



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
June 27, 2005

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 Pendergrass at 7:00 p.m. on Monday, June 27, 2005, in the Board Room at 5 Harris Court, Bldg. D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

BOARD MEMBERS PRESENT:

Dave Pendergrass, Chair	Sand City
Carlo Cortopassi, Vice Chair	Castroville Service Area 14
Ramiro Cortez	Boronda County Sanitation District
Joe Russell	Del Rey Oaks
Butch Lindley	County of Monterey
Charles Scholl	Marina Coast Water District
Jeff Haferman	Monterey
Peggy Shirrel	Moss Landing County Sanitation District
Dan Cort	Pacific Grove
Roberto Ocampo	Salinas
Dewey J. Baird	U.S. Army - Ex-Officio

BOARD MEMBERS ABSENT:

Darryl Choates	Seaside
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STAFF PRESENT:

Keith Israel	General Manager
Ken Buchert	Legal Counsel
Jim Heitzman	Assistant General Manager
Tom Buell	Director of Finance
John Tiernan	Director of Administrative Services

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Betty Nebb	Executive Assistant
Ed Oyama	Lead Engineer
Lindsay Synstebly	Customer Service Lead
Kelly Cadiente	Accounting Supervisor

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

AUDIENCE: 1

4. PUBLIC COMMENTS

[At 7:02 p.m., with no comments received, Chair Pendergrass opened and closed Public Comments.]

5. CONSENT AGENDA

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

- A. Approve Minutes:
 - Regular Meeting, May 23, 2005
 - Strategic Planning Workshop, April 22, 2005
 - Budget Workshop, June 13, 2005
- B. Receive Financial Statements, May 2005
- C. Receive Comparison Percentage of Budget Expended Through May 2005 vs 2004
- D. Receive Check Register – May 2005
- E. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Fort Ord and Marina – May 2005
- F. Receive Actual vs. Budgeted Fiscal Year 2004/05 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund
- G. Receive Actual vs. Anticipated Fiscal Year 2004/05 Revenues from Capacity Charges
- H. Adopt Resolution No. 2005-05, Establishing the MRWPCA Investment Policy and Guidelines for Fiscal Year 2005/06
- I. Adopt Resolution No. 2005-06, Certifying Compliance with Taxes, Assessments, and Fees or Charges Levied as an Incident of Property Ownership

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- J. Adopt Resolution No. 2005-07, Establishing Salary Classifications and Ranges for the General Employees Association (GEA) and Mid-Management Employees Group (MMEG) for Fiscal Year 2005/06**
- K. Adopt Resolution No. 2005-07, Establishing Salary Classifications and Ranges for the Management Employees Group (MEG) for Fiscal Year 2005/06**
- L. Approve Rejection of Bids for Digester Mixing System Replacement Project – Phase I**

6. PUBLIC HEARING

A. Lien Hearing for Delinquent Sewer Service Billing

1. Adopt WRMPCA Resolution No. 2005-09, Declaring Liens Against Real Property for Delinquent Sewer User Charges

Mr. Tiernan explained this is the annual public hearing for 2004 delinquent sewer user charges in excess of \$40. Notification to customers started in February and if they fail to pay the delinquent amounts owed to MRWPCA, they are transferred to the tax roll with the County of Monterey. The collection history handout illustrates that within four years we are able to collect 98 – 99% of delinquent fees. Total customer accounts are 70,000; only .02% of our accounts are delinquent.

Mr. Cort asked about an individual receiving their bill when they are not living in the home. Ms. Synstebly answered that bills are sent to the address shown on the tax assessors' records for the ownership of the property.

[At 7:07 p.m., without any comments received, Chair Pendergrass opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Russell, the Board unanimously approved adoption of MRWPCA Resolution No. 2005-09, Declaring Liens Against Real Property for Delinquent Sewer User Charges, which will be filed with the Monterey County Records' Office.

