



**APPROVED**  
**April 27, 2009**

**MINUTES**  
**of the Regular Meeting**  
**Monterey Regional Water Pollution Control Agency**  
**Board of Directors**  
**March 30, 2009**

**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 Calcagno at 7:05 p.m., on Monday, March 30, 2009 in the Board Room at 5 Harris Court, Building D, Monterey, California.

**2. ROLL CALL**

**BOARD MEMBERS PRESENT:**

Lou Calcagno, Chair	Monterey County, Supervisor
Ramiro Cortez	Boronda County Sanitation District
Ron Stefani	Castroville Community Services District
Joe Russell	Del Rey Oaks, Mayor
Kenneth Nishi	Marina Coast Water District, Member
Libby Downey	Monterey, Councilmember
Chris Orman	Moss Landing County Sanitation District
Dan Cort	Pacific Grove, Councilmember
Dave Pendergrass	Sand City, Mayor
Ralph Rubio	Seaside, Mayor Pro Tem
Vacant – Ex-Officio	U.S. Army, Representative

**BOARD MEMBERS ABSENT:**

Gloria De La Rosa, Vice Chair	Salinas, Mayor Pro Tem
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**MRWPCA STAFF PRESENT:**

Keith Israel	General Manager
Brad Hagemann	Assistant General Manager
Ron Wellington	Legal Counsel
John Tiernan	Director of Admin Services, Deputy GM
Tom Buell	Director of Finance
Bob Holden	Principal Engineer

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Karen Harris	Community Relations Specialist
Bill Cronin	Lead Maintenance
JR Avila	Wastewater Treatment Plant Operator III
Jaime Hernandez	Wastewater Treatment Plant Operator III
Jarrold Levine	Wastewater Treatment Plant Operator I
Betty Nebb	Executive Assistant

**OTHERS PRESENT:** Doug Yount – City of Marina  
Jane Parker – County Supervisor  
Deborah Lindsay – Board Alternate for Pacific Grove  
Bill Reichmuth – City of Monterey  
Craig Anthony – Cal Am  
Carl Niizawa – City of Salinas

**3. PLEDGE OF ALLEGIANCE**

Chair Calcagno asked Mr. Russell to lead the Pledge of Allegiance.

Prior to opening Public Comments, Chair Calcagno recognized Mr. Cort who introduced Deborah Lindsay, Councilmember for City of Pacific Grove and newly appointed Alternate to the MRWPCA Board of Directors.

**4. PUBLIC COMMENTS**

At 7:08 p.m., Chair Calcagno asked for Public Comments and Mr. Doug Yount, Development Services Director from City of Marina, stated that on behalf of the City of Marina he wanted to compliment the Board for their efforts to move quickly on a variety of key agreements relative to Federal economic stimulus funding and the various regional water projects. He stressed the importance of these agreements between MCWD, MCWRA and MRWPCA and offered to provide assistance if needed.

**5. CONSENT AGENDA**

Mr. Nishi asked to pull Item A, Board Minutes of February 23, 2009. He stated the minutes are incorrect because on page 7 they include discussion regarding Item C, Recycled Water Storage Committee (RWSC) that is in violation of the Brown Act. All information regarding the February 20 RWSC meeting should be stricken from these Board minutes because the action from the Committee had not been correctly agendized for the February 23 Board meeting.

Mr. Wellington stated the February 23 Board meeting minutes reflect the actual discussion that took place at that Board meeting; and although Mr. Nishi is correct about the item from the February 20 RWSC meeting not being properly agendized for the February Board meeting, the Board Minutes for February 23 stand as written.

The RWSC minutes and action of February 20 have now been properly noticed and are included in tonight's agenda as Item 7-C and the Committee recommendation will be reconsidered by the Board this evening.

