

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**  
**City Council Chambers**  
**Regular Meeting -July 16, 2002**  
**7:00 PM**

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

The invocation was led by Reverend David Martin.

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  
Sidney Morris, Acting City Attorney  
Mike Bittner, Acting City Engineer  
Debra Taylor, City Clerk

**AGENDA ITEM 4, COMMUNICATIONS:**

- A. Additional written communications distributed to City Council this evening included a revised contract for vehicle maintenance and fuel services with the City of Monterey (item 5-D); a revised Combined Development Permit for Granite Rock facility rehabilitation and a July 16<sup>th</sup> letter from Granite Rock regarding this permit (item 8-A); and a letter dated July 15<sup>th</sup> from Michael Bascou regarding his bid proposal on the 443 Orange Avenue property (item 9-A).
- B. The floor was opened at 7:02 p.m. for oral communications, but there were no comments from the public.

**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 July 2, 2002 Minutes.

- B. There was no discussion of the Monthly Police Department Activity Report, June.
- C. There was no discussion of the City **RESOLUTION Honoring Joe Lopez, TAMC.**
- D. There was no discussion of the City **RESOLUTION Amending Resolution SC 02-35 Agreement For Vehicle Maintenance And Fuel Services With The City of Monterey.** There was an updated contract distributed this evening because the approved contract provided by the City of Monterey reflected the correct hourly rates (\$65 per hour) but did not include the updated indemnification clause. The City of Monterey will have to re-approve the corrected contract.
- E. There was no discussion of the City **RESOLUTION Authorizing an Agreement for Police Backup Services Between the City of Seaside and the City of Sand City.**
- F. There was no discussion of the Arts Committee Minutes, May 16, 2002.
- G. There was no discussion of the request to join the Californians for Local Coastal Planning.

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

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

None

**AGENDA ITEM 7, PRESENTATION(S):**

None

**AGENDA ITEM 8, PUBLIC HEARING(S):**

*[Due to a possible conflict of interest, Councilmember Kline abstained. She left the dais and joined the audience.]*

- A. Community Development Director Matarazzo presented the Coastal Development Permit and Site Plan application by Granite Rock Company to rehabilitate and replace their equipment, storage, and office at their batch plant facility located along California Avenue and Union Pacific Railroad right-of-way (APN 011-201-009). The project qualifies as a categorical exemption

under state CEQA Guidelines, Section 15302, and is mostly within a non-appealable Coastal Manufacturing zoning district (CZ-M). Design modifications and architectural treatment changes recommended by the Design Review Committee (DRC) have been completed. Granite Rock is proposing to locate their batch plant near the railroad right-of-way to assist in a reduction of noise to the Sand City. Staff has concerns for their nighttime operations and would prefer this work be done in their industrial sites at Salinas or Watsonville.

7:18 P.M. Floor Open to Public Comment

PAUL DAVIS JR. (Project Architect): He described the property building use, truck traffic and batch plant. They have minimized the design to not call attention to itself, and the new equipment will be 10' shorter than the existing structure. Part of the conveyor system will be placed underground. There will be a two-story dispatcher office and driver's lounge on site. There will be a new solid wall along California Avenue with 5'-10' planting recess areas with varied placement, vines on the wall, two entrances on California Avenue, and on-site parking. They will be working with the Sand City Arts Committee and DRC on a wall design at one of the California Avenue gate areas.

BRIAN FINEGAN (Granite Rock Counsel): He discussed the letter distributed this evening that listed their requested changes to the permit. There was some discussion regarding nighttime work and contractual necessities. They will work with the City to give advance notice when evening batch work is proposed. This new location of the batch plant will reduce noise and daytime traffic. The president of Granite Rock has indicated that he cannot accept the permit if nighttime operations are not approved.

MIKE CHERNETSKY (Seaside Branch Manager): In response to a question, to date they have worked five consecutive nights on two occasions in order to provide material for a CalTrans job. They average 12 night jobs per year. With the new facilities, they will be able to stock two days worth of rocks and can fill up at night - this also reduces daytime traffic. The acoustical testing showed the average current levels to be 45db for an interior wall and 60db at the property line.

