



MINUTES
of the Budget Workshop
Monterey Regional Water Pollution Control Agency
Board of Directors
June 10, 2002

1. CALL TO ORDER

The Regular Meeting of the Board of Directors of the Monterey Regional Water Pollution Control Agency was Called to Order by Chair Shirrel at 7:00 p.m. on Monday, June 10, 2002, in the Board Room of the Administrative Offices at 5 Harris Court, Building D, in Ryan Ranch.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

BOARD MEMBERS PRESENT:

Peggy Shirrel, Chair	Moss Landing County Sanitation District
Ramiro Cortez	Boronda County Sanitation District
Carlo Cortopassi	Castroville Service Area 14
Jack D. Barlich	Del Rey Oaks
Tom Moore	Marina Coast Water District
Theresa Canepa	Monterey
Judy Pennycook	Monterey County [7:02 p.m.]
David Pendergrass	Sand City
Dewey J. Baird	U.S. Army - Ex-Officio

BOARD MEMBERS ABSENT:

Morrie Fisher, Vice-Chair	Pacific Grove
Gloria De La Rosa	Salinas
Darryl Choates	Seaside

STAFF PRESENT:

Keith Israel	General Manager
Robert Wellington	Legal Counsel
Robert Jaques	Director of Engineering Planning and Technology
John Tiernan	Director of Administrative Services
Dan Mizerski	Director of Wastewater Facilities

Minutes

MRWPCA - Budget Workshop

June 10, 2002

Page 2

Tom Buell	Director of Finance
Deborah Fortune	Executive Assistant
Kay Bardin	Director of Finance
Lindsay Synstebly	Customer Service Representative II
Mark Malanka	Maintenance Program Coordinator

OTHERS PRESENT: None

AUDIENCE: None

4. PUBLIC COMMENTS

[At 7:01 p.m., with no comments received, Chair Shirrel opened and closed Public Comments.]

5. 2002/03 BUDGET SUMMARY

A. Budget Comments

Mr. Israel reported the most notable accomplishment during the past year was the final approval of the Third Amendment with Monterey County Water Resources Agency (MCWRA) and, for the coming year, no residential rate increase for the eleventh year.

B. Revenues and Staffing

Mr. Buell reported that MRWPCA remains a leader in residential rate charges compared with other facilities in California. Unique opportunities for revenue generation during the last year came from several member entities seeking program assistance from MRWPCA (i.e., PG Grease Program, PG Public Outreach Grease/Storm Water, and Salinas Storm Water Inspection). Further revenue is expected from PG&E power, use of General Fund interest only and a carryover from 2001/02.

Staffing will be reduced by .5, and painting will be contracted out during fiscal year 2002/03.

C. Debt Service and Reserves

Mrs. Bardin summarized the year-end budget preparation and monthly expenditure processes followed by the Accounting Department as they work closely with staff in the nine individual departments.

On Powerpoint slides, Mrs. Bardin showed computer screen samples of the Accounting Department's new software, which included Account Summary, Account Activity, and Invoice Detail, and emphasized that there are now layers of valuable detail available to track each expenditure.

D. O&M Expenditures

Mrs. Bardin reported that the 2001/02 Budget versus estimated expenditures shows a variance of \$19,686 under budget (<-0.2%). For 02/03, there is a \$597,263 combined increase in salary/benefits, operating supplies, contract services, electricity costs, and preventative maintenance and repairs. And, reflects a decrease in training and chemical costs.

E. Capitalized Equipment

Mr. Buell reported that spending in this category remains consistent with previous years and there is adequate funding for capital needs.

F. Capital Projects

Mr. Malanka reported that 2001/02 carryover in capital projects will include the co-generation upgrade, submersible pump for the Castroville Pump Station, variable speed drive for the Monterey Pump Station, variable speed drive for the Salinas Pump Station, and Admin office entryway renovations.

New projects earmarked for the 2002/03 Budget include, Admin office expansion, roofing at the RTP facilities, SAPS chemical feed system, and upgrades to the liquid waste facilities.

Proposed studies for the coming year include wastewater area survey, wastewater allocation plan, odor control, and power purchase from MRWMD. Proposed non-capital projects will include ocean outfall inspection and some cleaning, land outfall inspection, and urban reclamation.

G. Reclamation

Mr. Buell reported that based on a production of 13,680 acre-feet of recycled water, the 2002/03 Recycled Water Plant budget is about \$1.5 million. And, along with that same acre-feet of recycled water along with 5,860 acre-feet of well water, the 2002/03 Distribution System budget is slightly over \$1.3 million.

Mr. Buell thanked staff and all the departments for the great team effort put forth in putting together the budget.

H. Board Member Comments

Mrs. Canepa and Chair Shirrel thanked Mr. Buell and requested that staff be thanked for a job well done!

Minutes

MRWPCA - Budget Workshop

June 10, 2002

Page 4

[At 7:38 p.m., Chair Shirrel adjourned to Closed Session.]

6. CLOSED SESSION

A. Conference with Labor Negotiator

1. MRWPCA Negotiator: Keith Israel

[At 8:03 p.m., Chair Shirrel adjourned Closed Session and reconvened Open Session.]

Mr. Wellington announced that in Closed Session the Board received information from the Agency's Negotiator, Mr. Israel, on the status of negotiating items; no action was taken.

7. ADJOURNMENT

With no further business, the meeting adjourned at 8:04 p.m. to the next Regularly-Scheduled Meeting on Monday, June 24, 2002, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

Peggy Shirrel, Ph.D.
Chair of the Board of Directors

Date Passed: June 24, 2002