

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

Regular Meeting – February 4, 2014
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:01 p.m.

The invocation was led by Reverend Carl Kelleher.

The Pledge of Allegiance was led by Police Chief Michael Klein.

Present: Council Member Blackwelder
 Council Member Carbone
 Council Member Hubler {arrived at 7:55 p.m.}
 Council Member Kruper
 Mayor Pendergrass

Staff: Steve Matarazzo, City Administrator/Community Development Director
 Jim Heisinger, City Attorney
 Leon Gomez, City Engineer
 Michael Klein, Police Chief
 Linda Scholink, Administrative Service Director
 Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

The Mayor requested that an item which was received after the agenda was posted be included on the agenda. The City Attorney recommended that this item be added under Closed Session as Item 10A-1(c), Seaside vs. Sand City, new case.

Motion to add Seaside vs. Sand City, new case to the Agenda as Closed Session item 10A-1(c) was made by Council Member Carbone, seconded by Council member Kruper. AYES: Council Members Blackwelder, Carbone, Kruper, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: None. Motion carried.

- A. Written communications distributed to the Council were a summary of the GreenWaste presentation, letters of commendation for GreenWaste Recovery Agenda item 9A), a summary of Waste Management's response of contract language (Agenda item 9B), and a list of no conflicts for tonight's meeting.

- B. Oral

7:06 P.M. Floor opened to Public Comment.

There were no comments from the public.

7:06 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

The Consent Agenda consists of routine items for which City Council approval can be taken with a single motion and vote. A Council member may request that any item be placed on the Regular Agenda for separate consideration.

- A. There was no discussion of the January 21, 2014 Sand City Council Meeting Minutes.
- B. There was no discussion of the Successor Agency **Resolution** approving an Administrative Budget through June 2014.
- C. There was no discussion of the Donations/Contributions to Seaside Pony Baseball for \$500 and Monterey High School Sober Grad Night for \$200.
- D. There was no discussion of the Police Department Annual Report for 2013.

Motion to approve the consent calendar items was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Kruper and Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: None. Motion carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 7, PRESENTATION

A. Presentation and Update by Dr. Ed Ghandour regarding Monterey Bay Shores Coastal Resort

Dr. Ed Ghandour reported that the Monterey Bay Shores Coastal Resort Project has experienced a 21 year journey, and is scheduled for a Coastal Commission hearing in March. There have been seven lawsuits on this project and it continues to persevere despite the opposition faced. The project has undergone extensive revisions and significant concessions to remain in compliance with various sections of the Local Coastal Plan (LCP) and the Coastal Act. The Monterey Bay Shores Coastal Resort project consists of four elements that include hospitality, amenities, a residential component, and dune/habitat restoration. The Coastal Commission requested that the project remain hidden from public highway views and it has been modified to become virtually invisible from Highway One. The coastal resort encompasses 39.2 acres, consisting of 184 hotel rooms, 92 hotel condominiums, and 92 residential units. There will be 5 acres of trails connecting to the beach and vista points. The project meets eco-friendly standards with green sustainable

features, and a 90% capture rate of water. The view corridors were modified to provide a seamless view of the dunes. Dr. Ghandour concluded that the project will further meet low cost accommodations requirements and will be environmentally sustainable.

AGENDA ITEM 8, OLD BUSINESS

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

City Engineer Leon Gomez reported that the desalination plant has been inoperable due to the inability of the brine discharge to remain within the permitted limits. The plant is due to begin operation on Wednesday, February 5th. A meeting was held with Cal-Am representatives, Martin Feeney, and Staff to discuss the plant and possible well relocation. Staff has been working on the City's Storm Water Management Ordinance on revisions to incorporate post-construction requirements and best management practices. The City Engineer and Associate Planner plan to submit the Ordinance to City Council for First Reading at the February 18th Council meeting.

Mayor Pendergrass inquired about submission of an application to the Coastal Commission for construction of new wells. City Administrator Steve Matarazzo commented that an application for an immaterial amendment to the Executive Director would be submitted to the Coastal Commission to increase the plant's production capacity. If approved by the Executive Director the application would be placed on the Coastal Commission consent agenda for approval.

City Administrator Steve Matarazzo reported that the Successor Agency Oversight Board met on Monday, February 3 to review the Long Range Property Management Plan (LRPMP). The Oversight Board proposed 3 changes to the LRPMP. The Board decided to sell the Carroll Property on the open real estate market. They agreed to have the pump station property reappraised, and offer it to DBO to purchase for a period of 60 days. If DBO does not purchase the property, it will be sold on the open real estate market. The Community Garden will be offered to the City at cost of \$75,000 with proceeds to be distributed to the taxing entities. Following the Oversight Board meeting, the City received a lawsuit from the City of Seaside regarding the King Ventures Project (the Collection at Monterey Bay Coastal Resort). This will be discussed under closed session.

AGENDA ITEM 9, NEW BUSINESS

A. Consideration of City Resolution directing the City Administrator to begin Negotiations with GreenWaste Recovery for a Ten Year Franchise Agreement beginning in April 2015 and Presentation by Charlie Cordova, Representative of GreenWaste Recovery, Inc.

