

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting-September 20, 2005
7:00 PM

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

Invocation was led by Reverend Snyder.

The pledge of allegiance was led by Police Chief Klein.

Present: Council Member Jerry Blackwelder
Vice Mayor, Mary Ann Carbone
Council Member, Craig Hubler
Council Member, Michael Morris
Mayor David Pendergrass

Staff: Kelly Morgan, City Administrator
Michael Klein, Police Chief
Steve Matarazzo, Community Development Director
Chuck Pooler, Associate Planner
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Connie Horca, Deputy City Clerk

AGENDA ITEM 4, COMMUNICATIONS:

- A. There was no additional written communication distributed to council.
- B. Mayor David Pendergrass commented on the success of the West End Celebration.

The floor was opened to Public comment at 7:04 p.m.

There was no comment from the Public.

The floor was closed to Public comment at 7:05 p.m.

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 #310, Sal Balboa/Bay Door & Supply Company (Retail), 755 Redwood Avenue
 - (2) CUP #371, McDonald's Refrigeration (Refrigeration Service), 605 California Avenue
 - (3) CUP #385, Sally's Beauty Supply (Retail), 828 Playa Avenue
 - (4) CUP #397, Salvation Army Monterey Peninsula Corp. (Social Service), 800 Scott Street
 - (5) CDP #95-07, Guistiniani Masonry (Warehouse), 698 Ortiz Avenue
- B. There was no discussion of Monthly City/Redevelopment Agency Financial Report, June 2005
- C. There was no discussion of the Monthly Police Department Report, August 2005.
- D. There was no discussion of Fort Ord Reuse Authority (FORA) Report, August 2005
- E. There was no discussion of Fort Ord Reuse Authority (FORA) Report, September 2005
- F. There was no discussion of Preliminary Acceptance of League of California Cities Annual Conference Resolutions and Support of Proposed Actions
- G. There was no discussion of City Contribution/Donation (2) Request by **Alliance on Aging**, (3) Request by Zander Associates for **Bay Area Outreach & Recreational Program victims of Hurricane Katrina**
- H. There was no discussion of **City RESOLUTION Recognizing October 7, 2005 as California Arts Day**
- I. There was no discussion of **City RESOLUTION Amending Chapter 5, Section 5.14B of the Sand City Personnel Manual**
- J. There was no discussion of **City RESOLUTION Authorizing the City Administrator to enter into a JAMS Fee Agreement for Mediation in California American Water v. City of Seaside**

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

Item G (1) Request by Aleena Owens. Council member Morris questioned the legalities of donating to an individual who is not part of an organization. City Attorney, Jim Heisinger replied that the City has made grants to individuals in the past, this request is for an educational activity, and there is no requirement under the law that the city may restrict its financial support to charities. Mayor David Pendergrass commented that Sand City has donated to individuals in Pacific Grove and Monterey.

Motion to Approve Item G (1) was made by Council member Carbone, seconded by Council member Hubler. AYES: Council members Blackwelder, Carbone, Hubler, Morris, and Pendergrass. NOES: None. ABSTAINED: None. Motion Carried.

AGENDA ITEM 7, PRESENTATIONS:

- A. Greg Hawthorne, Arts Committee Chair Representative thanked the Mayor, City Council and Staff for their support and efforts in making the 2005 West End Celebration a tremendous success. Special thanks went to Dan Cort, Al Saroyan, and Don Orosco for their monetary contributions. The spouses and the arts committee members were also recognized for the number of hours they contributed, Johnny Apodaca for the logistics, Susan Collins for her art work on the website, Elizabeth R. Fagan for her public relations work, Mary Erner for the class acts, and Deidre Bascou for the vendors and catering. In closing, Greg expressed his thanks from the Arts Committee for a successful event. Mayor Pendergrass, commented that the only drawback to the event was the weather and expressed his appreciation to the Arts Committee for an event that brought together the community.
- B. Mayor Pendergrass presented to members of the Arts Committee and to various individuals Certificates of Appreciation for their hard work, effort and monetary contributions in coordinating the 2005 West End Celebration.