B. Proposed Fiscal Year 2005/06 Budget

1. Staff Report on Proposed Budget

Chair Pendergrass commended staff for a very careful and clear budget. Mr. Tiernan reported that the budget is nearly identical to that presented to the Board at the Budget Workshop on June 13, 2005. One change is that the urban reclamation budget was updated based on additional information about expenditure. This budget was recommended from the Recycled Water Storage Committee meeting. Mr. Tiernan announced that in February 2006, staff would present a three-year budget with projections to include reserve policy, debt financing and projections on rates. By next Board meeting a printed budget will be presented to the Board.

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2. Public Comments

[At 7:09 p.m., without any comments received, Chair Pendergrass opened and closed the Public Comments.]

3. Approve 2005/06 Budget

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Lindley, the Board unanimously approved the FY 2005/06 Budget for MRWPCA.

4. Adopt MRWPCA Ordinance No. 2005-01, An Ordinance Amending the MRWPCA Sewer Capacity Charges

ACTION TAKEN: On a motion by Mrs. Shirrel, seconded by Mr. Haferman, a roll call vote was taken and the Board unanimously approved adoption of MRWPCA Ordinance No. 2005-01, an ordinance amending the MRWPCA sewer capacity charges.

7. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. RECYCLED WATER STORAGE COMMITTEE

ACTION TAKEN: On a motion by Mr. Russell, seconded by Mr. Lindley, the Board unanimously approved the Recycled Water Storage Committee minutes for Thursday, June 9, 2005, which included the following recommendations:

- That the Board approve the staff recommendation that the ASR studies not be pursued further at this time.
- That the Board approve the preliminary Recycled Water Budget for FY 2005/06.

B. SOURCE CONTROL COMMITTEE

ACTION TAKEN: On a motion by Mr. Lindley, seconded by Mr. Cortopassi, the Board unanimously approved the Source Control Committee minutes for Friday, June 10, 2005, which included the following recommendations:

- That the Board approve committee recommendation to direct staff to bring further information to the committee in July before considering its preference for capacity fee calculation methods.

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8. INFORMATIONAL ITEMS

A. Fort Ord Issues Status Summary

No questions or comments.

B. Reclamation Project Status Summary

No questions or comments

C. Strategic Planning Goals (2005-2008)

No questions or comments.

9. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Israel commented that Recycled Water Storage Committee discussed Prop 50 and information has been turned in to both Monterey Country Water Resources Agency and Monterey Peninsula Water Management District for our two recycled water projects – the Hybrid Project and the Groundwater Recharge Project. Both projects will be in the applications. We are hoping for grant money for both projects next year – we are very pleased to participate with our neighbors/members on that application.

Mr. Israel announced that road work is going to be done at the entrance of Ryan Ranch requiring an alternative traffic pattern for six months starting in mid-July. A brochure was furnished to each Board member with information about the detour.

Mr. Israel discussed the budget investments as noted on page 20. We have about \$17 million in overall investment funds and have invested previously in Local Agency Investment Fund (LAIF) but will be investing now with the California Asset Management Program (CAMP). Basically they give us another percentage point higher than LAIF which can result in another \$170,000 worth of interest over the year. Congratulations to our staff for looking for opportunities that bring extra money into the agency and help to keep our rates down.

Mr. Cort asked about the difference between LAIF and CAMP. Mr. Israel explained that LAIF investments are nearly totally liquid and because of that rates were slightly less. CAMP (a firm in the bay area that administers this program with low overhead) has gone to fairly short-term, intermediate-term investments (6, 9 or 18 months) and typically the yield is higher. Last year staff did a trial with CAMP and as a result we will now be investing more of the funds with CAMP in order to have a higher yield. Mr. Cort asked if the funds were insurable vehicles, insured by the government. Mr. Buell responded that most investments are T-bills, as our investment policy stresses safety. We invest in things that are federally insured.

B. Department Head(s)

No questions or comments.

10. BOARD MEMBER COMMENTS

Mrs. Shirrel commended the staff for the budget descriptions, clear words, direction and patience for answering all questions.

11. ADJOURNMENT

With no further business, Chair Pendergrass adjourned the meeting at 7:20 p.m. to the next regularly scheduled Board Meeting in the Board Room at 5 Harris Court, Building D, on Monday, July 27, 2005, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

Dave Pendergrass
Chair of the Board of Directors