

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

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Regular Meeting –March 19, 2013  
7:00 P.M.  
CITY COUNCIL CHAMBERS

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

The invocation was led by Reverend Robert Hellum.

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, Interim City Engineer  
Michael Klein, Police Chief  
Linda Scholink, Administrative Service Director  
Charles Pooler, Associate Planner

**AGENDA ITEM 4, COMMUNICATIONS**

A. Written communication distributed to the Council were a list of possible conflicts, and an email received from T & N Batch in relation to Agenda item 7B.

B. Oral

7:02 P.M. Floor opened to Public Comment.

There was no comment from the public.

7:02 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 following Conditional Use Permits.
  - (1) CUP #389, Loren Speck Gallery (manufacturing), 591 Ortiz Avenue
  - (2) CUP #410, Sand City Public Works (mobile office), Sylvan Park/Corp. Yard
  - (3) CUP #483, Colton Heating (contractor), 431 Ortiz Avenue
- B. There was no discussion of the March 5, 2013 Council Meeting Minutes.
- C. There was no discussion of the Police Department Monthly Report, February 2013.
- D. There was no discussion of the Public Works Monthly Report, February 2013.
- E. There was no discussion of the City **Resolution** confirming members of the Sand City Arts Committee and New Appointment of Maya Freedman to the Sand City Arts Committee.
- F. There was no discussion of the City **Resolutions** honoring the NAACP Life Membership Awards Recipients:
  - 1) Josephine Morris – Presidents Award Recipient
  - 2) Red’s Donuts - Tolly and Cleo Martin Spirit of Partnership Award
- G. There was no discussion of the City Donation/Contribution to Sweet Elena’s Bakery for \$1,500.

Motion to approve the Consent Calendar 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**

*{Council Members Blackwelder and Hubler stepped down from the dais due to a possible conflict of interest by residing/working within 500’ of the subject property}*

- A. Associate Planner Charles Pooler presented an application submitted by Patrick Paletar (OPP. Inc) to utilize a 3,000 square foot unit located at 1815 Contra Costa Street as a distribution center for motorcycle parts, and related accessories. There will be no part installation, repairs or manufacturing at the location. The applicant’s unit requires a minimum of three (3) off street parking spaces. The property provides adequate parking for the proposed

use. Inventory will be received 3 times a week with approximately 30 to 40 packages shipped daily. No large trucks or forklifts will be used for deliveries, and loading/unloading activities should not pose traffic impacts. The operation is compatible with a mixed-use neighborhood. Staff recommends approval of the coastal development and conditional use permits.

7:09 P.M. The floor was opened for Public Comment.

Steve Wells, representing OPP. Inc. commented that the business would consist primarily of internet and on-line sales. The motorcycle lift would be used for display purposes only. At this time, there will be no need for a sign, although it may be something they would like to have in the future. The Mayor asked if the applicant was in agreement with the conditions of the use permit. On behalf of the applicant, Mr. Wells stated that he is in agreement.

7:12 P.M. The floor was closed to Public Comment.

Motion to approve the City **Resolution** approving Conditional Use Permit 559 and Coastal Development Permit 13-02 for a Motorcycle Part Distribution Operation at 1815 Contra Costa Street was made by Council Member Carbone, seconded by Council Member Kruper. AYES: Council Members Carbone, Kruper, and Mayor Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion carried.

- B. Associate Planner Charles Pooler presented an application submitted by Seth Munsey of Iron Republic, to use the ground floor of a commercial building at 1807 Contra Costa Street to operate a fitness studio. The property is a two story building within a mixed residential, commercial, and office units on the upper level. Fitness exercises called "Primal Moves" will use kettlebells focusing on weight training. The property does not provide on-site parking. The use requires seven (7) parking spaces to satisfy zoning requirements. Staff recommends the property owner provide a written statement to the City stating where the seven (7) parking spaces will be reserved for this use. Hours of operation will be from 7:00 a.m. to 10:00 a.m., and 4:00 p.m. to 7:00 p.m., Monday through Friday. Group classes of 6 to 8 individuals will be attending during those hours. The applicant states that his operation does not involve traditional weights, and will not generate substantial noise and/or vibrations. To mitigate concerns Staff recommends that this use be prohibited from using dumbbell style weight lifting, and that exercise pads, or other shock absorbent material, should be established where the kettlebells are used. Staff recommends approval of the coastal development and conditional use permits.