**ACTION TAKEN: On a motion by Mr. Cort, seconded by Mr. Rubio, the Board approved the Consent Agenda, Items A through I as follows [one nay vote, Nishi]:**

- A. Approve Board Meeting Minutes/Report for Regularly Scheduled Board Meeting of February 23, 2009**
  - B. Receive Financial Statements – February 2009**
  - C. Receive Comparison Percentage of Budget Expended Through February 2009 versus 2008**
  - D. Receive Check Register – February 2009**
  - E. Receive Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for February 2009**
  - F. Receive Actual vs. Budgeted Fiscal Year 2008/09 Expenditures for the Capital Improvement Program and Capitalized Equipment Fund**
  - G. Receive Actual vs. Anticipated Fiscal Year 2008/09 Revenues from Capacity Charges**
  - H. Approve Contract for Digester Mix System Design**
  - I. Approve Contract for Barscreen Replacement Design Services**
- 6. RECOGNITION OF NEWLY CERTIFIED WASTEWATER TREATMENT PLANT (WWTP) OPERATORS**
- Mr. Hagemann introduced each of the newly certified Wastewater Treatment Plant (WWTP) Operators giving a short background on their experience. Chair Calcagno presented the SWRCB Certificate for Grade 1 WWTP Operator to Jarrod Levine and Grade 5 WWTP Operator SWRCB Certificates to Jaime Hernandez and JR Avila. The Chair and Board commended and congratulated each recipient.
- 7. COMMITTEE REPORTS AND RELATED ACTION ITEMS**
- A. Budget/Personnel Committee**
    - 1. Receive and Approve Committee Minutes/Report of March 11, 2009**

Mr. Wellington called attention to the change in the Board agenda explaining the committee reports/minutes will be presented in a more informative manner that includes a summary staff report, comments from the Committee Chair, as well as

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public and Board discussion. He explained that tonight's agenda did not include the non-action items from the committees, but would in the future. Mr. Israel stated staff encourages suggestions on how this process can be improved and hopes it provides information to keep all members well informed about the issues being discussed at the committee level. In response to Mr. Rubio's question, Mr. Wellington explained that the Board can approve committee minutes while including revisions to any action recommended by the committee.

Item 2 – Consider Human Resources Position Reclassification. Mr. Tiernan delivered a staff report and introduced the Budget/Personnel Committee action to reclassify the Human Resources Officer position to a Human Resources Analyst position and to recruit internally for the position. He summarized the discussion from the Committee meeting regarding this matter. Mr. Pendergrass, BPC Chair, concurred with the staff report. Chair Calcagno called for public comments and Board discussion.

Mr. Rubio asked if the position would remain at the analyst level and Mr. Tiernan confirmed the intention was to do so. Mr. Nishi asked to comment on the non-action item from the Committee agenda and stated his agreement with Ms. De La Rosa's comments about the economy. He expressed his concern about supporting cost-of-living increases by having to raise user rates and asked the Budget/Personnel Committee to review information about rate increases, new projects, borrowing money and paying bond payments.

Mr. Wellington stated that Mr. Nishi's comments are appropriate and will be recorded in tonight's minutes; however, the procedure established for tonight's meeting does not include discussion on the non-action agenda items from the Budget/Personnel Committee as they were not included on the Board agenda for tonight's meeting. Chair Calcagno acknowledged this procedure was being tried for the first time and complimented staff on the effort to provide more Board participation.

Mr. Tiernan answered Ms. Downey's question stating there are qualified employees eligible for the HR position and staff is hopeful about filling this position in house.

