

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

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

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

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: Todd Bodem, City Administrator
Kelly Morgan, City Consultant
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

7:01 P.M. Floor opened for Public Comment.

James Logan, President of the United Veterans Council commented that he would like Sand City to join in becoming known as a "Purple Heart City". He introduced John Gay, the Senior Vice Commander and Adjutant, of the Monterey Bay Chapter 549. He commented that their organization is rallying Monterey Peninsula cities to join in becoming a Purple Heart City. The purpose is to recognize and honor those individuals who have served and given their lives for the beliefs of this country. There are 52 Purple Heart Cities in California, of which 10 are part of the Monterey Bay Chapter. Should Sand City decide to join, the City would receive two signs to display throughout the City. He requested that the Council consider joining other cities and become recognized as a "Purple Heart City".

Mayor Pendergrass commented that Sand City will consider placing the request on the next agenda. Sand City is very patriotic, supports, and admires those who have served on behalf of our Country. He also acknowledged the Christmas decorations that were arranged by Public Works, and the upcoming Tree Lighting Ceremony to be held on Friday, December 5, 2014 at 6:00 P.M. Refreshments will be provided with a visit from Santa and Mrs. Claus.

7:01 P.M. Floor closed to Public Comment

Mayor Pendergrass commented that he received a petition from Public Water Now that is available for those who would like to sign it.

AGENDA ITEM 5, CONSENT CALENDAR

- A. There was no discussion on the following conditional use permits and the coastal development permits listed below.
- 1) CUP #328/CDP 88-01, Granite Rock (construction), 1755 Del Monte Blvd
 - 2) CUP #478, Signature Nails (sales/service), 824 Playa Avenue
 - 3) CDP 09-05, Coastal Fabrication, (welding/fabrication), 755 Redwood Avenue
 - 4) CUP #534, Big Sur Marathon, (storage), 570 California Avenue
- B. There was no discussion of the Sand City Council Meeting Minutes for November 4, 2014.
- C. There was no discussion of the Public Works Monthly Report for October 2014.
- D. There was no discussion of the Police Department Monthly Report for October 2014.
- E. There was no discussion of the Sand City Joint Powers Financing Authority **Resolution** confirming its officers.
- F. There was no discussion of the City Donation to the Salvation Army Christmas Holiday for \$300.
- G. There was no discussion of the City/Successor Agency Monthly Financial Report for September 2014.

Motion to approve the Consent Calendar was made by Council Member Blackwelder, seconded by Council Member Carbone. 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, PRESENTATION

A. Presentation by Monterey Regional Waste Management District regarding Monterey Regional Waste Management Authority Joint Powers Agreement (JPA) and the need to amend the existing JPA to accommodate a proposed \$30 million bond financing for new and improved infrastructure (10 minutes)

Monterey Regional Waste Management District (MRWMD) General Manager William Merry reported that the District is presenting a measure for capital improvement of \$30 million towards improvements to the material recovery facility, additional truck parking for GreenWaste, and installation of a compressed gas filling station. He summarized the MRWMDs current programs, and the need to remain in compliance with current and future regulations. The bond financing would provide improvements to the recycling facility due to the new law signed by the Governor that includes a provision calling for a 75% goal for recycling by the year 2020. These improvements would bring the community in line with these requirements. Mr. Merry concluded that the JPA Amendment would update the language for waste flow control, GreenWaste Recovery franchise agreements, and provides the facility with a more integrated system of processing trash, organics, and other materials.

In response to Council Member's questions regarding the roadway leading to the landfill, Mr. Merry explained that materials used to construct the roadway is from lumber crumb rubber. The lifecycle cost of the roadway may last from 25-30 years as opposed to 20 for a conventional asphalt roadway.

Mayor Pendergrass commented that Mr. Merry has represented MRWMD for the last 30 years and has announced his retirement next year. He also commended Associate Planner Charles Pooler for preparing the Staff report and resolution.

Motion to approve the City **Resolution** approving Amendments to the Joint Exercise of Powers Agreement for the Monterey Regional Waste Management Authority 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.

B. Mike Nolan and Therese Courtney from Hayashi & Wayland presented the Audit for Fiscal Year 2013-2014.

Mike Nolan from Hayashi and Wayland reported that at the Budget Committee meeting held last week; the Committee received a detailed report from the auditors, had specific questions answered, and several

concerns addressed. He summarized page 2 of the auditor's report, indicating that the financial statements are correct and provides a clean opinion. He introduced Therese Courtney of Hayashi & Wayland who will report on several topics discussed at the Budget Committee meeting.

Therese Courtney reported that page 11 of the Audit provides an explanation of the overall financial standing for the City. The City retains a \$10 million note due from the Successor Agency. Although the City depicts a lot of assets, these funds are not available to use. This would leave a net position of approximately \$97,000. Beginning in 2015, the City will need to report Other Post-Employment Benefits (OPEB) and CalPers Retirement costs. The pending litigation involving the City of Seaside may further change the City's net position in the future. Mr. Nolan added that the \$2.8 million available does not reflect the OPEB and CalPERS retirement liability, and should be kept in mind when determining the City's overall financial position.

