

APPROVED
April 25, 2016



MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
March 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 Chair De La Rosa at 6:01 pm, on Monday, March 28, 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 <i>[arrived at 6:02 pm]</i>	Boronda County Sanitation District
Ron Stefani	Castroville Community Services District
John M. Phillips <i>[arrived at 6:03 pm]</i>	County of Monterey
Dennis Allion	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Tom Razzeca	Moss Landing County Sanitation District
Dave Pendergrass	Sand City
Ralph Rubio	Seaside
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

Libby Downey	Monterey
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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
Rob Wellington	Legal Counsel
Mike McCullough	Government Affairs Administrator
Jennifer Gonzalez	Engineering Manager
Leara Sampson	HR Administrator
Mark Malanka	Maintenance Manager
Michelle Bumgardner	Customer Service Rep II
Larry Stowbunenko	Information Systems Administrator
Chayito Ibarra	Executive Assistant

OTHERS PRESENT:

Lee Curtis – NexLevel IT Solutions
Tim Flanagan – MRWMD
Troy Bumgardner – Public Member
Gary Petersen – City of Salinas
Aidan Carr – International School of Monterey
Josh Carr – Public Member
Niam Burke – International School of Monterey
Fleur Burke – Public Member

3. PLEDGE OF ALLEGIANCE

Member Moore led the Pledge of Allegiance.

4. PUBLIC COMMENTS

No public comments were received.

5. ACKNOWLEDGE 2016 SCIENCE FAIR SPECIAL AWARD WINNERS

A. Junior Division Winner: Aidan Carr and Niam Burke from International School of Monterey for “The Battle for Our Water: Which Type of Desal Plant is Better”

Ms. Bumgardner stated that every year MRWPCA offers two special awards at the Monterey County Science Fair to support science development and projects that highlight water recycling and pollution prevention issues. She noted that this year only the Junior Division qualified for a special award. Ms. Bumgardner announced the following winners in the Junior Division: Aidan Carr and Niam Burke from International School of Monterey for their project “The Battle for Our Water: Which Type of Desal Plant is Better.” She stated that the students were not present to receive their certificate but that she would make sure they received it.

6. PRESENTATION

A. Information Technology Strategic Plan Update – Lee Curtis, Managing Consultant, NexLevel IT Solutions.

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Mr. Stowbunenko introduced Lee Curtis, Managing Consultant with NexLevel IT Solutions who would be providing the Board with an update on the Information Technology Strategic Plan. Mr. Curtis provided the Board with an overview of the purpose of the Information Technology Strategic Plan (ITSP). He stated that the ITSP provides the Agency a plan to meet future technology needs by proactively managing the technology gap. Mr. Curtis reviewed the IT assessment recommendations and strategic plan development with the Board.

5. ACKNOWLEDGE 2016 SCIENCE FAIR SPECIAL AWARD WINNERS (Continued)

Ms. De La Rosa stated that the Science Fair Special Award Winners had arrived late and recognized Junior Division winners Ms. Niam Burke and Mr. Aidan Carr from the International School of Monterey for their project "The Battle for our Water: Which Type of Desal Plant is Better". Chair De La Rosa and Vice Chair Fischer congratulated them and presented Certificates of Achievement to them.

7. CONSENT AGENDA

Member Moore asked to pull Item H from the consent agenda

ACTION TAKEN: It was moved by Member Pendergrass, seconded by Member Phillips, to approve Consent Agenda Items 7-A through 7-G and 7-I through 7-M and carried by the following vote:

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

Noes: None

Absent: Downey

- A. Approve Board Minutes for Regular Board Meeting of February 29, 2016
- B. Receive Financial Statements through February 29, 2016
- C. Receive Schedule of Cash and Investments as of February 29, 2016
- D. Receive Comparison Percentage of FY 2015/16 Budget Expended for February 2016
- E. Receive Check Register for February 2016
- F. Receive Waste Discharge Report for February 2016; NPDES Monitoring Report for February 2016; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for February 2016

