
MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – December 7, 2010
7:00 P.M.
CITY COUNCIL CHAMBERS

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

The Mayor stated this was a day to remember our military with appreciation and that it was a day to remember Pearl Harbor and those that gave their lives for our freedom.

The invocation was led by Reverend Carl Kelleher.

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
Richard Simonitch, City Engineer
Michael Klein, Police Chief
Linda Scholink, Director of Administrative Services/City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

A. Written communications distributed to the Council included an updated appointment list (Item 6D), a power point presentation by Water Plus, (Item 8B), a Monterey Herald Article on the desalination project unveiled, (Item 10B) and a revised draft ordinance for sections 10.08.040 and 10.08.050, (Item 11B).

B. Oral

7:05 PM Floor Opened for Public Comment.
There were no public comments.

7:05 PM Floor Closed to Public Comment.

The Mayor stated he would like to switch the order of the presentations and have 8B go before 8A, and the Council agreed.

AGENDA ITEM 5, SWEARING-IN CEREMONY OF NEW CITY COUNCIL

- A. Motion to approve of City **RESOLUTION** Canvassing the November 2, 2010 General Election was made by Council Member Kruper, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.
- B. Swearing-in Ceremony of Elected Officials as a result of the November 2, 2010 General Election:

City Clerk, Linda Scholink performed the swearing-in ceremony of re-elected Mayor David K. Pendergrass, and Council Members Jerry Blackwelder and Craig Hubler. The Mayor and Council thanked the audience for their support and invited them to stay for the celebration at the conclusion of the Council Meeting.

AGENDA ITEM 6, 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 #186,236,286, Gene's Auto Body (automotive shop), 1531-A Shasta/ 524-A Elder Avenue
 - (2) CUP # 394, Frank D'Aquanno (automotive), 477 Redwood Avenue
 - (3) CUP #422, Richard Garza (contractor), 351 Orange Avenue
 - (4) CUP #425, Glastonbury, Inc. (equipment store & rent), 495-B Elder Avenue
 - (5) CUP #480, Video Ranch (office, video production), 1793 Catalina Avenue
 - (6) CDP #0707, Ga-Ga (hair salon), 490 Orange Avenue
- B. There was no discussion of the Sand City Council Meeting Minutes, November 16, 2010.
- C. There was no discussion of City **RESOLUTION** Authorizing Health Benefit Changes for the 2011 Contract Year.
- D. There was no discussion of City **RESOLUTION** Continuing the Appointments to Various Local and Regional Agencies and Boards effective January 1, 2011.
- E. There was no discussion of City/Redevelopment Agency Financial Report for October 2010.
- F. There was no discussion of the Monthly Fort Ord Reuse Authority (FORA) Report for November 2010.

- G. There was no discussion of City **RESOLUTION** Approving a Service Agreement and Budget for the 2011 West End Celebration.
- H. There was no discussion of the following City Donations/Contributions.
 - 1) Community Holiday Dinner Committee - \$500
 - 2) Boys & Girls Club in memory of Lance McClair - \$200

Motion to approve the Consent Calendar items was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

AGENDA ITEM 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the consent calendar.

AGENDA ITEM 8, PRESENTATIONS

- B. This item was taken out of order by concurrence with the City Council.

Mr. Wiseman thanked the City for allowing him to make his presentation and told the Council that Sand City was his favorite City. He said the City may be small but they are very daring. He said "Water Plus" is a group of Cal-Am Water rate payers that feel the current water project needs them. Their mission statement is to persuade or create a public agency to purchase CalAm. They state the problems are steeply rising rates, no cap on rates, no local control, no local ownership, and no new water. They feel that the public should buy California-American Water, (Cal-Am). We are making presentations to the public to educate them. We propose that Cal-Am should be Community Owned. The Mayor and City Council thanked them for their presentation.

- A. Therese Courtney and Mike Nolan from Hayashi & Wayland introduced themselves and presented the Audited Financial Statements for the Year Ended June 30, 2010. They reported that the City of Sand City received a "clean" audit and no recommendations to internal controls, which was the highest level of assurance that an agency can receive from an auditor.

