

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**

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Regular Meeting – January 17, 2012  
7:00 P.M.  
CITY COUNCIL CHAMBERS

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Mayor Pendergrass opened the meeting at 7:02 p.m.

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

Present: Council Member Blackwelder  
Vice Mayor Carbone  
Council Member Hubler  
Council Member Kruper  
Mayor Pendergrass

Staff: Steve Matarazzo, City Administrator/Community Development Director  
Jim Heisinger, City Attorney  
Richard Simonitch, City Engineer  
Charles Pooler, Associate Planner  
Connie Horca, Deputy City Clerk

**AGENDA ITEM 4, COMMUNICATIONS**

- A. Written communications distributed to the Council were a list of conflicts for tonight's meeting, a water usage consumption report from 2009-2011 of Peninsula cities, a letter from the Carmel Valley Association regarding the proposed Monterey Peninsula Regional Water Authority (agenda item 9B), a Press Release regarding Cal-Am's withdrawal of support for the Regional Desalination Project Alliance (agenda item 9B), the Enforceable Obligation Payment Schedule (agenda item 9D), a memo from Geary Coats Consulting regarding "The Independent" (agenda item 9B), and a letter from Keith Israel of the Monterey Regional Water Pollution Control Agency regarding the proposed water governance JPA (agenda item 9B).

B. Oral

7:05 p.m. Floor Opened for Public Comment.

There was no comment from the Public.

7:05 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. 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 were no conflicts with the following use permits.
- (1) CUP #110, Standard Transmission Service (auto Body), 531 Shasta Avenue
  - (2) CUP # 179, Roy Hubbard (2<sup>nd</sup> Floor Residential), 542 Ortiz Avenue
  - (3) CUP #238, Just Andy Auto Repair (auto Repair), 465-A Olympia Avenue
  - (4) CUP #344, Thomas Felix (Woodwork Shop), 672-A Dias Avenue
  - (5) CUP #375, J&D Auto (Auto Repair), 1695 Contra Costa
  - (6) CUP #401. Kyle Racing engines (Motorcycle Engine Assembly), 801-B California Avenue
  - (7) CDP #01-01, Monterey Mattress Company (Mattress Manufacturer, Showroom), 1805 Contra Costa
- B. There was no discussion regarding the acceptance of the Police Department Monthly Report, November 2011, December 2011, Annual Report for 2011, and 5-Year Report (2007-2011).
- C. There was no discussion regarding the acceptance of the Public Works Monthly Report, November 2011 & December 2011.
- D. There was no discussion regarding the approval of City/Redevelopment Agency Financial Report, November 2011.
- E. There was no discussion regarding the acceptance of the Monthly Fort Ord Reuse Authority (FORA) Report, December, 2011.
- F. There was no discussion regarding the approval of City **Resolution** making re-appointments to the Design Review Committee (Davis, Kruper & Lindberg) to January 31, 2014.
- G. There was no discussion regarding the approval of the City **Resolution** approving time extensions to March 31, 2012 of Multiple Conditional Use Permits (CUPs 450, 455, 473, 503 & 505) and Coastal Development Permit 08-03 to continue as interim uses at their respective locations within the South of Tioga Redevelopment Project Area.
- H. There was no discussion regarding the approval of the City **Resolution** authorizing renewal of Financial Consulting Agreement with Annette Yee.

- I. There was no discussion regarding the approval of the City **Resolution** confirming extension of the Monterey County Abandoned Vehicle Service Authority (MCAVSA) Vehicle Registration Fee until April 2022.
- J. There was no discussion regarding the approval of City **Resolutions** Honoring Monterey County Business Council's Economic Vitality Awards Recipients.
  - 1) Dianne F. Harrison, Ph.D. – Education & Research
  - 2) Ed Boutonnet, Ocean Mist Farms – Agriculture
  - 3) Andrew Ausonio, Ausonio Inc. – Building & Design
  - 4) Maximiliano Cuevas, M.D. – Wellness & Lifestyle
  - 5) Louis Provenzano, Jr. – Creative & Technology
  - 6) Gill Campbell, Mazda Raceway Laguna Seca - Tourism
- K. There was no discussion regarding the approval of City **Resolutions** Honoring the NAACP's Annual Life Membership Awards Recipients.
  - 1) The Mediation Center - Tolly and Cleo Martin Spirit of Partnership Award
  - 2) Deloris Scaiffe-Higgins – Presidents Award
- I. There was no discussion regarding the acceptance of sponsorship request by Elena Salsedo of Sweet Elena's Bakery and approval of City Donation/Contribution of \$1,500.