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- G. Receive Actual vs. Budgeted Fiscal Year 2015/16 Expenditures for the Capital Improvement Program, Capitalized Equipment Fund, Urban Reclamation Program, and Capacity Fees for February 2016
- H. Receive Board Committee Assignments for April 2016 through March 2017
- I. Authorize the Agency to be a Signatory on the Memorandum of Agreement for the Integrated Regional Water Management Planning and Funding in the Central Coast Funding Area
- J. Approve Award of Construction Contract, Reallocation of Funds within Fiscal Year 2015/16 Budget, and Award of Engineering Services during Construction Contract for CP269 Regional Treatment Plant Sewer Line Replacement Project
- K. Approve an Increase to the Contract with Perkins Coie for Support with Pure Water Monterey in the CPUC Proceedings
- L. Approve an Increase to the Contract with Denise Duffy & Associates for Responding to MCWRA's Water Rights Protest Letters
- M. Approve an Increase to the Contract with Todd Groundwater for Continued Support for the Pure Water Monterey Project Engineering Report and Assistance with the Permit Application

With regard to consent agenda Item 7-H, Mr. Moore, due to the uncertainty of the number of weighted votes on the Board, asked for an opinion from Legal Counsel Wellington.

Mr. Wellington stated that reviewing the weighted vote's sheet it shows there are a total of 22 weighted votes for all of the Board members present, including Member Downey who is absent. He reminded the Board that in July of 2014, shortly after the Castroville Community Services District (CCSD) had absorbed and incorporated into itself the Moss Landing County Sanitation District, a meeting was held at Supervisor Calcagno's office to discuss whether Moss Landing could still have representation on the Board. Present at that meeting was Assistant Legal Counsel George Thacher, Supervisor Lou Calcagno, and, representing CCSD, General Manager Eric Tynan, Legal Counsel Lloyd Lowrey, and Ron Stefani. After the meeting, George Thacher e-mailed a memo to the Board which stated the position the Agency had taken that Moss Landing Sanitation District was no longer in existence, after having been absorbed by CCSD, and could not have a representative on the Board. An e-mail was then received from Lloyd Lowrey in July 2014 indicating that he was in agreement with Wellington's Law Office and that CCSD was acceptable to having Moss Landing continue as an ex-officio member until the matter was resolved and would provide further information. The Agency then obtained an opinion from independent Legal Counsel Michael Colontouno, who agreed with the Agency that Moss Landing Could no longer have a member on the Board unless the Board took further action. This information was provided to Mr. Lowrey in August of 2015 and since then a response has not been received. Mr. Wellington stated that the bottom

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line is that Moss Landing cannot have a vote on the Board due to our Joint Powers Agreement specifying that ex-officio members cannot have a vote and therefore there now are only 21 weighted votes on the Board and not 22.

Mr. Moore stated that since he has been appointed the Chair of the Budget/Personnel Committee (BPC) he does not want to chair a committee that causes himself and members of the BPC to violate the Brown Act. He asked whether there would be a violation of the Brown Act if all of the members of the BPC attended a committee meeting. Mr. Wellington answered that there are 11 weighted votes on the BPC and the most there should be is 10, which is something that needs to be addressed. He suggested that this item could be reviewed by the Chair and staff to revise the committee assignments or a different approach.

Mr. Moore asked for volunteers from the BPC to miss the next BPC meeting until there is a resolution. After some discussion, Member Fischer volunteered to miss the April BPC meeting.

Mr. Wellington stated that recently he and Mr. Sciuto have discussed moving this matter forward and have outlined a program to revisit this item which includes meeting with Supervisor Phillips, Eric Tynan and Lloyd Lowrey to consider a proposed resolution.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Rubio, to approve Consent Agenda Item H and carried by the following vote:

Ayes: De La Rosa, Fischer, Grier, Stefani, Phillips, Allion, Moore, Pendergrass, Rubio
Noes: None
Absent: Downey

H. Receive Board Committee Assignments for April 2016 through March 2017

8. COMMITTEE REPORTS

A. BUDGET/PERSONNEL COMMITTEE (BPC) – MARCH 17, 2016
1. Receive Budget/Personnel Committee Draft Minutes, March 17, 2016

ACTION TAKEN: It was moved by Member Allion, seconded by Member Moore, to receive the BPC Draft Minutes for March 17, 2016 and carried by the following vote:

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

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Noes: None

Absent: Downey

Mr. Sciuto, at the request of Member Allion, provided a brief update to the Board on the efforts to date regarding the water right protest letters received and how it affects the State Revolving Fund (SRF) loan and grant funding.

