

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY

Regular Meeting – January 17, 2017
5:30 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 5:31 p.m.

The invocation was led by Reverend Robert Hellam.

The Pledge of Allegiance was led by Police Chief Brian Ferrante.

Present: Council Member Blackwelder
Council Member Carbone
Council Member Hubler
Council Member Kruper
Mayor Pendergrass

Staff: Todd Bodem, City Administrator
Jim Heisinger, City Attorney
Leon Gomez, City Engineer
Brian Ferrante, Police Chief
Connie Horca, Deputy City Clerk

AGENDA ITEM 4, COMMUNICATIONS

A. Written communication distributed to the Council was an updated appointments list (Agenda item 5E).

B. Oral

5:34 P.M. Floor opened for Public Comment.

Dan Nelson from Monterey Bay Community Power (MBCP) commented that MBCP is an energy choice program launched by the Tri-County Region. Sand City is one of 2 jurisdictions who have not yet conducted a study session. Final voting will be held at the end of February. As an environmentalist, it would be good to have the public weigh in and the City Council can make a decision based upon public sentiment. He has 25 petitioned signatures by residents within the City requesting a Study Session. Pamphlets with more information were handed out previously. This information can also be emailed if desired. The specific request is to agendize this item at a future Council meeting.

Denise Fishmont, President of Communities for Sustainable Monterey County (CSMC), commented that CSMC is an organization composed of 8 local action groups and spans the area from Big Sur to North Monterey County. Their mission is to assist organizations to transition to sustainable practices. The organization has endorsed and supported Community Choice Energy. She concluded her comment by encouraging the Council to implement a Community Choice Energy program.

Sydney Harper, a Sand City resident, encouraged the Council to explore the feasibility study for this energy alternative. It is an interesting idea, would like to learn more about it, and would like the City to consider pursuing it.

Kelly Morgan, a Sand City resident, urged the Council to schedule a study session regarding this matter so that residents can evaluate whether it is suitable for Sand City to participate in.

Kahan Godshi, a Sand City resident, commented that MBCP is offering to educate the public and it would be something for the Council to consider.

Elizabeth Sofer, a Sand City resident, thanked the Council and commented that the information may be pertinent to our lives. It would be a good idea to receive further education on the program. Sand City has always been involved in the cutting edge of new technology and it is exciting to have resources available.

John Martinez, a City of Gonzales resident, commented that there are other cities participating in the program. It provides additional revenue to the cities without raising taxes. It would involve local control, investment, and input. The plan would allow the City to create something that is proven to work as well as generating additional revenue.

Kathryn Crocket, Chair of Sustainable Seaside, an organization of 600 individuals commented that the MBCP model was adopted by the Seaside City Council, is a partnership with P.G. & E., and allows for local control and energy sources we use. Upon implementation, sustainable energy would go from 30 to 60%, and additional surplus energy would be invested back into the community. Other counties and cities are also considering this model.

Robert Gunn, a Pacific Grove architect, commented that the program's goal is to have all the counties participate and to be 100% renewable energy compliant. He encouraged the Council to take a look at what the program offers.

Mayor Pendergrass commented that the desalination plant recycles 60% of its energy. The City has a good start and the plant is a proven model of sustainable energy. He thanked the public for their comments.

5:51 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

Agenda item 5E was pulled from the consent calendar for additional changes per the Mayor's request. A motion to approve all agenda items will be made following consideration of Agenda item 5E.

- A. Conditional Use Permits (CUP) and Coastal Development Permits (CDP) are subject to annual review by the City Council and City staff. Upon review of each of the following Use Permits, staff is recommending continued operation of the Use Permits to the City Council based on the finding that these uses are in compliance with their permits. There was no discussion of the following use permits.
 - (1) CUP #110, Solis Automotive (Auto Body), 531 Shasta Avenue
 - (2) CUP #179, Roy Hubbard (2nd Floor Residential), 542 Ortiz Avenue
 - (3) CUP #191, Lifeline Food (Food Process) 426 Orange Avenue
 - (4) CUP #238, Just Andy Auto Repair (Auto Repair), 465-A Olympia Avenue
 - (5) CUP #344, Thomas Felix (Residential Unit), 672-A Dias Avenue
 - (6) CUP #375, J&D Auto (Auto Repair), 1695 Contra Cost
- B. There was no discussion of the December 20, 2016 Sand City Council Meeting Minutes.
- C. There was no discussion of the Public Works Monthly Report, December 2016.
- D. There was no discussion of the Police Department Monthly Report, December 2016 and Annual Report for 2016.
- E. Approval of the City **Resolution** continuing and updating the Appointments to Various Local and Regional Agencies and Boards, effective January 1, 2017 was pulled for further discussion under agenda item 6.
- F. There was no discussion of the City **Resolution** making Re-Appointments of Andy Briant and Greg Hawthorne to the Sand City Design Review Committee until January of 2019 (Briant & Hawthorne).
- G. There was no discussion of the City **Resolution** approving Time Extensions to April 30, 2017 of Multiple Conditional Use Permits (CUPs 450, 503, 508, 527, 532, 540, 541, 576, 578, 588, 589, 590, 594 & 595) and CDP 14-01 and 15-02 to continue as Interim Uses at their respective locations within the South of Tioga Area.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Agenda Item 5E. The Mayor confirmed the appointment of Council Member Todd Kruper to the MCCVB Advisory Council, and the MPWMD Ordinance 152 Oversight Panel. Council Member Kruper accepted the appointments. He also clarified the appointment of Council Member Hubler's designation as Acting Chair to the Sand City Arts Committee. Council Member Hubler accepted the appointment.

