



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
July 31, 2006

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 7:04 p.m., on Monday, July 31, 2006, in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

Chair Shirrel invited newly appointed Mayor of Pacific Grove, Dan Cort, to lead the Pledge of Allegiance.

3. ROLL CALL

BOARD MEMBERS PRESENT:

Chair Peggy Shirrel	Moss Landing Sanitation District
Director Ramiro Cortez	Boronda County Sanitation District
Director David Lewis	Castroville Water District
Mayor Joe Russell	Del Rey Oaks
Director Kenneth Nishi	Marina Coast Water District
Councilmember Jeff Haferman	Monterey
Mayor Dan Cort	Pacific Grove
Mayor Dave Pendergrass	Sand City
Chief Dewey J. Baird, Utilities Branch	U.S. Army, Ex-Officio

BOARD MEMBERS ABSENT:

Supervisor W.B. "Butch" Lindley	Monterey County
Councilmember Gloria De La Rosa	Salinas
Councilmember Darryl Choates	Seaside

STAFF PRESENT:

Keith Israel	General Manager
Jim Heitzman	Assistant General Manager
Rob Wellington	Legal Counsel

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John Tiernan	Director of Administrative Services
Lindsay Synstebly	Customer Service Supervisor
Gary Weier	Source Control Supervisor
Garrett Haertel	Compliance Engineer
Bob Holden	Recycled Water Project Coordinator
Betty Nebb	Executive Assistant
Lonnie Fredrickson	Administrative Support Specialist II

OTHERS PRESENT: Bjorn Lundquist – Seaside
Brian O'Connor – Hutchinson, Shockey, Erley & Company
Eric Tynan – Castroville Water District

AUDIENCE: 1

4. PUBLIC COMMENTS

At 7:06 p.m., with no comments received from the public, Chair Shirrel opened and closed Public Comments. She announced the transfer of sewer functions and assets from CSA 14 to Castroville Water District and introduced and welcomed representative, David Lewis, to the Board.

5. CONSENT AGENDA

Mr. Nishi requested Item G be pulled from the Consent Agenda for further discussion.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Russell, the Board unanimously approved Consent Agenda Items A-F and H-J, as follows:

- A. Approve Minutes – Regular Meeting, June 26, 2006**
- B. Receive Check Register – June 2006**
- C. Receive Actual vs. Budgeted Fiscal Year 2005/06 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund**
- D. Receive Actual vs. Anticipated Fiscal Year 2005/06 Revenues from Capacity Charges**
- E. Receive Residential Dwelling – Unit Aggregate as of June 30, 2006**

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- F. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina Plant, Fort Ord, and Castroville for June 2006**
- H. Reject Bids for Janitorial Services**
- I. Approve Annual Purchases in Excess of \$25,000**
- J. Approve Resolution 2006-18, Adopting Policies and Procedures for Providing Priority Service to Affordable Housing Projects Pursuant to Government Code Section 65589.7**

Regarding Item G, Mr. Nishi advised against going out for a bond issue when there is money in reserves. Mr. Pendergrass pointed out the item had been previously approved through the budgeting process. Mr. Haferman requested comments from staff. Mr. Buell responded that issuance of bonds was part of balancing the budget and was scheduled to go forward. He assured the Board this item would come back for review in the event of an unsatisfactory interest rate.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Haferman, the Board approved, with one dissenting vote from Mr. Nishi (7:1), Consent Agenda Item G as follows:

- G. Approve MRWPCA Resolution 2006-17, Authorizing the Issuance and Sale of Wastewater Revenue Bonds in the Principal Amount of, Not to Exceed, \$10,500,000 and Approve the Related Documents and Actions**

6. PUBLIC HEARINGS

A. Staff Report on Proposed User Fee Increase and Board Questions to Staff

Mr. Tiernan reported, in response to notices in the newspaper and 45,000 notices sent by mail advising customers of a 3.1% fee increase (the second increase in 14 years), the Agency received three letters of protest and one letter of support. Mr. Wellington noted that about 23,000 complaints would be required to justify rescinding the increase. Mr. Tiernan advised staff recommends approval of an ordinance to increase the user rate from \$9.70 to \$10.00 per month.

B. Comments from the Public

With no comments from the Public received, Chair Shirrel opened and closed the Public Hearing.

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C. Board Discussion

No discussion.

D. Adopt MRWPCA Ordinance 2006-02, Amending Ordinance 2001-01, in part, to change the MRWPCA Sewer User Fee Rate

ACTION TAKEN: On a motion by Mr. Lewis, seconded by Mr. Haferman, a roll call vote was taken and the Board unanimously approved adoption of MRWPCA Ordinance No. 2006-02, Amending Ordinance 2001-01, in part, to change the MRWPCA Sewer User Fee Rate.

7. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. Recycled Water Storage Committee

1. Receive and Approve Committee Minutes/Report Thursday, July 13, 2006

Mr. Haferman asked about future plans for the new claymation video *Wally World, Part 1*, which was previewed by the Committee. Mr. Heitzman advised it was prepared for the annual AMKBAG Water Forum and will also be made available for viewing by councils, elementary schools and the public at large. Mr. Israel noted that this newest video is currently being edited and will be brought to the Board in the near future.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Cort, the Board unanimously approved the Recycled Water Storage Committee Minutes for Thursday, July 13, 2006, with the following recommendation:

- Information Only – No Action Taken

B. Budget/Personnel Committee

1. Receive and Approve Committee Minutes/Report Monday, July 17, 2006

ACTION TAKEN: On a motion by Mr. Cort, seconded by Mr. Russell, the Board unanimously approved Budget/Personnel Committee Minutes for Monday, July 17, 2006, with the following recommendation:

- That the Board approve the amendment of HDR Engineering, Inc., Design Contract in the amount of \$45853 to complete the redesign effort for the Biosolids Dewatering Facility Project

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8. ACTION ITEMS

- A. Approve resolution 2006-19, A Resolution of Appreciation from the Board of Directors of MRWPCA to Carlo Cortopassi for his service as a Director since August 2000**

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Haferman, the Board unanimously approved Resolution 2006-19.

