendor parking and set up. (See figure 3 below and figure 4 on the next page)

Figure 3: photo of Downtown Grubs on Martin Luther King Way and 16th Street
Photo credit Mark Talmant

Figure 4: photo of Valley Eats on Hwy 59 and W. Olive Avenue
Photo credit Mark Talmant

As of May 19, 2026, the Merced City Council Subcommittee reviewing the municipal code[19] regarding street vendors has suggested changes. They have yet to be acted upon.

FINDINGS

F1. The emergence of unpermitted food vendors in Merced County has strained the County Department of Environmental Health inspectors already fully engaged with enforcing regulations on permitted food vendors. The Merced County Department of Environmental Health has demonstrated responsibility by adding two new employees and scheduling inspectors to work after hours and weekends with law enforcement to target food vendor violators. The problem is ongoing and it will require continued vigilance.

F2. The re-emergence of reports regarding prepared foods being transported for sale by unpermitted food vendors to sites outside Merced County highlights the ongoing threat to public health.

RECOMMENDATIONS

R1. Bring more awareness by publicizing and distributing the "How to Spot Unpermitted Food Vendors" postcards from the Merced County Department of Environmental Health to a wider audience. In addition to having the postcards available at local street fairs and events, any food preparation classes, including schools, need to be included.

R2. Display the postcards on all local government channels, such as 96 on the Xfinity lineup, social media pages and websites.

REQUEST FOR RESPONSES

Pursuant to Penal Code Section 933.05, the grand jury requests responses as follows:

From the following individuals:

- Merced County Department of Environmental Health respond to R1 and R2 within 90 days of receipt of this report.

FOOTNOTES

1. https://www.cdc.gov/food-safety/php/data-research/foodborne-illness-burden/
2. https://www.cdc.gov/han/2023/han00486.html
3. https://www.cdph.ca.gov/Programs/CEH/DFDCS/Pages/FDBPrograms/FoodSafetyProgram/RetailFoodProgram.aspx
4. https://www.foodhandlersguide.com/food-and-beverage/food-safety-law-compliance-in-california/
5. https://www.countyofmerced.com/DocumentCenter/View/10294/California-Food-Handler-Card---updated---2014-09-16?bidId=
6. https://www.countyofmerced.com/DocumentCenter/View/36412/Food-Safety-Professionals-List-?bidId=
7. https://www.servsafe.com/ServSafe/media/ServSafe/Documents/Clean-and-Sanitize-in-a-Three-Compartment-Sink.pdf
8. http://apps.co.merced.ca.us/PublicApplets/pages/FoodInspect/FoodInspect.aspx

9. https://serviam.law/news-sidewalk-vending-regulation-enforcement-in-california
10. https://legalclarity.org/california-sb-972-sidewalk-vending-law-and-rules/
11. castreetvendors.org
12. https://kioncentralcoast.com/news/local-news/2025/05/23/merced-kingpins-on-the-central-coast-involved-in-an-unlawful-food-enterprise-das-office
13. https://www.countyofmonterey.gov/Home/Components/News/News/11379/
14. https://www.sfgate.com/news/bayarea/article/authorities-warn-of-unpermitted-food-stands-20344009.php
15. Chown, J. (2026, February 15). *Merced group behind illegal Taco Vendors*. TPG Online Daily. https://tpgonlinedaily.com/merced-group-behind-illegal-taco-vendors/
16. https://cityofmerced.legistar.com/Calendar.aspx
17. https://www.countyofmerced.com/4157/Board-Archive-2025
18. https://themercedfocus.org/merced-eyes-new-rules-for-street-vendors/
19. https://cityofmerced.legistar.com/LegislationDetail.aspx?ID=5079373&GUID=26A99E79-71DE-47D0-8A77-B43B059ABB0B

DISCLAIMER

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City of Atwater, Where Are the Funds?

SUMMARY

The Merced County Civil Grand Jury (MCCGJ) investigated a complaint regarding developer funds paid to the City of Atwater. The complaint claims the City of Atwater received funds from the developers of the Applegate Ranch Commercial Development and the Atwater Market Place Shopping Center to underground two canals before construction of each development could begin.

The Merced Irrigation District (MID), in a recorded Agreement with the City of Atwater, had previously mandated that the canals adjacent to the properties to be developed, would need to be placed underground prior to any development taking place. Ultimately, MID allowed the development to take place prior to these canals being placed underground, with the stipulation that the developers of the remaining parcels pay their share of the cost to the City of Atwater to complete the undergrounding work on the canals when all the parcels were developed.

The complaint raises the concern that the funds paid to the City of Atwater were not earmarked for their intended purpose to underground the canals, and the funds may not be available when the other parcels are developed and the undergrounding will take place.

