

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - May 18, 2004
7:00 PM

Mayor Pendergrass opened the meeting at 7:00 p.m.

There was no invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Jerry Blackwelder
Vice-Mayor Mary Ann Carbone
Councilmember Craig Hubler
Councilmember Todd Kruper
Mayor David Pendergrass

Staff: Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
J.Michael Klein, Police Chief
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Debra Taylor, City Clerk

AGENDA ITEM 4, COMMUNICATIONS:

- A. Additional written communications distributed to the City Council this evening included a staff report from Chief Klein on air ambulance urban evacuation training (item 4-A); property information and photographs from the City Engineer on the Tioga lot, plus a letter from Seaside County Sanitation District requesting continuation of this agenda item (item 5-D); numerous news articles on the financial/budget plans by the Governor (item 9-A); revised budget resolutions authorizing transfers from Reserve Funds (items 9-B&C); revised resolution on purchase of police cars and bid contract (item 9-D); and letter from Howard, Rice law firm regarding their retainer agreement in the City of Cerritos lawsuit (Closed Session item 10-A-4).
- B. The floor was opened at 7:05 p.m., but there were no oral communications from the public. Mayor Pendergrass thanked the City Council and staff for their help and work on the annual barbecue event. The local radio station offered to provide the sound system and act as DJ next year. Senator McPherson sent a certificate of recognition for the City's birthday.

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 Councilmember may request that any item be placed on the Regular Agenda for separate consideration.

- A. There was no discussion of the May 4th Minutes.
- B. There was no discussion of the Monthly Police Department Activity Report, April.
- C. There was no discussion of the City **RESOLUTION Authorizing Service Agreement for Auditor Services by Hayashi & Wayland for Fiscal Year 2003-2004** for an amount not to exceed \$36,000.
- D. Executive Director Morgan reported on the Redevelopment Agency **RESOLUTION Authorizing Purchase of Tioga Lot Located in South of Tioga Redevelopment Project Area From County of Monterey (APN 011-122-005)** for the equitable sum of \$27,500 pursuant to Government Code Section 25365 for the sale of surplus real property. A property description and photographs from the City Engineer and a letter from the Seaside County Sanitation District was distributed this evening. To address concerns by the City of Seaside, an easement document will be .
- E. There was no discussion of the City **RESOLUTION Adopting a Capital Asset Policy** to comply with accounting procedures imposed by GASB 34.
- F. There was no discussion of the City **RESOLUTION Authorizing Renewal of the Agreement For Vehicle Maintenance and Fuel Services with the City of Monterey** for FY 2004-05, changing rates to \$68 per hour from the rate of \$65 per hour.
- G. There was no discussion of the City **RESOLUTION Authorizing Renewal of the Street Sweeping Agreement with the City of Monterey** for FY 2004-05, continued at the same rates.

Motion to approve Consent Calendar was made by Council/Agency member Carbone, seconded by Council/Agency member Blackwelder. AYES: All Council/Agency members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR:

No items.

AGENDA 7, PUBLIC HEARING(S):

- A. Community Development Director Matarazzo presented the request to extend Coastal Development Permit 02-04 for Al Saroyan to allow a two year extension for two fenced storage yards within the railroad right-of-way behind the applicant's property at 710-780 Redwood Avenue for storage of construction materials. The permit time extension qualifies as a categorical exemption under State CEQA Guidelines Section 15301, and is located within a Coastal-Manufacturing (CZ-M) zoning district. City **RESOLUTION Approving a Two (2) Year Time Extension and Amendment of Coastal Development Permit 02-04 for Al Saroyan to Maintain Two Storage Yards Within the Railroad Right-of-Way Behind his Building at 710-780 Redwood Avenue.** As with all recent approvals in the railroad right-of-way, notification that fence design may be standardized, as stated in a revised Condition #6, is recommended.

7:15 P.M. Floor Open to Public Hearing

FRED HINTZ (Saroyan representative) is in agreement with the conditions of approval.

7:15 P.M. Floor Closed to Public Hearing

Motion to approve Resolution, by title only, was made by Councilmember Carbone, seconded by Councilmember Hubler. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- B. Community Development Director Matarazzo presented the Local Coastal Plan Amendments. In March the Coastal Commission approved the Sand City General Plan and related zoning ordinances as they relate to the coastal zone. The City has six months to act upon suggested modifications in order to receive Coastal Commission certification. Commission staff has offered to compile the amendments and revise the LCP, accordingly. The first public hearing was held at the April 6th City Council meeting and a 42-day notice must be circulated prior to final approval of the Local Coastal Plan Amendments. All local business owners were notified of the proposed land use and zoning changes, and met with staff in mid-April.

- (1) City **RESOLUTION Approving a Local Coastal Plan Amendment (LCPA) 1-03 and Its Related Suggested Modification by the California Coastal Commission**
- (2) **FIRST READING: Ordinance of the Sand City Council Amending Various Sections of the Sand City Local Coastal Program (LCP) Implementation Plan and Related Sections of the**

**Zoning Ordinance (Title 18 of the Municipal Code) Per Coastal
Commission LCP Amendment 1-03**

7:17 P.M. Floor Open to Public Hearing

No comments.

