

# **MINUTES**

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

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REGULAR MEETING - March 6, 2007  
CITY COUNCIL CHAMBERS  
7:00 P.M.

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Mayor Pendergrass opened the meeting at 7:01 pm.

The invocation was led by Reverend Snyder

Police Chief Klein led the Pledge of Allegiance

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

Staff:          Kelly Morgan, City Administrator  
                 Michael Klein, Police Chief  
                 Steve Matarazzo, Community Development Director  
                 Jim Heisinger, City Attorney  
                 Richard Simonitch, City Engineer  
                 Connie Horca, Deputy City Clerk

### **AGENDA ITEM 4, COMMUNICATIONS**

Anyone wishing to address the City Council on Consent Calendar item(s) or matters not listed on the agenda may do so during Oral Communications. Matters not appearing on the City Councils agenda will not receive action at this meeting, but may be referred to staff or set for a future City Council meeting. Presentations will be limited to three minutes or as otherwise established by the City Council. The public may comment on any other item, which is on the agenda when that matter is considered by the City Council during the meeting, and prior to action on that item by the City Council.

The City Council Chambers podium is equipped with a portable microphone for anyone unable to come to the podium. If you need assistance, please advise the City Clerk as to which item you would like to comment on and the microphone will be brought to you.

- A.      Written communication distributed to the Council included an article from the Monterey County Herald, upcoming events from the Monterey Peninsula Chamber of Commerce and an invitation to the Sea Otter exhibition at the Monterey Bay Aquarium.

7:03 P.M. Floor opened to Public Comment

Susan Collins, Sand City resident and website developer commented that she has been working on the Sand City website for the past several nights. This website would be the most progressive on the Peninsula with a new section, incorporating a "News/Events in Sand City" page which would be updated regularly. She is requesting for a technical writer for most of the information, and is positive that the Council will be pleased with the new Sand City website.

7:06 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 February 6, 2007 Minutes
- B. There was no discussion of February 20, 2007 Minutes
- C. There was no discussion of City/Redevelopment Agency Financial Report for January 2007
- D. There was no discussion approval of City **RESOLUTION** Authorizing a Sand City Website Development Agreement
- E. The Council granted approval of Sand City's Response to 2006 Grand Jury Report as presented in the packet

Motion to approve the Consent Calendar was made by Council Member Blackwelder, seconded by Council Member Hubler, 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 considered.

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

- A. An application was submitted by Macaluso Electric Incorporated for authorization to operate an electrical contracting business in Sand City at 570 California Avenue. Due to outstanding issues that need further review prior to the application being presented to the City Council, Staff

recommends this public hearing item be continued to the March 20, 2007 council meeting.

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

There was no comment from the Public.

7:08 P.M. Floor closed to Public Comment

Motion to **continue the public hearing for Conditional Use Permit 482 for an Electrical Contractor to Operate at 570 California Avenue to the March 20, 2007 council meeting** was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

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

***{7:09 P.M. Council Member Hubler stepped down from the dais due to possible conflict from his business location within 500' of project}***

A. Community Development Director, Steve Matarazzo reported on the Status of Gianna's Baking Company use permit extension. Gianna's Bakery was granted a temporary six month extension of their use permit, while the business owners searched for another location. One of the conditions to that six month extension required Gianna's to report on their relocation progress every two months within the 6-month term of the permit extension. City Staff sent Gianna's a reminder note on February 20, 2007 that a representative is to make an oral report of their progress, or submit a written letter no later than Wednesday, February 28, 2007.

Stephanie Uli, from Gianna's Baking Company, reported that Gianna's has signed a "letter of intent" for a property in Salinas. Ms. Uli will represent Gianna's at future council meetings to report on the progress of Gianna's search for another location to operate their business.

Council Member Morris asked if Gianna's was still on their proposed target date for the move?

Stephanie Uli responded that this move is a big project. The building is still being prepared for housing a bakery. The fire permits are still waiting the approval process and other issues such as the heating and ventilation requirements per the City regulations still need approval.

7:14 P.M. Floor Opened to Public Comment

There was no comment from the Public

7:15 P.M. Floor close to Public Comment

***{7:18 P.M. Council Member Hubler returned to the dais}***

Mayor Pendergrass extended a well wish of luck for Gianna's efforts in securing another location.

