



APPROVED
January 30, 2017

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
November 28, 2016

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 Acting Chair Rubio at 6:02 p.m., on Monday, November 28, 2016 in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. ROLL CALL

BOARD MEMBERS PRESENT:

Rudy Fischer, Vice Chair <i>[arrived at 6 :35 pm]</i>	Pacific Grove
Linda Grier	Boronda County Sanitation District
Ron Stefani	Castroville Community Services District
John M. Phillips	County of Monterey
Dennis Allion	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Libby Downey	Monterey
James R. Cochran	Moss Landing County Sanitation District - Ex-Officio
Dave Pendergrass	Sand City
Ralph Rubio	Seaside
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

Gloria De La Rosa, Chair	Salinas
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MRWPCA STAFF PRESENT:

Paul A. Sciuto	General Manager
Stephen Hogg	Assistant General Manager
Tori Hannah	Chief Financial Officer

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Bob Holden	Principal Engineer
Jennifer Gonzalez	Engineering Manager
Rob Wellington	Legal Counsel
Bill Ragsdale-Cronin	Plant Maintenance Supervisor
Chayito Ibarra	Executive Assistant

OTHERS PRESENT:

Legal Counsel Wellington stated that because Chair De La Rosa and Vice Chair Fischer were not present, a motion would have to be made to appoint an Acting Chair until they arrived.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Allion, to appoint Member Rubio as Acting Chair and carried by the following vote:

Ayes: Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa, Fischer

3. PLEDGE OF ALLEGIANCE

Member Phillips led the Pledge of Allegiance.

4. PUBLIC COMMENTS

Alex Miller addressed the Board on the need for the Agency to have a Community Advocate Board and a Community Relations Officer to provide outreach to Agency customers.

5. SPECIAL ACKNOWLEDGEMENTS

A. "Water Resources Utility of the Future Today" Certificate of Recognition Awarded to MRWPCA – Steve Hogg, Assistant General Manager

6. CONSENT AGENDA

Mr. Moore requested to pull Item F, Consider approval of a reimbursement agreement with FORA for costs associated with construction support for Pure Water Monterey Project – Injection Wells Facilities, from the consent agenda.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Moore, to approve Consent Agenda Items A through E and Items G through P, and carried by the following vote:

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Ayes: Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa, Fischer

- A. Approve Board Minutes for Regular Board Meeting of October 31, 2016
- B. Receive Schedule of Cash and Investments as of October 31, 2016
- C. Receive Check Register for October 2016
- D. Receive Waste Discharge Report and NPDES Monitoring Report for October 2016; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for October 2016
- E. Consider Approval of Proposed Board Meeting Dates for 2017
- F. Consider Approval of a Reimbursement Agreement with FORA for Costs Associated with Construction Support for Pure Water Monterey Project – Injection Wells Facilities
- G. Consider Approval of an Increase to the Contract with Kennedy/Jenks Consultants for Phase 1 Support Bid Services for the Injection Wells Facilities
- H. Consider Approval of an Increase to the Contract with E2 Consulting Engineers for Bid Services for the Blanco Drain and Reclamation Ditch Diversion Facilities
- I. Consider Approval of an Amendment to the Existing Contract with Wigen Water Technologies for the Advanced Water Treatment Facility Membrane Filtration Reverse Osmosis Equipment (MF/RO)
- J. Consider Awarding Contract to E2 Consulting Engineers for Phase 2 of the Brine Mixing Structure Design Review
- K. Consider Approving an Amendment for an Extension to the Advanced Treated Water Delivery and Supply Project Agreement Between MRWPCA and MCWD
- L. Consider Approval of Construction Contract for SVRP 57-Inch Filter Effluent Pipe Rehabilitation Project, Coating Inspection and Testing Services Contract, and Reallocation of Money within Fiscal Year 2016/17 Budget
- M. Consider Approval of Resolution No. 2016-25, Fixing Base Compensation of Legal Counsel for Purposes of Public Employees' Retirement System
- N. Consider Approval of Resolution No. 2016-26, Authorizing the General Manager to Sign and File, a Financial Assistance Application for a Financing Agreement from the SWRCB for the Planning, Design, and Construction of the Farmworker Housing Connection Project
- O. Consider Approval of Reclassification of Administrative Support Specialist

Position Supporting Human Resources

- P. Consider Approval of a Contract with Engine System Integration for Cogeneration Engineering Support

ITEMS PULLED FROM CONSENT AGENDA:

- F. Consider Approval of a Reimbursement Agreement with FORA for Costs Associated with Construction Support for Pure Water Monterey Project – Injection Wells Facilities**

Mr. Sciuto gave the Board a brief description of this item and the costs associated with it. The Board had a lengthy discussion and agreed that while the costs were high, the construction support expenses were required to keep the project moving forward.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Phillips, to approve Consent Agenda Item F, and carried by the following vote:

Ayes: Grier, Stefani, Phillips, Allion, Downey, Pendergrass, Rubio

Noes: Moore

Absent: De La Rosa, Fischer

7. COMMITTEE REPORTS

A. RECYCLED WATER COMMITTEE (RWC) – NOVEMBER 17, 2016

1. Receive RWC Draft Minutes of November 17, 2016

ACTION TAKEN: It was moved by Member Pendergrass, seconded by Member Phillips, to receive the RWC Draft Minutes of November 17, 2016 and carried by the following vote:

Ayes: Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa, Fischer

B. BUDGET/PERSONNEL COMMITTEE (BPC) – NOVEMBER 18, 2016

1. Receive BPC Draft Minutes of November 18, 2016

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore, to receive the BPC Draft Minutes of November 18, 2016 and carried by the following vote:

Ayes: Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa, Fischer

8. ACTION ITEMS

A. Receive Fiscal Year 2015/16 Draft Financial Statements and Independent Auditors Report

Ms. Hannah stated that a copy of the Agency's financial statements for fiscal year ending June 30, 2016 were provided for review. She stated that the audit was performed by Lance, Soll & Lunghard (LSL), LLP. Ms. Hannah reported that the Agency had received an unmodified or "clean" opinion.

