

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**  
**City Council Chambers**  
**Regular Meeting - January 16, 2001**  
**7:00 PM**

---

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

Reverend David Martin led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Blackwelder  
Vice Mayor Kline  
Councilmember Hubler  
Councilmember Kruper  
Mayor Pendergrass

Staff: Kelly Morgan, City Administrator  
Steve Matarazzo, Community Development Director  
Jim Heisinger, City Attorney  
Stan Kulakow, City Engineer  
Debra Taylor, City Clerk

**AGENDA ITEM 4, COMMUNICATIONS:**

- A. Written communications distributed to City Council this evening included the completed staff report and resolution authorizing award of the street tree planting bid (5-E); January 13<sup>th</sup> Herald article on the annual Monterey Peninsula Chamber of Commerce awards dinner (5-H); draft response letter to the Monterey Peninsula Water Management District on their proposed Ordinances 97 and 98 (8-A); January 16<sup>th</sup> Herald article on the businesses damaged by flooding (new 8-B); January 16<sup>th</sup> memo from Chief Klein on City flooding (new 8-B); January 13<sup>th</sup> Herald article on Carmel flooding (new 8-B); January 12-18 Carmel Pine Cone article on flooding (new 8-B); ISO notice on Stage 3 energy emergency (new 8-C); email from League of California Cities regarding energy conservation efforts, proposed Resolution and proposed letter to businesses/residents (new 8-C); January 14<sup>th</sup> Herald article: "California's Power System - What Went Wrong" (new 8-C); January 12<sup>th</sup> memorandum from AMBAG regarding AMBAG v. City of San Jose litigation (item 9-A-2); and summary of League conference for new Councilmembers orientation by Councilmember Kruper.

- B. The floor was opened at 7:07 p.m., but there were no oral communications from the public.

Due to matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, by Council consensus and in accordance to the Ralph M. Brown Act §54954.2(b)(2), two urgent items were added to the agenda:

- 8-B: to discuss the flooding problems that occurred in Sand City on January 11<sup>th</sup>; and  
8-C: to discuss energy problems/actions as proposed by the League of California Cities

#### **AGENDA ITEM 5, CONSENT CALENDAR:**

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

- A. There was no discussion of the January 2, 2001 Minutes.
- B. There was no discussion of the monthly Police Department Activity Report, December 2000.
- C. There was no discussion of the City/Redevelopment Agency Financial reports, November 2000.
- D. There was no discussion of the City **RESOLUTION Authorizing Health Benefit Increases for the 2001 Contract Year**. There will be an interim adjustment for the month of January from the previous single party rate of \$296 per month to \$343 (\$514.50 for single + 1/2 dependent cost), and the second adjustment will be effective on February 1<sup>st</sup> from the interim \$343 rate to \$361 per month (\$541.50 for single + 1/2 dependent cost).
- E. There was no discussion of the City **RESOLUTION Authorizing Award of the Street Tree Planting Work for Ortiz & Redwood Avenues and Hickory & Holly Streets in Sand City, California to Lister Construction, Inc.** The bids were opened this afternoon, consequently the staff report and resolution were distributed to City Council this evening. Two bids were received as follows: Lister Construction base bid was \$9,348 and alternate bid was \$7,638; Green Valley Landscaping base bid was \$6,270 and alternate bid was \$2,280. Green Valley did not include the required bid bond. An amount of \$8,550 has been budgeted for this tree planting program. The City Engineer may decide to mix 15-gallon and 5-gallon trees, therefore the bid award is not to exceed \$9,348 and will be awarded to Lister Construction, Inc.

