

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

Regular Meeting – June 4, 2019
5:30 P.M.
CITY COUNCIL CHAMBERS

Mayor Carbone opened the meeting at 5:29 p.m.

The invocation was led by Reverend Jason Yarbrough.

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

Present: Mayor Mary Ann Carbone
Vice Mayor Blackwelder
Council Member Hawthorne
Council Member Sofer
Council Member Cruz

Staff: Fred Meurer, Interim City Manager
Vibeke Norgaard, City Attorney
Leon Gomez, City Engineer
Brian Ferrante, Police Chief
Connie Horca, Deputy City Clerk

AGENDA ITEM 4, ANNOUNCEMENTS BY MAYOR AND INTERIM CITY MANAGER

Mayor Carbone announced that agenda Item 8B, Presentation of Certificates to the HOPE crew will be moved to the next meeting and agenda item 10A will be pulled from New Business and continued. Closed Session item 11A(2) will be heard prior to item 11A(1) due to possible conflicts.

Interim City Manager Fred Meurer announced that he and the City Attorney will be unavailable next week and that Ms. Scholink will be the acting City Manager in his absence. The South of Tioga's Habitat Management Plan has undergone reviews. On June 18th, the Council will have a session with Mr. Kimura of Avery and Associates, and July 15, 2019 is the scheduled day for City Manager interviews. The recruiter will provide his recommendations to the Council on June 10, 2019. Staff is researching a site for the interviews that will be held within Sand City.

In response to Council Woman Cruz's inquiry regarding how many applicants are being proposed, Mr. Meurer responded that Mr. Kimura is presently conducting interviews with the top 15 candidates and will present his top list of candidates. The Council can decide which applicants they would like to

interview.

AGENDA ITEM 5, COMMUNICATIONS

5:37 P.M. Floor opened for Public Comment.

There were no comments from the Public.

5:37 P.M. Floor closed to Public Comment.

AGENDA ITEM 6, CONSENT CALENDAR

- A. Approval of the May 21, 2019 Sand City Council Meeting Minutes. *{This item was pulled from the consent calendar and considered under agenda item 7}.*
- B. There was no discussion of the City/Successor Agency Monthly Financial Report, April 2019.
- C. There was no discussion of the City **Resolution** authorizing the Monterey County Health Department to Apply for State Block Grant Funding on Behalf of Sand City towards the Countywide Used Oil Recycling Program.
- D. There was no discussion of the City **Resolution** approving a FY 2018-19 Expenditure not to exceed \$2,500 for Services for Rob Hilton of HF&H Consultants and the Monterey Regional Waste Management District for 2019 Franchise Agreement Management and Oversight Services.
- E. There was no discussion of the City **Resolution** Confirming New Appointment of Brian Clark to the Sand City Arts Committee.

Motion to approve Consent Calendar items 6B-6E was made by Council Member Hawthorne, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Agenda item 6A-Mayor Carbone commented that the May 21, 2019 minutes needed corrections to the closed session item to indicate that Council Member Sofer abstained from voting on the Closed Session item due to the results of the straw draw, and possible conflict by residing within 500' feet of the subject property.

Motion to approve the May 21, 2019 Sand City Council Meeting Minutes with corrections was made by Council Member Hawthorne, seconded by Council Member Cruz. AYES: Council Members Blackwelder, Carbone,

Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, PRESENTATION

A. Presentation by Police Chief Brian Ferrante of Award to Officer Larry Escobar bestowed by the United States Department of the Interior Bureau of Land Management, Office of Law Enforcement and Security

Police Chief Brian Ferrante commented that Officer Larry Escobar received an award for work he received on crimes committed in Fort Ord. Larry is a certified sketch artist in the county, a great resource for the region, and Sand City. This commendation from the United States Bureau of Land Management is a result of his work as a sketch artist. Chief Ferrante read the commendation to the audience and City Council. The Commendation acknowledged Officer Escobar's knowledge and forensic artistic talents that allowed for the apprehension of the suspect.

Mayor Carbone congratulated Officer Escobar for his unique talents in providing a composite drawing and the skills that he brings to Sand City. He has been instrumental in assisting Sand City, the County, and other jurisdictions through his artistic skills.

Council member Hawthorne commented on the value of having an artist in the Police Department and in Sand City.

B. Presentation of Certificates of Appreciation by Mayor Carbone to the Hope Crew

Mayor Carbone announced that due to the absence of the Hope crew, this item will be continued to the next City Council meeting.

C. Presentation by Chris Cook and Tim O'Halloran of California American Water on the status of the Monterey Peninsula Water Supply Project, terms of CDO compliance, and other related issues {10 minutes}

California-American Water Director of Operations Chris Cook distributed a handout to the Council depicting Sand City's Annual Desalination Production from April 2010 through May 2019. The graph displayed the plants annual yearly production of approximately 215 acre feet per year. The trend in production varies due to high total dissolved solids (TDS) levels that triggers a shut-down and inoperability of the plant. For 2019, the TDS occurred in the first half of the year resulting in low water production along with the replacement of UV bulbs, sensors, motors, and belts. This was aside from the normal clean and place maintenance that is performed regularly. He is working with Staff to have spare parts in the

inventory, as well as adding personnel costs for the work involved in replacing these items. He provided additional background information on the new well project, and is working with a consultant who will determine the optimal location of the wells and various drilling methods. The justification for a new well allows for less water consumption from the Carmel Valley Aquifer and Seaside Groundwater Basin.

In response to Council Member Hawthorne's question regarding whether the City does not need more acre feet due to the TDS or whether the City did not need more water, Mr. Cook replied that it was due to the TDS. Cal-Am's goal is to maximize its water production as any excess water would help to offset pumping from other water sources.

