

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

Regular Meeting – February 18, 2014
7:00 P.M.
CITY COUNCIL CHAMBERS

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

The invocation was led by Reverend Robert Hellam.

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

Present: Council Member Blackwelder
Council Member Carbone
Council Member Hubler
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
Connie Horca, Deputy City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

A. Written communication distributed to the Council were a list of commonly used StormWater Management acronyms (Agenda item 7A), an upcoming Monterey Bay Division Meeting scheduled for March 10, 2014, and a no conflicts list for tonight's meeting.

B. Oral

7:04 P.M. Floor opened for Public Comment.

There was no comment from the Public.

7:04 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

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 #448, Mike Houser, (Shirt Printer), 542 #4 Ortiz Avenue
- (2) CUP #471, Peninsula Plumbing, (Contractor), 749 Dias Avenue
- (3) CDP #07-01, Sato Racing, (Wholesale), 2-John Street

- B. There was no discussion of the February 4, 2014 Council Meeting Minutes.
- C. There was no discussion of the Police Department Monthly Report, February 2014.
- D. There was no discussion of the Public Works Monthly Report, February 2014.
- E. There was no discussion of the City **Resolution** authorizing continued Banking Services Agreement with Rabobank.
- F. There was no discussion of the City **Resolution** in Support of Water Rate Relief Bonds for the Monterey Peninsula Water Supply Project
- G. There was no discussion of the City/Successor Agency Treasury Report, December 31, 2013.
- H. There was no discussion of the Sand City Sales Tax Quarterly Update, July – September 2013.
- I. There was no discussion of the City Donation/Contribution to the 2014 Monterey Scottish Games & Celtic Festival for \$500.

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 7, PUBLIC HEARING

- A. **FIRST READING: ORDINANCE Amending Chapter 13.05 of the Sand City Municipal Code Implementing Post-Construction Storm Water Management Requirements for Development Projects as Mandated**

by the State Water Resources Control Board and the Central Coast Regional Water Quality Control Board

City Engineer Leon Gomez reported that the first reading of the Ordinance amending Chapter 13.05 of the Sand City Municipal Code implementing Post-Construction Storm Water Management requirements for development projects is part of the Storm Water Management group's efforts to regulate water discharge within the Peninsula. The amendment to the Ordinance would allow Federal, State and Regional level regulatory mandates to be updated. Sand City's General MS4 permit took effect on July 1, 2013. Every few years the State Water Resources Control Board (SWRCB) revisits and revises the General MS4 Permit. The Regional Water Quality Control Board adopted Post-Construction Requirements (PCRs) in July 2013 and they take effect on March 6, 2014. The adoption of the ordinance would allow local agencies to remain in compliance with new requirements and regulations of the adopted PCRs. The Regional Board chose to develop PCRs that are region-specific, based on local watershed processes and characteristics. These PCRs were developed over several years with input from non-governmental organizations, municipalities, developers, consultants, engineers, and citizens. PCRs were adopted in order to ensure the protection of water quality, beneficial uses, physical and biological integrity of watersheds in the region, and to ensure that the Permittee is reducing pollutant discharges to the maximum extent practicable. He also explained the applicability of the PCRs as they pertain to regulated projects, the tier table, performance requirements of thresholds, and their criteria. Staff is in the process of further developing tracking and reporting templates, and procedures to communicate reporting requirements to permit applicants. Mr. Gomez thanked Associate Planner Charles Pooler for his help and assistance with his presentation.

In response to the Mayor's question regarding how applicants are notified, Associate Planner Pooler commented that the City Engineer is on the advisory notice distribution list. Staff is in the process of preparing handouts/brochures to educate the public of new low impact development (LID) requirements. Mr. Pooler also explained to the Council the process regarding approval of permits and submittal of applications.

7:41 P.M. Floor opened for Public Comment.

There was no comment from the Public.

7:41 P.M. Floor closed to Public Comment.

Motion to approve the First Reading of the **Ordinance** Amending Chapter 13.05 of the Sand City Municipal Code Implementing Post-Construction Storm Water Management Requirements for Development Projects as Mandated by the State Water Resources Control Board and the Central Coast Regional Water Quality Control Board was made by Council Member Hubler, seconded by Council Member Carbone. Roll call vote AYES: Council Members Blackwelder, Carbone,

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

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 the desalination plant has been operable since February 5th, with the exception of a temporary one day shut down for the repair and replacement of a pump. The recent rainfall had improved the source water connectivity allowing the plant to blend and discharge within permitted limits. The monthly production report for February should be ready by the end of the month.

City Administrator Steve Matarazzo reported that the Planning Department submitted an application early this morning to the Coastal Commission requesting six new wells as part of the Adaptive Water Management Plan for the desalination plant. The application was submitted as an immaterial coastal development permit amendment. The addition of extra wells should allow the plant to successfully produce adequate water even in drought conditions currently experienced by the State.