- F. There was no discussion of the City **RESOLUTION Adopting Revision #1 to the Personnel Manual**. To rectify some concerns by members of the Police Department, recommended changes are being made to incorporate the Public Safety Officers Procedural Bill of Rights as well as allowing partial payout of accumulated paid time off (PTO). The Budget/Personnel Committee approved these proposed changes.
- G. There was no discussion of the City **RESOLUTION Approving Computer Services Arrangement with National Advanced Computer Systems (NACS, Inc.)**. Proposals were received from NACS, Inc. and Applied Digital Solutions (ADS) for computer service, maintenance, repair and technical support. ADS's proposal was more expensive and sophisticated than the level of service required by the City. NACS is offering an excellent rate of \$76 per hour (including travel time) for the next 12 months (their current rate is \$96 per hour). The Budget/Personnel Committee approved this proposed service arrangement with NACS, Inc.
- H. There was no discussion of Sand City's participation in the Monterey Peninsula Chamber of Commerce and approval of City **RESOLUTIONS Honoring Monterey Peninsula Chamber of Commerce Community Award Winners**
- (a) **Sylvia Panetta, Public Official of the Year Award Recipient**
  - (b) **Rob Pappani, Robert C. Littlefield Award Recipient**
  - (c) **Carol Todd, Citizen of the Year Award Recipient**
- I. There was no discussion regarding the ratification of the Mayor's nominations for Vice-Mayor/Redevelopment Agency Secretary, appointment of Sand City representatives to regional/intergovernmental organizations, and assignments to Sand City advisory committee's. A complete and updated list of appointments was included in the agenda packet.

Motion to approve Consent Calendar was made by Councilmember Blackwelder, seconded by Councilmember Kline. AYES: All members. NOES: None. Motion carried.

**AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR:**

No items.

*[To accommodate the public, the agenda was taken out of sequence, starting with the addition of item 8-B and 8-C.]*

## **AGENDA ITEM 7, OLD BUSINESS:**

- A. City Engineer Kulakow gave a report on the participation in the regional Phase 2 Storm Water National Pollution Discharge Environmental System (NPDES). In 1990 the EPA, as part of the NPDES, implemented the Storm Water Phase I rules to satisfy water quality requirements of the Clean Water Act for wastewater treatment disposal and reuse. Phase I required the participation of cities with a population of 100,000 and greater. Final Phase II rules were issued in January 2000 which require implementation in 2003. Cities and agencies on the Monterey Peninsula have formed a Technical Advisory Committee (TAC) to address these requirements. As a result, there is a proposal to organize cities and Monterey County to apply for a regional permit. Due to the existing percolation system at the Edgewater and Sand Dollar Shopping Centers, the City meets the Phase II requirements in these locations. The other part of the City drains to the 90" storm drain that outlets at Bay Street which was constructed by the City of Seaside. Only several local storm drains and numerous catch basins with the City are subject to the Phase II program which can be accomplished relatively easily.

BOB JAQUES (MRWPCA): Instead of each city going through individual permitting processes, MRWPCA would be the lead agency and get a county-wide permit which would involve cost sharing. Half of Sand City is exempt because of the Playa Avenue percolation systems which are self-contained. Both systems are maintained twice a year, based on the 100-year storm runoff, and work very well. The most effected area is Old Town. Phase II storm water management program has six elements: 1) public education and outreach, 2) public participation/involvement, 3) illicit discharge detection and elimination, 4) construction site runoff control, 5) post-construction runoff control, and 6) pollution prevention/good housekeeping. The objective is to reduce pollutants discharging into Monterey Bay. The City needs a device in the catch basin to filter oils in runoffs so the discharge is cleaner. If MRWPCA becomes the lead agency, this will save time and money for each city. A group of permittees may be the answer instead of MRWPCA as the focal point. MRWPCA does not want to be the main permittee with the cities as a sub-permittee.

City Administrator Morgan stated he concurred with the City Engineer's recommendations in the staff report. He has the following concerns: 1) hopes the regional participation does not end up costing the City more instead of as a stand-alone system; and 2) an exit strategy or alternative approach may be needed if there is a problem in the future with one member of the group that cannot or will not meet the new requirements. MRWPCA is a very good agency with good people and would be an excellent coordinator.

