



APPROVED
August 28, 2017

MINUTES
of the Regular Meeting
Monterey Regional Water Pollution Control Agency
Board of Directors
July 31, 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 6:02 p.m., on Monday, July 31, 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
Linda Grier	Boronda County Sanitation District
John M. Phillips (arrived at 6:11 PM)	County of Monterey
Dennis Allion	Del Rey Oaks
Timothy Barrett	Monterey
James R. Cochran	Moss Landing County Sanitation District - Ex-Officio
Gloria De La Rosa	Salinas
Mary Ann Carbone	Sand City
Dennis Alexander (Alternate)	Seaside
Thomas P. Moore	Marina Coast Water District
Vacant – Ex-Officio	United States Army

BOARD MEMBERS ABSENT:

None

MRWPCA STAFF PRESENT:

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

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Susan Salunga	Accounting Supervisor
Mike McCullough	Government Affairs Administrator
Brandon Reyes	Accounting Assistant I
Yohana Vargas	Contracts Administrator
Kimberly Bates	Accounting Technician
Michelle Bumgardner	Customer Service Rep. II
Alma Garcia	Admin Support Specialist

OTHERS PRESENT:

David Stoldt, General Manager, Monterey Peninsula Water Management District
Andrew Clark, Vice Chair, Monterey Peninsula Water Management District
Lauren Lai, Co-chair, Monterey Bay Chapter of the California Society of Municipal Finance Officers and Finance Director for the City of Marina.

3. PLEDGE OF ALLEGIANCE

Member Grier led the pledge of allegiance.

4. PUBLIC COMMENTS

Chair Fischer called for Public Comments - none received.

5. PRESENTATIONS

A. Pure Water Monterey Groundbreaking Plaques

Mr. Sciuto, Mr. Stoldt, and Mr. Clark presented the Board with groundbreaking plaques as a token of their appreciation for the work that has been done over several years to make the Pure Water Monterey project a reality. Mr. Clark, on behalf of Chair Brower and the rest of their Board congratulated everyone on providing leadership to bring the Pure Water Monterey project forward. Mr. Stoldt stated how this accomplishment set the foundation for the name change to Monterey One Water and the face of the future.

6. EMPLOYEE RECOGNITIONS

A. Receive the Government Finance Officers Association Distinguished Budget Award

Lauren Lai, Co-chair for the Monterey Bay Chapter of the California Society of Municipal Finance Officers, and Finance Director for the City of Marina, presented Ms. Hannah with the Government Finance Officers Association (GFOA) Distinguished Budget Award. Ms. Lai stated the receipt of this award reflects the professionalism and commitment of numerous individuals whose extensive hours of dedicated work allows for the production of a document worthy of this award.

Ms. Hannah accepted the award and acknowledged her staff from the Finance department as well as staff from Customer Services.

B. MRWPCA Resolution No. 2017-29, a Resolution of Appreciation Presented to Mr. Mark Malanka Upon Retirement for His 36 Years of Service to the MRWPCA

Mr. Malanka was not able to attend the board meeting, so this item was pulled and will be presented at next month's meeting.

7. PUBLIC HEARINGS

A. Public Hearing for Special User Rate Increases for Fiscal Years 2017/18, 2018/19 and 2019/20:

1. Staff Report
2. Board Questions/Comments
3. Public Comments
4. Adopt MRWPCA Ordinance No. 2017-02, Amending Ordinance No. 2017-01 in part to add the Special User Fee Formulas for Fiscal Years 2017/18, 2018/19 and 2019/20, with said Rates Effective August 1, 2017.

Ms. Hannah introduced this item, and explained the hearing for special users was extended because the Agency needed to provide the formula that goes with the special user rates, since the rates are based on strength and flow calculations. Ms. Hannah further stated that the Agency has about 140 special users, and that all special users were provided with 45 day notices highlighting the formula as a sample calculation. Also, no protests were received and this would become effective August 1, 2017.

Chair Fischer opened the floor for Public Comments and there were none, so Chair Fischer closed the floor.

ACTION TAKEN: It was moved by Member Allion, seconded by Member De La Rosa to Adopt MRWPCA Ordinance No. 2017-02, Amending Ordinance No. 2017-01 in part to add the Special User Fee Formulas for Fiscal Years 2017/18, 2018/19 and 2019/20, with said Rates Effective August 1, 2017.

