



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
June 26, 2006

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 Shirrel at 7:04 p.m., on Monday, June 26, 2006, in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

BOARD MEMBERS PRESENT:

Mayor Joe Russell, Acting Chair	Del Rey Oaks
Director Ramiro Cortez	Boronda County Sanitation District
Director Kenneth Nishi	Marina Coast Water District
Councilmember Libby Downey, Alternate	Monterey
Supervisor W.B. "Butch" Lindley	Monterey County
Councilmember Ron Schenk, Alternate	Pacific Grove
Councilmember Gloria De La Rosa	Salinas
Mayor Dave Pendergrass	Sand City
Councilmember Darryl Choates	Seaside
Chief Dewey J. Baird, Utilities Branch	U.S. Army – Ex-Officio

BOARD MEMBERS ABSENT:

Director Carlo Cortopassi	Castroville Service Area 14
Councilmember Jeff Haferman	Monterey
Director Peggy Shirrel, Chair	Moss Landing County Sanitation District
Mayor Dan Cort	Pacific Grove

STAFF PRESENT:

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

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Kelly Cadiante
Betty Nebb
Lonnie Fredrickson

Acting Supervisor
Executive Assistant
Administrative Support Specialist II

OTHERS PRESENT: David Lewis – Castroville Water District
Eric Tynan – Castroville Water District
Carl Niizawa – City of Salinas

AUDIENCE: 1

4. PUBLIC COMMENTS

At 7:05 p.m., with no comments from the public received, Acting Chair Russell opened and closed Public Comments. He introduced Board Alternate Libby Downey (Councilmember representing Monterey) and Board Alternate Ron Schenk (Councilmember representing Pacific Grove).

5. CONSENT AGENDA

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Mr. Choates (Ms. Downey indicated she would abstain from voting), the Board unanimously approved Consent Items A–P, as follows:

- A. Approve Minutes:
Regular Meeting, May 22, 2006
Budget Workshop, June 5, 2006**
- B. Receive Financial Statements – May 2006**
- C. Receive Comparison Percentage of Budget Expended Through May 2006 vs. 2005**
- D. Receive Check Register – May 2006**
- E. Receive Actual vs. Budgeted Fiscal Year 2005/06 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund**
- F. Receive Actual vs. Anticipated Fiscal Year 2005/06 Revenues from Capacity Charges**
- G. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina Plant, Fort Ord, and Castroville for May 2006**

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- H. **Receive Memorandum from Board Chair Appointing Member to Budget/Personnel Committee**
- I. **Adopt MRWPCA Resolution 2006-08, Re-Establishing the Agency Investment Policy and Guidelines for Fiscal Year 2006/07**
- J. **Approve Second Year of Contract Renewal for Auditing Services Pursuant to 2005 RFP**
- K. **Adopt MRWPCA Resolution 2006-09, Certifying Compliance with State Law with Respect to the Levying of General and Special Taxes, Assessments, and Fees or Charges Levied as an Incident of Property Ownership**
- L. **Adopt MRWPCA Resolution 2006-10, Approving a Four-Year Memorandum of Understanding Between MRWPCA and the General Employees' Association**
- M. **Adopt MRWPCA Resolution 2006-11, Approving a Four-Year Memorandum of Understanding Between MRWPCA and the Mid-Management Employees' Group**
- N. **Adopt MRWPCA Resolution 2006-12, Approving a Four-Year Memorandum of Understanding Between MRWPCA and the Management Employees' Group**
- O. **Adopt MRWPCA Resolution 2006-13, Establishing Salary Classifications and Ranges for the General Employees' Association and Mid-Management Employees' Group for Fiscal Year 2006/07**
- P. **Adopt MRWPCA Resolution 2006-14, Establishing Salary Classifications and Ranges for the Management Employees' Group for Fiscal Year 2006/07**

6. PUBLIC HEARINGS

A. Lien Hearing for Delinquent Sewer Service Billing

1. Adopt MRWPCA Resolution 2006-15, Declaring Liens Against Real Property for Delinquent Sewer User Charges

Mr. Tiernan advised that customer notification for 2005 delinquent sewer user charges started in February. If delinquent amounts remain unpaid, outstanding charges are transferred to County of Monterey tax rolls at the end of July. The Agency has collected 98–99% of delinquent fees over the past four years; current delinquent accounts total 1,550 accounts (\$340K outstanding liens) representing approximately 2% of total accounts.

