

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

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Regular Meeting – June 3, 2008  
CITY COUNCIL CHAMBERS  
7:00 P.M.

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

The invocation was led by Reverend Carl Kelleher

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 to the City Council was a letter from the State Department of Parks and Recreation regarding the approval of the Grant for \$130,726 for Bay Avenue access improvements.

B. Oral

7:05 p.m. Floor Opened for Public Comment  
There were no comments 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. There was no discussion of the May 20, 2008 Sand City Council Meeting Minutes.

B. There was no discussion of Redevelopment Agency RESOLUTION Approving the Housing set-aside partial funding for Construction of the Desalination Plant Facility.

C. There was no discussion of \$2,000 Appropriation to the Monterey County Visitors and Convention Bureau annual contribution.

D. There was no discussion of City RESOLUTION Approving a Contract with David Martin, AIA, to provide Architectural Services for the Remodeling and Expansion of City Hall at a cost not to exceed \$25,000.

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. 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 HEARINGS**

A. The City Administrator, Steve Matarazzo, explained to the Council that TAMC had been at the two previous Council meetings and answered the questions that had been asked, and presented the second reading of an **Ordinance adding Section 18.98 to the Sand City Municipal Code regarding the establishment of a Regional Traffic Impact Fee.**

7:07 P.M. Floor Opened to Public Comment

There were no comments.

7:07 P.M. Floor Closed to Public Comment

Motion to approve the Ordinance adding Section 18.98 to the Sand City Municipal Code regarding the establishment of a Regional Traffic Impact Fee was made by Council Member Carbone, seconded by Council Member Morris. Roll Call Vote was taken. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

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

A. The City Engineer reported that the design process for the desalination plant has been completed and the City can now submit the initial request to Cal-Am for their first payment under the lease contract. The intake well construction is nearly complete and construction has begun on the foundation elements of the building on Shasta. The trenching of the pipelines has started. The City-wide street striping is currently out to bid. The well report from Martin Feeney states the three wells likely to be consistently used for water intake have increased capacity 75-80%.

The City Administrator reported the City Attorney and himself have been looking at the language of the Water Packet, specifically the hold harmless section, and should have that revised and completed soon.

The Chief asked the Council if they had any comments on the Annual Barbeque that was held on May 31<sup>st</sup>. The Mayor said it was a great turnout, the comments he had received were that it was a very open and friendly atmosphere, the food and music was good, and everyone had a good time. Some thoughts for next year were to research another caterer, and to look at having a dunk tank and having the Chief inside it. We could add to the invitation come "Soak the Chief" at Sand City' Annual Birthday Party Celebration".

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

- A. The City Administrator presented for Consideration the Preliminary Combined Fiscal Year 2008-2009 Combined Budget. He stated that the Council had already approved two items relating to the Budget on the Consent Calendar. The Council has approved the reservation of 17 acre feet per year for the affordable housing, and appropriating \$825,000 of the RDA housing set-aside fund for this purpose. They also approved the David Martin, architectural services contract for the remodeling and expansion of City Hall.

He stated the budget does not show the hook-up fees for the desalination plant. Staff is currently researching what could be considered a reasonable expense. Council and staff discussed different options, and staff will review their ideas, and come back to the Council at a future meeting with a proposal.

He reported to the City Council that he will continue to fill both positions, (City Administrator and Community Development Director) for a period of time. Currently there aren't any large projects in the City of Sand City. If DBO, Ghandour or any other large developments begin to evolve then he will look for a Plan Manager. He wants to continue to oversee the projects and stay involved with the planning activities.

The Personnel and Budget Committee reviewed the budget in detail on May 28<sup>th</sup>, and are recommending approval to the City Council. The budget being presented is really the second year's budget of a two-year budget. Over the past year the Council has been budgeting increased revenues for future expenditures related primarily to the Sand City Water Project. The fiscal year 2007-2008 budget appears to have a large surplus, and the fiscal year 2008-2009 appears to have a deficit. By combining the two years, it gives you the overall financial picture of the City which shows the City to be in good shape. The recurring revenues are stable, and the recurring expenditures show a small decrease due to the smaller staffing in the planning department for the first part of fiscal year 2008-2009. The fiscal year 2008-2009 also shows a new line item of pass through catch up with the County, which is to make up a pass-through payment. There are a few items that will be reviewed and brought back during the mid-year review process that might include a public works backhoe tractor.

The Director of Administrative Services reviewed the Bond proceeds and the RDA 1996 bond payoff in fiscal year 2007-2008. The desalination and property acquisition expenditures in fiscal year 2008-2009 are the biggest variations in the budget year to year comparison. She also reviewed the City Attorney's budget, and explained the slight increase needed.

- 1) Motion to approve City **RESOLUTION Establishing a Appropriations Limit for Fiscal year 2008-2009 pursuant to Article XIII B of the California Constitution** was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried
- 2) Motion to approve **City RESOLUTION Adopting the Preliminary Combined City and Redevelopment Agency Budget for Fiscal Year 2008-2009** was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried
- 3) Motion to approve **Redevelopment Agency RESOLUTION Adopting the Preliminary Combined City and Redevelopment Agency Budget for Fiscal Year 2008-2009** was made by Agency Board Member Morris, seconded by Agency Board Member Hubler. AYES: Agency Board Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried

B. The City Clerk reviewed the upcoming meetings and events with the City Council.

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

*{Agency Board Members Blackwelder and Hubler stepped down due to a possible conflict of residing within 500 feet of the proposed property}*

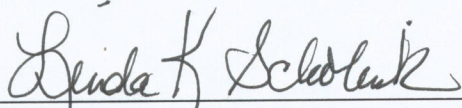
8:05 p.m. Agency Board to adjourned to Closed Session to confer with real property negotiator:

- 1) In accordance with Section §54956.8 of the Ralph M. Brown Act regarding real property negotiator, Steve Matarazzo, Executive Director 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) Carroll Property

8:25 p.m. 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. The Council gave direction to the property negotiator.

#### **AGENDA ITEM 11, ADJOURNMENT**

Motion to adjourn the City Council meeting was made by Council Member Carbone, seconded by Council Member Morris, to the next regularly scheduled Council meeting on June 17<sup>th</sup>, 2008, 7:00 p.m. There was a unanimous consensus of the Council to adjourn the meeting at 8:27 p.m.



Linda K. Scholink, City Clerk