**ACTION TAKEN: On a motion by Ms. Downey, seconded by Mr. Orman, the Board unanimously approved the Budget/Personnel Committee Minutes for Wednesday, March 11, 2009, with the following recommendations:**

- **That the Board approve reclassification of the Human Resources Officer position to Human Resources Analyst at Range 53 of the General Employees Salary Schedule and recruit internally to secure a suitable candidate.**

**B. Recycled Water Storage Committee**

**1. Receive and Approve Committee Minutes/Report of March 25, 2009**

Item 2 – Consider Proposed Response to California American Water Company Coastal Water Project Draft EIR. Mr. Israel presented information from the Recycled Water Storage Committee (RWSC) related to the proposed response to California American Water Coastal Water Project Draft EIR. He indicated staff focused their comments to correct information that was in the Draft EIR; in particular referring to the environmental impacts, institutional/regulatory issues, lack of customer commitments, and reliability of the groundwater replenishment project. He also announced that the comment period had been extended to April 15 and suggested that if the RWSC could meet on April 8; and if a Special Board meeting were held on April 13, then the final comments could be reviewed by the full Board prior to being submitted to the CPUC.

Mr. Russell, RWSC Chair, confirmed the Committee discussed the summary of the comments to be presented to the CPUC and noted that the members agreed to meet again on April 8 to review the final draft of the comments. The Committee proposed that a Special Board meeting be held on April 13; and, Mr. Rubio agreed it would allow the Board to review the comments before submission to the CPUC.

Discussion followed regarding the action previously taken resulted in the Agency becoming a party/intervener to the CPUC proceedings. Chair Calcagno noted that issue would be discussed in the next agenda item relating to the RWSC meeting held on February 20.

**ACTION TAKEN: On a motion by Mr. Russell, seconded by Mr. Rubio, the Board unanimously approved the Recycled Water Storage Committee Minutes for Wednesday, March 25, 2009, with the following recommendations:**

- **That the Board authorize the Recycled Water Committee to review the MRWPCA final comments on the Coastal Water Project Draft EIR at its April Committee meeting and submit their recommendations to the MRWPCA Board for consideration at the Special Board Meeting proposed for April 13, 2009.**

**C. Recycled Water Storage Committee**

**1. Receive and Approve Committee Minutes/Report of February 20, 2009**

Item 2 – Consider Proposed Response to California American Water Company Coastal Water Project Draft EIR. Mr. Israel explained this RWSC meeting was held on Friday afternoon, the committee minutes were completed and forwarded to

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Board members on Saturday evening for consideration at the Monday, February 23, Board meeting. However, the Board agenda was not revised in time to allow for the 72-hour notice. To avoid a Brown Act violation, the Board will now have to review what was previously considered. Mr. Israel stated there are two parts to the Committee's recommendation to the Board: one part is an information plan on the groundwater replenishment project including preparing written comments on the Draft EIR; as well as to update our website to provide information on groundwater replenishment, to distribute emails to interested parties on groundwater replenishment and third, to be available to the media when there are questions. The second part of the Committee's recommendation was to consider becoming an intervener/party to the CPUC process. Mr. Russell, RWSC Chair, confirmed it was now appropriate for the Board to reconsider this matter.

Mr. Rubio stated he initially understood that becoming an intervener was a process that was going to be reviewed by the Board; however, apparently there was a timing issue and based on Mr. Israel's explanation, Mr. Rubio understood that this document had to be filed by a specific date. Staff proceeded after the initial approval by the Board at the February 23rd Board meeting. He continued by stating it is important for this agency to be an intervener along with Cal Am, Divisions of Ratepayers Advocates, MPWMD MCWRA, MCWD, Surfriders, and Ocean Mist Farms; however, the Board still needs to have control on the comments that go into that process for the intervention.

Ms. Downey commented on the letter to the CPUC Administrative Law Judge and referenced "value benefit of including both the GWR Project and RUWAP in Phase 1 of the Coastal Water Project alternative" as being a statement that she felt might jeopardize success of the regional water project. Mr. Pendergrass stated it is important to get information out to the public about the GWR but realizes the CPUC will decide which projects will be part of Phase 1 based on their evaluation.

Mr. Stefani stated his belief that the GWR project should be part of Phase 1 as all reclaimed water should be utilized to its fullest advantage first, and then only pay for desal at the higher cost when needed. The infrastructure must be set up to use every drop of reclaimed water that is currently flushed out to the ocean; until then, we are not doing the best we can.

