



APPROVED  
June 25, 2007

**MINUTES**  
**of the Regular Meeting**  
**Monterey Regional Water Pollution Control Agency**  
**Board of Directors**  
**May 21, 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 6:30 p.m., on Monday, May 21, 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:**

Joe Russell, Chair	Del Rey Oaks, Mayor
Dave Pendergrass, Vice Chair	Sand City, Mayor
Ramiro Cortez	Boronda County Sanitation District
David Lewis	Castroville Water District, President
Kenneth K. Nishi	Marina Coast Water District, Vice President
Jeff Haferman	Monterey, Vice Mayor
Gage Dayton	Moss Landing County Sanitation District
Gloria De La Rosa	Salinas, Mayor Pro Tem
Steve Bloomer	Seaside, Mayor Pro Tem
Dewey J. Baird (arrived at 6:50 pm)	U.S. Army, Ex-Officio – Chief, Utilities Branch

**BOARD MEMBERS ABSENT:**

Louis Calcagno	Monterey County, Supervisor
Dan Cort	Pacific Grove, Mayor

**STAFF PRESENT:**

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

Bob Holden  
Karen Harris  
Betty Nebb  
Leara Ventura

Recycled Water Projects Coordinator  
Community Relations Specialist  
Executive Assistant  
Administrative Support Specialist II

**AUDIENCE:**

Carl Niizawa – City of Salinas  
Les Turnbeaugh – City of Monterey

**OTHERS:** 0

**4. PUBLIC COMMENTS**

At 6:33 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. Pendergrass, seconded by Mr. Bloomer, the Board unanimously received and approved the Consent Agenda Items A - G, as follows:**

- A. Approve Minutes – Regular Meeting, April 30, 2007
- B. Receive Financial Statements – April 2007
- C. Receive Comparison Percentage of Budget Expended Through April 2007 vs. 2006
- D. Receive Check Register – April 2007
- E. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Castroville, Fort Ord, Marina, Monterey Peninsula, and Salinas for April 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

**6. COMMITTEE REPORTS AND RELATED ACTION ITEMS**

**A. BUDGET/PERSONNEL COMMITTEE**

- 1. Receive and Approve Committee Minutes/Report of May 7, 2007

**ACTION TAKEN: On a motion by Mr. Lewis, seconded by Ms. De La Rosa, the Board unanimously approved the Minutes/Report of the Budget/Personnel Committee meeting for Monday 7, 2007, with the following recommendation:**

- That the Board authorize staff to prepare notification to rate payers of a proposed rate increase following the May 31 Budget/Personnel Committee meeting.

**B. RECYCLED WATER STORAGE COMMITTEE**

1. Receive and Approve Committee Minutes/Report of May 10, 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 Thursday, May 10, 2007.**

- That the Board approve a Contract Amendment to CDM for the Groundwater Replenishment Project to complete the Scope of Work (Attachment to Committee Minutes) in the amount of \$131,131.

**7. 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**

No changes or comments.

**8. STAFF REPORTS**

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

Mr. Israel gave a reminder to the Members about bringing in their Board Manuals so they can be updated.

**B. Department Head(s)**

No comments or questions.

**C. Presentation(s): Historical Update on Development of Third Amendment with Monterey County Water Resources Agency**

Mr. Israel presented information regarding the Third Amendment Agreement as a follow up to the presentation last month which provided a summary of key agreements with MCWRA and MCWD.

The primary purpose of the Joint Agreement in 1992 with MCWRA was for MRWPCA to construct the recycled water treatment plant for the Monterey County water recycling projects. In 1992, MCWRA anticipated needing 30,000 AFY to make the project work. MRWPCA agreed to do that, but wanted to withhold 3.5 MGD of the recycled water for the future urban project (some winter and some summer water). In order to get the Bureau of Reclamation loan for the County, the urban allocation had to be excluded – therefore, references to the 3.5 MGD allocation were included as comments in an appendix of the agreement with the County.

Since the initial agreement there have been two Amendments – 1995 for SVRP Operations and 1998 for CSIP Operations. Third Amendment history follows:

- MRWPCA started the preliminary negotiation process in 1995 with a written request to MCWRA indicating that we were ready to start the planning for a Regional Urban Project.
- With approval of Amendment No. 2 to the Joint Agreement in January 1998, both parties explicitly agreed to formalize and clarify the language in the 1992 agreement regarding MRWPCA Urban Water use.
- During mid to late 1998, we began staff negotiations towards an amendment to the agreement.
- In 1999, discussions were expanded to include Board leadership.
- Also in 1999, there were questions regarding the specific water needs for an Urban Project. Consequently staff focused on collecting and analyzing plant operating data as well as quantifying the best sites that could be served by an Urban Project.
- In December 1999, MRWPCA provided information on the requirements for both a 1,500 and 3,000 AFY Urban Projects. The discussion focused on availability of excess recycled water as well as advantages to all parties.
- In late January 2000, MRWPCA proposed some initial language to modify the agreement.
- By May 2000, there was consensus that some summertime water could be made available to help with the initial 1,500 AFY backbone project.
- In early 2001, MRWPCA obtained some external assistance to help with crafting specific amendment language.
- In February 2001, MRWPCA proposed the use of an additional small storage basin to offset the water taken in the summer.
- Summer 2001, the parties began discussing new contract amendment language.

- November 2001, we reached consensus on a proposed contract amendment (except for two relatively minor issues).
- March 2002, Joint Leadership meeting with Board of Supervisors.
- April 2002, Third Amendment approved.
  - Key Purpose:
    - Further define water available for urban recycled water projects
    - Assure long-term water supply for ag project (MCWRA)
  - Water for MRWPCA:
    - 2,000 AFY available January 2007
    - 3,900 AFY available January 2009
    - 3,900+ AFY available January 2013
  - Summer water available
    - 766 AF (+11%)
    - About 200+ AF per month between May and August
    - Above is about 10% of monthly plant production
    - Summer plant production for ag to increase as development occurs
  - MRWPCA Offset for summer water
    - MRWPCA to conduct filter loading project to increase filter capacity from 5.0 GPM/FT<sup>2</sup> to 6.0 by January 2007
    - If 2007 date not achieved, parties will meet to confer on likelihood of 6.0 capacity approval
    - If parties agree that 6.0 will not be achieved, alternatives will be considered and implemented within 3 ½ years
  - MRWPCA may construct a 6 AF pond to enhance CSIP winter operations – not required, and now an alternative may be proposed.
  - Detailed buy-in costs for the tertiary water are detailed for both SVRP and Bureau cost sharing.

Mr. Israel indicated the increased filter capacity has not yet been increased to 6.0 GPM/FT<sup>2</sup> but we are entering Phase II of the program and in 1 to 1 ½ years that should be completed. Some discussion followed regarding the operations of the filter loading system and how the filters are rated. Mr. Gage clarified that at 7.5 GPM you are finding that the water is actually cleaner than at 5 GPM and Mr. Israel answered that when there is a build up of solids within the filters, the water is additionally filtered by the solids themselves.

#### **9. BOARD MEMBER COMMENTS**

No comments.

[At 7:02 p.m., Chair Russell adjourned Open Session. At 7:07 p.m., he convened Closed Session.]

**10. 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 8:03 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.]

**11. ADJOURNMENT**

With no further business, Chair Russell adjourned the meeting at 8:04 p.m. to the Board Budget Workshop Meeting on Monday, June 11, 2007 at 7:00 p.m.

*/s/ Keith Israel*

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Keith E. Israel, General Manager  
Secretary to the Board

*/s/ Joseph Russell*

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Mayor Joseph Russell, Chair  
MRWPCA Board of Directors