



APPROVED
May 22, 2017

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
April 24, 2017

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 Fischer at 6:07 p.m., on Monday, April 24, 2017 in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. ROLL CALL

BOARD MEMBERS PRESENT:

Rudy Fischer, Chair	Pacific Grove
Ron Stefani, Vice Chair	Castroville Community Services District
John M. Phillips [<i>left at 8:26 pm</i>]	County of Monterey
Dennis Allion [<i>arrived at 6:17 pm</i>]	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Timothy Barrett	Monterey
James R. Cochran	Moss Landing County Sanitation District - Ex-Officio
Gloria De La Rosa [<i>left at 8:02 pm</i>]	Salinas
Dave Pendergrass	Sand City
Ralph Rubio	Seaside
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

Linda Grier Boronda County Sanitation District

MRWPCA STAFF PRESENT:

Paul A. Sciuto	General Manager
Wyatt Troxel	Transition Manager
Tori Hannah	Chief Financial Officer
Bob Holden	Principal Engineer
Rob Wellington	Legal Counsel

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Mike McCullough	Government Affairs Administrator
Jerry Valladao	Associate Engineer
Yohana Vargas	Contracts Administrator
Bill Kocher	PWM Program Manager
Bill Ragsdale-Cronin	Plant Maintenance Supervisor
Tom Kouretas	Associate Engineer
Alison Imamura	Associate Engineer
Michelle Bumgardner	Customer Service Rep II
Robert Wayne Locke	Operator III
Chayito Ibarra	Executive Assistant

OTHERS PRESENT:

Anup Shah, Brown and Caldwell
Betty Nebb, Public Member

3. PLEDGE OF ALLEGIANCE

Member Pendergrass led the pledge of allegiance.

4. PUBLIC COMMENTS

Chair Fischer called for Public Comments: none received.

5. ACKNOWLEDGE 2017 SCIENCE FAIR SPECIAL AWARD WINNERS

A. Junior Division Winner: Kai Christensen, 7th Grade, from International School of Monterey for "Conductivity – The Pollution Detector"

B. Senior Division Winner: Damon Sullivan, 11th Grade, from Monterey High School for "The Effects of Over the Counter Medication on Daphnia Magna"

Ms. Bumgardner announced that two special awards were presented by MRWPCA at the Monterey County Science Fair. She explained that these awards are presented to support science development and projects that highlight water recycling, conservation, and pollution prevention issues. Ms. Bumgardner introduced the winner in the Junior Division: Kai Christensen from International School of Monterey for his project "Conductivity – The Pollution Detector." In the senior division, she recognized Damon Sullivan from Monterey High School for his project "The Effects of Over the Counter Medication on Daphnia Magna." Chair Fischer congratulated each of the winners and presented them with a Certificate of Achievement.

6. SPECIAL ACKNOWLEDGEMENTS

The following resolutions of appreciation were presented to Member Pendergrass in recognition of his 38 years of service on the MRWPCA Board:

A. Recognition of Appreciation presented to Member Pendergrass by Erica Parker on behalf of Assembly Member Mark Stone

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- B. Resolution of Appreciation presented to Member Pendergrass in honor and recognition of 38 years of service to the MRWPCA Board on behalf of the Monterey County Board of Supervisors
- C. MRWPCA Resolution No. 2017-12, a Resolution of Appreciation Presented to Dave Pendergrass upon retirement by Chair Fischer for his 38 years of service to the MRWPCA Board

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Stefani to approve MRWPCA Resolution No. 2017-12, a Resolution of Appreciation for David Pendergrass for his 38 years of service to the MRWPCA Board, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

7. CONSENT AGENDA

ACTION TAKEN: It was moved by Member De La Rosa, seconded by Member Rubio to approve Consent Agenda Items A through Q, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

- A. Consider Approval of Board Minutes for Regular Board Meeting of March 27, 2017
- B. Receive Schedule of Cash and Investments as of March 31, 2017
- C. Receive Check Register for March 2017
- D. Receive Waste Discharge Report for March 2017; NPDES Monitoring Report for March 2017; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for March 2017
- E. Consider Approval of an Increase to the Contract With V.W. Housen & Associates for Engineering Services During Construction for Pump Station No. 13 Valve Replacement and Upgrades Project