Chair Calcagno stated the Ad Hoc Water Committee would be working on various water agreements between Marina Coast Water District, Monterey Country Water Resources Agency and MRWPCA; and if successful, those agreements would illustrate the to CPUC that the community supports the various projects of the regional water supply plan. There will be one package that can be funded while some projects may be out of Phase 1. He continued saying the most logical thing to do for getting water to the Monterey Peninsula is utilize reclaimed water because the environmental documents have been completed. The GWR Project may come after

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that depending on funding and community support. Chair Calcagno called for public comments.

Mr. Bill Reichmuth, Deputy City Manager, Plans and Public Works for City of Monterey, announced the City Council took a very clear position and requested the GWR project not be considered for Phase 1, citing the reason as unnecessarily delaying the Phase 1 project. His concern is that the action being considered in the RWSC minutes is that Mr. Israel concluded that based on the objectives being presented to the CPUC, "the GWR Project very clearly meets most of them and ought to be considered for Phase 1."

Ms. Downey supported Mr. Reichmuth's statement stating that while she supports the GWR Project, she does not believe it should be part of Phase 1 and, therefore, made a motion that the document sent to the CPUC should be rescinded.

Mr. Wellington stated the agenda item for consideration is that the Board authorize staff to proceed with the GWR information plan and become a party to the CPUC process. If the Board decides to deviate from the recommendation made by the Committee, it can do so.

Discussion continued while the members tried to clarify how to reconsider an action that has already been acted upon by staff based on discussion and approval at the previous Board meeting. With the charge from Marina Coast Water District that the previous approval of the action was an illegal action, the Board now has to determine how to mediate the situation.

Mr. Cort seconded the motion in regards to including groundwater replenishment in Phase 2 and specified that the reclaimed water augmentation project proceed now; Ms. Downey agreed to the modification to the motion.

Mr. Russell explained that fees for preparing the letter to the Administrative Law Judge to become a party/intervener to the CPUC process have been paid and if the letter were rescinded, we would not be included in the process. Mr. Rubio explained his concern was only with the language in the document submitted to the ALJ. He reasserted the need to be involved with the process and to be able to make comments and, therefore, could not support the current motion.

Chair Calcagno suggested compromise to the motion that would take language out in the testimony that said the GRW Project should be in Phase 1. Legal Counsel concurred that the Board's position could be that the Board does not approve the specifics of the language that accompanied becoming an intervener and are going to reconsider that position. Mr. Orman asked for clarification that rescinding language from the original petition would not jeopardize losing our standing as an intervener. Mr. Wellington indicated that while you have to specify the purpose for

being an intervener, he felt the Board had a right to provide a restatement of their position.

Mr. Pendergrass asked about the GWR Project information plan and Ms. Downey clarified she was not against the information plan, only that the project be in Phase 2. Mr. Pendergrass stated that the use of reclaimed water for urban irrigation is a very positive thing, but it does not provide the replenishment water adjudicated by the judge who ordered a reduction by 10% of withdrawal each year from the Seaside Basin. He stated that he could, however, support the motion if it does not eliminate the GWR Project information plan.

Mr. Rubio asked to amend and restated the motion for Board consideration – that the Board authorize staff to proceed with the groundwater replenishment information plan and restate the filing to become a party to the California Public Utilities Commission process. Ms. Downey asked that the GWR Project be referred to Phase 2 instead of Phase 1, and Mr. Rubio asked that the Board support the GWR Project in whatever Phase. Ms. Downey accepted the amended motion; Mr. Cort seconded the motion as amended.

**ACTION TAKEN: The Board unanimously approved the Recycled Water Storage Committee Minutes for Friday, February 20, 2009, with the following recommendations:**

- **That the Board authorize staff to proceed with the Groundwater Replenishment Information Plan and restate support for groundwater replenishment for whatever Phase in the MRWPCA filing to the California Public Utilities Commission process for intervener status.**

When asked if an additional motion was required to approve the Committee minutes, Mr. Wellington stated they were approved when the action was approved.

