

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

City Council Chambers
Regular Meeting - December 7, 2004
7:00 PM

Mayor Pendergrass opened the meeting at 7:02 pm.

Reverend Snyder led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Council Member Jerry Blackwelder
Vice-Mayor Mary Ann Carbone
Council Member Craig Hubler
Council Member 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
April Acuna, Accounting Tech II
Linda Scholink, Interim City Clerk

AGENDA ITEM 4, COMMUNICATIONS

- A. Additional written communications distributed to the City Council this evening included a FORA Board Report on Highway 1 Design Corridor Guidelines, a memo from Authority Counsel Bowden re: FORA and their land use, and a corrected copy of a resolution for the November 2, 2004 General Election.
- B. The floor was opened at 7:06 p.m., but there were no oral communications from the public. The floor was closed at 7:07 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 Councilmember 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.

- B. There was no discussion of the Receipt and Approval on Review of Sand City Position on Highway 1 Design Corridor Guidelines.
- C. There was no discussion on the **RESOLUTION Authorizing a fourth extension of the Exclusive Negotiating Agreement with Design Center LLC for Redevelopment of the area known as the Robinette Site.**
- D. There was no discussion of the City **RESOLUTION Canvassing the November 2, 2004 General Election.**

Motion to approve Consent Calendar was made by Councilmember Carbone, seconded by Councilmember Kruper. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

AGENDA TIME 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the consent calendar.

AGENDA ITEM 7, SWEARING-IN CEREMONY

- A. Newly elected Councilmember Michael Morris was sworn into office by Interim City Clerk, Linda Scholink. Also sworn in were re-elected Mayor David Pendergrass and Vice Mayor MaryAnn Carbone. Michael Morris took his seat with the Council, as Todd Kruper stepped down.
- B. Mayor Pendergrass acknowledged outgoing Councilmember Todd Kruper. Councilmember Kruper said a few words thanking the Mayor and Councilmembers and wishing them and the City good luck with future endeavors.

AGENDA ITEM 8A, PUBLIC HEARING

- A. **RESOLUTION for the Five Year Implementation Plan for it's project area** was presented by Steve Matarazzo, Director of Community

Development. In 1993, State law changed to require all redevelopment agencies to adopt a new implementation plan every 5 years. The new plan includes \$15 million dollars in expenditures, with some of the expenses going to the Water Project, the South of Tioga Project, the Robinette Site Project, and City Hall improvements. Mr. Matarazzo emphasized that the plan is a general snapshot, and that legislation allows for flexibility.

7:21 P.M The floor was opened to Public Hearing

No Comments.

7:22 P.M The floor was closed to Public Hearing

Motion to approve the **Redevelopment Agency RESOLUTION Adopting the Five-Year Implementation Plan for its Project Area 2005-2009**, was made by Councilmember Jerry Blackwelder, seconded by Councilmember MaryAnn Carbone. Roll call vote- AYES: Councilmember Blackwelder, Carbone, Hubler and Mayor Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Michael Morris.

AGENDA ITEM 9, OLD BUSINESS

- A. **RESOLUTION continuing a contract with Zander Associates Related to Biological Assessment Services for the McDonald Coastal Site and the Sand City Water Supply Project** was presented by Steve Matarazzo. Mr. Matarazzo recommended the approval of a \$30,000 contract to continue work on the Coastal Habitat Conservation Project (HCP), which started almost 4 years ago. Work on the HCP was stopped because of conflict with the Fish and Wildlife group. Staff now recommends that the City start the HCP project again with caution, and work closely with the proper agencies to ensure that the City does not waste time or money on the HCP if it is not going to get approved by the proper agencies. There was discussion by staff and Council regarding concern over State Parks desire to have 2 full-time staff manage the Snowy Plover area.

Kelly Morgan, City Administrator, addressed the Council regarding the Ed Ghandour Project and new developments. A new company named Centex is interested in taking over the project. The case is on the way to the Supreme Court. Mr. Morgan has been in touch with the Centex group to let them know what would be required of them financially. Councilmember Blackwelder addressed a concern about asking John King for financial

participation in this habitat work and, Mr. Morgan agreed to contact the King Group. Jim Heisinger, City Attorney, explained, according to the letter of contract from Zander, that Zander is charging on a time and materials basis and that he is asking for a budget not to exceed \$30,000, and that Zander is also moving forward with caution. Councilmember Hubler cited a wording discrepancy in the RESOLUTION. The wording should state that this contract continues work on the HCP, not to complete the work on the HCP. It was agreed by all that this work will not be the end of the HCP work.

Motion to approve the **RESOLUTION to enter into a \$30,000 contract with Zander and Associates**, with modification to the wording from "complete work on" to "continue work on" Biological Assessment Services for the McDonald Coastal Site and the Sand City Water Supply Project was made by Councilmember Craig Hubler, seconded by MaryAnn Carbone. AYES: All. NOES: None. ABSENT: None. ABSTAIN: None.