Engineering Manager Tim O'Hallorn provided the background of the current wells on Bay Avenue and the brine discharge. Cal-Am would install, own and operate one new well, acquire necessary permits, environmental compliance documents, contractors, and plans to begin construction by the first quarter of 2020. The cost of one new well is estimated to be \$1 million. Mr. O'Halloran also provided an update on the Monterey Peninsula Water Supply Project (MPWSP) and reported on the projects components that included aquifer storage & recovery, the Pure Water Monterey portion of the project, and the Cal-Am desalination project. He referred to the diagram that provided the location of where the pipelines would run, where the intake wells and desalination plant would be located, and the brine disposal site. The MPWSP project proposes to meet existing service area demand, serve future development, develop vacant legal lots, and provide adequate water for improved economic conditions. He reported on the MPWSP schedule and anticipates that the project may be providing water by late 2019. The desal project is at about 95% design completion and anticipates to start construction mid-2019. Cal-Am anticipates to have the desalination plant in service by December 2021.

Mr. O'Halloran replied to the Mayor's inquiry regarding Cal-Am meeting their milestones with regard to the timeline and schedule. He further reported that extra water from the Sand City desalination plant would not lower rates but rather provide for additional construction of new projects in the City.

Mr. Cook clarified that that the Cease and Desist Order (CDO) specifically indicates the plant, the pipeline, and other components. As long as the desalination plant comes on-line before the end of 2021, they would meet the requirements of the Cease and Desist Order milestone. He expects that Ms. Stedman will be sending out invitations for a groundbreaking in the near future.

6:12 P.M. Floor opened for Public Comment.

There was no comment from the Public.

6:12 P.M. Floor closed to Public Comment.

The Mayor thanked Mr. Cook and Mr. O'Halloran for the presentation.

AGENDA ITEM 9, OLD BUSINESS

A. Engineering and Public Works Department Summary Report comprising of the Sand City Water Supply Project, Storm Water Management Program, City Projects including the West End Stormwater Improvement Project (Prop 1 TA), TAMC Parcel Landscaping Project, Calabrese Park Improvement Project, Prop 68 Grant, Private Development Projects including the South of Tioga Project, and Grant, Community Development, and Planning Department updates by the City Administrator/City Planner

City Engineer Leon Gomez reported that the West End Project was discussed and still ranks as the 2nd/3rd project in the region. Based on the recommendation by the Monterey Peninsula Water Management District, they advised to segregate the project by street so that project submittal would be considered as a full project. Staff is working on the project information in anticipation of the meeting scheduled with the Department of Water Resources. A short presentation will be presented to the Council to gather Council direction regarding the project. Mr. Meuer added that estimated costs will be considered as part of budget projections for the City's capital improvement plan for street improvement projects.

Storm Water Inspection and Maintenance Services (SWIMS) performed the bi-annual inspection of the interceptors and percolation systems. The report indicated that everything was good. The City Engineer's office has been in contact with the South of Tioga applicant regarding preliminary resubmittal of materials that included an updated traffic memo, geotechnical material, site exhibits, and the pavement structural sections. They should come back with updated submittals sometime in June. Mr. Gomez thanked City Attorney Norgaard with her assistance on the updates of the encroachment permit application. The new permits now contain certain provisions, updated ADA language, and other protections that were not included before. Mr. Meurer added that this update was essential in dealing with the encroachments. This involved extensive research in tying the City's codes with each piece of the City's infrastructure.

Mr. Gomez explained that the encroachment permits is a much better application, and is more complete and thorough compared to other cities. San Juan Pools submitted an application that is currently under staff review. The applicant was asked to perform corrections to their site BMPs which they completed within 24 hours. An addendum was executed on the subrecipient agreement for the Calabrese Park grant. As of Friday the amendment was submitted to the County of Monterey.

Mr. Meurer commented on the habitat that now belongs to the City and spoke to future asset responsibilities when the City assumes responsibilities from a developer. He reported on the proposal/application for a rock gym. This is not the same rock gym that was previously located in the area. This firm has operations in other cities and the rock gym will be co-located in the same building as Camp Transformation. Project concerns would involve raising and raising the roofline of the building. There is no code specifically related to parking demand, and a factor is currently used to determine parking conditions.

Mr. Meurer provided an explanation to Mayor Carbone regarding how the parking requirements are determined per the City's code. She also received clarification regarding contractors licensing as required on the encroachment permit from City Engineer Gomez. Private development payroll does not need to be monitored; however, public development projects do require payroll observation.

B. Discussion of Sand City Public Safety Services (this item continued from the May 21, 2019 Study Session)

Mr. Meurer commented that no decisions need to be made tonight. This item was a study session revolving around the public safety program to better understand how, what, and why for the cost of performing services. The question is: *can this cost be sustained for the long term, and will the City have the resources to do it along with the number of growing things the City needs to do.* There was a lot of public comment on this item at the May 21, 2019 Council meeting. The questions are: *what public safety services are you receiving and are those the services you want? Are there services you are receiving and do you want to receive it? Are there police services you are NOT receiving and would like to put into the portfolio?* There was talk about consolidation and elimination of the department and so on. The process, should the Council decide to consolidate services would involve a multi-year process, considerable amount of research, review of personnel issues, and an analysis. If at the end of tonight's meeting should the Council decide to direct Mr. Meurer to conduct an analysis, it would be painful, cause consternation, and would be a difficult process, and any action decided upon should be done prior to the hiring of a new City Manager.

After discussion with the Council, Mr. Meurer contacted three cities (Seaside, Monterey, and Del Rey Oaks) to look at how public safety can be improved collectively. The cities would like to discuss 'it' as long as they know what 'it' is. He has not received any bids, and the city is not asking for bids. Should the Council direct, he will approach the City Managers to see if they are still interested in any discussions. This would have implications and repercussions within their City Councils as well. The Fire Contract was done collaboratively with the Fire Union, and during that consolidation no one lost their jobs. If the Council decides to talk about

consolidation, it will take time and you may conclude at the end of the analysis that this remains the way it is. After hearing the public comments and discussions, the Council can make a decision to formulate a plan on how it should be done. It should be transparent with the decision to move forward. Currently there is nothing to approve and Mr. Meurer requested Council guidance.

6:40 P.M. Floor opened for Public Comment.

Sand City resident Barney Cullen commented that he missed the May 21, 2019 council meeting and may have had a misconception of what was really happening. He opinionated that he does not want to see the police department terminated. They do a good job and he feel's safe in the City. The crime rate on his side of the City seems fairly low, and without the police department could be very different. If it is a question of finding the money to pay the police department, there are certain things in the City that could change. Although he loves the West End Celebration, he does not mind seeing it leave if it would save the police department. This is just a suggestion.