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

8. CONSENT AGENDA

ACTION TAKEN: Members Moore and Grier abstained from Item 8A, since they were not at the meeting. Member Phillips abstained from Item 8B, since he was not at the meeting. It was moved by Member Allion, seconded by Member De La Rosa to approve Consent Agenda Items A through F, with the stated abstentions and carried by the following vote:

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Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

Abstentions: Member Moore – Item 8A only
Member Grier – Item 8A only
Member Phillips – Item 8B only

- A. Consider Approval of Board Minutes for Regular Board Meeting of June 26, 2017
- B. Consider Approval of Board Minutes for Special Board Meeting of July 10, 2017
- C. Receive Schedule of Cash and Investments as of June 30, 2017
- D. Receive Check Register for June 2017
- E. Receive Waste Discharge Report for June 2017; NPDES Monitoring Report for June 2017; and Plant Flows and Effluent Quality for Connected Agencies, Plus Flow Charts for RTP, Salinas, Monterey Peninsula, Marina, Fort Ord, and Castroville for June 2017
- F. Consider Award of Contract for the RTP Breaker Retrofit to Siemens Industry for a not to Exceed Amount of \$139,170. Approve Resolution No. 2017-20, Establishing Salary Classifications and Ranges for Operations Employees Bargaining Group for FY 2017/18

9. COMMITTEE REPORTS

- A. BUDGET/PERSONNEL COMMITTEE (BPC) – JULY 14, 2017
 - 1. Receive BPC Draft Minutes of July 14, 2017

ACTION TAKEN: It was moved by Member Phillips seconded by Member Stefani to receive the BPC Draft Minutes of July 14, 2017 and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

- B. RECYCLED WATER COMMITTEE (RWC) – JULY 20, 2017
 - 1. Receive RWC Draft Minutes of July 20, 2017

ACTION TAKEN: It was moved by Member Allion, seconded by Member Phillips to receive the RWC Draft Minutes of July 20, 2017 and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

10. ACTION ITEMS

- A. Consider Approval of an Amendment to MRWPCA's 2017/18 Investment Policy and Guidelines to Include a Responsible Banking Statement and Additional Criteria for Authorized Financial Dealers and Institutions.

Ms. Hannah stated that at the June 26 Board meeting, the Board recommended the Agency consider alternate criteria for qualifying financial institutions. The Responsible Investment Statement added to the Investment Policy indicates the Agency shall not invest in financial institutions that within the past five years have been convicted of illegal or predatory lending practices in Monterey county, and also that the agency shall not invest in a single financial institution that is in excess of one million dollars. Ms. Hannah also noted that one criteria listed when choosing a broker dealer or an investment manager is that they certify annually that all recommendations made, or investments made on behalf of the agency are meeting the Investment Policy and Guidelines, which include the Responsible Investment Statement.

The Board did request that in a future date Ms. Hannah bring back something similar in regard to financial services.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Barrett to approve the Amendment to MRWPCA's 2017/18 Investment Policy and Guidelines to Include a Responsible Banking Statement and Additional Criteria for Authorized Financial Dealers and Institutions, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

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B. Consider Approval of Program Manager Position for Pure Water Monterey

Mr. Sciuto noted that the Board is aware Pure Water Monterey is composed of four individual projects. The source water which is under construction, the Advanced Water Purification Facility which was awarded at the last Board meeting, the conveyance pipeline with Marina Coast which was awarded at their last Board meeting, and then finally the injection facilities. He stated this request is for a Program Manager that would operate at a relatively high level, coordinating the efforts of all those projects. Mr. Sciuto also stated the position would likely start as a full-time position at the beginning, but anticipates two to three days a week as the work progresses, and he would like to open it up not just to individuals but also to firms.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Barrett to approve the Program Manager Position for Pure Water Monterey, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

C. Consider Approval of Resolution No. 2017-30, Authorizing the General Manager to File an Application and Execute a Grant Agreement with the United States Bureau of Reclamation for a Title XVI Water Infrastructure Improvements for Nation Act (WIIN) for the Pure Water Monterey Blanco Drain Diversion Project and Approval of a Transfer of Budgeted Funds to Professional Services

Mr. McCullough stated it was going to cost \$35,000 to apply for a grant application to obtain roughly two million dollars for some of the Blanco drain project improvements. Mr. Sciuto added that the application is very complex and that you have to work with someone experienced in working with the Bureau of Reclamation, and that is what Carollo Engineers can provide.

The Board recommended they would like to see on a quarterly basis under informational items a summary of the grants.

