



APPROVED
November 28, 2016

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
October 31, 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 Chair De La Rosa at 6:03 p.m., on Monday, September 26, 2016 in the Board Room at 5 Harris Court, Building D, Monterey, California.

2. ROLL CALL

BOARD MEMBERS PRESENT:

Gloria De La Rosa, Chair	Salinas
Rudy Fischer, Vice Chair	Pacific Grove
Linda Grier	Boronda County Sanitation District
Ron Stefani	Castroville Community Services District
John M. Phillips [<i>left at 7:00 pm</i>]	County of Monterey
Dennis Allion	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Libby Downey	Monterey
Dave Pendergrass	Sand City
Ralph Rubio	Seaside
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

James R. Cochran	Moss Landing County Sanitation District - Ex-Officio
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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:

Kate McKenna – Monterey County LAFCO

3. PLEDGE OF ALLEGIANCE

Member Downey led the Pledge of Allegiance.

4. PUBLIC COMMENTS

Chair De La Rosa called for Public Comments; none received.

5. CONSENT AGENDA

Mr. Moore stated he would be abstaining from voting on Item 5-A, minutes from September 26, 2016, since he did not attend the meeting.

ACTION TAKEN: It was moved by Member Pendergrass, seconded by Member Allion, to approve Consent Agenda Items A through K and carried by the following vote:

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

Noes: None

Absent: None

Abstain: Moore (Item A Only)

- A. Approve Board Minutes for Regular Board Meeting of September 26, 2016
- B. Receive Schedule of Cash and Investments as of September 30, 2016
- C. Receive Check Register for September 2016
- D. Receive Waste Discharge Report and NPDES Monitoring Report for September 2016; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for September 2016
- E. Approve Award of Coating Contract for FY 2016/17 Facility Coating Project and Award of Contract for Coating Inspection and Testing Services to Support the FY 2016/17 Facility Coating Project
- F. Approve Award of Construction Contract for the SVRP Filter Structure Waste

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Channel Joint and Chlorine Contact Basins Concrete Repair Project

- G. Approve Award of Construction Contract for the SVRP Coagulation-Flocculation Tanks' Drain Valves Replacement Project
- H. Approve Contract with Kennedy/Jenks Consultants, Inc. for an Energy Supply Option Analysis for the Advanced Water Purification Facilities
- I. Approve Contract with Todd Groundwater to Support the Waste Discharge Requirements for Purified Water Injection
- J. Approve Contract with Hydrometrics to Modify the Watermaster's Groundwater Model as Part of the Injection Water Permit
- K. Consider Service Extension to Farmworker Housing Project and Approve Categorical Exemption CEQA Determination

6. COMMITTEE REPORTS

A. BUDGET/PERSONNEL COMMITTEE (BPC) – OCTOBER 14, 2016

- 1. Receive BPC Draft Minutes of October 14, 2016

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore, to receive the BPC Draft Minutes of October 14, 2016 and carried by the following vote:

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

Noes: None

Absent: None

B. RECYCLED WATER COMMITTEE (RWC) – OCTOBER 20, 2016

- 1. Receive RWC Draft Minutes of October 20, 2016

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Allion, to receive the RWC Draft Minutes of October 20, 2016 and carried by the following vote:

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

Noes: None

Absent: None

C. PROJECTS AND PLANNING COMMITTEE (PPC) – OCTOBER 25, 2016

1. Receive PPC Draft Minutes of October 25, 2016

ACTION TAKEN: It was moved by Member Pendergrass, seconded by Member Allion, to receive the PPC Draft Minutes of October 25, 2016 and carried by the following vote:

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

Noes: None

Absent: None

7. ACTION ITEMS

- A. Consider Approval of Consolidated Quarterly Financial Management Reports

Ms. Hannah reviewed with the Board the proposed sample quarterly and monthly reporting format and schedule. It was the consensus of the Board to use this reporting format and schedule for future Board meetings.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Downey, to approve the consolidated draft quarterly reporting format for future Board agenda packets, and carried by the following vote:

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

Noes: None

Absent: None

- B. Consider Award of Contract for Pump Station and Conveyance System Condition Optimization Analysis Project

Ms. Gonzalez presented this item and stated that the BPC recommended approval of a contract with GHD Inc., who is partnering with staff from Kennedy/Jenks and V&A. She provided a summary of the project and is requesting that this project be awarded in two phases; Phase 1 will be for a total of \$400,000, due to the Board approving a budget amendment to transfer of \$350,000 from this project to the Pure Water Monterey Project. Once State Revolving fund loan money is received, staff will request approval to the BPC/Board for Phase 2.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Fischer, to approve a contract with GHD Inc. in the amount not to exceed \$400,000 for

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Phase 1 of the Pump Station and Conveyance System Optimization Analysis Project, and carried by the following vote:

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

Noes: None

Absent: None

C. Consider Approval of Issuance of Notice to Proceed for Phase 3 & 4 to Kennedy/Jenks Consultants, Inc. for 100% Design and Bid Services for the Advanced Water Purification Facilities (AWPF)

Mr. Holden provided a summary of this item to the Board which was recommended for approval by the Recycled Water Committee. Mr. Holden stated that funding is contingent upon MPWMD receiving Board approval to support their stated share of the project. If MPWMD funding is approved, funds allocated earlier this year for 100% of Phase 2 funding will be available to cover MRWPCA's share of Phases 2-4 of the project.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Rubio, to approve issuance of Notice to Proceed for Phase 3 – 100% design for the 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. The total for Kennedy/Jenks Consultants, Inc. is \$1,137,260 with \$284,315 coming from MRWPCA and \$852,945 from MPWMD, pending approval of 75% payment from MPWMD for Phase 2, 3, & 4 and carried by the following vote:

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

Noes: None

Absent: None

D. Consider Approval to Request LAFCO to move Forward with Municipal Service Review and Expansion of Sphere of Influence for the MRCSD/MRWPCA Service Area

Mr. Hogg presented this item which was recommended for approval by the Recycled Water Committee. The Agency would like to request LAFCO do an updated Municipal Service Review (MSR). He added that the LAFCO review will also look into expanding the Agency's Sphere of Influence and possible annexation actions. Mr. Hogg provided a summary of the estimated fee costs of \$20,000 which include annexation application fees, legal description and map of

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the annexation areas, board of equalization fees, and hiring a CEQA consultant to assist in the annexation process.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Phillips, to approve Staff to send a letter to Monterey County LAFCO requesting the Municipal Service Review and potential expansion of Sphere of Influence to be conducted for the MRCSD/MRWPCA Service Area with additional action taken up by the Budget/Personnel Committee in November, and carried by the following vote:

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

Noes: None

Absent: None

E. Consider Approval of the Regional Treatment Plant Lighting Upgrade Project

Mr. Cronin stated that the project will replace or retrofit 890 light fixtures inside and outside at the Regional Treatment Plant (RTP) with new low energy use LED lighting. The project will be funded with zero interest financing provided by PG&E's "On-bill-financing" program where the energy savings is used to repay the loan. Mr. Cronin stated that AMBAG will handle the contract and verify the work and completion of the installation. The estimated annual energy savings from this project will be in excess of 376,983 kWh.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Phillips, to approve the Lighting Retrofit Project as proposed by AMBAG Energy Watch Program, and carried by the following vote:

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

Noes: None

Absent: None

F. Consider Approval of a Contract for a Comprehensive Study of Wastewater Rates, Capacity Fees, and Other fees; and a Ten-Year Financial Model; and Consider Approval of a Budget Amendment

Ms. Hannah stated that the Agency is in the last year of a three-year Proposition 218 rate increase. In order to prepare for forthcoming years, a rate study is needed to determine the amount of revenues needed to fund operational costs,

capital improvements; and meet debt covenant and reserve requirements. The Agency issued a Request for Proposals (RFP) in August for a Wastewater Rate Study and a Comprehensive Fee Study with an Optional Cost Allocation Plan. Due to the comprehensiveness of the study, the proposals came in higher than staff had anticipated and staff is requesting approval of a budget amendment in the amount of \$54,200 to fund the study. The Projects & Planning Committee recommended approval of a contract with Bartle Wells and Associates for \$79,200. The firm has provided services to over 500 public agencies throughout California and has completed over 1,000 utility rate and fee studies.

ACTION TAKEN: It was moved by Member Allion, seconded by Member Downey, to approve a contract for a rate capacity fee study and other fee studies with Bartle Wells Associates, along with a Budget Amendment, and carried by the following vote:

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

Noes: None

Absent: None

Chair De La Rosa stated that the Board would recess to Closed Session and consider the rest of the agenda items after closed session. Chair De La Rosa recessed Open Session at 6:45 p.m., and commenced Closed Session at 6:47 p.m.

12. RECESS TO CLOSED SESSION

A. Public Employee Performance Evaluation

Pursuant to Government Code 54957

Title: General Manager

B. Conference with Real Property Negotiators

Pursuant to Government Code 54956.8

Property: Recycled Water

Agency Negotiator: Paul A. Sciuto, General Manager

Negotiating Parties: California American Water and Monterey Peninsula
Water Management District

Under Negotiation: All Terms and Conditions

C. Conference with Real Property Negotiators

Pursuant to Government Code 54956.8

Property: Ocean Outfall

Agency Negotiator: Paul A. Sciuto, General Manager

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Negotiating Parties: California American Water
Under Negotiation: All Terms and Conditions

Chair De La Rosa adjourned Closed Session at 7:22 p.m., and commenced Open Session.

13. ANNOUNCEMENTS FROM CLOSED SESSION

Legal Counsel Wellington reported that in the Closed Session the Board considered agenda items 12-A (Public Employee Performance Evaluation), 12-B (Conference with Real Property Negotiators), and 12-C (Ocean Outfall) and reported that information was provided to the Board, discussion followed and general directions were given to the negotiators. No reportable action was taken.

Member Moore made a motion to add an item to the agenda to consider approval of a compensation increase to the General Manager.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Fischer, to add an item to the agenda to consider approval of a compensation increase to the General Manager, and carried by the following vote:

Ayes: De La Rosa, Fischer, Grier, Stefani, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: Phillips

Member Moore made a motion to approve a 3.2% salary increase, effective November 1, 2016, for General Manager Paul A. Sciuto.

ACTION TAKEN: It was moved by Member Downey, seconded by Member Moore, to approve a 3.2% salary increase for the General Manager effective November 1, 2016, and carried by the following vote:

Ayes: De La Rosa, Fischer, Grier, Stefani, Allion, Moore, Downey, Pendergrass, Rubio

Noes: None

Absent: Phillips

Board Members thanked Mr. Sciuto for all of his hard work and ability to get things done.

8. 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.

9. 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.

B. Update on Strategic Planning Goals and Objectives – Steve Hogg, Assistant General Manager

Mr. Hogg provided the Board with an update on the Strategic Planning Goals and Objectives.

10. BOARD MEMBER COMMENTS/REPORTS (None)

13. ADJOURNMENT

At 7:46 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, November 28, 2016 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Gloria De La Rosa, Chair
MRWPCA Board of Directors