

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - July 18, 2000
7:00 PM

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

Pastor Dave Martin led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Blackwelder
Vice Mayor Kline
Councilmember Hubler
Councilmember Wishon
Mayor Pendergrass

Staff: Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Debra Taylor, City Clerk

AGENDA ITEM 4, COMMUNICATIONS:

- A. Written material distributed to City Council this evening included the June and July activity report (for Sand City) from the Monterey Fire Department (item 4-A); proposed Resolution authorizing an agreement with the City of Seaside for police backup, and letter of resignation from officer Robin Nowak (item 5-H); public notice for candidate's briefing & Fair Political Practices Commission workshop on July 22nd in Marina (item 10-B); and confidential memorandum from Ed Ghandour regarding his reimbursement note with the City/Redevelopment Agency (Item 11-A).
- B. The floor was opened at 7:05 p.m., but there were no oral communications.

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 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.

- (1) CUP #223, San Juan Pools of Monterey (Open Storage), 756 California Avenue
 - (2) CUP #321, John Groves (Open Storage), 872 Afton Avenue
 - (3) CUP #367, Sand Dollar Art & Framing Center (Art & Framing Shop), 824 Playa Avenue
 - (4) CUP #368, Port of Subs (Sandwich Shop), 832 Playa Avenue
 - (5) CUP #402, Cary Norman/Can-Tron (Electronics), 710 California Avenue
- B. There was no discussion of the June 26, 2000 Minutes.
- C. There was no discussion of the monthly Police Department Activity Report, June.
- D. There was no discussion of the City **RESOLUTION Authorizing a Rate Increase for City Engineer.**
- E. There was no discussion of the City **RESOLUTION Authorizing Contract with American Medical Response Ambulance Service for Hospital Transportation Needs of the Sand City Police Department.**
- F. There was no discussion of the City **RESOLUTION Authorizing a Memorandum of Understanding with the Salvation Army's Good Samaritan Center, Monterey County Behavioral Health, and the Sand City Police Department.**
- G. There was no discussion of the City **RESOLUTION Authorizing Memorandum of Understanding Between the Sand City Police Department and Visiting Nurse Association Community Services, Inc. (VNACS) for Sexual Assault Response Team Services.**
- H. There was no discussion of the City **RESOLUTION Authorizing Agreement with City of Seaside for Back Up Police Services.**

Motion to approve Consent Calendar was made by Councilmember Wishon, seconded by Councilmember Kline. AYES: All members. NOES: None. Motion carried.

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

No issues.

AGENDA ITEM 7, PRESENTATION(S) :

- A. Mayor Pendergrass made a presentation of Monterey County Board of Supervisors Resolution to Vice-Mayor Mary Ann Kline for her outstanding service on the Monterey County Loan Administration Board. Vice Mayor Kline thanked the Mayor and said it was an honor to serve on this Board, which also helped in providing loans for some Sand City businesses.

AGENDA ITEM 8, PUBLIC HEARING(S) :

- A. City Administrator Morgan presented the City **RESOLUTION Submitting a Proposition to Adopt an Ordinance to Increase the Rate of Tax on Transient Occupancies to the Electorate of the City of Sand City and Calling for an Election on the Proposition.** Currently the City's Transient Occupancy Tax (TOT) is 8%, Monterey County's is 10.5%, and Anaheim's is 15%. If the TOT rate is increased for Sand City, it will be comparable to other jurisdictions in this area. The increase is not paid by citizens, but must go to a vote of the Sand City registered voters and will be presented as a range of 8%-14%.

City Attorney Heisinger spoke with the Monterey County Registrar of Voters, and at his advice, the first resolve of the resolution has been amended (a revised resolution was distributed this evening). It will take a simple majority for the initiative to pass. Staff is recommending the TOT rate not exceed 14% nor be less than 8%. The Budget Committee has considered this and prefer a range for the intended rate. This is not a special tax, but a general tax. If approved by the people in November, it will be incorporated into the Sand City Municipal Code. Timeshares are a different issue (see "Zoning" in the Municipal Code book), and TOT taxes cannot be charged; an in-lieu fee could be charged however. An opinion letter, argument in favor/against will be required; anyone can write their own argument and submit it to the City.

7:25 P.M. Floor Open to Public Comment

MARK WELLER (Hotel Workers Union Representative): He remembers the 1980's when the term "fee" was used instead of "tax."

7:26 P.M. Floor Closed to Public Comment

Council recommended amending the resolution to state clearly that Sand City residents/voters are not responsible for paying this TOT tax, only hotel users.

Motion to approve Resolution by title only, as amended, was made by Councilmember Blackwelder, seconded by

Councilmember Hubler. AYES: All members. NOES: None.
Motion carried.

AGENDA ITEM 9, OLD BUSINESS:

- A. Community Development Director Matarazzo gave an update on coastal projects in Sand City. The Monterey Bay Shores (MBS) project will likely come before the Coastal Commission in June 2001 (Santa Barbara). The earliest US Fish & Wildlife will issue a 10-A Permit will be late spring 2001. The Water District will consider the MBS project on August 26th, the Mayor stated.

City Administrator Morgan commented on the proposed sand replenishment study for Sand City, as presented for the entire Monterey Peninsula by businessman/developer Tom David. The City of Monterey, the Regional Park District and other local agencies have indicated their support for this project to prepare a careful study on sand replenishment in this area. Unfortunately, Mr. David died last week and the status of this program is uncertain. In answer to a question by Councilmember Blackwelder, an EIR would likely be required for a replenishment project.

- B. Progress report on Public Works projects, City water project, and other Sand City development projects by City Engineer Kulakow. The curb/gutter work on Ortiz Avenue should be finished by next week, and they will continue with the street work. It is going a bit slower than expected. There will be an estimated \$40,000 Change Order (#2) request on the next Council agenda because the proposed overlay on existing street surfaces cannot be repaved and will require total resurfacing. The drive-ways proved a bit steep on some of the properties and adjustments had to be made. A couple of weeks ago MRWPCA replaced water lines from Contra Costa under Highway One for their facility. The meter is on Contra Costa. It only took a couple of hours to complete this type of work which will have to be done on the City's desal project. In answer to a question by City Administrator Morgan, the contractor will remove the excess dirt from the Robinette site when the street work is completed.

Community Development Director Matarazzo will go to Lake Tahoe next week with Mr. Kulakow to request that the CTC extend the bicycle trail grant funds of \$300,000 (Prop 116) for Sand City for one more year.

AGENDA ITEM 10, NEW BUSINESS:

- A. Assistant City Administrator Matarazzo presented the City **RESOLUTION Adopting the New City of Sand City Personnel Manual**. This is the result of 2 years work by City staff and consultants to replace the outdated personnel manual. This manual will benefit staff as well as the City

Council and the overall City's operation. A lot of the document is common sense, by implementing contemporary office etiquette. A table of contents will be added. Some of the changes include the addition of binding arbitration, grievance procedures, holiday and vacation schedules, and the 800-hour cap on all "banked paid-time off hours" (vacation, sick, and comp). The City Administrator presides over personnel grievances, but the Budget/Personnel Committee can review decisions prior to going to possible binding arbitration.

In reviewing this document with Council, minor corrections/additions were made. The City Council gave praise to staff and the Budget/Personnel Committee for all of their hard work.

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

- B. City Clerk Taylor gave an overview of Sand City's Candidate Handbook for the General Municipal Election set for November 7, 2000. The Mayoral seat and two Council seats are open this election. The nomination period opened July 17th and will close August 11th, unless an incumbent does not run. In that case, the nomination period for that seat is extended to August 16th. The handbook is complete and candidates are required to familiarize themselves with the materials being provided.

Councilmember Wishon announced that she and her family will be moving to Washington at the end of October/early November, and will not be seeking re-election to the City Council. A formal letter will be presented to Council later this year. [This will continue the nomination period for the Council seats (only) until August 16th.]

AGENDA ITEM 11, CLOSED SESSION:

- A. City Council/Redevelopment Agency convened to Closed Session at 8:13 p.m. to confer with legal counsel to consider initiating litigation, in accordance with §54956.9 of the Brown Act [continued from May 16, and June 20, 2000 meetings]
- B. Confer with legal counsel to consider existing litigation by Lou & Martha Haddad v. California-American Water Company, Inc., State Water Resources Control Board, Case #M46808 in accordance with §54956.9 of the Brown Act
- C. Readjourned to Open Session at 9:47 p.m. to report any action taken at conclusion of Closed Session in accordance with §54957.1 of the Brown Act.

- 1) Motion to direct City Attorney to reject the latest offer by Mr. Ghandour and to resubmit the City's original offer. These terms must be accepted by August 18, 2000 or other actions will be considered, as made by Mayor Pendergrass, seconded by Councilmember Blackwelder. AYES: All members. NOES: None. Motion carried.
- 2) This was a report only. No action taken.

AGENDA ITEM 12, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Kline, seconded by Councilmember Blackwelder, to the regular City Council meeting on August 1, 2000, 7:00 pm. There was unanimous Council consensus to adjourn at 9:50 p.m.



Debra Taylor, City Clerk