



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
July 25, 2005

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 Pendergrass at 7:00 p.m. on Monday, July 25, 2005, in the Board Room at 5 Harris Court, Bldg. D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

BOARD MEMBERS PRESENT:

Dave Pendergrass, Chair	Sand City
Carlo Cortopassi, Vice Chair	Castroville Service Area 14
Ramiro Cortez	Boronda County Sanitation District
Joe Russell	Del Rey Oaks
Butch Lindley	County of Monterey
Charles Scholl	Marina Coast Water District
Jeff Haferman	Monterey
Peggy Shirrel	Moss Landing County Sanitation District
Dan Cort	Pacific Grove
Roberto Ocampo	Salinas
Dewey J. Baird	U.S. Army - Ex-Officio

BOARD MEMBERS ABSENT:

Darryl Choates	Seaside
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STAFF PRESENT:

Keith Israel	General Manager
Rob Wellington	Legal Counsel
Jim Heitzman	Assistant General Manager
Tom Buell	Director of Finance
John Tiernan	Director of Administrative Services

Betty Nebb	Executive Assistant
Ed Oyama	Lead Engineer
Karen Harris	Community Relations
Bob Holden	Recycled Water Engineer Coordinator

OTHERS PRESENT: Les Turnbeaugh – City of Monterey
Carl Niizawa – City of Salinas
Curtis Weeks – Monterey Country Water Resources Agency

AUDIENCE: 2

4. PUBLIC COMMENTS

[At 7:04 p.m., with no comments received, Chair Pendergrass opened and closed Public Comments.]

5. CONSENT AGENDA

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Cort, the Board unanimously approved the Consent Agenda, Items A through G as follows:

- A. Approve Minutes – Regular Meeting, June 27, 2005:**
- B. Receive Comparison Percentage of Budget Expended Through June 2005 vs 2004**
- C. Receive Check Register – June 2005**
- D. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Fort Ord and Marina – June 2005**
- E. Receive Actual vs. Budgeted Fiscal Year 2004/05 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund**
- F. Receive Actual vs. Anticipated Fiscal Year 2004/05 Revenues from Capacity Charges**
- G. Accept Residential Dwelling Unit Aggregate as of June 30, 2005**

6. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. BUDGET / PERSONNEL COMMITTEE

After some discussion, Chair Pendergrass asked the Board to first consider approving the minutes of the Budget/Personnel Committee meeting before considering action on adopting Resolution 2005-10.

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Lindley, the Board unanimously approved the Budget/Personnel Committee minutes for Thursday, June 9, 2005, which included the following recommendations:

- That the Board approve the purchase of two FKC Screw Presses and ancillary FKC screw press equipment for the amount of \$1,068,860.
- That the Board approve establishing an Employee Retirement Health Savings Plan.

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Cort, the Board unanimously adopted Resolution No. 2005-10, Establishing the Vantagecare Retirement Health Savings (RHS) Program.

B. RECYCLED WATER STORAGE COMMITTEE

ACTION TAKEN: On a motion by Mr. Lindley, seconded by Mr. Haferman, the Board unanimously approved the Recycled Water Storage Committee minutes for Friday, June 10, 2005.

C. SOURCE CONTROL COMMITTEE

Chair Pendergrass noted a correction to the Committee minutes. Mr. Buell indicated on page 58 on Item 2.2 where it states "20,000 gallons," it should state "17,529 gallons."

Mr. Cort, on behalf of the City of Pacific Grove, asked for a waiver of the capacity fee, at least temporarily, as the City staff considers other options for recycling storm water runoff. In Pacific Grove there are two new projects, the Golf Course and the Senior Residential Center that are being retrofitted. More importantly, they are looking at the backbone of the Golf Course as a possible recycling source.

Mr. Israel stated once a request for a waiver is made by any entity, it would be reviewed at the staff level and then may go forward to the Recycled Water Storage Committee for consideration. Chair Pendergrass continued by stating that any waiver or exception to the policy can be made once we have the policy in place. Mr. Cort stated subsequent to the establishment of the policy, the City of Pacific Grove would submit a request for review and a determination for a waiver of the capacity fee.

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ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Lindley, the Board unanimously approved the Source Control Committee minutes for Friday, June 10, 2005, which included the following recommendations:

- That the Board approve the recommendation from staff to accept Option 2, Baseline Fee Waiver, for assessing Capacity Fee for Storm Water Diversion.
- That the Board adopt the revised Criteria for Acceptance of Urban Runoff, and that Pacific Grove Project be required to meet the provisions of the revised criteria.

7. INFORMATIONAL ITEMS

A. Fort Ord Issues Status Summary

No questions or comments.

B. Reclamation Project Status Summary

No questions or comments

C. Strategic Planning Goals (2005-2008)

No questions or comments.

8. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Israel, referring to page 36 of the agenda packet, stated each month we report on how the plant is performing and on the chart referring to the effluent suspended solids and BOD discharge by month, it typically shows an increase each spring. This year, however, Mr. Heitzman and staff have worked hard and have done a great job of keeping the numbers down as they develop better understanding of how the plant operates.

Mr. Israel also commented on the Brine Hauling project that has become extremely effective with salts now down about 10%. He recently gave a presentation in Santa Clara about our salt reduction project and learned we are the only ones approaching it from source point of view rather than dealing with residential softeners. It seems we have established an approach that may have implications for other locations, especially if they have a lot of commercial businesses. We are working to get our permit amended so we can take more brine and thus be able to make further reductions in the salt levels.

