



**APPROVED**  
September 27, 2010

**MINUTES**  
**of the Regular Meeting**  
**Monterey Regional Water Pollution Control Agency**  
**Board of Directors**  
**August 30, 2010**

**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 Calcagno at 7:04 p.m., on Monday, August 30, 2010 in the Board Room at 5 Harris Court, Building D, Monterey, California.

**2. ROLL CALL**

**BOARD MEMBERS PRESENT:**

Lou Calcagno, Chair	Monterey County Supervisor
Ron Stefani, Vice Chair	Castroville Community Services District
Ramiro Cortez	Boronda County Sanitation District
Dennis Allion	Del Rey Oaks, Councilmember
Kenneth Nishi	Marina Coast Water District, President
Libby Downey	Monterey, Councilmember
Chris Orman	Moss Landing County Sanitation District
Carmelita Garcia	Pacific Grove, Mayor
Gloria De La Rosa	Salinas, Councilmember
Dave Pendergrass	Sand City, Mayor
Vacant – Ex-Officio	U.S. Army, Representative

**BOARD MEMBERS ABSENT:**

Ralph Rubio	Seaside, Mayor
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**MRWPCA STAFF PRESENT:**

Keith Israel	General Manager
Rob Wellington	Legal Counsel
Brad Hagemann	Assistant General Manager
John Tiernan	Dir of Admin Services, Deputy GM
Tom Buell	Director of Finance
Bob Holden	Principal Engineer

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Mark Malanka  
Betty Nebb

Operations Manager  
Executive Assistant

**OTHERS PRESENT:** Frank Aguayo – City of Salinas  
Carl Niizawa – Marina Coast Water District  
Mr. and Mrs. Don Bolles - Toro Park Coalition  
Wayne Downey

3. **PLEDGE OF ALLEGIANCE** – Director Libby Downey

4. **PUBLIC COMMENTS**

At 7:05 pm, Chair Calcagno opened and closed Public Comments. No comments received.

5. **CONSENT AGENDA**

**ACTION TAKEN:** On a motion by Mr. Pendergrass, seconded by Ms. Garcia, the Board unanimously approved the Consent Agenda, Items A through J, as follows:

- A. Approve Minutes/Report for Regularly Scheduled Board Meeting of July 26, 2010
- B. Receive Comparison Percentage of Budget Expended Through July 2010 vs. 2009
- C. Receive Check Register – July 2010
- D. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for July 2010
- E. Receive Actual vs. Budgeted Fiscal Year 2010/11 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund
- F. Receive Actual vs. Anticipated Fiscal Year 2010/11 Revenues from Capacity Charges
- G. Approve Biennial Revisions to Resolution No. 2010-12, MRWPCA Conflict of Interest Code
- H. Approve Contract for Year 5 Multi-Year Facility Coating Project
- I. Approve Contract for Purchase of Payment Process System
- J. Approve Resolutions No. 2010-13 and 2010-14, Establishing Authorizations for Accounts with First National Bank of Central California

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

**A. Recycled Water Committee**

**1. Receive Committee Recommendations from RWC Meeting of August 12, 2010**

**Item 1 – Update on Regional Urban Water Augmentation Project (RUWAP)**

Mr. Holden reported that staff met with MCWD staff and discussed several issues related to the RUWAP project:

- questions regarding instantaneous flow and the monthly flow limits in summer time
- pipeline right of way through City of Marina
- instrumentation system work design
- progress of MCWD's application for Stag Grant
- status of State Revolving Loan
- list of customers for recycled water
- need for winter storage facility
- possible use of renewable energy from the Landfill to power two pump stations within the RUWAP system

➤ **Information only – no action needed.**

**Item 2 – Update on Planning Use of MRWPCA Outfall for Regional Desalination Project**

Mr. Holden explained that the Committee reviewed the two actions required in our MOU with MCWD for the desal brine disposal:

- 1) An environmental analysis – Denise Duffy & Associates has been hired to provide additional environmental review; and, Flow Science (MCWD) has studied the brine dilution through the outfall and our staff has reviewed and is charting that information which will be part of our new permit application.
- 2) A technical feasibility analysis – Capacity and corrosion study completed and a baseline condition of the pipeline will be confirmed before the desal brine is introduced.

