

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – June 7, 2011
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:01 p.m.

The invocation was led by Reverend Carl Kelleher.

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
Michael Klein, Chief of Police
Linda Scholink, Director of Administrative Services/City Clerk

AGENDA ITEM 4, COMMUNICATIONS

- A. Written communication distributed this evening was the conflict list for the June 7, 2011 Council meeting, (agenda items 7A and 9A).
- B. Oral

7:03 p.m. Floor opened to Public Comment.

Target employees, Steven Hayth (loss prevention manager) and Darla Thompson (store manager) stated that they wanted to recognize their local police department. Target strives to build strong partnerships with their police departments; and their number one rule is to build a safer community. We feel that we have done a great job with the partnership that we have with the Sand City Police Department. Together, in the last several years they have solved hundreds of cases from burglary to embezzlement. They presented the City with a letter in honor of National Police Week and their appreciation of the Sand City Police Department.

7:05 p.m. Floor Closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

- A. There was no discussion of the Sand City Council Meeting Minutes, May 3, 2011.
- B. There was no discussion of the Sand City Council Meeting Minutes, May 17, 2011.
- C. There was no discussion of the City **RESOLUTION** Authorizing Renewal of a Maintenance Agreement with HOPE Rehabilitation Services.
- D. There was no discussion of the City **RESOLUTION** Authorizing Renewal of the Building Inspection and Plan Check Services Agreement with the City of Monterey.
- E. There was no discussion of the Fort Ord Reuse Authority (FORA) Report, May, 2011.
- F. There was no discussion of City **RESOLUTION** Approving a Contract with Pacific Municipal Consultants for Planning Review, and Grant Procurement/Administration Services for Fiscal Year 2011-2012 at a cost not to exceed \$50,000.
- G. There was no discussion of City **RESOLUTION** Approving and Consenting to a Consolidated Permit Approach to Obtain a Coastal Development Permit (CDP) regarding the Regional Water Project (RWP).
- H. There was no discussion of City **RESOLUTION** Authorizing Renewal of Animal Shelter Services Agreement with the County of Monterey Health Department and Approving Amendment No. 8 to Agreement No. A-09687.
- I. There was no discussion of City **RESOLUTION** Authorizing Renewal of the Agreement for Vehicle Maintenance and Fuel Services with the City of Monterey.

Motion to approve the Consent Calendar was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and 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 Member Hubler stepped down from the dais due to a possible conflict of interest of residing/working within 500' of the proposed project}

- A. The City Administrator began the presentation by introducing Susan Collins as the community garden organizer. Ms. Collins has organized this project for the proposed community garden located at the end of Dias Avenue. The project site is at the corner of Hickory and Dias, it is a relatively small 5,625 square foot lot vacant parcel owned by the Redevelopment Agency. She submitted a petition of 101 local signatures from residents and business owners supporting this request. In her use permit application, Ms. Collins listed a group of volunteers in addition to herself. The Redevelopment Agency purchased this property approximately ten years ago, and this site will likely be developed in the future for housing or mixed commercial/residential use. The people that participate in this project will need to realize that, and should the Council approve this conditional use permit tonight, a lease will follow at a Council meeting in July.

Some of the benefits of a community garden are that it stimulates social interaction. It assists in reducing crime, it should beautify that portion of Sand City, and it provides opportunities for people of all cultures and ages to participate in a community function.

The applicant proposed to establish a community garden where individual plots of land can be used for fruit and vegetable growing. The project is proposed to be terraced through a donation of Granite Rock. On-site lighting is not proposed. The proposed site has no utility connections. Electrical and water connections may be necessary to implement irrigation. The property has a general plan and zoning designation of Planned Mixed Use (MU-P). A community garden would fit within those allowable use parameters. A few water solutions are in the report.

The City Administrator stated through research on the internet, most community gardens charge a certain amount for people to participate in the gardening effort. It is a nominal amount, and the reason they do it, is to ensure that people tend to their garden plots. Currently, as this garden is envisioned, the association of residents does not plan to charge.

It is recommended that the attached resolution approving Conditional Use Permit # 520 be approved by the City Council, subject to the terms and conditions contained there in. Finding number 3 should be revised, it is a project that is exempt from the California Environmental Quality Act and it should read section 15304.B, not 15301. It is further recommended that a one-year lease (at one dollar per year) be granted to Susan Collins so that the City and the community garden group can further assess the success of this project over time.

7:14 p.m. The floor was opened to Public Comment.

Susan Collins (Community Representative) stated that she is a representative of the community, this is not the Suska Garden, this is a community project. This idea started with the West End Celebration, and we were talking about how to make it a little more green this year, and interesting, especially for the people in Sand City. The more talking I did, the more people liked the idea to the point that they were calling me and emailing me. On our list, we have 20 people that are going to be the base help for the garden. From Granite Rock, who has pallets of stone ready to be delivered, to Sylvan Gallery who will be doing our worm farms. Everyone seems to be bringing in their own expertise. I love this; this is what Sand City's all about.

