

MINUTES FOR THE JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – November 6, 2007
CITY COUNCIL CHAMBERS
7:00 P.M.

Mayor Pendergrass opened the meeting at 7:05 p.m.

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: Kelly Morgan, City Administrator
Jim Heisinger, City Attorney
J. Michael Klein, Police Chief
Steve Matarazzo, Community Development Director
Richard Simonitch, City Engineer
Charles Pooler, Associate Planner
Linda Scholink, Director of Administrative Services

AGENDA ITEM 4, COMMUNICATIONS

- A. There were no written communications handed out this evening.
- B. Oral

7:07 p.m. Floor Opened to Public Comment

Dave Rosenbaum (Math teacher) from the Seaside High School Yearbook Program did a short presentation explaining the Yearbook program; which is in debt over \$9,000 from the previous year. He asked the Council to consider a full page add to assist in funding the yearbook program.

Michael Arbala (CSUMB student) introduced himself as a student involved with community affairs and active in student government at the college. He told the Council about his background and his future goals to bring an annual marathon to the CSUMB campus and surrounding area.

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 October 9, 2007 Special Sand City Council Meeting Minutes
- B. There was no discussion of the October 16, 2007 Sand City Council Meeting Minutes
- C. There was no discussion of the City/Redevelopment Financial Report for September, 2007
- D. Consideration of Redevelopment Agency **RESOLUTION**, directing Staff to file a notice with the County Recorder consistent with the requirements to Senate Bill 1809 (2006) (Was pulled and continued to the November 20th meeting)
- E. There was no discussion of City Donations/Contributions except for item 1.
 - 1) Request by Seaside High School Yearbook Advertising - \$220
(This was changed to a full page ad at \$340.00)
 - 2) Request by Seaside High School "Sober Grad Night Party" - \$200
 - 3) Request by The Salvation Army Holiday Program - \$500
 - 4) Request by Seaside Pony Baseball Team Sponsorship - \$500

Motion to approve items A, B, C and E, as amended, of 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 considered under this agenda item.

AGEND ITEM 7, PUBLIC HEARINGS

- A. Consideration of City RESOLUTION Approving a Coastal Development Permit and Conditional Use Permit to Wachovia Bank for Establishing a Bank Branch and Implementing Architectural Modifications at 2140 California Avenue in the Edgewater Shopping Center was continued to next City Council meeting on November 20th. Motion for continuation was made by Council Member Hubler, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

{Due to a possible conflict by residing within 500 feet of the project area, Council Members Blackwelder and Hubler stepped down from the dais}

- B Associate Planner Pooler presented an application for a coastal development permit for a contractor's carpentry workshop and accessory office and storage operation within an existing commercial unit at 1815 B Contra Costa Street. Carpentry work will be for specialty order items, such as cabinetry, needed for job sites. There will be two employees (including the business owner). Items to be stored on-site include power tools, lumber, and finished products. The applicant's use will require four parking spaces in accordance with City Zoning. The property provides a total of 21 on-site parking spaces shared amount those businesses at 1805, 1807, and 1815. There is adequate parking for the use at its proposed scale.

Hours of operation should be Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m. Staff recommends approval of a coastal development permit for Hiller Construction. There was a small typo correction in the Resolution under condition # 2.

7:25 p.m. Floor Opened to Public Comments

Mike Hiller, (Business Owner): Agreed with all the conditions of the permit when asked by the Mayor.

7:26 p.m. Floor Closed to Public Comments

Motion to approve City **RESOLUTION Approving Coastal Development Permit 07-06 allowing a Carpentry Contractor and Accessory Office and Storage at 1815 Contra Costa Street** was made by Council Member Carbone, seconded by Council Member Morris. AYES: Council Members Carbone, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion Carried.

{Council Members Blackwelder and Hubler returned to the dais}

AGENDA ITEM 8, OLD BUSINESS

- A. The City Engineer reported to the City Council on the Progress and Status of the Sand City Water Supply Project. He said he needs additional information, and the City needs to follow the progress with the Regional Water Board. Staff is still considering several issues, and watching how several current events unfold. The construction documents and the signed lease agreements have been submitted to the Coastal Commission. Staff continues to deliberate on what steps to take due to the circumstances continually changing on a daily basis. If we approved the contract tonight, we could start the work in December, but we still need the Coastal Commission and the Fish and Wildlife on board. The CDM contract is dependent on the domestic water supply permit that is before you tonight. Staff is leaning towards continuation of this item. If the City were to rebid,

there is the possibility of a lower bid coming in. If we deny or reject the bid, then we have to start the process all over, and that could be an additional six weeks. There are several conditions that need to be met before we can actually move forward.