AGENDA ITEM 8, PUBLIC HEARINGS:

{ Council member Hubler stepped down from the dias due to the 500' rule }

- A. Associate Planner Pooler presented a **RESOLUTION Approving Conditional Use Permit 466 Authorizing the Use and Expansion of the Ferguson Enterprises Operation into an adjacent commercial building at 666 Redwood Avenue.** An application was submitted by Ferguson enterprises to expand their wholesale business into an adjacent commercial building at 666 Redwood Avenue. The applicant proposes to expand their operation with additional storage space for their inventory. Storage will consist of heating, plumbing, and lighting equipment parts. The building presently has a fifteen (15) foot setback from Redwood Avenue, which does not provide adequate depth for parking. Staff is recommending that the applicant's permit specify that the code required 19-foot depth parking be striped along the frontage of this building, with an encroachment into the street. The operations receives its inventory along Ortiz Avenue which is an important route for traffic circulation in Sand City and should be maintained clear to accommodate traffic flow. Staff recommends that the conditional use permit require all delivery loading/unloading activities occur inside the building of at the frontage of the Redwood Avenue building with some allowance for limited street encroachment. Negative impacts are not anticipated from this use so long as all storage is maintained within the building and loading/unloading activities do not interfere with use of public right-of-way. Ferguson is only a leasing tenant of both buildings, which will have to be brought up to building code requirements. The City Engineer commented that an owner participation agreement should be secured for future street improvements for this property. No additional water credit is necessary for the proposed use. Staff recommends approval of a conditional use permit to allow expansion of their inventory into the building at 666 Redwood Avenue.

Council member Morris asked for an explanation of the owner participation agreement. City Attorney, Jim Heisinger responded that these agreements are typically handled by the City Engineer. The City gets together enough funds to improve an entire street at once as opposed to requiring an owner to do a half street in front of his building. Council member Morris questioned the price of the agreement asking if the amount is formulated when the permit is given. If the street is done ten years from now, does the owner pay on that price or the current price of when the permit is issued?

City Engineer, Stan Kulakow replied that the cost of the improvement in the past was collected at the time the improvement was constructed.

7:26 P.M. Floor opened for Public Comment

Victor Hernandez, General Manager of Ferguson Enterprises approached the Council unsure of the conditions of the permit. He explained that he is representing the company as a tenant, not as the owner.

7:33 P.M. Floor closed to Public Comment

Council member Morris questioned the owner participation agreement and who would check to verify that the agreement was negotiated. Associate Planner, Pooler replied that either the City Engineer or the Planning Department would make sure the agreement is negotiated.

City Attorney, Jim Heisinger suggested that condition #13, requiring the owner participation agreement or what is called the deferred improvement agreement, alternately, be changed to read that the agreement has to be made between the owner and the agency prior to the initiation of the use of the property.

Motion to approve Resolution, by title only, with the amendment of condition #13 as suggested by the City Attorney, was made by Council member Morris, seconded by Council member Carbone. AYES: Council members Blackwelder, Carbone, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAINED: Council member Hubler. Motion Carried.

{Council member Hubler returned to the dias}

- B. Community Development Director, Steve Matarazzo presented a **RESOLUTION Approving the Coastal Development Permit for Outdoor Lighting (bollard style) along the Sand City Commuter Bike Path, North of Tioga Avenue.** The Coastal Commission has stated that the bike trail lights, both the bollard style lights and the low profile coastal lights along Sand Dunes Drive were not part of the original coastal development permit for the bike path and therefore separate permits are required. The city would like to approve the bollard style lights which are 3 feet high, which have been in place for the past four years. A revised Resolution has been passed out to City Council recommending one whereas talking about a minor alteration to existing facilities requiring a class one categorical exemption to the environmental quality act. If this coastal development permit passes, notice of exemption will be filed with the county clerk.

Council member Morris asked if there will be a problem with this. Community Development Director, Steve Matarazzo responded that the main concern is with 17 lights South of Bay Avenue, where there is an intersection of view

where south bound motorists will see nothing but a stick temporarily affecting the view of the bay. There is a total of 17 lights which are in question.

