

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

Regular Meeting – October 16, 2018
5:30 P.M.
CITY COUNCIL CHAMBERS

Mayor Carbone opened the meeting at 5:30 p.m.

Invocation was led by Reverend Robert Hellam.

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

Present: Mayor Mary Ann Carbone
Vice Mayor Blackwelder
Council Member Hubler
Council Member Hawthorne

Staff: Vibeke Norgaard, City Attorney
Leon Gomez, City Engineer
Brian Ferrante, Police Chief
Charles Pooler, City Planner
Connie Horca, Deputy City Clerk/Admin. Assistant
Shelby Gorman, Administrative Assistant

AGENDA ITEM 4, ANNOUNCEMENTS BY MAYOR AND CITY ADMINISTRATOR

The Mayor announced that she has her Mayor's report available, handouts from Community Bay Power, additional information for Agenda item 9A and a list of conflicts for tonight's meeting.

AGENDA ITEM 5, PUBLIC COMMENT

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

Jody Hansen, President and CEO of Monterey Peninsula Chamber commented on Measure J and petitioned Sand City residents to consider voting NO on the Measure. If the Measure passed, it would require the Monterey Peninsula Water Management District to conduct a feasibility study before moving forward with a take-over of Cal-Am. The business community's primary concern is that Cal-Am is not for sale, and hopes that people will closely review the Measure and vote No.

5:36 P.M. Floor closed to Public Comment.

AGENDA ITEM 6, CONSENT CALENDAR

Agenda item 6A(1) was pulled from the consent calendar for separate action, as well as Agenda item 6F to make a correction on a typographical error. These items will be considered under agenda item 7.

- 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 #413, Taylor & Shelby Hawthorne (glass & metal), 460 Elder Avenue {This item was pulled from the Consent Calendar for separate action}
 - (2) CUP #501, Sylvan Design (art studio), 613-A Ortiz Avenue
 - (3) CUP #555/CDP 12-07, Peninsula Hydronics (contractor) 2 John Street #A
 - (4) CDP #95-09, Slakey Brothers (warehouse), 321 Orange Avenue
 - (5) CUP #584, Groundworks Renewables (office), 433 Orange Avenue
- B. There was no discussion of the Sand City Council Special Meeting Minutes, September 27, 2018.
- C. There was no discussion of the Sand City Council Meeting Minutes, October 2, 2018.
- D. There was no discussion of the Police Department Monthly Report, September 2018.
- E. There was no discussion of the Public Works Monthly Report, September 2018.
- F. Approval of City **Resolution** approving Time Extensions to January 31, 2019 of Multiple Conditional Use Permits (CUPs 450, 508, 527, 532, 540, 541, 548, 576, 578, 588, 590, 594, 595, 598 & 599) and CDP 14-01 and 15-02 to continue as Interim Uses at their respective locations within the South of Tioga Area. (This item was pulled from the Consent Calendar for separate action).
- G. There was no discussion of the City/Successor Agency Monthly Financial Report, August 2018.
- H. There was no discussion of the City **Resolution** ratifying the Terms of Separation Agreement with Former City Administrator.
- I. There was no discussion of the City **Resolution** adopting New Salary for City Planner, Deputy City Clerk/Administrative Assistant, Maintenance Worker II,

Create New Classification and Set Salary for Finance/Human Resources Specialist, and Create New Classification and Set Salary for Maintenance Worker III and Rescinding Resolution SC 18-87, 2018.

- J. There was no discussion of the City Donation/Contribution to the Salvation Army Thanksgiving Meals for \$300.

Motion to approve Consent Calendar items 6A (2-5), 6B-E and 6G-J was made by Council Member Hawthorne, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hawthorne, Hubler. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Agenda Item 6F. Approval of City **Resolution** approving Time Extensions to January 31, 2019 of Multiple Conditional Use Permits (CUPs 450, 508, 527, 532, 540, 541, 548, 576, 578, 588, 590, 594, 595, 598 & 599) and CDP 14-01 and 15-02 to continue as Interim Uses at their respective locations within the South of Tioga Area.

City Planner Pooler commented that on page 39 of Agenda item 6F, the third 'WHEREAS' needs to correct the date from July to October.

