

MINUTES

JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – April 15, 2008
CITY COUNCIL CHAMBERS
7:00 P.M.

Mayor Pendergrass opened the meeting at 7:05 P.M.

Invocation was led by Reverend Roy Pina

The Pledge of Allegiance was led by Police Chief Klein

Present: Council Member Blackwelder
 Council Member Carbone
 Council Member Hubler
 Council Member Morris
 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

AGENDA ITEM 4, COMMUNICATIONS

- A. Written communications distributed this evening included Resolutions for the Seaside/Sand City Chamber of Commerce, (Item 5I) and a letter from Zander and Associates to the California Coastal Commission addressing Coastal Permit Compliance with Special Conditions for the Sand City Water Supply Project.

- B. Oral
 - 7:09 P.M. Floor opened for public comment
 - No public comment
 - 7:09 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 on the following Conditional Use Permits (CUP) and Coastal Development Permits (CDP).

- (1) CUP #188, Performance Automotive (Auto Body Shop), 531 Elder Avenue
- (2) CUP #216, Integrity Automotive Machine (Machine Shop), 371 Orange Avenue
- (3) CUP #217, Ross Roofing (Open Storage), 1795 California Avenue
- (4) CUP #246, Inter-City Manufacturing Inc. (Manufacturing), 501 Redwood Avenue
- (5) CUP #253, Barry Hartzell Automotive (Auto Repair), 510 & 520 California Avenue
- (6) CUP #405, Frances & Albert Paley (Art Studio), 1788 Holly Street
- (7) CUP #416, Gus & Millie Randazzo (Floor Contractor), 443 Orange Avenue
- (8) CUP #451, Pacific Grove Millworks & Glass (manufacturing). 637 Ortiz Avenue
- (9) CUP #472, Morgan's Café (coffee shop), 1725 Contra Costa Street.
- (10) CDP #03-01, Fastenal Company Services (Distributor), 2-A John St

- B. There was no discussion of the March 18, 2008 Sand City Council Special Meeting Minutes.
- C. There was no discussion of the April 1, 2008 Sand City Council Meeting Minutes.
- D. There was no discussion of the Police Department Monthly Report for March 2008.
- E. There was no discussion of the monthly Public Works Department Report for March 2008.
- F. There was no discussion of the City/Redevelopment Agency Financial Report for February 2008.
- G. There was no discussion of the City RESOLUTION opposing Proposition 98 Regarding Restrictions of Eminent Domain Actions.
- H. There was no discussion of the City RESOLUTION honoring the Monterey Peninsula Chamber of Commerce on their 100th Anniversary.
- I. There was no discussion of the City RESOLUTIONS honoring the Seaside/Sand City Chamber Award Recipients with the exception of item 4; which was pulled as staff is still waiting for biographic information and will have a proclamation for the Mayor to sign before the event)
 - 1). Sun Street Center, Business of the Year
 - 2). Ruthie Watts, Samuel E. Harris, Sr. Citizen of the Year
 - 3). Anita McGuire, President's Award
 - 4) Jan Penny, Samuel E. Harris, Sr. Citizen of the Year
(Item I-4 was pulled, due to the Chamber not supplying information in time for the agenda packet)

5) Anita McGuire, President's Award

- J. Approval of City Contributions/Donations
- 1). The Monterey County Fair - \$500 (for FY 08-09)
 - 2). Seaside Parade of Champions - \$500
 - 3). Tyler Tolles - \$700 (for FY 08-09)

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items under agenda item 6

AGENDA ITEM 7, OLD BUSINESS

- A. The City Attorney distributed a memorandum regarding the California State Water Resources Control Board ("SWRCB") proposed Cease and Desist Order, (CDO) regarding Cal-Am diversions from Carmel River. In 1995, the SWRCB issued its Order 95-10. Among other things, Order 95-10 determined that a substantial amount of California American Water Company's diversions from Carmel River were illegal. On January 15, 2008, the SWRCB issued a draft 'Cease and Desist Order' to Cal-Am. If adopted by the SWRCB, the CDO would require Cal-Am to reduce its diversions over the next 5 years by about 5,000 acre feet, from the 10,500 acre feet amount it diverted in 2006, which amounts to about a 50% water supply reductions in 5 years.

There has been a change in circumstances since 1995. On April 9, 2008, several of the participants, including Sand City, filed briefs on issues raised during the pre-hearing telephone conference. In its brief, Sand City urged the SWRCB to defer action indefinitely for reasons cited in correspondence to the SWRCB from Assembly member Laird and Senator Maldonado. Rebuttal briefs are due by April 23, 2008. The hearing is scheduled in Sacramento for mid June.

