

Marina Coast Water District

Dual Locations
District Offices
11 Reservation Road
Marina, California
&
2331 Maiden Lane SW
Roanoke, VA 24015

Regular Board Meeting
June 22, 2005
7:00 p.m.

Minutes

1. Call to Order:

Vice President Brown called the meeting to order at 7:00 p.m. on June 22, 2005.

Board Members Present:

Tom Moore – President – via telephone
David Brown – Vice President
Ken Nishi
Charles Scholl
Howard Gustafson

Board Members Absent:

None.

Staff Members Present:

Mike Armstrong, General Manager
Lloyd Lowrey, Legal Counsel
Marc Lucca, Deputy General Manager/District Engineer
Rich Youngblood, Conservation Coordinator
Connie Chavoya, Management Services Administrator
Jim Dowless, Operations and Maintenance Superintendent
Jade Sullivan, Capital Projects Manager
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Bill Phillips, MCWRA
Michael Shaw, Cypress Knolls
Bob Schaffer, MCP
Paula Pelot, PPTA
Lyndel Melton, RMC
Paul Vierra
Thomas Barkhurst

Brian West
Barbara Montanti
Susan Kiefert
Tony Kelsey
Joe Correa
Dale North
Dick Goblirsch, Del Rey Oaks

Lester Lee
Lizet Ceras
Sherrie Payne
Jose Rodriguez
Evelina Adlawan

2. Oral Communications:

None.

3. Presentations:

- A. Consider Adoption of Resolution No. 2005-32 in Recognition of Sherrie Payne, Customer Service Specialist, as Employee of the Quarter for July – September 2005:

Mr. Michael Armstrong, General Manager, read the narration.

President Moore made a motion to adopt Resolution No. 2005-32 recognizing Sherrie Payne as employee of the quarter for July – September 2005 and to award her with \$100 and four hours off with pay. Director Scholl seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

- B. Consider Adoption of Resolution No. 2005-34 in Recognition of Jose Rodriguez, Collection Systems Operator, as Employee of the Year for FY 2004/2005.

Mr. Michael Armstrong, General Manager, read the narration.

Director Scholl made a motion to adopt Resolution No. 2005-34 recognizing Jose Rodriguez as employee of the year for FY 2004/2005 and to award him with \$400 and sixteen hours off with pay. Director Gustafson seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

- C. Consider Adoption of Resolution No. 2005-35 in Recognition of Richard Green, Systems Operator II, for 5 Years of Service to MCWD:

Mr. Michael Armstrong, General Manager, read the narration.

Director Nishi made a motion to adopt Resolution No. 2005-34 recognizing Richard Green's five years of service to MCWD and awarding him with a \$25 gift certificate and a plaque. Director Gustafson seconded the motion. The motion was passed.

Agenda Item 3-C (continued):

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

D. Consider Adoption of Resolution No. 2005-36 in Recognition and Appreciation of Connie Chavoya, Management Services Administrator:

Mr. Michael Armstrong, General Manager, read the narration.

Vice President Brown made a motion to adopt Resolution No. 2005-36 in recognition and appreciation of Connie Chavoya's more than 32 years with the District and awarding her with a plaque. Director Moore seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

Ms. Chavoya gave her thanks to the District and fellow employees for the last 32 years. Vice President Brown recessed the meeting from 7:13 until 7:25 p.m. to allow for a celebratory slice of cake.

4. Action Items:

A. Consider Adoption of Resolution Nos. 2005-37 (Ord Community Compensation Plan), 2005-38 (Capital Elements of Ord Community Plan), and 2005-39 (District Budget) to Approve the District Budget and Ord Community Compensation Plan for 2005-2006:

Director Nishi requested to postpone this item until the District's Director of Finance, Mr. Suresh Prasad, returns as he has some questions he would like answered. Director Scholl commented that the Board has been reviewing the budget since January and if there were any questions they should have been asked prior to this meeting. Director Nishi asked what portion of the Ord Community water rates is for capital revenue. Vice President Brown suggested that Director Nishi make a motion to postpone the meeting rather than asking questions of the Board.

Director Nishi made a motion to postpone the meeting until Mr. Prasad is present to answer questions. Director Gustafson seconded the motion.

Director Gustafson stated that he would like to hear Director Nishi's questions and Mr. Prasad's response. President Moore commented that he wasn't sure the budget needed to be postponed, but said he would like to hear any questions on the budget.

Agenda Item 4-A (continued):

Vice President Brown asked if there would be a problem with postponing this item. Mr. Armstrong answered that unless the Board called a special meeting, the next time the Board would meet would be July 13, 2005, already into the new fiscal year.

