



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
October 29, 2001

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 Canepa at 7:00 p.m. on Monday, October 29, 2001, in the Board Room of the Administrative Offices at 5 Harris Court, Building D, in Ryan Ranch.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

BOARD MEMBERS PRESENT:

Theresa Canepa, Chair	Monterey
Morris Fisher, Vice-Chair	Pacific Grove
Ramiro Cortez	Boronda County Sanitation District
Carlo Cortopassi	Castroville Service Area 14
Joe Russell [Alternate]	Del Rey Oaks
Tom Moore [7:03 p.m.]	Marina Coast Water District
Judy Pennycook [7:13 p.m. to 7:37 p.m.]	Monterey County
Peggy Shirrel	Moss Landing County Sanitation District
David Pendergrass	Sand City
Darryl Choates	Seaside
Dewey J. Baird	U.S. Army - Ex-Officio

BOARD MEMBERS ABSENT:

Jack D. Barlich	Del Rey Oaks
Gloria De La Rosa	Salinas

STAFF PRESENT:

Keith Israel	General Manager
Robert Wellington	Legal Counsel

Tom Buell	Director of Finance
Robert Jaques	Director of Engineering Planning and Technology
John Tiernan	Director of Administrative Services
Deborah Fortune	Executive Assistant
Jon Popper	Laboratory Supervisor
Bob Holden	Recycled Water Projects Coordinator
Mark Williams	Supervising WWTP Operator

OTHERS PRESENT: Les Turnbeaugh - City of Monterey
Bjorn Lundegard - City of Seaside
Ken Nishi, MRWPCA Board Alternate - MCWD

AUDIENCE: 3

4. CONSENT AGENDA

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Fisher, the Board unanimously approved the Consent Agenda (Items A through I), as follows:

- A. Approve Minutes: Regular Meeting - September 24, 2001**
- B. Receive Financials - July/August 2001**
- C. Receive Check Register – September 2001**
- D. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Fort Ord and Marina – September 2001**
- E. Receive Actual vs. Budgeted Fiscal Year 2001/02 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund**
- F. Receive Actual vs. Anticipated Fiscal Year 2001/02 Revenues from Capacity Charges**
- G. Receive Residential Dwelling Unit Aggregate as of September 30, 2001**
- H. Approve Purchase of an Ion Chromatograph**
- I. Adopt MRWPCA Resolution No. 2001-18, A Resolution Authorizing Purchase of a Flygt Submersible Pump Without Formal Competitive Bidding Under Exception to Purchasing Resolution No. 87-19**

5. PUBLIC COMMENTS

[At 7:01 p.m., Chair Canepa opened Public Comments.]

Mr. John Fisher congratulated Mr. Israel on his October 16, 2001, response letter to the California Public Utilities Commission regarding the Plant B Report. (Note: See Correspondence with the 10/29 Agenda packet, Pages 83-89.)

[At 7:02 p.m., Chair Canepa closed Public Comments.]

6. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. RECYCLED WATER STORAGE COMMITTEE

1. Receive and Approve Committee Minutes/Report - Thursday, October 11, 2001

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Choates, the Board unanimously approved the committee recommendation, as follows:

- That the Board approve that staff be directed to respond, in writing by October 16, to correct out-of-date and/or incorrect information in the Public Utilities Commission's Plant B Report (see Correspondence within the 10/29 Agenda Packet).

7. INFORMATIONAL ITEMS

A. Fort Ord Issues Update

There were no questions or comments.

B. Reclamation Project Status Report Update

To an inquiry by Mr. Fisher, Mr. Israel reported that demand drops off in the winter to less than 500 acre-feet, which is a small amount of overall water for the whole year. November, December, January and February, and maybe early March, use a little bit over 1,000 acre-feet combined out of the overall total demand of up to 19,000 acre-feet. If the plant is run, there's a cost involved for even a small volume. Ultimately, when there is some kind of storage for wintertime water, then we'll be able to operate year-round and not lose any of the water.

Mrs. Canepa emphasized that while it's raining, the farmers don't need to water, and don't need the recycled water, thus lowering demand.

C. Strategic Planning Goals and Objectives

There were no questions or comments.

8. STAFF REPORTS/PRESENTATIONS

A. General Manager/Legal Counsel

There were no further reports.

B. Department Head(s)

1. Update on Power Outages at the RTP

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Mr. Mizerski summarized the recent incident of power outages at the Regional Treatment Plant (RTP), as follows:

Saturday, October 13:

- PG&E power surge and outage
- Cogen engines trip and stay down
- Plant on emergency generator power

Sunday, October 14:

- PG&E continues troubleshooting
- Positioned mobile generator and pumps
- Plant on emergency generator power supply

Monday, October 15 (emergency generator fails):

- New mobile diesel generator used
- Mobile diesel powered pumps used
- Rental diesel generator used
- Small mobile gas-powered generators used

Tuesday, October 16:

- PG&E suggests the problem is fuses
- High voltage contractor brought in
- Blown 25,000 volt fuses replaced
- PG&E power restored at end of day

Wednesday, October 17:

- Cogen plant up and powering the RTP
- PG&E up as standby power
- Mobile generators and pumps available for emergency

There are four TRP power sources: (1) Cogen Engines, (2) PG&E, (3) RTP Diesel Emergency Generator, and (4) New Portable Diesel Generator.

Conclusions from the outages were:

- 1) PG&E support was poor, and a letter will be sent;
- 2) Need high voltage capabilities, and local firms will be contacted; and,
- 3) RTP diesel generator and 21 kV components aging, and will be evaluated for effectiveness and options.

