



MINUTES

Regular Meeting
Monterey One Water
Board of Directors

January 29, 2018

1. CALL TO ORDER

The Regular Meeting of the Board of Directors of the Monterey One Water was Called to Order by Chair Fischer at 6:01 p.m., on Monday, January 29, 2018 in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. ROLL CALL

BOARD MEMBERS PRESENT:

Rudy Fischer, Chair	Pacific Grove
Ron Stefani, Vice Chair	Castroville Community Services District
Linda Grier	Boronda County Sanitation District
John M. Phillips	County of Monterey
Dennis Allion	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Timothy Barrett	Monterey
Gloria De La Rosa	Salinas
Mary Ann Carbone	Sand City
Ralph Rubio [arrived at 6:02 pm]	Seaside
Vacant – Ex-Officio	United States Army

MRWPCA STAFF PRESENT:

Paul A. Sciuto	General Manager
Tamsen McNarie	Assistant General Manager
Fred Marsh	Business Services Manager/CFO
Mary Jo Walker	Interim Chief Financial Officer
Bob Holden	Principal Engineer
Rob Wellington	Legal Counsel
Mike McCullough	Government Affairs Administrator
Alma Garcia	Admin Support Specialist
Jennifer Gonzalez	Engineering Manager
Yohana Vargas	Contracts Administrator
Chayito Ibarra	Executive Assistant/Board Clerk
Alma Garcia	Administrative Support Specialist

OTHERS PRESENT:

Maureen Hamilton, MPWMD

Member Rubio arrived at 6:02 pm

3. PLEDGE OF ALLEGIANCE

Member Moore led the pledge of allegiance.

4. PUBLIC COMMENTS

Chair Fischer called for Public Comments

Board Chair Fischer asked the Board if they would consider moving item 9-C, Update on January 20, 2018 Wastewater Release to Ocean, before the consent agenda.

ACTION TAKEN: It was moved by Member De La Rosa, seconded by Member Stefani, to move agenda Item 9-C Update on January 20, 2018 Wastewater Release to Ocean, before the consent agenda and carried by the following vote:

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

Noes: None

Absent: None

9. STAFF REPORTS

C. Update on January 20, 2018 Wastewater Release to Ocean – Paul A. Sciuto, General Manager

General Manager Sciuto gave a presentation to the Board on the wastewater release to the ocean that occurred on January 20, 2018. He provided an overview which included the following:

- How did this occur
- Discharge volume calculation
- Sampling program
- Mitigation Measures/Corrective Action
- Notification
- Next steps

Mr. Sciuto stated that in response to the incident, Monterey One Water is utilizing an independent consulting firm, Pinnacle Advanced Reliability Technology, to review all aspects of the equipment control failure. The on-going evaluation has yielded recommendations the Agency has implemented to provide additional reliability for the

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treatment facility. The Board had a lengthy discussion about the release and Mr. Sciuto answered several questions from the Board.

Board Chair Fischer announced that with regard to Item 5-O, Establish Nomination Committee for Election of Board Officers for 2018, Member Phillips has agreed to serve on the nomination committee along with Member Grier and Member Allion, who would chair the nomination committee.

5. CONSENT AGENDA

With regard to Item 5-A, Consider approval of board minutes for regular board meeting of November 27, 2017, Member Moore stated that he was not present for item 6-E (Consider approval of Resolution No. 2017-37, to approve first amendment to the Pure Water Delivery and Supply Project Agreement between Marina Coast Water District (MCWD) and Monterey One Water (M1W) and asked that the minutes be corrected to reflect that.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Phillips to approve Consent Agenda Items A through O, and correcting item 5-A to reflect Member Moore as absent for Item 6-E of the November 27, 2017 Board minutes, and carried by the following vote:

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

Noes: None

Absent: None

- A. Consider Approval of Board Minutes for Regular Board Meeting of November 27, 2017
- B. Receive Schedule of Cash and Investments as of November 30, and December 31, 2017
- C. Receive Quarterly Financial Reports for Second Quarter FY 17/18
- D. Receive Check Register for November and December 2017
- E. Receive Waste Discharge Report for December 2017; NPDES Monitoring Report for December 2017; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for December 2017
- F. Consider Approval of a Resolution 2018-01, Notifying the Local Agency Investment Fund (LAIF) of our Name Change, and Identifying the Agency Positions that are Authorized to Order the Deposit or Withdrawal of Monies in LAIF

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- G. Consider Ratification of Budget Adjustment for \$4,112,541 to Support Payment of 50% of Reimbursements from the State Revolving Fund Loan to MPWMD
- H. Consider Approval of Resolution 2018-02, Approving and Adopting the 457(B) Plan Summary Modifications
- I. Consider Award of Construction Management Contract to the Covello Group for Pure Water Monterey Injection Wells Facilities Phase 2
- J. Consider Approval of an Increase to the Contract with Kennedy/Jenks Consultants for Engineering Services During Construction for Pure Water Monterey Injection Wells Facilities Phase 2
- K. Consider Approval of an Agreement Between General Farm Investment and Monterey One Water Approving a Form of Easement Deed to Allow Construction of Pipeline and a Pump for Connection of the Farm Worker Housing Complex to the Regional System
- L. Consider Approval of an Increase to the V.W Housen Professional Services Agreement in an Amount not to Exceed \$20,500 to Update the Focused Wastewater Service Area Study
- M. Consider Approval of an Increase to the Contract with Perkins Coie for Environmental Services Support
- N. Consider Approval of Resolution 2018-03, Approving Designation of Applicant's Agent Resolution for Non-State Agencies
- O. Establish Nomination Committee for Election of Board of Officers for 2018