Ms. Courtney explained that she had met with the Budget/Personnel committee and gone over the audit in detail. The statement of activities report showed there was a positive change of \$777,839 to the net assets. The statement of revenues, expenditures and changes in fund balances showed a positive change of \$495,878. She explained the annual other post employment benefits, (OPEB) per GASB 45, expense and liability that must be implemented in fiscal year 2010 for the first time. The net obligation for this year is \$486,228. The city has assumed a pay as you go policy until the economy starts to improve. This current fiscal year 2010-2011 there's a new GASB Statement No. 54 that becomes effective. It is titled Fund Balance Reporting and Governmental Fund Type Definitions. The objective of this Statement is to enhance the usefulness of fund balance information by

providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This year Council will need to pass resolutions and policies to conform to this new requirement.

Ms. Courtney also reported on the excess surplus in the housing fund. In June 2009 the fund showed a surplus of \$636,403. The Agency has until June 30, 2012 when these funds must be encumbered.

Mr. Nolan went over the letters that were presented, stating they did not identify significant or unusual transactions; there were no significant disclosures that warrant communication, there were no uncorrected misstatements. They did not encounter disagreements with management and there were no significant issues arising from the audit. Staff was a pleasure to work with.

Mayor Pendergrass thanked both Ms. Courtney and Mr. Nolan for their audit work and presentation. He also thanked staff for all their hard work.

- 1) Motion to approve City **RESOLUTION** Accepting the Audited Financial Statements for the Year Ended June 30, 2010 and Independent Auditors' Report was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.
- 2) Motion to approve Redevelopment Agency **RESOLUTION** Accepting the Audited Financial Statements for the Year Ended June 30, 2010 and Independent Auditors' Report was made by Agency Board Member Kruper, seconded by Agency Board Member Carbone. AYES: Agency Board Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

AGENDA ITEM 9, PUBLIC HEARING

- A. Associate Planner presented for the Council's consideration an application for a time extension for CrossFit Monterey at 337 Olympia. In December of 2009, the Council approved Conditional Use Permit 502 for CrossFit Monterey to operate a gym at 337-B Olympia Avenue. As a condition of this approval, the Permit established a 1-year time limit to evaluate the efficiency of the shared parking arrangement. A time extension is now required for CrossFit Monterey to continue operating.

This gym offers group classes and individual training consisting of weightlifting, calisthenics, and cardio respiratory conditioning. In general, a small scale gym is a good land use for the West End District, pending the provision for off-street parking. The effectiveness of the property owner's parking plan is difficult to determine. Considering that complaints have not been filed with the Planning Department, staff concludes that even though the parking arrangement and implementation are not ideal, the operation does not appear to be creating significant problems or notable parking deficiencies at

this time. Staff recommends approval to grant an indefinite time extension allowing CrossFit Monterey to continue operating.

- 7:45 PM Floor was Opened to Public Comment.
There was no public comment.
- 7:46 PM Floor was Closed to Public Comment.

The Mayor asked the applicant if he was in agreement with all the conditions of the permit and the applicant answered, "Yes, he was in agreement with the conditions".

Motion to approve City **RESOLUTION** Approving a Time Extension of Conditional Use Permit 502 for Crossfit Monterey located at 337 Olympia Avenue 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 10, OLD BUSINESS

- A. The City Engineer reported that most of his report would be covered in the next agenda item and slide show. He said the desalination plant is running fine. He is working on the bike path through the Tioga interconnect. It has been determined that it will need an encroachment permit.

The Mayor spoke to Dennis Orsac from Costco, and Costco is working on getting approvals for the gas station and that should be before the Council early in 2011.

City Administrator added that Sports Authority and Chipotle have submitted remodeling plans with the building department and both are looking to open in May or June of 2011.

- B. Update on Regional Water Project

The Mayor updated the Council on current water issues. The Regional desalination plant was approved by the California Public Utilities Commission. The plan for a desalination plant in Moss Landing that would use sea-water from deep below the surface of Monterey Bay is under way. A plan should be ready by the end of January and the plant could be operational by the end of 2015.