Impacts from the outages were:

- 1) Lost a day of recycled water production;

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- 2) Cancelled the Russian tour; and,
- 3) Incurred some rental and replacement parts costs.

Positive aspects from the event:

- 1) No injuries, only minor damage;
- 2) New mobile generator put to the test;
- 3) Good skill-building exercise; and,
- 4) Plant effluent kept in compliance.

To a report that the RTP emergency diesel generator is 18 years old and may need to be replaced, Mr. Fisher inquired if it wouldn't be prudent for the Board to immediately authorize the General Manager to purchase a new generator to prevent future problems. Chair Canepa reported she's concerned and is having staff analyze the options and report back to the Board.

Mr. Israel noted there would be some major expenditures over the next few years for replacement of our diesel generators because of new state and federal air standards that will go into effect over the next seven years. (As an example, upgrading a \$300,000 generator might cost \$150,000.) The growers are very concerned about the possibilities of contamination because the tertiary water is used for a food product. So, because of those concerns, we're in the process of re-examining some of our processes.

C. Presentation(s)

1. Performance Measures

Mr. Tiernan summarized the performance indicators of (1) Costs, (2) Staffing, and (3) Productivity. These criteria are a road map of where we were, how far we have come, and where we want to go next. A preventative maintenance software was purchased about three years ago and is fed information, and from that, reports are generated. Mark Malanka and Victoria Bowen have taken the lead in entering valuable information into the software. The information shows how MRWPCA compares to industry standards and world class operations.

MRWPCA's operating costs are \$1,200 per million gallons treated. World class is somewhere close to \$750 per million gallons treated. There are also some agencies that are \$5,000 per million gallons treated. MRWPCA is estimated to be in the top 30% to 40% of cost per MGD.

To an inquiry by Mr. Fisher, Mr. Tiernan responded that it might not be possible to get into the top 10% because of the nature of uniqueness of our plant. With this information we can analyze and make decisions on what

makes sense for MRWPCA.

To an inquiry by Mrs. Canepa, Mr. Tiernan responded that using reclaimed water on food crops might make it more costly.

Mr. Choates noted that environmental constraints in 'sanctuary heaven' may also contribute to our costs.

World class in staffing ratios are approximately at one staff per million gallons, and MRWPCA is at 1.4. Staff believes a few years ago we were approximately at 2.

Mr. Malanka reported on maintenance performance by comparing scheduled vs. breakdown maintenance. World class is at 80% preventive and MRWPCA is at 75% Agency-wide (pump stations, city pump stations, reclamation plant, and the secondary plant). With better planning, MRWPCA can get to 80% by fine-tuning the maintenance program.

To a statement by Mr. Moore, Mr. Malanka agreed MRWPCA wouldn't want to be at 100%, because maintenance would have to be done before it was really required in order to avoid the breakdowns and would have an associated expense. Mr. Malanka noted that 80% is the optimal standard level. And, actual time spent in the field servicing equipment (wrench time) is at the industry average of 40%. A Maintenance Planning Team was formed that will plan the work and order parts to save time in the field.

Actual time spent in the field servicing equipment (wrench time) is at the industry average of 40%. A Maintenance Planning Team was formed that is planning and scheduling work for all plant work orders.

Because of scheduling, back-log hours for the Field Maintenance Self-Directed Work Team (9 members) ranged from 988 to 1,078 hours between January and September 2001. The industry average is about 1,000 hours. Although there will be spikes, MRWPCA's back-log hours will vary depending upon the time of year (i.e., summer vacation time).

MRWPCA's critical equipment (45 pieces) availability over the past five quarters has exceeded its goal of 80%. To an inquiry by Mr. Fisher, Mr. Malanka noted that wintertime inflow and infiltration (I&I) rises from storm drains, collection systems, joint seepage, manholes. The cities are in the process of correcting those I&I problems.

To an inquiry by Mr. Moore, Mr. Tiernan reported other industry indicators are chemical and power costs. Now that we have data, MRWPCA can analyze many factors.

Mr. Moore noted good management capabilities inherent in this system enable MRWPCA to operate in a more efficient manner. He cautioned Board Members not to use this information to micro manage operations.

9. CORRESPONDENCE

There were no comments or questions.

10. BOARD MEMBER COMMENTS

Mr. Fisher wished everyone a Happy Thanksgiving and Halloween.

To a request by Chair Canepa, Mr. Pendergrass reported that last Thursday, Jack Barlich had a successful surgery to the main artery in his neck. He was home Saturday and is doing well and expected to fully recover and be back in operation very soon.

Mr. Wellington confirmed there would be a Closed Session, with a brief update on the status of negotiations with Monterey County and the Water Resources Agency relative to the allocation negotiations.

[At 7:37 p.m., the audience and staff persons, along with Board Member/Supervisor Pennycook, left the meeting, and following a five-minute break, Chair Canepa adjourned the Open Session to Closed Session.]

11. CLOSED SESSION

A. Conference with Property Negotiator

- | | |
|---------------------------|---|
| 1. Property: | Recycled Water |
| Negotiating Party: | Monterey County Water Resources Agency |
| Under Negotiation: | All Terms and Conditions |

[At 8:04 p.m., Chair Canepa adjourned the Closed Session and reconvened Open Session.]

Mr. Wellington announced that in Closed Session information was received by the Board, and that no action was taken.

12. ADJOURNMENT

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With no further business, the meeting adjourned at 8:05 p.m. to a Special Meeting on Monday, December 10, at **6:00 p.m.**, then followed by the next regularly-scheduled meeting on Monday, January 28, 2002, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

Theresa Ann Canepa
Chair of the Board of Directors

Date Passed: November 26, 2001

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