



Approved
July 30, 2007

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
June 25, 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 7:07 p.m., on Monday, June 25, 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
Lou Calcagno	Monterey County, Supervisor
Kenneth Nishi	Marina Coast Water District, Vice President
Jeff Haferman	Monterey, Vice Mayor
Gloria De La Rosa	Salinas, Mayor Pro Tem
Steve Bloomer	Seaside, Mayor Pro Tem
Dewey J. Baird – Ex-Officio	U.S. Army, Chief – Utilities Branch

BOARD MEMBERS ABSENT:

Gage Dayton	Moss Landing County Sanitation District
Dan Cort	Pacific Grove, Mayor

MRWPCA STAFF PRESENT:

Keith Israel	General Manager
Jim Heitzman	Assistant General Manager
Ken Buchert	Assistant Legal Counsel
John Tiernan	Director of Administrative Services

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Tom Buell	Director of Finance
Bob Holden	Recycled Water Project Coordinator
Mark Malanka	Maintenance Manager
Karen Harris	Community Relations Specialist
Kelly Cadiente	Accounting Supervisor
Lindsay Synstebly	Customer Service Supervisor
Leara Ventura	Administrative Support Specialist II
Betty Nebb	Executive Assistant

OTHERS PRESENT: George Bittorf, Engineering Technician, US Army

AUDIENCE: none

4. PUBLIC COMMENTS

At 7:08 p.m., with no comments from the public received, Chair Russell opened and closed Public Comments.

5. CONSENT AGENDA

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Haferman, the Board unanimously approved Consent Items A – K, as follows:

- A. Approve Board Meeting Minutes/Reports:
Regular Meeting, May 21, 2007
Budget Workshop, June 11, 2007**
- B. Receive Financial Statements – May 2007**
- C. Receive Comparison Percentage of Budget Expended Through May 2007 vs. 2005**
- D. Receive Check Register – May 2007**
- E. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina Plant, Fort Ord, and Castroville for May 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**

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- H. **Adopt MRWPCA Resolution No. 2007- 04, Re-Establishing the Agency Investment Policy and Guidelines for Fiscal Year 2007/08**
- I. **Adopt MRWPCA Resolution 2007- 05, Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Fees or Charges Levied as an Incident of Property Ownership**
- J. **Adopt MRWPCA Resolution 2007- 06, Establishing Salary Classifications and Ranges for the General Employees' Association and Mid-Management Employees' Group for Fiscal Year 2007/08**
- K. **Adopt MRWPCA Resolution 2007- 07, Establishing Salary Classifications and Ranges for the Management Employees' Group for Fiscal Year 2007/08**

6. PUBLIC HEARINGS

A. Lien Hearing for Delinquent Sewer Service Billing

1. Adopt MRWPCA Resolution 2007- 08, Declaring Liens Against Real Property for Delinquent Sewer User Charges

Mr. Tiernan advised that, unlike other services, it is difficult to stop sewer service to delinquent accounts; therefore, Health and Safety code allows us via resolution to have delinquent user fees and capacity charges collected on the tax rolls. The yearly lien process allows customers sufficient time to remit payments. Customer notification for 2006 delinquent sewer user charges starts in February and continues through July. If delinquent amounts remain unpaid, outstanding charges are transferred to County of Monterey tax rolls at the end of July. The Agency routinely collects almost 100% of delinquent fees over a period of time. Currently there are 2,037 delinquent accounts, representing approximately 3% of total accounts of 55,000, with a balance due of \$431,412. Before the liens are recorded with the County on July 31, the number of delinquent accounts will decrease due to last-minute payments.

[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Ms. De La Rosa, seconded by Mr. Cortez, the Board unanimously approved adoption of MRWPCA Resolution 2007- 08, Declaring Liens Against Real Property for Delinquent Sewer User Charges, which will be filed with the Monterey County Recorder's Office.

2. Adopt MRWPCA Resolution 2007- 09, Declaring Liens Against Real Property for Delinquent Sewer Capacity Charges

Mr. Tiernan advised only two delinquent sewer capacity accounts will go to lien.

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[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Calcagno, seconded by Ms. De La Rosa, the Board unanimously approved adoption of MRWPCA Resolution No. 2007- 09, Declaring Liens Against Real Property for Delinquent Sewer Capacity Charges, which will be filed with the Monterey County Recorder's Office.

B. Proposed Fiscal Year 2006/2007 Budget

1. Staff Report on Proposed Budget

Mr. Tiernan indicated the budget presented is the same as reviewed at the Budget Workshop, and staff is recommending approval. We have notified all customers of the proposed 7.5% user fee increase and a Public Hearing on this proposed rate increase is scheduled on July 30, 2007. Customer Service has received a number of inquiries regarding the rate increase including five written protests. In order for this increase to be denied, 50% of our accounts would have to file written protests. Mr. Tiernan advised the Board will receive bound copies of this budget on or before the July 30 Board meeting and that a mid-year review of projections and revenue would be presented to the Board in February 2008.