7:45 P.M. Floor opened to Public Comment

There was no comment from the public

7:46 P.M. Floor closed to Public Comment

Motion to approve Resolution, by title, with the additional whereas was made by Council member Carbone, seconded by Council member Blackwelder. AYES: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- C. City Attorney, Jim Heisinger, presented a **Second Reading on Ordinance of the City of Sand City Amending Certain Provisions of Title 10 of the Sand City Municipal Code Regarding Stopping, Standing and Parking**, becomes effective 30 days after adoption.

7:49 Floor opened to Public Comment

There was no comment from the public

7:50 Floor closed to Public Comment

Motion to approve Ordinance of the City of Sand City Amending Certain Provisions of Title 10 of the Sand City Municipal Code Regarding Stopping, Standing and Parking was made by Council member Blackwelder, seconded by Council member Hubler. Roll call vote: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None Motion Carried.

- D. City Attorney, Jim Heisinger, presented a **Resolution Adopting a Penalty Schedule for Certain Violations of Title 10 of the Sand City Municipal Code**. This is a companion action in relation to Title 10, this resolution sets up a fine schedule for infractions relating to stopping, standing and parking. These penalties have been reviewed as required by state law.

7:51 P.M. Floor opened to Public Comment

There was no comment from the Public

7:53 P.M. Floor closed to Public Comment

Motion to approve Resolution Adopting a Penalty Schedule for Certain Violations of Title 10 of the Sand City Municipal Code, by title, was made by Council member Carbone, seconded by Council member Hubler. AYES: Council members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

AGENDA ITEM 9, OLD BUSINESS:

- A. City Engineer, Stan Kulakow reported on the parking in the rear of City Hall. Bids will be received for the work on October 19th, work has to be coordinated with the amendment to the zoning ordinance. This will begin on or about December, depending on the receipt of successful bids. A contractor with the City of Monterey has been notified in regard to the cape seal of the city streets in Sand City. There has been no arrangement to date with the contractor, since he is requiring more money than originally anticipated to do the work. If no arrangement can be made between the City of Monterey contractor, then the work will possibly be bid out next spring. His main concern is the cost of oil, which is a small portion of the cost of the work.

Community Development Director, reported that an application for the Coastal Village Lights was submitted to the Coastal Commission Staff. They are in the process of reviewing the application and a further update will be given at the next council meeting. Mayor Pendergrass asked if John King has submitted an application. Community Development Director, Steve Matarazzo replied that King Ventures has submitted an application, although the City has not accepted it yet, due to a condition in the disposition and development agreement which states that we meet first with the coastal staff to go over the proposed project. A meeting is scheduled later this month. Further discussion on the Sterling site included the proposed number of units that will be built.

- C. Associate Planner Pooler, reported that the city had approved permits in 2002 for the remodeling of the Granite Rock facility. There have been thirteen building permits issued for various phases of the project including the batch plant, the control room and offices have been completed. A number of other items, including work on the landscaping, removal of the old batch plant has not begun. A bid for the demolition of the old batch plant has been received and work should begin around mid October. Council member Morris commented that the old hoppers need to be removed.

Chris Mann, a representative from Granite Rock reported that the batch plant should be gone by the end of the year. It is still currently in use since the new batch plant is still not fully functional. Landscape plans have been submitted.

Council member Hubler commented that the trucks should not be using the Tioga/California Avenue streets for deliveries and as a major thoroughfare. Can they use the Del Monte exit for deliveries? Chris Mann replied that any incidents should be reported to him so that he can bring it to the attention of the branch manager. The plans for the landscaping and the current work that is under construction was further discussed. Mr. Mann offered to come on a monthly basis, preferably the second council meeting of each month to give the council an update on the progress of the work being performed at the GraniteRock facility.

8:13 p.m Floor opened to Public Comment

Two questions were asked from Steve Wilson a member of the public. What is in the silos and what happens to the slurry that is in the yard? Chris Mann replied that the silos contain aggregate, fly ash and other products. Their main function is water and electricity. A suggestion was made that the yard be treated to prevent slurry and other by products from entering into the public streets.