Member Fischer arrived at 6:35 pm

Ms. Hannah noted that Bryan Gruber of LSL was on the phone and was available to answer any questions.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore, to receive the Fiscal Year 2015/16 Draft Financial Statements and Independent Auditors Report, and carried by the following vote:

Ayes: Fischer, Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa

B. Consider Approval of PG&E Invoice Adjustment for ZWE Energy Payments

Ms. Gonzalez presented this item and stated that after a lengthy discussion, the BPC recommended approval of this item. She provided a summary to the Board of the timeline having to do with the issue with PG&E and the connection of the ZWE generation facility to the RTP electrical system.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Rubio, to approve reimbursement to PG&E in the amount of \$25,694.25 and amend the budget, to reflect adjustments to monthly payments to MRWPCA for energy export, and carried by the following vote:

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Ayes: Fischer, Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa

C. Consider Approval of Resolution No. 2016-27, Authorizing the Purchase of Various Pure Water Monterey Equipment Components without Formal Competitive Bidding

Mr. Holden provided a summary of this item to the Board. He stated that the design for the various components for Pure Water Monterey was being prepared for bidding. Staff is recommending that certain components be sole sourced due to the required integration with existing Agency systems, available local support and knowledge/training of staff on this equipment.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore, to approve Resolution No. 2016-27, Authorizing the purchase of various Pure Water Monterey equipment components without formal competitive bidding, at a price not to exceed \$673,200, including tax and shipping, pursuant to the exemption provisions of Paragraph 4 of Resolution No. 87-19, and carried by the following vote:

Ayes: Fischer, Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa

D. Consider Approval of a Contract to Complete the Annual Salinas Valley Reclamation Project (SVRP) Chlorine System Maintenance

Mr. Hogg presented this item and stated that the annual maintenance of the chlorination system has been completed each year since the SVRP went in service in 1998. He noted that the annual maintenance is required by Federal Process Safety Management Regulations and ensures that equipment and integral parts are repaired or replaced as needed to prevent potential equipment failure during the upcoming growing season.

Mr. Hogg stated that staff recommends that the Board award a contract to KCK Company in the amount of \$44,723.29 for SVRP Chlorination System Annual Maintenance Services.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Phillips, to approve a contract with KCK Company in the amount of \$44,723.29 for SVRP

Chlorination System Annual Maintenance services, and carried by the following vote:

Ayes: Fischer, Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa

E. Consider Approval of Issuance of Notice to Proceed for Phase 3 and 4 to Kennedy/Jenks Consultants for 100% Design and Bid Services for the Advanced Water Purification Facilities

Mr. Holden stated that at the October 31, 2016 Board meeting, the Board approved issuance of Notice to Proceed for Phase 3 and 4, contingent upon approval of 75% payment from MPWMD for Phase 2, 3 and 4 in the amount of \$1,750,898. At the November 14, 2016 MPWMD Board meeting, the Board authorized \$871,785 of District Funds for Kennedy Jenks, AWPf 100% design. Because approval of these funds will only enable partial continued progress of the AWPf design, MRWPCA has determined that funds to cover the total costs for Phase 3 & 4 in the amount of \$1,137,260 will be allocated as follows:

- a. MPWMD – \$871,785
- b. MRWPCA – Permitting Budget Transfer – \$25,537
- c. MRWPCA – Existing Design Budget – \$239,938

Mr. Holden stated that Agency staff anticipates receiving the SRF funding in February 2017, at which time staff will re-allocate any funds from reserves and/or CIP projects used for the AWPf design.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Allion, to approve issuance of Notice to Proceed for Phase 3 – 100% Design for AWPf for a not to exceed amount of \$961,997, and Notice to Proceed for Phase 4 – Bid Services for a not to exceed amount of \$175,263 and approve a budget adjustment to fund this work, and carried by the following vote:

Ayes: Fischer, Grier, Stefani, Phillips, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: De La Rosa

9. INFORMATIONAL ITEMS

A. Reclamation Highlights/Charts, Water Quality & Ops, Tours

Mr. Hogg provided a summary of these items to the Board.

B. Pure Water Monterey Update

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

10. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Sciuto provided an update to the Board on presentations he has made in the community and meetings he has attended.

11. BOARD MEMBER COMMENTS/REPORTS (None)

Chair De La Rosa recessed Open Session and commenced Closed Session at 7:12 p.m.

12. RECESS TO CLOSED SESSION

A. Conference with Real Property Negotiators

Pursuant to Government Code 54956.8

Property: Ocean Outfall
Agency Negotiator: Paul A. Sciuto, General Manager
Negotiating Parties: California American Water
Under Negotiation: All Terms and Conditions

Chair De La Rosa adjourned Closed Session at 7:30 p.m., and commenced Open Session.

13. ANNOUNCEMENTS FROM CLOSED SESSION

Legal Counsel Wellington reported that in the Closed Session the Board considered Agenda Item 12-A (Conference with Real Property Negotiators) and stated that no reportable action was taken.

14. ADJOURNMENT

At 7:31 p.m. with no further business, Chair De La Rosa 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, January 30, 2017 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Gloria De La Rosa, Chair
MRWPCA Board of Directors