Motion to approve the City **Resolution with amendments**, approving Time Extensions to January 31, 2019 of Multiple Conditional Use Permits (CUPs 450, 508, 527, 532, 540, 541, 548, 576, 578, 588, 590, 594, 595, 598 & 599) and CDP 14-01 and 15-02 to continue as Interim Uses at their respective locations within the South of Tioga Area was made by Council Member Hubler, seconded by Council Member Hawthorne. AYES: Council Members Blackwelder, Carbone, Hawthorne, Hubler. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

{Council Member Hawthorne stepped down from the dais due to a possible conflict of interest with agenda item 6A(1)}

Agenda item 6A(1) CUP #413, Taylor & Shelby Hawthorne (glass & metal), 460 Elder Avenue. There was no discussion regarding the renewal of the use permit.

Motion to approve the renewal of CUP #413, Taylor & Shelby Hawthorne (glass & metal), 460 Elder Avenue was made by Council Member Blackwelder seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler. NOES: None. ABSENT: None. ABSTAIN: Council Member Hawthorne.

{Council Member Hawthorne returned to the dais}

AGENDA ITEM 8, PRESENTATIONS

- A. **Presentation by Sand City Target Store to the Sand City Police**

Department for their Valued Support

Christopher Dooley representing Target Store in Sand City presented a Certificate of Appreciation to the Police Department for their continued service and support as well as their diligence in helping to reduce theft in the store. The officers were instrumental in saving the store approximately \$250,000 in operational loss. He thanked the Chief, Commander, Sergeants, and Officers present and expressed his gratitude on behalf of Target and its employees. The Mayor acknowledged the Sand City Police Department on their outstanding job reducing theft and for receiving the award.

B. Presentation by Marc Adato, Community Outreach & Special Events Coordinator of Monterey Bay Community Power regarding update on the Future of Carbon Free Energy {10 minutes}

Mark Adato Community Outreach Coordinator representing Monterey Bay Community Power (MBCP) presented an update on the status and activities of MBCP. He explained the company's growth since the inception of the JPA, MBCP, and 16 other cities beginning in 2013 to the present. MBCP acquires electricity in the wholesale market and sells to businesses and residents in the Monterey Bay region and provide sources of carbon-free electricity to its customers. In response to the 2002 energy crisis, Mr. Adato summarized that MBCP is different because as a new default service provider they offer customer choice with rebates and carbon free/renewable energy sources, local control and accountability, local benefits. He pointed out that the highlights of their Outreach Update included 170 MBprime enrollments, 135 presentations and events, and formation of a partnership with Univision on Agricultural Worker Education. The 2017-2018 Fiscal Year accomplishments included the reduction of greenhouse gas (GHG) emissions, providing electric power, and other forms of energy to customers at affordable rates along with a 3% rebate, stimulating and sustaining the local economy through local job creation, and MBCP's support of PG&E's Moss Landing Battery Storage Project. Mr. Adato concluded his presentation to report on MBCP's future efforts to provide ongoing customer care and support, educational and marketing outreach, and also reported on various transportation and building electrification programs.

The Mayor thanked Mr. Adato for the presentation and expressed her approval of how MBCP has allocated their funds.

AGENDA ITEM 9, PUBLIC HEARINGS

The Mayor announced that a straw draw would be conducted regarding the next item. City Attorney Norgaard explained that since the resignation of Council Member McDaniel a straw draw between the conflicted Council Members would allow for one Council Member to sit so that a quorum can be present.

Attorney Hugo Gerstl commented that two Council Members have recused themselves regarding the item at a previous meeting. This situation appears to be a rush to justice/injustice when we are three weeks away from the election with the possibility that a new group of administrative people would sit on the Council and may not have a conflict. He was advised of the rules regarding this item, and under these circumstances those that have recused themselves should stay recused. The City risks condemning 20 parking spaces and the quiet enjoyment of property when it should not even be the City's concern. It should be between the landlord and tenant. The City should not be involved and three weeks until the election should not prejudice anyone. The straw draw is procedurally dangerous and invites a lawsuit that can be easily avoided. He respectfully requested that the Council members remain recused and that this matter be postponed until the week following the election.

Ms. Norgaard explained to the Council that this procedure may be legally used and is a policy decision that will be up to the Council to decide. The elections occur on November 6th, and the County Clerk has 4 weeks to certify the results of the election. New Council Members are sworn in early December. The Council may move ahead should they decide to do so.

