

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
April 20, 2015
6:00 p.m.

Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:00 p.m. on April 20, 2015.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Peter Le – Vice President
Bill Lee
Tom Moore
Jan Shriner

Board Members Absent:

None

Staff Members Present:

Bill Kocher, Interim General Manager
Roger Masuda, Legal Counsel
James Derbin, Operations and Maintenance Superintendent
Andrew Sterbenz, Interim District Engineer
Jean Premutati, Management Services Administrator
Kelly Cadiente, Director of Administrative Services
Patrick Breen, Projects Manager
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Cindy Krebs, Alliance Consulting

3. Public Comment on Closed Session Items:

No comments.

The Board entered into closed session at 6:00 p.m. to discuss the following items:

4. Closed Session:

A. Pursuant to Government Code 54957
Public Employee Appointment
Title: General Manager

B. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Existing Litigation
(Subdivision (a) of Section 54956.9)

1) Ag Land Trust v. Marina Coast Water District, Monterey County Superior Court Case No. M105019; Sixth Appellate District Court of Appeals Case Nos. H038550 and H039559

2) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission No. A.12-04-019 & A.13-05-017 Settlement Agreement

3) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, San Francisco Superior Court Case No. CGC-13-528312 (Complaint for Declaratory Relief)

4) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CGC-13-528312 (Petition for Writ of Mandate)

5) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), case number pending (Petition for Writ of Mandate)

C. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Subdivision (b) of 54956.9
One Potential Case

The Board ended closed session at 6:52 p.m.

President Gustafson reconvened the meeting to open session at 7:00 p.m.

5. Reportable Actions Taken during Closed Session:

President Gustafson stated that no reportable action was taken during closed session, but direction was given regarding item 4-A to schedule special meetings for May 9 and May 23 to hold General Manager position interviews.

Director Shriner made a motion to add to the agenda an item to remove Vice President Le from FORA and the MRWPCA. The motion died for lack of a second.

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

No comments.

8. Consent Calendar:

Vice President Le pulled item B from the Consent Calendar.

Vice President Le made a motion to approve the Consent Calendar consisting of items:

- A) Support the Marina Coast Water District's Participation in the Association of California Water Agencies/Joint Powers Insurance Authority Commitment to Excellence Program by signing the ACWA/JPIA Agreement
- C) Approve the Draft Minutes of the Regular Board Meeting of April 6, 2015

President Gustafson seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Yes
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

B. Receive and File the Check Register for the Month of March 2015:

Director Moore made a motion to receive and file the check register for the month of March 2015. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Abstained
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

9. Action Items:

- A. Receive Revised Draft District FY 2015-2016 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item. The Board asked clarifying questions and made several suggested edits.

Agenda Item 9-A (continued):

Director Shriner made a motion that the Regional Project transfer from the Central Marina cost center to the Ord Community cost center is to be in the form of a loan. Director Moore seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	No
Director Moore	-	Yes	President Gustafson	-	No
Director Lee	-	Yes			

- B. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-18 to Authorize the District to Refund (Refinance) the Outstanding 2006 Certificates of Participation in the Amount of \$35,170,000 with BOSC, Inc. as Underwriter, Jones Hall as Bond Counsel and Direct Staff to Issue a Request for Proposals for a Financial Advisor for the Refunding:

Ms. Cadiente introduced this item. The Board asked clarifying questions.

Director Moore made a motion to adopt Resolution No. 2015-18 to authorize the District to refund (refinance) the outstanding 2006 Certificates of Participation in the amount of \$35,170,000 with BOSC, Inc. as Underwriter, Jones Hall as Bond Counsel and direct staff to issue a Request for Proposals for a Financial Advisor for the refunding. Director Shriner seconded the motion. Discussion followed.

Director Moore amended his motion to adopt Resolution No. 2015-18 to authorize the District to refund (refinance) the outstanding 2006 Certificates of Participation in the amount of \$35,170,000 with BOSC, Inc. as Underwriter, Jones Hall as Bond Counsel and authorize staff to issue a Request for Proposals for a Financial Advisor for the refunding with review by legal counsel. Director Shriner seconded the amended motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Yes
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

- C. Discussion and Possible Action to Consider Authorizing the District to Work with the Drought Water Assistance Program of Central Coast Energy Services, Inc. to Provide Payment Assistance to Low Income Customers:

Ms. Cadiente introduced this item.