Ms. Collins stated that she had one small problem. Through my research with other cities no one person signs a lease. I would be liable in some ways, if a lease was involved and I was the only signatory on the lease. I can't imagine anyone in our group signing the lease, so we need to figure out some way to make this work. So the only question I have is how we figure out some arrangement between the City Council and the community to make this work.

The design is in two tiers for a couple of reasons. The land is on a slope and also because of the wind. The top tier will be nothing but bushes and succulents, the second layer will probably be flowers, the kind of flowers that can grow again and again, and we don't have to keep re-planting. The bottom will be stone, where you can enjoy the garden. Everything after that is level, the barrels may have tomatoes and other vegetables planted. If someone is not renting or using the beds, we will have rock gardens, succulents and everything that is water resistant. That way if someone is not tending to the garden for two months it will still be beautiful.

We just have to figure out a way that we can work this out together and everyone is ok and happy.

She mentioned that all Cities handle these gardens differently. Seaside has four or five gardens. In some of their gardens, an owner will donate a piece of property; other ones are put under the Parks department or they form a committee. There seems to be all different ways to pull this together.

The Mayor stated that we all appreciate that you came to the City with this idea, and it is important that you are aware that this is not permanent because the law governs this as Redevelopment property. We would like

to be accommodating and we will need to work out the details.

Susan Collins mentioned this garden should be a part of the West End Celebration, so there is a need of urgency to get this done.

The City Attorney stated that staff is going to have to do some research to see how other cities undertake these garden projects. We may have to define another outline as to how this can be done without a lease.

Everyone agreed that this needs to be done right and we can have a special meeting on July 5th and have this item on the agenda.

Several people spoke and commended Susan Collins for all the work she had done. They stated this is a progressive project and consistent with what a lot of other urban areas are doing throughout the Bay Area. It is a great use of unused or underutilized property.

One suggestion was to set it up similar to the Art Committee. Form a committee, and have Susan act as the Chair person, and appoint four people that she can work with and for the City and designate a small budget.

Another idea was to write a policy that includes safety measures, putting up signs, orientation for volunteers, and supervision through volunteer coordinators.

The Mayor asked the audience how many people were there to support the project. Most of the audience raised their hands.

7:45 p.m. The floor was closed to Public Comment.

The Mayor thanked everyone for coming and speaking their mind, and some great ideas came from the discussion. We need to iron out with the City Attorney the different options, and we want to make sure we do it right the first time.

The City Attorney added that as soon as the City takes any action to improve the property, the City can be held liable. Other laws such as the American with Disabilities Act would also apply. These are considerations that the City/RDA will have to consider before moving forward. The laws that govern City-owned property are different from the laws that govern privately owned property.

The City Attorney stated that direction from the City Council was needed in order to know which direction to move.

The Council agreed they were all in support of the concept, but had questions regarding the longevity of this, possible redevelopment at a later time, water issues, and the liability concerns. The Mayor asked Ms. Collins to talk with staff and work out the details. The City Administrator stated that a use permit

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probably needed to be issued to the Redevelopment Agency for formal approval and initial use for the garden project.

Mayor Pendergrass made a motion to continue this item to the July 5th Council meeting, to allow time for public noticing, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Hubler. Motion Carried.

{Council Member Hubler returned to the dais}

AGENDA ITEM 8, OLD BUSINESS

A. The City Engineer Richard Simonitch reported that we have a new business item coming up, awarding the contract for public works corporation yard. In addition to that, we have been looking at ways to fund the bicycle interconnect between Sand Dunes and Tioga to get that project going this summer. There are possible grant funds available through TAMC, and they have indicated the project does qualify for grant funding through our surface transportation funds. The desalination plant produced over 25 acre feet in May; that is two months in a row the plant has produced over 25 acre feet.

The City Administrator spoke on AB 1250, which would reform, not get rid of Redevelopment. This is good news. We should know by June 15th, because that is the deadline for the legislature to adopt a budget. If they don't adopt the budget, they won't get paid. It would also require that we have an advisory group review our next implementation plan.

The City Attorney mentioned on May 23rd, he filed a 4B2, Economic Exclusions application with the US Fish & Wildlife Service to continue the exclusion of all of Sand Cities beach lands from the proposal to extend critical habitat for snowy plover.

AGENDA ITEM 9, NEW BUSINESS

{Council Member Blackwelder stepped down due to a possible conflict of interest by residing within 500' of the proposed project}

The Mayor started the discussion by saying the new public works yard is necessary. Technically the public works yard is in a street right-of-way. City Engineer Richard Simonitch reported that plans and specifications were distributed to 9 contractors, 4 subcontractors, and 5 builder exchanges. The City received 7 bids. The bids have been reviewed by the City Engineer. The first apparent low bidder was CRW Industries; but they did not submit the required Bid Schedule attached to Addendum No. 3, which increased the quantity of

square footage for the retaining wall. Therefore, their bid was disqualified.

