

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

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

Mayor Pendergrass opened the meeting at 7:00 p.m.

The invocation was led by Reverend Kelleher.

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: Kelly Morgan, Interim City Administrator
Jim Heisinger, City Attorney
Leon Gomez, City Engineer
Michael Klein, Police Chief
Linda K. Scholink, Administrative Services Director/City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

A. Written communication distributed was a list of possible conflicts.

B. Oral

7:03 P.M. Floor opened for Public Comment.

Public audience member Dan Presser reported that the Military Cemetery received a check from the Federal Government for \$6 million towards development of a cemetery for those who have served in the armed forces. The funds received do not cover the construction of a museum and only provides for the first phase which is the location and purchase of land. On November 8th a golf tournament will be held to raise additional funds for the cemetery, and he extended an invitation to the Council. Mr. Presser also announced that he is running for the Airport Board of Directors. As a Board Member, he would like to create more local jobs and bring additional employment opportunities to the Peninsula.

George Riley of Public Water Now, distributed materials to the audience and City Council regarding the Water Update Cease and Desist Order (CDO) Fine. In 1995, the State issued its first order to stop pumping from the Carmel River CDO 95-10. Cal-Am may be fined for several million dollars, and may pass these fines on to the rate-payers. They are blaming the rate-payers, school districts, restaurants, apartments, businesses, and communities for failing to meet the deadline. Public Water Now has launched a protest to the Public Utilities Commission (PUC). Cal-Am has not accepted their role in the failure, and blames scheduled setbacks, conservation, and unpredictability for its failure. If Cal-Am is fined, and attempts to charge rate-payers, Public Water Now will protest vigorously. Mr. Riley encouraged the Council and audience to submit and register their protest.

AGENDA ITEM 5, CLOSED SESSION

7:10 P.M.

- A. Consideration of City Administrator Public Employment Agreement Pursuant to Government Code Section 54957(b)(1)

7:18 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

The Council met in closed session to consider public employment agreement with the new City Administrator and will take action during New Business Item 10G.

Interim City Administrator Kelly Morgan commented that Agenda Item 6H be pulled from the Consent Calendar for further review by Staff and the Transportation Agency of Monterey County (TAMC).

Mayor Pendergrass requested that Staff include the bank balance on the monthly financial reports (Item 6G). No change is requested and motion for approval is recommended.

AGENDA ITEM 6, 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 Sand City Council Special Meeting Minutes, September 11, 2014.
- B. There was no discussion of the Sand City Council Meeting Minutes, September 16, 2014.

- C. There was no discussion of the Fort Ord Monthly Report (FORA) Board Meeting, September 2014.
- D. There was no discussion of the City Donation/Contribution to the Monterey Cowboy Poetry and Music Festival for \$200 and to Monterey High Sober Grad Night 2015 for \$200.
- E. There was no discussion of the City **Resolution** recognizing Bishop Wilburn W. Hamilton, as Honoree of the 26th Annual Stephen E. Ross Award
- F. There was no discussion of the City **Resolution** recognizing Alice Huffman Guest Speaker at the 26th Annual Stephen E. Ross Award
- G. There was no discussion of the City/Successor Agency Monthly Financial Report, July 2014.
- H. Approval of City **Resolution** approving an Agreement between the Transportation Agency for Monterey County (TAMC) and the City of Sand City for the Allocation of Funding Approved by the Transportation Agency Board of Directors was pulled from the consent calendar to be considered at a future Council meeting.

Motion to approve the Consent Calendar items 6A-6G 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 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Item 6H was pulled from the Consent Calendar for future consideration.

AGENDA ITEM 8, PUBLIC HEARING

{Council member Blackwelder stepped down from the dais due to a possible conflict of interest by residing within 500' of the subject property}

- A. **Consideration of City Resolution approving Conditional Use Permit 584 for Groundworks Renewables, Inc. to Operate Offices within the Commercial Unit at 433 Orange Avenue**

Associate Planner Charles Pooler presented an application submitted by Groundworks Renewables, Inc. to establish an office within a 1400 square foot commercial unit at 433 Orange Avenue. Groundworks is a renewable energy service providing meteorological equipment to the utility-scale solar industry, and currently operates an office in Monterey. The Sand City location would be an expansion of the business and not a replacement.

Products are assembled in Burbank, California and Logan, Utah for installation throughout the United States. There will be no shipments to and from the site nor will there be any company vehicles. The site provides four (4) parking spaces which includes one (1) handicap stall, and two tandem parking spaces within the garage for the residential dwelling. The parking requirements are adequate for the intended use. Office activities generally have minimal impact, and excessive noise, odors, vibrations, or other detrimental impacts are not anticipated for the proposed use. Staff recommends approval of the conditional use permit for GroundWorks Renewables, Inc.