Chair Shirrel presented the resolution to Mr. Cortopassi. Mr. Israel presented him with an MRWPCA cap with words of praise and appreciation for his six years of service on the Board and many committees on which he served. Mr. Cortopassi presented Chair Shirrel and Mr. Israel with long-stemmed artichokes grown with "refreshed" water processed by MRWPCA.

At 7:17 p.m., Chair Shirrel temporarily adjourned the meeting for refreshments and photo opportunities with Director Cortopassi.

At 7:34 p.m., Chair Shirrel reconvened the meeting.

9. INFORMATIONAL ITEMS

- A. Fort Ord Update**

No questions or comments.

- B. Reclamation Project Status Summary**

Mr. Israel pointed out the addition of the Water Quality and Operations Committee meeting minutes to the report. No further questions or comments.

- C. Strategic Planning Goals (2005-2008)**

No questions or comments.

10. STAFF REPORTS

- A. General Manager/Assistant General Manager/Legal Counsel**

Mr. Israel advised:

- NRDC appears to be willing to support the updated *Regional Storm Water Plan Update*;
- CASA is offering ethics training next week (August 10); Special Districts will hold an ethics class at the RTP in October; and,
- Special District newsletter is available on Board Room counter.

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B. Department Head(s)

Mr. Tiernan announced publication and distribution of the completed MRWPCA Budget for FY 2006/07. Mrs. Shirrel commended staff on the appearance of the document and commented that graphs and charts used to illustrate financial information were very effective.

C. Presentation: Gary Weier, Source Control Supervisor Grease Program Update

Mr. Heitzman introduced and provided background on Gary Weier, Supervisor of Source Control, and Garrett Haertel, the Agency's new Compliance Engineer, co-presenters of a Grease Program Update. Mr. Weier provided an update on the Grease Program while Mr. Haertel addressed changes to waste discharge requirements due to the Clean Water Act and compliance to state requirements rather than regional requirements.

Following the presentation, Mr. Cort asked about the percentage of undersized grease traps still being used. Mr. Weier advised, at the start of the replacement program, 90% of the traps were undersized; beginning in 2000 larger traps were introduced into market. Mr. Cort asked what investment is required to upgrade the traps. Mr. Weier advised the purchase price of older models was expensive but prices for the newer traps have decreased over time. He indicated an 80 gallon liquid capacity unit currently costs between \$1,200 and \$1,500 plus installation costs depending on plumbing requirements.

Mrs. Shirrel asked for an explanation of a reference Mr. Haertel made to a 50,000 person cutoff. He indicated it refers to the rate fees and scheduling which is still being worked out. Discussion ensued regarding inspections and enforcement. Mr. Haertel explained Regional Water Quality Control Board will be responsible for advising entities of updated requirements. Mr. Weier clarified that MRWPCA will continue to perform inspections under current contracts with the cities; however, enforcement will remain the responsibility of each member entity. Mr. Israel advised this issue will be discussed in detail at the upcoming TAC meeting. Chair Shirrel thanked staff for a fine presentation.

11. CORRESPONDENCE

A. Letter from Castroville Water District announcing transfer of sewer functions and assets from CSA 14 to Castroville Water District and the appointment of David Lewis to the MRWPCA Board of Directors

Ms. Shirrel pointed out that the General Manager for Castroville Water District, Eric Tynan, seated in the audience, was available to answer questions.

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B. Letter from Chair Shirrel to NMFS SW Regional Office advocating for the completion of the NOAA Fisheries Biological Opinion for the SVWP

Mr. Russell asked if the referenced letter relates to the 'rubber dam' and Chair Shirrel advised it is in relation to the Salinas Valley Water Project.

12. BOARD MEMBER COMMENTS

Chair Shirrel advised that the newly appointed ad hoc committee charged with studying and updating MRWPCA Board policies and resolutions is scheduled to meet on August 18. Mr. Lindley will serve as Chair with Ms. De La Rosa and Mr. Russell as committee members. She encouraged Board Members to complete the form included in their agenda packet which provides an opportunity to suggest topics for the Committee's consideration.

At 8:00 p.m., Chair Shirrel adjourned to Closed Session.

13. CLOSED SESSION

A. Conference with Labor Negotiator

- 1. Unrepresented Employee: Assistant General Manager
Agency Negotiator: General Manager**
- 2. Unrepresented Employee: General Manager
Agency Negotiator: Budget/Personnel Committee**

At 8:14 p.m., Chair Shirrel adjourned Closed Session and reconvened Open Session.

Legal Counsel Wellington reported the Board considered the two agenda items as listed under the Closed Session and noted the Board has now conducted its evaluation of the General Manager. No other action was taken. The Chair indicated she will review the General Manager's performance evaluation with Mr. Israel in the very near future.

Then in Open Session, the Board unanimously approved for the General Manager/ Assistant General Manager Salary Plan which includes the following for each: a cost-of-living adjustment of 2.5% (the same for all the MRWPCA employees); a 5% range adjustment; and an additional \$500/month supplemental payment contribution to the PARS retirement system.

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14. ADJOURNMENT

With no further business, Chair Shirrel adjourned the meeting at 8:15 p.m., to the next regularly scheduled Board Meeting in the Board Room at 5 Harris Court, Building D, on Monday, August 28, 2006, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

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