

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

Regular Meeting – October 1, 2013
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:02 P.M.

The invocation was led by Reverend Kelleher.

The Pledge of Allegiance was led by Sergeant Dale Allen.

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
Linda Scholink, Administrative Services Director/City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

- A. Written communications distributed to the Council were a potential conflicts list, the September 21 Coastal Clean Up report, a community tea that raised \$4,000 for the women's shelter, and urgency items that require the Council's vote.

Motion to amend the agenda adding the urgency items as 9C, and to rename the current 9C as 9D, was made by Mayor Pendergrass, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES; None. ABSENT: None. ABSTAIN: None. Motion carried.

- B. Oral

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

There was no comment from the Public.

7:06 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 #371, McDonald Refrigeration (contractor), 605 California Avenue
 - (2) CUP #385, Sally Beauty Supply (retail), 828 Playa Avenue
 - (3) CUP #397, Salvation Army (service), 801 Scott Street
 - (4) CUP #466, Ferguson (wholesale), 666 Redwood Avenue
 - (5) CUP #498, Monterey Peninsula Gymnastics (recreation), 1663 Catalina
 - (6) CUP #499, Green Gopher Garden Supply (retail), 679-C Redwood Avenue
 - (7) CUP #501, Sylvan Design (art studio), 613-A Ortiz
 - (8) CDP #95-07, Giustiniani (manufacturing), 698 Ortiz Avenue
 - (9) CUP #530, Veggie Produce (distribution), 571 Redwood Avenue
 - (10) CDP 11-11/CUP #528, Visions Design (distribution), 1729 Holly Street
- B. There was no discussion of the Sand City Council Meeting Minutes, September 3, 2013.
- C. There was no discussion of the Police Department Monthly Report, August 2013.
- D. There was no discussion of the Public Works Monthly Report, September 2013.
- E. There was no discussion of the Fort Ord Monthly Report (FORA) Board Meeting, September 2013.
- F. There was no discussion of the City of Monterey acting as Lead Agency for Beach Nourishment Project in Southern Monterey Bay.
- G. There was no discussion of the Monthly City/Successor Agency Financial Report, June 2013.
- H. There was no discussion of the Monterey County Convention & Visitors Bureau Agenda, September, 2013.
- I. There was no discussion of the City Donation/Contribution to the Monterey Cowboy Poetry and Music Festival for \$200.
- J. There was no discussion of the City **Resolution** recognizing State Senator Bill Monning, as Honoree of the 25th Annual Stephen E. Ross

Award.

- K. There was no discussion of the City **Resolution** recognizing Dr. Jerome E. Jackson, PH.D, Guest Speaker at the 25th Annual Stephen E. Ross Award

Motion to approved the Consent Calendar items was made by Council Member Kruper, seconded by Council Member Blackwelder. AYES; Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES; None. ABSTAIN: None. ABSENT: 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 within 500' of the subject property}

- A. **Consideration of City Resolution approving Conditional Use Permit 571 and Coastal Development Permit 13-05 authorizing a Limited Scale Development and Research Workshop with Accessory Storage for OAS Design Group at 1805 Contra Costa**

Associate Planner Charles Pooler presented an application submitted by OAS Design Group to use an existing 6,000 square foot commercial space at 1805 Contra Costa Street as a research and development workshop. The company tests, designs, and develops new products related to kitchen ware. The subject property will be initially used for storage. Hours of operation are intended to be 8:00 a.m. to 5:00 p.m., Monday through Friday. The site requires 8.5 parking spaces for a manufacturing/research facility. Staff recommends the property owner provided a written affidavit to the City assigning nine parking spaces for exclusive use by the applicant. Shipments will be via Federal Express for small to mid-sized packages. No large scale deliveries are anticipated. Noise and vibrations from cutting sheet metal should be adequately contained within the building with the roll up doors closed. Staff recommends approval of the coastal development and conditional use permit.

7:12 P.M. Floor opened for Public Comment.