7:25 P.M. Floor opened for Public Comment.

The applicant Ms. Anne Gaglioti commented that they have been in Monterey since 2009, and is excited to come to Sand City. The location in Sand City would serve as the corporate office and business development site. Business activities involve installing the weather stations that precede utility scale solar development throughout the country. There are hundreds of utility scale solar devices throughout the United States and it is exciting to be in the forefront of power usage within the United States.

7:28 P.M. Floor closed to Public Comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 584 for Groundworks Renewables, Inc. to Operate Offices within the Commercial Unit at 433 Orange Avenue was made by Council Member Hubler, seconded by Council Member Carbone. AYES: Council Members Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Blackwelder.

{Council Member Blackwelder returned to the dais}

AGENDA ITEM 9, OLD BUSINESS

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

City Engineer Leon Gomez reported that desalination plant production for the month of September was low due to continuing issues of salinity levels, the clean and place (CIP) process of flushing out the membranes, and power outage occurrences. The plant did meet anticipated production levels during its operable days in September. Cal-Am received a proposal of the hydrogeological modelling for the desalination facility intake and disposal systems submitted by Hydrometrics Inc. The proposal is part of the coastal development permit to construct new wells. The proposal will be reviewed by Staff and a meeting scheduled with Cal-Am.

The September 20th Open House was well attended by residents and the public. The City's Annual Storm Water Report is due next week, and Staff is working diligently to finalize the report for submission. Mr. Gomez thanked Mr. Kelly Morgan for his patience in registering the City on the Water Board's website. The public outreach coordinator has enlisted two GIS students from California State University Monterey Bay (CSUMB) to map the City's storm drain system (a requirement of the storm water permit) using GPS. Sand City was fortunate to have this mapping service done at no cost to the City. The Public Works Department has responded to an illicit discharge reported by a local business on Redwood Avenue, and procedures have been taken to remedy the issue.

A meeting was held with Mr. William Silva of Woodman Development for the future development of the Bungalows Project. Several items were discussed relating to the process and procedures for submittal of proper documentation, forms, and development agreements.

There was Council discussion regarding the current wells, and whether the new wells will serve to increase water productivity. The City Attorney clarified that the Coastal Permit requires a report on the condition of the intake and discharge wells in regard to erosion. A portion of the report asks for an amendment to the permit for construction of additional intake wells over the next several years. Concurrently, Cal-Am submitted an application to the State Water Control Board to increase the salinity discharge. The Coastal Commission responded by requesting some sophisticated groundwater modelling with respect to the aquifer. Cal-Am needs to do the same for the State Water Resources Control Board. Staff met with Cal-Am to inform them of the work that needs to be done. The application deadline was mid-September, and Mr. Luster has approved a one year extension. This would allow Staff additional time to gather the information needed.

Interim City Administrator Kelly Morgan reported that he attended a TAMC Rail Committee meeting yesterday with the new City Administrator but did not introduce him at the meeting pending his official appointment. The meeting presented the Bus Rapid Transit program proposal to construct one paved lane within a location of the rail-road-right of way. Transit service would begin in Marina and run to Monterey during peak commute hours. Approximately six busses would run every hour. Grant funds have been committed for the project; however, matching funds need to be found in order to move forward with the proposal.

AGENDA ITEM 10, NEW BUSINESS

A. Consideration of City Resolution approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2015 West End Celebration (WEC)

Mayor Pendergrass commented on the excellent job Mr. Vagnini

performed on the 2014 West End Celebration. There was an overall increase of 63% of MST ridership during the event. In communication with Mr. Vagnini, he expressed his interest in being next year's coordinator.

Mr. Morgan commented that the budget for the West End Celebration has been approximately \$60K dollars. Mr. Vagnini has been successful gathering corporate and private sponsorships for the event; however, if Measure J does not pass, the West End Celebration may be one of the budget items the Council may have to seriously review.

Motion to approve the City **Resolution** by title, approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2015 West End Celebration (WEC) 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.

B. Consideration of City Resolution approving the First Amendment to the Morgan Employment Agreement (Originally approved by Resolution SC 14-15, 2014)

City Attorney Jim Heisinger referred to page 102 of the packet. The City entered into an interim employment agreement with Mr. Morgan on March 3, 2014 and continues through several conditions; one of which is the effective date of the appointment of a new City Administrator. This evening an appointment of a new City Administrator would end Mr. Morgan's interim duties. On page 98, the agreement has been amended to provide for new duties, set forth in paragraph 3, to provide consulting services on an as needed/requested basis by the new City Administrator and City Council. Mr. Morgan has the required background and knowledge to assist the City in the disposition of properties in respect to the Long Range Property Management Plan, and will act as Sand City's alternate representative and voting member to the Successor Agency Oversight Board. Staff recommends continuation of Mr. Morgan's employment as City Consultant to continue until his resignation or termination by the City. The employment agreement depicts the description of his duties, and indicates that his employment no longer terminates upon the hiring of a new City Administrator.

