

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting -June 18, 2002
7:00 PM

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

Reverend Steve Snyder led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Jerry Blackwelder
Vice-Mayor Mary Ann Kline
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
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS:

- A. Additional written communications distributed to City Council this evening included revised wording on the vehicle maintenance and fuel services contract, Section 6 "Hold Harmless" (item 5-C3); Executive Director memo on responses received on the Orange Avenue RFQ (item 9-C); staff report from Police Chief Klein on the July 4th action plan (item 9-D); June 13th confidential memo from Seaside attorneys on the status of the lawsuit against the Water District (item 10-A); proposed Sand City resolution indicating intent to support certain amendments to the MBAIF Joint Powers Agreement (item 10-B); and an addition to the transmittal memorandum on "Significant Planning Studies" for FY 2002-03 Budget (items 10-C & D).
- B. The floor was opened at 7:06 p.m. for oral communications, but there were no comments from the public. Mayor Pendergrass congratulated Councilmember Kruper for his Board appointment to the Cultural Council of Monterey County.

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.

Prior to talking action on the Consent Calendar, the City Attorney gave a brief presentation on some of the hold harmless/indemnity issues that had been addressed in updating these service agreements (as covered in his enclosed memo).

- A. There was no discussion of the June 4, 2002 Minutes.
- B. There was no discussion of the Monthly Police Department Report, May.
- C. There was minor discussion of the renewals of annual service agreements:
 - (1) City **RESOLUTION Authorizing Renewal of a Working Agreement With Hope Rehabilitation Services for General Cleanup of Sand City**. This annual contract is for an amount not to exceed \$74,000.
 - (2) City **RESOLUTION Authorizing Renewal of the Street Sweeping Agreement with the City of Monterey**. Annual rates will be \$20,298 for Options A&B (Option A = 4.2 hours at \$75.07 per hour X 52 sweeps per year; Option B = 2 hours at \$75.07 per hour X 26 sweeps per year). Special sweeping services (Option C) is increased to \$85 per hour.
 - (3) City **RESOLUTION Authorizing Renewal of the Agreement for Vehicle Maintenance and Fuel Services with the City of Monterey**. The in-house rates will be remain at \$55 per hour plus time and materials.
 - (4) City **RESOLUTION Authorizing an Extension of the Fire Services Agreement Between the Cities of Monterey and Sand City**. The initial annual fee is \$177,792 for FY 2002-03. The agreement will be for three years ending June 30, 2005, subject to annual reviews for possible cost adjustments. The contract and corresponding resolution was amended after the packet was copied to reflect a decrease in annual fee (was \$177,893).
 - (5) City **RESOLUTION Authorizing an Agreement for Police Backup Services Between the City of Monterey and the City of Sand City**. This two-year agreement will end June 30, 2004 and may be extended for one additional year prior to June 1, 2004. Services are on an as-needed basis with an hourly rate equal to time and one-half for a top step Monterey Police Officer, plus 30% administrative overhead for each responding officer.
 - (6) City **RESOLUTION Authorizing Renewal of a Service Agreement With Pacific Municipal Consultants for Planning Services**. The contract with PMC is for an amount not to exceed \$40,000, unless amended by letter agreement.

- (7) City **RESOLUTION Authorizing Service Agreement with Centration, Inc. to Prepare Sand City Reimbursement Claims for SB90 Mandated Costs.** Consultant's contingent fee shall be the lesser of 20% of the SB90 mandated cost claims filed with the State Controller's office, or an annual amount not to exceed \$9,000.

Motion to approve Consent Calendar, as amended, was made by Councilmember Kruper, seconded by Councilmember Kline. AYES: All Councilmembers. NOES: None. ABSENT: None. ABSTAINED: None. Motion carried.

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

No items.

AGENDA ITEM 7, PRESENTATION(S):

None.

AGENDA ITEM 8, PUBLIC HEARING(S):

[Due to a possible conflict of interest by residing within 500' of the project area, a straw draw was held January 15th to determine participation. As a result of that drawing Councilmembers Kruper and Hubler abstained. They left the dais and joined the audience.]

- A. **SECOND READING: Ordinance Amending Title 18 of the Municipal Code to Reclassify Certain Property from Heavy Commercial (C-2) to Single-Family Residential Planned Unit Development (R-1/PUD)** (Pedro Blas & Nashwan Hamza, APN 011-189-001,002,003,004) was presented by Associate Planner Pooler. Community Development Director Matarazzo said that this property is at a coastal zone boundary and will not require an LCP amendment.

7:20 P.M. Floor Open to Public Comment

No comments.

7:21 P.M. Floor Closed to Public Comment

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

[Councilmembers Kruper and Hubler returned to the dais.]

[Due to a possible conflict of interest by residing within 500' of the project area, Councilmembers Blackwelder, Hubler and Kruper drew straws to determine who would abstain. As a result of that drawing Councilmembers Kruper and Blackwelder left the dais and joined the audience.]