8:18 p.m Floor closed to Public Comment

AGENDA ITEM 10, NEW BUSINESS:

- A. Community Development Director, Steve Matarazzo reported on the status of the parking on the West End area of Sand City. Two parts of the parking problem is the parking deficiency and the zoning enforcement. It is expected that by mid-year the zoning problem will be addressed and enforced. Regarding the parking deficiency problem a potential parking solution would provide a total of 1700 spaces to the West End where there is currently approximately 800 spaces, on site and on street. A chart was presented to the council depicting the proposed parking spaces in Sand City's West End District.

City Administrator, Kelly Morgan commented that more specific opportunities that are being worked on is the area that is shown in front and the rear of City Hall. The Hickory Site can hold a few more parking spaces. On the Campos property approximately 15 spaces can be utilized for parking. These opportunities for providing adequate parking in and around the City can be done with small incremental city investment.

City Engineer, Stan Kulakow pointed out the parking alternatives and referred to the overhead graphic, stating that TAMC has been working on a plan utilizing the 100 foot right of way as a transportation corridor, reserving 35 feet as a dedicated bus route or a rail route in the future. It also places a bike

trail that the City of Seaside is proposing. There are about 75 spaces that can be utilized for parking from Orange to Redwood Avenues, which currently has a lease. One recommendation is to apply for an application to TAMC which shows the parking concept of Sand City's plan. The City of Monterey has a solid parking program which Sand City may want to explore and possibly emulate. One step the City should be undertaking is looking at the cost of charging for parking, which will have to be negotiated with TAMC. Council member Morris pointed out that the TAMC lease seems like a fairly good alternative.

Community Development Director, Steve Matarazzo commented that the Council give the City Engineer some direction in meeting with TAMC. One of the conditions on the Design Center was that Saroyan coordinate with the City on the design concept of the parking alternatives, who is planning to put some parking on the right of way, which is different from the proposed plan presented by the City Engineer. Council member Hubler commented on the landscaping referencing the trees and how many trees are proposed for this area.

8:59 P.M. Floor opened for Public Comment

George Wilson, a member of the public addressed the council stating that he has a lease on a portion of the Rail ROW under discussion. His lease is \$1,000 per month @ .10 per sq. foot. which will be expected to increase 3%.

9:03 P.M. Floor closed to Public Comment

Council gave direction to staff to proceed with negotiations with TAMC.

AGENDA ITEM 9 B Mayor Pendergrass returned to this agenda item for discussion.

City Administrator, Kelly Morgan reported that staff is still working on the financing plan; however, a preliminary copy has been distributed for council review. Staff is presently involved in business negotiations which have not been finalized yet. Several types of public financing for the city desalination project are outlined in the report. Reference was made to related bond programs and various sources of financing. The report points out some significant federal tax law considerations on page 8 and on page 9, there are some points that the city needs to be aware of in considering business agreements. If the city can work out an agreement with CalAm's parent company we should be able to arrange early financing. Future plans include a presentation to the council from the authors of this report, and/or a proposed business arrangement with CalAm. Mr. Morgan further commented that the water district staff responded in a very professional way in a meeting

on the Sand City Desal project. The city has a good proposal and some preliminary concurrence from the state water board is still pending, before the city goes to the water district.

Mayor Pendergrass responded that staff is moving very carefully. The water district may have a change of board members dependent on the November elections. Staff can present a project for approval or an application, in particular a water distribution permit.

Community Development Director, Steve Matarazzo replied that we should meet with the water board by November of this year.

AGENDA ITEM 10, NEW BUSINESS

B. Upcoming Events/Meetings

The Deputy City Clerk received responses for upcoming events.

9:18 P.M. Mayor Pendergrass dismissed the public.

9:21 P.M Council re-adjourned for closed session

AGENDA ITEM 11, CLOSED SESSION

- A. City Council to adjourn to Closed Session to confer with legal counsel regarding existing litigation pursuant to "54956.9(a) of the Ralph M. Brown Act (1 case) - CalAm Water v. Seaside, Sand City et al. The city council gave direction to city attorney.
- B. Readjourn 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.

AGENDA ITEM 12, ADJOURNMENT:

- A. Motion to adjourn was made by Council member Morris, seconded by Council member Blackwelder to the next scheduled council meeting on October 4 , 2005, at 7:00 p.m. There was a unanimous consensus of the City Council to adjourn at 9:56 p.m.



Connie Horca, Deputy City Clerk