Following the straw draw Council Member Hawthorne commented that there is no need to keep continuing this item and that a wise decision should be made by the Council. He recused himself and stepped down from the dais. Council Member Blackwelder confirmed that he has reviewed the materials regarding the agenda item and listened to the recording of the previous meeting.

A. Consideration of City RESOLUTION Approving Conditional Use Permit 18-03 for Camp Transformation authorizing a Fitness Training Facility with Accessory Office at 325 Elder Avenue (This item continued from the October 2, 2018 Council meeting)

City Planner Charles Pooler summarized what was presented to the Council at the October 2, 2018 Council meeting and provided an addendum to address discussion from that meeting. The addendum specified permit condition modifications regarding hours of operation, closing up walls between units, the installation of some form of acoustical insulation, and performance of the Camp Transformation patron parking/commuting survey. Staff amended Conditions 3 and 5 of the permit based on the October 2, 2018 discussion. The applicant further contacted Staff and requested that he be allowed to have office hours between 10:00 a.m. to 5:00 p.m. to conduct client sign-ups and orientation. This would not be for conducting classes or other exercise activities. Staff recommends Condition 3 be further amended to allow this request by adding the language following the last sentence to read: *Office activity and customer sign-ups and orientation on-site by the Applicant may extend beyond the aforementioned hours/days, provided that the*

Applicant's unit is not conducting any exercise activities.

To address the walls and insulation, Condition 5 was amended to add language to read: *Any and all wall openings between the Applicant's unit and the other units of this building shall be closed off with acoustical insulation, of a type sufficient to minimize (not necessarily eliminate) excessive noise impact upon neighboring units of this building, installed in/on the walls of the Applicant's unit. The method of acoustical insulation shall be determined by an acoustical engineer with a copy of the acoustical engineer's report submitted to the City.*

In regards to the parking and patron survey, Shelby Gorman, the City's Administrative Assistance performed a parking survey of Camp Transformation on Friday, October 5, 2018 that collected data on arrival and departure times, mode of transportation, where they parked, how many people car pooled, and how many times a week patron's frequented the gym. Class times are currently 5:00 a.m., 6:00 a.m., 8:00 a.m., and 9:00 a.m. for the mornings, and 5:00 p.m., 6:00 p.m., and 7:00 p.m. for the evening classes. Ms. Gorman was present for all classes. As the class times are consistent during the weekdays and estimated weekday attendance can be extrapolated. The class at 6:00 a.m. had the largest class size of 30 attendees. The overall average of carpoolers was 32%. Based on the ratios there is a need of 26 parking spaces which exceeds the parking requirement resulting from the 1/450 parking ratio with twelve (12) on-site parking spaces around the building.

Mr. Pooler displayed photos of the parking area along the frontage of the building during the week night hours between 5:30 p.m. – 6:00 p.m. It depicted that much of the streets were empty. Based on these results the Council could consider that the Applicant secure additional parking elsewhere or limit class sizes. The draft permit presented does not include such requirements and Staff seeks Council direction.

In response to Council Member Hubler's inquiry regarding the overlap of business hours, Mr. Pooler replied that he does not know off hand, Monterey Bay Restaurant Equipment's hours of operation are.

6:31 P.M. Floor opened for Public Comment.

The applicant Lesley Conover commented that her clients are aware of the parking situation and they understand the parking issues. She commented that the developer for the project across the street would need to accommodate parking as part of his building plans. Mr. Locklar also communicated that he may no longer be a lessor in the next 3 months. There should be no conflict with the operating hours between businesses as the last class is over by 9:00 a.m. and other classes occur before and after work hours. She is hopeful that the landlord/tenant and parking issue will be resolved, and petitioned the Council to not let the "what ifs" determine approval of the proposed use.

The applicant Michael Conover commented on the off hours of operation and requested that the Council consider allowing for "specialty" classes. At the request of Council Member Blackwelder, Ms. Conover explained that "specialty" classes would include children's classes and kid's camp with a minimum of 3 and upwards of 8 kids. This would also include individual training.

