



**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

BOARD OF DIRECTORS:

Richard Ortiz, Chair
Claude Hoover, Vice Chair
Silvio Bernardi
Ken Ekelund
Mark Gonzalez
David Hart
John Huerta
Mike Scattini
Deidre Sullivan

STAFF:

David E. Chardavoyne, General Manager
Robert Johnson, Assistant General Manager
Brent Buche, Assistant General Manager
Cathy Paladini, Finance Manager
Wini Chambliss, Clerk to the Board
Jesse Avila, Deputy County Counsel

Monday January 26, 2015 @ 1:00 PM

REGULAR BOARD OF DIRECTORS MEETING

MINUTES

1. CALL TO ORDER/ESTABLISH QUORUM

Chair Richard Ortiz called the meeting to order @ 12:00 PM and a quorum was established.

Directors Present: Ortiz, Hoover, Bernardi, Ekelund, Hart, Huerta (@ 1:50 PM),
Scattini, and Sullivan

Directors Absent: Gonzalez

2. PUBLIC COMMENTS ON CLOSED SESSION ITEMS – None.

3. ADJOURN TO CLOSED SESSION @ 12:03 PM

4. RECONVENE MEETING/RE-ESTABLISH QUORUM @ 1:00 PM

Deputy County Counsel Jesse Avila reported the Board took no reportable actions in closed session.

5. PLEDGE OF ALLEGIANCE

6. ELECTION OF OFFICERS

Directors Richard Ortiz and Claude Hoover were nominated as Chair and Vice Chair of the Board respectively.

ACTION: On motion and second by Directors Ekelund and Sullivan, closed nominations.

VOTE: Unanimous by those Directors present.

ACTION: On motion and second by Directors Hart and Bernardi, elected Directors Claude Hoover and Mike Scattini as Chair and Vice Chair, respectively, of the Monterey County Water Resources Agency for 2015.

VOTE: Unanimous by those Directors present.

7. **PUBLIC COMMENTS:** Norm Groot, Monterey County Farm Bureau, congratulated the new officers for the Board of Directors and requested the General Manager to provide a progress report on CASGEM compliance.

8. PRESENTATION

A. December 2014 Flooding - Brent Buche, Acting Assistant General Manager. Francisco Castaneda, Assistant Production Manager at Ocean Mist/Sea Mist Farms, made a presentation of losses suffered and reviewed conditions leading to the flooding event.

Public Comments: Dale Huss, Ocean Mist/Sea Mist Farms; Rebecca Boses, strawberry farmer in Monterey County.

9. CONSENT CALENDAR

A. Approve purchase orders/contracts in excess of \$500 and credit card purchases over \$500 in November/December 2014.

B. Receive Report on Salinas Valley Water Conditions for the First Quarter of Water Year 2014-2015.

C. Adopt a resolution authorizing and directing the General Manager to apply for grant funding from the California Department of Water Resources to migrate the Monterey County Flood Warning System from ALERT to ALERT 2.

Public Comments: None.

ACTION: On motion and second by Directors Ortiz and Hart, approved the Consent Calendar Items.

VOTE: Unanimous by those Directors present.

10. ACTION ITEMS

A. Consider approving Amendment No. 1 to the current Lease Agreement between the Monterey County Office of Education (MCOE) and the Monterey County Water Resources Agency (Agency) extending the term of the Lease to June 30, 2016, with all other conditions of the Lease Agreement remaining unchanged; and, authorizing the General Manager to execute the Amendment.

David Chardavoyne, General Manager, presented this item for consideration.

Public Comments: None.

ACTION: On motion and second by Directors Huerta and Hart, approved Amendment No. 1 to the current Lease Agreement between the Monterey County Office of Education (MCOE) and the Monterey County Water Resources Agency (Agency) extending the term of the Lease to June 30, 2016, with all other conditions of the Lease Agreement remaining unchanged; and, authorized the General Manager to execute the Amendment.

VOTE: Unanimous by those Directors present.

- B. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve a Budget Amendment authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's Fiscal Year 2014-15 Budget for emergency repairs to the standby transfer pump and standby transfer pump power supply in Fund 132 Salinas Valley Reclamation Project (SVRP) in the amount of \$100,000 dollars.
- i. Increase appropriations in Fund 132 (SVRP) Dept.9300, Unit 8267, Appropriation Unit WRA021, Account 6613, (Other Professional & Special Services) by \$100,000 financed by available Unreserved Fund Balance account 3101, (4/5th vote required); and,
 - ii. Authorize the Auditor-Controller's Office to incorporate approved appropriation and estimated revenue modifications to the FY 2014-15 Budget, and the County Administrative Office to reflect these approved changes in the FY 2014-15 Adopted Budget, (4/5th vote required).

Mark Foxworthy, Associate Water Resources Engineer, presented this item for consideration.

Public Comments: None

ACTION: On motion and second by Directors Hart and Ekelund, approved and recommended that the Monterey County Water Resources Agency Board of Supervisors approve a Budget Amendment authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's Fiscal Year 2014-15 Budget for emergency repairs to the standby transfer pump and standby transfer pump power supply in Fund 132 Salinas Valley Reclamation Project (SVRP) in the amount of \$100,000 dollars.

- i. Increased appropriations in Fund 132 (SVRP) Dept.9300, Unit 8267, Appropriation Unit WRA021, Account 6613, (Other Professional & Special Services) by \$100,000 financed by available Unreserved Fund Balance account 3101, (4/5th vote required); and**
- ii. Authorized the Auditor-Controller's Office to incorporate approved appropriation and estimated revenue modifications to the FY 2014-15 Budget, and the County Administrative Office to reflect these approved changes in the FY 2014-15 Adopted Budget, (4/5th vote required).**

VOTE: Unanimous by those Directors present.

