

APPROVED
October 30, 2017



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
September 25, 2017

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 Fischer at 6:02 p.m., on Monday, September 25, 2017 in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. ROLL CALL

BOARD MEMBERS PRESENT:

Linda Grier	Boronda County Sanitation District
Rudy Fischer, Chair	Pacific Grove
Ron Stefani, Vice Chair	Castroville Community Services District
John M. Phillips (arrived at 6:03 PM)	County of Monterey
Dennis Allion	Del Rey Oaks
Timothy Barrett	Monterey
Eric Tynan (left at 7:53 PM)	Moss Landing County Sanitation District - Ex-Officio
	Salinas
Gloria De La Rosa	Sand City
Mary Ann Carbone	Seaside
Dennis Alexander (arrived at 6:08 PM)	
Thomas P. Moore	Marina Coast Water District
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

None

MRWPCA STAFF PRESENT:

Paul A. Sciuto	General Manager
Tori Hannah	Chief Financial Officer
Bob Holden	Principal Engineer
Rob Wellington	Legal Counsel

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Mike McCullough	Government Affairs Administrator
Mary Jo Walker	Interim Chief Financial Officer
Alma Garcia	Admin Support Specialist
Larry Stowbunenko	Information Systems Administrator
Jennifer Gonzalez	Engineering Manager
Leara Sampson	HR Manager
Yohana Vargas	Contracts Administrator
Alison Imamura	Associate Engineer
Bill Cronin	Plant Maintenance Supervisor

OTHERS PRESENT:

Dave Chardavoyne, Monterey County Water Resources Agency (MCWRA)
Guy Petraborg, Monterey Regional Waste Management District (MRWMD)
Tom Adcock, California Utilities Service, Inc.

3. PLEDGE OF ALLEGIANCE

Member Grier led the pledge of allegiance.

4. PUBLIC COMMENTS

Chair Fischer called for Public Comments - none received

5. CONSENT AGENDA

ACTION TAKEN: It was moved by Member De La Rosa, seconded by Member Phillips to approve Consent Agenda Items A through E, and carried by the following vote:

Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

- A. Consider Approval of Board Minutes for Regular Board Meeting of August 28, 2017
- B. Receive Schedule of Cash and Investments as of August 31, 2017
- C. Receive Check Register for August 2017
- D. Receive Waste Discharge Report for August 2017; NPDES Monitoring Report for August 2017; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for August 2017
- E. Consider Approval to Amend the Contract with Geosyntec Consultants, in the Amount of \$53,275, for Additional Work for the Development of a Stormwater Resource Plan for the Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Planning Region

6. COMMITTEE REPORTS

A. BUDGET/PERSONNEL COMMITTEE (BPC) – September 8, 2017

1. Receive BPC Draft Minutes of September 8, 2017

ACTION TAKEN: It was moved by Member Moore, seconded by Member Phillips to receive the BPC Draft Minutes of September 8, 2017 and carried by the following vote:

Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

7. ACTION ITEMS

A. Consider Approval of An Agenda Management Services

Mr. Stowbunenko provided a demo of BoardSync, the Agenda Management Services, and assured the Board Members that a printed board packet would always be available to them, but encouraged the board members to give BoardSync a try.

Mr. Stowbunenko stated that all the Board members would receive an iPad to access BoardSync, unless they already have an iPad, and in that case the icon would be added to their existing iPad.

ACTION TAKEN: It was moved by Member Barrett, seconded by Member Phillips to approve the Agenda Management Services, and carried by the following vote:

Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

B. Consider Approval to Increase Budget Amendment Policy Approval Levels

Mr. Sciuto stated the purpose to increase the Budget Amendment Policy approval levels is to be consistent with the Purchasing approval levels the Board recently approved. Mr. Sciuto also stated that a cumulative, detailed worksheet on budget transfers/amendments will be included in the financial information that is provided in the Board Packets, allowing the Agency to be more transparent.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore to approve to Increase Budget Amendment Policy Approval Levels, and carried by the following vote:

Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

- C. Consider Approval of an Amendment to the MRWPCA-MPWMD Groundwater Replenishment Project Cost Sharing Agreement - Revised to Receive as Update
Mr. Sciuto noted that in May 2013, the Agency entered into an agreement with MPWMD to reimburse the Agency 75% of the costs for Pure Water Monterey. To date the Agency has requested \$8.2M dollars in soft costs reimbursements from the state and is working with Dave Stoldt and Suresh of the Water Management District on how to distribute those funds. Mr. Sciuto stated the funds could be a 50/50 split of the initial reimbursements, or more towards of a 65/35 split which represents what each entity has contributed. At the Budget/Personnel Committee meeting it was recommended to draft a letter from the Agency Chair to the Water Management District Chair and address the reasons why either a lesser or no reimbursement of Water Management District funds may be appropriate. Mr. Sciuto also stated a draft of the letter has been provided to Chair Fischer for his review and comments. Mr. Sciuto indicated that no action is required at this time because the agency would still need to put together an amendment to that agreement and come back to the Board for approval.

Information Only – No Action Required.

- D. Consider Approval of Recruitment for Chief Financial Officer
Mr. Sciuto indicated that Ms. Hannah, the CFO is moving on and moving to the City of Pacific Grove as their Administrative Services Director, and that recruitment for a new CFO is needed as soon as possible. Mr. Sciuto also stated the need to modify the position of CFO to be somewhat consistent on an executive management level with the Assistant General Manager and on a permanent basis have IT report to the CFO and continue to have Purchasing and Inventory Control which became effective in July, along with Finance and Customer Service.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Phillips to approve the job description and modify the organizational chart, and carried by the following vote:

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Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

E. Receive Focused Wastewater Service Area Study Update

Mr. McCullough stated that in 2015 the Agency commissioned a report to look at some of the other smaller entities in and around the area just to get an update on flows, and that the study was in the final stages of a draft and was put on hold, because Monterey County was interested in finding out additional information about some of the other wastewater systems. Mr. McCullough also stated that an MOU with Monterey County was established and a request for proposals was sent out and eventually awarded this report to Vivian House and Associates, who was provided past reports and information accumulated. Mr. McCullough also indicated that several drafts were sent to multiple entities requesting comments. Mr. McCullough asked the Board to receive this study update.

Public Comment:

Mr. Adcock, President of California Utilities Service, Inc. submitted a letter to the Administrative Support Specialist and asked that it be put on the Dais and on file.

Mr. Adcock asked the Board not to receive or approve the study at this time until it is corrected to accurately reflect that the plant was built in 1990 not 1965. Mr. Adcock also stated that the study seems to indicate that the cost of service they provide is too high. Mr. Adcock explained to the Board that the cost of service is determined by the CPUC and is appropriate, fair and accurate and asked that these errors in his opinion need to be corrected and fixed.

Mr. Sciuto indicated that he will ask Vivian House and Associates to go back to Mr. Adcock to get information and see what is obtained to update and be as accurately as possible providing Mr. Adcock is willing to provide information.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Carbone to receive the Focused Wastewater Service Area Study Update and if there are corrections made to it in the future that it will be taken into consideration when the Board or Monterey County make a decision, and carried by the following vote:

Ayes: Fischer, Stefani, Grier, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

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- F. Receive Update on the Amendment to the Amended and Restated Water Recycling Agreement with the Monterey County Water Resource Agency to Allow the Use of Unused Winter Wastewater

Mr. McCullough indicated that a revised Agenda Item 7 – F was on the dais because the recommendation was incorrect.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore to approve an Increase to the Contract with Perkins Coie for Environmental Services and CPUC Legal Support, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: Grier

G. Consider Approval of an Increase to the Contract with Trussell Technologies Inc. for Continued Operational Support for the Pure Water Monterey Advanced Water Purification Demonstration Facility

Mr. Holden stated that he was asking for almost \$200,000 for Trussell Technologies for help in various areas, but specifically for work on the demo facility, help with interpretation of data, help with different approaches that will help with the design and to figure out how to run the big facility. Mr. Holden also stated that this additional money is also for some of the things Mr. Troxel talked about on how to adjust the treatment facility to respond to different waters.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member De La Rosa to approve an Increase to the Contract with Trussell Technologies Inc. for Continued Operational Support for the Pure Water Monterey Advanced Water Purification Demonstration Facility, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: Grier

H. Consider Approval of an Increase to the Injection Wells Phase 2 Design Contract with Kennedy Jenks to Include Additional Relay Stations Design