The applicant, Mr. Nicholas De Luca, thanked the Council for considering his application; and looks forward to being part of the community. He has been testing high speed ovens, computer systems, and parts development for over 20 years.

In response to Council Member Kruper's inquiry regarding the pizza truck, Mr. De Luca mentioned that the pizza truck is a prototype for vendors and will not be in regular use. Mayor Pendergrass asked if he was in agreement with the conditions of the use permit. Mr. De Luca answered that he was in agreement.

Alison Goss with Mahoney and Associates commented on behalf of the property owner Mr. Davi, agreeing to the parking requirements for the applicant, and that written documentation will be provided as requested.

7:17 P.M. Floor closed to Public Comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 571 and Coastal Development Permit 13-05 authorizing a Limited Scale Development and Research Workshop with Accessory Storage for OAS Design Group at 1805 Contra Costa was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Carbone, Kruper, 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. 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 the desalination plant produced 7.8 acre feet for the month of September due to the reverse osmosis (RO) membranes being at the end of their useful life. Cal-Am performed a 'clean in place' procedure to resuscitate the membranes, but found limited success. Staff anticipates replacement membranes to be installed this month. The draft annual storm water report was submitted to the Storm Water Management Group last week. Following the 30 day review period, the report will be submitted for final review to the Regional Board in early November. Mr. Gomez suggested Staff training due to elements in the report where municipalities have not met certain criteria. The Board cited other cities for inadequate reporting due to lack of staff training. The office of Creegan & D'Angelo is trying to determine and assess topics where Sand City needs improvement to avoid a 'notice of violation'. He thanked Chief Klein and the Public Works Staff for retrieving the documents needed to complete the report, and expressed his appreciation in the timeliness of receiving the requested materials.

In response to Council Member Kruper's question whether other City Staff will also require training; Mr. Gomez replied that the new permit should usher in other areas that will require training. New permitting requirements would determine who within Sand City is required to obtain

some training.

City Administrator Steve Matarazzo reported that he is hopeful the State Department of Public Health (DPH) will approve the new reverse osmosis membranes quickly.

AGENDA ITEM 9, NEW BUSINESS

A. Consideration of City Resolution approving an agreement with Martin Feeney et. al to prepare an update to the Adaptive Water Supply Management Plan at a cost not to exceed \$14,370

City Administrator Steve Matarazzo reported that as a requirement of the desalination, an update of the Adaptive Water Management Plan is due this year. Staff contacted Martin Feeney, the consultant who originally worked on the plan. He agreed to perform the update for an amount not to exceed \$14,370. The update may result in the need for two additional wells to get water production capacity to 300 acre feet per year. Staff is hopeful that Cal-Am will pay the cost for the two wells and that the Coastal Commission would issue permits for their construction since they are within the scope of the original project.

Motion to approve the City **Resolution** approving an agreement with Martin Feeney et. al to prepare an update to the Adaptive Water Supply Management Plan at a cost not to exceed \$14,370 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.

B. Consideration of City Resolution approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2014 West End Celebration (WEC)

West End Event Coordinator Stephen Vagnini distributed information regarding the 2013 West End Celebration. He thanked the Council for allowing him to be the coordinator for the past 3 years. This year's budget was under \$2,000 due to \$11,500 of revenue received through sponsorships/donations. In-kind donations were provided by Costco who offered food supplies. Waste Management provided waste containers at no charge, and a new business, Hale Kai Lana donated free coffee for the hospitality tent. The event continues to grow each year in notoriety. The West End Celebration was not impacted by the Music Festival held at the Fairgrounds this year, and positive comments were made by the Herald. The West End Celebration has tremendous room for growth. Advertising, via Monterey-Salinas Transit, was quite successful. This year, 200 local kids were the recipients of guitars through the non-profit organization "Guitars not Guns" that received a contribution from the West End Celebration. Mr. Vagnini concluded by expressing his gratitude to the Council for their continued support and belief in him.

The Council discussed previous West End Events and local artist participation. Mr. Vagnini added that he continues to seek and encourage local artist participation since the Celebration focuses on the Arts. The difficulty is getting artists to commit due to the amount of work involved in being open for the event.