BACKGROUND

An anonymous complaint was received by the Merced County Civil Grand Jury (MCCGJ) claiming the City of Atwater received funds from two different developers to underground the Atwater Drain and Atwater Canal in compliance with the recorded Agreement between MID and the City of Atwater. The developments are in two different areas of the City of Atwater and both touch two MID lateral canals. The Agreement stipulates the canal work would not occur until the development of the neighboring adjacent parcels, which also bear partial financial responsibility of the undergrounding. To date the adjacent parcels have not been developed.

The Atwater Market Place Shopping Center developer issued a check as per the stipulation of the Agreement with the City of Atwater and MID, but the City of Atwater was not able to produce the documentation for receipt of these funds.

A letter dated May 20, 2010 to Applegate Ranch LLC from the City of Atwater, the Applegate Ranch development was allowed to proceed without undergrounding the canal as long as their portion of the payment was made. The Applegate Ranch Commercial Center developer issued a check in the amount of $725,000.00 as per the Agreement, and it was deposited into the City of Atwater General Fund in 2010.

The complaint claims that the funds were mismanaged and misappropriated to other budget areas.

METHODOLOGY

The MCCGJ requested documentation from the City of Atwater for any and all records regarding the undergrounding of the lateral canals. MCCGJ interviewed staff from the Atwater City Manager's Office and requested explicit documentation detailing where the developer funds resided and the exact dollar amount. The MCCGJ also requested any correspondence with MID regarding future plans of the Atwater Drain and Atwater Canal undergrounding.

DISCUSSION

In 2006 the Atwater Marketplace Shopping Center developer entered into an agreement with the City of Atwater and MID (Resolution CC No. 2094-05, item 23 F.) to pay a portion of the cost to underground the Atwater Canal adjacent to Fruitland Avenue. The developer issued a check before beginning construction, but no documentation and no receipt of funds was provided by the Atwater City Manager's Office and the developer was unresponsive in returning calls by the MCCGJ. Their check was issued approximately 20 years ago, which may have contributed to the difficulty in locating the documentation.

On June 22, 2010 a check was issued by Fidelity National Title Company on behalf of Applegate Ranch Commercial Center developer for $725,000.00 to the City of Atwater for their portion of the undergrounding of Atwater Drain which runs from Commerce Avenue along the property boundary. The funds were deposited on June 23, 2010 into the City of Atwater General Fund Account as "Other Revenue #0001-0000-6091."

The Applegate Ranch Commercial Center deposit was not earmarked or attributed to a dedicated line item to insure monies were not spent for other purposes. When asked about the specific whereabouts of the funds, the City Manager's Office could only point to the General Fund and assert it was "in there". There is no documentation that the funds have not been spent, and there is no accounting documentation that the City of Atwater has a financial obligation to underground the canals.

The adjacent parcels to both the Applegate Ranch Commercial Center and the Atwater Market Place Shopping Center have not been developed.

According to the Governmental Accounting Standards Board (GASB), it strongly supports keeping restricted revenues in a special revenue fund and not in a general fund account. The practical standard for cities is to answer these three questions:

1. Where did the money come from?
2. What legal restrictions apply?
3. Can you prove it was spent only on those purposes?

If these questions cannot be answered from the accounting records, it is considered a red flag. Given these accepted standards, were the developer funds meant to underground the canals mismanaged or misappropriated?

FINDINGS

F1. The City of Atwater failed to show that the funds received from the developers for undergrounding the canals as obligated by the Agreement with the City of Atwater and MID are retained for that purpose.

F2. The City of Atwater is unable to provide documentation of the check received from the developer of the Atwater Market Place Shopping Center, so the City of Atwater is unable to determine the amount of its obligation for the Atwater Canal undergrounding.

F3. As recommended by the GASB standards, there is no dedicated account earmarking the funds meant for the undergrounding of the Atwater Drain and the Atwater Canal.

RECOMMENDATIONS

R1. The Atwater City Manager and the Finance Director should place the $725,000 received from the Applegate Ranch Shopping Center developer into a dedicated account earmarked for the completion of the undergrounding of the Atwater Drain before the end of the 2026 calendar year.

R2. Procedural improvements need to be made to ensure funds received for specific purposes and obligations are clearly specified by a dedicated line item in the City Budget eliminating the possibility of comingling funds before the end of the calendar year 2026.

R3. Proper training for budgeting specialized funds, using the GASB standard, needs to be put in place for current and future Finance Department employees before the end of the calendar year 2026.

R4. Independent third party auditing is recommended for all transactions relating to the undergrounding of the canals; and specifically to the funds paid by the Atwater Market Place Shopping Center developer before the end of the fiscal year 2026-2027.

REQUIRED RESPONSES

The following responses are required, pursuant to Penal Code sections 933 and 933.05:

- Atwater City Council respond to F1, F2, F3 and R1, R2, R3, R4 within 90 days of receipt of this report.

