

MINUTES

JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – March 16, 2010
7:00 P.M. CITY
COUNCIL CHAMBERS

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

Invocation was led by Reverend Robert Hellam.

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
 Connie Horca, Deputy City Clerk

AGENDA ITEM 4, CLOSED SESSION

The City Attorney determined that there was no need for closed session.

- A. City Council/Agency board to adjourn to Closed Session to confer with Legal Counsel regarding pending litigation in accordance with Section 54956.9(c) of the Ralph M. Brown Act,
 - 1) *CalAm v. Seaside*
 - 2) *State Water Resources Control Board Order WR 2009-0060*
 - 3) *Monterey Peninsula Water Management v. State Water Resources Control Board (No. M102101)*
 - 4) *CalAm v. State Water Resources Control Board*
 - 5) *Security National Guaranty, Inc. v. California Coastal Commission*

- 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.

AGENDA ITEM 5, COMMUNICATIONS

- A. There was no written communication distributed.

B. Oral

7:03 p.m. Floor opened for Public Comment.

There was no comment from the Public.

7:03 p.m. Floor closed to Public Comment.

AGENDA ITEM 6, CONSENT CALENDAR

The Consent Agenda consists of routine items for which City Council approval can be taken with a single motion and vote. A Council member may request that any item be placed on the Regular Agenda for separate consideration.

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 #295, Lambert Roofing (open storage), Oceanview Avenue
- (2) CUP #342, Dinner Heating & Sheet Metal (contractor), 720 Dias Avenue
- (3) CUP #389, Loren Speck Gallery (manufacturing), 591 Ortiz Avenue
- (4) CUP #390, GFI Pest Control (mobile office), 605 Redwood Avenue
- (5) CUP #410, Sand City Public Works (mobile office), Sylvan Park/Corp. Yard
- (6) CUP #482, Macaluso Electric (contractor), 570 California Avenue

B. There was no discussion of the Sand City Council Meeting Minutes, March 2, 2010.

C. There was no discussion of the Public Works Monthly Report, February 2010.

D. There was no discussion of the Police Department Monthly Report, February 2010.

E. There was no discussion of the City **Resolution** authorizing participation in a Multi-Agency Agreement for the Maintenance and Operation of a County-Wide Mobile Data Communication System and Rescinding former Sand City Resolution SC 10-24.

F. There was no discussion of the City **Resolution** authorizing the City Administrator to execute a Memorandum of Understanding for Data Sharing between the City of Sand City Police Department and Law Enforcement Agencies within the South Bay Information Sharing System (SBISS)-South Bay Region Node.

G. There was no discussion of the City **Resolution** Supporting Assembly Bill 1791 (AB 1791) related to FORA Redevelopment Efforts

H. There was no discussion of the City/Redevelopment Agency Monthly Financial

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

AGENDA ITEM 7, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled.

AGENDA ITEM 8, PRESENTATION

- A. Debbie Hale, from the Transportation Agency for Monterey County (TAMC), presented the proposed plan to construct a Light Rail Rapid Transit System for the Monterey Peninsula. TAMC's estimated ridership is 85% local travelers consisting of commuters, students, shoppers and tourists. The remaining 15% would use public transportation to connect to San Francisco or Salinas. The proposed Light Rail Project would provide alternate transportation from Monterey to Castroville. Debbie Hale introduced Kirsten Houshouer who provided an informational overview of the proposed project.

Ms. Houshouer reported that the light rail system would consist of high capacity vehicles capable to hold 100 passengers with the ability to add additional cars. These vehicles are more attractive to choice riders, allowing bicyclists and wheel chair bound individuals to travel. Phase I of the project would begin in Monterey and end in Marina with an operational start date projected to begin some time in 2015. Phase II of the project would extend from Marina to Castroville operating via a shuttle until the completion of the final phase. The project capital cost is estimated to be \$145 million and operating costs at \$2.9 million. The vehicles will operate every ten minutes during peak hours and every 20 minutes during off peak hours, with stations at several locations from Monterey to Marina. TAMC is looking at the Sand City Design Center, the Seaside Marina Station, Reservation Road in Downtown Marina, the Dunes at Monterey Bay and CSUMB as Transit Oriented Developments. The benefits of the light rail project would include air pollution reduction, safety, and easing traffic on Highway One. The project is presently in the environmental review phase, and this is expected to be completed in 2011. The next stage would be the Engineering and Design Phase from 2011-2012, the Construction Phase from 2012-2014 with the start of service estimated to begin some time in 2015, provided necessary funding is secured.

Mayor Pendergrass asked if cities would have to subsidize the operating cost in the future?

Ms. Hale responded that TAMC should have sufficient operating funds that will come from fares, and lease revenues from pipelines going through the rail right of way. TAMC is also working with the City of Marina to construct a transit oriented development on the Fort Ord property, which should provide a stream of revenue that could then pay into operations. Another source that may vary are State Public Transit revenues. If all else fails, TAMC would look into some kind of general public sales tax that would not come from the cities.

Council Member Kruper inquired if Public Art will be displayed at the stations.

Ms. Houshour replied that TAMC will work with the cities to see how they can contribute to that.

Mr. Matarazzo asked Ms. Hale if the Federal Government would give TAMC capital funds for construction without knowing how the operating subsidy will work?

Ms. Hale responded that TAMC will need a plan under the preliminary hearing phase and then an assurance under the construction phase. TAMC will continually work on issues of concern, which will be addressed in the final reports to the Federal Transit Administration (FTA).

AGENDA ITEM 9, OLD BUSINESS

- A Regarding the Beach Coastal Access project, City Engineer Richard Simonitch reported that the engineers ran into some problems with the subgrade. An old clay layer resurfaced causing some compaction problems. There may be a need to dig out part of the subgrade, and rebuild it with some kind of rock or better material. This can become costly estimated at \$40,000 dollars to redo the road. This course of action is not a viable option at this present time. Much of the cost is associated in hauling away the worthless material. Staff will present a resolution to the Council by the next council meeting.

On Monday, Cal-Am resubmitted to the Department of Public Health (DPH) the operations plan for the desalination plant. After a follow up phone call by the City Administrator, Sand City is possibly looking at getting the permit by this Thursday. There has been no communication from Cal-Am for several days, so it seems that everything at the plant is running smoothly, and Staff is looking forward to the four weeks acceptance testing.

Mayor Pendergrass commented that Mr. Simonitch served as the tour guide for the desalination plant tour following the Mayor's meeting on Friday March 5th.

Mr. Simonitch added that he gave a presentation in Fairfield, California on Sand City's desalination plant to the North Bay Engineers Club last Monday, with 30 engineers from all over the North Bay in attendance.

City Administrator Steve Matarazzo reported that he attended a water conference in Santa Barbara last week on 'Investing in California's Water Future'. Much of the conversation revolved around public and private partnerships because cities and counties; can not afford big projects any more. One person in attendance who was involved in desalination projects works for a company with 300,000 employees world wide. Most private sector people in this economic climate will not take the financial risk of a project without entitlements. Sand City's relationship with Cal-Am verified this fact. Another speaker, reported that the many biological opinions issued by the Fish and Wildlife Service have significantly reduced water supply throughout California and United States causing a "regulatory drought" across the country. Mr. Matarazzo concluded that the environmental report for the King Ventures Project should be distributed for public review soon.

Mr. Simonitch added that he will be meeting with the Seaside County Sanitation District Engineers to do the final sit down review on the Sewer Master Plan.

Mayor Pendergrass commented on the importance of this meeting with the sanitation department as Sand City had contributed to the extension of the large capacity sewer line on Del Monte that runs through the Auto Center.

Council Member Hubler reported he has received an overwhelming response from individuals who want to participate in the Juried Art Show from the Peninsula to the San Francisco Bay Area. The Art Committee was able to raise \$1,000 dollars for this event, which will be hosted by Ben and Lexann, the owners of the Sylvan Design Center. The art show will showcase 3 local artists as jurors, Susan Collins, Johnny Apodaca and Partick Orosco, from 5:00-9:00 p.m., March 20, 2010 at 613-A Ortiz Avenue. He thanked the Art Committee members, John Chappell, Elisabeth Ramirez-Fagan, Todd Kruper and Gay Morris for their hard work and effort in making this show possible.

AGENDA ITEM 10, NEW BUSINESS

- A. Mayor Pendergrass announced the upcoming Monterey Bay Regional Economic Forum to be held on April 23 at Embassy Suites. He encouraged the Council to attend this event hosted by the Association of Monterey Bay Area Governments and the Monterey County Business Council.

The City Council took a five minute recess at 8:55 pm.

- B. The City Council reconvened at 9:00 pm. The City Administrator Steve Matarazzo opened the workshop to address the City Administrator's goals for 2010. Any goals beyond this year would be considered long term goals, and should be specified as such due to the difficult economic climate.

Council Member Blackwelder's primary concern had to do with water and how the City would manage the water once the desalination plant is fully operation. The City should be informed of how much water is actually being used and the cost associated with it. Mr. Simonitch commented that Cal-Am will be making bi-weekly reports on the water production from the plant. A meter has been installed inside the plant that continues to monitor water production.

There was also concern about applications and permits for water once developers and property owners decide to make improvements to their properties. Standard procedure is for applicants to acquire a water permit from the Monterey Peninsula Water Management District prior to pulling a building permit from the City. Prior to the Water District issuing a permit, the City must authorize the release of water from its account. Given the current state of the real estate market, the City Administrator did not anticipate a "rush" of permit applications.

Council Member Kruper addressed the concern of developers requesting said amount of water that they would like to hold on too; and their proposed project may not be developed for another several years.

Mayor Pendergrass commented that a developer would need to come to the

City to obtain approval for a specific project, just as prior to the water supply crisis. The Water District will not issue a water permit unless the City has signed off on a project.

City Attorney Jim Heisinger added that there are 206 acre feet, nominally called The Sand City Water Entitlements which Sand City has the right to sell at a fractional interest. If someone would like to build a house and needs 2/10^{ths} of an acre foot, then pending the City approval process, we will give then some sort of letter that says the City will grant them 2/10ths of an acre foot. The applicant would submit the letter to the Water District and the applicant will then pay the appropriate fees to the district. The City will not charge additional fees.

Council Member Blackwelder raised the issue of parking in Sand City. The City originally wanted to see some kind of parking garage. If the City decides to construct a parking garage, it would seem feasible to see which streets can also utilize parking meters.

Council Member Hubler suggested that there should be some larger plan to address the parking issue and what the City will do to control it. The hiring of a code enforcement officer is a step in that direction. It would be a good idea to have some sort of policy regarding the procedure of a people friendly warning. Will this warning be in writing or verbal? How would the City support the implementation of this policy should there be a larger parking plan, and how would the parking of larger automobiles and trailers on City streets be regulated.

Chief of Police Michael Klein commented that Associate Planner Charles Pooler is presently working on an Ordinance with the City Attorney on parking related issues, primarily addressing the concerns of motor homes, trailers, tractors, and boats. After the appropriate signs are in place, violators would be warned, and once warned the City will deal with that through an administrative citation process. Obviously it would require a slow progressive educational process.

City Administrator Steve Matarazzo commented that this upcoming fiscal year budget will “not be pretty” but a parking implementation program regarding street redesign in the West End District can be placed in the budget as an optional item. Ortiz Avenue would be the first street that comes to mind as a demonstration project implementing part of the 2004 parking plan.

Mr. Heisinger added that what may be helpful to the Council would be to get an actual cost estimate of how much it would cost to construct a parking garage. In the late 1980's an in lieu parking program was started, and tied into the cost of on-site parking. The City would need to establish a realistic fee charged per space.

Council Member Blackwelder encouraged the Council to begin working on an implementation plan to address the parking issue while the City has this window of opportunity caused by the slow economy. There may be Federal funds that can help defray the cost for parking improvement.

The Council discussed the parking issues related to the 2009 West End Event

and how the public may be informed much sooner of the street closures. There was also discussion on the South of Tioga planned development by the Orosco Group. Due to the present economic climate, the developers have not decided on what type of development they will propose for the location. The question remains as to the viability of any type and need of commercial development in the area. There was also discussion on keeping the West End vibe alive and plans to replicate the ambience of the former Ol' Factory Café within the Design Center building.

City Administrator Steve Matarazzo referred to the illustration on how the City may improve its holdings on Dias Street. Staff will continue to work on acquiring property located on Dias Avenue.

City Staff will continue to work with the City Attorney regarding the prohibition of a medical marijuana dispensary in Sand City. The current adopted ordinance will stay in effect for several more months. This issue has expanded to several cities in California, each passing their own Ordinance. Many City attorneys within the State are dealing with this issue at some level, and the law is changing quickly.

In conclusion, Council Member Kruper supported review of parking implementation measures in upcoming budget discussions with the Council. Council Member Blackwelder mentioned utilizing the website's ability to present videos of the City's development and progress. Mr. Orosco had been contacted to provide photo's of the Design Center's future.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Mayor Pendergrass, seconded by Council Member Hubler to the next regularly scheduled Council meeting on April 6, 2010 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 9:12 p.m.

Connie Horca, Deputy City Clerk