[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Choates, seconded by Mr. Schenk, the Board unanimously approved adoption of MRWPCA Resolution 2006-15, Declaring Liens Against Real Property for Delinquent Sewer User Charges, which will be filed with the Monterey County Recorder's Office.

2. Adopt MRWPCA Resolution 2006-16, Declaring Liens Against Real Property for Delinquent Sewer Capacity Charges

Mr. Tiernan advised only one delinquent sewer capacity account will go to lien.

Mr. Choates asked the trigger amount for placing a lien against an account. Mr. Tiernan indicated there is no trigger amount for capacity fees. The trigger amount for user fees is \$35.

[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Choates, seconded by Mr. Lindley, the Board unanimously approved adoption of MRWPCA Resolution No. 2006-16, Declaring Liens Against Real Property for Delinquent Sewer Capacity Charges, which will be filed with the Monterey County Recorder's Office.

B. Proposed Fiscal Year 2006/2007 Budget

1. Staff Report on Proposed Budget

2. Public Comments

3. Approve 2006/07 Budget

Mr. Tiernan indicated Budget is the same as presented at the Budget Workshop, and staff is recommending approval. He advised the Board will receive bound copies on or before the July 31 Board meeting. He also advised that a mid-year review of projections and revenue would be presented in February 2007.

Mr. Choates commented on the quality of the budget work and applauded the staff for producing a budget that was easy to read and understand.

[With no comments from the public received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Mr. Lindley, seconded by Mr. Pendergrass, the Board approved the 2006/2007 MRWPCA Budget with one dissenting vote by Mr. Nishi (8:1).

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C. MRWPCA Ordinance for Capacity Charges

1. **Adopt MRWPCA Ordinance No. 2006-01, Amending Ordinance No. 2000-02, in part, to Change the MRWPCA Sewer Capacity Charges**
Mr. Tiernan explained an ordinance must be adopted every year to increase capacity fees. He said the 2006/2007 increase, with Board approval, will total 5.7%.

[With no comments received, Acting Chair Russell opened and closed the Public Hearing.]

ACTION TAKEN: On a motion by Ms. De La Rosa, seconded by Mr. Lindley, a roll call vote was taken and the Board unanimously approved adoption of MRWPCA Ordinance No. 2006-01, an ordinance amending the MRWPCA sewer capacity charges.

7. COMMITTEE REPORTS AND RELATED ACTION ITEMS

A. Recycled Water Storage Committee

1. **Receive and Approve Committee Minutes/Report Thursday, June 1, 2006**

Mr. Pendergrass stated the Minutes accurately reflect the Committee's discussion.

ACTION TAKEN: On a motion by Mr. Choates, seconded by Mr. Pendergrass, the Board unanimously approved the Recycled Water Storage Committee Minutes for Thursday, June 1, 2006, with the following recommendation:

- **Information Only – No Action Taken.**

B. Budget/Personnel Committee

1. **Receive and Approve Committee Minutes/Report, Monday, June 12, 2006**

Mr. Russell advised he was Acting Chair at the June 12 Budget/ Personnel meeting where the Committee voted to approve the Reserve Fund Policy with one dissenting vote.

ACTION TAKEN: On a motion by Mr. Pendergrass, seconded by Ms. De La Rosa, the Board approved the Budget/Personnel Committee Minutes for Monday, June 12, 2006, with one dissenting vote from Mr. Nishi (8:1), with the following recommendation:

- **That the Board approve the Reserve Fund Policy.**

C. SERVICE AREA STUDY REVIEW COMMITTEE

1. Receive and Approve Committee Minutes/Report, Wednesday, June 14, 2006

Mr. Lindley advised the Committee recommends development of an interim contract to provide sewer services to the Rogge Road Development until an annexation policy is developed. It is understood the development will be annexed into the MRWPCA system following adoption of the policy.