- B. Community Development Director Steve Matarazzo, reported on the CDBG Application for \$1 Million toward Financing the Sand City Water Supply Project. In the fall of 2006, he was very optimistic about receiving a partial or total grant award. Since the Assistant Director of the granting agency (Housing and Community Development Department) stated that they would try to find additional funding for the desalination project. The City was also advised by the HCD representative last summer to apply for the grant, and our grant consultant stated that our application appeared to be very competitive based on other grants they were working on at the time. The HCD representative stated that the competition was very high, and the funded agencies showed a higher level of need, based on poverty levels, than did Sand City. In the Prop 50 grant, Sand City's application as a whole had 63% of the population under the 80% medium income. The amount of the grant monies available had 50 other agencies applying, with cities such as Avenal, El Dorado and Fort Bragg, as recipients of the grant awards. It was noted in Sand City's exit interview, that if the grant monies available had been 13 million instead of \$10 million, Sand City would have been approved.

Council Member Blackwelder asked if there will be any other available grants Sand City can apply for?

Mr. Matarazzo responded that there is a "grant fair" coming up and that the next funding cycle for this type of grant should begin this summer with the maximum award of \$1 million dollars.

Mayor Pendergrass encouraged the Staff to keep on trying.

- C. City Engineer, Richard Simonitch reported on the Storm Water Public Awareness and Education Program. He is presently developing a comprehensive report on the meeting and training programs. The program is developing a 1-800 clean-up service number so the public may report spills in the Monterey Peninsula. This telephone number is shared by the City of Seaside, and unfortunately there is nothing we can do at this time for a separate line for Sand City. There is some additional concern regarding the dumping and cleaning of some restaurants, due to the lack of training in proper disposal and dumping procedures. It was suggested that employees receive proper training to assuage this problem.

Another program addressed the various outfalls (25 total) in the Monterey Peninsula, in which volunteers will gather sample storm water run-off into the Bay to assure that the discharge water is not contaminated.

The Graniterock remodeling project is almost completed. Most of the landscaping has been installed, some street striping still needs additional work to close out the permit. A street improvement plan and draft owner participation agreement is outstanding and will be presented to the City Council at a future council meeting.

The Transportation Agency of Monterey County (TAMC), is currently accepting claims for transit funding for FY 07-08, which is due by April 1<sup>st</sup>, 2007.

The Public Works Department has submitted an application to Pacific Gas and Electric Company for a joint transfer electrical service for the water well and desalination plant. There have been several inquiries regarding the Design Build Project and contractors have requested Plans & Specs for the desal project. A pre-bid meeting is scheduled for March 15, 2007 to address any questions from interested contractors.

The State Water Resources Control Board (SWRCB) requires that Sand City prepare an annual report as part of the Storm Water Management Program. A consultant, Bob Jaques is currently working with other Peninsula Cities to prepare their reports. It is recommended that Sand City, along with Creegan & D'Angelo, consider contracting Mr. Jaques for his services.

Community Development Director Steve Matarazzo reported on the progress of the coastal development permit for the desal project and a few minor amendments that need to be considered. After a conversation with Steve Monowitz from the Coastal Commission, these changes would include beach access on Tioga Avenue, and water lines relocated. King Ventures has also submitted plans to the City for the resort project on the McDonald Site that accurately reflect the 50-year erosion setback.

City Administrator, Kelly Morgan commented that he received a letter from Farley Associates asking for the Disposition and Development Agreement (DDA) on the Design Center Project to review the "prevailing wages" provision.

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

- A. Community Development Director Steve Matarazzo reported on the consideration of a memorandum of understanding (MOU) for the Monterey Bay Regional Water Solutions Leadership Task Force (LTF). In 2004, the Monterey County Board of Supervisors formed the Monterey Bay Regional Water Authority. The Monterey County Resources Agency and the Monterey Peninsula Water Management District, of which Mayor Pendergrass is now Board Chair, are requesting that Monterey Peninsula cities and other effected agencies join in this planning process by

entering into a memorandum of understanding (MOU). The sponsoring agencies are also requesting a \$5,000 per agency contribution. It is recommended that the Council approve being a signatory to the MOU, and approval for the Mayor to sign the MOU when it is ready.

Mayor Pendergrass suggested that it would be wise for Sand City to agree to participate in this preliminary MOU.

There was Council consensus to move forward with the memorandum of understanding for the Monterey Bay Regional Water Solutions Leadership Task Force (LTF).