Sand City Resident Brian Clark noted that he just received the budget on the day of the study session. According to his on-line research there are no lack of existing cities and/or counties that have already consolidated police services. The San Mateo Sheriff's department provides services to six cities. He had forwarded the 2018 and 2019 budget to the Council earlier, and like any business the Council should analyze yearly how business is doing. Looking at Corte Madera, Larkspur and San Enselmo who had consolidated in 2013 and a populace of 35,000, they have a police ratio of 1 officer to 688 people. They also have schools, hospitals, the Larkspur Ferry, and Sir Frances Drake with over 100,000 cars a day, and a main thoroughfare of Highway 101. The chiefs of police of those three cities got together to explore how they can all save money. In comparison, Sand City has no schools, no hospital, very little restaurants, and a small grid of roads. He does not understand how Sand City could have 1 police officer for 33 residents. Looking at the crime rate data for the past 10 years, it shows that a majority of crimes involved petty theft. The City has the highest ratio of 1 police officer in California. Pacific Grove which is the safest city has a ratio of 1 police officer to 607 residents. Carmel by the Sea is approximately 1 to 207. There is no correlation between the rate of crime and number of police. Seaside spends more time not driving into Sand City because it is not within their perimeter. Statistically we are an outlier in the State of California.

Sand City Resident Kayhan Ghodsi inquired of the Council where did this idea come?

Council Member Hawthorne replied that this is basically a study. A study to see the City's cost.

Mr. Ghodsi asked again where did this study come from?

Mayor Carbone answered that this was asked for from one or two of the City Council members when they started to look at the budget.

When Mr. Ghodsi again asked “why”, Council Member Hawthorne clarified that the budget was reviewed so that the City does not go broke and run the City by the seat of its pants. The budget was reviewed to basically see the future of the City and how to make ends meet.

Business owner Mike D’Aquano asked that at one \$1 million dollars per well, who is paying for that? The Mayor answered that it would be Cal-Am. Mr. D’Aquano continued his inquiry by asking ‘are they (Cal-Am) spending all the money, or will the City be paying for the desalination and pipelines?’ The Mayor responded that it is two different items. The discussion is about the proposed desalination well that Cal-Am will be drilling for the Sand City desalination plant.

Mr. D’Aquano asked whether the City has expenditures for what Cal-Am is doing. Mr. Meurer responded that yes and no. When he arrived, Cal-Am was proposing to do the wells. There was approximately \$1.7 million allocated in the budget to do the wells. After reviewing the budget, the Council decided that the City would approach Cal-Am to drill the wells, which they agreed too. The City is now in the process of negotiating the agreement where costs already spent can be recovered.

Mr. D’Aquano confirmed that this item is in relation to the item and budget.

During the budget review process, Mr. Meurer found that there was a negative of \$1 million in the operating budget. There was a hope that funds could be borrowed rather than spending the money in the reserve funds. The City Council decided that if Cal-Am could pay for the wells, then the City can allocate money for streets and other capital improvement projects. The Council would best determine the amount of money the City uses per year for operating costs and capital investments, and the maintenance and operation of the assets the City has. Mr. Meurer remarked that there have been initial negotiations and an agreement.

The City Attorney interjected that due to the issue regarding Cal-Am, this subject does retain some confidentiality, and confirmed that negotiations are in process.

Mr. D’Aquano added that if there are 33 people per police officer then why does the City need all this water? Is Sand City going into the water business? You are looking at the budget versus the Police Department.

Sand City resident of 30 years Susan St. John commented that if you are going to bring 200-300+ citizens into the City and reduce the police department, it would be counterproductive and does not understand the

decision making process. We need police. She feels safe in the City and adding to the population and reducing the police force makes no sense.

Mr. Kayhan Godhsi added that the Council will do whatever they want to do, but a majority of the citizens will not be happy with them, and now they know. Whoever woke up in the morning and decided to cut the police will be sorry because it is not a good idea.

Sand City resident, Mark Johnson commented that he is a new resident and does not have the 30 year history of living in Sand City as some people have and recognizes that. One of the reasons he came to the community was because of the protection that the City has. The Council has not answered the man's questions and again, he inquired of the Council, *'whose idea was it to implement this study'*.

Council Member Sofer answered that it was her idea because she looked at the 'pie' chart and at the large part of the red and asked what it would take to find out for sure where the city would stand in the future. She stated, "It is my responsibility sir and I agreed to that when I was elected."

Sand City Police Officer Dan Charlton provided clarification to one of the comments from a speaker who referred to 33 people; he knows that's the Council are all educated and that there is not 33 people per 1 officer. The numbers never seem to reflect the reality of the population of the City. Again, most of you have lived here longer than him. He knows that the population can be huge and the numbers are pretty close to other cities. For all the community members that are present, they all know it's not 33 people.

6:58 P.M. Floor closed to Public Comment.

Interim City Manager Fred Meurer commented that upon his recollection when discussions were initiated several weeks ago, the Council will hear numbers from himself, the Chief, from a lot of people in the audience, and recalling not to believe any of the numbers since numbers are data points and indicators. You have to take the realities of your community and decide what are the threats and the needs. The gentlemen who spoke in terms of using the FBI ratios per 1,000 are the ratios the FBI publishes and are national averages. If you apply those averages to Sand City, you come up with the numbers. As everyone knows that is the resident population; however, Sand City also has a business and West End population. If the Council instructed Staff to move forward Staff would need to tailor the analysis to Sand City and what the city's demands are. Every City has its own big event and possesses its own unique personality. City professionals have their own separate views also, and may disagree on some issues. Those opposing issues will come to the Council and the Council would decide which way they would like to proceed. Sand City has a good police department and there has been no utter criticism of the department. Everyone is happy with the people. The