- B. Associate Planner Pooler presented the Conditional Use Permit application by Robbie Robinson of Carmel Tile & Marble Company to utilize a 8,700 square foot portion of an existing commercial building located at 1725 Contra Costa for a wholesale showroom, sales, and storage of stonework floor materials. The project qualifies as a categorical exemption, under CEQA guidelines, §15301, Planned Mixed-Use (MU-P) zoning district. No on-site manufacturing is proposed; stone and tile products will be received, delivered, shipped and/or sold daily. Due to the type and scale of the proposed operation, staff anticipates this use to generate less than the typical parking demands of a retail business. Therefore, the existing 13 spaces should be more than ample to meet the needs of this proposed use. The loading area is in the alley behind the building with 9'-3" wide at the closest points between the two buildings. Staff recommends the permit be conditioned to allow one-way access from Redwood Avenue, and if vehicles cannot utilize this alley safely, then it should be prohibited in the future. The applicant could park the truck at the entrance of the alley within the property lines, and conduct loading/unloading within the alley.

Community Development Director Matarazzo stated that the parking arrangement for the building makes it a legal, non-conforming use according to the Municipal Code. The building cannot provide enough parking for more "active" uses. Councilmember Kline asked if anyone checked the egress into the alley? Mr. Matarazzo stated that the drivers will have to be careful and that any damage will cause this permit to be revisited. A deletion was made to the use permitting a truck loading dock based on Council acceptance of the concept.

7:31 P.M. Floor Open to Public Comment

DAN CORT (Property Owner): The concerns being mentioned tonight by staff and City Council are also important to him and Mr. Robertson. The idea of backing into the alleyway is not as difficult as it may seem. Backing in the truck will also get their vehicle off the street and the cab of the vehicle would come no further than the parallel on-street parking area. Mr. Cort distributed a rendering of the proposed path for the truck. The 32' trailer will back up to the platform in the delivery area where an electric forklift would lift the materials into the showroom; with an expected 20 minute average for (un)loading. Mr. Cort would like the traffic island removed as discussed at a prior City Council meeting on parking issues. Mr. Robertson will have 2-3 employees and visitors will not be a negative impact to the parking situation. In the future, he does recognize that additional parking may be needed and

has been talking with Mr. Woods to discuss options. He is sure that neighbors will not be impacted in a negative way.

Mayor Pendergrass noted that property owners within 300' of the project were notified of this meeting, and no one is present to voice any objections.

7:47 P.M. Floor Closed to Public Comment

Motion to approve Conditional Use Permit #419, as amended, for Carmel Tile & Marble Company at 1725 Contra Costa was made by Mayor Pendergrass, seconded by Councilmember Hubler. AYES: Councilmembers Kline, Hubler, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Councilmembers Kruper, Blackwelder. Motion carried.

[Councilmember Kruper returned to the dais.]

[Due to a possible conflict of interest by residing within 500' of the project area, Agency member Blackwelder abstained. He remained in the audience from the prior abstention.]

- C. Executive Director Morgan presented the Redevelopment Agency RESOLUTION Approving a Temporary Lease Agreement for Short-term Truck Parking on a Portion of the Undeveloped Property and Temporary Storage Use of a Shed Building by Jim Cota Transfer & Storage, Inc. for Redevelopment Agency Property at 625 Elder Avenue, Sand City. Mr. Cota called and left a message today that he does not need the truck parking, only the storage space in the shed on a month-to-month basis. Apparently the company is moving to Salinas sooner than anticipated. Police Chief Klein will have to move equipment out of the building to accommodate this temporary use if the Council approves a storage-only lease. Staff was unable to speak with Mr. Cota prior to the meeting tonight and recommends continuing this item to the July 2nd meeting.

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

No comments.

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

Motion to continue this agenda item to July 2, 2002 was made by Agency member Kline, seconded by Agency member Hubler. AYES: Agency members Kline, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Agency member Blackwelder. Motion carried.

[Agency member Blackwelder returned to the dais.]

- D. Community Development Director Matarazzo presented the staff report on the FY 2002-03 Community Development Block Grant (CDBG) - Planning & Technical Assistance (P/TA) General Allocation Program for Urban Design Study/Parking P/TA Grant and Housing Element Update, and related City **RESOLUTION Approving Two Applications for Funding and the Execution of Related Grant Agreements from the Planning/Technical Assistance Allocation of the State CDBG Program.** A public hearing was held on May 30, 2002 to solicit citizen input into any other programs that may qualify for grant funding, however no one attended. The maximum amount of funds allowed is \$35,000 per grant request. The Housing Element update can be completed for \$26,000 and is anticipated that the Urban Design/Parking program can be completed for \$50,000. The Housing Element grant would fund \$19,500 (75%) by the state and 25% by the City (\$6,500). The Urban Design/Parking implementation program would be funded at \$35,000 from the state and \$15,000 from the City. Staff will accept proposals from consultants until June 27th. There has been a lot of interest, but no proposals have been received to date. A minor date correction was made to the resolution.