Vanessa Haven, Real Estate Agent and Trainer, commented that during her drive around the City, the Elder location seemed like a truly great place for the operation. As an instructor, she teaches the Tuesday and Friday classes with a maximum of 15 people in attendance. There are no weights and the noise can also be minimized with the use of pads on the walls. Mr. Locklar should not hear anything while class is in session.

Sand City resident Brian Clark commented that the noise is very loud on Ortiz beginning at 5:00 a.m. The noise impact is really intense and has been a 15 year problem for him. Should classes begin as early as 5:00 a.m. with 20-30 cars arriving and trying to find parking, the amount of noise would be excruciating. He mentioned that all eleven spaces along Ortiz were occupied and the parking is frequently being used by those who frequent the commercial district. If you take into account the morning classes, and the evening classes, it would generate a large amount of traffic and evening noise. He supports the business philosophy and what they do, but he does not support putting that amount of intensity in that area. He can not support the proposed use due to the noise and parking impact.

Bill Locklar, owner of Monterey Bay Restaurant Equipment commented that the pictures Staff had taken does show that there are no cars there; however, beginning at 6:00 a.m., cars begin to appear. He has a large parking lot but only 13 spaces are available and does not want to share his 20 parking spaces as it is part of his lease. He conducted his own survey and did not notice anyone carpooling, and presented photographs to the City Council. He clarified that he is at the location at 7:00 a.m. and opens his doors at 8:30 a.m. With no one to protect his parking spaces, he does not know where an additional 20-25 cars would park when all the available parking is already occupied.

Chris Cullough commented that parking is always available around the City. There may not be many but there are spots here and there. He and others believe in the camp and if the owners asked us not to park somewhere, we would not. They have requested that we not park on the side street and no one does because the patrons want the camp to succeed.

Ms. Haven reiterated that there should be no conflict with parking spaces as the classes sizes are a maximum of 15 people.

Attorney Hugo Gerstl pointed out that the landlord and Mr. Locklar are not in negotiation. There could have been ways that this issue could have been resolved. He inquired on whom will protect the twenty spaces allocated to MBRE, and reiterated that there are 20 parking spaces guaranteed to them. He reminded the Council to not become involved nor step into the middle of what is a 'private matter'.

Attorney Ralph Gunter representing Mr. Richard Garza, owner of the Catalina Lofts project addressed several comments regarding the addendum presented by Mr. Pooler. There is no mention in the addendum with respect to the Catalina Lofts project. It is Mr. Garza's intent to break ground and start on the project this year. The report included a survey which proved that the 1/450 space is inadequate for the use proposed for the site. Why are we looking at possibly approving a use that would impact the current parking situation already present? The Code in Sand City requires the Council to take into account the marketability of other projects in the City. If the proposed use is approved, it would impact Mr. Garza's ability to rent out his units, and encouraged a No vote.

Public Member Anola Williams who regularly attended Camp Transformation has had a positive experience with the program. Lesley and her team always announce where members need to park. If we were told to park five blocks away, the participants would do so. It was also announced that we would not run outside, and have begun running inside since the announcement. The clients are very respectful of what is asked of them and adheres to the requests of Ms. Conover.

Attorney Alex Hubbard representing Surfside Enterprises and Virginia Melburn Trust, owners of 325 Elder Avenue addressed the issue of parking and noise mitigation. The City did a very good job with the survey and presented a thorough and accurate picture of the area. As landowners, we agree to comply with Condition 7 to restripe the parking lot to achieve as many spaces possible. If tenants cooperate and share, there is enough parking for the uses. He addressed the concerns of Mr. Locklar's objections and confirmed that he will have his 20 spaces under permit 97-25. The Catalina Lofts project is not in existence and while it has its parking needs; the Camp is ready to move forward. The noise mitigation highlighted in Condition 5 is the concept of quiet enjoyment and internal building noises should be addressed between the landlord and the tenant, and not by determination or enforcement of the City of Sand City. He requested that language be added to Condition 5 of the permit to state: *that the subject property owner shall be responsible for addressing and resolving tenant disputes regarding noise provided that City code requirements are met to the satisfaction of the City.*

Bill Grimm with Surfside Enterprises representing the landlord addressed the topics of noise and parking. It is noted that there is a general parking problem in the City. The noise problem Mr. Clark spoke too is against Highway 1, and noise generated by hundreds of vehicles causes' intrinsic

noise no matter who leases the building. He reiterated that the noise issue is a landlord/tenant issue and lies with the landlord to mitigate. The fourteen spaces available in the parking lot including 12 around the building should provide adequate parking. He provided photos of the parking around the area during various times throughout the day. Between the hours of 8:00 a.m. and 2:00 p.m., there were always at least 2-3 spaces available. He commended Ms. Gorman for her wonderful job on the survey and stated that the recommendations made by Mr. Pooler are perfectly acceptable.