Chief has done a great job of attracting people from other departments and we are a great receptor when other people wanted to leave their former departments. The numbers, if the Council decides to move forward will need to be tailored to our reality, and if the Council were to form a partnership with somebody, that would all be taken into account. There is no way that there will be no police in Sand City, and no scenario that that is going to be the case. Mr. Meurer explained the scenario to a response when waiting for someone to respond from another City. He continued that there will always be someone here to respond to a call. The quality of the coverage was increased by joining together, and even reduces the response time. Would that happen to the police? That remains unanswered because the City has not looked at it. It is anticipated that no one will be losing their jobs. There is a huge amount of turnover in police departments. It is not going to be black and white. You will not be doing anything that will save you millions and millions of dollars. Fine tuning it would be for the Council to decide. As Council member Sofer mentioned, she was one of the City Council members who asked to take a look and to ask basic good governmental questions that they were elected to ask. It takes a lot of courage to run for office and ask hard questions. The mark of a good council member is one who does not care if they are elected or not, as long as they do the right thing. The project that is coming on-line will increase the population. The City is working with the developer to put a tax in place that would allow the City to increase the size of the police force that would address the additional demand that would be generated by more residents as well as a hotel.

Mr. Meurer questioned the daytime population. If he counts the parking spaces and multiplies the parking spaces times 2, he would have a good indication of the daytime population. These are the things that the Council will try to answer for the public. It will be uncomfortable for the police officers, and the organization. Feelings have already been hurt and it will not go away regardless of how the City Council would like to proceed tonight. There will still be residual hurt feelings. If the Council gives guidance, it will be done in a professional manner in as much collaboration with the police officers and union representatives as they would allow. There may not be any partners who may want to go to the 'dance', and it may cause them grief as well. Monterey is questioning if they can raise their TOT to 4% as they look at their PERS. That is another question: what are the PERS impacts by doing something like this. If directed by the Council to move forward with an analysis, a scope of the analysis would be presented to the public for approval.

Council Member Hawthorne commented that before anyone else throws Council Member Sofer 'under the bus', these are questions and something that the Council has to look at. It is the Council's job to look at the whole picture. The police department is great and there is no one here that does not think that they do not do a great job. It is not a problem yet, but we have to relate to the fact that this cost the City so much money. It is the biggest line item. It is 44% of the City's budget to retain the ten officers the

City has. We are not like Monterey who has a \$120 million dollar budget. Sand City is less than half with an approximate budget of \$8 million. It seems like Sand City is rich and is analogous a guy who may appear rich but has a lot of borrowed money. We are a solid City and do not want to make decisions because we are broke. It is like Mr. Cullen mentioned to get rid of the West End and annual barbeque to keep the police. There is not a lot of benefit to that. Sand City does not have child care, a civic center, a school, park, or library. The Council would like to find out how to make the City look better by burying the lines and making improvements to the streets. We do not want to take the services away. We do not want to eliminate the police; however, the City will be losing \$850,000 in 2 years. That is a big chunk and is 12-14% of the City's budget. The City receives tax revenue from the big stores and it goes to pay for one item. We are not working against the people, but as a team for the public.

Mr. Hawthorne reported on the Fire Departments efficiency when they responded to a fire in his building. It took the Fire Department 8 minutes, and they put out the fire with very little damage to his building. Everyone thinks it is going to be terrible for the police and everyone. Maybe it would be better to have a regional 'thing' with Chief Ferrante running the whole region. This may be a good thing but we don't know that, and that would be dependent on a study. The Council may come back and find that this police department is the most functional thing that the City has. The business owners presented tonight, you have to look at the future. The Council is here to study this and there is no truth that the Council is against the police department. The City has the most qualified police in the whole County, but we have to take a look at the whole thing and to come up with solutions.

Mayor Carbone stated that Mr. Clark commented on the statistical ratio of 1 officer per 33. The Council heard from the City Administrator that it is just numbers. We know that the City does have 2 major shopping centers, and is the regional shopping hub. We do have a daytime population of many visitors to the City, and the number I do not know. The stores along with the beach do bring unwanted elements such as shoplifters, and individuals who go to the beach partying. People come from out of town, not only when the weather gets hot but also to find a place to hide on our beaches. The Council has heard from the business owners who are satisfied with police services. We have heard from a resident, Mr. Difede commented on how safe he and his wife feel in the City and also mentioned that the City had distributed a flyer when there was the issue of marijuana dispensaries a few years back to receive resident's public comments on what they wanted. He also mentioned that no one sitting at the dais are residents and if we do not keep the police, the Council will be voted out at the next election. This was kind of hurtful. As Mayor she has been delivering to residents and to kids at Christmas, has helped with the food bank, and for several years has been doing things with the residents, such as giving children rides to the doctor and to the hospital. As a City Council Member she has been here for the residents and it invoked hurt

feelings along with the police department's door being shut the last few weeks, as well as not hearing a word from anyone there. As the Sand City family, feelings can be hurt and will those be repaired? She does not know. Mr. Aiello who is retired from the district attorney's office commented that if Sand City cannot afford to pay their police, let them be absorbed by the adjoining city. The Council does not need to hear smart alec remarks or wise cracks, but rather to find a solution together. As a resident for 32 plus years she agrees that the City has a great police department and has stood behind the police department when two different previous City Managers wanted to dissolve the police department. She sleeps well at night and does not need to lock her door. When her daughter is in town the officers ensure that she is safely home. Sand City has the best. The Council did hear from the businesses, and we are sitting at the dais, either elected or appointed to represent the City, for the best interest of the City, and to ensure that the City businesses and residents are protected and that they have police and fire services; but the Council is also responsible for the City finances and to ensure that we can pay for our employees, and to keep the lights on at City Hall. She requested that the Council members be frank, to speak freely, and would like to hear all their comments tonight so that the Council can get past this evening, and see where the Council would like to go. In addition, the Council needs to analyze this situation. Back in 2016, the Council did hire additional officers to cut back on police department overtime. A question to Chief would be *'how much overtime have we cut down on?'* Some of the services such as the SRU response unit program that the City became involved with has Commander Graziano involved. The program and the position was supposedly created to cover sick days, and to cut back on overtime.

The Mayor asked that the rest of the Council speak.