Consultant Bob Hilton, reported that the project to provide competitive waste services began 3 years ago. The Cities of Marina, Seaside, Del Rey Oaks, Pebble Beach and Pacific Grove have approved negotiations with GreenWaste. The State of California is presently undergoing environmental law changes regarding solid waste disposal and diversion of certain materials appearing at landfills. GreenWaste is committed to recycling 65% of materials they touch and to include a high level of public outreach and technical support in their proposal to help achieve that goal. Originally started in Santa Clara County 20 years ago, GreenWaste is known for advanced approaches to recycling. Significant issues concerning the contract were addressed, relating to service, compensation, labor, and costs to rate payers. The difference in cost to Sand City would be minimal. The Technical Advisory Committee (TAC) recommended that all agencies enter into negotiations with GreenWaste Recovery. GreenWaste Recovery has the lowest cost response proposal with no exceptions to the contract and has demonstrated success in transitioning services from Waste Management.

Tracy Adams, Chief Administrative Officer of GreenWaste Recovery thanked the Council and TAC for the work they have accomplished. GreenWaste Recovery is a family owned business serving the Bay Area and Santa Cruz County, for 30 years. Seven communities were represented by the Technical Advisory Committee (TAC), and GreenWaste was voted best overall. GreenWaste has a facility that recovers 98% of all recoverable materials. This gives GreenWaste the advantage of giving the community a percentage of recovery costs allowing Cities to retain a portion of revenues received. The company has successfully transitioned the County of Santa Cruz's current waste employees and services to GreenWaste Recovery. Outreach materials involving GreenWaste are primarily designed for the specific service area. Sand City's outreach material will be different from those of other Peninsula cities, but will have a common theme. The driver will work with an outreach coordinator to ensure that the public receives guidance and support relating to disposable materials. Costs to Sand City would be based on a structure that addresses a predominantly commercial City. In conclusion, Mr. Adams thanked the Council and looks forward to working with the City.

{Council Member Hubler arrived}

In response to Mayor Pendergrass' question regarding the receipt of credit for waste taken to the local landfill and recyclables transported to San Jose, Mr. Adams commented that Sand City would receive a higher recovery rate for recyclables being transported from the City. Mr. Adams further explained the rate structure to the Council, what items may be composted, and why three carts will be available to its customers.

B. Update by Waste Management District Manager Felipe Melchor on Waste Management Franchise Proposal

Mr. Leslie Magaster representing Waste Management reported on the history of Waste Management, whose operations are now located in the City of

Castroville. He invited the Council to tour the facility to talk with their managers before making a decision on contracting with their competitor. The company is centrally located and operating locally within Monterey County. Waste Management has 3 route managers with service calls being answered locally. They also offer the lowest price for continued service to Sand City. The drivers are confident with their roles and are knowledgeable in servicing the area. Waste Management offers a savings of \$40,000 using its current facilities and equipment. They are willing to negotiate terms with the City to offer better service at a reduced cost without the need for the company to purchase new and /or additional trucks. This would save approximately \$300,000 for equipment. Mr. Magaster referred to his handout that addressed specific concerns of the contract language, its applicability, summary of exceptions and Waste Management's response to the contract language.

Mr. Magaster summarized the goals of Waste Management at the request of Mayor Pendergrass so the floor could be opened for Public Comment. He concluded that Waste Management will be available to continue to serve the Monterey Peninsula for residential waste collections.

8:36 P.M. The floor was opened for Public Comment.

There was no comment from the Public.

8:36 P.M. The floor was closed to Public Comment.

Mayor Pendergrass commented on Waste Management's customer service and several issues regarding garbage collection. The Technical Advisory Committee recommended GreenWaste Recovery with a consensus of the City representatives in favor of negotiating with GreenWaste services.

City Administrator Steve Matarazzo suggested that the Hilton Group continue to assist Sand City in the negotiation process to include the best rates for both residential and commercial customers.

Motion to approve the City **Resolution** by title, directing the City Administrator to begin negotiations with GreenWaste recovery for a Ten Year Franchise Agreement beginning in April 2015 was made by Mayor Pendergrass, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Upcoming Meetings/Events

There were no RSVP's from the City Council.

AGENDA ITEM 10, CLOSED SESSION

8:42 P.M.

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

1) To confer with Legal Counsel regarding pending litigation in accordance with Section 54956.9(c) of the Ralph M. Brown Act,

- a) *Monterey Peninsula Water Management v. State Water Resources Control Board (No. M102101), and related cases***
- b) *Seaside v. Sand City (No. M120996) and related cross action***
- c) *Seaside v. Sand City, new case***

2) To confer with Legal Counsel regarding anticipated litigation in accordance with Government Code Section 54956.9(d) of the Ralph M. Brown Act, one case

9:59 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 received a report from Legal Counsel on pending litigation cases, and gave direction to its Legal Counsel with respect to both of the Seaside v. Sand City matters.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Kruper, seconded by Council Member Hubler to the next regularly scheduled Council meeting on Tuesday, February 18th, 2014 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 10:00 p.m.



Linda K. Scholink, City Clerk