



Approved
May 21, 2007

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
April 30, 2007

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 Russell at 7:02 p.m., on Monday, April 30, 2007, in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

Mr. Haferman led the Pledge of Allegiance.

3. ROLL CALL

BOARD MEMBERS PRESENT:

Mayor Joe Russell, Chair	Del Rey Oaks
Mayor Dave Pendergrass, Vice Chair	Sand City
Director Ramiro Cortez	Boronda County Sanitation District
Director David Lewis	Castroville Water District
Supervisor Louis Calcagno	Monterey County
Director Kenneth K. Nishi	Marina Coast Water District
Vice Mayor Jeff Haferman	Monterey
Director Gage Dayton	Moss Landing County Sanitation District
Mayor Dan Cort	Pacific Grove
Mayor Pro Tem Gloria De La Rosa	Salinas
Mayor Pro Tem Steve Bloomer	Seaside
Chief Dewey J. Baird, Utilities Branch	U.S. Army, Ex-Officio

BOARD MEMBERS ABSENT:

None

STAFF PRESENT:

Keith Israel	General Manager
Rob Wellington	Legal Counsel
John Tiernan	Director of Administrative Services
Betty Nebb	Executive Assistant

Leara Ventura
Bob Holden
William Franks
Patrice Parsons
Angelica Lopez

Administrative Support Specialist II
Recycled Water Projects Coordinator
Distribution Mechanic/Operator II
Laboratory Analyst II
Laboratory Technician

AUDIENCE:

Eric Tynan – Castroville Water District
Tim O'Halloran – City of Seaside
Carl Niizawa – City of Salinas
Les Turnbeaugh – City of Monterey

OTHERS: 0

4. PUBLIC COMMENTS

At 7:04 p.m. with no comments received from the public, Chair Russell opened and closed Public Comments.

5. CONSENT AGENDA

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

- A. Approve Minutes – Regular Meeting, March 26, 2007
- B. Receive Financial Statements – March 2007
- C. Receive Comparison Percentage of Budget Expended Through March 2007 vs. 2006
- D. Receive Check Register – March 2007
- E. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Castroville, Fort Ord, Marina, Monterey Peninsula, and Salinas for March 2007
- F. Receive Actual vs. Budgeted Fiscal Year 2006/07 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund
- G. Receive Actual vs. Anticipated Fiscal Year 2006/07 Revenues from Capacity Charges
- H. Receive Residential Dwelling-Unit Aggregate as of March 31, 2007
- I. Receive Revised Board Committee Assignments for 2007-2008

- J. Approve Resolution 2007-03, Accepting and Consenting to the Recordation of Permanent Easement Deeds and Contracts Conveying Easements Upon Real Property to the Agency for Public Purpose

6. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. BUDGET/PERSONNEL COMMITTEE

- 1. Receive and Approve Committee Minutes/Report of April 18, 2007

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Ms. De La Rosa, the Board unanimously approved the Minutes/Report of the Budget/Personnel Committee meeting for Thursday, April 18, 2007, with the following recommendation:

- That the Board note the Committee approved a set starting time for each Budget/Personnel Committee meeting of 3:30 p.m. to accommodate Committee members

B. RECYCLED WATER STORAGE COMMITTEE

- 1. Receive and Approve Committee Minutes/Report of April 20, 2007

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Lewis, the Board unanimously approved the Minutes/Report of the Recycled Water Storage Committee meeting for Friday, April 20, 2007.

- Information Only – No Action Taken

7. ACTION ITEMS

A. Election of Board Vice Chair for 2007 (to cure prior election action at February meeting)

Legal Counsel Rob Wellington introduced his memoranda addressing the issue and advised the Chair on procedures for conducting the re-election of the Vice Chair. Mr. Wellington indicated the first action is to accept the nomination of Mr. Nishi who was previously nominated by the Nomination Committee and then open nominations from the floor. Chair Russell called for nominations from the floor. Mr. Lewis nominated Mr. Pendergrass for the Vice Chair position.

Mr. Pendergrass made a statement to the Board on the matter.

ACTION TAKEN: As a result of a roll call vote (7 to 4), Mr. Pendergrass was elected as Vice Chair.

Chair Russell thanked each of the nominees for their service to the Board and Mr. Pendergrass expressed his gratitude for the honor of serving as the Vice Chair.

8. EMPLOYEE RECOGNITION

Chair Russell presented CWEA Certification Awards to each of the following individual employees:

1. Angelica Lopez – Grade I Laboratory Analyst
2. William Franks – Grade II Mechanical Technologist
3. Patrice Parsons – Grade II Environmental Compliance Inspector

Chair Russell asked Mr. Heitzman to come forward to receive the CWEA State Award presented to MRWPCA for the Public Education – Small Budget program with special recognition for “Changing Waste Water into Safe Water – The Adventures of Wally the Water Drop.”

9. INFORMATIONAL ITEMS

A. Fort Ord Update

No changes or comments.

B. Reclamation Project Status Summary

No changes or comments.

C. Strategic Planning Goals (2005-2008) and One-Year Objectives Update

Mr. Israel stated a quick overview would be given under Presentations of the updated objectives developed at the recent Strategic Planning Workshop held on March 30, 2007.

10. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Israel noted that each quarter a chart is presented in the agenda packet that shows the number of new connections/permits to our system (page 56). This covers a four-year allocation from October 1, 2004 through September 30, 2008. As the illustration shows, 11% of the allocation has been used although the expected rate, based on the AMBAG numbers, is 62%. Therefore, we are currently running at about 1/6 of what was intended due to lower than expected construction and development.