Council Member Cruz commented that being the newest addition to the Council, she may not necessarily have the experience; however, coming from a business background you have to look at everything as a business, even your own personal finances. You have to look and ask what makes sense? If we look at the City's budget, we not only look at the expense of the police, we look at every expense and every revenue, to ensure that the City's budget makes sense, not just for today but for years beyond. As a citizen of Sand City for just under 20 years I will say that I feel safe here, and I like living in a safe community, which is what brought me here. I lived in Oak Hills for 27 years, and did feel safe out there. When I moved out here, there was a huge sigh of relief because in Oak Hills I was under the sheriff's department who had a good response time, but in Sand City, I feel that I can yell out from my back deck for the police department if I wanted too. That speaks a lot to me as far as my peace of mind, and being able to stay calm. My other concern is what another citizen brought up. We are at a pivotal time in the City of expanding. We do not even know the repercussions, and what will happen beyond that with the additional shoppers and visitors. I question the City's stability, and changing the foundation at this particular time. I do have strong feelings

on both sides of this, as a citizen and City Council member. As a Council member I understand that we have to be concerned about the budget and losing the \$850,000, but it is not one piece. It is not just the police; it is all the expenses, even though it is the biggest percentage, there could be other pieces of it, other finances, fees, and taxes that we discussed increasing. Whatever those other pieces are and where they are, the City should be able to say we are still fiscally responsible, and that those things are important.

Council Member Blackwelder commented that he has served on the City Council for over 20 years. The Council has a lot of goals with some of those goals displayed on the wall showing what has been accomplished, as well as memorandums of understanding for the ability to develop on the beach. The City does not have any of those hotels that it has planned on having by now which has been in the making for almost 20 years. The Ecoresort just received a permit from the Coastal Commission after 20 years and \$20,000,000 dollars the investor expensed to obtain approval. Now the developer will need to bring on another partner and is looking for an additional \$47 million dollars to begin development. I am not a believer in tearing something down just because you are going through a period of distress. The City has had periods of distress, and has lost a lot of the people that have made up the wall displaying the accomplishment of great things. People such as Kelly Morgan as the former City Manager, Jim Heisinger as City Attorney, Steve Matarazzo, as Community Development Director, the former Mayor Pendergrass, and Mary Ann. These people had a vision of what the City could be and it has taken a very long time. I consider the police department as one of the pillars of the goals we had for the City. A police department like Sand City's is able to patrol the City's local coastal area. During the presentation they showed aerial photos that cruised over the sand dunes. There were zero encampments. There were photos that depicted a big hole in the concrete, and the police had to figure out how to get into that hole. You don't ferret these people out with a drive by from Del Rey Oaks, Seaside, and/or Monterey, and having 1 officer per 33 people, does not mathematically compute. Life isn't just about equations and math. There are real life things going on and different situations that have to be dealt with strategically.

Mr. Blackwelder explained the philosophy analogous to broken windows and being able to clean it up in order to maintain a pristine image of your City. When someone looks and sees broken windows they think you don't care, and start breaking and entering. The City has been very diligent in 'cleaning up'. Proposition 47 has allowed criminals onto the streets and have classified certain crimes as offenses. He expressed his belief on the importance on the type of policing it maintains within the City even though the City is small. Sand City does not have a large expansive area like Seaside. He spoke to heart attacks and getting together to form a disaster plan so that the City has neighbors responsible for their area in the event of an earthquake or other disaster.

The residents agree as a community to support each other, and cannot see getting rid of the police department. He has also been receiving volumes of insulting emails. A majority of the conversations are insulting, stating that the Council does not have original ideas, that lifesavers have calculated everything for us, and all we have to do is sign on the dotted line. The terminology they use is very demeaning and it seems like a cabal is happening where a group of people are just zeroing in and crunching numbers, and believes the Council to be mindless minions that have no concept of their own. The city is in the middle of so much going on, such as the search for a new City manager. The thought of turning the whole City inside out by looking at the police department was completely asinine to even bring up.

Council member Sofer remarked that she did bring it up because when she ran for office she decided to do the job, what it took, what the job was, and what it entailed. All she did was ask for an explanation. It never came from her mouth that the Council wanted to replace the police department. Some of the nonsense has been passed around, and the bias she has been accused of was just disgusting. However, the public is entitled because this is the public process and when someone decides to be on a City Council knows what they are going to be subjected too because they are impassioned about what they believe in, that is a good thing. This actually has been an extremely healthy process no matter how hard it has been for all of the police, because their jobs are not threatened. They were never being threatened. She is very sorry about all the rumors and is in disbelief about the rumors. As professionals, she expressed her disappointment to be a member of a professional crew that would allow rumors to take over. She has gone to the police department as they requested her to do, and sat down with 20 armed men in a room, and would be damned if she were to be intimidated by anybody in this room or anywhere else. The day she went to Officers school she was told that she was not one of the boys anymore, and no longer one of the Clan. She is a leader and leaders will get shot at, but did not realize how literally and for how many years that would be. So you do your best and the public should bring their passion in here because it is the right thing to do and the Council is committed to be on the receiving end of that. It is our job. She does not care how unpleasant it is, but is going to be responsible the best way she can find for every single person in the City because that is her nature and because she took on the job. If you do not like her, do not vote for her. She does not have a problem with that, and cannot be biased. She has not heard everything she needs to hear, and has not had the opportunity to read all the reams of emails she received from a group of people who feel very passionately that we can only have art or a police department. She does not understand where the notion came from that you cannot have more than one thing in the City. Who is so narrow minded that the Council cannot be intelligent enough to figure out how to maintain the things lost? The proper thing to do in the first place would have been to sit and listen to the police presentation. She is

brokenhearted that those people who were impassioned to say all the stuff the police department does were not present for the study session. It was a great presentation. She can assume responsibility in her position, and to be the leader she was meant to be, and does not believe any of the police officers would try to pull her over and intimidate her. Not one of them has ever mistreated her in any of the conversations she has had about this, and has not felt intimidated. The only thought she has is why people were not in here listening from the very beginning and listening to everything. Her argument is why any person working in our police department right now should worry about their job. She has never thought that, and if the public had to beat up on someone, she is not afraid. However, the Council should entertain dialogue on this.

Council Member Sofer asked whether anyone in the audience trusted her. A few audience members replied positively. She concluded by stating that what you give is what you get back.