- B. The City Engineer reported that there has been a lot of progress on the desalination plant. They have completed the construction on the four wells, and will be testing the first well for production and capacity soon. The actual pipeline trenching should begin in a few weeks. CDM is ready to go and is just waiting for the building permit to be issues. They should begin construction by the 1st week in May.

AGENDA ITEM 8, NEW BUSINESS

- A. The City Administrator presented the Proposed First Amendment to City/Redevelopment Agency Budget for Fiscal Year 2007/08 to the Council.

The budget committee met and reviewed the budget amendment in detail on April 9th. They are recommending approval of the amended budget to the City Council. The City Administrator reviewed the recurring revenues and recurring expenditures with the Council; and explained that the operating revenues and expenditures are the most important parts of the budget and Sand City is a relatively healthy City, fiscally. The overall budget shows a surplus for this fiscal year ending June 30th.

1) Motion to approve the **City RESOLUTION** Adopting Amendment #1 was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

2) Motion to approve the **Redevelopment Agency RESOLUTION** Adopting Amendment #1 was made by Board Member Blackwelder, seconded by Board Member Hubler. AYES: Board Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- B. The City Administrator presented the City RESOLUTION establishing an interim policy related to sign guidelines within the "planned mixed use" zoning district (MU-P). He stated that at the last Council meeting it was the consensus of the City Council that building-attached signs in the Mixed Use District should not be permitted on the higher portions of buildings. An example had been presented from the Design Center that was to be approximately 50 feet above the street grade. Staff has postponed final DRC consideration of the Design Center proposed sign program until additional direction from the Council is obtained. Until the sign regulations are updated as part of a complete zoning ordinance revision planned for the next fiscal year, he recommended the Resolution be adopted to set Council guidelines for the planned mixed-use district for an interim period of time.

7:45 P.M. Floor opened for Public Comment

Al Saroyan (Property Owner)-stated he would like to clarify and address how the City addresses destination properties now and in the future for Sand City. The only way we can identify our building is by having signs up. Visibility is a huge priority for us, especially with the economy the way it is today. I would hope that the City could look at these sign proposals on a case by case basis.

The City Administrator responded that he does not consider the Design Center as a destination use like a hotel. There was much discussion between the property owner, staff and the Council. The decision was made to table this item. The City Administrator felt that he had a good sense of the feelings of the Council regarding this issue given that the building was a "pioneer development" within the West End District.

- C. The Director of Administrative Services reviewed the upcoming Meetings/Events and received responses from the Council members.

AGENDA ITEM 9, CLOSED SESSION

{Council Members Blackwelder and Hubler stepped down from the dais due to a possible conflict of interest by residing within 500 feet of the proposed properties}

8:20 p.m. The Agency Board adjourned to Closed Session to confer with real property negotiator Steve Matarazzo, Executive Director in accordance with Section §54956.8 of the Ralph M. Brown Act

1) regarding the acquisition of specific properties located at 525, 537, and 539 Ortiz Avenue and 512 Redwood Avenue (APN 011-196-004, 013, 019, & 020) and

2) regarding real property negotiations of specific properties located at 1801 Catalina Avenue (APN 011-177-029) and 437 Redwood Avenue (APN 011-177-016, 018, & 022) in accordance with Section §54956.8 of the Ralph M. Brown Act

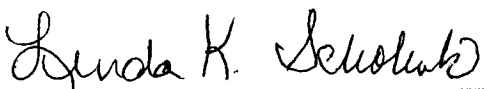
8:45 p.m. The Agency Board readjoined to Open Session to report any action taken at the conclusion of Closed Session in accordance with §54957.1 of the Ralph M. Brown Act

The City Attorney reported that direction was given to Steve Matarazzo, property negotiator to pursue the property listed and enter into negotiations regarding the acquisition of specific properties located at 525, 537, and 539 Ortiz Avenue and 512 Redwood Avenue (APN 011-196-004, 013, 019, & 020) and

The Council decided not to pursue the purchase of the properties located at 1801 Catalina Avenue (APN 011-177-029) and 437 Redwood Avenue (APN 011-177-016, 018, & 022).

AGENDA ITEM 10, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Morris, seconded by Council Member Carbone to the next regularly scheduled Council meeting on May 6, 2008, 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 8:46 p.m.



Linda K. Scholink, Director of Administrator Service/City Clerk