Chair Calcagno acknowledged that he overlooked the opportunity to introduce his fellow Supervisor who was attending tonight's Board meeting. He introduced Supervisor Jane Parker who has been selected to serve as his Alternate to the MRWPCA Board of Directors.

## **8. INFORMATIONAL ITEMS**

### **A. Fort Ord Update**

No questions or comments.

### **B. Reclamation Project Status Summary**

No questions or comments.

### **C. Strategic Planning Goals (2008-2011)**



Mr. Israel indicated that updates to the goals were included in the packet.

[Chair Calcagno called for Item 10 –Staff Reports]

**10. STAFF REPORTS**

**A. General Manager/Assistant General Manager/ Legal Counsel**

Mr. Israel acknowledged the letter received from the California Regional Water Quality Control Board conferring authorization to operate the tertiary filters at the higher loading rate. Staff is congratulated for their efforts and diligence in completing the FLEWR Project which has resulted in setting a precedent for the State of California that will allow other facilities to replicate this process. Mr. Israel also referred to information from the State Health Department showing that it will be acceptable to use the same pipeline for both recycled water and replenishment water and indicated this is information that will be clarified for the CPUC for the Draft EIR.

Mr. Hagemann reported the Technical Advisory Committee (TAC) has scheduled a meeting on April 2 to review the environmental documentation for the Allocation Plan. He also provided a short report with photos showing a drill conducted by the US Army Guard that included local fire departments and FBI personnel. The Regional Treatment Plant environment with the chlorine tanks provided a real-life scenario with the highest risk items. Some of our staff members were involved in some of the exercises. The operations and technology used for the practice was extraordinary. Mr. Cort commended Mr. Hagemann for assisting in the coordination of this training exercise as it is something that benefits all our communities.

**B. Department Heads**

Nothing to report.

**C. Presentation:** (none scheduled for this meeting)

**11. CORRESPONDENCE**

Mr. Israel noted the correspondence attached and offered to answer any questions.

[Mr. Pendergrass noted Agenda Item 9 – Additional Informational Items containing Committee appointments had not yet been addressed.]

**9. ADDITIONAL INFORMATIONAL ITEMS**

**A. Receive Board Committee appointments for April 2009 through March 2010 for the Budget/Personnel Committee and the Recycled Water Committee (formerly RWSC)**

**B. Receive Board Chair recommendation for formation of two new committees: Projects and Planning Committee with appointments for April 2009 through March 2010, and the Ad Hoc Water Committee and appointments**

Chair Calcagno explained he placed each Board member on one committee and expects good work from each during the coming year.

**ACTION TAKEN: On a motion by Ms. Downey, seconded by Mr. Cort, the Board received the Committee Appointments for April 2009 through March 2010.**

**12. BOARD MEMBER COMMENTS**

Mr. Cort took the opportunity to thank Mayor Russell and Mayor Pendergrass for their good work as Chair and Vice Chair of MRWPCA and to welcome our new Chair, Supervisor Calcagno.

Chair Calcagno suggested that some ceremony would be appropriate at the next meeting to show appreciation to our past Chair and Vice Chair. He continued by stating this Board is at a crossroads now to make things happen and that recycled water that has been going out into the ocean since May 1997 could be used for the Monterey Peninsula. We are the processors of that water, the custodians of that water and are playing the vital part to reach out to all. We have to make peace with everyone because we are all serving the same people – the people of Monterey County.

**13. ADJOURNMENT**

With no further business, Chair Calcagno adjourned the meeting at 8:27 p.m. to the next scheduled Special Board Meeting, in the Board Room at 5 Harris Court, Building D, on Monday, April 13, 2009, at 7:00 p.m.

*/s/ Keith Israel*

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Keith E. Israel, General Manager  
Secretary to the Board

*/s/ Louis Calcagno*

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Louis Calcagno, Chair  
MRWPCA Board of Directors