



Approved
July 28, 2008

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
June 30, 2008

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 7:04 p.m., on Monday, June 30, 2008, in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

Ms. De La Rosa 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
Ron Stefani	Castroville Community Services District
Kenneth Nishi	Marina Coast Water District, Vice President
Jeff Haferman	Monterey, Councilmember
Lou Calcagno	Monterey County, Supervisor
Dan Cort	Pacific Grove, Mayor
Gloria De La Rosa	Salinas, Mayor Pro Tem
Steve Bloomer	Seaside, Mayor Pro Tem
Vacant – Ex-Officio	U.S. Army, Representative

BOARD MEMBERS ABSENT:

Gage Dayton	Moss Landing County Sanitation District
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MRWPCA STAFF PRESENT:

Keith Israel	General Manager
Brad Hagemann	Assistant General Manager
Ken Buchert	Legal Counsel
Tom Buell	Director of Finance
Bob Holden	Principal Engineer
James Dix	Operations Manager
Mark Malanka	Maintenance Manager
Kelly Cadiente	Accounting Supervisor
Lindsay Synstebly	Customer Service Supervisor
Betty Nebb	Executive Assistant

OTHERS PRESENT: Carl Niizawa – City of Salinas
Bjorn Lundegard – City of Seaside

4. PUBLIC COMMENTS

At 7:04 p.m., Chair Russell opened Public Comments and Mr. Carl Niizawa, Deputy City Engineer with the City of Salinas, asked to speak about water supply options for the peninsula. Mr. Niizawa referred to comments that water would be supplied from the Salinas Industrial Wastewater Facility for the groundwater replenishment project. He indicated that City staff is currently studying several options, one of which could be construction of a 10 mgd facility at a cost of approximately \$70-80M which would provide a recycled water product for Salinas. A report will be presented to the City Council for review in July that will address options for development. While it is possible to supply water to the peninsula and/or other supply options, it will be up to the City Council and the rate payers to determine how the City goes forward. With no additional comments, Chair Russell closed Public Comments.

5. CONSENT AGENDA

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

- A. Approve Board Meeting Minutes/Report for Board Budget Workshop of June 9, 2008**
- B. Receive Financial Statements – May 2008**
- C. Receive Comparison Percentage of Budget Expended Through May 2008**

- D. Receive Check Register – May 2008
- 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 2008
- F. Receive Actual vs. Budgeted Fiscal Year 2007/08 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund
- G. Receive Actual vs. Anticipated Fiscal Year 2007/08 Revenues from Capacity Charges
- H. Adopt MRWPCA Resolution No. 2008-05, Establishing Salary Classifications and Ranges for the General Employees' Association and Mid-Management Employees' Group for Fiscal Year 2008/09
- I. Adopt MRWPCA Resolution No. 2008-06, Establishing Salary Classifications and Ranges for the Management Employees' Group for Fiscal Year 2008/09
- J. Adopt MRWPCA Resolution No. 2008-07, Re-Establishing the Agency Investment Policy and Guidelines for Fiscal Year 2008/09
- K. Adopt MRWPCA Resolution No. 2008-08, 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

6. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. Recycled Water Storage Committee

- 1. Receive and Approve Committee Minutes/Report of June 19, 2008

ACTION TAKEN: On a motion by Ms. Del La Rosa, seconded by Mr. Calcagno, the Board unanimously approved the Recycled Water Storage Committee Minutes for Thursday, June 19, 2008, with the following recommendations:

- That the Board approve contract amendments for the following firms: CDM (and Todd Engineers) for \$45,000; RBF for \$25,000; and Winzler & Kelly for \$15,000.

B. Budget/Personnel Committee

- 1. Receive and Approve Committee Minutes/Report of June 23, 2008

Mr. Pendergrass stated the minutes are accurate and noted the General Manager's review will be considered in Closed Session.