Mr. Clark further commented and requested that should the Council approve the use to restrict the streets on Ortiz as available parking because the residents and businesses utilize the entire available street parking already. The proposed use would have a severe impact on Mr. Garza's project that already has entitlements. He and several neighbors do not support this.

The Mayor announced that public comments will be limited to two minutes from this point forward.

The applicant Michael Conover commented on the request to stop running in the streets and getting the members to comply to avoid any problems. He further spoke to future storm drain street improvements that should be designed accordingly to accommodate street parking, moving from their current location due to tenants above them, and addressed class sizes.

Attorney Hugo Gerstl further commented on Mr. Pooler's survey figures, the comment made by a member regarding carpools, and how the landlord should find a solution to the issues.

7:29 P.M. Floor closed to Public Comment.

The floor was opened for Council deliberation and discussion.

The Mayor commented on the restriping of the 34 parking spaces on the parking lot, 20 of which belong to Monterey Bay Restaurant Equipment as part of their lease. Sand City would not infringe upon property rights. There would be 13-14 remaining spaces for the proposed use. To address insufficient on-street and off-street parking a parking survey was conducted at the request of Mr. Gunter. Several facts were confirmed by the parking survey. Mr. Gerstl's concern regarding who will police his client's parking spaces would be the responsibility of the property owner and not Sand City. Mr. Grimm stated that the common wall goes to the ceiling and can accommodate the soundproofing, which is also part of permit conditions. The above mentioned will be the responsibility of the property owner. If class sizes average from 20-30 as depicted in the survey, it is a fact that there will be more cars than spaces. The City cannot allocate designated street parking, and is on a first come basis. The City can add a condition to the permit to limit class size and/or require

additional off-street parking to be researched by Camp Transformation.

Council Member Blackwelder addressed the parking issue and the effort to facilitate a parking need if 4-5 additional spaces are required. There are enough spaces at the building and the landlord seems unable to work out parking with his tenants. Sand City is a mixed-use City and noise will be generated by uses within the City.

There was discussion regarding finding a resolution that would suffice the needs of Camp Transformation, on/off street parking, limiting class sizes, hours of operation, and possible solutions to mitigate noise within the building.

Council Member Hubler addressed the noise issue as outlined in Condition 18 "Nuisance" and the applicant's responsibility to mitigate any noise, vibration, overflow parking, and negative impacts. He also read Condition 19 "Violation/Termination" that allows the Council to consider amending or revoking the permit should any condition of the use permit be in violation of its terms of use.

City Planner Charles Pooler clarified the amendments to the permit regarding hours of operation to change from 4:00 a.m. to 5:00 a.m.

Council Member Hubler added that the applicant can come back at some time in the future to amend the permit; however, classes during the day may be too much at this point. Client orientations and sign-ups during mid-day hours are acceptable. Mr. Pooler suggested that language can be added to Condition 3 to read: *Office activity and customer sign-ups and orientation on-site by the Applicant may extend beyond the aforementioned hours/days, provided that the Applicant's unit is not conducting any group exercise activities.* There was further discussion regarding parking and whether employee's vehicles were included in the count.

In response to Mayor Carbone's inquiry regarding the number of employees that are present during the day, Ms. Conover replied that she has 2-3 employees, and there may be anywhere between 1-3 employee vehicles. She spoke to classes sizes and added an 8:00 a.m. class to minimize the 9:00 a.m. class. She does not want to limit the class sizes to less than 15 people due to work schedules. She does have a class limit due to fire codes but limiting it to 15 would be extreme. Finding additional off street parking would be an option. Ms. Conover welcomed suggestions and mentioned the possibility of renting some spaces.