Ms. Hamilton stated that the Injection Wells Design Phase 2 includes design of the communication signal between the injection wells located on the Former Fort Ord and the central control room located in Marina. Ms. Hamilton also stated that the type of radio signal needed to transmit requires a clear line of sight, and the maximum height to build a radio tower is 30 feet, so to stay within those parameters additional communication towers are needed

ACTION TAKEN: It was moved by Member Barrett, seconded by Member Carbone to approve an Increase to the Injection Wells Phase 2 Design Contract with Kennedy Jenks to Include Additional Relay Stations Design, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: Grier

I. Consider Approval of General Manager's Goals for Fiscal Year 2017/2018

Chair Fischer stated that over the last several months the Board discussed the goals for the general manager as well as salary adjustments, and that at the last meeting the Board came up with these goals. Chair Fischer also stated that he divided two of the goals because they were subsets of the first goal. Chair Fischer proposed the goals for the Fiscal Year 2017/2018 to the Board.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member De La Rosa to approve the General Manager's Goals for Fiscal Year 2017/2018, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: Grier

J. Consideration of and Possible Action by the Board Regarding the Matter of an Adjustment in the Compensation of the General Manager

Chair Fischer stated that discussions in closed session have taken place over several meetings regarding the General Manager's salary adjustments. Chair Fischer also stated that both he and Mr. Stefani met with the General Manager on adjustments to his salary. Chair Fischer noted the following adjustments to the General Manager's compensation:

- Increase annual base salary to \$232,000, retroactive to July 1, 2017
- Regular increases over the next three fiscal years, tied to the San Francisco/Oakland/San Jose CPI index – minimum of 2% and a maximum of 5% (this matches what the employees have)
- One-time bonus of \$10,000 – not added to base pay
- Continuation of General Manager's PERS contribution

ACTION TAKEN: It was moved by Member De La Rosa, seconded by Member Carbone to amend the General Manager's contract in accordance with the motion, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: Grier

9. INFORMATIONAL ITEMS

A. Pure Water Monterey Update

Mr. Sciuto provided an update on Pure Water Monterey and indicated that an approval of the dewatering and diversion plan is pending review from the Fish and Wildlife Department.

B. Receive Update on Pure Water Monterey Project Costs and the Estimated Cost of Water

Ms. Hannah stated she originally had a presentation set-up for this item, but will continue instead to next month's Board meeting.

C. Quarterly Financial Updates

Ms. Hannah stated that normally quarterly financial updates are placed under consent and that for this month they were placed under Informational Items, and that at the time this agenda was prepared they were still doing some year-end accruals, so these are preliminary numbers. If there are additional updates they will be provided at next month's meeting.

10. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Sciuto provided an update on the Assistant General Manager recruitment and indicated five interviews already took place with an additional three interviews taking place on Wednesday.

Mr. Sciuto provided an update on his presentation to the California Association of Sanitation Agencies, specifically related to the Prop 218 Notice and to costs of water.

Mr. Sciuto stated that Mr. McCullough spoke at the WateReuse Association Northern California Chapter meeting on August 18th in Palo Alto.

11. BOARD MEMBER COMMENTS/REPORTS

Member Barrett reminded everyone about the Economic Conference scheduled for September 10 – 13, 2017 in Monterey.

Member Carbone indicated the League of California Cities will be taking place on September 13-15 in Sacramento.

Chair Fischer recessed Open Session and commenced Closed Session at 8:04 PM

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12. RECESS TO CLOSED SESSION

A. Conference with Real Property Negotiators

Pursuant to Government Code 54956.8

Property: Conveyance Pipeline
Agency Negotiator: Paul A. Sciuto, General Manager
Negotiating Parties: Marina Coast Water District
Under Negotiation: All Terms and Conditions

13. ANNOUNCEMENTS FROM CLOSED SESSION

Legal Counsel Wellington reported that the Board came back into open session at 8:18 PM and Legal Counsel reported that in the closed session the Board had considered agenda item 12.A (Conference with Real Property Negotiator), and that no reportable action was taken.

14. ADJOURNMENT

At 8:19 PM with no further business, Chair Fischer adjourned the meeting to the next regular Board Meeting to be held in the Board Room at 5 Harris Court, Building D, in Monterey, California on Monday, September 25, 2017 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Rudy Fischer, Chair
MRWPCA Board of Directors