



# Monterey Regional Water Pollution Control Agency

*"Dedicated to meeting the wastewater and reclamation needs  
of our member agencies, while protecting the environment."*

Administration Office:  
5 Harris Court, Bldg. D, Monterey, CA 93940-5756  
(831) 372-3367 or 422-1001, FAX: (831) 372-6178  
Website: [www.mrwpc.org](http://www.mrwpc.org)

## MEETING NOTICE and AGENDA

### BUDGET/PERSONNEL COMMITTEE

Gloria De La Rosa, Chair  
Carmelita Garcia, Chris Orman, Dave Pendergrass, and Ron Stefani  
[Alternate – Lou Calcagno]

DATE:	<b>Friday, April 15, 2011</b>
TIME:	<b>1:30 p.m.</b>
LOCATION:	Admin Conference Room 5 Harris Court, Building D

### PUBLIC COMMENTS

*Anyone wishing to address the Committee on matters not appearing on the Agenda may do so now. Comments on any other matter listed on the Agenda are welcome at the time the matter is being considered by the Committee.*

- 1. UPDATE ON BUDGET STATUS AND CONSIDER RECOMMENDATION FOR MULTI YEAR RATE INCREASE**  
(see attachment)
- 2. APPROVE CONTRACT FOR TELEPHONE SYSTEM REPLACEMENT PROJECT**  
(see attachment)
- 3. CONSIDER PROPOSED COMMITTEE MEETING DATES**  
(see attachment)

**4. RECESS TO CLOSED SESSION**

*As permitted by Government Code Section 54956 et seq., the committee may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the Agency's Meyers-Milias-Brown Act representative.*

**A. Conference with Labor Negotiator**

1. MRWPCA Negotiator – General Manager
2. Employee Organizations:
  - General Employees Association (GEA)
  - Mid-Management Employees Group (MMEG)
  - Management Employees Group (MEG)

**5. POSSIBLE ACTION ON CLOSED SESSION ITEMS**

*The Committee will report out on any action taken during Closed Session, and may take additional action in Open Session, as appropriate.*

BUDGET/PERSONNEL COMMITTEE

April 15, 2011

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This Committee Meeting Notice and Agenda was hereby posted at the MRWPCA Administrative offices, 5 Harris Court, Building D, Monterey, California 93940.

POSTED: **Tuesday, April 12, 2011**

BY: */s/ Maddi Bell*

Administrative Support Specialist I



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## **MEMORANDUM**

**TO:** BUDGET/PERSONNEL COMMITTEE

**FROM:** JOHN TIERNAN, DIR OF ADMIN SERVICES/DEPUTY GM  
(via Keith Israel, General Manager)

**DATE:** APRIL 13, 2011

**SUBJECT:** UPDATE ON BUDGET STATUS AND CONSIDER  
RECOMMENDATION FOR MULTI YEAR RATE INCREASE

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At our March Budget/Personnel meeting, staff presented preliminary FY 2011/12 budget status and various alternatives for rates required to support both operations and maintenance (O&M) and our recently developed long term capital project plan.

Staff has further refined O&M expenses which have lowered the required rate increases that were originally projected. By reducing O&M expenses approximately \$400,000 for FY 2011/12, we are able to maintain user rate increases from 5-8% over the next 3-4 years.

At the meeting, I will show two rate model examples and the effect on user rates; one illustrating not obtaining additional bond money in FY 2013/14 and one if we borrowed \$11.5 million over a twenty-year period beginning in FY 2013/14. Staff will also illustrate what the total interest payment would be for borrowing bond funds and what affect raising rates will have on our general fund balance.

Joint Powers Authority Member Entities:

Boronda County Sanitation District, Castroville Community Services Water District, County of Monterey, Del Rey Oaks, Fort Ord, Marina Coast Water District, Monterey, Moss Landing County Sanitation District, Pacific Grove, Salinas, Sand City, and Seaside.

**MEMORANDUM**

Budget/Personnel Committee

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Staff would like the Committee to recommend one of the alternatives to the full Board at our April 25<sup>th</sup> meeting. If the decision is to opt for a 3-4 year rate structure, staff must notify users forty five days in advance of the effective day. If we raise rates effective July 1, we would have to send out the Prop 218 notice by May 11, 2011.

**RECOMMENDATION:**

Select a multi year rate structure and recommend to the full Board.



