

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

Regular Meeting – September 18, 2018

5:30 P.M.

CITY COUNCIL CHAMBERS

Mayor Carbone opened the meeting at 5:30 p.m.

The invocation was led by Reverend Hellum.

The Pledge of Allegiance was led by Police Chief Brian Ferrante.

Present: Mayor Mary Ann Carbone
Vice Mayor Blackwelder
Council Member Hawthorne
Council Member McDaniel
Council Member Hubler (excused absence)

Staff: Todd Bodem, City Administrator
Vibeke Norgaard, City Attorney
Leon Gomez, City Engineer
Brian Ferrante, Police Chief
Charles Pooler, City Planner
Linda Scholink, Administrative Services Director/City Clerk

Mayor Carbone announced that Council Member Hubler was unable to attend the meeting.

AGENDA ITEM 4, ANNOUNCEMENTS BY MAYOR AND CITY ADMINISTRATOR

The **Mayor** announced that a handout of her activities for the months of August and September as well as information for the upcoming election are available on the table. She spoke on the success of the beach cleanup that took place September 15, 2018. She invited the community to the public Candidate Forum to take place on October 1st at the Independent.

Mayor Carbone said several Council Members attended the League of California Cities Conference. The City was honored to receive a Beacon spotlight Award for Best Practices and Activities.

The **Mayor** called a special meeting of the City Council for September 27 or September 28 to discuss the contract of the City Administrator.

AGENDA ITEM 5, PUBLIC COMMENT

5:35 P.M. Floor opened for Public Comment.

Tom Harper, resident, thanked the Council and Chief for helping with his project to alleviate flooding. He specifically thanked the Public Works team for their work.

5:36 P.M. Floor closed to Public Comment.

AGENDA ITEM 6, 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 permits.
- (1) CUP #371, McDonald Refrigeration (contractor), 605 California Avenue
 - (2) CUP #385, Sally Beauty Supply (retail), 828 Playa Avenue
 - (3) CUP #397, Salvation Army (service), 801 Scott Street
 - (4) CUP #466, Ferguson (wholesale), 666 Redwood Avenue
 - (5) CUP #499, Green Gopher Garden Supply (retail), 679-C Redwood Avenue
 - (6) CDP #95-07, Giustiniani (manufacturing), 698 Ortiz Avenue
 - (7) CUP #569, Devine Glass (manufacturing) 840-842 Fir Avenue
 - (8) CUP #608, Kyle Racing Engines (manufacturing), 581 Redwood Avenue
 - (9) CUP #609, DBO Motor Racing (storage), 801 California Avenue
 - (10) CUP #617, Saunders Sculpture Works (arts studio), 637 Ortiz Street
 - (11) CUP #618 California Premier Restoration (storage), 495 Elder Avenue
- B. There was no discussion of the Sand City Council Meeting Minutes, August 21, 2018.
- C. There was no discussion of the Public Works Monthly Report, August 2018.
- D. There was no discussion of the Police Department Monthly Report, August 2018.
- E. There was no discussion of the City/Successor Agency Monthly Financial Report, June 2018.
- F. There was no discussion of the addition of Honeybees to the Sand City Community Garden.
- G. There was no discussion of the approval of the City **Resolution** amending Chapter 2.20.070 Conflict of Interest Code of the Sand City Municipal Code regarding Identification of Designated Employees and Disclosure
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Categories Appendix "A & B".

- H. There was no discussion of the City **Resolution** approving Professional Planning Services Agreement Amendment #4 with EMC Planning Group to include an additional \$107,800 to the Original Amended Agreements for Fiscal Year 2018-19 related to the South of Tioga Development for Additional Staff Assistance, Biological Investigation, Habitat Management Plan, and Environmental Review under the California Environmental Quality Act.
- I. There was no discussion of the City Donation/Contribution Marina Explorer Program for \$500.

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

AGENDA ITEM 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 8, PRESENTATIONS

- A. **Presentation of Certificates by Mayor Mary Ann Carbone and Stephen Vagnini to Volunteers/Supporters of the 2018 West End Celebration**

Stephan Vagnini presented certificates of recognition to the supporters and participants of the 2018 West End Celebration. Mr. Vagnini thanked the Mayor, Staff, and Police Department for their participation and allowance of the West End Celebration.

Mr. Vagnini spoke on the efforts to continue making the West End Celebration a green event. He thanked members of the Monterey Peninsula Waste Management District for their work in this regard. He thanked Mike and Gay Morris, Kelly Morgan, and Libby Sofer, for their continued support of the event.

Mr. Vagnini mentioned that the Mayor will be in Washington, DC this week for a Women's Mayors Group of the United States.

The **Mayor** gave an appreciation on behalf of the City to Steve Vagnini for his work as the West End Celebration Coordinator. She then thanked the Public Works team, Hope Services, and the organizations involved with the event.

- B. **Presentation by David Stoldt, General Manager of Monterey Peninsula Waste Management District (MPWMD) on Public Water Now Initiative appearing on the November 6, 2018 General Election Ballot**
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David Stoltz gave an overview of the Monterey Peninsula Regional Water project. The desalination facility now has permission to proceed from the California Public Utilities Commission. He spoke on the permits that were necessary for development. The CEQA permit would go through the Supreme Court if Desal is challenged. If the project is not challenged Monterey Peninsula Water Management District can proceed.

Mr. Stoltz spoke on Measure "J". It is supported by Public Water Now and requires the district to, if and when feasible, secure and maintain public ownership of all water infrastructure in our territory, to negotiate, or use eminent domain, to obtain CalAm assets, and, if it passes, within nine months complete a written plan to do so. This would require a public adoption of an ordinance. The ballot title was drafted, challenged in court, and changed to "The Monterey Peninsula Water System Local Ownership Feasibility Study Initiative". Eminent domain would require two trips to the courts comprised of a bench trial to show public necessity and a jury trial on value.

6:03 PM Floor opened to Public Comment.

There were no comments from the Public.

6:03 PM Floor closed to Public Comment.

C. Presentation by Richard Svindland and Chris Cook of California American Water on Financing Reimbursement Options re: Sand City Water Supply New Intake Wells Project

Chris Cook, Director of Operations for California American Water, spoke on the three new wells of Sand City's Water Supply Project. The salinity level on the intake of the plant dictates the amount of water produced. The City and Cal Am have worked with Intera to map the salt content of the Sand City wells site to plan the future sites of the new wells. The City is authorized to produce 300 acre feet per year. Last year's production was at 256 acre feet, fairly close to the maximum amount. New wells with lower levels of salinity would benefit the overall production.

Mr. Cook spoke on the costs estimated for these wells. The original estimate was \$300,000 - \$500,000 for three new wells. More recently, Intera and Creegan and D'Angelo have come up with a more accurate estimate of just under \$1.7 million. Discussions after the establishment of the estimate have included talks of limiting the development to one well and an iBank ten year loan. The increase in production of Sand City's wells would decrease the production needed at wells in places of environmental impact like those in Carmel Valley. California American Water has been looking at four different payment options, Sand City funding the wells with Cal Am creating an amended lease agreement to pay back the City, a three-year general rates case to start payments in 2021, Sand City funding the wells with Cal Am purchasing the wells once the rates case is

approved, and Sand City funding the wells using a loan with Cal Am reimbursing the amount of the loan.

Todd Bodem, City Administrator, mentioned that City could also delay production of the wells until the City receives California Public Utilities Commission approval of an amended lease agreement. The designs could be held until the City knows it would be able to secure funding. If not for the desalination plant many projects would not see completion like the South of Tioga project and the Catalina Lofts project as well as several others.

Mr. Cook concluded by saying that if the City could wait until 2021, then Cal Am and Sand City would be in a good position for a strong partnership to move forward with the project.

6:23 PM Floor opened to Public Comment.

There were no comments from the Public.

6:23 PM Floor closed to Public Comment.

AGENDA ITEM 9, PUBLIC HEARINGS

- A. FIRST READING: ORDINANCE of the City of Sand City Amending Sand City Municipal Code Chapter 1.12, Section 1.12.010 Replacing Certain Locations, and Street Names of Posting Places within the City of Sand City**

There was Council consensus to continue this item to the October 2, 2018 regular City Council meeting as it was not properly noticed.

- B. Consideration of City RESOLUTION approving Conditional Use Permit 18-03 for Camp Transformation authorizing a Fitness Training Facility with Accessory Office at 325 Elder Avenue**

There was Council consensus to continue this item to the October 2, 2018 regular City Council meeting by request of the Attorney for Monterey Bay Restaurant Equipment.

AGENDA ITEM 10, OLD BUSINESS

- A. Progress report on Sand City Water Supply Project, Development Projects, Carroll Property Parking, West Bay Coastal Access Repair, Prop 1 Technical Assistance Project, P.G.&E Rule 20 Undergrounding, Stormwater Annual Report, Illicit Discharge Updates, South of Tioga Development, and other Sand City Community programs by City Engineer/City Administrator/City Planner**

City Engineer **Leon Gomez** reported on the Water Supply project. Production through September 18, 2018 has been 10 acre feet. The plant

was shut down due to high salinity in the intake water but is back on now. The City engineer has been working with Intera to obtain additional estimates of cost from well drilling contractors for the construction of the new intake wells. The latest estimates have been less than the previous estimates obtained.

Mr. Gomez then reported on the Storm Water Management Program. The City Engineer has been coordinating with the Proposition 1 Technical Assistance Grant team to obtain exhibits showing the project limits, parcel and right-of-way lines, and existing utilities in order to provide this information to PG&E so that they can prepare a preliminary cost estimate for the undergrounding of existing overhead utilities within the project. The City Engineer has received draft exhibits and will be providing them to PG&E this week.

The City Engineer received a call from the regional water board regarding reported discharges from 337-A Olympia Avenue and requested copies of documentation. The City Engineer provided copies of the illicit discharge reporting and response form that was completed for the address back in January 2018 along with other documentation.

The City Engineer is working on the City's annual stormwater report and supporting documents due in December.

The Cities of Carmel, Seaside, Sand City, and Monterey County elected to participate in the trash amendment track feasibility analysis and compliance plan and have received various draft reports and maps from the consultant, EOA, Inc, and are currently working to determine pilot study projects. The 90 inch outfall at West Bay Street is one of the largest watersheds with significant amounts of trash and a pilot study has been envisioned for this location.

Mr. Gomez then commented on several City development projects. The City Engineer has provided the applicant of the Dayton Residences project with the third submittal review of the project plans and continues to work with the applicant and PG&E to determine the timing for relocation of the existing pole and dry utility services to the project.

The applicant for the 756 California commercial building project is working to address utility and site design issues.

City staff met with the applicant of the 22 and 23 Scott Street Single Family Dwelling project, Mr. Martin Morales, on August 30, 2018 at City Hall to discuss re-submittal of the project plans for a single family home project.

The City Engineer has received updated geotechnical recommendations for the sheet pile retaining wall from the original project soils engineer and has reviewed them with the structural engineer for the Coastal access Repair project at West Bay Street. The structural engineer is currently designing the sheet pile wall and will provided the wall design, structural

engineering calculations, details, and notes to the City this week.

The City Engineer has received an encroachment permit application from PG&E for demolition of existing gas and electrical services within the South of Tioga project. However, after reviewing the planned work with staff, EMC, and PG&E, it was determined that the application was premature, as tenants have not been provided notice to vacate and the two properties are not currently owned by the developer and have not been purchased and/or title transferred to the developer and/or City.

The City Engineer has updated the construction plan for the TAMC Parcel Landscaping project with the recent survey prepared for Contra Costa Street as part of the Proposition 1 Technical Assistance project. The City Engineer will be developing an engineer's estimate and coordinate approval of the work with Cal- Am.

AGENDA ITEM 11, NEW BUSINESS

A. Comments by Council Members on Meetings and Items of interest to Sand City

Council Member Hawthorne commented on the League of California Cities Conference saying that the City is doing very well in relation to other cities. He stated that he is impressed for being such a small city.

City Attorney Norgaard found the conference very useful for the information provided on litigation that may not affect the City directly, but is ultimately valuable.

Mayor Carbone spoke on their attendance at the Monterey Bay Division Luncheon at the conference. She was voted in as the Vice President for the Division for the continuation of the calendar year.

B. Upcoming Meetings/Events

There were no RSVPs for upcoming events.

AGENDA ITEM 12, CLOSED SESSION

6:36 P.M.

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

- 1) To confer with City Negotiator pursuant to Government Code Section 54957.6 regarding Labor Negotiations**
 - i) Agency Designated Representative: Mike McCarthy
Employee Organization: Sand City Police Officers Association (POA)**
 - ii) Agency Designated Representative: Mike McCarthy**

**Unrepresented Employees: Sand City Miscellaneous
Employees**

7:35 P.M.

- B. City Council/Agency Board 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**

The City Attorney reported that Council has instructed Mike McCarthy to give direction in negotiations.

AGENDA ITEM 13, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder seconded by Council Member Hawthorne to the next Special City Council meeting to be scheduled on either Thursday, September 27, 2018 or Friday, September 28, 2018. There was consensus of the Council to adjourn the meeting at 7:36 P.M.



Linda K. Scholink, City Clerk