- C. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve a proposal to modify the Water Resources Agency Fund Structure to create more transparency in how revenues are reported in the Agency's Budget and the Monterey County Advantage Accounting System as recommended by Rodney Craig Goodman Jr., CPA and the County Auditor Controller's Office.

Cathy Paladini, Finance Manager, presented this item for consideration and indicated the Auditor-Controller's Office endorses the fund structure changes and has requested additional modifications as follows:

- Close Fund 303 (upon analysis of USBR Loan documents);
- Close Fund 133 and utilize 313 for Debt-Service payments (upon review of SVWP)

- Bond documents); and,
- Clean up purple highlighted construction funds (422, 423, 424, 425).

Public Comments: None

ACTION: On motion and second by Directors Ortiz and Sullivan, approved and recommended that the Monterey County Water Resources Agency Board of Supervisors and Monterey County Board of Supervisors approve a proposal to modify the Water Resources Agency Fund Structure to create more transparency in how revenues are reported in the Agency's Budget and the Monterey County Advantage Accounting System as recommended by Rodney Craig Goodman Jr., CPA and the County Auditor-Controller's Office.

VOTE: Unanimous by those Directors present.

- D. Consider approving the proposed Zone 2B, 2Y and 2Z Water Delivery/Service charges for the Water Resources Agency Castroville Seawater Intrusion Project (CSIP – Fund 131), Salinas Valley Reclamation Project (SVRP- Fund 132) and the Salinas River Diversion Facility (SRDF – Fund 134) FY 2015-16 Budgets as established by Ordinances 3635, 3636 and 3789 through the adoption of Clarification Resolution 00-172; and, authorizing the Water Resources Agency to levy such proposed charges effective July 2015.

Cathy Paladini, Finance Manager, presented this item for consideration.

Public Comments: Dale Huss, Sea Mist Farms/Chair Water Quality and Operations Committee; Nancy Isakson, Salinas Valley Water Coalition

ACTION: On motion and second by Directors Ekelund and Hart, continued this matter to the next regularly scheduled meeting.

VOTE: Unanimous by those Directors present.

- E. Consider approving a Professional Services Agreement with Utility Cost Management for the purpose of reviewing utility rates for the Castroville Seawater Intrusion Project; and, authorizing the General Manager to execute the Agreement.

Mark Foxworthy, Associate Water Resources Engineer, presented this item for consideration.

Public Comments: Norm Groot, Monterey County Farm Bureau.

ACTION: On motion and second by Directors Ortiz and Hart to bring this back to the next meeting.

VOTE: Yes: Directors Ortiz, Hoover, Bernardi, Ekelund, Hart, Huerta, Sullivan
 Abstain: Director Mike Scattini
 Absent: Director Mark Gonzalez

- F. Consider approving a Professional Services Agreement with Rain for Rent in an amount not to exceed \$31,000 to allow pumping of Castroville Seawater Intrusion Project well 09D04 (New Well No. 2) to improve water quality; and authorizing the General Manager to execute the Agreement.

Mark Foxworthy, Associate Water Resources Engineer presented this item for consideration.

Public Comments: None.

ACTION: On motion and second by Directors Ortiz and Huerta, approved a Professional Services Agreement with Rain for Rent in an amount not to exceed \$31,000 to allow pumping of Castroville Seawater Intrusion Project well 09D04 (New Well No. 2) to improve water quality; and authorized the General Manager to execute the Agreement – subject to County Counsel approval as to form.

VOTE: Unanimous by those Directors present.

G. Consider selecting three members of the Monterey County Water Resources Agency Board of Directors to serve on an ad hoc committee with Supervisors Dave Potter and Simón Salinas to discuss legislative and other issues related to water.

Rob Johnson, Assistant General Manager, presented this item for consideration.

Public Comments: Norm Groot

ACTION: On motion and second by Directors Huerta and Sullivan, appointed Directors Claude Hoover, Richard Ortiz and David Hart of the Monterey County Water Resources Agency Board of Directors to serve on an ad hoc committee with Supervisors Dave Potter and Simón Salinas to discuss legislative and other issues related to water.

VOTE: Unanimous by those Directors present.

11. KEY INFORMATION AND CALENDAR OF EVENTS

Planning Committee moved to February 18, 2015 @ 10 AM.

12. GENERAL MANAGER'S REPORT

General Manager David Chardavoyne reported on the following:

- a) Groundwater Sustainability Management Workshop
- b) Basin Study
- c) CASGEM
- d) Draft Order from CPUC approves the Settlement Agreement with Cal-Am (\$1,918,033 total)
- e) Definitive Agreement negotiations with PCA and WMD
- f) Interlake Tunnel Project
- g) 2D Modeling on Stream and Lagoon

Public Comments: Nancy Isakson, Norm Groot

13. COMMITTEE REPORTS

Finance Committee does not approve items -- they forward them for consideration by the full Board. ResOps – requested BOD to continue pursuing cloud seeding.

14. INFORMATION ITEMS – Directors had no questions or comments on Information Items.

15. CORRESPONDENCE

Directors had no questions or comments on Correspondence.

16. BOARD OF DIRECTORS' COMMENTS

Deputy County Counsel Jesse Avila stated the Interlake Tunnel Project weekly meetings were not

initially designated as public meetings and, as such, are not subject to the Brown Act.

17. ADJOURNMENT @ 4:18 PM

SUBMITTED BY: Wini Chambliss
APPROVED ON: September 28, 2015

Wini Chambliss, Clerk to the Board

APPROVED