Councilmember Kruper expressed concern that there is less ambient noise at night (that may effect the acoustical test rates) and is likely to disturb the sleep of nearby residents. Councilmember Hubler indicated his apprehension to approve such a long term permit without knowing the final design of the East Dunes and South of Tioga redevelopment sites, taking into account Granite Rock's financial investment. There was some discussion of using Del Monte Avenue as the entrance/exit for the trucks at night only.

KAREN CLYSDALE (TAMC representative): She distributed and read a letter for the record stating TAMC's intent to acquire the Monterey Branch Line of the Union Pacific Railroad (from MP EE 11.08 at State Route 183 to MP EE 123.3 at Seaside) and conditions they wish to be placed on any railroad rights-of-way lease agreements. Mr. Finegan objected to any part of TAMC's letter being incorporated into this permit.

MARY ANN KLINE (Resident): As a construction worker at Community Hospital of the Monterey Peninsula remodel site, she said most of the concrete pours will be done in the evening and the work is contracted to Granite Rock.

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

City Administrator Morgan said that when TAMC buys the rights-of-way along the railroad, they will be obligated to honor existing lease agreements until expiration. Then Granite Rock and TAMC will have to work directly with lessors on any renewals. Acting City Counsel Morris stated that TAMC's issues are not the City's issues and should not be considered this evening.

Mr. Matarazzo discussed and confirmed changes to the following conditions of the permit: #8, #10, #15, #16, #19, #20, and #23.

Motion to approve the permit, as amended, was made by Councilmember Blackwelder, seconded by Councilmember Hubler and motion to approve staff recommendations to Conditions #19 and #20 was made by Councilmember Blackwelder, seconded by Councilmember Kruper. AYES: Councilmembers Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Councilmember Kline. Motion carried.

*[Councilmember Kline returned to the dais.]*

- B. Consideration of inclusion of a land use policy into the Sand City General Plan (2.5.5) regarding the consistency of population projections between Sand City and the Association of Monterey Bay Area Governments (AMBAG). This amendment qualifies as a categorical exemption under State CEQA Guidelines, Section 15308. Growth projections and build outs are two different issues and this General Plan amendment will ensure consistency between regional and local population growth. A minor addition was made to this policy in the City **RESOLUTION Approving a General Plan Land Use Element Amendment Regarding Consistency of Residential Growth with the Association of Monterey Bay Area Governments (AMBAG) Regional Forecasts.**

8:14 P.M. Floor Open to Public Comment

No comments.

8:14 P.M. Floor Closed to Public Comment

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

**AGENDA ITEM 9, OLD BUSINESS:**

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

- A. Agency Planner Matarazzo presented the Redevelopment Agency preliminary selection of development group for the 443 Orange Avenue property (Lots 16 & 18, Block 25, portion of APN 011-238-016). Three proposals were received - the Dallas Group \$121,500, Presidio Mortgage \$116,000, and Michael Bascou \$120,000. Each developer was asked to make a short presentation of their proposal to the Redevelopment Agency.

8:18 P.M. Floor Opened for Comments

STEVE DALLAS (The Dallas Group): They have 30 years experience developing homes on the Monterey Peninsula. He distributed a flyer depicting some of their work. They are making an all-cash offer and would like to close escrow by September 5<sup>th</sup>. They are hands-on, are here long term, feel the Agency would benefit from this partnership, plan on keeping the property as a long-term investment (1 commercial use below and 2 1-bedroom apartments above), and they feel their project will work well with the Randazzo property next door. A demolition group has been contacted and they are ready to proceed.

BRIAN CLARK (Presidio Group): He currently lives in Sausalito and will be moving to the Hawthorne building on Ortiz upon completion. He is proposing \$116,000 with a 60-day escrow, two live/work loft style spaces. Taking into account the size of the property, parking is a big consideration, and live/work will address the issue. It is a more attractive use and more cost effective than a mixed-use project. A lot of work is being put into the architectural elements of the overall design and will be very attractive.

MICHAEL BASCOU (Resident/Business Owner): Distributed a letter this evening regarding his \$120,000 financing. He has been a resident and business owner in Sand City for many years. They plan to live in the apartment upstairs and utilize the business space downstairs.

