

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting -December 17, 2002
7:00 PM

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

There was no 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 information for Closed Session on the Ghandour/SNG issue (item 12).
- B. The floor was opened at 7:04 p.m. for oral communications, but there were no comments from the public. Mayor Pendergrass expressed his appreciation to Police Chief Klein, Fred Crocker and City staff for organizing the second annual tree lighting ceremony. Letters of thanks will be sent to Santa & Mrs. Claus, and Sandy (Party Wholesale) who arranged Santa's arrival.

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 November 19, and December 3, 2002 Minutes.

- B. There was no discussion of the monthly Fort Ord Reuse Authority (FORA) Report, December.
- C. There was no discussion of the monthly Police Department Activity Report, November.
- D. There was no discussion of the City **RESOLUTION Approving State Master Agreement No. 000364 and Program Supplement Agreement No. 0789 Rev. 000 for the Allocation of Funds from the Regional Improvement Program for Asphalt Concrete Overlay and Associated Work on California Avenue.**

Motion to approve Consent Calendar 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)

- A. Presentation by auditors Cecil Robbins and Therese Courtney, Hayashi & Wayland, of the Sand City Audited Financial Statements for Fiscal Year 2001-2002. This audit staff met with the Budget Committee one week ago to go over the entire audit. All figures are in the black - the City and Redevelopment Agency received a clean opinion on this financial audit. The purpose for an audit is the responsibility of the City/Agency to the public as stewards of public funds. Complete copies of the Audit Report (City and Redevelopment Agency) were distributed to Council/Agency Board members under separate cover from the agenda packet. A cover letter and summary of the Combined Audit were included in the packet. There was no public comment this evening.

- (1) City **RESOLUTION Accepting the Audited Financial Statements for the Year Ended June 30, 2002 and Independent Auditors' Report**

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) Redevelopment Agency **RESOLUTION Accepting the Audited Financial Statements for the Year Ended June 30, 2002 and Independent Auditors' Report**

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

- B. City Administrator Morgan made the initial presentation of preliminary plans for the civic center remodeling and related public improvements. For some time City staff has been working with architect David Martin and landscape architects Bellinger & Foster on preliminary plans for a new civic center. The project will be done in phases to allow the costs to be included in the annual budget for Council approval. Phase I and II will primarily address exterior spaces for public use. The plan is to create a civic center that will help unify the City and be a focal point in the Old Town area. The civic center work will be coordinated with the urban design/parking plans. The final project will create a much more attractive entrance to the East Dunes area.

ELKE LUCKING (Bellinger & Foster): Discussed the plans for the layout, improved landscaping, crosswalks, street enhancements, future expansions, a public plaza and tie-ins to the Robinette site. Phase I includes the new bus shelter/Cingular storage, landscaping along California and Sylvan Avenues. Phase II deals with parking (plan 2-A for police and 2-B near Chambers and Calabrese Park). Phase III includes the plaza, streetscape improvements and associated landscaping, and building improvements to City Hall. Phase IV plans more landscaping, continuation of pavers, new sidewalk improvements. Traffic calming features are being proposed for Sylvan Avenue to encourage East Dunes traffic to slow down.

There were Council questions and discussions raising concerns of large truck deliveries to nearby businesses, discussion of tree selections and planting, better esthetics with the inclusion of outdoor sculptures, and sidewalk improvements.

DAVID MARTIN (Architect): Presented the proposed building enhancements, as incorporated with the landscaping improvements in Phase III. He discussed his concepts for the facade, entryway, galleria and building addition to City Hall. Ms. Lucking also presented the City Hall concept plan that shows more detail of the landscaping plan. There was some discussion of the property immediately west of the Council Chambers with concepts for parking and a possible conference room. Copies were distributed by the City Engineer which provided preliminary estimates of costs for the various phases.

[Numbering error only, not content - item 8 was inadvertently omitted]

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

AGENDA ITEM 9, PUBLIC HEARING(S):

- A. Associate Planner Pooler presented Conditional Use Permit application by Gerard Mattimoe of Glastonbury Inc. to utilize a 1,465 sq ft portion of an existing commercial building located at 495-A Elder Avenue to facilitate an audio/video production equipment rental operation. The project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301 and is within a non-coastal Planned Mixed Use (MU-P) zoning district. This will primarily be a phone and email based operation, and the applicant will store their stock of monitors, computers, projectors, screens and speakers at this location. Noise is not anticipated from this type of operation, no allocation of water is necessary, and there is sufficient parking with the additional lot across the street owned by the Lang family.

8:29 PM Floor Open for Public Comment

GERARD MATTIMOE (Applicant): His business will be for rental of audio/video equipment to the public. It is a national business. He agrees with all of the conditions proposed by staff.