ACTION TAKEN: On a motion by Mr. Cort, seconded by Mr. Bloomer, the Board unanimously approved the Budget/Personnel Committee Minutes for Monday, June 23, 2008, with the following recommendations:

- That the Board approve the issuance of open/blanket purchase orders over \$35,000 to the vendors on the attached list for FY 08/09.
- That the Board approve the Organizational Chart changes to be included in the FY 08/09 budget document.
- That the Board approve 1) an additional goal and objectives be added to the existing Strategic Planning Goals to identify future wastewater needs, complete an evaluation of alternatives to provide service, and prepare a financial menu of options to fund any needed conveyance capacity increases for the Boronda, Salinas, Castroville, Moss Landing, North County and the Greater Salinas area and present to the Service Area Study Committee for action, and 2) add \$25,000 to the Salinas Pump Station capital project to fund review of future needs for Salinas Pump Station/Interceptor capacity.

7. PUBLIC HEARINGS

A. Lien Hearing for Delinquent Sewer Service Building

1. Adopt MRWPCA Resolution 2008-09. Declaring Liens Against Real Property for Delinquent Sewer User Charges

Ms. Synstebly, Customer Service Supervisor, presented the Resolution to file liens for uncollected sewer charges. Because health and safety codes preclude terminating sewer service for nonpayment, she explained liens are filed with the county property taxes. This year we have a larger number of liens than in the past. The lien is paid when ownership of the property changes. History shows that within four years of filing the liens, 90% of the outstanding amount is received; 10% remaining is usually a result of people who have filed for bankruptcy and it, therefore, takes longer to recoup that money. She concluded that ultimately nearly 100% is collected.

Mr. Bloomer asked about late fees charged on delinquent accounts and Ms. Synstebly explained that customers receive penalties monthly and bimonthly on outstanding balances as well as a \$30 fine when the lien is processed. In

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response to a question from Mr. Cort, Ms. Synstebly noted that bankruptcy allows up to ten years for payment.

Mr. Bloomer asked for clarification on the information related to History of Liens and discussion followed regarding the timing for payments. Ms. Synstebly explained customers have until July 23rd before the liens are recorded on July 25th. Payments for liens in 2007 are not distributed until after June 30, 2008. By September our records will be updated and it is expected 75% of outstanding liens will be paid.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Bloomer, the Board unanimously approved Resolution 2008-09, Declaring Liens Against Real Property for Delinquent Sewer User Charges.

B. Proposed Fiscal Year 2008/09 Budget

1. Adopt 2008/09 Budget

Ms. Cadiente, Accounting Supervisor, requested approval of the Proposed 2008/09 Budget that was presented at the Budget Workshop. There is only one slight change to the capital improvement budget for \$25,000 to the Salinas Pump Station Capital Project (CP205) listed on page 25 of the budget materials. Otherwise, there are no other changes from the budget presented at the Budget Workshop on June 9, 2008.

ACTION TAKEN: On a motion by Ms. De La Rosa, seconded by Mr. Cort, the Board unanimously approved the Fiscal Year 2008/09 Budget.

8. INFORMATIONAL ITEMS

A. Fort Ord Update

No questions or comments.

B. Reclamation Project Status Summary

No questions or comments.

C. Strategic Planning Goals (2008-2011)

Mr. Israel noted that with the approval of the recommendation from the Budget/Personnel Committee, the additional goal will be included with the other goals in the agenda materials sent to the Board Members next month.

9. CORRESPONDENCE

Chair Russell noted correspondence was sent to Mr. Royal Calkins, Editor of The Herald, regarding "no drugs down the drain" and a letter to Colonel Pamela Martis

regarding the vacant position for the US Army representative on the MRWPCA Board.

Mr. Israel pointed out that the Letter to the Editor of the Herald was actually different than the letter printed in the newspaper. As a result of news staff editing, the letter didn't read quite as well.

Mr. Calcagno suggested writing for the "Soapbox" you get a lot more space and it becomes your editorial – nothing is changed. When a letter is written to the editor, they'll change words and often then the meaning can change. Mr. Haferman added that it still read pretty well and got the point across; and because it was in the Sunday paper, it got wide exposure.

Mr. Israel stated a second letter was being drafted for the Salinas Californian as we want to make sure all of our customers see that same information.