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## **MEMORANDUM**

**TO:** BUDGET/PERSONNEL COMMITTEE

**FROM:** JENNIFER GONZALEZ, LEAD ENGINEER  
(via Brad Hagemann, Assistant General Manager)

**DATE:** April 13, 2011

**SUBJECT:** PHONE SYSTEM REPLACEMENT PROJECT

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### **BACKGROUND:**

The approved Fiscal Year 2010/11 budget includes a project for the replacement of the Regional Treatment Plant (RTP) Phone System. The system is 20 years old, has no expansion capability, has had many problems over the past several years and continues to be difficult to repair due to the scarcity of parts. Shutdowns of the phone and voice mail system are occurring on a regular basis. As a result, over the past 12 months staff has investigated the "state of practice" for phone systems and developed a specification and Request for Proposals (RFP) for a new system that will ensure stability and reliability for another 20 years. During the planning of this project staff realized that both the RTP and Administration phone systems must be replaced at the same time because they are interconnected in a number of key areas. Currently, direct dialing and voicemail for the RTP fails if the one phone line interconnecting the two locations fails.

The new system will provide the necessary interconnections between the two sites, while at the same time allowing each to be independently operated in order that each one does not rely on the other to function. In addition, there will be a

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## **MEMORANDUM**

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30-minute Uninterruptible Power Supply at both locations so that if power fails, the system will continue to run until backup power is provided or commercial power is restored.

Four proposals were received on February 24, 2011 for the installation of a phone system at both the RTP and Administrative Office and at two of our pump stations. The RFP specified the use of a Cisco Voice over Internet Protocol (VoIP) telephone system or approved equal. Of the four proposals received, three specified a Cisco system and one specified a ShoreTel system. The ShoreTel system was evaluated and disqualified because it did not meet the requirement that the two locations need to be independent of one another, and it was missing requirements for some of the phones at the pump stations that were specified to be included in the proposal. Of the three remaining proposals, two systems specified were essentially equivalent to one another, and the remaining system specified a higher end Cisco platform that was more expensive and did not meet all of the requirements of the RFP.

The two proposals that met the requirements of the RFP were from Alvarez Technology Group Inc. of Salinas and Exceedio of Scotts Valley. On advice of legal counsel, staff determined that the Alvarez proposal should be disqualified from further consideration as it provided significant assistance in preparation of the bid specification. Currently, Alvarez Technology Group is the company we have on retainer as our back-up for our computer systems. The new VoIP phone system will be tied into our computer system and will utilize existing cabling. Staff met with Alvarez to discuss the situation and Alvarez has offered to withdraw their bid from further consideration.

Based on the above, the successful bid proposal is from Exceedio for a total of \$104,724.00 including one year full-service warranty. Exceedio comes very highly recommended by all of the agencies and businesses that were contacted during their reference check. The firm has been installing telephone systems since 2000. The project cost includes purchase, installation and all training necessary for a fully functional phone system. In addition, Exceedio brought to the Agency's attention a program through Cisco Systems that will provide a rebate of approximately \$1,000 for the Agency's existing telephone hardware.

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The original staff estimated budget for this project was \$55,000 for the RTP only. As noted above, this project includes new phone systems for both the Administration building and the RTP. The difference between the original project budget and the proposal cost can easily be covered by this year's overall savings in the capital project budget. As noted at recent Board meetings, the Agency has received several very favorable bids this year and staff recently brought our year-end estimates to the Board with an anticipated \$400,000 that will be unspent from our original budget. This project will use money that was originally allocated to one of those other projects.

### **RECOMMENDATION:**

Staff requests that the Budget and Personnel Committee recommend to the Board approval of a contract with Exceedio Inc. for replacement of the existing RTP, Administration building and two Pump Station phone systems at a cost not to exceed \$104,724.00 which includes the first year full-service warranty.





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## MEMORANDUM

**TO:** BUDGET/PERSONNEL COMMITTEE  
**FROM:** KEITH ISRAEL, GENERAL MANAGER  
**DATE:** APRIL 8, 2011  
**SUBJECT:** CONSIDER CALENDAR FOR MEETING DATES

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Attached is a schedule of MRWPCA Board meetings and the proposed meeting dates for the Budget/Personnel Committee for 2011 through March 2012.

**RECOMMENDATION: Accept proposed meeting dates for Budget/  
Personnel Committee.**

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**PROPOSED**

**BOARD/BUDGET PERSONNEL COMMITTEE  
MEETING DATES FOR  
January 2011 - March 2012**

<b>BOARD MEETING DATES</b> (last Monday @ 7:00 pm, unless otherwise noted)	<b>BUDGET/PERSONNEL COMMITTEE MEETING DATES</b> (Friday @ 1:30 pm, unless otherwise noted)
January 31	January 21
February 28	February 11
March 28	March 18
April 25	April 15
May 5, Thursday Strategic Planning Workshop (8am)	
May 23 <sup>1</sup>	May 13
June 13, Monday Budget Workshop	June 17 <sup>3</sup>
June 27	
July 25	July 8
August 29	August 19
September 26	September 9
October 31	October 14
November 28	November 18
None <sup>2</sup>	None <sup>2</sup>
January 30	January 13
February 27	February 10
March 26	March 9

1. Monday of May is holiday - Memorial Day
2. Since 1997, few Board meetings have been scheduled in December.
3. If needed