Motion to approve the Consent Calendar 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.

#### **AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR**

There were no items pulled.

#### **AGENDA ITEM 7, PUBLIC HEARINGS**

***{Council members Hubler and Kruper stepped down from the dais due to a possible conflict of interest by residing within 500' of the subject property}***

- A. City Administrator Steve Matarazzo presented a master use permit and combined development permit amendments for "The Independent" at 600 Ortiz Avenue. The Orosco Group is proposing a number of changes to the Independent. Seven items were presented on the staff report, with only three of them to be discussed. The first is to replace 21,000 square feet of office floor area on the second level with 26 residential units, the second is to replace approximately 21,000 square feet of commercial floor area on the first level with 12,674 square feet of commercial use, 2,899 square feet

of common area and 5,247 square feet of “flexible space” for either commercial use or four 2-bedroom units. The third change would be to amend the exterior elevations to incorporate entry features that will need further review by the Design Review Committee. The application also includes a proposal for carports, although the design has not been submitted with the application. Garages are more desirable as they provide better weather protection and storage for materials and a preferable option by owners/tenants. When the building was first constructed the first two floors were primarily for retail offices with the top floors situated for residential development affording ocean and hillside views. This building was originally designed to be more commercial than residential. Due to the collapse of the real estate market, it will be more of a residential mixed-use with the second and part of the first floor converted for that purpose. Phase II will need significant review and work that will not be addressed tonight. Staff recommends approval of the three items, disregarding the sign program. If Council agrees, item D1 would be eliminated, and the permit renumbered and relettered accordingly. Mr. Matarazzo illustrated the changes and modifications proposed for the Independent with a powerpoint presentation.

Mayor Pendergrass commented that unless the applicant wants to provide 24/7 security, eliminating garages would not be a wise decision, and therefore disagrees with condition C1 of the use permit.

Geary Coats addressed a few items, and responded to the Mayor’s comment regarding the parking. Condition C1 should be deleted regarding carports and he agreed that garages are more feasible. Condition D1, regarding the signs, would be eliminated per Mr. Matarazzo’s suggestion. There will be no changes proposed for the plaza area. After reviewing Staff’s recommendations, he agrees with what was proposed for this evening.

7:20 P.M. Floor opened for Public Comment.

Dave Anderson, Sand City resident asked if any of the garage buildings are going to be relocated? He heard that an additional building would be constructed on that site, and if the garages will be moved with new ones built at a different location.

The City Administrator commented that Mr. Anderson’s questions relate to Phase II of the project. The staff report indicates adding 55 units to the site is inconsistent with the zoning maximum.

Mr. Coats added that no garages will be removed at this point for a new building and that will be addressed at a future date. There will be no carports to replace the existing garages.

7:23 P.M. Floor closed to Public Comment.

Motion to approve the City **Resolution**, approving an amendment to the combined Development Permit (use permit, coastal development permit, site plan) for the previously named the 'Design Center' (now: The Independent) at 600 Ortiz Avenue: (Conditional Use Permit 456, Coastal Development Permit 05-01 and Site Plan Permit 05-01) was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Hubler and Kruper. Motion Carried.

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

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

City Engineer Richard Simonitch reported that water service is now installed at the community garden. The Coastal Bike Trail and Pedestrian Interconnect Project has been completed. Staff is waiting to sign-off on the encroachment permit. Progress is being made regarding access to the Peter Taormina site on the Tioga parcel at the freeway overpass. Cal-Trans removed the access restriction onto that parcel to allow the commercial driveway to be installed. An encroachment permit is currently being processed with Cal-Trans to do that construction work, which is dovetailing on Sand City's own right-of-way widening on that parcel.