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- F. Consider Award of Contract for the Construction of Pump Station No. 13 Valve Replacement and Upgrades Project
- G. Consider Award of Construction Management Support Services Contract to Eagle Project Management LLC for Pump Station No. 13 Valve Replacement and Upgrades Project
- H. Consider Approval of Resolution 2017-13, Authorizing the Purchase of Dimminutor DM-15 Grinder for the Seaside Pump Station without Formal Competitive Bidding
- I. Consider Approval of a Budget Amendment to Record Loan Proceeds from the State Revolving Fund Loan and Related Expenses
- J. Consider Approval of an Increase to the Contract with Denise Duffy & Associates for Environmental and Permitting Services Support
- K. Consider Approval of an Amendment to the Contract with Wigen Water Technologies for the Advanced Water Treatment Facility Membrane Filtration Reverse Osmosis Equipment (MF/RO)
- L. Consider Approval of Resolution No. 2017-14, Approving Entering Into a Lease with State Lands Commission to Provide for Conveyance of Water Under the Salinas River and Authorize the General Manager to Sign and Deliver the Lease to the Lands Commission
- M. Consider Approval of an Amendment to the Contract with Xylem Water Solutions, Inc. for the Advanced Water Treatment Facility Ozone System Equipment
- N. Consider Approval of an Increase to the Contract with Perkins Coie for Environmental Services Support
- O. Consider Award of Contract to Informative Controls for CSIP SCADA Conversion
- P. Consider Approval of Easement Deed and Revised Agreement for Grant/Purchase of Easement Between MRWPCA and MRWMD for Blanco Drain Diversion Pipeline Easements on MRWMD Property
- Q. Consider Approval of Easement Deeds and Agreement for Grant/Purchase of Easements Between MRWPCA and MCWRA for Blanco Drain Diversion Facility Easements on MCWRA Property

8. COMMITTEE REPORTS

- A. BUDGET/PERSONNEL COMMITTEE (BPC) – APRIL 7, 2017
 - 1. Receive BPC Draft Minutes of April 7, 2017

ACTION TAKEN: It was moved by Member Moore, seconded by Member Barrett to receive the BPC Draft Minutes of April 7, 2017 and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

B. RECYCLED WATER COMMITTEE (RWC) – APRIL 13, 2017

1. Receive RWC Draft Minutes of April 13, 2017

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Rubio, to receive the RWC Draft Minutes of April 13, 2017, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

Chair Fischer announced that Item 9 – F “Consider Authorizing the General Manager to Solicit Bids for the Construction of the Conveyance Pipeline” would be considered by the Board after Closed Session Item 13 – A.

9. ACTION ITEMS

A. Receive Report Regarding Miscellaneous Fees and Provide Recommendations Related to Any Proposed Fee Updates

Ms. Hannah introduced Alex Handlers, Principal for Bartle Wells and Associates, who has been working with the Agency to develop proposed wastewater user fees. Mr. Handler stated that the second phase of this project focused on evaluating and determining costs associated with miscellaneous fees such as: review of capacity fees, interruptible rates, billable wages, and the Agency’s overhead calculation.

Mr. Handler stated that staff has provided him with estimates of time and materials for several of the flat fees, as well as fees that are based on the amount of discharged or treated waste. He reported that preliminary information indicates that some of the fees are resulting in increased rates. Mr. Handler went over the current schedule of miscellaneous fees with the Board that were included in the board packet. Mr. Handler stated that it is at the discretion of the Board whether they want to seek recovery of all costs associated with a fee or apply a percentage-based method of cost recovery. Ms. Hannah reminded the Board that any proposed changes to the Miscellaneous Fees will be subject to a public hearing, which will take place at the June Board meeting.

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After some lengthy discussion, it was the consensus of the Board that rates have not been raised in a very long time and the Agency needs to recover the cost of these services. By not raising these rates, the cost of these services is being subsidized by another part of the budget.

ACTION TAKEN: It was moved by Member De La Rosa seconded by Member Rubio, to receive the report and recommended that staff update the miscellaneous fee schedule based on the cost of doing services, with Capacity Fees to be updated in the Agency's Codified Ordinance for Sewer Service, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

B. Consider Approval of a Contract with Pinnacle Advanced Reliability Technologies to Assist Staff with Creating a Transition Plan

Mr. Sciuto presented this item and explained that this contract is for Pinnacle Advanced Reliability Technologies to assist staff with creating a transition plan to enhance the operations of the RTP and ensure success of the Pure Water Monterey Project.

Mr. Sciuto introduced Wyatt Troxel who explained what his role at the Agency would be until an Assistant General Manager is hired.

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

C. Consider Rejecting All Bids for the Construction of Pure Water Monterey Groundwater Replenishment Project Advanced Purification Facility and Product Water Pump Station Project

Mr. Holden presented this item and stated that the lowest bid received was from Parsons which was \$12.3M above the engineer's estimate of \$41,500,000. After reviewing the bids, staff recommends that the Board reject all bids for the Pure Water Monterey Groundwater Replenishment Project Advanced Water Purification Facility and Product Water Pump Station and authorize staff to re-bid and to hold a public forum to solicit ideas for reducing costs.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Pendergrass, to reject all bids for the Pure Water Monterey Groundwater Replenishment Project Advanced Water Purification Facility and Product Water Pump Station and authorize staff to re-advertise for sealed bids and to hold a public forum to solicit cost saving ideas, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