B. RECYCLED WATER COMMITTEE (RWC) – MARCH 17, 2016

1. Receive Recycled Water Committee Draft Minutes, March 17, 2016

Member Rubio, RWC Chair, provided a brief update to the Board regarding the information items that the RWC received at the March 17 meeting. With regard to the RWC items that the Board will be considering under Action Items, Member Rubio stated that the Committee unanimously recommended them for approval by the full Board.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Fischer, to receive the RWC Draft Minutes for March 17, 2016 and carried by the following vote:

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

Noes: None

Absent: Downey

9. ACTION ITEMS

- A. Consider Approving Creation of the Temporary Information Technology Technician Contract Position and Approve Related Budget Amendment

Mr. Stowbunenکو stated that due to the limited staff resources to manage all of the IT systems at the Agency, staff is requesting the creation of the temporary Information Technology Technician contract position. He noted that there is currently only one full time IT position and one temporary IT Intern position in the IT Department. The IT intern is limited to 1,000 hours which will be reached by April 2016. If only one full-time position is available, the RTP Server Room Project will be impacted for the technical responsibilities required to complete the project on schedule as well as manage the normal IT operating duties for the Agency.

Mr. Stowbunenکو stated that the position would be funded this fiscal year with the Support Services account budget for the remaining three months for

\$12,383. An additional two months is recommended to complete the work on this project, and could be allocated for the FY 16/17 budget cycle.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Allion, to approve creation of the Temporary Information Technology Technician Contract Position for a total of 560 hours at a not to exceed cost of \$20,400; and approve the attached budget amendment transferring \$12,383 to fund the temporary employee contract services and carried by the following vote:

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

Noes: None

Absent: Downey

B. Consider Approving an Agreement with MRWMD for Purchase of Electrical Energy from MRWMD's Biogas Power Generation Facility

Mr. Hogg stated that the MRWPCA is in the process of designing the Advanced Water Treatment Facility (AWTF) at the Regional Treatment Plant which has a projected electrical demand of approximately 2,000 kilowatt-hours (kWh). He noted that the Monterey Regional Waste Management District (MRWMD) utilizes biogas produced by the decomposition of waste material in the landfill to produce electrical energy. Once the MRWMD completes the process of replacing two of the four internal combustion engine generators they will have the capability of producing 5,000 (kWh) of electrical energy. The estimated future electrical demand for MRWMD is approximately 3,000 kWh, leaving approximately 2,000 kWh of surplus electrical energy available for export and sale. Staff from both Agencies has determined that it is beneficial to both Agencies to make the surplus energy generated by their power generation facility available for sale to the MRWPCA to meet the increased electrical demand produced by the AWTF.

Mr. Hogg stated that staff from both Agencies drafted the electric power purchase agreement that was included in the Board packet. He provided the Board with a summary of highlights of the agreement.

Discussion from the Board continued regarding section 4 of the agreement "Rate of Payment" with regard to the different rates. Mr. Sciuto answered questions from the Board and stated that staff will be putting together a general table of costs to make it easier to understand.

Mr. Sciuto stated that prior to the meeting, Member Moore called to provide a couple of edits on section 4 of the agreement "Rate of Payment", which provided more definition than already there. Mr. Sciuto noted that these changes could be included as part of the non-substantive changes.

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ACTION TAKEN: It was moved by Member Moore, seconded by Member Pendergrass, to approve the Electric Power Purchase Agreement between MRWPCA and MRWMD and Authorize the General Manager to complete negotiations with MRWMD and sign the Agreement to include any non-substantial changes, including those on section 4 of the agreement, and carried by the following vote:

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

Noes: None

Absent: Downey

C. Consider Award of Design Contract to Kennedy/Jenks Consultants for GWR Injection Well Facilities

Ms. Gonzalez stated that proposals from E2 Consulting Engineers, Inc. (E2) and Kennedy/Jenks Consultants were received for the Pure Water Monterey Groundwater Injection Well Facilities Project. She noted that the GWR Injection Well Facilities design has already been developed to the 10% design level by E2 Consulting Engineers. Ms. Gonzalez stated that the contract will be performed in two phases by the consultant and noted that a summary of work performed in each of the two phases was included in the Board packet. She stated that staff recommends awarding the contract to Kennedy/Jenks for the depth of information included in their proposal; including several options for value engineering that will benefit the Agency and bring down overall cost.