10. STAFF REPORTS

A. General Manager/Legal Counsel

Mr. Israel addressed the issue raised by Mr. Niizawa regarding the possible use of the Salinas Industrial Pond water. In our final report for the PUC, Mr. Israel indicated staff identified three possible water options. It is clear we don't have approval at this point in time, but all options needed to be reviewed as part of the environmental process in order for each option to be considered.

Mr. Israel announced that CASA will be hosting their Annual Conference in downtown Monterey on August 20 – 23. He indicated he has materials providing more information and encouraged Members to review the program and attend, if possible.

Legal Counsel Buchert announced that on June 25 the Agency received a demand to cure an alleged Brown Act violation. If it is a violation, the Agency has 30 days to cure. The 30th day falls on July 26, a Saturday, so it will be considered on Monday, July 28, the date of the next Board meeting. Legal Counsel is looking into the alleged violation and will recommend appropriate action at that time.

B. Department Heads

No report.

C. Control Room Operations

Mr. James Dix, Operations Manager, provided information about the Regional Treatment Plant Control Room, an overview of the wastewater collection and treatment facilities, and review of SCADA system. Mr. Cort asked what the operators are monitoring in the Control Room and Mr. Dix explained they are able

to oversee the pump stations, the Castroville Seawater Intrusion Project (CSIP) system, the Salinas Valley Reclamation Project (SVRP) system, and the Regional Treatment Plant (RTP) operations 24/7 365 days a year. This also allows operators to change chemical doses as needed and acknowledge and respond to alarms throughout the system. Mr. Dix said SCADA is an acronym for Supervisory Control and Data Acquisitions and explained that as a result of this system and the upgrade in 1998, staff has been able to maintain control over a large amount of equipment and reduce the number of operations staff necessary to perform the work. In summary, the control room is the hub of the facilities, able to monitor the RTP, pump stations, SVRP and CSIP via the SCADA systems. Data is recorded continuously and there is consideration for upgrading and improving the SCADA system this fiscal year.

Mr. Bloomer asked for clarification on the graphic of the recycling plant and Mr. Dix explained that the recycled water delivery encompasses 12,000 acres of food crops. Chair Russell asked about the control room monitoring the demand from the wells out in the fields. Mr. Dix responded saying staff maintains certain levels in the pond, but as the pond level decreases, well sites are put on line. He explained there was a day last week where all the well sites were on line and yet 35,000 gallons per minute were being pulled from the pond – it was a total of approximately 63,000 gallons a minute. It was amazing how much water was being used and it continued for several hours.

With no further questions or discussion, Chair Russell thanked Mr. Dix for his presentation.

11. BOARD MEMBER COMMENTS

Mr. Bloomer commented that various cities now put their agendas and staff reports on their websites and asked if that was something MRWPCA might consider in the near future. There were no additional member comments.

[Chair Russell adjourned Open Session at 7:33 p.m. After a short recess, Chair Russell called Closed Session to order at 7:40 p.m.]

12. CLOSED SESSION

A. Personnel Matter

- i. Public Employee Performance Evaluation: General Manager

B. Conference with Labor Negotiator

- i. Unrepresented Employee: Assistant General Manager
Agency Negotiator: Keith Israel, General Manager
- ii. Unrepresented Employee: General Manager
Agency Negotiator: Budget/Personnel Committee

C. Negotiations with Marina Coast Water District and Monterey County Water Resources Agency

- i. Property: Easements, Rights-of-Way, Pipelines and Appurtenances, Water Rights and Improvements to Real Property
- ii. Negotiator(s): General Manager Keith Israel
- iii. Negotiating Party: Marina Coast Water District and Monterey County Water Resources Agency
- iv. Terms: All Terms and Conditions

[At 7:55 p.m., the Board came back into Open Session and Legal Counsel Buchert announced the Board received information and gave direction to the General Manager and Legal Counsel. No other action was taken.]

15. ADJOURNMENT

With no further business, Chair Russell adjourned the meeting at 7:56 p.m. to the next scheduled Board Meeting, in the Board Room at 5 Harris Court, Building D, on Monday, July 28, 2008, at 7:00 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