D. Consider Award of Construction Contract to Zim Industries, Inc. for the Pure Water Monterey Injection Wells Phase 1 Project

Ms. Hamilton presented this item and explained that initially the apparent low bidder was Maggiora Brothers with a bid amount of \$1,430,824.40. She noted that upon bid review, Maggiora Brothers bid was found to have an incorrect quantity for Bid Item D-10, 24-inch Type 304 Stainless Steel Well Casing Material. Upon correcting the Maggiora Brothers Bid Item D-10 quantity, and recalculating the price for Bid Item D-10 based on the unit price provided by Maggiora Brothers for this item, the Maggiora Brothers bid price became \$1,476,474.40.

Ms. Hamilton stated that as a result, Zim Industries' bid of \$1,460,658 made Zim Industries bid the responsible bidder with the lowest bid. She noted that no deviations were found in Zim Industries' bid. Ms. Hamilton added that Zim Industries has demonstrated its good faith efforts to utilize local labor.

Ms. Hamilton stated that staff recommends awarding the construction contract to Zim Industries, Inc. as the responsible bidder with the lowest responsive bid in the amount of \$1,460,568.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Phillips, to award the contract for construction of Pure Water Monterey Groundwater Replenishment Project, Injection Wells Phase 1 to Zim Industries, Inc. as the responsible bidder with the lowest responsive bid in the amount of \$1,460,568 subject to the express requirement that the issuance of Notice to Proceed for the contract be withheld until cash flow from the line of credit loan is available, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

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- E. Consider Award of Contract to Larry Walker Associates for NPDES Permitting and Other Related Regulatory Services for the Pure Water Monterey Groundwater Replenishment Project

Mr. Holden presented this item and stated that a committee of three MRWPCA Agency staff and one Cal-Am staff person determined that Larry Walker Associates meets the relevant qualifications in the RFP and recommended award of contract to them.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Phillips, to award the contract for NPDES Permitting and other Related Regulatory Services for the Pure Water Monterey Groundwater Replenishment Project to Larry Walker Associates for a not to exceed amount of \$556,500 subject to the express requirement that the issuance of the Notice to Proceed for the contract be withheld until funds are available from SRF loan (\$179,559), MCWD (\$263,319), and/or Cal Am (\$113,622), and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Allion, Moore, Barrett, De La Rosa, Pendergrass, Rubio

Noes: None

Absent: Grier

- F. Consider Authorizing the General Manager to Solicit Bids for the Construction of the Conveyance Pipeline

(This item will be considered by the Board after Closed Session Item 13 – A)

10. INFORMATIONAL ITEMS

A. Pure Water Monterey Update

Mr. Kocher provided an update on the Pure Water Monterey Project and reviewed some of the highlights.

Ms. De La Rosa left the meeting at 8:02 pm

11. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Sciuto reminded the Board of the Pure Water Monterey Groundbreaking Celebration which will be held on May 5, 2017 at the Regional Treatment Plant.

12. BOARD MEMBER COMMENTS/REPORTS (none)

Chair Fischer recessed Open Session and commenced Closed Session at 8:09 p.m.

13. RECESS TO CLOSED SESSION

A. Conference with Real Property Negotiators
Pursuant to Government Code 54956.8

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Property: Wastewater Interceptor Line
Agency Negotiator: Paul A. Sciuto, General Manager
Negotiating Parties: Marina Coast Water District
Under Negotiation: All Terms and Conditions

Member Phillips left the meeting at 8:26 p.m.

Chair Fischer adjourned Closed Session at 9:12 p.m., and commenced Open Session.

14. ANNOUNCEMENTS FROM CLOSED SESSION

Legal Counsel Wellington reported that in the Closed Session the Board considered Agenda Item 13-A (Conference with Real Property Negotiators), the Board received information and provided information to its negotiators. NO reportable action was taken other than Chair Fischer appointing himself and Member Allion to meet with a Committee for ongoing negotiations.

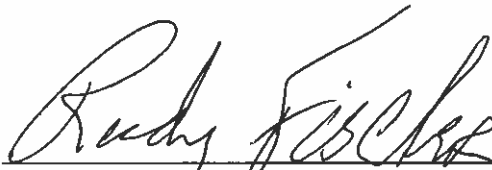
Legal Counsel Wellington reported that the Board no longer would be considering Item 9 – F “Consider Authorizing the General Manager to Solicit Bids for the Construction of the Conveyance Pipeline.”

15. ADJOURNMENT

At 9:13 p.m. with no further business, Chair Fischer adjourned the meeting to the next regularly scheduled Board Meeting to be held in the Board Room at 5 Harris Court, Building D, in Monterey, California on Monday May 22, 2017 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Rudy Fischer, Chair
MRWPCA Board of Directors