

**MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY**

Regular Meeting – June 18, 2013
7:00 P.M.
CITY COUNCIL CHAMBERS

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

The invocation was led by Reverend Hellam.

The Pledge of Allegiance was led by Council Member Jerry Blackwelder.

Present: Council Member Blackwelder
Council Member Carbone
Council Member Hubler
Council Member Kruper
Mayor Pendergrass

Staff: Steve Matarazzo, City Administrator/Community Development Director
Jim Heisinger, City Attorney
Leon Gomez, Interim City Engineer
Linda Scholink, Administrative Services Director

AGENDA ITEM 4, COMMUNICATIONS

A. There were no written communications distributed to the Council.

B. Oral

7:02 P.M. Floor opened to Public Comment.

There were no comments from the Public.

7:02 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

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. There was no discussion of the following use permits.

- (1) CUP #377, Hartzel Automotive (auto), 510-A California Avenue
- (2) CUP #399, Edgewater Center, (retail/multiple sites), 915, 925 Playa & 2030 California
- (3) CUP #419, Carmel Tile/Doubleday (showroom/storage), 1725 Contra Costa
- (4) CUP #495, Alternator & Starter Exchange (assembly), 352-B Orange Avenue
- (5) CDP 97-05, Monterey Bay Restaurant Equipment (retail/wholesale), 325 Elder Avenue
- (6) CUP #321, Groves Masonry (storage yard), 872 Afton Avenue
- (7) CUP #368, Jersey's (food service), 832 Playa Avenue
- (8) CUP #463, Monterey Mattress (showroom), 1714 Contra Costa

- B. There was no discussion of the May 21, 2013 Council Meeting Minutes.
- C. There was no discussion of the June 4, 2013 Council Meeting Minutes.
- D. There was no discussion of the Public Works Monthly Report, May 2013.
- E. There was no discussion of the Police Department Monthly Report, May 2013.
- F. There was no discussion of the City **Resolution** authorizing a City Engineering Service Agreement with Creegan & D'Angelo.
- G. There was no discussion of the City/Successor Agency Monthly Financial Report, April 2013.
- H. There was no discussion of the City **Resolution** authorizing the Monterey County Health Department to apply for State Block Grant funding on behalf of Sand City towards the Countywide Used Oil Recycling Program.
- I. There was no discussion of the City **Resolution** approving a Budget Allocation of \$500 for the Senior Voucher Program for Taxi Service as offered by Monterey-Salinas Transit (MST).
- J. There was no discussion of the City **Resolution** approving a One Year Part-Time Contract with J. Michael Klein to perform Supervisory Duties related to Public Works Manager and Chief of Police.

Motion to approve the Consent Calendar items was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Member Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES; None. ABSTAIN: None. ABSENT: None. Motion carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 7, OLD BUSINESS

A. Progress report on Public Works projects, Successor Agency Oversight Board, South of Tioga project, Coastal projects, and other Sand City community programs by City Engineer/Community Development Director/City Administrator

Interim City Engineer Leon Gomez reported that the desalination plant has been running every day with the exception of June 4 due to an intake valve malfunction. Staff should have a production number report by the first Council meeting in July. An informational item was provided in the agenda packet regarding the required documents that need to be submitted in order to meet the July 1st effective date for the Phase II General Permit regarding Storm Water Management.

City Administrator Steve Matarazzo reported that the Successor Agency received notice from the Department of Finance that a meeting will occur on Monday, June 24, 2013 at 1:00 p.m. in Sacramento regarding their demand for \$2.375 million of Successor Agency assets.

Mayor Pendergrass commented that Sand City has a good team representing the City and is confident that DOF will rule in favor of the Successor Agency.

City Attorney Jim Heisinger reported that judgment has been entered regarding the SNG case against the Coastal Commission (CC). The CC was ordered to set its denial of SNG's project no later than 30 days after the 60 day appeal period. The Coastal Commission was also ordered to re-hear the project at their December meeting this year on issues related to the project that they had previously denied. If the CC does not file an appeal SNG may submit proposed project modifications by September.

The City Administrator added that staff should be informed some time in August whether the Coastal Commission wants to appeal the decision or not.

AGENDA ITEM 8, NEW BUSINESS

A. Review and Consideration of Amendment #1 to Fiscal Year 2012-13 Budget and Consideration of Resolution Adopting Preliminary Combined Budget for Fiscal Year 2013-14:

Mayor Pendergrass reported that the Budget Committee had reviewed the amended and proposed budgets at their June 11, 2013 meeting. He asked if the Council Members had any questions or concerns with the Staff report on these items. The Mayor added that the City has done well thus far, and anticipates continued success in the upcoming fiscal year. There was no further Council discussion regarding the attached budget and resolutions.

Motion to approve the City/Successor Agency **Resolution** by title,

adopting Amendment #1 to the Combined City and Successor Agency Budget for Fiscal Year 2012-13 was made by Council Member Kruper, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

Motion to approve the City **Resolution** by title, establishing an Appropriations Limit for Fiscal Year 2013-2014 Pursuant to Article XIII B of the California Constitution was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

Motion to approve the City/Successor Agency **Resolution** by title, adopting the Proposed Combined City and Successor Agency Budget for Fiscal Year 2013-2014 was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

City Administrator Steve Matarazzo commented that the Fiscal Year 2013-14 Budget does include the 2% cost of living adjustment approved by the City Council.

B. Update on New Phase II General Permit for Storm Water Discharge

Interim City Engineer Leon Gomez reported that this item is provided to inform the Council of the four items that need to be submitted to the State Water Resources Control Board to obtain renewal coverage of the Phase II General Permit. The documents for renewal and submittal include a Notice of Intent (NOI), Renewal Fee, Guidance Document, and Permit Boundary Map. This process will ensure the City's continued coverage for storm water discharge mandated by the State and Regional Water Quality Control Boards.

C. Upcoming Meetings/Events

The City Clerk reminded the Council of the July 18, 2013 Monterey Peninsula Chamber of Commerce's 27th Annual Business Excellence Awards. Mayor Pendergrass and Council Member Kruper confirmed their attendance.

AGENDA ITEM 9, CLOSED SESSION

7:30 P.M.

A. City Council /Agency Board to adjourn to Closed Session:

1) To confer with Legal Counsel regarding pending litigation in accordance with Government Code Section 54956.9(d)(1):

- a) *Monterey Peninsula Water Management v. State Water Resources Control Board (No. M102101), and related cases*
- b) *Cal-Am Application to CPUC No. 10-04-019 for Order Authorizing Recovery of Costs for Lease and Operation of the Sand City Desalination Facility*
- c) *Seaside v. Sand City (No. M120996) and related cross action*
- d) *Local Educational Agencies' (LEAs) monetary claim to recover pass-through through payments from the Sand City Successor Agency to the Redevelopment Agency*

2) Conference with Legal Counsel in accordance with Section 54956.9 of the Ralph M. Brown Act, regarding Claim against Monterey County Reimbursement of Property Tax Administration Fee

7:45 P.M.

B. Re-adjourn 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

The Council appointed the Mayor and Council Member Blackwelder to act as a Subcommittee of the Council to discuss potential settlement with the Subcommittee of Seaside's Council together with the City Attorneys from each of the cities (Item 9A1-c). The Council was in agreement to accept the proposal of the City Managers and City Attorney's Steering Committee as presented by the City Attorney to join with the other cities in settling the PTAF matter for an amount equal to what the County would repay; that is 3 years with interest at the County's pooled investment rate, in addition to 3 years of additional interest for the NGEN radio system.

AGENDA ITEM 10, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council Member Kruper to the next scheduled Council meeting on Tuesday, July 2, 2013 at 7:00 p.m. There was unanimous consensus of the council to adjourn the meeting at 7:42 p.m.



Linda K. Scholink, City Clerk