Director Nishi stated he would like to see the funds previously recognized as capital component charges that are now part of water rates, mostly restricted for capital improvements. He wanted to know what portion goes to R&R and what portion goes to capital improvements. Director Nishi also voiced his concern on capacity charges for the Ord Community.

Mr. Michael Shaw, Cypress Knolls, commented that page 38 shows Capital Replacement Reserves Fund and Capital Improvement Project are costing the District approximately \$24,676,000 and Capacity Revenue and Financing totaling approximately \$24,973,000 so the District will have enough in revenue and financing to pay for the capital projects. Therefore, none of the "capital component charges" which are included in operating revenue are going to fund capital projects. Director Nishi stated that is why he would like an explanation from the Director of Finance.

Ms. Paula Pelot, Preston Parks Tenant Association, stated that she supports the postponement to allow for further review of the budget.

The motion to postpone this item until July 13, 2005 was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	No
Director Nishi	-	Yes			

Director Scholl asked that Director Nishi and Ms. Pelot submit to Mr. Suresh Prasad, Director of Finance, any questions that they have so there is time to prepare the answers. Ms. Pelot answered she would submit her questions. Director Nishi stated he did not like being told he had to put his questions in writing. Vice President Brown answered that Director Nishi was not being ordered to put questions in writing, just that it would help speed the process along and get the budget passed in a timely manner. Director Nishi asked if he could ask questions at the meeting if any others arose. Vice President Brown stated he could. President Moore voiced his support of Director Scholl's request as well as Director Nishi's request for clarity of R&R capital investments verses capital investments supporting new development.

- B. Consider Second Reading of Ordinance No. 40 Amending the District Code, Chapter 3.36, to Include Water Conservation Requirements for New Construction and a Revised Water Shortage Contingency Plan:

Agenda Item 4-B (continued):

Mr. Richard Youngblood, Conservation Coordinator, introduced this item and noted that a redlined version of the ordinance was provided to the Board.

Vice President Brown opened the Public Hearing at 7:47 p.m.

Mr. Lloyd Lowrey, District Legal Counsel, commented there was a correction on the first page of the Ordinance. Under Sections 1 and 2, it should reference California Water Code Section 375 and not Sections 66016 and 66017 of the California Government Code.

Hearing no further questions or comments, Vice President Brown closed the Public Hearing at 7:50 p.m.

Director Scholl made a motion to adopt Ordinance No. 40 amending the District Code, Chapter 3.36, to include water conservation requirements for new construction and a revised Water Shortage Contingency Plan. Director Gustafson seconded the motion. Director Nishi commented on a job well done. Mr. Lowrey stated that this motion included the correction he previously mentioned. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

C. Consider Negotiations with Seaside County Sanitation District (SCSD) Regarding Future Sewage Flows from the Southwest Sector of the Ord Community:

Mr. Marc Lucca, Deputy General Manager/District Engineer, introduced this item. Director Scholl asked if the District received any feedback from SCSD following their latest meeting. Mr. Lucca stated that they took no further action and were waiting for the outcome of tonight's meeting. Director Nishi voiced his concern over the Board not giving direction before negotiations began. Director Gustafson asked if it would be detrimental if SCSD decided not to allow the sewage flows from the Ord Community to pass through their lines. Mr. Lucca answered it would be detrimental in that there would be the cost of running sewer lines from Del Rey Oaks to the main line on General Jim Moore Blvd. Director Gustafson asked who would pay for the sewage lines to connect to General Jim Moore Blvd. Mr. Lucca stated that it would come out of capacity charges. Director Nishi stated that the developer or jurisdiction would pay to connect to the main line and it does not come from the capacity charges.

Director Scholl suggested the Board keep on topic and consider appointing a negotiating team if not satisfied with the work staff has completed.

Agenda Item 4-C (continued):

President Moore made a motion for staff to continue negotiations and have an agenda item on the July 13, 2005 Board meeting agenda for further discussion and direction to staff. Vice President Brown seconded the motion.

Director Nishi commented that if the Board is asking staff to continue negotiations, why wait until next meeting to provide direction. President Moore commented that he made the motion because Director Nishi has vocalized that he does not approve of the direction of the negotiations but has not been able to get his point across in a timely manner. By agendaizing this item the Board will be able to provide direction to the negotiators. Director Nishi commented he would support the motion if the negotiators were told not to meet until after they receive direction at the next Board meeting. Discussion followed.