6. COMMITTEE REPORTS

A. BUDGET/PERSONNEL COMMITTEE (BPC) – JANUARY 11, 2018

- 1. Receive BPC Draft Minutes of January 11, 2018

ACTION TAKEN: It was moved by Member Carbone, seconded by Member Phillips to receive the BPC Draft Minutes of January 11, 2018 and carried by the following vote:

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

Noes: None

Absent: None

B. RECYCLED WATER COMMITTEE (RWC) – JANUARY 18, 2018

- 1. Receive RWC Draft Minutes of January 18, 2018

ACTION TAKEN: It was moved by Member Moore, seconded by Member De La Rosa to receive the RWC Draft Minutes of January 18, 2018 and carried by the following vote:

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

Noes: None

Absent: None

7. ACTION ITEMS

- A. Consider Approval of Agreement Reinstating, Extending and Continuing the April 29, 2016, Exclusive Negotiation Agreement (Long-Term Outfall Capacity Lease), to Include a New Term of Negotiation

Legal Counsel Wellington stated that the Exclusive Negotiation Agreement expired on October 29, 2017 and this agreement extends it until October 30, 2019.

ACTION TAKEN: It was moved by Member Barrett, seconded by Member Stefani, to approve and direct the execution of the agreement reinstating, extending and continuing the ENA with Cal-Am, and carried by the following vote:

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

Noes: None

Absent: None

- B. Consider Annexation of Monterey One Water into the North County Fire Protection District of Monterey County

Assistant General Manager McNarie presented this item and stated that due to Pure Water Monterey Project county permit requirements, M1W must be annexed into a fire protection district. At the request of M1W, Monterey Regional Fire District and North County Fire Protection District of Monterey County submitted information as to their respective interest and capability in providing fire protection service.

Ms. McNarie stated that staff evaluated both submittals and are recommending that North County Fire Protection District of Monterey County be selected as the entity to provide M1W with fire protection services.

ACTION TAKEN: It was moved by Member Stefani, seconded by Member Moore to approve annexing M1W into the North County Fire Protection District of Monterey County, and carried by the following vote:

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

Noes: None

Absent: None

C. Consider Approval of Agreement with the City of Salinas for Operation, Maintenance, and Water Quality Monitoring Services

Government Affairs Administrator McCullough presented this item and stated that since 2005 M1W has provided operations and maintenance services as well as water quality monitoring support services for the Industrial Wastewater Treatment Facility for the City of Salinas. Mr. McCullough noted that the agreement inadvertently expired and an interim agreement is necessary for M1W to continue to provide these necessary services to the City. He noted that under a new agreement the City agrees to pay the Agency for services rendered pursuant to this agreement.

ACTION TAKEN: It was moved by Member De La Rosa, seconded by Member Allion to approve an agreement with the City of Salinas for Operation, Maintenance, and Water Quality Monitoring Services and carried by the following vote:

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

Noes: None

Absent: None

8. **INFORMATIONAL ITEMS**

A. Pure Water Monterey Update

Pure Water Monterey Program Manager Lindow provided an update on the Pure Water Monterey Project.

9. **STAFF REPORTS**

A. General Manager/Assistant General Manager/Legal Counsel

General Manager Sciuto introduced Fred Marsh, new Business Services Manager/CFO to the Board. He stated that Mary Jo Walker, Interim CFO, would still be with the Agency for the next 3-4 weeks to assist Mr. Marsh with the transition.

Mr. Sciuto announced that the WateReuse Conference will be held at the Portola Plaza Hotel in Monterey this year beginning on Sunday, March 25 through Tuesday,

March 27. He asked the Board to contact Board Clerk Ibarra if they are interested in attending.

Assistant General Manager McNarie stated that two supervisors and one manager have retired in the last 30 days and between the three of them had over 100 years of service with the Agency.

Government Affairs Administrator introduced Rachel Gaudoin, new Public Outreach Coordinator, to the Board.

B. Demonstration of Paperless Agenda Management System – Larry Stowbunenko, IS Manager

Information Systems Manager Stowbunenko played a video for the Board which demonstrated how to view the agenda packet on the Board portal of the new electronic agenda management system called CivicClerk.

C. Update on January 20, 2018 Wastewater Release to Ocean – Paul A. Sciuto, General Manager

This item was considered after public comments.

10. Board Member Comments/Reports

Member Barrett announced that the Monterey Conference Center will hold its grand opening on January 31st from 2 pm to 7 pm.

Chair Fischer recessed Open Session and commenced Closed Session at 7:47 PM

11. RECESS TO CLOSED SESSION

A. Conference with Real Property Negotiators

Pursuant to Government Code 54956.8

Property: Ocean Outfall

Agency Negotiator: Paul A. Sciuto, General Manager

Negotiating Parties: California American Water

Under Negotiation: All Terms and Conditions

B. Conference with Legal Counsel – Existing Litigation (Administrative Proceeding)

Pursuant to Government Code Section 54956.9(d)(1)

Case: Application of CalAm Water for Approval of Monterey Peninsula Water Supply Project, CPUC No. A.12-04-019

12. ANNOUNCEMENTS FROM CLOSED SESSION

The Board came back into open session at 8:30 p.m. and Legal Counsel announced that in closed session the Board had taken up each of the two items listed on the closed session agenda, and that as to each matter the Board received information

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from the General Manager and discussed the matter, and that no reportable action was taken.

13. ADJOURNMENT

At 8:31 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, February 26, 2018 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Rudy Fischer, Chair
M1W Board of Directors