



**APPROVED**  
January 26, 2009

**MINUTES**  
**of the Regular Meeting**  
**Monterey Regional Water Pollution Control Agency**  
**Board of Directors**  
**November 24, 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 6:00 p.m., on Monday, November 24, 2008, 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      |
| Ron Stefani                  | Castroville Community Services District |
| Dan Burns                    | Marina Coast Water District, Member     |
| Jeff Haferman                | Monterey, Councilmember                 |
| Lou Calcagno                 | Monterey County, Supervisor             |
| Chris Orman                  | Moss Landing County Sanitation District |
| Scott Miller                 | Pacific Grove, Councilmember            |
| Gloria De La Rosa            | Salinas, Mayor Pro Tem                  |
| Steve Bloomer                | Seaside, Mayor Pro Tem                  |
| Vacant – Ex-Officio          | U.S. Army, Representative               |

**BOARD MEMBERS ABSENT:**

None

**MRWPCA STAFF PRESENT:**

|                |                                       |
|----------------|---------------------------------------|
| Keith Israel   | General Manager                       |
| Brad Hagemann  | Assistant General Manager             |
| Ron Wellington | Legal Counsel                         |
| John Tiernan   | Director of Admin Services, Deputy GM |
| Tom Buell      | Director of Finance                   |
| Karen Harris   | Community Relations Specialist        |
| Betty Nebb     | Executive Assistant                   |

**OTHERS PRESENT:**

Carl Niizawa – City of Salinas  
Les Turnbeaugh – City of Monterey  
Bjorn Lundegard – City of Seaside

Chair Russell welcomed Mr. Scott Miller who was attending tonight's meeting on behalf of Mayor Cort and Mr. Dan Burns was representing Marina Coast Water District on behalf of Mr. Nishi.

**4. PUBLIC COMMENTS**

At 6:04 p.m., Chair Russell opened and closed Public Comments.

**5. CONSENT AGENDA**

Mr. Burns indicated he would abstain from approving October 27, 2008 Board Minutes (Item A) because he was not in attendance. Chair Russell pulled Item G, and asked Mr. Tiernan to comment. Mr. Tiernan explained the Capital Improvement Program and the Capitalized Equipment Fund are illustrated by charts to show how we are doing. For the Capital Improvement Fund, we anticipate expenditures will be close to budget this year.

**ACTION TAKEN: On a motion by Ms. De La Rosa, seconded by Mr. Haferman, the Board unanimously approved the Consent Agenda, Items A through H as follows:**

- A. Approve Board Meeting Minutes/Report for Regularly Scheduled Board Meeting of October 27, 2008**
- B. Approve Board Meeting Minutes/Report for Joint Board Meeting with Monterey Peninsula Water Management District of October 29, 2008.**
- C. Receive Financial Statement – July through September 2008**
- D. Receive Comparison Percentage of Budget Expended Through October 2008 vs. 2007**

- E. Receive Check Register – October 2008
- F. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for October 2008
- G. Receive Actual vs. Budgeted Fiscal Year 2008/09 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund
- H. Receive Actual vs. Anticipated Fiscal Year 2008/09 Revenues from Capacity Charges

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

**A. Recycled Water Storage Committee**

**1. Receive and Approve Committee Minutes/Report of November 13, 2008**

Mr. Russell reported the Minutes are accurate and reflect the action of the Committee and called for questions.

**ACTION TAKEN: On a motion by Mr. Haferman, seconded by Mr. Bloomer, the Board unanimously approved the Recycled Water Storage Committee Minutes for Thursday, November 13, 2008, with the following recommendations:**

- **That the Board agree the RWS Committee members would constitute the Joint Board Committee to meet with the Monterey Peninsula Water Management District to consider an MOU between the two agencies.**

**B. Budget/Personnel Committee**

**1. Receive and Approve Committee Minutes/Report of November 18, 2008**

Chair Pendergrass reported the Minutes and recommended action are accurate and includes a recommendation that will be considered by the Board in Closed Session.

Mr. Wellington explained that the Committee met with the auditor, reviewed the Audit Report and learned about new reporting standards that more completely qualify the accuracy of the report. He suggested that Mr. Tiernan comment about the audit so that Board Members can be informed it was a clean audit and one they can appropriately approve.

Mr. Tiernan stated staff is pleased to notify the Board that once again the Audit Report shows an “unqualified opinion” with “no significant exceptions.” Additionally Vavrinek, Trine, Day & Co., LLP (VDT) has advised staff that during the year’s audit, nothing has arisen that requires a “management advisory comment.” Many new financial standards from the Financial Accounting Standards Board were instituted

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this year resulting in one adjustment that was not material. VDT was highly complimentary to our staff for the level of expertise and the cooperation given. Mr. Tiernan announced staff would be submitting a Comprehensive Annual Financial Report (CAFR) to the GFOA, a voluntary endeavor that has been completed over each of the last three years.