Mr. Wellington stated both the County of Monterey and the City of Salinas are in favor of the project moving forward under an interim contract.

Mr. Baird asked about the development's estimated total flow with Mr. Israel citing it at slightly less than 50K gallons per day for the 175 units.

On a question from Mr. Nishi, Mr. Israel indicated the capacity could be taken from reserves, but reiterated issues related to this would be addressed during the drafting of the policy. He suggested the policy would be complete in two to four months. Mr. Wellington indicated the interim contract for services should be completed within the next month.

ACTION TAKEN: On a motion by Mr. Lindley, seconded by Ms. De La Rosa, the Board approved the Service Area Study Review Committee Minutes for Wednesday, June 14, 2006, with one dissenting vote from Mr. Nishi (8:1), with the following recommendation:

- **That the Board approve the recommendation for staff and legal counsel to develop an interim contract to provide sewer service to Rogge Road Development with the understanding that pursuant to the Annexation Policy being developed and adopted by the MRWPCA Board, the Rogge Road Development and adjacent areas will be annexed into the MRWPCA system in the near future.**

8. INFORMATIONAL ITEMS

A. Fort Ord Update

Mr. Choates commented purple "recycled" water piping appears to have been delivered for installation along General Jim Moore Boulevard.

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 provided a sample of the new non-corrosive synthetic RTP roof material that would replace the deteriorating roof. Mr. Lindley asked if the roof would be coated or replaced and Mr. Israel advised it would be replaced. Ms. Downey asked about the longevity of the new material and Mr. Israel advised it is warranted for 40-50 years.

Mr. Israel advised the CASA Wastewater Conference, which is held in Monterey every two years, is scheduled for August 9-12. He indicated registration information is available for anyone interested in attending all or part of the conference and encouraged members to attend. Mr. Wellington reminded that the conference provides an opportunity for Board Members to complete classroom ethics training (completion of two hours is required prior to January 2007). Ms. Downey added the League of Cities also offers a very good ethics training class.

Mr. Israel advised he has copies of the CSDA's newsletter for anyone interested.

B. Department Head(s)

No comments or questions.

10. CORRESPONDENCE

A. Letter from Monterey City Manager thanking MRWPCA for tour and presentation given to visiting delegation from Dubrovnik, Croatia

Mr. Israel said he would provide an update on visiting delegations. Ms. Downey advised Dubrovnik has been linked with Monterey through the State Department. She said the summary of Dubrovnik's visit indicated they were extremely impressed with MRWPCA's facility and accomplishments.

B. Letter from USC Viterbi School of Engineering thanking MRWPCA and staff for accommodating a Cross-Connection Control Program Specialist Course at the RTP

Mr. Heitzman explained the University of Southern California provided a training course for 30-35 students (at a cost of \$1K plus per student) at the RTP. The one-week course teaches monitoring of backflow devices and helps with certification. He said USC expressed appreciation for the Agency's accommodation and would like to return for future courses.

11. BOARD MEMBER COMMENTS

Mr. Nishi reminded members that Mr. Cortopassi would be leaving the Board. Mr. Israel advised Mr. Cortopassi would be invited to a future meeting to receive formal recognition for his contributions.

Mr. Lindley advised that his Aide, Rosie Hernandez, has accepted a position with the Governor's campaign. Her last day with Mr. Lindley will be July 7. He said he does not plan to be a supervisor in the future and encouraged her to move forward. He expressed appreciation for her support.

12. CLOSED SESSION (if needed)

A. Conference with Labor Negotiator

1. Agency Negotiator: General Manager

a. Employee Organizations: GEA, MMEG, MEG

Mr. Wellington advised a Closed Session would not be necessary.

13. ADJOURNMENT

With no further business, Acting Chair Russell adjourned the meeting at 7:36 p.m. to the next regularly scheduled Board Meeting in the Board Room at 5 Harris Court, Building D, on Monday, July 31, 2006, at 7:00 p.m.

Keith E. Israel
General Manager/Secretary to the Board

Margaret Shirrel, Ph.D.
Chair of the Board of Directors