Mr. Holden added that the next stage is to complete a preliminary design of the brine receiving facility which is required by the regional board before they can consider changing our discharge permit to allow the desal brine to enter our outfall and go out to the ocean.

➤ **Information only – no action needed.**

**Item 3 – Support for North Valley Regional Recycled Water Project (NVRWP)**

Mr. Holden stated that this project proposes to provide 31,000 AF of recycled water for irrigating crops on the west side of the Central Valley. This is a regional effort of the cities of Modesto, Ceres, and Turlock, plus Del Puerto Water District. They have requested that MRWPCA issue letters of support to their Congressional representatives and he indicated a draft letter of support is included in the agenda materials for the Board's review.

Discussion followed with member comments that this project could be in competition for funding with our regional recycled water projects. Mr. Israel stated that at this point there really is no negative impact to us in acknowledging support for their efforts. Mr. Holden added that the more Congress is aware of the need to fund recycled water projects, the more likely support will become available. Vice Chair Stefani noted that the Committee initially expressed concern about competing for funding dollars; however, the members felt that supporting recycled water projects would ultimately provide more opportunities and open more doors in the future. Mr. Pendergrass added that the reputation our agency has established, as a result of successful recycled water projects, ensures that our credentials are valued when funding requests are made.

**COMMITTEE RECOMMENDATION: That the Board authorize the General Manager to provide letters of support for the North Valley Regional Recycled Water Project (NVRWP).**

**Item 4 – Review September WaterReuse Conference Trip to Washington DC**

Mr. Israel explained that staff would be attending the Conference and participating in the Upper Occoquan Service Authority (UOSA) Water Reclamation Facility Technical Tour. The UOSA 54 mgd Water Reclamation Facility is the largest, most mature surface water indirect potable reuse facility of its kind in the world and serves as another example of a successful replenishment project as we consider our replenishment project.

Mr. Israel noted that being in Washington DC would also offer access to visit Congressional staff and appropriation committee members regarding possible funding and/or study grants for our recycled water projects. During the Committee meeting, Chair Rubio and Ms. Downey expressed interest to participate in this trip. Since that meeting, Chair Rubio determined that he will not be available for this trip after all, and because MCWD General Manager is unable to travel to Washington during this time, Mr. Israel feels the focus for the legislative visits would be on Phase 2 recycled water projects and probably not include discussions on RUWAP.

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After some discussion by the Board and encouraged by Vice Chair Stefani, Mr. Allion volunteered to participate in the trip. Consensus by the members was that two Board members, Ms. Downey and Mr. Allion, would be representing MRWPCA in Washington at the WaterReuse Conference and for the proposed Congressional meetings.

**COMMITTEE RECOMMENDATION: That the Board approve participation of two Board Members in a joint WaterReuse Conference/Funding Trip to Washington DC in September 2010.**

Mr. Pendergrass expressed the importance of continuing efforts to go forward with the Groundwater Replenishment Project because the overdraft of the Seaside Aquifer will result in the possibility of large fines being levied. He stated that due to the "cease and desist" order on the peninsula, this Board can not afford to wait - now that Phase 1 is moving forward, it is time to get started. Discussion followed stating that the Board's Strategic Goal includes developing a groundwater replenishment pilot plan, and Chair Calcagno suggested that if further discussion on this is needed perhaps staff can provide a recommendation for action that the Board can consider at a future meeting.

**ACTION TAKEN: On a motion by Ms. De La Rosa, seconded by Mr. Orman, the Board unanimously approved the Recycled Water Committee Recommendations and the Minutes/Report of August 12, 2010.**

**B. Budget/Personnel Committee**

**1. Receive Committee Recommendations from BPC Meeting of August 13, 2010**

**Item 1 – Update on Status of O&M Agreement with MCWRA for Salinas River Diversion Facilities (SRDF)**

Mr. Hagemann explained the construction budget for the SRDF included funding for start-up operations and maintenance on the SRDF facilities; however, while the MCWRA budget for 2010/11 does include funding for our agency to operate and maintain these facilities, we don't yet have a signed agreement. Still outstanding are insurance and indemnity issues that should be resolved shortly.

