



**ACTION
MINUTES**

**Budget Workshop
Monterey One Water
Board of Directors**

June 4, 2018

1. CALL TO ORDER

The Regular Meeting of the Board of Directors of the Monterey One Water was called to Order by Chair Fischer at 6:00 p.m., on Monday, June 4, 2018 in the Board Room of the Monterey One Water Administrative Office located 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 Distric
Dennis Allion	Del Rey Oaks
Thomas P. Moore	Marina Coast Water District
Timothy Barrett	Monterey
Gloria De La Rosa	Salinas
Mary Ann Carbone	Sand City
Ralph Rubio	Seaside

BOARD MEMBERS ABSENT:

Linda Grier	Boronda County Sanitation District
John M. Phillips	County of Monterey

MRWPCA STAFF PRESENT:

Paul A. Sciuto	General Manager
Tamsen McNarie	Assistant General Manager
Fred Marsh	Business Services Manager/CFO
Rob Wellington	Legal Counsel
Alma Garcia	Administrative Support Specialist
Leara Sampson	Human Resources Manager
Mike McCullough	Government Affairs Administrator
Jennifer Gonzalez	Engineering Manager
Dave Lindow	Pure Water Monterey Program Manager
Chayito Ibarra	Executive Assistant/Board Clerk

OTHERS PRESENT:

None

3. PLEDGE OF ALLEGIANCE

Member Allion led the pledge of allegiance.

4. PUBLIC COMMENTS

Chair Fischer called for Public Comments, none were received.

5. ACTION ITEMS

A. Review Proposed Fiscal Year 2018/19

General Manager Sciuto introduced this item and provided the Board with an overview of some of the significant changes in this years proposed budget. He noted that although last year the Board approved a 3-year Prop 218 increase of 10% each year, it only equates to about a 1% increase. He explained in detail the factors that contributed to this such as PERS costs increasing by 19%, health care increasing by 10% and O & M maintenance expenses increasing as well to name a few.

Chief Financial Officer Marsh provided the Board with a detailed presentation of the proposed FY 18/19 Budget. He noted that in total, the General Fund budget is proposed to be \$44 million for FY 18/18, similar in total to the FY 17/18 budget. The Pure Water Monterey budget is proposed to be \$54 million for construction of the new facilities and related infrastructure, with funding on the latter provided by the State Revolving Fund loan, Prop 218 grants and contributions from MCWD, for a total proposed expenditure budget of \$98 million.

Mr. Marsh provided an overview of the position changes and additions for FY 18/19. Additional position transitions or reclassifications included:

- Addition of an Engineering Technician
- Addition of Part-time or contract IT Technician 1
- Reclassification of Admin Support Specialist to Administrative Analyst
- Addition of a Senior Field Mechanic
- Reclassification of a Cogen Specialist II to a Senior Cogen Specialist

Capital Improvement Program:

Ms. Gonzalez provided a summary of the current year's CIP budget which was \$4.3 million. To date the Agency has spent and encumbered \$2,076,497 and noted that \$219,311 of that was carryover from 2016/17 fiscal year. \$8.6 Million in grant funding for the Farmworker Housing and Salinas Stormwater Project.

Ms. Gonzalez explained the FY18/19 Budget for the CIP will include 13 new proposed projects, with a budget of \$2.5 million. She stated that in FY 18/19 projects will be broken down into the following project categories:

- Energy Management
- Facility Upgrades
- Force Main Replacements
- Interceptor Rehab
- Interceptor Condition Assessment
- Lab Improvements
- Outfall: Land Stabilization
- Plant Improvements
- Pump Station Upgrades

Ms. Gonzalez stated that the 10-Year Program and beyond CIP Program has about 50+ projects and studies for a total of \$195M over the next 10 years and \$124 million beyond 10 years.

ACTION TAKEN: It was moved by Member Moore, seconded by Member Rubio to receive the proposed budget for fiscal year 2018/19, and carried by the following vote:

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

Noes: None

Absent: Grier, Phillips

6. **Staff Reports** (none)


7. **Board Member Comments/Reports** (none)

8. **ADJOURNMENT**

At 7:42 pm with no further business, Chair Fischer adjourned the meeting to the next regular meeting on Monday, June 25, 2018 at 6:00 p.m.



Paul A. Sciuto, General Manager
Secretary to the Board



Rudy Fischer, Board Chair
M1W Board of Directors