Mr. Wellington restated the auditor went through a number of new standards with the Committee at great length. Because individual jurisdictions will be subject to the same requirements, he felt this additional attention would help to underscore for the Members that they were receiving a full and complete report on the audit and that their comprehensive review was important.

Mr. Pendergrass noted that each Board Member has received a copy of the Audit and that the Committee recommends approval of the report.

**ACTION TAKEN: On a motion by Mr. Stefani, seconded by Mr. Bloomer, the Board approved the Budget/Personnel Committee Minutes for Tuesday, November 18, 2008 with the following recommendations:**

- **That the Board accept the 2007/08 Audit Report.**
- **That the Board approve staff recommendation to create a Distribution Lead Mechanic position at Range 52 of the General Employee Salary Schedule.**
- **That the Board approve staff recommendation to create a new Capital Improvement Project for the Digester Hot Water Loop Repairs Project and award the contract for the design phase to El Dorado Engineering and Architecture, Inc. in the amount of \$50,784.**
- **That the Board approve the schedule for 2009 MRWPCA Board of Directors' meetings.**

**7. 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 indicated that updates to the goals were included in the packet.

**9. STAFF REPORTS**

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

Mr. Israel called attention the letter attached to the RWSC Minutes from Orange County Water District confirming that “the advanced treatment processes employed in the Groundwater Replenishment System are reliably removing virtually all detectable contaminants from the product water” and reiterated their desire to assist in the development of our replenishment project.

Mr. Israel announced the State is issuing new recycled water standards policies which will affect changes to recycled water policies at the State level. There is encouragement for additional recycled water as the State anticipates water shortages and recognizes they can provide incentives for more production. He continued by stating the agency has hit the all-time recycled water production level by a substantial amount. In fact the reclamation plant is still in operation – normally by now the irrigation demand has declined – and will probably continue until the end of the month.

**B. Department Heads**

Nothing to report.

**C. Presentation: Salinas River Diversion Facilities**

Mr. Bob Holden, Principal Engineer, provided an update to the construction of the rubber dam and facilities supporting the SRDF project. Monterey County Water Resources Agency has contracted to construct the Rubber Dam, Fish Ladder, Fish Screen and Pump Station with an expected completion date of late Fall 2009. MRWPCA is completing the Metering Structure, Disinfection Facilities, Hydraulic Structure and Mixing into Storage Pond at a cost of \$1.6M and with an expected completion date of June 2009.

Mr. Holden stated this project will further reduce seawater intrusion over time. The existing CSIP Project (recycled water for agriculture) solves about 40% of Salinas Valley seawater intrusion by reducing groundwater pumping. Collected rainwater will be released from two South County reservoirs between April and October each year. The rubber dam in the Salinas River which is located near the landfill will be inflated to collect this summer water that will be pumped up to the existing CSIP storage ponds at the RTP. Chlorine will be added along the way to disinfect the river water. River water and recycled water will be released from the storage pond to replace current groundwater pumping.

Mr. Holden explained the progress of the rubber dam construction and provided photographs illustrating the different stages. When the rubber dam is inflated, water will collect behind it in a two-mile long reservoir and is then pumped to the treatment plant for processing. Discussion followed regarding possible flow from the Blanco

Drain into the river water carrying some pesticides. Mr. Holden explained treating that water would not be a problem and Mr. Calcagno asked for clarification of the location of the Blanco Drain.

No further questions, Chair Russell thanked Mr. Holden for his presentation.

**10. BOARD MEMBER COMMENTS**

No comments.

[Chair Russell adjourned Open Session at 6:25 pm.]

[Chair Russell called Closed Session to order at 6:35 pm,]

**11. CLOSED SESSION**

**A. Conference with Labor Negotiator**

**i. Unrepresented Employee: Assistant General Manager**

**ii. Agency Negotiator: General Manager**

[At 6:43 p.m., Chair Russell adjourned Closed Session and reconvened Open Session.]

Legal Counsel announced that in the Closed Session the Board of Directors received information regarding the negotiation matter listed on the agenda and approved directing the General Manager to proceed with implementing his recommendation for a salary adjustment of 3% for Mr. Brad Hagemann, Assistant General Manager, with a recommendation for a more complete compensation review in June 2009.

**12. ADJOURNMENT**

With no further business, Chair Russell adjourned the meeting at 6:45 p.m. to the next scheduled Board Meeting, in the Board Room at 5 Harris Court, Building D, on Monday, January 26, 2009, 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