AGENDA ITEM 11, NEW BUSINESS

- A. City Engineer, Richard Simonitch introduced the low impact development, (LID) practices and design considerations that will need to be implemented for compliance with the Regional Water Quality Control Board, (RWQCB) requirements. Sand City's general storm water permit issued through the RWQCB requires that we develop measures to protect and/or restore waters from degradation due to urban development. These measures include the implementation of Low Impact Development (LID) design measures into our future development plans. Sand City staff must work together with the assistance of Monterey Regional Storm Water Management group to develop

enforceable mechanisms that will effectively implement hydro-modification controls and LID. Enforceable mechanisms may include municipal codes, regulations, standards, and specifications. The RWQCB requires that each entity adopts the modified/new ordinances by October 30, 2011. The purpose of tonight's meeting presentation is to familiarize staff and the City Council with some of the concepts of Low Impact Design and Hydro modification.

The environmental benefits of LID include: recharging groundwater, improved water quality, providing channel protection, conserving water, providing habitat and improving air quality. Social benefits include aesthetics, reduced urban heat island effect, noise reduction, shade and walkability.

The final, adopted Hydromod and LID principals are to be applied to all new and redevelopment projects by January 31, 2012.

- B. The Mayor began the discussion regarding potential parking regulations to address street and curbside parking of trucks, trailers, boats, containers and the like. If the Council agrees, we can review a proposed draft ordinance at the January 18th Council Meeting.

The City Administrator reported that staff and council members have noticed oversized vehicles and various detached trailers parked along California Avenue and other roads within Sand City. This type of use of public streets has seemed to escalate in recent months. The City Council directed staff to develop appropriate responses to these problems. City staff has drafted a proposed regulation to address the two primary problems with on-street parking in Sand City: (1) detached trailers that are being "stored" on the street and should be located within the properties owned or rented by the trailer owners, and (2) oversized vehicles that take up two or more on-street parking spaces for long periods of time.

After discussions between staff, Council and the City Attorney it was decided the proposed ordinance should also address parking of vehicles for people and businesses that are not located in Sand City. Oversized trucks need to be addressed.

The City Attorney commented that he would like to walk through the Ordinance with the council. This is the first time that an actual draft Ordinance has come before the City Council for entertaining the Council's comments. The City Attorney also said this Ordinance has been designed in a way that it can be amended easily.

Council Member Kruper had a slide presentation that captured several issues throughout the City as examples of items that could be addressed through this Ordinance.

The Mayor thanked Council Member Kruper for his presentation. The Chief added the only tool the police department has now is the 72 hour rule and that doesn't work very well. It takes too much of an officers' time to tag a vehicle at one location and then 72 hours they move the vehicle to another location and it becomes a cat and mouse game.

The City Attorney added that if the Council decided to adopt an ordinance, the City would have to put up cautionary signs before the enforcement could take place. The Chief wants the authority to tow, rather than cite. The Mayor said the first step is to educate the public with the process. Council Member Kruper added the notices should also be in Spanish.

The City Attorney concluded the Council is directing staff to update the draft Ordinance before the Council this evening with the comments and suggestions heard tonight and bring this ordinance back at the next Council meeting in January.

The Mayor asked staff to keep their eyes open and be observant throughout the community. The City has earned respect and we need to continue to improve the appearance of the community.

- C. The City Administrator stated the Sand City Sales Tax Update for the 2nd Quarter 2010, was included in the packet as information only.
- D. The City Clerk asked the Council for responses to the League Academy held January 19th in Sacramento.


AGENDA ITEM 12, CLOSED SESSION

The City Attorney determined there was no need for closed session this evening.

- A. The City Council /Agency Board adjourn to Closed Session 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) *State Water Resources Control Board Order WR 2009-0060*
 - c) *Monterey Peninsula Water Management v. State Water Resources Control Board (No. M102101)*
 - d) *CalAm v. State Water Resources Control Board*
 - e) *Security National Guaranty, Inc. v. California Coastal Commission*
 - f) *Sierra Club v. MPWMD*
- B. Readjourn 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.

AGENDA ITEM 13, 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 January 18, 2011, at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 9:20 p.m. and begin the reception for the elected City Officials.


Linda K. Scholink, City Clerk