The Mayor asked Mr. Morgan if he was in agreement with the amendment to his employment agreement. Mr. Morgan responded that he was in agreement.

Council Member Blackwelder and the rest of the Council thanked Mr. Morgan for his willingness to come out of retirement, and to serve as Interim City Administrator during the transition.

Motion to approve the City **Resolution** approving the First Amendment to

the Morgan Employment Agreement (Originally approved by Resolution SC 14-15, 2014) was made by Council Member Kruper, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Consideration of Police Department Request to Sell Two (2) Police Patrol Vehicles

Police Chief Michael Klein commented that the police department has two old patrol vehicles that the City of Del Rey Oaks would like to purchase for \$100 each to be used as City parts for their existing vehicles. The new patrol vehicles are equipped with updated equipment and will not need the ones in the old patrol vehicles. The radios will be salvaged and traded in to Harris Corporation as part of the City's agreement with Monterey County. In response to the Mayor's inquiry regarding the remainder of the old police fleet, Chief Klein responded that there are two functional vehicles left that can be used for emergency purposes.

The Council was in consensus to dispose of and sell two police patrol vehicles to the City of Del Rey Oaks as recommended by Chief Klein.

D. Follow up on Sand City Ballot Measure J

Interim City Administrator Kelly Morgan commented that the Chairman of the Budget Committee requested that a summary be written to inform the public of Measure J. The summary was provided to the Council. The agenda packet also contains an article about the City of Monterey emphasizing that their ballot measure would support road improvements and repairs. Sand City's summary in support of Measure J includes points on why the City needs to increase its sales tax.

The Council was in agreement to accept the summary in support of Measure J.

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

Mayor Pendergrass reported on the desalination plant open house, its attendance, and the success of holding the event. Tours were conducted on a regular basis. Cal-Am passed out brochures that contained information on water conservation measures and distributed free shower devices.

Vice Mayor Carbone reported that the beach clean-up resulted in 350 lbs of trash and recyclables collected by approximately 70 people. There was interest in future beach clean-up events with approximately 20-25 individuals already signed up. She assisted in a fund raiser following the desalination plant open house that raised \$25K dollars for Community

Human Services.

Council Member Kruper reported that the Design Review Committee (DRC) held a meeting covering items related to the Independent and the installation of solar panels for the building. The last meeting of the Monterey County Convention and Visitors Bureau (MCCVB) was held in September. Their main concern revolved around anticipated revenues coming from the County, and the request of the Visitors Center for a large amount of funding. Since last year, MCCVB has maintained a reserve and offered to fund the Monterey Visitors Center in Salinas on the stipulation that they can prove an increase in tourism to the Peninsula.

Mayor Pendergrass thanked the Council for their continued participation and commitment in serving as Sand City's representatives to various boards.

F. Upcoming Meetings/Events

There were no RSVP's from the Council.

G. Consideration of City Resolution approving the City Administrator Employment Agreement

City Attorney Jim Heisinger reported that the attached resolution was an organized and herculean effort by the Personnel Committee and City Council in the recruitment of a new City Administrator. He expressed a special "thank you" to Mr. Kelly Morgan for returning as the Interim City Administrator to assist the City during the transition. The attached resolution is an employment agreement with the City Administrator and recommended by the City Council.

Motion to approve the City **Resolution** by title, approving the City Administrator Employment Agreement was made by Council Member Hubler, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

H. Introduction of New City Administrator

Mayor Pendergrass introduced Sand City's new City Administrator Todd Bodem. Mr. Bodem thanked the Council and Staff, and conveyed his delight in serving as Sand City's new City Administrator. He commented on his excitement in having his family join him in California.

Linda Scholink Director of Administrative Services swore in the new City Administrator Todd Bodem.

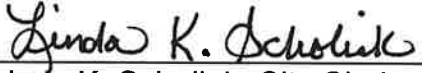
The Mayor invited everyone to participate in the snacks and refreshments after the Council meeting in honor of the new City Administrator.

AGENDA ITEM 11, CLOSED SESSION

There was no closed session held.

AGENDA ITEM 12, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Kruper, seconded by Council Member Blackwelder to the next regularly scheduled Council meeting on Tuesday, October 21, 2014 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 8:30 p.m.


Linda K. Scholink
Linda K. Scholink, City Clerk