City Administrator Steve Matarazzo reported that the Federal Register came out with a new notice on the Snowy Plover Critical Habitat. It addresses Sand City's two proposed projects for the coast, mentioning that the two projects are speculative with no economic value in the economic analysis. Sand City may need to submit comments to the Fish and Wildlife Service since the report did not mention Sand City's request for an economic exclusion. Mr. Matarazzo added that he and the City Attorney met for a meeting with the CPUC regarding the Cal-Am rate case.

The City Attorney Jim Heisinger reported on the draft decision issued by the Administrative Law Judge regarding Cal-Am's rate recovery application to recoup the cost of leasing the desalination plant. An initial draft decision stated that Cal-Am will not get any rate recovery. A new proposed issue has been submitted that would allow Cal-Am to get rate recovery. If new water uses come on line in Sand City, those new uses would be charged a new rate. According to Cal-Am's rate experts, this rate is estimated to be 60% higher for a water bill invoiced to a new house. Staff met in San Francisco to propose designing a new rate discussing the unfairness of the increased new rate. It was proposed that a surcharge for new users in Sand City be 12 -13%. That surcharge would not be part of existing uses in Sand City. The current status is that the item has been removed from the CPUC agenda. Cal-Am's counsel does not believe it will be on the February agenda. They are keeping an eye on it, and Staff does not know when it will be changed or when it will be voted on. At this time the Peninsula-wide water moratorium does not apply to Sand City.

Mayor Pendergrass commented that according to Judge Bushey, Sand City and

Cal-Am does not have the right to use the water. This does not seem to be legal since the Public Utilities Commission has no jurisdiction over the Seaside basin, groundwater.

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

***{Council members Hubler and Kruper stepped down from the dais due to a possible conflict of interest by residing within 500' of the subject property}***

- A. City Administrator Steve Matarazzo presented an authorization to execute a water assignment agreement and assign water from the Sand City Water Entitlement for "The Independent" Mixed Use Property at 600 Ortiz Avenue. Staff is requesting 1.423 acre feet of water to accommodate the introduction of more residential units. This is a formality required by the Water District to issue water for new uses. Staff recommends approval of the attached resolution.

Mayor Pendergrass asked if the well is being used for the irrigation.

Geary Coats commented on behalf of the Orosco group that the well is not presently being used for irrigation. The irrigation is not calculated in the proposed resolution, and he will return to give an update on that issue.

The City Administrator remarked that the water use factors are from the Water District that include a certain amount for landscaping. To change the water use factors, Staff would have to go back to the Water District.

Patrick Orosco added that to his knowledge the well it is not being used. His understanding is that the infrastructure required to hook up the well would require significant cost. He respectfully requested that the issue of using the well for irrigation be addressed at a future meeting so the current application may move forward.

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 City **Resolution** granting the City Administrator authorization to execute a Water Assignment Agreement and assign water from the Sand City Water Entitlement for "The Independent" Mixed Use Development at 600 Ortiz Avenue was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Hubler and Kruper. Motion Carried.

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

- B. Mayor Pendergrass reported on the City Resolution approving Sand City's membership into the Monterey Peninsula Regional Water Authority. The

Mayors of the surrounding cities felt that the water issue can be addressed by the formation of a joint powers board. The Water Authority could eventually consist of several other members, including representatives from the MRWPCA and the Water District. The representation of the two parties would help move projects forward, such as the proposed water pipeline.

There was Council discussion regarding the Legal Counsel who represents the Mayors and if he will be the same attorney representing the Monterey Peninsula Regional Water Authority. There has been no decision regarding the appointment of an attorney to represent the Water Authority. At this point, should legal action take place, each City would be responsible for any legal costs. Mayor Pendergrass explained that a weighted vote can imply that each city share the cost, and is based on a 3-year average of water use by the respective cities on the JPA.