7:18 P.M. Floor Closed to Public Hearing

Motion to approve Resolution, by title only, was made by Councilmember Kruper, seconded by Councilmember Hubler. AYES: All Councilmembers. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

Motion to approve first reading of the Ordinance, by title only, was made by Councilmember Carbone, seconded by Councilmember Blackwelder. Roll call vote - AYES: Councilmembers Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, OLD BUSINESS:

- A. Progress report on Public Works projects, City water project, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow brought a sample of the absorption pillows used at the Edgewater Center. Community Development Director Matarazzo provided a photograph of a mixed use project in San Jose ("Santana Row") as an example of a successful mixed use project design, created by DBO's new architect for the South of Tioga project. Mediterraneo has agreed to be relocated from the South of Tioga area to the Del Rey Oaks Stonecreek Village. City Administrator Morgan reported on an issue considered at the last Water District meeting that may have created major difficulties for new redevelopment projects regarding water transfers. The provisions discussed will apply only to residential projects and the issue was resolved due to appropriate revisions to the ordinance prior to adoption.

AGENDA ITEM 9, NEW BUSINESS:

- A. City Administrator Morgan led the discussion on League of California Cities negotiations with Governor - constitutional amendment - budget package. Numerous news articles on the State budget were distributed this evening. There was discussion of the compromise reached by the League and Governor. No city shall contribute more than 4%, or less than 2% of their general revenues to assist in the State budget crisis. Sand City will lose \$77,717 in addition to the "triple flip" deal. The City Administrator was assured by League staff that the State would backfill lost revenues from sales

tax diminution. Therefore, the net loss to Sand City appears to be approximately \$77,717 for each of the next two fiscal years.

- B. City Administrator Morgan led the discussion on City **RESOLUTION Adopting Amendment #1 to the Combined City and Redevelopment Agency Budget for Fiscal Year 2003-2004**. This item was combined with agenda item 9-C. A revised City and Agency resolution(s) was distributed to Council/Agency this evening. Staff met with the Budget Committee on May 13th to review the Amended Budget. The State continues to take funds from cities, and Sand City's primary difficulties arise due to anticipated revenue increases that have not occurred because future redevelopment projects are not progressing as projected. Two COP bond payments were made because King Ventures is in arrears. The last bond payment for next year has been authorized by using the last payment held by the bond trustee. Councilmember Blackwelder asked that a notice of default be sent to King Ventures demanding payment. The Disposition and Development Agreement gives 30-days to fix a default. The proposed 3% PERS allowance for miscellaneous employees and the benefit improvements for department heads have been deferred and will be considered in next year's budget.

Motion to approve Resolution by title only, as amended, was made by Councilmember Carbone, seconded by Councilmember Kruper. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- C. Redevelopment Agency **RESOLUTION Adopting Amendment #1 to the Combined City and Redevelopment Agency Budget for Fiscal Year 2003-2004**.

Motion to approve Resolution by title only, as amended, was made by Agency member Blackwelder, seconded by Agency member Hubler. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- D. City Administrator Morgan presented the City **RESOLUTION Authorizing Lease Agreement for Three New Police Cars**. A revised resolution and bid was distributed this evening. Staff did research on purchasing three new police vehicles and financing. First National Bank in Monterey will provide financing at 4.50% for the lease/purchase agreement. There is a savings of \$2,000 per vehicle if purchased in May. There will be additional costs to switch over the cameras and laptop computer mounts. Councilmember Kruper provided web articles on paint colors of police vehicles. There was discussion of the color and image of police vehicles. There was City Council consensus to approve the Sand City Police Officers Association request for black/white cars.

Motion to approve Resolution by title only, as amended, was made by Mayor Pendergrass, seconded by Councilmember Blackwelder. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- E. City Engineer Kulakow reported on the civic center improvement project. They met today with the contractor and architect David Martin to resolve the problems in completing this project. Test applications will occur first, along with a punch list of items that require special attention. He will report back at the June 1st meeting. Mayor Pendergrass expressed his concerns about all of the delays.
- F. Upcoming Events/Meetings included attendance to the September League of California Cities conference in Long Beach.

AGENDA ITEM 10, 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 (4 cases) -
 - (1) Cal-Am Water v. Seaside, Sand City et al
 - (2) Security National Guaranty, Inc. (Case No. 03-55847-NM)
 - (3) Coos County v. Department of the Interior (U.S.D.C. Case No. CV 6128 HO)
 - (4) City of Cerritos, et al v. State Board of Equalization et al (Case No. RG04144275)
- B. Redevelopment Agency to adjourn to Closed Session to confer with real property negotiator, pursuant to §54956.8 of the Ralph M. Brown Act:
 - (1) George Wilson properties at the ends of Shasta and Elder Avenues (APN 011-236-011, 012, 013, 020, 022, & 025)
 - (2) Terry Ream properties between Ortiz and Elder Avenues (APN 011-232-021, 022, 027)
 - (3) Sand City properties at upper John Street (APN 011-177-009) and request to abandon John Street right-of-way
- C. 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.
 - A (1): CalAm Water v. Seaside, Sand City et al (Monterey County Superior Court Case No. M66343) - update only, no action taken.*
 - A (2): Security National Guaranty, Inc. (Case No. 03-55847-NM) - not discussed.*
 - A (3): Coos County v. Department of the Interior (U.S.D.C. Case No. 02 CV 6128 HO) - update only, no action taken.*
 - A (4): City of Cerritos Lawsuit (plover) - update only, no action taken.*

- B (1): Wilson Property - not discussed.*
B (2): Ream Properties - not discussed.
B (3): John Street Property - not discussed.

AGENDA ITEM 11, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Carbone, seconded by Councilmember Blackwelder, to the next regularly scheduled City Council meeting on June 1, 2004, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 8:48 p.m.



Debra Taylor, City Clerk