- A. Police Chief, Michael Klein reported on the status of the ambulance service in Monterey County. The previous ambulance service, American Medical Response (AMR) was provided a substantial annual subsidy, which came from CS 74 funds, a county parcel tax of \$12 per year on each taxable parcel in Monterey County that was created to augment frontline medical services. When the County searched for a new RFP, only 2 bidders remained, which was AMR and Westmed. Westmed, the sole service provider for the County, is a for-profit organization solely dependent on sustaining themselves and their operating costs by direct billings to those that use their service. Their billing recovery is below 50% in this County. Westmed's contract with the County provides that if they do not meet the response standards 90% of the time in each zone, significant fines can be assessed. It has become evident that Westmed can not meet these service standards in the rural, remote areas of this County. Westmed has claimed losses of \$150,000 per month even without the operational penalties. Each ambulance service needs to make a certain amount of transports to become financially viable since there are no County subsidies figured into the County's contract. Chief Klein is the appointed Emergency Medical Representative for Monterey County's law enforcement, and is one of the 7 persons to address this issue. There are contingency plans being developed to cover several situations; such as Westmed pulling out of the County, a labor action by the employees or the termination of Westmed's contract by the County. As a more permanent solution, the Board of Supervisors asked the Advisory Committee to develop an RFP to be completed by December 31<sup>st</sup>. The County's intent is to redesign the ambulance service contract so that it will reflect more of the needs of the Monterey Peninsula, other county areas, and the reality of this County's unique circumstances.

Further discussion included the volume of ambulance service calls during the peak season, when Big Sur has a visitor population of approximately 4 million people, and the possibility of charging a vehicle fee for those vehicles who travel through the State Parks.

- B. City Engineer Richard Simonitch presented a City resolution authorizing award of the Council Chamber Lighting Project to J.R. Zar Inc. On October 26th bids were

received and reviewed by the City Engineer and David Martin, Architect. The lowest bidder in the amount of \$52,500.00, was J.R. Zar, Inc. It is recommended that the City Council adopt the attached resolution awarding the Council Chamber Lighting contract to J.R. Zar, Inc.

Mayor Pendergrass asked if the sound system was included.

Mr. Simonitch replied that the sound system is included, but the recording unit is not.

Motion to approve City **RESOLUTION** Authorizing Award of the Council Chamber Lighting Project to J.R. Zar Inc. by title, was made by Council Member Carbone, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Cabone, Hubler, Morris, Pendergrass. NOES: Council None. ABSTAIN: None. ABSENT: None. Motion Carried.

- C. Community Development Director Steve Matarazzo, presented the consideration of "Pressure Equalizing Modules" (PEMS) for use along Sand City Beaches to eliminate beach erosion and promote beach accretion. These modules consist of a system of perforated pipes placed in perpendicular rows under the beach, and are designed to prevent sand loss from the beach. This simple device has been proven successful in other parts of the world, where beach erosion occurs. The PEM devices are manufactured and maintained by Eco Shore, International (ESI), who is marketing a special offer to southern Monterey Bay jurisdictions to install these devices for a nominal fee and to maintain them for a one-year experimental period. Ken Christensen, President of the Company is confident that these devices can achieve a minimum of 4 meters of beach accretion during the first year of installation. Ed Thornton, a beach erosion expert from the Naval Post Graduate School, provided a statistical test in which the 4 meter performance standard results in a 95 percent confidence level that the devices work. Staff believes that a demonstration project is worth pursuing, particularly along a portion of the Sand City beach, from the southern limit to Tioga Avenue. The Association of Monterey Bay Area Governments (AMBAG) may eventually sponsor the project as long as the "current deal" is being offered by Eco Shore.

Council Member Morris asked what would it cost to have these pipes installed and maintained for the one year period, and where will they be placed along the beach?

Mr. Matarazzo replied the cost would be \$20,000 dollars of which \$10,000 is refundable. It would take approximately six months to go through an approval process, and if approved, these pipes would be installed approximately 1 to 2 feet under the beach surface so these devices would be invisible. The lease and maintenance cost is estimated at \$100,000 per year per mile.

City Administrator Kelly Morgan added that coastal erosion has been a problem along Sand City beaches, and it has been stated that within the next 100 years, the

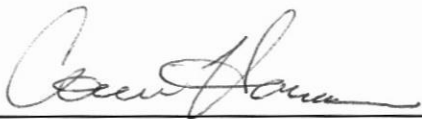
erosion would bring the beach to where the freeway currently exists.

Mayor Pendergrass advised the Staff to continue further research on the Pressure Equalizing Module System.

- E. The Deputy City Clerk reviewed the upcoming Events and Meetings. Mayor Pendergrass announced the Town Hall meeting with 4<sup>th</sup> District Supervisor, Jerry Smith to be tentatively held in the Sand City Council Chambers on Thursday May 3<sup>rd</sup>, 2007 from 5:45 p.m. to 8:00 p.m.

### **AGENDA ITEM 10, ADJOURNMENT**

Motion to adjourn the meeting was made by Council Member Blackwelder, seconded by Council Member Hubler, to the next regularly scheduled meeting on March 20, 2007. There was unanimous consensus of the City Council to adjourn at 8:30 p.m.



Connie Horca, Deputy City Clerk