Mayor Pendergrass reported that he met with several members of the Grand Jury who expressed interest in the desalination plant. They were in awe that such a small City could accomplish such a major project. They will be touring the plant at a future date this week. An article appeared in the San Francisco Chronicle on Sand City's desalination plant, and the City Engineer received a call from a representative of the City of Santa Barbara who also requested a tour of the desalination plant. The Monterey Bay Shores project will appear on the Coastal Commission agenda in their March meeting. City Council and Staff members are requested to appear at the hearing in support of Dr. Ghandour. Staff will research travel options to and from the Coastal Commission meeting once the agenda is made available to the public.

AGENDA ITEM 9, NEW BUSINESS

A. Consideration of City Resolution approving Amendment 1 to the Fiscal Year 2013/14 Budget by Amending Expenditure Account 5010-08 (Public Safety Capital Outlay) to include up to \$200,000 for the Purchase of Two Additional Police Vehicles

Mayor Pendergrass commented that Staff provided a report itemizing the cost to repair the existing police vehicles compared to purchasing new vehicles. The police vehicle purchase should have happened several

years earlier, but the past recession and the dissolution of redevelopment agencies required conservation of available funds.

Police Chief Michael Klein reported that the remaining fleet will need to be replaced due to the considerable cost of repairs. The two new cars originally budgeted for will be arriving by the end of February. Ford Motor Company will cease to manufacture the current police vehicles, and orders will need to be submitted prior to the deadline, otherwise the City will be looking at another year before replacement of the existing fleet can take place. The vehicles being recommended have undergone extensive research and are the same SUVs that the State Highway Patrol will be using.

Motion to approve the City **Resolution** approving Amendment 1 to the Fiscal Year 2013/14 Budget by Amending Expenditure Account 5010-08 (Public Safety Capital Outlay) to include up to \$200,000 for the Purchase of Two Additional Police Vehicles was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

B. Consideration of Successor Agency Resolution Approving the Recognized Obligations Payment Schedule (ROPS 14-15A) for July 2014 through December 2014

City Administrator Steve Matarazzo reported that the attached Recognized Obligations Payment Schedule (ROPS 14-15A) is designated for the first half of the upcoming fiscal year. Staff anticipates that approximately \$610,000 of property tax revenue will be received during this period. These monies will be disbursed towards the City's two bond payments, a specified amount to Monterey Peninsula Unified School District as part of the settlement agreement, and a small sum for the administrative expenses.

In response to Council Member Kruper's question regarding whether the City will be reimbursed for Staff expenses incurred by the former Redevelopment Agency, Mr. Matarazzo commented that it the City loan will be paid over a long period of time, subject to an increased tax base.

Motion to approve the Successor Agency **Resolution** approving the Recognized Obligations Payment Schedule (ROPS 14-15A) for July 2014 through December 2014 was made by Council Member Hubler, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Consideration of City Resolution Authorizing Appointment of Kelly Morgan as Interim City Administrator and Acceptance of Interim City Administrator Employment Agreement

Mayor Pendergrass reported that Mr. Morgan has expressed his interest in the Interim City Administrator position, and has signed the attached contract. City Attorney Jim Heisinger reported that the contract has been prepared with regard to changes in the law re-hiring individuals who have retired and receive benefits from the Public Employees Retirement System. The contract further outlines the conditions of his employment, specifics regarding how many hours he may work within a fiscal year, and the terms of his employment.

Mayor Pendergrass commented that the City has advertised for the position of City Administrator, and would like the Council to review letters of interest received at the March 4th Council meeting.

Motion to approve the City **Resolution** authorizing appointment of Kelly Morgan as Interim City Administrator and acceptance of Interim City Administrator Employment Agreement was made by Council Member Kruper, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

D. Upcoming Meetings/Events

Mayor Pendergrass reminded the Council that the Monterey Peninsula Chamber of Commerce will be holding their Annual Awards Dinner on Saturday, March 15, 2014. There were no RSVPs from the City Council.

AGENDA ITEM 10, CLOSED SESSION

8:15 P.M.

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

1) To confer with Legal Counsel regarding pending litigation in accordance with Government Code Section 54956.9(d)(1):

- 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 (King Ventures) (No. M126354)*

8:45 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

There was no report on Agenda Item 10A(1a). The City Attorney reported on Items 10A(1b,c) and received direction from the City Council.

AGENDA ITEM 11, ADJOURNMENT

There was unanimous consensus of the council to adjourn the meeting at 8:46 p.m. to the next regularly scheduled Council meeting on Tuesday, March 4, 2014 at 7:00 p.m.



Connie Horca, Deputy City Clerk