

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

**FINANCE COMMITTEE**

**COMMITTEE MEMBERS**

Claude Hoover (Chair)  
David Hart  
Ken Ekelund  
John Huerta

**TIME:** 10:00 a.m.  
**DATE:** Friday, March 14, 2014  
**PLACE:** Monterey County Water Resources Agency  
893 Blanco Circle  
Salinas, CA 93901

**MINUTES**

1. **Call Meeting to Order @ 10:00 a.m. by Committee Chair, Claude Hoover**  
Members Present: Claude Hoover, David Hart, John Huerta, Ken Ekelund  
Members Absent: None

A quorum was established.

2. **Public Comment**  
None

3. **Approve the Minutes of the Finance Committee Meeting held on February 14, 2014**

**Committee Action:**

**Upon Motion made by Committee Member Dave Hart and seconded by Committee Member Ken Ekelund the Committee approved the February 14, 2014 Finance Committee Minutes.**

4. **Receive the January 2014 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project, and the Salinas River Diversion Facility.**  
Chris Moss, Water Resources Engineer, reviewed the Financials through January 31, 2014 for the CSIP/SVRP/SRDF. In his review he noted that the expenditure report for the Salinas River Diversion Facility contained a \$50,000 expense for sludge disposal costs. No prior approval from the Agency was obtained before the PCA incurred this expense, although such an action is required as stipulated in the contract between the Pollution Control Agency and MCWRA. A discussion ensued wherein the Committee asked that staff look into this issue and report back to the Committee. Cathy Paladini, Finance Manager, indicated that

she will be meeting with staff at the PCA to discuss ways to reduce costs and she will be bringing this issue to the PCA staff.

**Committee Action:**

**Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member David Hart, the Committee received the January 2014 Financials for the Castroville Seawater Intrusion Project/Salinas Valley Reclamation Project and the Salinas River Diversion Facility.**

**5. Receive the January 2014 Financials for all Agency Funds.**

Cathy Paladini, Finance Manager, reviewed the December 2013 Financials for all Agency Funds. She noted that year-to-date revenues are at \$11,574,069. Year-to-date expenditures are \$8,468,250.

**Committee Action:**

**Upon Motion made by Committee Member Richard Ortiz and seconded by Committee Member David Hart, the Committee received the January 2014 Financials for all Agency Funds.**

**6. Approve Purchase Orders/Contracts/Credit Card Purchases in excess of \$500.**

Cathy Paladini reviewed the purchase orders/contracts/credit card purchases.

**Committee Action:**

**Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member Dave Hart, the Committee approved the Purchase Orders/Contracts/Credit Card Purchases in excess of \$500.**

**7. Consider receiving a report on the Monterey County Water Resources Agency Light Vehicle Replacement Plan for FY 2014-2015.**

Mark Foxworthy, Water Resources Engineer presented the plan to the Committee. He noted that six vehicles have been identified as candidates for reassignment, placement or surplus. \$22,800 has been budgeted towards vehicle replacement for FY 2014-2015.

Currently six vehicles are leased. Two vehicles are scheduled to be paid off in 2014, one vehicle is scheduled for pay off in 2015, one vehicle is scheduled for payoff in 2017, and two vehicles for 2019. The scheduled annual payment for these vehicles in FY 2014-2015 is \$43,230.

**Committee Action:**

**Upon Motion made by Committee Member Dave Hart and seconded by Committee Member John Huerta, the Committee received the report on the Monterey County Water Resources Agency Light Vehicle Replacement Plan for FY 2014-2015.**

**8. Consider receiving a report on the status of completion of Hayashi & Wayland recommendations related to Monterey Regional Water Pollution Control Agency financial matters.**

Cathy Paladini, Finance Manager provided the status report. There was a recent discovery regarding the SVRP Bureau of Reclamation Reserve Fund. It appears that there was an excess accumulation of interest in the amount of \$29,217. This interest has been accumulating at the rate of approximately \$1,000 per year. The USBR is requiring that the

PCA return excess so it can be applied as a tail end credit to the principal. This reduces the repayment period but will not reduce the annual payment amount to the USBR. In addition, the CSIP USBR Reserve Fund also accumulated excess interest in the amount of \$56,198. This shall also be applied as the tail end credit to the principal. It will reduce the repayment period but will not reduce the annual payment amount to the USBR.

**Committee Action:**

**Upon Motion made by Committee Member Ken Ekelund and seconded by Committee Member Dave Hart, the Committee received the report on the status of completion of Hayashi & Wayland recommendations related to Monterey Regional Water Pollution Control Agency financial matters.**

**9. SET NEXT MEETING DATE AND DISCUSS FUTURE AGENDA ITEMS**

The next meeting date is April 11, 2014 at 10:00 a.m. No future agenda items were discussed.

**10. ADJOURNMENT**

The Committee adjourned at 10:50 a.m.

Submitted by: Alice Henault

Approved on: April 28, 2014