City Attorney Jim Heisinger added that the budget is based on the weighted vote. Each member would vote according to their budgetary contribution to the member JPA. The concept is if you vote to join the JPA, you have the opportunity to step down. The intent is to be in an advantageous position to solve the Peninsula's water problems.

Mayor Pendergrass commented that the primary objective is to encourage Cal-Am to move forward with a water project. The Carmel Valley Association sent a letter to the Council regarding their concerns on the formation of the Monterey Regional Water Authority JPA.

8:01 P.M. Floor opened for Public Comment.

Christine Williams, president of Carmel Valley Association (CVA), commented that they are an organization of volunteers comprised of over 600 dues-paying members involved in an active and knowledgeable water committee. They have been attending meetings to give input on some of the proposed water project plans. On behalf of Roger Dolan, a key member of the organization, Pebble Beach and Carmel have no representation on the proposed JPA. The idea of the JPA has been welcomed as the association has desired a forum for Cal-Am customers. Upon reading the draft JPA, the Association was originally in support of the idea, subject to the Monterey Peninsula Water Management District's participation. The Association understands the intent of the JPA regarding the pursuit of a new water project, but disagrees with the JPA's broad range of power that would enable them to obtain financing themselves. CVA has no objection to the formation of a City only JPA for deliberating water policy and governance. They suggest that the goals of any such agency be based on building strong mutually supportive, relationships among parties responsible for solving the water problems, with open transparency and the development of a Peninsula owned water supply program. Ms. Williams concluded by thanking the Council for their time and consideration.

There were no other comments from the Public.

8:04 P.M. Floor closed to public comment.

Mayor Pendergrass commented that the JPA's intent is not to take power away from anyone or to create another bureaucracy. The Mayors have deliberated on this, and the JPA allows for a much broader range of representation by the Peninsula cities and unincorporated areas. He recommends approval of Sand City's membership into the Monterey Peninsula's Regional Water Authority. This would give Sand City a strong active voting voice in decision making.

Motion to approve by title, the City **Resolution** approving the City of Sand City's membership into the Monterey Peninsula Regional Water Authority was made by Council Member Pendergrass, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

- C. City Administrator Steve Matarazzo reported that on December 13, the Orosco Group requested the City Council to review improvement plans for Del Monte Avenue as they relate to the West Broadway Plan being proposed by the City of Seaside. They were concerned with the staggered intersection along Del Monte at Contra Costa and Broadway. When the plan was originally adopted, the proposal was to have a single cross intersection to provide the best traffic efficiency. In conversation with Seaside staff, adequate funds are unavailable to move forward with that design. The construction of the intersection would require several property purchases, and with the elimination of redevelopment agencies, it would prove more difficult to accomplish. Seaside's traffic engineer made a new proposal that realigns Broadway at Del Monte and Contra Costa. It expands the distance between the two points so that a storage lane of eight or nine cars can be achieved. Presently, the storage lane for the left turn onto Contra Costa is two vehicles. This would be a major improvement. The traffic engineers, Fehr and Peers, who conducted the study, stated that so long as the traffic signals are synchronized appropriately, even with the staggered intersection, it would almost act as a cross intersection. The 2027 projection for level of service at both intersections is service level C or better. This level of service meets Sand City's General Plan standard, taking into account future residential growth.

Mayor Pendergrass related the importance that the entrance/exit to and from Sand City should take into consideration any future impacts, as this intersection has a major impact on traffic within Sand City.

8:21 P.M. Floor opened for Public Comment.

On behalf of the Orosco Group, Geary Coats commented that we do not want to stop this project, and agrees that this is an improvement to what currently exists. He would like to ensure that all the issues have been reviewed. In light of redevelopment agency elimination not having an active role in this planning process, the goal is that a long term solution is not being set aside, and that the near term solution is being extended out in



time. After review of the original report, the major concern was an informational concern, which was that the projected growth seemed to be underestimated in the traffic report. If growth occurs, it would have a major impact on that intersection, and should be taken into consideration. The traffic report did not take into account any future growth, and a two week continuance is being requested to consider the traffic impact for a more long term solution to that intersection.