Council Member Hawthorne added that Council Member Sofer brought up some good points. When people comment that you have to go this way, then go for it. As you know the Mayor, puts in so much time. She gets no overtime pay and spends a minimum of 40 hours a week going to meetings and attending events which is the most incredible thing you have ever seen. The Council spends quite a good amount of time, a lot more than you think, but nothing like the Mayor and to throw darts at her or to say that you are not going to vote for her; then you take over her job. People have no idea how much time it takes. All the people here, the Council and the Mayor contributes to the City. You (people in the audience) can just volunteer and go for it because you have no idea how much work it is. The Council does not get one number from one thing. The Council gets numbers from everything and to intend to do the best for our citizens here. The Council was doing a study to see how we can balance everything out, and make it work for a long time because you would be disappointed if we spent all your money and your City goes broke and we can no longer have a police department and must shuffle services immediately because we do not have money for this and that. The public would scream at us accusing us that we did not do our job. That is what needs to be understood. It is not one of our goals to get rid of the police department or to destroy the City.

Council Member Blackwelder suggested going for a ¼% sales tax as soon as that's available. This issue of a regional study needs to come from elsewhere, but until that day which will not be tomorrow; the City needs to get on the business of looking for a new City manager. It would be nebulous to spend money for a study, without knowing what that would entail. It is disconcerting to receive emails regarding 1 police officer for every 33 residents.

Mayor Carbone agreed that the City should consider placing a ¼% tax in 2020. Regardless, you cannot instill a tax and say that it's a magic number

and make up the loss of \$850,000 in the future. The Council still needs to have discussions to decide if the Council would like to direct the City administrator at exploring alternatives. When we do have a hotel come on, we may need to sub out to another City for additional officers. We may need to look within departments at the services we provide and the scheduling of overtime. Do we have enough officers and what is it exacty? Years ago when former Council Member Kruper was in office, there were regularly scheduled Public Safety Committee meetings and the committee looked at the issue of overtime in the police department, analyzing the police department, and whether there was a better way of making it work. He researched overtime two years ago, and the question is '*is the overtime decreasing?*' she did not get asked for pie charts but did get many emails today. Due to her busy schedule, there was no time to read all those emails besides trying to retain some of her sanity. It takes time to concentrate, read them, and to digest what is being said.

Mr. Meurer interjected that a number of Council members have referred to a number of emails that have been received with no opportunity to read and digest them. He realizes this item has been continued once, and there is nothing wrong should the Council decide to go to the pain of having something like this on the agenda again. There is absolutely nothing wrong in continuing this item to the next session. The Council should read all the material they have received. Think about the notes you have taken and then come back to the next Council meeting with your individual motions and discuss whatever it is you decide to do. He expressed his concerns that each of the Council received materials they have not had the chance to look at nor read. He would be remised to encourage the Council to make a decision without reading everything that the public sent to them. If you decide to move the item to the next meeting, do not open for public hearing, do not ask for staff reports, and make a decision based on what you know, not just whatever is on your mind, and determine whether you want to do an analysis or check on consolidation. He expressed his discomfort to Council on making a decision with information they have not had a chance to review.

Blackwelder expressed his concern that this information is coming from a professional, and if you were to evaluate what the Council were doing, it would seem that you would have some policing professionals come in and analyze our City, the needs of the City, and then present proposals. For the Council to make decision based on residents who Google information about policing seems ridiculous and unprofessional.

Mr. Meurer remarked that he is does not know what each Council member may have received, and is not suggesting the Council act on anything specifically to what they have received. The Council has material that they have not read that would better inform them to make a decision; which could be any decision. The decision might be a motion from the Council that you are all happy to put the issue to rest, and discuss it no further. The Staff needs some definitive guidance expressed in the form of a

motion that the City Council says, "Staff, we request you go forward". I do not disagree; it does require a professional analysis. Might we want to get outside professional support? You might. You have a good chief that would provide input. There are other chiefs of police that he has respect for that would provide input as part of the discussion should he be directed to have those discussions. Right now, he is not going to have those discussions because that would be freelancing. He would not contact a City manager who may be willing to talk until there is a motion to determine exactly what the Council wants him to do or not to do.

Council member Hawthorne added that Council Member Blackwelder has a good point from the perspective that the City does need professionals to look at this issue, not the citizens, not the police, not anyone, or even the Council. They would look at this thing, give us the numbers and the statistics, and provide scenarios should the City do this. If another City were integrated here, what services do they offer, and what kind of different services would they have to offer. Would it be possible to seek a study and the Council can compare the results of a study?

Council Member Blackwelder commented that should another city think it is a great idea; Sand City will lose its sovereignty and no longer have the say on what happens in the city. That is why we make our own policies and MOU's, and try to take care of the citizens that live here, the people who shop here, and who come to the beach. The Council makes sure they are safe. The interim city manager's time is limited and he has been working on tightening the internal things within the city, which is phenomenal. To get him on a feasibility study on other agencies seems in haste, especially to work from a position of having to pass it on to another City manager when the clock is ticking, and the future is a new City manager.

Council member Kim Cruz suggested that the Council conduct a budget study session before taking any action on one of many pieces. She pointed out that the budget is many many pieces. Maybe there are other things that are affected and ways to deal with this, and bring us something that would be sufficient and everyone is happy. The Council should do a deep dive on the budget first and try to figure out if this is the avenue we would like to pursue rather from a perspective that the clock is ticking and a decision has to be made.

Council member Sofer agreed with Council member Blackwelder's comment that there have been a lot of changes within the City, a new City Council, and other issues. As she is listening to comments from the public, it almost seems like a public referendum that needs to be on the ballot next year, regarding how the public feels about the police, how the public feels about not having their police, as well as having more than one thing, and more than just police. The Council has a lot of things they want to do. How can we make this thing work and be able to see the nuts and bolts on how to make this work. She requested that Chief Brian Ferrante

express his opinion on this issue.