➤ **Information only – no action needed.**

**Item 2 – Consider Renewable Energy Facility Planning MOU with MRWMD, MCWD and MCWRA**

Mr. Hagemann noted that this cooperative planning effort initially called for the Landfill and MRWPCA to coordinate expansion of the landfill gas facility and the need for us to update our cogeneration facility. Since those initial discussions, the

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concept developed for a MOU to consolidate efforts to augment energy needs with one renewable energy facility. Mr. Hagemann stated that the proposed MOU simply affirms that the agencies seek this opportunity to work together to augment the energy needs for the regional water project. He noted that subsequent to the BPC meeting when the MOU was reviewed, the Landfill Board has requested amending the MOU to be solely specific to the Regional Water Project (shown on page 70 in the agenda materials) and has suggested there be a separate MOU for the Salinas River Diversion Facility (SRDF).

After some discussion, Mr. Hagemann confirmed the draft MOU between the four agencies as presented to the Board tonight has been approved in concept by the Landfill Board. Ms. Downey stated that the Landfill Board members felt it would be best to have a separate MOU for the County and the SRDF. To clarify, Mr. Hagemann stated that if there are significant changes made to the MOU through the approval process, the MOU will be brought back to the Board for final approval.

**ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Ms. De La Rosa, the Board unanimously endorses Agency participation and adoption of the Renewable Energy Facility in Support of a Regional Water Project Planning MOU.**

**Item 3 – Review Conceptual Regional Environmental Park Master Development Plan**

Mr. Hagemann explained that MRWPCA and MRWMD (Landfill) retained HDR to develop a long-range resource planning document to provide a conceptual master plan for the regional environmental park. This planning document described existing conditions and looked at a variety of potential uses or functions that may be needed in the future and where those functions may be located.

Mr. Hagemann stated that in reviewing the information, the Committee suggested a couple of adjustments to the development plan map that will be reported back to the Landfill. Chair Calcagno added that consideration should be given for an area to be set aside for an additional holding facility for recycled water to supplement the recycled water projects. Mr. Israel noted it is unique to have three public entities in the same area and with that comes the opportunity to collaborate on energy sources as well as development of a regional water storage area.

➤ **Information only – no action needed.**

**ACTION TAKEN: On a motion by Mr. Orman, seconded by Ms. Garcia, the Board unanimously approved the Budget/Personnel Committee Minutes/Report of August 13, 2010.**

**C. Projects/Planning Committee**

**1. Receive Committee Recommendations from PPC Meeting of August 18, 2010**

**Item 1 – Review Feasibility Study for MRWPCA to provide Wastewater Service to the Toro Park Region**

Mr. Buell stated the Feasibility Study presented to the PPC was a result of a request from Supervisor Potter to evaluate the costs of providing wastewater service for the Toro Park region. In February 2010, the Board directed staff to retain a consultant to prepare a feasibility analysis with regard to providing sewer service to the Toro Park region and include an analysis to connect the Indian Spring/Las Palmas wastewater flows to the Regional Treatment Plant as well.

Mr. Buell provided background information to the Board regarding the current services and costs for wastewater treatment provided by California Utilities Service (CUS). He noted that the Feasibility Study will assist the Toro Park Coalition of Homeowners' Associations (Coalition) to analyze what options they have and what the estimated costs can be. The Study provided a summary of recommended steps:

- Create sewer district
- Own and maintain collection system
- Negotiate and purchase existing facility from CUS
- Receive approval to connect to the Regional Treatment Plant system
- Receive approval from LAFCO to join the MRWPCA
- Construct and divert existing system to our agency
  - Build new pipeline
  - Construct additional infrastructure
- Secure necessary financing

Mr. Buell stated that capacity fees to the Agency would be about \$3.3 million dollars for the 1,200 homes to connect and the annual fees at \$12 per household for sewer service would be approximately \$162,000 per year. Mr. Pendergrass asked about the increased capacity at the RTP and Mr. Buell responded that it would be only 200,000 to 300,000 gallons per year.

Mr. Don Bolles, representing the Coalition of Toro Area Homeowners' Associations, stated the Coalition represents several housing areas along Highway 68. He also reviewed the current service costs imposed by CUS and noted that the Study provided by the Agency makes a lot of sense and will be reviewed carefully by the

homeowners. Mr. Buell added that staff would be present at the next Coalition meeting set for September 8 to review the report and answer questions. He noted that the full report is included in the agenda materials.