Mayor Pendergrass commented that in today's paper, the State is considering the elimination of Supplemental Educational Revenue Augmentation Fund (SERAF). This action would prove helpful to local agencies especially with the elimination of redevelopment.

City Administrator Todd Bodem added that the City received a clean opinion with no deficiencies and internal controls are being handled effectively.

7:35 P.M. Floor opened for Public Comment.

There was no comment from the Public.

7:35 P.M. Floor closed to Public Comment.

Motion to approve City **Resolution** accepting the Audited Financial Statements for the Year Ended June 30, 2014 and Independent Auditors' Report 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.

AGENDA ITEM 8, PUBLIC HEARING

{Vice Mayor Carbone stepped down due to a possible conflict from living within 500 feet of the proposed project}

- A. Associate Planner Charles Pooler presented applications submitted by Sergio Carrillo, representing Martin Morales and Pete Ericksen for site plan, architectural review, conditional use permit, and re-zoning approvals to accommodate the development of a single family dwelling along the 600 block of Scott Street. The property does not have any biological species, nor does the site function as a sensitive habitat. The project

proposes to construct a two-story 2,540 square foot single family dwelling. The design incorporates elements of a "seascape" style in the use of horizontal siding and shingles, horizontal mid-level banding, wood trim, sills for windows and corners, and gable/hip roofs. The overall structure is a more contemporary massing and similar to those residences immediately adjacent to the site along Scott Street. The Design Review Committee approved a design permit on November 13th and required design modifications of the rear windows, east elevations, replacement of the wrought deck railing with other materials, two trees for the front yard, and the addition of two trees to the back yard. Zoning requires a minimum of (2) on-site parking spaces for each single family dwelling. The project exceeds the minimum parking requirements with 2 enclosed garage spaces, and two uncovered side by side spaces in the driveway. Following review of the applicant's landscape plans, Staff recommended the additional planting of drought resistant species along with frontage groundcover consisting of mulch or bark. The applicant should be required to submit a revised landscape plan for Staff's review and prior to issuance of a building permit. The site consists of two abutting lots/parcels and these lots should be merged into a single lot/parcel. The lot merger would bring the site into a greater consistency with contemporary site design and development standards. The property is presently vacant with no existing on-site water allocation. The proposed residential development will require a 0.175 acre feet water demand. A 0.175 water allocation from the City's Water Entitlement is necessary to facilitate this project. The water recording should be recorded with the County Recorder's Office after the lot merger is recorded and a new parcel number is assigned.

The property is currently zoned "Manufacturing" to accommodate the applicant's residential development. Re-zoning to Medium Density Planned Unit Development is recommended. Replacing the current zoning with a residential designation is consistent with the General Plan. Staff recommends approval of the draft ordinance to reclassify the subject property as "Medium Density Residential Planned Unit Development (R2-PUD)". Staff recommends the project install one City standard decorative street light. The project is consistent with the goals of the City's General Plan for the East Dunes District. Staff also recommends approval of the resolution for the conditional use and site plan permit, water allocation of 0.175 acre feet of water for the project, adoption of the First Reading of the Ordinance to re-classify the subject property from "M" (Manufacturing) to R2-PUD (Medium Density Residential Planned Unit Development), and adoption the site specific design requirements. For consistency with DRC approvals, the following language should be added to the Site Plan/Conditional Use Permit for condition E-2 A minimum of two (2) trees shall be established in the front yard area, *and two trees shall be established in the rear yard for screening the rear elevation.*

7:48 P.M. Floor opened for Public.

The applicant Martin Morales commented that the transaction to purchase

the lot was completed two months ago. He understands the recommendations made by Staff and the Design Review Committee, and modelled the project to remain consistent with the architectural design of the City's General Plan. Once constructed, the property will serve as his primary residence. Mayor Pendergrass asked Mr. Morales if he was in agreement with the conditions of the permit as amended. Mr. Morales replied that he was in agreement with the amended permit conditions.

7:51 P.M. Floor closed to Public Comment.

The following actions were taken by the Council:

- 1) Motion to approve the City **Resolution** by title, as amended approving Site Plan Permit 14-04 and Conditional Use Permit 585 for Martin Morales authorizing one Single Family Dwelling on Vacant Property on the 600 Block of Scott Street was made by Council Member Kruper, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone. Motion carried.

The City Attorney recognized two errors on the resolution and the following corrections were made to the water assignment resolution: deleting *Woodman Development* and inserting, *Martin Morales*, and deleting *in escrow with the David Wilson, Wilson Trust property owner*. There was also a correction made to the amount of water assigned from 0.179 AF to 0.175 AF.