INVITED RESPONSES

- Atwater City Manager respond to F1, F2, F3 and R1, R2, R3, R4 within 60 days of receipt of this report.
- Atwater Finance Director respond to F1, F2, F3 and R1, R2, R3, R4 within 60 days of receipt of this report.
- Atwater City Treasurer respond to F1, F2, F3 and R1, R2, R3, R4 within 60 days of receipt of this report.

DISCLAIMER

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

Merced County Civil Grand Jury

2025-2026

Compliance and Continuity Report

Response Compliance Report

SUMMARY

The Merced County Civil Grand Jury (MCCGJ) is a group of volunteer citizens who, over the course of a one-year term, are tasked with investigating the operations of local government including county government departments and agencies, joint powers authorities, special districts, and school districts. The MCCGJ conducts multiple investigations, many based on public complaints. The MCCGJ must also, by statute, inspect local detention facilities each term.

Governing boards of local government entities and elected county officials are required by law to respond to the findings and recommendations in Grand Jury reports that the Grand Jury directs to them. The responses must be submitted to the superior court within required timeframes and must include wording required by penal code.

This Compliance and Continuity Report is a follow-up to the 2024-2025 Merced County Civil Grand Jury Report and outlines whether the mandated responses of the boards and elected county officials complied with the timelines required by law.

BACKGROUND

Reponses to Grand Jury reports must comply with California Penal Code sections 933 and 933.05. Governing bodies of public agencies are required to respond to the judge no later than 90 days after the Civil Grand Jury submits a final report.
Department heads are required to respond within 60 days of the final report.
For each finding, required respondents must state whether they agree or disagree.
If a respondent disagrees, the response must identify the portion of the finding in dispute and explain the reasons for the disagreement.

For each recommendation, respondents must choose one of the following four responses:

1. That the recommendation has been implemented, with a summary of the actions taken; or
2. That it will be implemented within a specified timeframe; or
3. That the recommendation requires further analysis, with an explanation, the scope of the analysis, and a timeframe for consideration by the respondent (not to exceed six months from issuance of the report); or
4. That the recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation. (PC §933.05(a)(1)-(4).)

The 2024-2025 MCCGJ issued a report during its term from July 2024 through June 2025. Responses to the reports fully comply with the law. This Response Compliance Report focuses on the following inspections and reports on three detention facilities in Merced County:

- Iris Garrett Juvenile Correctional Complex (IGJCC)
- John Latorraca Correctional Center (JLCC)
- Merced County Sheriff's Department Main Jail

Required respondents for these reports included the Merced County Board of Supervisors and the Merced County Sheriff.

This report does not evaluate the merit of any disagreements expressed by any respondents. It addresses only whether the responses complied with legal requirements.

METHODOLOGY

The 2025-2026 MCCGJ reviewed responses to the 2024-2025 Civil Grand Jury Report and the findings and recommendations to determine their compliance with Penal Code sections 933 and 933.05. The jury used the following criteria:

1. **Timeframe**: Were responses submitted to the judge within the time required by the law?

2. **Findings**: Did the governing board or elected county official state agreement or disagreement with each finding? If there was disagreement, did they explain the reason for the disagreement?
3. **Recommendations**: Did each response fulfill the language required by the penal code?

FINDINGS

Merced County Main Jail and John Latorraca Correctional Center (JLCC)

F1. The Merced County Sheriff's Main Jail has been out of compliance with maintaining staffing levels specified by California Title 15, Section 1027 along with staff shortages in the Merced County Sheriff's Department.

Response: The Merced County Sheriff reports that they are working in conjunction with Merced County Human Resources Department to actively recruit qualified applicants. The Board of Supervisors has approved a series of pay increases designed to strengthen recruitment and retention, following compensation studies conducted by Merced County. The Sheriff's office responded that the current staffing level is at a level to maintain safety and security of incarcerated persons and staff having been evaluated by the Board of State and Community Corrections.

F2. Lack of general maintenance and directional signage

Response: Both Merced County Sheriff and Board of Supervisors responded that deferred maintenance of both facilities is being addressed by the construction of a new JLCC remodel and expansion project which will improve security and infrastructure needs. While the Main County Jail is maintained by the Merced County Department of Public Works, staff shortages have also negatively affected the continued maintenance issues.

Iris Garrett Juvenile Justice Complex (IGJJC)

F1. Lack of clear identifying and directional signage.

Response: The Board of Supervisors will work with the Probation Department, who operates the facility, to design and develop permanent signage. The Department of Public Works will assist with the installation of the signs.

F2. Obtaining community service opportunities for released youth remain challenging.

Response: None

REQUIRED RESPONSES

Responses must be submitted to the presiding judge of the Merced County Superior Court as required by Penal Code section 933.05. Responses must include the information required by Penal Code section 933.05.

Responses were received within a timely manner and in language required by the penal code for the mandatory inspections and reports issued by the 2024-2025 MCCGJ.

Merced County Courthouse Museum