Agenda Item 9-C (continued):

Director Moore made a motion to authorize the District to work with the drought water assistance program of Central Coast Energy Services, Inc. to provide payment assistance to low income customers. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Yes
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

- D. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-19 to Authorize the Temporary Use of District Reserves to Fund Construction of the BLM Building Until Funding is Received from Rabobank:

Mr. Patrick Breen, Project Manager, introduced this item. The Board asked clarifying questions.

Director Shriner made a motion to adopt Resolution No. 2015-19 to authorize the temporary use of District reserves to fund construction of the BLM Building until funding is received from Rabobank up to \$200,000 and receive an update from staff regarding the loan. Director Moore seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Yes
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

- E. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-08 to Approve Proposed Revisions to the Board Procedures Manual:

The Board discussed revisions to the Board Procedures Manual.

Director Moore made a motion to authorize Director Moore and Director Le work together and provide changes to the Board for consideration. Director Shriner seconded the motion.

Vice President Le made a substitute motion to approve the Board Procedures Manual with only the Legal Counsel and Vice President Le's revisions. President Gustafson seconded the motion.

Director Shriner made a substitute motion to eliminate all sections referring to the General Manager and clean up sections 9, 11, 12, 13, 19, 20, 21, 23, and 25. Director Moore seconded the motion. The motion failed.

Director Shriner	-	Yes	Vice President Le	-	No
Director Moore	-	Yes	President Gustafson	-	No
Director Lee	-	No			

Agenda Item 9-E (continued):

The motion by Vice President Le, seconded by President Gustafson, to approve the Board Procedures Manual with only the Legal Counsel and Vice President Le's revisions, was passed.

Director Shriner	-	No	Vice President Le	-	Yes
Director Moore	-	No	President Gustafson	-	Yes
Director Lee	-	Yes			

F. Consider Extending the Deadline for the Completion of the Definitive Agreement (Source Waters and Water Recycling Memorandum of Understanding):

Mr. Kocher introduced this item.

Vice President Le made a motion to table this item until the information is received from the Monterey Regional Water Pollution Control Agency. President Gustafson seconded the motion.

Director Shriner made a substitute motion to extend the Memorandum of Understanding until June 30, 2015. Director Moore seconded the motion. The motion failed.

Director Shriner	-	Yes	Vice President Le	-	No
Director Moore	-	Yes	President Gustafson	-	No
Director Lee	-	No			

Vice President Le's original motion to table this item was passed.

Director Shriner	-	No	Vice President Le	-	Yes
Director Moore	-	No	President Gustafson	-	Yes
Director Lee	-	Yes			

G. Discussion and Possible Action to Consider Approving the Renewal of the District's Membership in CalDesal:

Mr. Kocher introduced this item.

Vice President Le made a motion to approve the renewal of the District's membership in CalDesal. President Gustafson seconded the motion.

Director Shriner	-	No	Vice President Le	-	Yes
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

10. Informational Items:

A. General Manager's Report:

Mr. Kocher commented that he had a copy of the Monterey Downs Draft EIR if any Board members were interested in viewing it. He also noted that the Pure Water Monterey Project EIR was due to be released by the end of April.

B. Counsel's Report:

Mr. Masuda stated that the Groundwater Sustainability Act was enacted on January 1, 2015 and he had prepared a report for the Board that focused on MCWD issues.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Le stated that there was no report.

2. Joint City District Committee:

Vice President Le stated that it was scheduled for Wednesday night.

3. Executive Committee:

Vice President Le provided an update.

4. Community Outreach Committee:

Vice President Le provided an update.

5. MRWPCA Board Member:

Vice President Le provided an update.

6. LAFCO Liaison:

Vice President Le provided an update.

7. FORA:

Vice President Le provided an update.

8. WWOC:

Vice President Le provided an update.

9. JPIA Liaison:

Director Shriner stated that the next meeting was May 4, 2015.

10. Special Districts Association Liaison:

President Gustafson stated that the next meeting was April 21st.

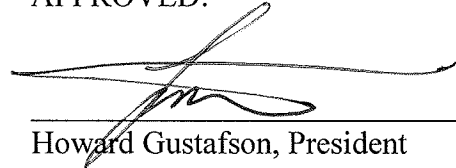
11. Director's Comments:

Director Shriner, Director Moore, and Vice President Le made comments.

12. Adjournment:

The meeting was adjourned at 8:34 p.m.

APPROVED:



Howard Gustafson, President

ATTEST:



Paula Riso, Deputy Secretary