Rick Riedl, from the City of Seaside, commented that an email was sent to Mr. Matarazzo that Fehr and Peers did look at the new numbers, and it remained at a level of service at C or better.

Patrick Orosco, of the Orosco Group, asked Mr. Riedl what time period was addressed in the report. Was it 5, 10, or a 25 year time period? What is being heard tonight seems to conflict with the Orosco Group's traffic engineer's analysis. Mr. Orosco mentioned that his concern extends to establishments such as the former Ol' Factory Café that held 200 people during peak business hours, thus having a significant impact on those intersections. He agrees that this would be a dramatic improvement, benefitting both cities, and would like for both consultants to arrive at the same conclusion.

Sand City resident, David Anderson, commented that he lives a block away from that intersection, and he would like the Council to consider a more permanent solution to the traffic issues. He is concerned about future development increasing the City's population, and the resulting traffic impacts.

8:37 P.M. Floor closed to Public Comment.

Mayor Pendergrass concluded that the City's General Plan contains zoning requirements for housing that are State-mandated and each City needs to meet those standards. He suggested that Staff meet with the respective traffic consultants to consider whether a letter needs to be drafted requesting a continuance.

The Council concurred and left the decision to the discretion of the City Administrator.

- D. City Administrator Steve Matarazzo reported that several actions relating to the Redevelopment Agency are being proposed for Council consideration. He commented that he was stunned at the December 29 ruling by the Supreme Court to eliminate Redevelopment Agencies and apologized to the Council and Redevelopment Board. This legislation was considered unconstitutional by both the CRA and League counsels. Mr. Matarazzo recommended that the City Council and Agency Board take the following actions, 1) adopt the Resolution of the Sand City Redevelopment Agency amending the Enforceable Obligation Payment Schedule, 2) adopt the Redevelopment Agency Ordinance rescinding the Ordinance that allowed the Agency to

receive sales tax revenues, 3) adopt the City Ordinance rescinding the Ordinance that allowed the Agency to receive sales tax revenues, and 4) approve the City resolution concerning certain sales and use taxes. This would also provide the potential to repay King Ventures; and will eliminate the Seaside's tax sharing. Pending legislation advocated by Daryl Steinberg, if passed and approved by the Governor, would allow the successor agency to retain the housing funds of the Redevelopment Agency.

City Attorney Jim Heisinger reported that last July there were two bills, Proposition 26 eliminating Redevelopment Agencies and Proposition 27 allowing Redevelopment Agencies to continue if additional payments were made to the State. The Redevelopment Agency created the Enforceable Obligation Payment Schedule (EOPS), distributed tonight. The principal difference between this current schedule and the one previously adopted is that it outlines the elimination of the Redevelopment Agency's annual payment to Seaside. Mr. Heisinger explained line 3 of the EOPS schedule that assigned the Agency's ability to collect sales tax. Agreements at the time, stated that the Redevelopment Agency was to retain as much sales tax as it needed to meet its obligations, and then turn the remainder over to the City. A major portion of the sales tax money was used to promote the Sand Dollar Shopping Center. The City has loaned the Redevelopment Agency money for its operations totaling about \$36 million. That debt needs to be repaid to the City. Last year, the Redevelopment Agency repaid the City a portion of that debt. When the Council adopts the Ordinances, as presented in the agenda, the Redevelopment Agency will surrender its ability to collect sales tax. This will allow the City to once again collect sales tax. In answer to the Mayor's question regarding where the \$36 million will come from, a fund will be established, called the Redevelopment Property Tax Fund. This will be set up within the County by the County Auditor-Controller. From the real property tax collected, the County Auditor-Controller will put sufficient funds into Sand City's Redevelopment Property Tax Fund so that Sand City can meet its annual obligations. This amount is shown on column four of the EOPS titled, "Total Outstanding Debt Obligations". There is no definitive amount as to what the payments will be each year. Once calculated, this amount does not change until 2024, and the Taxable B Series Bond would be paid off. The enforceable obligation schedule is to solidify how to calculate the total debt, and how this debt will be paid on a cash flow basis year to year. The next step is called the Recognized Obligation Payment Schedule (ROPS) that is going to be vetted by the oversight committee who will decide on what these payments will be. Under existing law, the Redevelopment Agency will cease to exist and can no longer act on any resolutions by 12:00 p.m. on January 31, 2012. The City and the Agency have a 24 year history in which the Agency has used City funds as a loan, with varying rates of interest charged. The end of the agency's life now requires that a payment schedule needs to be established based on available cash flow and time.

