

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

REGULAR MEETING FEBRUARY 21, 2006  
CITY COUNCIL CHAMBERS

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Mayor Pendergrass opened the meeting at 7:01 p.m.

Invocation led by Reverend Snyder

Pledge of Allegiance led by Police Chief Michael Klein

Present: Councilmember Jerry Blackwelder  
Vice-Mayor Mary Ann Carbone  
Councilmember Craig Hubler  
Councilmember Michael Morris  
Mayor David Pendergrass

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

**AGENDA ITEM 4, COMMUNICATIONS**

- A. Additional written communications distributed to the City Council this evening included How the Telecommunications Revolution will Affect your City (agenda item 9A(3)), letters from Miller Associates, David Spradling (agenda item 7B), and Outdoor Sculpture Competition Advertisement to appear in Monterey County Weekly

7:04 pm Floor opened to Public Comment

There was no comment from the Public

7:05 pm 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. 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.

- (1) CUP #192, Steve Wilson (Mobile Home), 7 Scott Street.
  - (2) CUP #212, Nicholas Olivio (Music Recording Studio), 1745 Hickory Street.
  - (3) CUP #241, Joe Bonano (Automotive), 475-A Olympia Avenue.
  - (4) CUP #448, Mike Houser (Screen Print Shop), 542 Ortiz Avenue.
  - (5) CDP #93-01, Max Wholesalers (Picture Frame Supply), 325 Elder Avenue.
  - (6) CDP #98-01, James Davi (Paint Contractor), 1815-E Contra Costa Street.
  - (7) CDP #02-01, Nghia Van Nguyen/Digital Tech Display & Electronics (Sales, distribution, assembly), 1801 Catalina Street.
- B. There was no discussion of January 17, 2006 Council Meeting Minutes
- C. There was no discussion of February 7, 2006 Council Meeting Minutes
- D. There was no discussion of Monthly Police Department Report, January 2006
- E. Approval of City RESOLUTION approving a time extension of two (2) years of Coastal Development Permit (CDP) 03-03 for the Cardinale Automotive Group was pulled for discussion by Council member Morris
- F. There was no discussion of Monthly Fort Ord Reuse Authority (FORA) Report, February 2006

Motion to approve Consent Calendar was made by Council member Carbone, seconded by Council member Hubler. AYES: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSTAINED: None. Motion Carried.

#### **AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR**

- E. Approval of City RESOLUTION approving a time extension of two (2) years of Coastal Development Permit (CDP) 03-03 for the Cardinale Automotive Group was further discussed.

Council Member Morris asked if the automotive dealership was paying any business license fee on the portion of the property being leased within the City of Sand City and if so, what is the formula?

Community Development Director, Steve Matarazzo answered that the automotive dealers are presently paying on the amount of square footage being used as storage for the Sand City Business License fee. There is a formula for storage which is probably less than what they would be paying based on gross sales.

City Administrator Kelly Morgan commented that automotive dealerships doing business along the TAMC railroad right of way and renting storage space, is a complicated issue.

Mr. Cardinale, business owner, replied that his primary business is located in Seaside, and this request is to expand the business which falls into Sand City's jurisdiction. He would like to be fair and continue to do business.

Council member Morris added, that if this is a part of another business, everyone doing business in Sand City pays part of their gross revenue to the City as business tax. If it were a just an open storage yard, it would be understandable, but this storage area is part of another business, and why shouldn't we be receiving the business license fee based on that business' sales?

Mayor Pendergrass suggested that this resolution be approved for a few months and have staff research the legalities involved, so Mr. Cardinale will not be double taxed.

Council member Morris added that he would like to approve the resolution for a shorter period of time. The business is increasing its revenue by expanding its business and in turn increasing Seaside's revenues. We share revenue with Seaside, why can't Seaside share revenue with Sand City.

City Attorney, Jim Heisinger replied that the logical solution would be to extend the permit though the end of the fiscal year, falling in line with the issuing of new business licenses, giving ample time to do some research on the issue.

Motion to Approve **City RESOLUTION approving a time extension through June 30, 2006 of Coastal Development Permit (CDP) 03-03 for the Cardinale Automotive Group** as amended was made by Council member Hubler, seconded by Council member Carbone. AYES: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSTAINED: None. Motion Carried

## AGENDA ITEM 7, PUBLIC HEARINGS

- A. City Attorney, Jim Heisinger presented the Ordinance of the City of Sand City Amending and Adding Certain Provisions to the Municipal Code Regarding Penalties for Violations of the Municipal Code

7:21 p.m. Floor Open for Public Comment

There was no comment from the Public and the Floor was Closed.

Motion to approve second reading of Ordinance of the City of Sand City **Amending and Adding Certain Provisions to the Municipal Code Regarding Penalties for Violations of the Municipal Code** was made by Council member Blackwelder, seconded by Council member Morris. Roll Call Vote AYES: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSTAIN: None. Motion Carried.

***7:23 p.m. {Council members Blackwelder and Hubler stepped down from the dais due to the 500' rule}***

- B. Community Development Director, Steve Matarazzo presented City RESOLUTION Considering a Use Permit Application for a Coffee House/Restaurant Proposed at 1725 Contra Costa Street in the West End District with an overriding concern regarding parking issues. The property owner is currently looking into some parking solutions. Due to water restrictions, the proposed seating for 60 will need to be reduced to 36. It is recommended that this public hearing item be continued until the property owner works out some parking solutions or that the use permit be denied based on a lack of parking.

7:30 pm Floor Opened to Public Comment

Morgan Christopher, applicant, stated that the differences between a restaurant and a café are the wait staff. A café does not require a wait staff and will have food for pick-up. The issues pointed out by staff, such as the odor, should be solved with the afterburner, already on order and ready for pick-up. Any recommendations to shorten the hours of operation will be taken into consideration. The live music will not be amplified. In regard to the parking, Mr. Christopher will research the idea of leasing parking spaces from adjacent property/business owners. It is expected that most of the traffic during the day, will be from individuals employed at surrounding businesses in the area, not necessarily auto traffic. The 8-5pm business hours should be supported locally.

Dan Cort, property owner, addressed the audience asking who was in support of this café (there were a number of hands raised). There really is no problem here,

since most people will walk from their homes and businesses to enjoy a good cup of coffee, bringing the community together along with revenue.

Greg Hawthorne, resident, commented that there is noise and parking impact along the main street. The employees who work around the area are the ones occupying the parking space which are available anywhere along the street. He suggested that those employees working along the West End be assigned stickers on their cars and assigned designated parking areas.

Todd Kruper, a West End resident, agrees with the proposed café, which is part of the redevelopment plan for the city. The city has paid funds towards a parking study in the last three years, and he has seen nothing implemented. Here is an opportunity to move forward and see the community grow.

Walter Keintzel, general contractor, commented that the first week there would be general pandemonium. Later, the traffic would be cut by one-third as most people employed in the surrounding businesses would walk to the café for lunch. It was suggested that the 6am-5pm parking situation may be resolved by assessing properties with inadequate parking and charging in-lieu fees, as other cities have done and apply those funds towards a parking solution.

Diedre Bascou, resident, reiterated that Mr. Morgan's café would be very welcomed here. It is not the City's intention to keep businesses out. If the city is to continue to move forward, the parking issue needs to be addressed. This is the time for the council to make decisions to grow this city, to leave their imprints as to what the City will become.

7:56 PM Floor closed to Public Comment

Mayor Pendergrass agreed with the parking issues and is in favor of continuing this item until the next council meeting, so the applicant/property owner may have time to research some viable parking solutions.

Further discussion involved the possibility of utilizing the TAMC parking spaces.

Assistant City Engineer, Richard Simonitch, commented that a proposal would be submitted to TAMC some time this week.

Motion to continue **City RESOLUTION Denying a Use Permit Application for Coffee House/Restaurant Proposed at 1725 Contra Costa Street in the West End District was moved to the March 7, 2006 Council Meeting** for further consideration was made by Council member Morris, seconded by Council member Mayor Pendergrass. AYES: Council members Carbone, Morris, Pendergrass. NOES: None. ABSTAIN: Council Members Blackwelder, Hubler. Motion Carried.

***8:11 p.m. {Council Members Blackwelder and Hubler returned to the dais}***

8:12 p.m. Council adjourned for a short recess

8:30 p.m. Council re-adjourned

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

#### **A. Status Report on Granite Rock Update**

No representative was available for the status report from Granite Rock. The Community Development Director commented that the landscaping has been started.

#### **B. Progress Report on Sand City Water Supply Project (SCWSP)**

Assistant City Engineer, Richard Simonitch reported that the pre-proposal meeting was held today with the prospective project management firms. The firms addressed questions relating to the scope of work, which City Engineer, Stan Kulakow presented along with a rough outline of what was expected. Community Development Director, Steve Matarrazo addressed the permitting requirements, which will be needed for the project. The firms had additional questions relating to power use/ supply, sewer capacity and funding issues. Cal-Am was present at the meeting with no definite responses to some of the questions raised at the meeting.

City Administrator, Kelly Morgan, commented that in the original city resolution, there were three firms that were sent RFQ's for the Sand City Water Supply Project. Other firms have expressed their interest in this project pointing out the names of those firms on page 73 of the agenda. There are strict rules governing proposals for city projects, so limiting the number of firms to those most qualified would seem okay.

Council member Morris questioned the cost of the water tank and if there is a signed agreement with Cal-Am.

City Administrator, Kelly Morgan, replied that the information in the agenda packet was given to Cal-Am for them to review. They were asked if they were willing to pay half of the estimated \$200,000 cost. The two representatives from Cal-Am said yes, for what it's worth they can be quoted on that reply. There is a tight schedule on the statement of qualifications and proposals should be received by March 2<sup>nd</sup>. 2006.

Council member Morris asked is the budget not a competitive process with the bids?

City Administrator, Kelly Morgan answered that once the proposals have been received, they will be evaluated and the most qualified firm will need to submit a budget.

Further discussion involved the architectural design of the water project, which hasn't been fully defined. The process of sending out requests for qualifications would be to choose a firm that would best meet the requirements needed. At present, we are still waiting for the statement of qualifications. There was added concern with the unsightly "rip-rap" at the end of Tioga Avenue, and required coastal access.

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

### **A. Consideration of Appointments of Sand City Representatives**

- (1) The following representatives were nominated for the Water Master Board: Mayor David Pendergrass as Regular Board Member, Kelly Morgan as alternate Board Member, Jim Heisinger as Legal Representative.
- (2) The following individuals were nominated to serve as part of the selection committee for the Outdoor Sculpture Competition with Al Saroyan and the Design Center LLC. Paul Davis Jr. from the Design Review Committee, Deidre Bascou from the Sand City Arts Committee, and Council member Jerry Blackwelder.
- (3) The following individuals were nominated to serve as representatives to work on renewal negotiations regarding the Cable TV Franchise Agreement: Police Chief Michael Klein, Police Officer Tim McFadden, and Jim Heisinger as Legal Counsel with the City Administrator to participate as needed.

The above representatives were approved by council consensus.

- B. There were no progress reports on Public Works projects, South of Tioga Redevelopment Project, SNG Coastal project, and Sand City community programs.
- C. The Deputy City Clerk brought to the Council's attention upcoming meetings and events.

City Administrator, Kelly Morgan reminded the council of the CRA conference to be held in Monterey on March 8-10 at the Portola Plaza Hotel.

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

- A. It was determined that the City Council did not need to adjourn to Closed Session to confer with legal council regarding existing litigation pursuant to §54956.9(a) of the Ralph M. Brown Act (1 case) - Cal-Am Water v. Seaside, Sand City et al.
  
- B. Closed Session was not held.

**AGENDA ITEM 11, ADJOURNMENT**

Motion to adjourn was made by Council member Hubler, seconded by Council member Carbone to the next regularly scheduled Council meeting on March 7, 2006. There was unanimous consensus of the City Council to adjourn at 9:12 p.m.

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Connie Horca, Deputy City Clerk