Police Chief Brian Ferrante commented that a lot has been said regarding all the emails received today, is a little troubled by the emails, and spent some time responding to them. He referred to one portion of an email due to its appropriateness to the conversation at hand. Chief Ferrante thanked Mr. Clark for some of the comments he made. The study session became very awkward due to the level of hostility and emotion that was presented on both ends of the issue, discussion about rhetoric, and so on. It was brought up during the working session that the things people were saying were emotional, trying to call out a few people and was really inappropriate. Although the community comments were hard to hear, they still provided quality perspective regarding the feelings on both sides of the issue.

The City saw much of the same type of emotion during the public period surrounding the proposed South of Tioga project. In the end, the project became better for it and the rhetoric did not derail the process but rather became a valuable part of the process. He commended Council member Sofer for standing up and saying that she was willing to take the heat and ask the tough questions because they are good questions to ask. He believes that the issue resulted from a big budget expense, and the question is "can we afford it". Upon reviewing that, it progressed to the next level and what it would look like if we contracted this out. That is when things progressed out of proportion. He does not want anybody to feel that the officers are against them, or the community is against them, or that the officers are for them. The Council obviously has a very important responsibility to the community to do the right thing for the right reasons. He is very close to the issue and not to say that he is not biased because he is. As a straight shooter he is not going to sell you a product that he does not believe in, and he absolutely believes in this product. He has been around policing for almost 35 years and has spent most of his adult life in and around policing.

Sand City has an exceptional police department. At the study session he provided the Council a brief history of his background, units he has served in, the things he has done, and positions held. His last agency was with the San Jose Police Department and it was a very good agency with the opportunity to work some really prestigious assignments that required a lot of responsibility. It has made him who he is today. Those assignments included SWAT teams, undercover units, and homicide units. During his tenure he sat down only one time with his units and said, "look around at the guys sitting next to you and remember this moment because it is not always going to be this way." It is very difficult to find one unit in one place at a point in time where you can count on everybody there and know that everybody in the unit will pull their weight. The officers are well respected and they will always get the job done. It was the one time in 28 years with the San Jose Police Department that he made that comment. It was a very good unit that went out and tracked the worst criminals in the city.

The criminals were very dangerous and posed a higher risk and the officers got the job done. When he came to Sand City, he sat down with these officers and asked that they look around because what they have here is special and needs to be appreciated because it does not happen everywhere. The quality of our officers and work that they do is special. It would be a terrible mistake to contract out the police department because he believes in the product, and the people we have here. Seaside does not have the capacity to police Sand City. They do not have the numbers, are understaffed, do not have the ability, and are barely keeping above water for their own agency. To ask them to come in and magically take care of Sand City is not going to happen. Del Rey Oaks is even smaller and would have to double their capacity overnight.

One of the issues of policing is community relationships, what people of color warrants, use of force involvement, and other things. However, the number one issue facing policing is the recruiting and retention of quality personnel. It is not sexy or a big thing that makes headlines but remains the number one priority. Recruiting quality personnel and retaining the personnel you have is the number one issue. To have Del Rey Oaks magically double the size of their agency to come over here and provide quality policing is a dream. Seaside who is arguably the more respected better established agency is down nine positions. Staffing is authorized for 40 personnel and they have 31. They cannot find people to hire who can make it through their training program. Finding quality people is slim and finding an agency with the quality of personnel that we have, in my mind may be impossible. If this whole thing fell apart and the Council decides to contract out, and he needed a job, he can find another job. The officers present here and serving Sand City are people that other agencies would recruit. They would have people knocking on their doors and would have jobs elsewhere. The issue is they want be here, in this community, and they want to provide the services to these people. They support you and you support them. They want to work in Sand City because of what we have here. They want to be here because this is a great place to be and they can provide the services you need.

In response to Council member Hawthorne's question regarding the City of Monterey, Chief Ferrante replied that they provide the same number of officers we already have, are paid higher, have a higher unfunded PERS liability, and greater departmental liabilities than Sand City has.

Council Member Hawthorne added that as Council Member Cruz mentioned, we need to look at the whole budget, not just the police department, and see what we can do with the whole budget. Not to just focus on police, but break it down, understand the entire thing and bring it back. Maybe even move the budget to make things happen, with the approach of making adjustments also. There are a lot of variables. This makes for a better police and city when we judge it for ourselves. When we look at the budget, identifying one spot will not solve the problem, but as Council Member Cruz commented, the Council should approach this as

a business and to conduct an analysis. This is something we need to do as a City Council.

There was applause from the public.

Meurer suggested that the next item lays out a schedule for a study session to see if this is where the majority of the Council would like to go, and possibly put this item on hold for now. Chief Ferrante put together a good synopsis and although expressed his disagreements, can provide the information at the appropriate time. He suggested that the Council table this item, take up the next item that addresses the study session, and lays out the schedule listing a number of future meetings.

Council Member Blackwelder agreed that the Council should examine the budget. The officers are under a lot of stress as well as their families. They have asked if they should start looking for other employment. He asked that the Council take into consideration that prolonging this item would not be helpful.

Motion to table this item until the Council has reviewed the budget was made by Council Member Sofer, seconded by Council Member Hawthorne. There was consensus of the Council to table this item,

AGENDA ITEM 10, NEW BUSINESS

A. Discussion of City RESOLUTION Approving the Application for Statewide Park Development and Community Revitalization Program

City Attorney Vibeke Norgaard commented that the resolution for the grant application needs further legal review and requested that this item be continued to the June 18, 2019 Council meeting.

There was consensus of the Council to continue the application for Statewide Park Development and Community Revitalization Program.

B. Consideration of City RESOLUTION Authorizing Continuing City Expenditures and City Operations for Fiscal Year 2019-2020

Meurer commented that since the Council will be going into more depth to study the budget, the memo lays out dates that would include a study session prior to the Council meeting. The budget will be presented as staff knows it then. There is \$450,000 dollars in this year's budget which may potentially be spent to buy down the PERS long term liabilities. The Bartel Presentation will give the Council an analysis of what that means for the long term, the value of spending the money now, versus allocating it towards road improvements, and/or doubling the PERS liability next year. The PERS liability is an issue, and this meeting is a presentation on the results of the actuarial study.

Mayor Carbone explained that the time for the Bartel Presentation would change to 2:00 p.m.-4:00 p.m. due to the Council Chambers being occupied by the Community Human Services meeting earlier that day.