In response to a question by Councilmember Kruper, Mr. Jaques said that radio, television, and newspaper ads would cover all of Monterey County at a group rate for each city instead of duplicating efforts individually. Inspections and drainage pattern check work still has to be inspected, and conceivably they could do this work for a fee. Each city is responsible for runoff control in their own jurisdiction. Councilmember Blackwelder asked about reclamation efforts. Mr. Jaques reported that this was researched years ago and it is not worth the expenditures. Initial captures, treatment and re-injection into the ground is a tremendous cost and not high on the options list. The water must be very clean prior to re-injection.

The proposed letter to join in the regulation efforts and continue to participate to be signed by Mr. Morgan, was approved by consensus by the City Council.

- B. Community Development Director Matarazzo presented a rendering of the Sand City coastline: before/after. (This item was continued from the January 2<sup>nd</sup> meeting.) The City Council commissioned Olof Dahlstrand to do a rendering of the Sand City coastline. This image is now on computer disk and the image can be manipulated in the future. This is an excellent tool for presentations. The birds-eye view, derived from an ariel photograph, does not show a large visual difference in the before/after development comparison. A photo simulation ability will be investigated as well as color overlays. The bluff needs to be emphasized a bit more. The size of the image can be doubled, but detail will be lost. The City Council was pleased with the outcome of this rendering and looks forward to its use at future Coastal Commission meetings.
  
- C. Community Development Director Matarazzo gave an update on Sand City pending development projects. The City/Agency received 14 projects for the potential 3.4 acre feet of water. The process of staff analysis and rating system has not started. DBO and King Ventures may need water for their proposed projects. DBO wants assurance that there is an adequate water supply on the Robinette site. Granite Construction should start reusing the plant soon which will help to establish water credits. City Administrator Morgan reminded Council that Grimsley obtained a lease transfer to Granite Construction and staff just learned that they are getting ready to proceed at the site. They will be demolishing the old rig and importing one from Arizona. Staff re-advised them of their time restrictions on this site.

Morgan, Matarazzo and Kulakow had a meeting with Granite Rock today. They want to remodel their plant on California Avenue and their retail site in Seaside selling rock and marble. These are long-term plans. City staff is under the impression that Seaside will not use eminent domain against Granite Rock's property along Del Monte Avenue. Granite Rock is the ninth highest sales tax contributor in Sand City from their sand/concrete sales.

City staff meets with Seaside City Manager on Monday to discuss mutual interests and concerns.

- D. Progress report on Public Works projects, City water project, and other Sand City development projects by City Engineer Kulakow. As discussed earlier this evening, there needs to be cooperation from Seaside on addressing the storm water drains and come to a positive solution. The old 36" pipe needs to be removed as soon as possible for safety reasons. The street tree bid was awarded this evening and planting should start early in February. He hopes the bicycle trail lighting will be bid soon and will report progress at a future Council meeting.

Vice-Mayor Kline expressed concerns about the fencing, or lack of fencing (for safety reasons) near the storm drain outlet, on Bay Avenue. Would grating over the storm outlet pipe be considered to keep large items from entering the system? Councilmember Blackwelder stated that because of Seaside's lack of interest or failure to respond that Sand City has paid and been responsible for many safety issues (striping, intersection work, storm drains) and he is concerned that this has set an expectation by the City of Seaside to continue to do the same.

#### **AGENDA ITEM 8, NEW BUSINESS:**

- A. City Attorney Heisinger reported on the proposed Water District Ordinance 97 amending water use credit transfer rules, and Ordinance 98 amending residential water fixture unit values. A response letter was distributed this evening. Ordinance 97 purports to remove water credit transfers unless 13 rules are followed, some of which are being revised. He has concerns about #7 and #10 revisions and hopes it does not effect water credits that have already occurred, but a water permit has not been issued to the new use by the Water District. The Water District wants to prohibit the two-step plan of transferring residential water to businesses, and take out "valuable consideration" (payments) given in exchange. Approved water credits that have not been permitted are at risk. The draft letter will be amended prior to the Mayor's signature and mailing. City Administrator Morgan said that Ordinance 95 has expired and none of these restrictions are currently in place. Community Development Director Matarazzo reported that at the last PAC/TAC meeting, Ordinance 98 was discussed.
- B. In accordance with §54954.2(b)(2) of the Ralph M. Brown Act, this urgent item was added to the agenda to discuss the flooding problems that occurred in Sand City on January 11<sup>th</sup>. Police Chief Klein distributed photos of the localized flooding. City Attorney Heisinger reported that property owners and residents have to consult with their own legal counsel regarding potential claims for damages. The City of Seaside owns the outflow drain that became plugged during these unusually harsh tidal conditions. Sand City Public