There was Council discussion on how debts will be paid back once the Redevelopment Agency ceases to exist, and how the City will meet its other obligations. The City Attorney commented that the 20% set aside will be

available to pay back this debt along with those funds no longer paid to Seaside. Sand City's situation is unique in regard to the amount of money the Redevelopment Agency owes the City. More property tax dollars should be captured to help pay back this debt. It was suggested that the total property tax the Redevelopment Agency would have collected is shown on page 2 of the EOPS.

- 1) Motion to approve the Sand City Redevelopment Agency **Resolution** amending The Enforceable Obligation Payment Schedule of the Sand City Redevelopment Agency was made by Agency Member Hubler, seconded by Agency Member Kruper. AYES: Agency Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.
- 2) Motion to approve an Urgency **Ordinance** of the Sand City Redevelopment Agency rescinding Redevelopment Ordinance NO. (RA) One, which enacted a Sales and Use Tax, was made by Agency Member Blackwelder, seconded by Agency Member Kruper. Roll Call Vote AYES: Agency Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.
- 3) Motion to approve Urgency **Ordinance** of the City Council of the City of Sand City rescinding Ordinance NO. (SC) 89-3 which enacted a credit for payment of Sales and Use Tax to the Sand City Redevelopment Agency was made by Council Member Blackwelder, seconded by Council Member Kruper. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

The City attorney commented that he anticipates checks may be sent to the Agency or Successor Agency after February 1 since it may take several months for the State Board of Equalization to update their system. This last resolution states that if the City receives any sales tax collected after tonight, that the Agency and/or the Successor will hold those payments in trust for the City. There will be several separate accounts set up subject to the RDA's legislation.

- 4) Motion to approve the City **Resolution** concerning certain Sales and Use Taxes was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

Mayor Pendergrass added that the City is fortunate to have talented Staff working on issues and concerns regarding the City and the Redevelopment Agency.

- 5) There was Council consensus to hold a Special meeting on Tuesday, January 31, 2012 at 7:00 p.m.

- E. The Mayor reminded the Council of the MCBC Economic Vitality Awards Dinner on February 4, 2012. Council member Hubler announced that on

January 27, 2012, an art show will be held at the Independent called Transcendental Vision displaying Japanese culture and contemporary art. There will be people coming from the East coast for this show, and encouraged the Staff and Council's attendance.

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

9:18 P.M.

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

1) To confer with Legal Counsel regarding pending litigation in accordance with

Section 54956.9(c) of the Ralph M. Brown Act,

a) *CalAm v. Seaside*

b) *Monterey Peninsula Water Management v. State Water Resources Control Board (No. M102101), and related cases*

c) *Security National Guaranty, Inc. v. California Coastal Commission*

d) *Sierra Club v. MPWMD*

e) *Decker v. Schumer (King), (No. BC 432289)*

f) *California Redevelopment Association v. Matsantos (California Supreme Court)*

g) *Cal-Am Application No. 10-04-019 Order Authorizing Recovery of Costs for Lease of the Sand City Desalination Facility*

9:23 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 received a report on items A1 (C) from the City Attorney.

## **AGENDA ITEM 11, ADJOURNMENT**

Motion to adjourn the meeting was made by Council Member Kruper seconded by Council Member Hubler, to the next regularly scheduled Council meeting on February 7, 2012 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 9:24 p.m.



Connie Horca, Deputy City Clerk