- 2) Motion to approve the City **Resolution** by title, as amended granting the City Administrator authorization to execute a Water Assignment Agreement and Assign up to 0.175 acre-feet of water from the Sand City Water Entitlement for the Residential Development Project on Property Fronting Scott Street (APN 011-187-022 & 023) was made by Council Member Hubler, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone. Motion carried.
- 3) Motion to approve the First Reading of the **Ordinance** of the City of Sand City Amending Title 18 of the Municipal Code to Reclassify Certain Property Fronting Scott Street (APN 011-187-022 & 023) from Manufacturing (M) to Medium Density Residential Planned Unit Development (R2-PUD) was made by Council Member Kruper, seconded by Council Member Blackwelder. Roll Call Vote AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone. Motion carried.

{Vice Mayor Carbone returned to the dais}

AGENDA ITEM 9, OLD BUSINESS

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

Director/City Administrator

City Engineer Leon Gomez reported that the desalination plant remained in production throughout the month of November except for November 9th due to an issue with the energy recovery device as reported by Cal-Am. The regional StormWater Management Group will be hosting a webinar Wednesday, November 19th on the low impact development (LID) construction to review case studies and receive an assessment of the LID units and how it would benefit the City. Staff has been working with the City Attorney on the maintenance agreements and thanked him for his work regarding construction projects that require these agreements. Mr. Gomez concluded that as of today, Staff is moving in a progressive direction, commenting on the City's swift response that was provided to Mr. Silva in regard to the Bungalows Project.

City Administrator Todd Bodem reported that the Coastal Commission hearing is scheduled for December 10-12 regarding the King Ventures appeal. A more specific date should be determined by December 1, 2014. City Attorney Jim Heisinger summarized the King Ventures coastal appeal for the City Council and possible reasons for denial of the project. There was Council discussion regarding the purchase price and what options Mr. King may have with regard to either moving forward with his project or selling the property per the terms of the Disposition and Development Agreement (DDA).

Mr. Bodem continued to report on the TAMC meeting he attended on November 6th. The Board has dedicated funds towards roundabouts for cities and to signalize intersections. Staff desired to be part of the study and drafted a letter to inform TAMC of possible locations within Sand City. The TAC meeting discussed outdoor seating and its impact on the consumption of additional water. This item was continued for further review. At the MCBC meeting, they announced the launch of their GIS website and the possibility of bringing broadband into the area. On December 3-5, 2014, the League of California Cities will hold a Municipal Finance Institute that Staff will be attending. A City Council Workshop will be held in January 2015 to discuss strategic planning and goal setting for the City. City Consultant Kelly Morgan will focus on the City's Long Range Property Management Plan.

There was discussion regarding the possibility of recruiting additional help for major projects, researching Federal and State grants for major City improvements especially Community Development Block Grants (CDBG), and the creation of a fiscal roadmap for Sand City.

Mayor Pendergrass mentioned the letter drafted to the California Transportation Agency regarding signs indicating the exit to Sand City from the northern and southerly directions of Highway One.

AGENDA ITEM 10, NEW BUSINESS

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

Council Member Hubler reported on the Arts Committee meeting and discussion involving the use of the Carroll building, and why there is no water at the site. Associate Planner Pooler explained that water is available to the site; however, utility service or an account associated with the building remains unknown.

Council Member Kruper reported that the MCCVB Board is still deciding whether they would become politically active and may require a vote from the Council. City Administrator Bodem reported on the actions of the Public Committee meeting regarding discussion of the camping Ordinance, participation in the hiring of a Regional Crime Analyst, a street sweeping schedule, and installation of a SafeCam program throughout the City.

There was Council discussion regarding the follow up of action items and the progress made regarding the completion and/or status report of the items. Procedures for review and approval of Committee minutes were also discussed.

Vice Mayor Carbone reported on conducting a beach clean-up and the appearance of several shopping carts along the beach. She asked whether the City communicates to the stores that their shopping carts appear on the beach and what actions are taken to remove them. Chief Klein commented that the carts are either returned by the City's public works department or the stores often have someone retrieve the carts for them. She expressed exploring a more viable solution that would work for both the City and the stores in the shopping center. Ms. Carbone also reported that she has been regularly attending the meetings of the Monterey County Disabilities Commission.

B. Upcoming Meetings/Events

1) Confirmation of Future Dates for 2015 Sand City Events

The Council reviewed the dates for future 2015 Sand City Events. There was no discussion regarding the dates. Council Member Hubler confirmed his RSVP for the Champion of the Arts Dinner. He requested to extend the invitation to the Arts Committee members and that they be seated at a Steve Vagnini table. Mayor Pendergrass also confirmed his attendance.


AGENDA ITEM 11, CLOSED SESSION

The City Attorney deemed that there was no need for closed session.

AGENDA ITEM 12, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder,

seconded by Council Member Hubler, to the next regularly scheduled Council meeting on Tuesday, December 2, 2014 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 8:45 p.m.


Linda K. Scholink, City Clerk