7:21 P.M. The floor was opened for Public Comment.

The applicant Seth Munsey commented that the fitness center would use kettlebells made of iron, and safety is his number one concern for clients. "Primal Moves" incorporate push-ups and crunching exercises, and is not

associated with Olympic style weight lifting.

There was Council discussion regarding fitness activities conducted outdoors, clarification of the hours of operation, concerns with a previous fitness 'gym', and other possible impacts that may occur.

Sand City Resident Tom Batcha commented that his primary concern involved the previous "crossfit" gym, the parking issue and the noise being generated outdoors.

Property Owner James Davi commented that he had the applicant prepare a DVD's for distribution to the Council and bring awareness of what would take place at the facility. He had minimal involvement with the previous gym, and reassured the Council that any issues regarding parking, and noise impacts would be addressed with priority.

Mr. Batcha appeared satisfied that this new business would not have the negative impacts of the prior gym.

Per Mayor Pendergrass' request, Associate Planner Pooler explained condition 13 of the Use Permit that addressed 'nuisances'.

The applicant, Seth Munsey was in agreement with the conditions of the use permit.

7:40 P.M. The floor was closed to Public Comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 560 and Coastal Development Permit 13-03 authorizing a Specialized Fitness Center at 1807 Contra Costa Street was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Carbone, Kruper, and Mayor Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion carried.

*{Council Members Blackwelder and Hubler returned to the dais}*

## **AGENDA ITEM 8, OLD BUSINESS**

- A. City Administrator Steve Matarazzo reported on the recent Department of Finance (DOF) letter claiming that up to \$2.375 million of Successor Agency Funds should not be retained for Enforceable Obligations. The other funds Due Diligence Review (DDR) was approved by the Oversight Board in December and sent to DOF. The Successor Agency does not have these liquid assets to deliver to the County Auditor, and requested a meet and confer with DOF to discuss the letter. The City's tax consultant advised the City to request some money from property tax for bond repayment, and funds have been set aside for this purpose.

City Attorney Jim Heisinger confirmed that the meet and confer was sent out last Friday with a few changes to the language.

- B. Interim City Engineer Leon Gomez reported that Staff reviewed and issued an encroachment permit for OCC Communications to install cable utility services for Comcast on Redwood Avenue, and for Pacific Gas & Electric to discharge water at a sanitary sewer manhole located at Bay Avenue. They will need to block two parking spaces over the course of several days for a few hours. He confirmed that the desalination plant is operating at capacity.

Mayor Pendergrass commended the Public Works Department for the repaving of the parking lot, and for a job well done.

City Administrator Steve Matarazzo reported that he and the City Attorney met with members of the Cal-Am staff, and the California Public Utilities Commission (CPUC) to discuss Sand City's rate case. Staff made a request that Sand City should not be charged a separate tariff for new hook-ups. Cal-Am is grateful that they will be getting reimbursed for the Sand City Desalination Plant project.

City Attorney Jim Heisinger reported on the decision submitted several days ago. Cal-Am filed a comment on the rate case. The argument made with the Division of Rate Payers Advocate (DRA) is that the tariffs, due to the substantial costs involved it is not worth imposing. Since the desalination plant has come on-line, there have been only two (2) new customers.

Mayor Pendergrass commended Staff for their professionalism in meeting with Cal-Am, and the CPUC regarding the rate case issue.

#### **AGENDA ITEM 9, NEW BUSINESS**

- A. The City Clerk received responses for the upcoming MCBC Luncheon.

#### **AGENDA ITEM 10, CLOSED SESSION**

8:07 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) *Cal-Am Application to CPUC No. 10-04-019 for Order Authorizing Recovery of Costs for Lease and operation of the Sand City Desalination Facility*
    - c) *Seaside v. Sand City (No. M120996) and related cross action*
  - 2) Conference with Legal Counsel in accordance with Section 54956.9 of the

Ralph M. Brown Act, regarding Claim against Monterey County  
Reimbursement of Property Tax Administration Year

8:14 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 City Attorney gave advice on Item 1(c). No action was taken.

**AGENDA ITEM 11, ADJOURNMENT**

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council Member Kruper to the next regularly scheduled Council meeting on April 2, 2013 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 8:15 p.m.



Linda K. Scholink  
Linda K. Scholink, City Clerk