City Planner Pooler suggested that the following language be added to Condition No. 7 to read: *If those parking spaces made available by the property owner to the Applicant on the Subject Property is insufficient to accommodate the parking demand of the Applicant's patrons, the Applicant shall then secure additional off-street parking sufficient to*

accommodate that demand, taking into account that thirty-two percent (32%) of patrons car-pool. The Applicant shall provide the City with evidence of securing other property for parking via lease or other documentation prior to commencing operations at the subject property.

The Mayor asked Ms. Conover if she agreed with the additional language to Condition 7 regarding more parking as stated by Mr. Pooler and that verification of additional parking be submitted to the City. Mr. Pooler confirmed that the applicant would need to find and secure additional parking prior to building occupancy otherwise it would condone the impact that is being mitigated. In response to the Mayor's question regarding whether Ms. Conover is in agreement with the condition to acquire additional parking, Ms. Conover replied that she was in agreement with the amendments to Condition 7.

Council Member Hubler clarified on the general understanding that the applicant is aware that the permit can be reviewed at any time, and that a six month review would be feasible to insure that the applicant is adhering to the conditions of the permit. Mr. Pooler suggested that language can be added to Condition No 1 that: *CDP 18-03 shall be reviewed by the City Council in six (6) months after approval to evaluate the Applicant's compliance with CDP 18-03.*

Mr. Pooler clarified the changes to Conditions No. 3, 5 and 7, along with the addition to Condition 1 allowing for a six month review.

In response to the Mayor's inquiry regarding whether the applicants were in agreement with what they have heard and the changes to the conditions of the use permit, Lesley and Michael Conover replied that they were in agreement with the changes to the permit conditions.

Motion to approve the City **Resolution with the changes as stated**, to Conditional Use Permit 18-03 for Camp Transformation authorizing a Fitness Training Facility with Accessory Office at 325 Elder Avenue was made by Council Member Hubler, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler. NOES: None ABSENT: None. ABSTAIN: Council Member Hawthorne. Motion carried.

{Council Member Hawthorne returned to the dais}

The Mayor announced a 10 minute recess.

B. SECOND READING: ORDINANCE of the City of Sand City Amending Sand City Municipal Code Chapter 1.12, Section 1.12.010 Replacing Certain Locations, and Street Names of Posting Places within the City of Sand City

City Planner Charles Pooler reported that at the October 2, 2018 Council

meeting the City Council adopted for first reading the Ordinance amending Sand City Municipal Code Chapter 1.12 regarding the City's three designated posting locations. This amendment addresses the street name change of City Hall and relocates the Contra Costa Street posting location to the public right-of way along Ortiz Avenue and relocates the 880 Tioga Avenue location to be within a public easement of the South of Tioga's project in a relatively close location to the current location. If adopted for second reading, amendments will take effect thirty (30) days thereafter. Staff recommends adoption of the second reading to relocate posting places within Sand City.

8:17 P.M. Floor opened for Public Comment.

There was no comment from the Public.

8:17 P.M. Floor closed to Public Comment.

Motion to approve the Second Reading of the **Ordinance** of the City of Sand City Amending Sand City Municipal Code Chapter 1.12, Section 1.12.010 Replacing Certain Locations and Street Names of Posting Places within the City of Sand City was made by Council Member Blackwelder, seconded by Council Member Hubler. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Hawthorne, Hubler. NOES: None. ABSENT: None. ABSTAIN: None Motion carried.

The City council considered Agenda Item 10, Old Business due to time restraints of the City Engineer.

AGENDA ITEM 10, OLD BUSINESS

A. Progress report on Desalination Plant and Sand City Water Supply New Wells Project, Residential Developments, Carroll Property Parking, West Bay Coastal Access Repair, Illicit Discharge Updates, South of Tioga Development, and other Sand City Community programs by City Engineer/City Administrator/City Planner

City Engineer Leon Gomez reported that the desalination plant produced 2 acre-feet of water through October 15, 2018. The plant has been inoperable due to a Clean in Place (CIP) procedure performed by Cal-Am on the membranes and work on the calcite contractors. Cal-Am flushed out the calcite tank at the rear of the facility; however, due to the volume of flush water some of it discharged across the public works corporation yard and into the City's street and storm drain system.

Staff is reviewing progress plans from Fehr Engineering for the Phase 1 New Intake Wells project. Updated exhibits from the Prop. 1 TA team were forwarded to PG&E so that they can prepare a preliminary cost estimate for the undergrounding of existing overhead utilities within the project.