Works responded but did not have the equipment necessary to alleviate the situation. The City of Monterey and Public Works Director Bill Reichmuth provided a backhoe to remove the debris from the storm water outfall at Bay Avenue.

City Engineer Kulakow gave a history of the storm water drain system. In the 1950's the storm drain was a 36" corrugated pipe which was abandoned in 1967. In conjunction with improvements to Highway One, the pipe was re-laid with a 90" concrete pipe, based on a study by Seaside. The outfall channel is what became plugged with sand and debris at the coastal outfall. The City of Seaside owns the pipe and is responsible for maintenance. They were unable to respond in a timely manner on January 11<sup>th</sup> when the flood occurred. In the 35-year life of this system, this is the first plugging that he is aware of that would cause this flooding on Ortiz Avenue and Redwood/John Street. A report on the flooding and debris problem was distributed to Council. The City Engineer also outlined a proposed "relief valve" device that should help prevent this storm water backflow in the future. (See the full list of items distributed under agenda item 4-A.)

The floor was opened for public comment.

KEN LARKIN (Colton Heating, 449 Redwood Avenue): His business was greatly impacted by this flooding which caused significant damage to supplies. He thanked City Administrator Morgan for coming down and talking with concerned citizens and business owners. He showed photos during/after flooding and the impacts of 2' of water that flooded his shop causing damage to hand tools, equipment, etc. His third set of photographs showed efforts to date in removing the effected walls and floors damaged by the flooding. In response to a question by Councilmember Kruper, Mr. Larkin said it took about 20 minutes for the water to hit floor level. He hopes the City can help with a solution and not allow this to happen again. He feels it is Sand City's responsibility to maintain drains and the safety of its tax paying businesses and citizens. They are still checking with their insurance agent to see if anything will be covered.

MANUEL CASTILLO (Central Wholesale Electrical Distributors, 449 Ortiz Avenue): Shared his photos with the City Police Department. At 11:17 a.m. the flood waters start rising, by 11:30/11:40 a.m. it was in their parking lot. They called the Sand City Police Department and were told that a crew would be out to help. City staff could not get through the streets (due to high water) and they could not stop the water from coming in. In some places, water was up to their knees. This was contaminated water and their wholesale supplies were damaged/destroyed - portions of their inventory was ruined. They have insurance for their store, and they will be looking for Sand City's response at the February 6<sup>th</sup> Council meeting.

BILL BURKLEO (Burkleo Roofing, Ortiz Avenue): He was out of town on January 11<sup>th</sup> and only experienced the aftermath. He shared photos taken at his business. Many of their supplies were up high, others were not. To date, they have discarded seven full pallets which include nails, screw guns, etc. Cleaning out sheetrock and insulation has been dirty work. He hopes this will not happen again. Is there any device available to stop future backflow? If not, there should be. How often is Seaside responsible to clean the drains? Any special storm procedures taking place to check the drains, and was it done?

Mayor Pendergrass reported that the City had asked Seaside Public Works Director Diana Ingersoll what they are doing, to which the response was "watching everyday." He went on to describe some of the debris that caused the blockage. At this time Seaside helped the clean-up efforts at the outfall area. The two city engineers (Sand City and Seaside) are working closely to prevent this happening again. Mr. Burkleo again stressed that they would like the City to answer questions regardless of who is responsible. His insurance does not cover floods. It looks like no-one here wants to help these people who have lost so much inventory and have damaged interiors. It was a scary thing to happen.