8:05 P.M. Floor Open to Public Comment

No comments.

8:05 P.M. Floor Closed to Public Comment

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

AGENDA ITEM 9, OLD BUSINESS:

- A. Community Development Director presented an update on the East Dunes homeless problems. He received a call from Mr. Franke (Park Avenue) who said there would no longer be anyone residing in the shed. The person attracting the homeless is in the hospital and moving into a residential care facility afterward. Councilmember Kline thanked the citizens for bringing this to Council's attention and getting involved in their community.
- B. Report from City Attorney regarding the Order in SNG v. MPWMD (Monterey Bay Shore project. On May 29th Judge O'Farrell ruled that the Water District's decision to deny the water distribution permit will stand. (SNG argued that they could not be denied their groundwater rights.)

[Due to a possible conflict of interest by residing within 500' of the project site, Agency member Blackwelder abstained. He left the dais and joined the audience.]

- C. Executive Director Morgan reported on responses received on Request for Qualifications (RFQ) on the Orange Avenue property (a staff memo was distributed this evening). Staff received three responses to the RFQ: Presidio Mortgage, Michael Bascou, Hermina & Steve Dallas. All submitted interesting proposals with varied development plans. The review panel will consist of Kelly Morgan, Steve Matarazzo, and Jim Heisinger. Staff recommendations will be made to the Redevelopment Agency Board in July.

[Agency member Blackwelder returned to the dais.]

- D. Progress report on Public Works projects, City water project, Project Study Report, pending coastal development projects and other Sand City community programs by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow reported that he has been advised of an issue involving high water pressure (127 psi, normally 100 psi). He had conversations with CalAm and even though the higher pressure provides better fire protection, they are claiming that property owners should install pressure regulators.

Community Development Director Matarazzo reported that staff met with the CFO and one other person from American Water Works to discuss the future desal project for Sand City. City staff is requesting to deal with one person from American Water Works over the long term. American Water Works is planning a new Design, Build, Operate-type division/company.

Police Chief Klein distributed a staff memo this evening regarding the arrangements for the July 4th festivities and the impacts to Sand City. All available officers will be scheduled between 3:00-11:00 pm, with one officer dedicated to the task force between 7:00 am-3:00 pm and 11:00 pm-7:00 am.

AGENDA ITEM 10, NEW BUSINESS:

- A. Mayor Pendergrass presented the City of Monterey request for an advisory November ballot measure on whether the Monterey Peninsula Water Management District should be dissolved. Mayor Pendergrass has been the Mayors' Association representative on the Water District Board for a total of 14 years. City Council gave consensus to send a response letter in favor of a November ballot measure on whether MPWMD should be dissolved. A confidential memo from the Seaside attorney was distributed to the City Council this evening regarding the status of the multi-city lawsuit against the Water District.
- B. City Administrator Morgan presented the City **RESOLUTION Indicating Sand City's Intent to Support Certain Amendments to the Monterey Bay Area Insurance Fund Joint Powers Agreement.** The proposed

resolution was distributed this evening. Serious staff work is required for the proposed changes to the JPA prior to submittal to the member agencies for final approval.

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

- C. City Administrator Morgan presented the City **RESOLUTION Adopting the Preliminary Combined City & Redevelopment Agency Budget for Fiscal Year 2002-2003**. An addition to the transmittal memo on "Significant Planning Studies" was distributed this evening. The progress and activity of development projects effect many aspects of the Budget, both expenditures and revenues. Highlights of the Budget are as follows: staff to concentrate on the Robinette site development; the desal project (\$135,000 budgeted); planning studies (\$431,000 budgeted); finalize employee negotiations to maintain the ability to stay competitive with neighboring jurisdictions by including 5% salary increase, minor benefit enhancements, two new sergeant positions to retain senior officers, Police PERS to be 3% at 55 (January 2003) and miscellaneous employee PERS to be 3% at 60 (FY 2003-04); \$766,000 budgeted for capital expenditures; total revenues estimated at \$8,802,678 and total expenditures estimated at \$6,957,278. The Budget/Personnel Committee met on June 17th to discuss all aspects of the proposed FY 2002-03 Budget.

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

- D. Executive Director Morgan presented the Redevelopment Agency **RESOLUTION Adopting the Preliminary Combined City & Redevelopment Agency Budget for Fiscal Year 2002-2003** in conjunction with agenda item 10-C.

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

- E. City Administrator Morgan presented the City **RESOLUTION Establishing an Appropriations Limit for Fiscal Year 2002-2003 Pursuant to Article XIII B of the California Constitution** in conjunction with agenda item 10-C. Fiscal Year 2002-03 Gann Limit is \$5,732,670.

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

AGENDA ITEM 11, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on July 2, 2002, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 9:05 p.m.

Debra Taylor

Debra Taylor, City Clerk