[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Calcagno, seconded by Mr. Pendergrass, the Board unanimously approved the FY 2007/08 MRWPCA Budget.

C. MRWPCA Ordinance for Capacity Charges

1. Adopt MRWPCA Ordinance No. 2007-1, Amending Ordinance No. 2000-02, in part, to Change the MRWPCA Sewer Capacity Charges

Mr. Tiernan explained an ordinance must be adopted every year to increase capacity fees which are based on the construction industry index. He stated that the 2007/08 increase of 7.5%, with Board approval, will result in a revised capacity change of \$2,732 and will go into effect July 1, 2007.

[With no comments received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Haferman, seconded by Ms. De La Rosa, a roll call vote was taken and the Board unanimously approved adoption of MRWPCA Ordinance No. 2007 - 01, an ordinance amending the MRWPCA sewer capacity charges (9 affirmative votes and 2 absences reported).

7. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. Recycled Water Storage Committee

1. Receive and Approve Committee Minutes/Report Thursday, June 14, 2007

Mr. Pendergrass stated the minutes accurately reflect the Committee's discussion and recommended action.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Ms. De La Rosa, the Board unanimously approved the Recycled Water Storage Committee Minutes for Thursday, June 14, 2007, with the following recommendations:

- That the Board consider the Replenishment Project logo and approve the verbal report on public outreach activities to date and plans for the future.
- That the Board approve the Monterey Bay Regional Water Solutions Leadership Task Force MOU along with \$5,000 in contribution.
- That the Board approve \$10,000 in financial support for the Golf Course Irrigation Project.

B. Budget/Personnel Committee

1. Receive and Approve Committee Minutes/Report, Monday, June 18, 2007

Mr. Russell referred to the minutes and asked for any comments or questions from the Board.

ACTION TAKEN: On a motion by Mr. Calcagno, seconded by Mr. Bloomer, the Board approved the Budget/Personnel Committee Minutes for Monday, June 18, 2007, with the following recommendations:

- That the Board approve the issuance of blanket/open purchase orders over \$35,000 for the vendors on the attached list for FY 2007/08.
- That the Board approve contract award to Graham Contractors Inc. in the amount of \$168,300 and allocation of a standard 5% construction contingency fund.
- That the Board approve conceptual support for a Workforce Housing Assistance Program as noted in the Committee minutes.

8. INFORMATIONAL ITEMS

A. Fort Ord Update

Mr. Baird asked about a projected date when the flow meter at Fort Ord will be back on line. Mr. Heitzman indicated the meter is on line; however, there were problems with the calibration that he believes have now been corrected.

Mr. Baird confirmed that the year's history will be adjusted and Mr. Heitzman stated that before that is done, the meter will be checked again for accurate calibration.

B. Reclamation Project Status Summary

No questions or comments.

C. Strategic Planning Goals (2005-2008)

No questions or comments.

9. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Israel advised he has copies of the conference program available to interested members for CASA's Annual Conference "Ensuring Clean Water for California" in San Diego scheduled for August 15-18, 2007.

He stated several Board Manuals have been updated and are being returned to members tonight. Staff will assist in getting the remaining manuals current.

Mr. Israel announced the Recycled Water Storage Committee July meeting would be scheduled a week later than normal on July 19 at 3:30 p.m. Additionally the Regional Water Solutions Task Force meeting is tentatively being scheduled for Monday, July 23, to look at the MOU and conceptually approve it. This is the meeting of all the cities, water and waste water related agencies trying to work together on the local water projects. The meeting is being scheduled for 7:00 p.m. at the Seaside Community Center.

B. Department Head(s)

No comments or questions.

10. BOARD MEMBER COMMENTS

No comments.

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[At 7:21 p.m., Chair Russell adjourned Open Session. Mr. Buchert, Assistant Legal Counsel, announced that Item B – Negotiations with Monterey County Water Resources Agency would not be discussed in Closed Session.]

12. CLOSED SESSION

[Mr. Nishi excused himself from the 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: Marina Coast Water District**
- iv. Term: All Terms and Conditions**

[At 7:45 p.m., the Board came back into Open Session and Assistant Legal Counsel Buchert announced the Board received information and gave direction to the General Manager and Legal Counsel. No other action was taken.]

13. ADJOURNMENT

With no further business, Chair Russell adjourned the meeting at 7:46 p.m. to the next regularly scheduled Board Meeting in the Board Room at 5 Harris Court, Building D, on Monday, July 30, 2007, at 7:00 p.m.

/s/ Keith Israel

Keith E. Israel, General Manager
Secretary to the Board

/s/ Joseph Russell

Joseph Russell, Chair
MRWPCA Board of Directors