8:30 PM Floor Closed to Public Comment

Motion to approve Conditional Use Permit was made by Councilmember Kline, seconded by Councilmember Blackwelder. AYES: Councilmembers Blackwelder, Kline, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Councilmembers Kruper, Hubler. Motion carried.

[Councilmembers Kruper and Hubler returned to the dais.]

AGENDA ITEM 10, OLD BUSINESS:

[Due to a possible conflict of interest by residing within 500' of the project site, Council/Agency member Blackwelder abstained.]

- A. Agency Planner Matarazzo presented a progress report on the selection procedure for the master developer of the Robinette site. There are two candidates remaining - Al Saroyan and The Olson Company. The Olson Company have done many infill projects that mostly contained housing. Mr. Saroyan wants to do the project in phases and will need additional water allocations. The Redevelopment Agency is encouraging mixed use for this site. Staff likes Olson's 3-story residential proposals, but new conceptual plans need to include more parking and mixed uses. Staff recommends that the Council subcommittee (Pendergrass, Kruper) and staff meet in January with these two developers to review new plans/proposals. The Redevelopment Agency gave unanimous consensus.

[Council/Agency member Blackwelder at the dais.]

- B. Progress report on Public Works projects, City water project, Project Study Report (PSR) and other Sand City community programs by City Engineer/Community Development Director/City Administrator. There is \$90,000 and \$50,000 allocated in this fiscal year budget for California Avenue streetwork, possible tree planting, and sidewalks. A better selection of trees will be presented to the City Council for their consideration. There was minor discussion of contacting PG&E to move one of their large transformer boxes located outside of the Police Department on California Avenue. Mr. Kulakow discussed the extended parking and planned paving for the lots behind the Police Department. The new round of storms and tidal surge are effecting the 90" outfall and the channel has been taking a beating. The chainlink fence that was put up last year is practically gone. There was another minor backup on John/Redwood Street with an overflow of some water into Colton Heating. Sand City staff has been working with Seaside staff. High tides, combined with storm surges, could be quite damaging in the future and the drainage problem needs a permanent solution. City Administrator Morgan said that the Colton Heating business is lower than street level and this contributes to the flooding problem. Staff will continue to investigate temporary and permanent solutions to this problem. Mayor Pendergrass feels there should be some emergency measures (sandbags) in place prior to an event. He directed City Attorney Heisinger and City Engineer Kulakow to send a letter to Seaside requesting a permanent solution. Mr. Kulakow reported that all of the drainage water from the City of Seaside flows downhill to Sand City. If the outflow becomes blocked (with debris or sand) or there is tidal surge, then the backup floods certain portions of the City. Councilmember Blackwelder wants to take Mr. Kulakow's recommendations for a temporary relief valve along Bay Street to handle the overflow, instead of complicated engineering and reconstruction plans that may not ever occur or take a long time. On a separate issue, Councilmember Kruper is requesting a timeline and status of the upgraded lighting plan proposed for the Council Chambers. He also commented that the Agency's property on Orange Avenue should be boarded up as a safety issue until the Bascou's close escrow.

AGENDA ITEM 11, NEW BUSINESS:

- A. City Administrator Morgan presented the staff report on Sand City's participation and annual expenditure in support of the two local Chambers of Commerce (Seaside/Sand City and Monterey Peninsula) and the Monterey County Convention and Visitors Bureau (MCCVB). He recommends \$7,500 to the Seaside/Sand City Chamber, \$5,000 to the Monterey Peninsula Chamber, and \$3,000 to MCCVB. It is an overall benefit to the City to support these Chambers and may be an asset when the City/Agency develops a hotel in the future. Mayor Pendergrass announced that Mr. Morgan was elected to the Board of the Monterey Chamber of Commerce. The City Council gave unanimous consensus for the proposed allocations.

- B. A demonstration of the new videoconferencing system is postponed to a meeting in January 2003.

9:10 P.M. Recess
9:22 P.M. Reconvened

AGENDA ITEM 12, CLOSED SESSION:

- A. The City Council/Redevelopment Agency adjourned to Closed Session at 9:22 p.m. to confer with legal counsel in accordance with § 54956.9(c) of the Ralph M. Brown Act regarding possible litigation against SNG/Ghandour, and initiation of litigation (two cases).
- B. 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.


SNG/Ghandour Initiation of Litigation: Council consensus to accept the terms on the note payment as outlined in the SNG letter dated December 3, 2002.

The City Council agreed to participate/prepare an amicus brief for Ed Ghandour's lawsuit v. the California Coastal Commission. The cost of the brief is to be paid by Mr. Ghandour.

The second case of initiation of litigation: no action taken.

AGENDA ITEM 13, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on January 7, 2003, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 10:23 p.m.



Debra Taylor, City Clerk