Motion to continue City **RESOLUTION Authorizing Award of the Sand City Water Supply Project Wells and Pipelines Project in Sand City, California to MGE Underground, Inc.** to the next regularly scheduled Council meeting on November 20th, 2007 was made by Mayor Pendergrass, seconded by Council Member Morris. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

- 2) The City Engineer reported to the Council on the application for a domestic water supply permit. The Sand City Water Team has been in contact with the California Department of Public Health since 2005. We have had numerous meetings with DPH staff at the Monterey District Office and have been working towards providing the application reports required for the Sand City Water Project. The application formally designates Kelly Morgan as the person with legal authority to direct the work required to provide various reports and plans necessary for the design, construction, and operation of the facilities that compose the Sand City Water Project. The final step will be receipt and approval to operate and deliver potable water to the Cal-Am distribution system from the California Department of Public Health. This final approval will be received after completing the construction and operation of the facilities by the Design/Build Contractor.

Motion to approve the City **RESOLUTION Authorizing the City Administrator to Sign and Submit the Application for a Domestic Water Supply Permit** 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.

- B. The City Administrator reported to the Council that the City had received the lease agreement from Cal-Am. They have agreed to pay between \$700,000 and \$800,000 per year as an annual lease payment for 15 years, depending on the Capital costs of the project.

The City Engineer told the Council that the Redwood project has been completed as well as the Tioga and Playa Railroad Crossings. They are looking at a City-wide street striping program for public safety. The Redwood project went smoothly. Granite Construction did a great job. Higgins and Associates are administering a speed survey. Once completed, the Police department will be able to begin using their radar system again.

The Community Development Director reported that in relation to the Sand City water project the relocation plan for the black legless lizard has been approved by the Department of Fish and Game.

AGENDA ITEM 9, NEW BUSINESS

- A. The City Administrator presented the additional information that the Council requested on the salary adjustments. There was a salary increase adjustment of 6% previously included in the budget for fiscal year 2007-2008. The mid year budget will need an additional \$84,000 for the proposed plan to be funded. He reviewed that in fiscal year 2008-2009 an additional \$142,000 will need to be programmed into salaries. In fiscal year 2009-2010 an additional \$161,000 will be programmed into salaries. The PERS increases will be an additional \$18,000. this fiscal year, an additional \$23,500 the following year and \$33,750 will be needed in the following year.

The City Administrator reviewed the post retirement benefit that is not an added benefit, but is a newly recognized benefit. Staff will be hiring an actuarial expert to produce an actuarial study as to what these costs will be. The City Attorney's proposal combines his services into one monthly cost of \$8,500 per month. The only cost not included in this billing will be any litigation and that will be billed out at an hourly rate.

He reviewed each employee and category individually and the recommended salary adjustments.

Council Member Blackwelder stated that he felt staff is definitely worth the costs and should be paid comparable to the other staff in surrounding cities. City staff has been patient and he feels that this is the right time to grant the salary adjustments.

However, Council Member Morris was concerned with the desalination project costs and the bond refinancing costs, and was questioning if the City could afford to implement these increases past the first year and had a questions on the PERS post retirement benefit costs.

The City Administrator clarified the post retirement benefits; stating there are qualifiers as you must be in the PERS system a minimum of 5 years, you must be at least 50 years old and you must retire from Sand City and begin to receive your pension. He also explained that we will not be bonding all the current tax increment and the Design Center will produce additional tax increment and sales tax, and once the water comes on line we will see more projects completed in Sand City.

The Mayor stated that this was a 3 year agreement with well-qualified employees, and we should need to grant these salary adjustments, in his opinion.

Motion to approve **City RESOLUTION Authorizing Certain Salary Adjustments and other Personnel Actions for Sand City's Employees, with Exhibit A**, was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone,

Hubler and Pendergrass. NOES: Council Member Morris. ABSENT: None
ABSTAIN: None. Motion Carried.

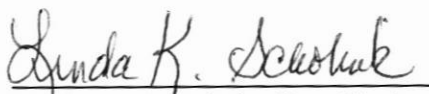
- B. The Director of Administrative Services reviewed the Upcoming Meetings/Events, and alerted the Council to the tree lighting ceremony on December 7th at 6:00 p.m. and the Annual Awards Banquet on December 14th at 6:30.

AGENDA ITEM 10, CLOSED SESSION

- A. City Council adjourned to Closed Session to confer with legal counsel regarding existing litigation pursuant to § 54956.9 (a) and § 54956.8 of the Ralph M. Brown Act (2 cases) -
- 1) Palazzolo vs. Sand City, et.al.
 - 2) Prevailing Wage Issue
- B. 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. No action was taken, this was informational only.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn was made by Council Member Blackwelder, seconded by Council Member Morris, to the next regularly scheduled City Council meeting on November 20, 2007, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 9:06 p.m.


Linda K. Scholink, City Clerk