The responsive low bidder for this project is Monterey Peninsula Engineering in the amount of \$110,698. The City Engineer is recommending the attached Resolution be approved authorizing the contract award for the New Public Works Corporation Yard project to Monterey Peninsula Engineering in the amount of \$110,698., with an additional contingency of \$11,000. The pre-construction meeting will occur prior to commencement of construction. We will be procuring a geotechnical consultant to assist with the geotechnical investigation, inspection, and testing.

The Mayor stated that he really supports this; to move public works, and provide necessary parking needed at City Hall. The Mayor cautioned the City Engineer to be very involved and keep a close eye on the project to avoid any change orders.

Motion to approve City **RESOLUTION** Authorizing Contract Award for the New Public Works Corporation Yard Project to Monterey Peninsula Engineering was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Carbone, Kruper, Hubler and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Blackwelder. Motion Carried.

{Council Member Blackwelder returned to the dais}

- B. The City Administrator presented the Preliminary Review of Fiscal Year 2011-2012 Budget. Due to the decreasing property tax and sales tax revenues over the past several years, the Budget Committee chair recommended that staff prepare a 5-year projection of future City revenues and expenditures based on "reasonable assumptions; or a conservative approach. The finance staff prepared a 5 year projection in attachment 1. The City Administrator stated that the Budget Committee met on May 31, 2011 to discuss budget issues for the upcoming year, and to also review a 5-year budget projection that was requested by the Committee Chair. The budget figures before the City Council do not include salary increases that were approved in 2007 for all employees, so this review must be considered preliminary due to on-going negotiations with the POA (Police Officers Association) that have not been completed. Regular step increases within the salary plan would still apply however.

The City Administrator stated in his staff report that we have done a really good job of reduced staffing through attrition. The Planning Director is now the Planning Director/City Administration that is saving significant money. There was a half time administrative assistant position that we have frozen. A police officer left in April, and we have frozen that position. A police sergeant position is frozen. The Police Chief plans to retire later this year and hopefully return in a contract situation with a little less than half time; that will save significant monies. Overall, approximately \$700,000 will have been saved annually compared to 2007 levels. Even

with that, there is a structural deficit that exists; and it just goes to show how poorly the economy has performed since 2007 when retail sales were relatively high. That has been our biggest reduction in revenue, retail sales tax.

The power point slide illustrated the 5 year projections. It is important to note that the row tabulated as "difference", estimates the surplus or deficit between total revenues and total expenditures, based on a number of assumptions. It is also important to be aware that without a significant new redevelopment project over the next 5 years, the City and the RDA will continue to run a "structural deficit" that needs to be backfilled with City fund reserves. There are many assumptions in these projections that will need to be reviewed, at least semi-annually. There are several key points listed in the attachments that will affect the fiscal year 2011/12 budget.

The one part of this budget that we are relying on is the Costco gas station, "coming on line" by January 2012. If that occurs then revenues increase significantly.

The City Administrator reviewed the other revenues/expenditures that are listed on the hand outs, are not included in the budget. He also mentioned there is potential to get a sustainable communities grant through the State this year, so when you see the budget in two weeks, Staff will be recommending that we apply for that grant.

Staff also suggests that we do an actuarial study for a two tier retirement system for future employees. If we start reducing benefits for future employees, it will have a significant financial impact savings for the future.

This is really more of a study session because we have to get back to the POA on some of their suggested possibilities of deferring year three salaries of the contract.

Further discussion in closed session will be needed before the budget can be completed, and it will be on the June 21st, 2011 Council/RDA meeting agenda for adoption.

- C. The City Attorney stated that this is an Ordinance for the City of Sand City adopting certain amendments to Chapter 10.08 to the Sand City Municipal Code regarding Stopping, Standing and Parking. This Ordinance was presented to the City Council at the May 17th meeting for its first reading.

Motion to approve the Second Reading of **City ORDINANCE** Adopting Certain Amendments to Chapter 10.08 of the Sand City Municipal Code regarding Stopping, Standing and Parking was made by Council Member Kruper, seconded

by Council Member Hubler. Roll Call Vote: AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried

D. There was Council consensus to have only the Community Garden on the July 5th City Council Meeting.

E. The City Clerk requested RSVP's for the upcoming events.

AGENDA ITEM 10, CLOSED SESSION

8: 42 PM The City Council /Agency Board adjourned 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*
- 2) Conference with Labor Negotiator, City Administrator, Steve Matarazzo regarding Public Safety Employee Organization: Police Officers Association, pursuant to Section 54957.6 of the Ralph M. Brown Act

9:24 PM

B. The City Council/Agency Board Readjourned 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.

- 2) Conference with Labor Negotiator, City Administrator, Steve Matarazzo regarding Public Safety Employee Organization: Police Officers Association, pursuant to Section 54957.6 of the Ralph M. Brown Act-

The City Council advised the Labor Negotiator, City Administrator, regarding negotiations with the Police Officers Associations.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the meeting was made by Council Member Blackwelder, seconded by Council Member Kruper, to the next regularly scheduled meeting on June 21, 2011 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 9:45 p.m.



Linda K. Scholink, City Clerk
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