Mr. Lindley asked if the lack of a spike in the BOD discharge could be a result of the amount of rain we have had this spring. Mr. Heitzman responded that it has a lot to do with better understanding of the trickling filter and the advanced primary treatment to lessen the chemical load on SVRP. This winter, MCWRA

gave approval to experiment with chemical levels and that is also part of the result you see. We will continue to do a lot more sampling all winter long.

B. Department Head(s)

Mr. Tiernan acknowledged that the final approved budget for fiscal year 2005/06 has been presented to the Board members. Mrs. Shirrel commented that the budget package is clear and easy to understand.

Mr. Heitzman commented that staff members have asked that thanks be extended to the Board and General Manager for their efforts to develop the retirement medical savings plan. Several have said that if they had another 25 years to give to the work site, they would love to give it to MRWPCA.

Mr. Buell reminded the members that Lower Ragsdale Road will be closed for construction for the next six months. Access into Ryan Ranch will be from York Road or from General Jim Moore Boulevard to South Boundary Road. Mr. Russell added that South Boundary Road would be open from 4 am to 8 pm. A map showing the detour was given to each Board member.

C. Presentation(s)

Chair Pendergrass introduced Curtis Weeks, General Manager for Monterey County Water Resources Agency, who provided a presentation on "Regional Urban Water Supply Management Structure." Mr. Weeks stated the presentation discusses the opportunity to work together towards solving and developing a government structure for a water supply for our Northern Monterey County cities and urban areas. Handouts of the presentation were given to Board members and audience.

Mrs. Shirrel asked if a glossary could be made available for the presentation and Mr. Weeks concurred that it could be helpful.

Mr. Cort asked about the financing needed for the planning and development of a desal plant and some discussion followed. Mr. Weeks concluded that for a regional desal plant the costs would be \$250 million or more. He continued by saying we have exploited our inexpensive water resources and about 95% of the County's water comes out of the ground. We have, therefore, nearly maxed out that water supply resource. Surface water supply is getting more difficult to develop because of the balance and demands on habitat and fisheries, as well as other issues. Developing surface water supply is going to be expensive. Ultimately our customers are going to be the foundation for developing the revenue and so it is important to develop the most cost effective solution and it may not be just one big project.

Mr. Weeks continued by saying the partnership with MRWPCA has resulted in premier uses of recycled water as a true water supply augmentation in the form

of the recycling project in Castroville. It helps stretch out water resources by taking the ground water we have already used and are using again and again. There is a great deal of conservation throughout the community, agriculture and urban both, but we have stretched those resources and so today we are looking at new ones for our urban customers.

After further discussion, Mr. Israel stated another group was making a trip to Orange County and requested Mr. Weeks or someone from his office be encouraged to join in. He presented him with a brochure from WateReuse Association that featured ten case studies of recycled water usage with MRWPCA included.

Mr. Pendergrass asked when the formation of the governance group would be completed and able to go forward. Mr. Weeks responded that the Monterey Bay Area Managers Group is currently working on a form of agreement that could possibly be brought to various organizations for consideration. They are hoping to have something concrete for the Town Hall meeting MPWMD is holding on August 25.

9. BOARD MEMBER COMMENTS

Chair Pendergrass announced that there is another trip to Orange County planned for August 3 and 4 with eight Board members representing MRWPCA, MCWD and MPWMD. A third trip is being considered at the end of September or first of October for Board members who have not yet been able to make the trip.

Mr. Haferman referred to a news article from Lake Tahoe regarding a sewer leak created by contractor doing construction. Mr. Israel stated the contractor and their insurance carrier will be facing a very substantial fine. The agencies in that area have created an expansive spill prevention program because of concerns for maintaining clarity of the waters of Lake Tahoe. Further discussion stated that there is a 1-800-Don't Dig Here information line and MRWPCA is a member. Additionally, we are including magnetic tape with PVC pipes so they can be identified easily.

Mrs. Shirrel thanked staff for including the Pipeline Newsletter with Board materials.

[At 7:45 p.m., Chair Pendergrass convened to Closed Session.]

10. CLOSED SESSION

- A. Conference with Labor Negotiator**
 - 1. Agency Negotiator: General Manager**
 - 2. Unrepresented Employee: Assistant General Manager**

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B. Personnel Matter

1. Public Employee Performance Evaluation: General Manager

[At 8:10 p.m., Chair Pendergrass adjourned Closed Session and reconvened Open Session.]

Chair Pendergrass introduced legal counsel, Rob Wellington, who reported that the Board considered the two agenda items as listed under the Closed Session, Conference with Labor Negotiator. He noted that the Board had conducted its annual evaluation of the General Manager and then, by two separate actions, both unanimous, the Board approved for the General Manager and the Assistant General Manager the COLA of 4% (which is the same as the rest of the MRWPCA employees); a 5% range adjustment; and an annual \$7,500 supplemental payment contribution to the PARS retirement system. No other action was taken; the Chair indicated that he will review the General Manager performance evaluation with Mr. Israel in the very near future.

Mr. Israel expressed his appreciation for the Board's support for himself and the Assistant General Manager and acknowledged the excellent progress that has been made over the last year. Mrs. Shirrel and Mr. Cort stated appreciation for staff's efforts and loyalty.

11. ADJOURNMENT

With no further business, Chair Pendergrass adjourned the meeting at 8:14 p.m. to the next regularly scheduled Board Meeting in the Board Room at 5 Harris Court, Building D, on Monday, August 29, 2005, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

Dave Pendergrass
Chair of the Board of Directors