Additionally, Mr. Israel indicated that last Thursday and Friday the Department of Health Services held a program for their staff to become familiar with our proposed replenishment project. Since most of the regulators and staff from the local Monterey County and Regional Board are not familiar with the

Replenishment Project, it was an opportunity for MRWPCA staff to provide information on the project. Mr. Bob Holquist, Chief of Northern California Drinking Water Field Operations for the State Department of Health Services, spearheaded this opportunity to organize a program to discuss the requirements. Their effort is helpful for us and we appreciate the continuing cooperation to implement this project.

B. Department Head(s)

No comments or questions.

C. Presentation(s)

Mr. Israel presented a follow up to the Strategic Planning Workshop that was held on March 30. The facilitator, Marilyn Snyder, encourages members to review the goals and objectives shortly after the workshop. Mr. Israel was pleased to report that all Board members were in attendance for the workshop. No questions followed the presentation.

Mr. Israel then gave a presentation on the history of recycled water for the Monterey Peninsula in order to provide a summary of previous key agreements:

- **1989 Annexation Agreement with Marina Coast Water District**
 - MCWD has right to get back treated water in the same quantity as waste water discharged to MRWPCA

- **1996 Annexation Agreement between MCWD and MCWRA**
 - MCWD annexed into MCWRA Zones 2 and 2A
 - MCWD limited to 300 AFY of summertime water

Joint Agreements between MRWPCA and MCWRA:

- **Construction of the Salinas Valley Recycled Water Project**
 - In 1992, MRWPCA transferred all recycled water to MCWRA, except for
 - Up to 3.5 MGD of urban recycled water
 - About half of water available in winter
- **1995 First Amendment – SVRP Operations**
- **1998 Second Amendment – CSIP Operations**
- **2002 Third Amendment – Further define water available for urban recycled water project and assure long-term water supply for agriculture project (MCWRA)**
 - Water for MRWPCA
 - 2,000 AFY available by January 2007
 - 3,900 AFY available by January 2009
 - 766 AFY (+11%) summer water available
 - MRWPCA offset for summer water
 - Conduct filter loading study to increase capacity

Mr. Israel continued with a description of the two recycled water studies completed in 1992 and 1996 by CH2M Hill and a 2003 study by RBF. These studies identified potential recycled water users, analyzed delivery phases, distribution system expansions and associated costs.

The current Urban Recycled Water Augmentation Project has MCWD as the lead with the system bringing recycled water from the treatment plant to Del Rey Oaks (1,437 AFY). Construction to start summer 2007 and be on line in one year. This line can be extended to Monterey Peninsula with 300 AFY set aside for this project. The trunk pipeline has capacity to add a Phase II in the future for a total of 3,100 AFY, but winter storage would be required for that expansion.

Mr. Israel announced the results of a questionnaire from a Public Meeting held at MRWPCA on April 16 to assess interest in receiving recycled water. Submitted questionnaires summarized demand for recycled water at 750+ AFY to Monterey Peninsula and up to 500 AFY to Salinas. For service to Monterey, the cost for recycled water is estimated to be as much as \$3,000/AF. Regarding service to Pacific Grove, early estimates indicated the costs would be much more expensive; at the time it was felt it could be provided at a lower cost by CAWD/ Pebble Beach project, possibly served by Phase II system, or by a local reuse system. Service to Salinas was not addressed in the earlier studies since Salinas received some benefit from the CSIP project; however, it could be considered as a future project.

At the conclusion of the presentation, Mr. Bloomer and Mr. Cort asked that the material be forwarded to them for further review.

11. CORRESPONDENCE

Chair Russell introduced the letter from FORA Executive Committee encouraging MRWPCA and MCWD to bring the negotiations for the Urban Recycled Water Augmentation Project to positive closure by the month of May.

12. BOARD MEMBER COMMENTS

Mr. Nishi thanked the individuals who supported his nomination.

[At 7:47 p.m., Chair Russell adjourned Open Session. At 8:03 p.m., he convened Closed Session.]

13. RECESS TO CLOSED SESSION

[Mr. Nishi excused himself from Closed Session Item A.]

A. Negotiations with Marina Coast Water District

- i. Property: Water Rights
- ii. Negotiator(s): Joe Russell, Dave Pendergrass and General Manager, Keith Israel
- iii. Negotiating Party: MCWD
- iv. Terms: All Terms and Conditions

[At 8:55 p.m. Closed Session recessed and reconvened at 9:05 p.m.]

[Mr. Nishi rejoined Board; Mr. Calcagno excused himself from Closed Session Item B.]

B. Negotiations with Monterey County Water Resources Agency

- i. Property: Water Rights
- ii. Negotiator(s): General Manager, Keith Israel
- iii. Negotiating Party: MCWRA
- iv. Terms: All Terms and Conditions

[At 9:16 p.m., the Board came back into Open Session and Legal Counsel Wellington announced the Board received information and gave direction to the General Manager and Legal Counsel. No other action was taken.]

14. ADJOURNMENT

With no further business, Chair Russell adjourned the meeting at 9:17 p.m. to the next Regularly Scheduled Board Meeting on Monday, May 21, 2007 at 7 p.m.

/s/ Keith Israel

Keith E. Israel, General Manager
Secretary to the Board

/s/ Joseph Russell

Mayor Joseph Russell, Chair
MRWPCA Board of Directors