

MINUTES

JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – June 2, 2009
7:00 P.M.
CITY COUNCIL CHAMBERS

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

Invocation was led by Reverend Carl Kelleher

The Pledge of Allegiance was led by Police Chief Michael Klein

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

Staff: Steve Matarazzo, City Administrator
Jim Heisinger, City Attorney
Richard Simonitch, City Engineer
Michael Klein, Police Chief
Charles Pooler, Associate Planner
Connie Horca, Deputy City Clerk

AGENDA ITEM 4, COMMUNICATIONS

A. There was no written communication distributed to the Council.

B. Oral

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

There was no comment from the Public.

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

AGENDA ITEM 5, CONSENT CALENDAR

A. There was no discussion of the May 5, 2009 Sand City Council Meeting Minutes.

B. 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.

- C. There was no discussion of the City **Resolution** approving a 90-Day time extension of Conditional Use Permit 473 for Web Commerce LLC to continue their wholesale/retail Operation as an interim use at 865 Fir Avenue.
- D. There was no discussion of the City **Resolution** authorizing a renewal of the Street Sweeping Agreement with the City of Monterey.
- E. There was no discussion of the City **Resolution** authorizing a renewal of the Agreement for Vehicle Maintenance and Fuel Services with the City of Monterey.
- F. There was no discussion of the City **Resolution** authorizing a renewal of Animal Shelter Services Agreement with the County of Monterey Health Department and Approving Amendment No. 6 to Agreement No. A-09687.
- G. There was no discussion of City **Resolution** authorizing a Service Agreement for Auditor Services by Hayashi & Wayland for Fiscal Year 2008-09.
- H. There was no discussion of the City/Redevelopment Agency Financial Report for April 2009.
- I. There was no discussion of the donation/contribution to Suicide Prevention Service of the Central Coast for \$500.

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled.

AGENDA ITEM 7, PUBLIC HEARINGS

- A. Associate Planner Charles Pooler presented the application for Conditional Use Permit 495 for light manufacturing of motor parts at 352-B Orange Avenue. The applicant, Kevin Lairson, proposes to establish a workshop for the rebuilding and selling of alternators and generators. The site will be used to assemble machine parts using pre-manufactured components with no welding or metal fabrication. This property is zoned as mixed-use, allowing light manufacturing subject to the issuance of a conditional use permit. There is adequate on site parking. Large scale deliveries or trucks would not pose any potential traffic impacts. The proposed use may generate a fair amount of debris, so staff recommends the permit require all items and trash receptacles be maintained within the building. The site has adequate water credit based on a Group I use with no additional water credit required. Staff recommends approval of the conditional use for Mr. Lairson.

7:06 p.m. Floor opened for Public Comment

Mr. Kevin Lairson commented that his business provides maintenance to the Monterey County Fire Department's trucks and the general public. He is in agreement with the conditions of the permit.

7:08 p.m. Floor closed to Public Comment

There were no additional questions from the City Council.

Motion to approve the City **Resolution** approving Conditional Use Permit 495 allowing light manufacturing of motor parts at 352-B Orange Avenue for Kevin Lairson was made by Council Member Kruper, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None.

- B. Steven Prestwood, from Pacific Municipal Consultants (PMC), presented the Administrative Draft of Sand City's Housing Element Update 2009-2014. Mr. Prestwood summarized the goals, policies, and programs that are new, including the regional housing needs specific to Sand City. These goals were to 1) provide adequate sites with sufficient infrastructure, 2) support the development of affordable housing for low, very low and moderate income households, 3) preserve existing housing units for continued residential use, 4) support the development of housing for special needs households, 5) ensure that all persons have equal access to housing opportunities, and 6) promote energy and water conservation measure in both existing and new residential construction. New legislation introduced as SB2 requires Sand City to identify homeless needs with transitional housing completed within one year.

Mr. Prestwood reported on the completed and discontinued polices and programs, which are 1) the density bonus ordinance passed on June 17, 2003, 2) construction and completion of the desalination facility scheduled for operation in the fall of 2009, 3) facilities serving homeless households, a program discontinued due to new legislation that amended previous requirements, and 4) housing for persons with disabilities, whereby the zoning ordinance was amended on August 7, 2007 to allow residential care facilities where the City allows residential uses.

The housing element compared the regional housing needs assessment (RHNA) to the vacant land inventory outlined in the quantified objectives. Sand City's planning staff estimates that a total of 91 additional units of housing will be developed during the 2009-2014 RHNA period. Thirty one new units have already been produced as part of the Design Center, including 10 below market rate units. Based on the acquisition of sustainable water resources, permit applications, and current market programs, the City estimates that 60 additional housing units across all income levels will be produced through 2014.

The administrative draft, once approved by the Council, will be internally reviewed by PMC, and hand delivered to the State Housing and Community Development (HCD) for their 60-day review. Following the HCD review, the draft will be returned to PMC for changes and/or modifications before being presented to the Council for final adoption.

City Administrator Steve Matarazzo added that additional language will be added to

include the South of Tioga project, which will add an estimated 200 units in the future. This is a very conservative number compared to the developer's estimate of 400 potential units.

Mayor Pendergrass addressed the housing needs for the homeless, and that Sand City is able to mitigate those needs with the Salvation Army in town.

7:22 p.m. Floor opened for Public Comment

There was no comment from the Public

7:22 p.m. Floor closed to Public Comment

There was Council consensus to approve the Administrative Draft of the Sand City Housing Element Update 2009-2014.

AGENDA ITEM 8, OLD BUSINESS

- A. City Engineer Richard Simonitch reported that today was the first time drinking water was produced by reverse osmosis from the desalination plant. The past few weeks have been busy at the injection well assembly as the pressure regulating valves were being installed. Staff has been working with Sand City's public works crew to save money as they set up a temporary drainage facility during testing. It has been a positive hands-on experience using City staff during this testing period to work on the beach, and he greatly appreciates the City for lending their public works crew. On Wednesday morning, staff will be at the beach to work on calibrating the discharge well. The test water will be discharged into the infiltration system built under the parking lot, and depending on the rate of infiltration, much of the water should be captured from the plant. From this point forward, much of the testing, which also encompasses a fail-safe system, has been very successful. Cal-Am has been on-site with their operators to monitor the testing as CDM prepares to hand over the operation of the desalination plant to Cal-Am. u

Mayor Pendergrass commented that in a conversation with Ms. Swaggart, of the Department of Public Health (DPH) Sand City's desalination plant will be used as an example to measure how other cities may construct and operate their own desalination plants.

City Engineer Richard Simonitch added that he has received calls from the City of Santa Cruz, Cambria, and another small City in Ventura County asking how Sand City was able to construct a desalination plant. It seems that Sand City has set a standard for permitting on the California Coast. The Coastal Beach Access project deliverables are being reviewed by Mr. Watson of the Coastal Commission staff.

City Administrator Steve Matarazzo reported that the Monterey Bay Erosion Group met on Friday to prevent future armoring along the Coast. This group consists primarily of environmentalists and coastal commission type staffers that gravitate towards prohibiting development and supporting natural retreat. Monterey and Sand City representatives have tried to promote natural barriers to

natural retreat such as the pressurized modules that were proposed a few years ago. These modules are now being tried in Florida, and are proving successful. The Monterey Bay Erosion group is now researching this option. At this meeting, Phil Williams and Associates showed a model of worst case scenario green house gas effects and ocean rising, which triples the erosion rate recommended by most coastal engineers. The coastal erosion rate is estimated at approximately 2 feet per year. This worst case model would triple the erosion rate to 6 feet per year, which the Coastal Commission clings too, thereby placing an additional burden to Mr. Ghandour's proposed project.

Mayor Pendergrass added that it would be nice to make the Coastal Commission abide by the approved LCP. Staff is encouraged to keep attending the meetings.

AGENDA ITEM 9, NEW BUSINESS

- A. City Administrator Steve Matarazzo reported on the Preliminary Combined City and Redevelopment Agency Budget for fiscal year 2009-2010. At a meeting last week with the Police Officers Associations (POA) president Gerry Gile and the police officers have tentatively agreed to a deferral of their third year salary increase. They are requesting an amendment of their MOU, stating under what conditions the salary increase may be reinstated. A few suggestions for the language to the MOU has been presented to the Council for their review. A correction to the attached memo regarding the State's proposed borrowing of eight percent of Sand City's property tax revenues is estimated to be \$56,000 not the \$136,000 as indicated. Staff has also contacted HOPE Services requesting a 50% reduction of fees. This will save the City an estimated \$40,000. A letter was also sent to Monterey-Salinas Transit requesting that the annual donation be significantly reduced or eliminated from the contract saving the City \$28,000 annually. More information will be presented to the Council at the June 16, 2009 Council meeting.
- B. The Deputy City Clerk brought to the Council's attention the upcoming event sponsored by the Monterey County Convention and Visitors Bureau. RSVP's were taken for Council member Kruper and Mayor Pendergrass.

AGENDA ITEM 10, CLOSED SESSION

7:47 P.M.

- A. Agency Board adjourned to Closed Session to confer with Legal Counsel:
 - 1) Regarding pending litigation in accordance with Section §54956.9(c) of the Ralph M. Brown Act,
 - i) The Center for Biological Diversity v. Dirk Kempthorne.et.al
 - ii) CalAm v. Seaside
 - iii) Palazzolo v. Sand City, et al
 - iv) State Water Resources Board Cease and Desist Order concerning California American Water Company
 - 2) In accordance with Section §54957.6(a) of the Ralph M. Brown Act,

regarding labor negotiations, labor negotiator: City Administrator

3) To confer with real property negotiator in accordance with Section §54956.8 of the Ralph M. Brown Act, real property negotiator Steve Matarazzo, Executive Director, regarding Sand City Desalination Plant, 321 Shasta Avenue and California American Water

8:39 P.M.

B. Readjourn 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

A1. (i-iv) Report from City Attorney

A2. Council gave direction to City Administrator

A3. Council gave direction to City Administrator

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council member Hubler, seconded by Council Member Kruper to the next regularly scheduled Council meeting on June 16, 2009 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 8:40 p.m.

Connie Horca, Deputy City Clerk