Vice Mayor Carbone suggested the possibility of offering smaller venues such as studio tours throughout the year. Council Member Kruper commented that an organization called Art Equity runs an annual event, and solicits their program throughout the County for a fee of \$200. However, it requires effort and commitment from local artists.

Motion to approve the City **Resolution** approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2014 West End Celebration (WEC) was made by Council Member Carbone, seconded by Council Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

The following urgency resolutions were added to the agenda by Council action at the beginning of the meeting.

- C. Consideration of Resolutions of the City of Sand City serving as the Successor Agency to the Former Redevelopment Agency**
- a) Rescinding SA 13-02, 2013 approving a Settlement and Mutual Release Agreement with Local Educational Agencies (LEAs)**
 - b) Approving an Amended Settlement and mutual Release Agreement with the Local Educational Agencies**

The City Attorney commented that an amended Settlement Agreement and Mutual Release with the Local Educational Agencies was adopted on September 30, 2013. The attached version of the agreement is the correct version received from the LEA's Attorney. A resolution to rescind Resolution SA 13-02, 2013 was not provided for action tonight. The amended resolution will replace the previously adopted Resolution.

Motion to approve the Successor **Resolution** approving an Amended Settlement Agreement and Mutual Release Agreement with the Local Educational Agencies (LEAs) was made by Agency Member Carbone, seconded by Agency Member Blackwelder. AYES: Agency Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- D. Consideration of Resolutions of the City of Sand City serving as the Successor Agency to the Former Redevelopment Agency**
- a) Rescinding SA 13-03, 2013 Approving Recognized Obligations Payment Schedule for January 2014 through**

June 2014 (ROPS 13-14B), as Amended
b) Approving Recognized Obligation Payment Schedule (ROPS) for January 2014 through June 2014 (ROPS 13-14B), as Revised

City Administrator Steve Matarazzo reported that at the September 30, 2013 Oversight Board meeting, he was informed by the LEAs consultant that the Settlement Agreement the Successor Agency adopted was also approved by the LEAs; however that was not the case. The Recognized Obligation Payment Schedule (ROPS) is related to the settlement agreement in regard to how residual funds would be disbursed. The revised ROPS includes footnotes 6 & 7 stating that total payments for the SERAF loan shall be an amount equal to the sum of any amount disallowed under item #14, 15, 16. This would allow the SERAF loan to be paid until the settlement agreement has been fully executed by the LEAs.

City Attorney Jim Heisinger reported to the Council the details regarding the lack of communication between the LEAs and their attorney with respect to the settlement agreement. He expressed his frustration at the Oversight Board (OB) meeting due to inaction on the part of the LEAs. City Staff worked diligently to revise the settlement agreement, and was surprised that it was not reviewed by the LEA Boards prior to the OB meeting. The revised ROPS reflects the financial agreement approved by the settlement agreement; and sets forth the financial obligation that, if the State does not fund the LEAs payments, then those funds will be allocated to pay the SERAF obligation.

Motion to approve the Successor Agency **Resolution** approving the Recognized Obligation Payment Schedule (ROPS) for January 2014 through June 2014 (ROPS 13-14B), as Revised was made by Agency Member Carbone, seconded by Agency Member Hubler. AYES: Agency Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

The City Attorney noted that there is no need to rescind the previously adopted resolutions since the resolutions adopted by the Successor Agency at tonight's meeting supersedes those previously adopted.

- D. The City Clerk brought to the Council's attention the MCCEPD Employers Awards Recognition Luncheon on Thursdays, October 24, 2013. There were no RSVP's for this event

AGENDA ITEM 10, CLOSED SESSION

The City Attorney deemed that there was no need for Closed Session.

AGENDA ITEM 11, 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, October 15, 2013 at 7:00 P.M. There was unanimous consensus of the Council to adjourn the meeting at 8:22 P.M.


Linda K. Scholink
Linda Scholink, City Clerk