Board discussion followed regarding total cost of the design project. Ms. Gonzalez responded that the estimated cost of the entire design project is estimated to be \$1.6M. She noted that staff will return to the Board at a future date to extend this contract to the construction phases of service once the State Revolving Fund Loan is secured.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Downey, to authorize the General Manager to finalize negotiations and enter into an agreement with Kennedy/Jenks in an amount not to exceed \$387,703 at this time and carried by the following vote:

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

Noes: None

Absent: Downey

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10. INFORMATIONAL ITEMS

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

Mr. Sciuto noted that many tours of the RTP/SVRP and Pure Water Monterey Demonstration Facility were given last month. He stated that staff is starting to receive more inquiries for tours of the Demonstration Facility.

B. Pure Water Monterey Update

Mr. Sciuto provided an update on the Pure Water Monterey Project – no questions from the Board.

Mr. Sciuto stated that now that the Board approved the Design Contract for GWR Injection Well Facilities there are now three consultants under contract working on the following three of the four elements of the Pure Water Monterey Project: Diversion Facilities, Rec Ditch and Blanco Drain Diversion and Advanced Water Treatment Plant Facilities. Staff will be providing a notice to proceed to Kennedy/Jenks tomorrow for the Injection Well Facilities.

Mr. Sciuto noted that the MCWD Board has approved a contract with Carollo Engineers to complete the conveyance pipeline design.

Mr. Sciuto stated that staff has tested and interviewed applicants for the Pure Water Monterey Contract Administrator position and are currently working toward selecting a final candidate.

C. Operational Report

Mr. Hogg introduced the Operations Report and provided some highlights.

11. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Sciuto provided the Board with a brief update on the following:

- He attended the California Water Reuse Conference in Santa Rosa March 14-15th where Dave Stoldt, Gary Petersen and himself were on a panel to discuss the collaboration between Agencies for the Pure Water Monterey Project
- The Agency does not currently have a social media policy and the IT Executive Committee is currently creating one. Sarah Stevens, Administrative Support Specialist, has taken on the task of managing the Agency's Facebook and Twitter accounts.

Mr. Hogg stated that he has a meeting scheduled with AMP media to discuss the costs to broadcast the Board meetings. He will return to the Board with an update on the costs of the equipment and monthly recurring costs. He noted that he is also inquiring about the possibility of having the CSUMB cinematic arts program do the recording.

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Ms. Hannah announced that Finance Department received the California Society of Municipal Finance Officers (CSMFO) Operating Budgeting Meritorious Award for Fiscal Year 2015/16.

B. Update on Strategic Planning Goals and Objectives – Paul A. Sciuto, General Manager

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

12. CORRESPONDENCE

- A. Letter of Support for Pure Water Monterey Project from Supervisor Dave Potter – February 25, 2016
- B. Letter of Support for Pure Water Monterey Project from Senator Dianne Feinstein – March 7, 2016
- C. Letter of Support for Pure Water Monterey Project from Senator William W. Monning – March 7, 2016
- D. Letter of Support for Pure Water Monterey Project from Congressman Sam Farr – March 14, 2016
- E. Letter of Support for Pure Water Monterey Project from Assemblymember Mark Stone – March 22, 2016
- F. Letter of Support for Pure Water Monterey Project from Supervisor John M. Phillips

13. BOARD MEMBER COMMENTS/REPORTS (None)

[Chair De La Rosa recessed Open Session at 7:59 pm, and commenced Closed Session]

14. RECESS TO CLOSED SESSION

- A. Conference with Labor Negotiator
Pursuant to Government Code 54957.6

Agency Negotiator: Paul A. Sciuto, General Manager

Employee Organizations:

- General Employees Association (GEA)
- Operations Employees' Bargaining Group (OEBG)
- Mid-Management Employees Group (MMEG)
- Management Employees Group (MEG)

B. 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

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

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

15. ANNOUNCEMENTS FROM CLOSED SESSION

Legal Counsel Wellington reported that the Board came back into Open Session at 9:20 p.m. He announced that in the Closed Session the Board considered the three items listed on the agenda, namely 1) the Conference with the Labor Negotiator concerning the four listed employee associations and groups 2) the Conference with Real Property Negotiators as to the ocean outfall with California American Water, and 3) the Conference with Real Property Negotiators as to wastewater and pipeline issues with MCWD, with regard to Agenda Item 14-A (Conference with Labor Negotiator) and 14-B and 14-C (Conference with Real Property Negotiators), Mr. Wellington reported that information was provided to the Board, discussion followed and general directions were given to the negotiators; no reportable action was taken as to any matter.

16. ADJOURNMENT

At 9:21 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, April 25, 2016 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Gloria De La Rosa, Chair
MRWPCA Board of Directors