- B. City Engineer, Stan Kulakow, addressed the Council on the progress to the Public Works Projects, namely the bicycle trail lighting project. A pre-bid meeting was held today (12/7/04) and bids will be received Thursday (12/16/04). Contracts will be presented to Council the first meeting in January 2005. Regarding the wall project in front of City Hall. The City is currently working with new contractors, the Miller Brothers. Mr. Kulakow has no report as to when the project will be completed. In answer to Councilmember Michael Morris, the Engineer explained that the original sub-contractor did not do satisfactory work, and we were forced to change sub-contractors to the Miller Brothers. Mr. Kulakow will report back to Council as to when the work will be completed.

Steve Matarazzo reported that the final EIR for the water project should be completed and ready for Council with the coastal development permits by the January 18, 2005 meeting. The Prop 50 grant will also be up for its deadline to submit, and Mr. Matarazzo hopes to have the certified EIR and coastal development permit included in that submittal. The EIR has to be delivered to the Agencies that responded to the draft EIR at least 10 days prior the Council acting on the coastal development permit.

Kelly Morgan, The City Administrator addressed Council regarding the follow up paper work resulting from the passing of Measure L. The Council will have to adopt two resolutions entering into agreements with the State Board of Equalization at the January 2005 meeting. The measure does not go into effect until April 1, 2005.

Councilmember Blackwelder asked for progress reports regarding the King Project and the Robinette Site. Mr. Morgan said that Mr. King is moving slowly and is waiting to a major financial deal to close and then he will be prepared to make contributions to the project. Jim Heisinger addressed the Robinette Site. The developer will be providing 5 units of low to moderate income housing, and the RDA is proposing to subsidize another 5 units. The City hired low to moderate income housing consultants to help us with the numbers. Staff is waiting to hear back. Regrading the South of Tioga Project, Don Orosco has a tentative agreement with the Ausonio's, the owners of The Party Store property, and the only dispute is with the Kokkino's, the owners of Mediterraneo Imports.

- C. Stan Kulakow presented an update for the Phase II Storm Water Management Program. The objective is to implement a number of steps to improve the quality of storm water before it reaches the Monterey Bay. Mr. Kulakow presented Council with a staff report on the Storm Water Management Project and suggested the Council take the time to review this information.

AGENDA ITEM 10, NEW BUSINESS

- A. There was Council consensus that the City Council Meeting scheduled for December 21, 2004 should be cancelled to accommodate holiday activities.
- B. **RESOLUTION authorizing the City Administrator to submit a Proposition 50 Desalinization Grant Application to the Department of Water Resources in the amount of \$5 million** was presented by Steve Matarazzo. According to our consultants, Sand City is one of the agencies that is furthest along in our plan. If we get turned down this year, we can apply next year. It seems that the City has a good chance of receiving some of this grant money. The cost to the City to apply for the grant is minimal.

Motion to approve **RESOLUTION Authorizing The City Administrator to submit a Proposition 50 Desalinization Grant Application to the Department of Water Resources in the amount of \$5 million** was made by Councilmember MaryAnn Carbone, seconded by Councilmember Jerry Blackwelder. AYES: All. NOES: None. ABSENT: None. ABSTAIN: None.

- C. **RESOLUTION approving a contract with Joan Lamphier for the preparation of the Environmental Impact Report (EIR) for the South of Tioga Redevelopment Project** was presented by Steve Matarazzo. Contract amount \$124,000 to be reimbursed by DBO Development for the 11 acre project site, boundaries will be pinpointed at a later date. The site plans from DBO for mixed use are still preliminary. The objective of the EIR consultant is to pin down the final square footage of commercial and the final square footage and type of residential units.

Motion to approve the **RESOLUTION entering into contract with Joan Lamphier for the preparation of the Environmental Impact Report (EIR) for the South of Tioga Redevelopment Project** was made by Councilmember Craig Hubler, seconded by Jerry Blackwelder. AYES: All. NOES: None. ABSENT: None. ABSTAIN: None.

- D. **RESOLUTION by the Joint Powers Financing Authority confirmed its officers for a combination of the Redevelopment Agency and the City**, presented by Kelly Morgan. This authority has advantages in raising finances for redevelopment projects. It has not been used since the North of Playa project, but the City must provide an annual report to the State of California.

Motion to approve **RESOLUTION by the Joint Powers Financing Authority confirming its officers** with a correction to MaryAnn Carbone's name correction made by Councilmember Craig Hubler, seconded by Councilmember Jerry Blackwelder. AYES: All. NOES: None. ABSENT: None ABSTAIN: None.

- E. No discussion of upcoming events/meetings.

AGENDA ITEM 11, CLOSED SESSION

- A. It was determined 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 v. Seaside, Sand City et al.
- B. Closed Session was not held.

AGENDA ITEM 12, ADJOURNMENT

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Carbone, to the next regularly scheduled City Council meeting on January 4, 2005, 7:00 p.m. There was unanimous consensus of the City Council to adjourn at 8:40 p.m.



Charles Pooler , Co-Assistant Interim City Clerk