City Engineer Kulakow discussed the proposal to add an overflow drain to relieve that type of blockage. Monterey Fire Department also suggested adding a 2½" hydrant to help flush the drains, or add "flap gates" so it cannot backup. He also discussed maps in his extra handout this evening which showed catch basins in Seaside and Sand City. Ortiz and Redwood are 13' above sea level; with 7½' at the outlet pipe. The overflow has to be at an elevation less than 13'. Many years ago it was decided to drain all this into the bay. The outfall has to be monitored much more carefully. This is the first time flooding has occurred, but he will not assume it won't happen again. Mayor Pendergrass said that as soon as the source of the problem was discovered it made a rapid difference once the blockage was dislodged. The City is very sympathetic to their situation but does not feel liable and did their very best to correct the problem. Staff is still assessing the situation and the City Council appreciates testimony this evening.

Councilmember Blackwelder (also effected by the flooding) asked if Seaside has been maintaining the drains? City Engineer Kulakow stated "periodically." In response to another question by Councilmember Blackwelder, he said that it is hard to determine if the flooding still would have occurred with less debris because of the action of the tides. Staff periodically requests that Seaside perform maintenance which they eventually get to. The City wants a better schedule and monitoring by Seaside Public Works crew. A number of steps have to be re-assessed.



In answer to a question from the public, Police Chief Klein stated the outfall line is Seaside's responsibility. The Seaside backhoe took longer to get there than the one from Monterey. In response to a question from the audience, Mr. Morgan said that the City of Seaside was called. Sand City staff saw Seaside staff checking the drain. The Seaside City Manager called 15 minutes later and said that the Seaside Public Works staff felt it was unsafe to clear the drains due to the storm surge. Sand City did not know the drain was blocked until the flooding started to occur. The City did not wait for a response from Seaside to deal with the blockage, but called Monterey for assistance and they were quick to respond.

Councilmember Blackwelder said the drain should work properly and that Seaside needs a better handle on this with scheduled maintenance. It is not Sand City's responsibility and staff did a good job. Mr. Morgan said that staff will continue to document this situation and damage to property, and report back at the February 6<sup>th</sup> Council meeting. This report may include engineering options, cleaning schedule, etc.

- C. In accordance with §54954.2(b)(2) of the Ralph M. Brown Act, this urgent item was added to the agenda to discuss energy problems/actions as proposed by the League of California Cities. (Please refer to item 4-A for materials distributed this evening.) Due to the energy crisis in California, Governor Davis has asked all citizens and businesses to voluntarily reduce electricity use by 7%. A proposed letter, handouts and **RESOLUTION Supporting Implementation of Energy Conservation Measure and Strategies** is being recommend by City staff. Stage 3 rolling blackouts will continue to occur until energy reductions are made and/or until the State finds a solution to the energy crisis.

Motion to approve staff recommendations and City Resolution, by title only, was made by Mayor Pendergrass, seconded by Councilmember Kline. AYES: All members. NOES: None. Motion carried.

9:13 P.M. Recess  
9:22 P.M. Reconvene

#### **AGENDA ITEM 9, CLOSED SESSION:**

- A. City Council adjourned to Closed Session to confer with legal counsel regarding pending and existing litigation, in accordance with the Ralph M. Brown Act:
- (1) Section 54956.9(a) entitled Sierra Club v. Sand City et al. (Case No. M42342 Superior Court, Monterey)
  - (2) Section 54956.9(c) entitled AMBAG v. City of San Jose (Cisco Project)


- B. City Council readjoined 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.

No action was taken on item 9-A(1).

On item 9-A(2) there was a motion to contribute \$500 towards lawsuit costs as made by Mayor Pendergrass, seconded by Councilmember Kline. AYES: All members. NOES: None. Motion carried.

**AGENDA ITEM 10, ADJOURNMENT:**

- A. Motion to adjourn was made by Councilmember Kruper, seconded by Councilmember Kline, to the next regularly scheduled City Council meeting on February 6, 2001, 7:00 p.m. There was unanimous Council consensus to adjourn at 9:50 p.m.



---

Debra Taylor, City Clerk