The City Engineer recently worked with City staff to issue reminder letters to property owners with stormwater facilities within their property to provide the City with verification of annual inspection and maintenance. The City's annual stormwater report was completed and submitted on October 15, 2018. The annual report was certified by Mayor Carbone, the City's newly established Legally Responsible Person (LRP). The City Engineer would like to present an overview of the annual report, including findings and recommendations for improvements to the municipal program during the month of November 2018.

The City Engineer worked with City staff and the Mayor to submit a letter of interest submitted on October 10, 2018 to join the Monterey Regional Integrated Water Management Program. Participation in the program would allow the City to apply for grant funds to support water resource related projects.

City staff anticipates issuing a demolition and grading permit to the applicant of the Dayton Residential project this week.

The City has received grant summary documentation from CalOES stating that the City has received \$113,584 for the Coastal Access Repair (West Bay Street Project). The document contains program and federal audit requirements which the City Engineer will be reviewing with staff.

Staff will be discussing the Calabrese Park Improvement Project with the County of Monterey this week regarding the schedule for the Community Development Block Grant (CDBG) funding that the City was awarded. The City Engineer will also be requesting additional field survey from the City Surveyor to support the project.

City Planner Pooler reported that the hotel portion of the South of Tioga project is moving forward and the Design Review Committee will meet on October 26th. A public hearing has also been noticed and advertised for the November 6, 2018 Council meeting.

AGENDA ITEM 9, NEW BUSINESS

C. Consideration and Discussion of Process and Procedure for the Recruitment of New City Administrator

Mayor Carbone commented that the City Council has accepted Mr. Bodem's resignation effective September 29, 2018 and would like to entertain the suggestion that the Budget/Personnel Committee as a two (2) person committee take a look at the process for the recruitment of a new city administrator.

There was consensus of the Council approving the Mayor's suggestion. The Budget/Personnel Committee will schedule a meeting and also look into hiring an interim city administrator.

D. Consideration and Discussion of Sand City Elector to Fill Vacancy on the Sand City Council resulting from the Resignation of Kristen

McDaniel

City Attorney Vibeke Norgaard commented that when a Council Member resigns, the remaining Council Members must appoint a replacement within 45 days upon the effective date of resignation. The Council has until December 19, 2018 to make that decision. If the Council is unable to come to an agreement to appoint someone, then the Mayor will have the authority to do so as stated in the City's municipal code. Council Member Hawthorne suggested that following the election and its results that the Mayor can either suggest an elector to the Council or can decide on a possible appointment that can be brought to the Council for discussion.

The Deputy City Clerk explained to the Council the process of when new Council Members would be sworn into office following receipt of certified elections results from the Monterey County Elections Department.

There was Consensus of the Council to wait until after the November 6, 2018 Election to decide on an appointment to fill the vacant Council seat.

AGENDA ITEM 11, NEW BUSINESS

A. Comments by Council Members on Meetings and Items of interest to Sand City

Mayor Carbone reported on a successful gathering held at City Hall on Indigenous Peoples Day. There was food prepared and donated. Several Sand City residents were present.

B. Upcoming Meetings/Events

There were no RSVP's from the City Council.

AGENDA ITEM 12, CLOSED SESSION

8:35 p.m.

A. City Council/Agency Board adjourned to Closed Session:

- 1) To confer with City Negotiator pursuant to Government Code Section 54957.6 regarding Labor Negotiation**
 - i) Agency Designated Representative: Mike McCarthy**
Employee Organization: Sand City Police Officers Association (POA)
- 2) Regarding Conference with Legal Counsel – Pending Litigation pursuant to Government Code Section 54956.9(d)(2)- e(1), one case**

9:14 p.m.

B. Re-adjourned to Open Session to report any action taken at the conclusion of Closed Session in accordance with 54957.1 of the Ralph M. Brown Act

The Council provided further direction to labor negotiator Mike McCarthy, Agenda item 12A (1). No action was taken, Agenda item 12A (2).

AGENDA ITEM 13, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council Member Hubler to the next regularly scheduled Council meeting on Tuesday, November 6, 2018 at 5:30 p.m. There was consensus of the Council to adjourn the meeting at 9:15 p.m.

Connie Horca, Deputy City Clerk