



CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: Councilmember Susan M. Goldbeck

MEETING DATE: March 15, 2006

SUBJECT: CONSIDER REQUESTING STAFF TO PRESENT A
REGULAR WRITTEN REPORT ON THE STATUS OF SEWER
FUNDING, REPAIRS AND COMPLIANCE WITH THE
CONSENT DECREE TO BE GIVEN IN CONJUNCTION WITH
THE QUARTERLY FINANCIAL REPORTS *(continued from the
March 15, 2006 City Council meeting)*

RECOMMENDATION:

Direct Staff to Present a Regular Written report on the Status of Sewer Funding, Repairs and Compliance with the Consent Decree to be given in Conjunction with the Quarterly Financial Reports

DISCUSSION:

We have received reports in the last six months that the prior city manager, to put it kindly, finessed reports about money spent and repairs made related to the City's aging sewer system. It is my understanding that much of the money claimed to have been spent for sewer repair was used for other purposes.

This has not only given the City Council a distorted picture of what the true situation is with regard to sewer issues, it has caused the City to run afoul of what it agreed to do in the consent decree which you know arose from a lawsuit over sewer spills.

A failure to comply with this consent decree can carry with each failure substantial monetary penalties.

I think this City Council along with residents who have been assessed hefty raises in their sewer bills want to make sure the job is being done, that the money collected is being appropriately spent and that money expended is reported accurately and publicly.

While it is certainly appreciated that the current City Manager and City attorney have, apparently as a result of some timely and skillful face-to-face negotiation, have been able to resolve the current problems with the consent decree compliance and avoid substantial fines related to previous noncompliance.

The City Council needs to be on top of this issue to make sure that the money that is being taken in is resulting in sewer repairs and that we are complying with the consent decree.

It is my understanding that although the City was let off the hook in terms of penalties this time (new management, etc.) that this "pass" is unlikely to reoccur in the future.

I know that members of the City Council and the people of the City of Pacific Grove want to be kept informed about where this sewer money is going and what our progress is in getting this big job done.

It is true that this Council has had this sewer issue laid at our feet which resulted from decades of neglect of our aging sewers, but I think every Council that is sitting during the repair process is duty-bound to make sure the money given to us by our citizens to accomplish these repairs is being spent properly.

Nobody expects to have the sewers repaired overnight, but we are tasked as Council-folk to see that the job is being done on a reasonable schedule and that reports about where sewer money is being spent are accurately and timely reported.

Recommended Action: It is suggested that the Council request that a brief written staff report concerning sewer issues be presented to coincide with our quarterly financial reports which are given at public and televised Council meetings. These reports should include at least the following issues:

- 1) Status of the sewer fund that reporting period including description of money in and out
- 2) Description of work done that reporting period
- 3) Status report as to the extent we are meeting with compliance requirements in terms of the consent decree.

Other Council members may have other suggestions as to what should be included. This is our watch now, and I think we need to be very diligent on this critical issue.

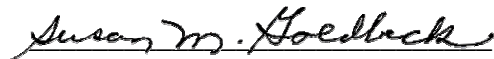
FISCAL IMPACT:

NONE

ATTACHMENTS:

NONE

RESPECTFULLY SUBMITTED:



Susan M. Goldbeck
COUNCILMEMBER