

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
May 15, 2017
6:30 p.m.

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on May 15, 2017.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Thomas P. Moore – Vice President
Bill Lee
Jan Shriner
Herbert Cortez

Board Members Absent:

None

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, Legal Counsel
Michael Wegley, District Engineer
Kelly Cadiente, Director of Administrative Services
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Mike McCullough, MRWPCA
Phil Clark, Seaside Resident
Brian McMinn, City of Marina

3. Public Comment on Closed Session Items:

None.

The Board entered into closed session at 6:31 p.m. to discuss the following items:

4. Closed Session:

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation

- 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) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
- 4) 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)
- 5) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency, and Does 1 through 50, San Francisco Superior Court Case No. CGC-15-547125 (Complaint for Breach of Warranties, etc.)
- 6) Marina Coast Water District v. California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
- 7) Marina Coast Water District v. California State Lands Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180895 (Petition for Writ of Mandate)

B. Pursuant to Government Code 54956.8

Conference with Real Property Negotiator

Property: Sewer Infrastructure

Negotiating Parties: Howard Gustafson, Thomas Moore

Under Negotiation: Price and Terms

- C. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline, Recycled Water
Agency Negotiators: Howard Gustafson, Thomas Moore
Negotiating parties: MRWPCA and MCWD
Under Negotiation: Price and Terms
- D. Pursuant to Government Code 54956.9 (d)(2)
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation – One Potential Case
- E. Pursuant to Government Code 54956.9 (c)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation – One Potential Case

The Board ended closed session at 7:00 p.m.

President Gustafson reconvened the meeting to open session at 7:01 p.m.

5. Reportable Actions Taken during Closed Session:

President Gustafson stated that no reportable action was taken and direction was given.

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

No comments.

8. Presentations:

- A. Receive a Presentation from the Monterey Regional Water Pollution Control Agency
Regarding their Proposition 218 Rate Process:

Mr. Mike McCullough, MRWPCA, gave a brief presentation on their proposed rate increase, explaining the need for the increase, and reviewed the projects they are working on. The Board had clarifying questions. Mr. McCullough answered that Bartle Wells was the consultant who was determining the rates and that it was a three-year study.

B. Consider Adopting Resolution No. 2017-28 Proclaiming the Week of May 21-27, 2017 National Public Works Week:

Mr. Brian McMinn, City of Marina, gave a brief explanation of National Public Works Week and presented the District with a Public Works framed poster.

Vice President Moore made a motion to adopt Resolution No. 2017-28 proclaiming the week of May 21-27, 2017 National Public Works Week. Director Shriner seconded the motion. The motion was passed.

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

9. Consent Calendar:

Director Shriner made a motion to approve the Consent Calendar consisting of A) Receive and File the Check Register for the Month of April 2017; B) Approve the Draft Minutes of the Regular Board Meeting of April 17, 2017; C) Approve the Draft Minutes of the Special Board Meeting of May 1, 2017; and D) Adopt Resolution No. 2017-29 to Approve a Request for Proposals for a Five-Year Comprehensive Water, Wastewater and Recycled Water Rate and Fee Study with a Cost Allocation Plan. Vice President Moore seconded the motion. The motion was passed.

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

10. Action Items:

A. Consider Adoption of Resolution No. 2017-30 to Approve a Professional Services Agreement with Denise Duffy and Associates, Inc. for Annexation Process Services:

Mr. Mike Wegley, District Engineer, introduced this item. Director Shriner inquired into the issue with Seaside County Sanitation District (SCSD) and how it would affect the annexation. Mr. Keith Van Der Maaten, General Manager, answered that staff had met with SCSD last year and were planning to meet again in the near future.

Vice President Moore made a motion to adopt Resolution No. 2017-30 approving a Professional Services Agreement with Denise Duffy and Associates, Inc. for annexation process services. Director Lee seconded the motion. The motion was passed.

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

B. Consider Adoption of Resolution No. 2017-31 to Award a Contract for Interim Financing of the Regional Urban Water Augmentation Project Pipeline to BBVA Compass Bank:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item. The Board asked clarifying questions. Vice President Moore asked which option staff recommended. Ms. Cadiente stated that staff recommended Option 1 with BBVA Compass Bank.

Director Shriner made a motion to adopt Resolution No. 2017-31 to award a contract with CoBank for interim financing of the Regional Urban Water Augmentation Project Pipeline. Director Cortez seconded the motion. The motion failed.

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

Vice President Moore made a motion to adopt Resolution No. 2017-31 to award a contract with BBVA Compass Bank and select Option 1 for interim financing of the Regional Urban Water Augmentation Project Pipeline. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	No	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Abstained			

C. Consider Adoption of Resolution No. 2017-32 to Approve a Reimbursement Agreement with the Monterey Regional Water Pollution Control Agency for EIR/EIS and NPDES Permitting Work on the Pure Water Advance Water Treatment and Outfall Wastewater Disposal for the Regional Urban Water Augmentation Project:

Mr. Wegley introduced this item. The Board asked clarifying questions. Staff explained the costs and noted that it was a benefit to both agencies.

Director Lee made a motion to adopt Resolution No. 2017-32 to approve a Reimbursement Agreement with the Monterey Regional Water Pollution Control Agency for EIR/EIS and NPDES permitting work on the Pure Water Advance Water Treatment and Outfall Wastewater Disposal for the Regional Urban Water Augmentation Project. Director Shriner seconded the motion. The motion was passed.

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

11. Staff Reports:

A. Receive an Update on the Meter Requirements for Home Additions/Granny Units:

Mr. Van Der Maaten introduced this item explaining that, after review by staff and legal counsel, SB 1069 did not apply to Special Districts. He stated that it was recommended that the District continue to maintain its current water-conservation-driven practices by requiring every dwelling unit be metered and have its own service line.

B. Receive an Update on the Imjin Office Park Owners Association Budget:

Ms. Cadiante introduced this item and answered the Board's questions explaining that the District owns two parcels so they pay twice what everyone else does. Vice President Moore asked staff to look into LED lighting and landscape costs.

12. Informational Items:

A. General Manager's Report:

Mr. Van Der Maaten noted that SkyTEM was in town this week performing the electromagnetic survey of fresh and salt water.

B. Counsel's Report:

No report.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Shriner gave a brief update.

2. Joint City District Committee:

Vice President Moore gave a brief update and noted the next meeting is scheduled for June 28th.

3. Executive Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for June 6th.

4. Community Outreach Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for June 6th.

5. Budget and Personnel Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for June 6th.

6. MRWPCA Board Member:

Vice President Moore gave a brief update.

7. LAFCO Liaison:

No update.

8. FORA:

Vice President Moore gave a brief update.

9. WWOC:

Mr. Van Der Maaten gave a brief update and the next meeting is June 14th.

10. JPIA Liaison:

Director Shriner gave an update.

11. Special Districts Association Liaison:

Vice President Moore gave a brief update and noted the next meeting is July 18th.

13. Correspondence:

No comments.

14. Board Member Requests for Future Agenda Items:

President Gustafson noted that any requests could be emailed to staff.

15. Director's Comments:

Director Shriner, Director Lee, Director Cortez, Vice President Moore, and President Gustafson made comments.

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16. Adjournment:

The meeting was adjourned at 8:07 p.m.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary