

Minutes
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

CITY COUNCIL CHAMBERS
REGULAR MEETING JULY 18, 2006
7:00 P.M.

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

Invocation was led by Reverend Snyder

Police Chief Klein led the Pledge of Allegiance

Present:

Council Member Blackwelder
Council Member Carbone
Council Member Morris
Mayor Pendergrass
Council Member Hubler (excused absence)

Staff:

Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
J. Michael Klein, Police Chief
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Connie Horca, Deputy City Clerk

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 Council=s 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 Council included a corrected Lease Agreement (Agenda Item 9A(1))

7:03 p.m. Floor opened to Public Comment

Tom Harper, Sand City resident, commented on the new "Design Center" site, which has a three way stop for the streets and no stop sign for the construction crew who drive away from the site rather aggressively. He asked who has the right of way at the stop sign, the public or the construction crew?

Chief Klein responded that the City would have a temporary stop erected at the exit to insure that the drivers come to a full stop.

Tom Harper thanked the Police Chief and continued to communicate that during his walk around the City, California Avenue has an old barn whose roof has caved in and there is nothing to protect the pedestrians on the sidewalk.

Mayor Pendergrass replied that City Staff will address the concern, and thanked Mr. Harper for bringing it to Council's attention.

7:08 p.m. Floor Closed to Public Comment

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 #223, San Juan Pools of Monterey (Open Storage), 756 California Avenue
 - (2) CUP #321, John Groves (Open Storage), 872 Afton Avenue
 - (3) CUP #368, Jersey's (Sandwich Shop), 832 Playa Avenue
 - (4) CUP #453, Surfwarez.com (internet sales/retail), 448 Orange Ave
- B. There was no discussion of the June 6, 2006 Minutes
- C. There was no discussion of the June 20, 2006 Minutes
- D. Receipt and Approval of Police Department Report, June 2006
- E. There was no discussion of the City/Redevelopment Agency Financial Report, May 2006

- F. There was no discussion of City **RESOLUTION** Authorizing Renewal of Animal Shelter Services Agreement with the County of Monterey Health Department and Approving Amendment No. 3 to Agreement No. A-09687
- G. There was no discussion of City **RESOLUTION** approving a 90-day Time extension of Conditional Use Permit 426 for Brad Harbor authorizing continued operation of a concrete business as an interim use within an existing storage yard at the end of Fir Avenue (APN 011-123-003 & 017)
- H. There was no discussion of City **RESOLUTION** Approving a 90-day Time Extension of Conditional Use Permit 432 for Advance Towing Authorizing continued storage of automobiles as an interim use within an existing building at 841 Fir Avenue
- I. There was no discussion City **RESOLUTION** Approving a 90-day Time Extension of Conditional Use Permit 434 for Gordon Rudy Authorizing continued storage and operation of a truck rental business as an interim use at the former waste management transfer facility at 840 Tioga Avenue
- J. There was no discussion of City **RESOLUTION** Approving a 90-day Time Extension of Conditional Use Permit 450 for Glass Mosaic Tile & Marble as a continuing interim use within an existing building at 1855-B East Avenue
- K. There was no discussion of City **RESOLUTION** Approving a 90-day Time Extension of Conditional Use Permit 455 for Glass Mosaic Tile & Marble as a continuing interim use within an existing building at 840 Fir Avenue
- L. There was no discussion of City **RESOLUTION** Approving a 90-day Time Extension of Conditional Use Permit 464 allowing storage of windows, doors and lumber for J.K. Scanlon Inc. as an interim use at 842 Fir Avenue
- M. There was no discussion of City **RESOLUTION** Authorizing a Maintenance Service Agreement with Storm Water Inspection and Maintenance Services
- N. There was no discussion of City **RESOLUTION** Honoring Stanley Kulakow for his Years of Service to the City of Sand City and the Sand City Redevelopment Agency
- O. There was no discussion of City Donations/Contributions
 - 1. Suicide Prevention Services - \$500.00
 - 2. Monterey County Film Commission - \$2,000.00

This item was pulled from consent and considered under agenda item 6

Motion to approve consent calendar items A-N and 5 0(1) was made by Council Member Carbone, seconded by Council Member Blackwelder, AYES: Council Members

Blackwelder, Carbone, Morris, Pendergrass. NOES: None. ABSTAIN: None. ABSENT: Council Member Hubler. Motion Carried.

6. CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Agenda Item 5 0(2). Council Member Morris asked why the City is considering a \$2,000 donation when those funds can be used for something else and what benefit is there to the City by donating these funds to the Monterey County Film Commission?

City Administrator, Kelly Morgan, referred to the statement on page 108 of the memo, stating that it is not so much what benefits the City receives from the film commission, but the City does benefit by being a member of their program and participating in their activities. The Film Commission is actually an economic development program for Monterey County. They promote the county to different film companies who wish to film on location along the Peninsula. The whole intent of contributing allows Sand City to actively participate in the support of this community program.

Council member Morris questioned why Sand City contributes such a large amount when other cities do not contribute as much or at all.

City Administrator, Kelly Morgan replied that the Film Commission has had some economic and revenue problems due to the County's budget problems and that is why the Film Commission is asking for a larger donation.

Mayor Pendergrass commented that as a matter of perception the donation benefits the City by attracting the general public to the area's amenities and this provides "spill-over" benefits for Sand City. Would the council consider last year's donation in the amount of \$1,500 dollars as an alternative amount?

Council Member Morris reluctantly agreed to a \$1,500 dollar donation, recalling an amount closer to \$750 dollars the Budget Committee discussed at a previous meeting as a more appropriate donation.

The council agreed by consensus to contribute the amount of \$1,500 dollars.

Motion to approve City contribution to the Monterey County Film Commission for \$1,500 was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Member Balckwelder, Carbone, Morris, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: None. Motion Carried.

7. PRESENTATIONS

John McMann of the Monterey County Convention & Visitors Bureau (MCCVB) presented a Proposal to form the Monterey County Tourism Business Improvement District (MCTBID). The MCTBID would be an umbrella organization under the Monterey County Convention & Visitors Bureau, funded by hotels in the City of Monterey, City of Carmel-by-the Sea, Marina, Sand City and Seaside. It presently has 600 members and serves as the general point of contact for the public. The convention and visitors bureau utilizes various forms of marketing

tools including, advertising, promotions, e-marketing, public relations & magazine advertising resulting in a 6.7 million network print coverage and a 1.6 million addition in media volume. However, tourism today in Monterey has experienced a 12% drop, losing market share in the tourism industry and is no longer competitive with cities such as San Francisco, San Jose and Sonoma. The Convention and Visitor's Bureau is proposing a private-public partnership with surrounding Peninsula Cities and asking for their participation and support to form the Monterey County Tourism Business District. The purpose of this partnership would benefit Sand City as a destination in Monterey's marketing efforts. The end result from this effort would increase annual hotel revenue by \$56 million within five years, bringing more visitors to the Monterey County destinations.

Mr. McMann distributed a mid-year financial report to the Council.

Lisa Diaz, Marina Dunes Resort Manager congratulated Sand City for being part of the Monterey County Convention and Visitors Bureau even though Sand City does not have a hotel. The Marina Dunes Resort has benefited from the marketing efforts and public relations of the Visitors Bureau, resulting in savings of millions of dollars, which would be used for marketing.

Mayor Pendergrass asked how would you address someone who was looking for accommodations, and would you give them a preference?

Mr. McMann replied that the question would be answered in fairness to jurisdictions, regarding the type of accommodations the individual was requesting.

Council Member Morris commented that if the TID is formed yearly, how does the renewal process work?

John McMann answered that once the district is formed, participating cities would renew on a yearly basis. An annual report would be presented and participating cities may choose to continue or rescind their membership on an annual basis.

Vice Mayor Carbone, commented that the official guide produced by the Monterey County Convention and Visitors Bureau is tastefully produced and represents Sand City very well.

Mayor Pendergrass stated that this presentation would involve consideration of a resolution for consideration under agenda item 10A.

8. PUBLIC HEARINGS

{Council Member Carbone stepped down due to a possible conflict of interest due to living within 500' of the proposed project}

A. Associate Planner, Charles Pooler presented the project applications for Patrick

Casey's home remodeling project at 1875 Oceanview Avenue. Jeanne Byrne, architect, representing the property owner, Patrick Casey, submitted for approval a building addition, architectural treatment, and setback modifications to an existing single-family residence located at 1875 Oceanview Avenue. The Design Review Committee approved a design permit for the project on Friday, July 7, 2006. Site plan and re-zoning needs to be approved by the City Council. The applicant proposes a new front entry, construction of a new rear and side decks, replacement of all the existing exterior vinyl siding and covering segments of the masonry block walls with board & batten siding. The existing concrete driveway will be removed and replaced with a pedestrian entrance and improved landscaping. The proposed design modifications are consistent with the "coastal seaside" style architecture sought for by the City in the East Dunes area. Staff initiated an R-2/PUD re-zoning to accommodate the existing and proposed improvements, further recommending that the sidewalk, curb and gutter be installed along these two frontages, since the property currently does not have these.

Council Member Morris asked why the property needs to be re-zoned.

Mr. Pooler replied that the existing setbacks are not compliant to the existing zoning standards and the project is upgrading the property, so the re-zoning is also an upgrade insuring that the setbacks are also compliant. The rezoning makes the property more consistent with the adjacent St. John planned unit development, (PUD).

7:58 P.M. Floor Opened to Public Comment

Jeanne Bryne, architect for the project, commented that the side yard deck where the stairs are being replaced is actually reducing the setback. It was her understanding that several properties have already done this. Once the proposed changes are approved, all the remodeling work will be part of one big project.

7:59 P.M. Floor Closed to Public Comment

Mayor Pendergrass asked Mr. Casey if he was in agreement with the conditions.

Mr. Casey is in agreement with the conditions of the project.

Council Member Morris commented that once the re-modeling is completed, it would add a very appealing esthetic value to the City.

- 1) Motion to approve **FIRST READING of Ordinance of the City of Sand City Amending Title 18 of the Municipal Code to reclassify certain property from High Density Residential (R-3) to medium Density Residential Planned Unit Development (R2/PUD)** was made by Council Member Pendergrass. Roll Call Vote. AYES: Council Members Blackwelder, Morris, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: Council Member Carbone. Motion Carried.

- 2) Motion to approve **City RESOLUTION Approving a Site Plan Permit (SP 06-05) regarding Architectural Additions and Modifications to an existing residential dwelling at 1875 Oceanview Avenue** by title was made by Council Member Morris, seconded by Council Member Blackwelder, AYES: Council Members Blackwelder, Morris, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: Council Member Carbone. Motion Carried.

{Council Member Carbone returned to the dais}

- B. Community Development Director, Steve Matarazzo presented the Ordinance of the City of Sand City Amending Title 13, Section 13.04.70 and Title 18, Section 18.64.020 of the Municipal Code to Require Visual-Screening of all Trash/Recyclable Receptacles and allowing a Minor parking Reduction for the Same. Last fall and winter the council went through several public workshops trying to clean up Sand City, particularly the West End of town South of California Avenue. One of the work items was to address the issue of visual trash receptacles. This ordinance proposes that 1) amending Title 13 to require all trash and recyclables be placed within enclosures or otherwise be visibly screened from public streets within 24 hours following normal pick-up times and 2) amending Title 18 (zoning ordinance) to allow a one parking space reduction in required parking if that space was used for a trash enclosure.

Council Member Blackwelder asked if it would be the Council's discretion or the Planning Department's approval as to what type of structure would be appropriate to house these trash receptacles?

Mr. Matarazzo stated that it requires planning department approval of all trash enclosures could be added to the Ordinance. The City Administrator pointed out that the trash screens can be simple structures and probably would not require a building permit.

Council Member Blackwelder asked what process will this ordinance undergo in order to ensure that the enclosure meets some kind of design.

Mr. Matarazzo replied that the Planning Department can be involved in the approval of the trash enclosure, and the Design Review Committee can be involved should the Council desire a higher level of scrutiny.

Council Member Blackwelder, commented that if a business has outgrown their facility and they will have to forego a parking space, it may possibly infringe on the already existing parking issue.

Council Member Carbone asked what other cities do to hide trash receptacles, which create an eyesore?

Mayor Pendergrass commented that many different types of buildings are involved and this issue is not a one size fits all. The main objective is to look at the individual needs on a case-by-case basis and make decisions to accommodate the needs of each business/residence.

Council Member Morris suggested that if complying to the ordinance would create an extreme hardship, the City could have an appeal process to the City Council. There should be a minimum architectural standard.

Community Development Director, Steve Matarazzo suggested adding a hardship clause to the ordinance recommending that the business/property owner prove a hardship and the appeal could be brought to the City Council. If this ordinance is to be brought back, design standards and drawings with certain specifications can be presented to the council for further review.

Mayor Pendergrass commented that it would not be wise to build anything without some standards and guidelines, which the businesses/property owners would deem acceptable.

8:19 P.M. Floor Opened to Public Comment

Denise Franco, (J & D Auto Repair): There are no Waste Management representatives here at this meeting and how we are going to accomplish getting the receptacle out of the enclosure to the street for pick up. The repair shop has a set place for the container and we cannot move it into our garage due to OSHA requirements. There is no parking place to house the trash outside of the building. The trash pick-up crews are not the most careful drivers. I am in favor of beautifying the City, however the cost can be very prohibitive to small businesses. What kinds of materials will these trash receptacles consist of and will the City help defray these costs? As a small business, a \$1,000 dollar receptacle is quite costly on our budget.

George Wilson, (Property Owner): If we were to survey the City there is a significant amount of garbage other than the dumpsters, which are currently visible. We are looking at something which would cost a large amount of funds, since I am a landlord, I do not require a dumpster. The parking areas are limited as it is. The tenants will have quite an expense and will also lose a parking space. There must be some way this issue can be worked out.

Tom Harper, (Resident): There is garbage evident throughout the City, not only in the West End. I have a specific problem across from my home regarding "blight".

Mr. Harper passed out photographs of the garbage located across from his home to the City Council.

The blight issue hits right into what I want to comment on, which is set in black and white;; why are these trash receptacles not in containers? Why hasn't it been enforced?

City Attorney, Jim Heisinger answered that the proposed language is not current law, but what is being proposed by this ordinance. The language deals with keeping trash receptacles clean, it doesn't talk about esthetics nor does it talk about keeping receptacles behind a fence.

Mr. Harper commented that he understands the problem with the small businesses and the dumpsters which are occupying space in the streets. He is very much in favor of this

reform and is very pleased that this may happen.

Pete Erickson, (Realtor): As Sand City develops and we get into mixed-use there will be more intensive uses of property. There are all kinds of garbage and this is not a simple problem. One size does not fit all. There is no room for trash receptacles, or parking.

Sidney Harper, (Resident): Appreciates the City clean-up effort and would like the City to also focus on the issue of residential blight. It seems that we live in an undesirable neighborhood, due to the garbage. It has been over a year that the property across from our residence has been an eyesore and we have personally trapped and re-located seven possums living in that area.

Mayor Pendergrass commented that other complaints regarding that property have come to his attention. City Staff should not wait for an ordinance to work on that property and will look into getting it cleaned-up immediately.

There was Council consensus to continue this ordinance to the August 15, 2006 Council Meeting.

Motion to **move the FIRST READING of Ordinance of the City of Sand City Amending Title 13, Section 13.04.70 and Title 18, Section 18.64.020 of the Municipal Code to Require Visual-Screening of all Trash/Recyclable Receptacles and allowing a Minor Parking Reduction for the Same, to the August 15, 2006 Council Meeting** was made by Mayor Pendergrass, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Morris, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: None. Motion Carried.

Mayor Pendergrass brought to the public and City Council's attention that **Agenda items 8C, 9A(1) and 9A(2) will be considered as one agenda item.**

8:42 p.m. Floor Closed to Public Comment

{Council Member Blackwelder stepped down from the dais due to the 500' rule}

- C. Associate Planner Pooler presented City Resolution Approving a Coastal Development Permit 06-07 for Warren Knox to utilize an Existing Fenced Storage Yard for the Temporary Establishment and Use of Construction Equipment and Vehicles (APN 011-243-002 & 006). This property is owned by the Sand City Redevelopment Agency and the proposed use is intended only as an interim use until such time as the desalination project is ready to proceed. The applicant proposes to set up an office trailer and store equipment, vehicles, and tools. Work crews will arrive for weekly meetings and for the pick-up of their daily work orders. As part of their operation, they also stock and sell pre-manufactured elevated garden boxes. Knox Roofing has operated at 414 Orange Avenue without incident or complaint since 2002. An allocation of water credit will remain within City/Agency's control as the property owner allocation would have to come from one of the Redevelopment Agency's current reservations. As long as the allocation is temporary and can be returned to the City/Agency when needed to meet those other reservation obligations. The applicant is aware that the City intends to develop a desalination facility at this location and that

the proposed use is only temporary. The lease agreement will be for temporary use that can be cancelled with notice. Staff recommends approval of a temporary Coastal Development Permit with termination clause.

City Administrator, Kelly Morgan commented that a portion of this property was leased to Gostanian Roofing Company and this lease is for a similar use. The water allocation is adequate and staff is in favor of this temporary lease.

8:44 P.M Floor opened to Public Comment

Warren Knox, applicant, commented that he has been doing business in the City for over 4 years. The property would be used for sales and information and is intended for work crews to have a point of contact when there are projects in the local area. Mr. Knox asked if the fence behind the property was going to be fixed by the City since it is open for vandalism.

Kelly Morgan, City Administrator replied that Mr. Gostanian took the liberty of repairing a portion of the fence and it is up to the lessee to decide if he would like to have it repaired.

8:48 P.M. Floor closed to Public Comment

Motion to Approve City RESOLUTION Approving a Coastal Development Permit 06-07 for Warren Knox to utilize an Existing Fenced Storage Yard for the Temporary Establishment and Use of Construction Equipment and Vehicles (APN 011-243-002 & 006) was made by Council Member Carbone, seconded by Council Member Morris, AYES: Council Members Carbone, Morris, Pendergrass. NOES: None. ABSTAIN: Council Member Blackwelder. ABSENT: Council Member Hubler. Motion Carried.

Agenda Item 9 A(1). City Attorney, Jim Heisinger presented Consideration of Leasing a portion of the Redevelopment Agency's Campos Property (APN 011-243-002 & 006). Mr. Knox the lessee has proposed to lease this property from the Redevelopment Agency as a temporary office space for his roofing business.

Council member Morris, asked if the termination of the 90 day clause refers to both parties.

Jim Heisinger, City Attorney answered that the termination provision is in favor of the lessor (RDA), a one-year lease, similar to the terms outlined in the Gostanian lease.

Mr. Knox conceded that he understands the terms of the lease and is in agreement with the terms outlined in the lease.

Motion to approve the **Redevelopment Agency Resolution Authorizing a Letter of Intent/Commercial Lease Agreement Between the Sand City Redevelopment Agency as the Lessor, and Knox Roofing, as the Lessee for the Temporary Use of Southern Half of Agency Property (APN 011-243-022 & 006)** was made by Agency Member Pendergrass, seconded by Agency Member Morris. AYES: Agency Members Carbone, Morris, Pendergrass. NOES: None. ABSTAIN: Agency Member Blackwelder.

ABSENT: Agency Member Hubler.

Agenda Item 9 A(2). City Administrator, Kelly Morgan, presented the RA Resolution Authorizing a Temporary Water Allocation of 0.018 Acre Feet for the Establishment of an Office Trailer on the Southern Half of Property owned by the Redevelopment Agency at the end of the 300 Block of Shasta Avenue (Portion of APN 011-243-002 & 006).

There was no further discussion of Redevelopment Agency resolution.

Motion to approve **Redevelopment Agency Resolution Authorizing a Temporary Water Allocation of 0.018 Acre Feet for the Establishment of an Office Trailer on the Southern Half of Property owned by the Redevelopment Agency at the end of the 300 Block of Shasta Avenue (Portion of APN 011-243-002 & 006)** was made by Mayor Pendergrass, seconded by Council Member Morris. AYES: Council Members Carbone, Morris, Pendergrass. NOES: None. ABSTAIN: Council Member Blackwelder. ABSENT: Council Member Hubler. Motion Carried.

{Council Member Blackwelder returned to the dias}

D. City Administrator, Kelly Morgan reported on the FIRST READING: Ordinance Approving an Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System (PERS) and the City of Sand City. This is the first reading of the ordinance and if approved will go the Council for a second reading at the next Council meeting.

8:54 P.M. Floor Opened to Public Comment.

There was no comment from the Public.

8:55 P.M. Floor Closed to Public Comment

Motion to approve **First Reading of Ordinance Approving an Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System (PERS) and the City of Sand City** was made by Council Member Pendergrass, seconded by Council Member Carbone. Roll Call Vote. AYES: Council Members Blackwelder, Carbone, Pendergrass. NOES: Council Member Morris. ABSTAIN: None. ABSENT: Council Member Hubler. Motion Carried.

9. OLD BUSINESS

A. Consideration of leasing a portion of the Redevelopment Agency's Campos Property (APN 011-243-002 & 006)

- (1) RA Resolution Authorizing a Letter of Intent/Commercial Lease Agreement Between the Sand City Redevelopment Agency as the Lessor, and Knox Roofing, as the Lessee for the Temporary Use of Southern Half of Agency Property (APN 011-243-002 & 006)

This agenda item was considered consecutively with agenda item 8C

- (2) RA Resolution Authorizing a Temporary Water Allocation of 0.018 Acre Feet for the Establishment of an Office Trailer on the Southern Half of Property owned by the Redevelopment Agency at the end of the 300 Block of Shasta Avenue (Portion of APN 011-243-002 & 006)

This agenda item was considered consecutively with agenda item 8C

- B. Community Development Director, Steve Matarazzo reported on the "Sand City Clean-up" Work Program. A three page progress report is included in the agenda to summarize the clean up program that started in January. The ordinance regarding the trash dumpsters has been moved to mid August for further consideration. Staff has increased zoning enforcement, being more proactive. On-site parking spaces used for other purposes, includes Gianna's who is looking for another location for their business. Carmel Stone is getting more diligent in using their parking space that was used for stone storage. It was recommended that the parking encroachments be allowed to continue at least until better, alternative parking was developed in the West End. A newsletter was sent in February 2006 and future newsletters can be sent to business owners in Sand City. Loading and unloading along the western-most portion of Olympia Avenue is an occasional problem but no petition has been presented to the Council requesting further action. With regard to the "wobbler ordinance" a new code enforcement tool is now available to allow the issuance of citations for minor code violations. Staff believes it has made considerable progress in addressing most of the "nuisance and eyesore" problems raised by the Council and the public during the fall and winter of 2005 when workshops on these issues were held.

Council Morris asked what policy does the City have regarding political signs and is there any way to regulate them?

Associate Planner, Charles Pooler replied that the ordinance requires City approval before placing signs on City Property, except for political signs, which are not regulated, except that they must come down ten days after an election.

Council Member Carbone commented on the newsletter and suggested that other cities have a community clean up day where the City provides a dumpster.

Mayor Pendergrass replied that Waste Management provides a dumpster for Sand City in April once a year and will inquire how much it would cost to have an additional City-wide clean up day.

There was further discussion involving the former Hubbard property on Dias and the need to have that property cleaned up. Chief Klein commented that the City could contact the Monterey Fire Department and the County Health Department to have an inspection done on the property. The owner of the RV on Dias has been notified on numerous occasions, however there has been nothing done to have it removed. The RV can be towed, in which the owner will have 30 days to reclaim the property. If the property goes unclaimed, it will be held for public auction.

Mayor Pendergrass suggested that the City contact the owner by letter and continue the effort in working with the family.

- C. City Engineer, Stan Kulakow presented a progress report on the Sand City water project, which is moving forward. Kennedy-Jenks, Engineers, has been requested to provide a more detailed proposal on the desalination project. A meeting is scheduled for July 19, 2006 with Bellinger for coastal access. Work is still in progress regarding the pipelines on the West side of the freeway. Mr. Kulakow thanked the Council and Staff for the opportunity to be able to work with the City for over 20 years.

Mayor Pendergrass expressed the City's deep appreciation for Mr. Kulakow's years of service.

City Administrator, Kelly Morgan, reported that a meeting with Cal-Am was held last week where they would have to go to the PUC for approval to have a business relationship with Sand City's regarding the desal plant. Cal-Am is interested in remaining as a partner with the City, encouraging a relationship with the Aqua Capital Management Group.

Council Member Morris asked if Sand City could still use Cal-Am for back-up water and will Sand City be able to sell water to Cal-Am?

Mr. Morgan replied that Cal-Am is positioning themselves to be a publicly traded company. Because of this change in ownership, getting decisions from Cal-Am at this time will be difficult.

City Engineer, Stan Kulakow commented on the importance of Sand City to abide by the State contract law. Equipment purchase needs to meet state requirements, and Aqua Capital Management can work with Cal-Am on this.

10. NEW BUSINESS

- A. City Administrator, Kelly Morgan, presented City RESOLUTION Granting Consent to the City of Monterey to Form the Monterey County Tourism Business Improvement District. During the negotiations with John King and the agreement to sell the McDonald property in the DDA, he insisted that Sand City participate in this type of promotional program and to allocate a certain amount of revenue for this type of business. It would be advisable for Sand City to participate as a member of the Monterey County Tourism Business Improvement District.

Motion to approve City **RESOLUTION Granting Consent to the City of Monterey to Form the Monterey County Tourism Business Improvement District by title**, was made by Mayor Pendergrass, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Morris, Pendergrass. NOES: None. ABSENT: Council Member Hubler. ABSTAIN: None. Motion Carried.

- B. City Attorney, Jim Heisinger commented on arrangements for Field Trip to Bay

Area in regard to Design Concepts for the South of Tioga Redevelopment Project. If more than a majority of the council members go it will have to be scheduled as a Public meeting. The precise times, and number of stops will have to be put in a public notice. In addition, if three or more council members decide to go, there will have to be room in the vehicle for the public and the press.

Council Member Blackwelder replied that there may not be more than two people who need to go on this trip and asked which Council Members were interested in attending.

Council Members Carbone and Mayor Pendergrass expressed their interest in attending this field trip. A date will be set for this trip upon confirmation with Mr. Orocco.

Due to the absence of Council Member Hubler, it was suggested that the Mayor and Vice Mayor attend this trip. Saturday, August 5 was set as a tentative date, pending Mr. Orocco's (developer) availability and arrangements.

- C. City Engineer, Stan Kulakow, presented the resolution authorizing bid award for East Dunes Street Improvements. After reviewing their submittal The Don Chapin Company is the low bidder and is being recommended for this project. Mayor Pendergrass commented that this project go forward. Council Member Blackwelder concurred.

Motion to approve City **RESOLUTION Authorizing Bid Award for East Dunes Street Improvement** was made by Mayor Pendergrass, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Morris, Pendergrass. ABSENT: Council Member Hubler. ABSTAIN: None. Motion Carried.

- D. There was unanimous consensus by the council to cancel the September 5, 2006 Council Meeting due to the observance of Labor Day and the Annual League of California Cities Conference.
- E. City Engineer, Stan Kulakow was recognized by City Council, and Staff for his twenty-one years of City Service to the City of Sand City. Mr. Kulakow thanked the Mayor, Council members and Staff for the privilege of working with Sand City and will continue to assist in the desal project. Mayor Pendergrass presented a resolution honoring Mr. Kulakow for his years of service.
- F. The Deputy City Clerk brought to the council's attention the upcoming meetings and events. Council Member Morris questioned if the spouses and guests planning to attend the Monterey Peninsula Chamber of Commerce Dinner were already paid for? City Administrator, Kelly Morgan answered that the dinner costs was covered under Sand City's membership dues.

11. ADJOURNMENT

Motion to adjourn was made by Council member Blackwelder, seconded by Council

Member Carbone to the next regularly scheduled Council meeting on August 15, 2006. There was unanimous consensus of the City Council to adjourn at 10:00 p.m.



Connie Horca, Deputy City Clerk