ACTION TAKEN: It was moved by Member Phillips, seconded by Member Carbone to Approve Resolution No. 2017-30, Authorizing the General Manager to File an Application and Execute a Grant Agreement with the United States Bureau of Reclamation for a Title XVI Water Infrastructure Improvements for Nation Act (WIIN) for the Pure Water Monterey Blanco Drain Diversion Project and Approval of a Transfer of Budgeted Funds to Professional Services, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

- D. Consider Award of the Construction Management Contract for the Pure Water Monterey Advanced Purification Facility and Product Water Pump Station to MNS Engineers, Inc for a Not to Exceed Amount of \$3,995,766.00 with a \$399,577 Contingency for a Total Cost of \$4,395,343.00.

Mr. Holden provided background information on how they went out for an RFP for construction manager, and that three proposals were received: MNS Engineers, Covello Group, and WHC Constructors. Mr. Holden stated that a committee of five employees reviewed the proposals, and MNS Engineers was selected as the best of the three, and that all three provided some really good quality proposals on how they would do things. Mr. Holden also noted that the committee interviewed all three, went through the review process again and all were unanimous in the selection of MNS Engineers, who have a lot of experience in membrane plants and other big treatment plants.

The board did request detailed information be provided to the Budget/Personnel Committee on how the amount of \$1,700 per acre foot was determined, and to include a matrix on where the number stands today.

ACTION TAKEN: It was moved by Member Barrett, seconded by Member Allion to Award the Construction Management Contract for the Pure Water Monterey Advanced Purification Facility and Product Water Pump Station to MNS Engineers, Inc for a Not to Exceed Amount of \$3,995,766.00 with a \$399,577 Contingency for a Total Cost of \$4,395,343.00, and carried by the following vote:

Ayes: Fischer, Stefani, Phillips, Grier, Allion, Barrett, De La Rosa, Carbone, Alexander, Moore

Noes: None

Absent: None

11. INFORMATIONAL ITEMS

A. Pure Water Monterey Update

Mr. Sciuto provided an update on Pure Water Monterey and indicated source water facilities are in construction and moving forward. He stated that the Notice to Proceed on the Advanced Water Purification Facility hasn't been issued, yet, and that the contractors are getting their paperwork in. He also mentioned that for the conveyance pipeline, Marina Coast awarded that to Cascade, and that phase one of the injection facilities was moving forward.

B. Update Regarding the Advanced Water Purification Facility Bids and the Procore Construction Management Software

Mr. Holden provided an update on Anderson Pacific, the low bidder and who was awarded the contract at the Special Board meeting on July 10. Mr. Holden stated that looking at the bid items, there was nothing that stood out and that Anderson Pacific believes they submitted a good bid.

Ms. Vargas provided an update on Procore and stated Procore is not just a bidding system, but also a construction management system, a place where projects can be managed from the bid to the end of construction. Ms. Vargas indicated that for the Advanced Water Purification Facility bid, three people were using one account trying to submit a bid at the exact same time. Only one of them was saved and that is why an incomplete bid was received.

The board recommended making bidders aware not to use multiple accounts to put a bid together, by adding this information in contract documentation.

12. STAFF REPORTS

A. General Manager/Assistant General Manager/Legal Counsel

Mr. Sciuto provided an update on his presentation at the IWA Conference in Long Beach , where people from different countries attended.

Ms. Hannah stated that the Agency had received their first \$5,000,000 check for reimbursements for Pure Water Monterey.

13. BOARD MEMBER COMMENTS/REPORTS (none)

Member Barrett announced that there is an economic conference coming to the city of Monterey, September 10 – 13, 2017. He indicated the conference is a three day conference with attendance options: full day, half day, and one off events.

Chair Fischer recessed Open Session and commenced Closed Session at 7:47 PM

14. 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: Conveyance 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

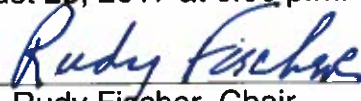
Legal Counsel Wellington reported that the Board came back into open session at 8:59 PM and Legal Counsel reported that in the closed session the Board had considered agenda items 14.A (Public Employee Performance Evaluation) and 14.B (Conference with Real Property Negotiator), and that no reportable action was taken.

16. ADJOURNMENT

At 9:00 PM with no further business, Chair Fischer adjourned the meeting to the next regular Board Meeting to be held in the Board Room at 5 Harris Court, Building D, in Monterey, California on Monday, August 28, 2017 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Rudy Fischer, Chair
MRWPCA Board of Directors