Motion to approve the Consent Calendar items A-D, F-G, and changes to item 5E as described, was made by Council Member Kruper, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 7, OLD BUSINESS

A. Progress report on Public Works projects, South of Tioga Redevelopment project, Coastal projects, and other Sand City community programs by City Engineer/Community Development Director/City Administrator

City Engineer Leon Gomez reported that the desalination plant produced 14 acre feet of water and the plant is currently operable. The City Administrator added that it was inoperable due to turbidity so Cal-Am had to conduct a 'clean in place' (CIP).

There was Council discussion regarding the history of the desalination plants annual production amounts, whether it was meeting production goals of 300 acre feet annually, and possible future construction of new wells. The Mayor further explained several causes of production limits that involved the wells, turbidity, and dirt that appeared in the aquifer. The plant is producing more than what is being used and does produce above the monthly goals on certain months. The drought that lasted several years had also contributed to low production numbers.

City Administrator Todd Bodem reported that the recommendation for construction of new wells will be reviewed by the California Coastal Commission.

The City Engineer also reported that the Water Board is offering a Proposition 1 Technical Assistant grant fund to small disadvantaged communities to develop and identify high priority Stormwater Management projects in their municipalities. They conducted research on Sand City and it appears that we are eligible due to our population, medium income, and coastal location. The grant funding is for technical assistance to develop a project that would be Stormwater related, is a one page application, and only available to cities that meet the above criteria.

The encroachment permit was issued to Benchmark Communities, the developer for the Phase II Bungalows construction project. Staff advised the developer to be aware of the conditional use approval, proposed hours of construction, and to maintain road cleanliness. The Porsche site improvement plans have been approved and signed by Staff. The first submittal review for the Stepanek mixed-

use project plans have been provided to the applicant. Staff is currently working with EMC Planning Group for the Cal-Trans requests of the City's GIS street lengths as part of their state mandated linear system. Staff will be meeting with DBO development regarding the sewer lift station and future plans for the station.

There was Council discussion regarding the recent winter storms and the flooding that occurred on Ortiz Avenue, causing the loss of heat to Council Member Blackwelder's home and surrounding businesses, and what can be done to assuage further flooding in the area, the possibility of filing a claim, and researching the outflow of the drains on Ortiz Avenue. The City Attorney suggested that a possible Stormwater project would be to find a solution to disconnect Sand City's storm drain from Seaside's. This would be a possible request for grant funds for technical assistance in finding a solution to the flooding within the City that occurs during heavy storms.

AGENDA ITEM 8, NEW BUSINESS

A. Consideration of Successor Agency RESOLUTION Authorizing a Financial Consulting Agreement with HdL Coren & Cone in an amount not to exceed \$6,000

City Administrator Todd Bodem commented that Staff realized the complexity of continuing disclosure for bond issues. The City has worked with Annette Yee, and with Cheryl Murase from HdL on several reports. Staff is recommending the continuation of Cheryl's services for bond disclosure reports, and approval of the attached resolution to approve a financial services agreement with HdL.

Motion to approve the Successor Agency **Resolution by title**, authorizing a Financial Consulting Agreement with HdL Coren & Cone in an amount not to exceed \$6,000 was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

B. Consideration of Successor Agency RESOLUTION Approving an Administrative Budget for Fiscal Year July 2017 through June 2018

City Administrator Todd Bodem reported that the attached Successor Agency budget is requesting \$125,000 for the 2017-2018 fiscal year. There is a slight decrease from the previous year's budget. Staff expects the budget to decrease over time as Staff's workload will continue to decrease as the wind-down of the Successor Agency continues.

Motion to approve the Successor Agency **Resolution by title**, approving an Administrative Budget for Fiscal Year July 2017 through June 2018 was made by Agency Member Carbone, seconded by Agency Member Blackwelder. AYES: Agency Members Blackwelder, Carbone, Hubler,

Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Consideration of Successor Agency RESOLUTION Approving the Recognized Obligation Payment Schedule (ROPS) for July 2017 through June 2018 (ROPS 17-18A and ROPS 17-18B)

City Administrator Bodem provided an itemized amount of each line item of the Recognized Obligation Payment Schedule (ROPS) of payments requested for the 2008A and 2008B Bonds, Successor Agency Administrative costs, and the Tax Sharing Agreement. There was no amount reflect for the SERAF obligation due to lack of funds. The total amount is divided into two payments as depicted under the ROPS 17-18A and ROPS17-18B.

City Attorney Jim Heisinger added that the SERAF obligation of approximately \$401,000 and \$110,000 will have limitations and is based on a formula that takes property tax revenues into account. City Administrator Todd Bodem clarified the amount of the repayment of the monetary loan that was calculated at a 3% interest rate. If and when City projects are completed, it would allow for more property tax revenue to allow the outstanding obligations to be paid off sooner.

Motion to approve the Successor Agency **Resolution by title**, approving the Recognized Obligation Payment Schedule (ROPS) for July 2017 through June 2018 (ROPS 17-18A and ROPS 17-18B) was made by Agency Member Kruper, seconded by Agency Member Carbone. AYES: Agency Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

D. Upcoming Meetings/Events

1) Confirmation of Future Dates for 2017 Sand City Events

There was consensus of the Council approving the 2017 dates for Sand City Events. There were no RSVP's from the Council. The Mayor reminded the Council of the upcoming Monterey Peninsula Chamber luncheon next Thursday.

AGENDA ITEM 9, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council Member Kruper to the next regularly scheduled Council meeting on Tuesday, February 7, 2017 at 5:30 p.m. There was consensus of the Council to adjourn the meeting at 6:32 p.m.

Connie Horca, Deputy City Clerk