Mr. Meurer continued that the staff report also indicated the upcoming Budget/Personnel Committee meeting, and Special meetings. The budget meeting should address the questions regarding overtime, PERS, street improvements, and other issues. The City should also consider investing in the professional development of the City employees each year to make them better employees. He recommends that the Council adopt the resolution to continue City operations until the 2019-2020 budget is approved.

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

There were no comments from the Public.

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

Motion to approve the City RESOLUTION authorizing Continuing City Expenditures and City Operations for Fiscal Year 2019-2020 was made by Council Member Blackwelder, seconded by Council Member Hawthorne. AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Discussion for the Proposal of Murals and Possible Council Action to Allocate \$5,000 of Sand City Art Committee Budget Funds with a Private Donor Match of \$5,000 towards a Mural Project

Interim City Manager Fred Meurer reported that the Art Committee put together a concept for a mural program to decorate or improve the visual impact of various buildings within the City. These buildings are not owned by the City and permission of the building owner must be obtained in order to do this. The Art Committee has \$5,000 left over in their budget for this year with a member of the Committee offering an in-kind donation of \$5,000 to support this program. In the draft budget, there is a \$10,000 recommendation for the Arts Committee budget for the next fiscal year. Also provided is a sample release form that would obtain permission from the owner. The City does have an existing arts process and a flow chart on how this would be approved. The agreement would provide some protection and the Council would have an 'opinion' as public art does get controversial.

City Attorney Vibeke Norgaard added that the sample release form is currently under legal review and will need major revisions.

Mr. Meurer spoke to the agenda process and how information is received by the Council. Staff is trying to put together a much more structured agenda process that would involve items that have not undergone the

review process to not be placed on the agenda. This will also allow the City Attorney time to review and make any necessary changes.

Council Member Hawthorne added that there is already \$5,000 in the budget and that \$5,000 will be donated. City Attorney Norgaard explained the process of the City's purchasing policy procedures regarding the amount the City Manager may approve, the use of public funds, and best value purchasing function with regard to public bidding.

Mr. Meurer added that he is putting in a recommendation in the budget for a façade program to encourage property owners to do something about the front of their buildings. A second recommendation would be \$20,000 for a 'fix-it' program. This program could be used to assist people who do not have the resources to do basic repair of their homes. The City could do it a number of ways such as grant with return of the money to the City upon sale of the property.

Council Member Hawthorne requested Council direction on the mural program. Council Member Sofer spoke to the mural project with regard to property owners preparing their buildings as a canvass, and the façade program. She expressed her concerns that the City does not want to inherit the side of one wall of every building in town, or to have the City be responsible for the upkeep of the building.

Mr. Meurer added that if the Council would like to make this linkage they can. At this time, Mr. Hawthorne would like the Council to approve a mural program, and allocate the funds currently there and donated to the program. The City Attorney is drafting a set of rules on where and how you make that investment. Separate from that is another recommendation for funds to be allocated towards the façade of the buildings for the front of the streets.

Council Member Sofer expressed her concern regarding liability and having City staff maintain the upkeep of the murals. Council Member Hawthorne remarked that the contract would specify that the City will not be responsible for the upkeep of the murals. City Attorney Norgaard commented that the agreement would be structured to address these concerns.

Mayor Carbone explained that the agreement will be reviewed to include graffiti proofing, upkeep, and the length of time the mural will be displayed, and other concerns.

8:36 P.M. Floor opened for Public Comment.

Sand City Resident Brian Clark commented: art, murals, lets rock and roll.

8:36 P.M. Floor closed to Public Comment.

Motion to approve the allocation of funds was made by Council Member Cruz, seconded by Council member Sofer. AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

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

Mayor Carbone reminded the Council to mark their calendars for the League of California Cities Conference to be held on October 16-18, 2019, and Community Human Services 50th anniversary celebration.

Council Member Hawthorne commented on the Transportation Agency for Monterey County (TAMC) meeting he attended, and that the City needs to seriously think of road improvements as there is \$15 million of Proposition X funds allocated for street improvements. They have funds earmarked for Sand City and the City should consider a plan for improvements. It would be beneficial to consider a nice parking area and would be a win, win for the City.

The Mayor added that TAMC can have 2 alternates and that Council Member Cruz is the second alternate. She will serve as a voting member in the event the appointed Council Member and first alternate are unable to attend the meetings. The 2020 Census is coming up and the City of Seaside is holding meetings to gear up for the upcoming census, and possible community outreach to be conducted at the West End Event. Sand City is 80% up to date on the census and any new housing construction is identified by the planning department which makes tracking of occupancy easier.

Council Member Sofer reported that she will be attending the Bicycle meeting on Wednesday.

E. Upcoming Meetings/Events

The Mayor requested that the Council let the Deputy City Clerk know whether they plan on attending the League conference. Council Member Sofer confirmed her attendance.

AGENDA ITEM 11, CLOSED SESSION

City Attorney Norgaard commented that Agenda item 11A(2) will be considered first due to Council Member conflicts with Agenda item 11A(1).

9:00 p.m.

A. City Council/Agency Board to adjourn to Closed Session

(1) Conference with legal counsel – anticipated litigation (Government

Code Section 54956.9(e)(1) (1 case) {this item continued from the May 21 Council meeting}

- (2) Conference with labor Negotiator pursuant to Government Code Section 54957.6 Agency Designated Representative: Interim City Manager Employee Organization: Sand City Police Officers Association (POA) and Miscellaneous Employees**

9:40 p.m.

- B. Re-adjourn 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**

Item 11A(2)-Council provided the City Attorney and Mr. Meuer with direction including to locate a professional negotiator. Council also provided general direction for the negotiations with unrepresented employees and police officers association.

11A(1) - Council provided direction to city attorney re next steps in order to avoid potential litigation.

AGENDA ITEM 12, ADJOURNMENT

There was consensus of the Council to adjourn the meeting at 9:41 p.m. to the next regularly scheduled Council meeting on July 16, 2019 at 5:30 p.m.

Connie Horca

Connie Horca, Deputy City Clerk.