In answer to a question by Executive Director Morgan, each developer stated they planned to use an architect to design their building.

MITZIE DALLAS (The Dallas Group): Live/work can be very well arranged and will work fine. Mainly they want to coordinate their project with the Randazzo project to make it attractive.

GUS RANDAZZO (Property Owner): Feels the Redevelopment Agency is going in the right direction. Based on what he's seen that the Dallas Group can do, he is recommending awarding them the project.

8:34 P.M. Floor Closed to Comments

After thanking all the applicants and some discussion among the Agency members, the project was awarded to Michael Bascou.

Motion to select the Bascou Group as the buyer/developer of the Redevelopment Agency Orange Avenue property, and direct staff to work with the applicant to finalize terms and conditions of sale, was made by Chairman Pendergrass, 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.]*

8:40 P.M. Recess

8:50 P.M. Reconvene

- B. Councilmember Kruper led the discussion on the Sand City Arts Committee October 19<sup>th</sup> event. The Committee has had meetings with the Police Chief to discuss parking, street closures, and crowd control. The time for the event will be either 3:00 - 8:00 or 1:00 - 6:00. Parking could be made available on the Robinette site, vendors could park on the Dr. Kay property, power will be supplied from Digital Technologies in exchange for advertising, a poster is being designed by Craig Hubler and Shell Fisher, there will be a City booth, non-profit community organization business for alcohol sales, non-profit for education/safety booth (Sunstreet Center), public toilets, and a map outlining where galleries and art businesses are located within the City. The Committee is hoping these businesses will be open to the public and provide hors d'oeuvres. The band will be located near Digital Technologies at Ortiz & Catalina Streets. There will be no costs for the vendor booths, but they will be required to get a permit from the City, one time business license, and current health department certificate (for food vendors). Any funds collected for this adult event will go to the Friends of the Arts for assistance or a future event. Liability insurance or an event rider will be necessary for the City to obtain. There was some discussion about asking local businesses if they want to be a vendor before seeking outside businesses. The Arts Committee is seeking approval from the City Council/Redevelopment Agency for the following: ratify \$10,000 budget contribution, endorsement of the event (in order to pursue advertising), "West End"

name for the event, closure of portion of Ortiz, Catalina & Elder Avenues, parking on Robinette site, permission for an alcohol booth & alternate Sunstreet Center booth.

Motion to approve the above mentioned requests from the Art Committee was made by Mayor/Chair Pendergrass, seconded by Council/Agency member Hubler. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: Council/Agency member Kruper. Motion carried.

- C. Ratification of personnel expenses contained in Fiscal Year 2002-2003 Combined Budget was presented by City Administrator Morgan. These resolutions are as a result of many meetings with staff and the administrative team for adjustments to the Police Department salaries and agreement with the Sand City POA. In order to keep good employees and remain competitive with salaries, miscellaneous staff were also given certain salary adjustments and improved benefits.

- 1) City **RESOLUTION Authorizing Certain Salary Adjustments and Improved Benefits for the Sand City Police Officers Association**

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.

- 2) City **RESOLUTION Authorizing Certain Salary Adjustments and Improved Benefits for the Sand City Miscellaneous Employees**

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.

- D. Progress report on Public Works projects, City water project, Project Study Report, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. Community Development Director Matarazzo stated there will be a scoping meeting on the desal project EIR next week. City Administrator Morgan reported that two of the four interviews on the parking consultants Request for Proposals (RFP) have occurred. The remaining interviews will be next week. The Robinette site RFP received three good proposals which will be scheduled soon. Pendergrass and Kruper will serve as members of the interview panel for the Robinette site interested developers.

**AGENDA ITEM 10, NEW BUSINESS:**

- A. There was consensus to cancel two Sand City Council/Redevelopment Agency meetings for October 1 (League conference) and November 5, 2002 (election day).

**AGENDA ITEM 11, ADJOURNMENT:**

- A. Motion to adjourn was made by Councilmember Kruper, seconded by Councilmember Hubler, to the next regularly scheduled City Council meeting on August 6, 2002, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 9:38 p.m.



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Debra Taylor, City Clerk