Discussion followed and Mr. Nishi stated the while the Feasibility Study will be a helpful guide, a disclaimer ought to be given that it serves only as a guide and may not cover all the issues the Coalition will need to address. Mr. Wellington agreed that the Coalition should do their own due diligence that will include having legal counsel and consultants who will help them make a final decision. Mr. Israel suggested that staff would send a letter to the Coalition to formally cover all the things discussed this evening and to clarify some additional issues they may need to consider.

**COMMITTEE RECOMMENDATION: That the Board authorize staff to provide the Feasibility Study to the Coalition of Toro Area Homeowners' Associations for guidance.**

**Item 2 – Consider Next Committee Meeting Date(s)**

Mr. Buell stated that staff is currently working with Denise Duffy & Associates to prepare a planning study that will identify future growth plans and projected sewer flows for our existing member entities at build out of their respective General Plans. This study will provide guidance for consideration new areas being added to the regional system. When this study is complete and ready for review, a meeting of the PPC will be scheduled.

**ACTION TAKEN: On a motion by Ms. Downey, seconded by Mr. Cortez, the Board unanimously approved the Projects/Planning Committee Recommendations and the Minutes/Report of August 18, 2010.**

**7. INFORMATIONAL ITEMS**

**A. Reclamation Project Status Summary**

No comments.

**B. Strategic Planning Goals (2008-2011) and One-Year Objectives Update**

Mr. Israel noted there is progress on several of the goals.

**8. STAFF REPORTS**

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

Mr. Israel announced that the California Association of Sanitation Agencies (CASA) recently held their Annual Conference in Monterey with one of our local Monterey Peninsula Mayors providing welcoming remarks to the group. Area representatives provided a presentation that featured the water projects in our County including the Sand City Desal Plant Project, MCWRA Rubber Dam Project,

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the Regional Water Project and MRWPCA Outfall for Brine Disposal. Those who attended had several questions and the information was very well received.

Mr. Israel also announced the activities for the Monterey County Fair taking place over the Labor Day weekend and explained our agency booth would be there to provide information to the community about MRWPCA services.

**B. Department Heads**

To the Chair's question about our banking services, Mr. Tiernan reported that we stayed with First National Bank as they are now better capitalized.

**C. Presentation: Update on Salinas River Diversion Facility Operations – Mark Malanka, Operations Manager**

Mr. Malanka provided graphs to illustrate the level of river water that has been processed as recycled water for irrigation over the last four months and the ongoing efforts to reduce use of well water. He stated that pumping from the wells has been reduced by 75% - 3,000 AF during the first four months of operation of the rubber dam. Although some water goes over the rubber dam, the river structure is working very well. MCWRA staff expertly controls the amount of water that comes down from the Nacimiento Dam. They have to anticipate about 7 days in advance, taking weather and holidays into consideration, and relying on our estimate of what the growers require for irrigation. They are able to keep the water level just under 9 feet deep on the backside of the rubber dam which is needed for maximum efficiency.

Mr. Malanka stated some maintenance issues did occur during the start up of operations, but they were not significant and were quickly resolved:

- Minor operation start-up issues with filters and high-suspended solids
- Motors over heating as a result of bird nests
- Some disinfection injection projects
- Lower disinfection time in the pond as water is rushed through resulting in more chlorine being needed

Mr. Malanka concluded by saying that our operations staff have not had any significant problems to deal with and deems this project a great success because it is doing what the County said it would.

Mr. Orman asked about security at the rubber dam site and Mr. Malanka stated that MCWRA staff was considering a fence to prevent people from climbing up to the top of the deck.

**10. CORRESPONDENCE**

Chair Calcagno noted the four items listed in Correspondence – no questions.

**11. BOARD MEMBER COMMENTS**

Ms. Downey stated that she, Mayor Pendergrass, Mayor Garcia, and Councilman Allion attended the CASA Conference and said that Mayor Pendergrass spoke to the conference group and provided a wonderful history of the water issues we are facing in this County, highlighting the work that MRWPCA has done. She also stated that the President of CASA presented the President's Award to our General Manager in recognition of the special work he has done for many years for the Association related to providing annual state-wide industry salary and benefit information.

**12. ADJOURNMENT**

With no further business, Chair Calcagno adjourned the meeting at 8:19 pm to the regularly scheduled Board Meeting on September 27, 2010.

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Keith E. Israel, General Manager  
Secretary to the Board

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Louis Calcagno, Chair  
MRWPCA Board of Directors