Director Nishi provided his direction that MCWD not pay the fees as stated in section 7 of the draft agreement. Director Scholl asked for clarification from Director Nishi that he wants SCSD to handle the sewage flows for no charge. Director Nishi answered affirmatively and stated that SCSD would only do this if they were getting something out of it. Mr. Lucca answered that they would receive a fee for service provided. Director Scholl asked the cost of running sewer lines if the agreement doesn't pass. Mr. Lucca responded that the cost could run \$1.5 million to over \$2 million dollars plus the added costs of adding and running the lift stations. Director Scholl commented that he had nothing against asking if SCSD was willing to provide this service for free. President Moore stated that SCSD was a special district as well and questioned why they would want to provide this service for free when it could cost them a considerable amount.

Mr. Armstrong clarified the proposed capacity charges and associated capital surcharges and O & M charges for the Ord Community. He explained the Board has been briefed several times by staff, Citigroup and Bartle Wells & Associates with the proposed uniform capacity charges. Mr. Armstrong explained that minus the Water Augmentation Project, which FORA is expected to fund, there is about \$80 million in capital work over the next several years. The proposed north/south water and/or wastewater line to service Del Rey Oaks, Monterey and perhaps south Seaside is one of the projects in the District's CIP to be funded by uniform capacity charges. All development on the Ord Community will pay a uniform capacity charges which will fund the District's capital projects including the capital expansion projects - East Garrison, Marina Heights, Del Rey Oaks, Monterey, etc. Mr. Armstrong stated that the capital work is funded by the surcharges, the uniform capacity charges and the proposed three-tier water rates in the Ord Budget. If one of those sources of funds is taken away, the others will change in some way. Mr. Armstrong concluded that uniform capacity charges are what are proposed, and the north/south water and/or wastewater line to serve the south part of the District's jurisdiction are among the projects to be funded by the uniform capacity charges.

Agenda Item 4-C (continued):

Director Nishi commented on the October 2004 Bartle Wells report and stated that there should be an agenda item on the next meeting's agenda so the Board can understand and discuss this further. Director Scholl commented that he wanted to call for the question but first noted that he would vote against the motion because he believed that the Board should be able to send staff back to negotiations or to appoint Board members on the negotiating team.

President Moore withdrew his motion.

Director Gustafson commented on the possibility that the projects could not pay for the infrastructure to connect to General Jim Moore Blvd. He added the District shouldn't pay for that, the developers should. Mr. Lucca stated the project is listed in the District's CIP as a \$2 million project.

Mr. Dick Goblirsch, Del Rey Oaks, commented that he understood the capital fee and surcharge would fund the water and wastewater infrastructure. He added that Director Nishi is proposing to have Del Rey Oaks fund the infrastructure, pay the uniform capacity fee as well as the surcharge. Mr. Goblirsch commented that would not be fair. Director Nishi commented that is why he has questions.

President Moore made a motion to direct staff to continue negotiations as contained in the agreement with the stipulation that staff ask SCSD if they would consider performing the service for free. Director Scholl seconded the motion.

Director Scholl commented on how the District In-Tract policy and the capital improvement projects the District identified would be funded. Director Gustafson voiced his concern over the intermingling of pipes. Director Nishi commented the District shouldn't pay for special benefits. Mr. Armstrong read an excerpt of a June 14, 2005 memo addressed to the Board that pertains to the issue. He read that after the October 2004 meetings, staff and Bartle Wells continued to test various assumptions and data and made several modifications to the spreadsheet tables included in the study. Ultimately, the Bartle Wells's information and data were provided to Citigroup and incorporated in their financing study that was provided to the Board on May 25, 2005. Mr. Armstrong reiterated that the District started out talking about various options for capacity charges and looking, in a very detailed way, at the projects to assess who they benefit. He concluded that staff and consultants proposed uniform capacity charges, surcharges and operating rates to fund the District's entire CIP and O&M and that the developers are not being asked to pay for the pipelines to connect them to the District infrastructure; those are part of the District's system-wide expansion to be funded by capacity charges and surcharges.

President Moore reiterated that the developers will pay for the infrastructure through capacity charges and surcharges.

Agenda Item 4-C (continued):

Mr. Goblirsch asked if Del Rey Oaks could be notified of when the negotiations take place and that they be allowed to sit in and listen. He added that by using SCSD, it saves the District money, not anyone else. Mr. Armstrong stated he would notify Del Rey Oaks of the next negotiation session with SCSD.

Mr. Lucca asked for clarification of the motion and reiterated what he understood the motion to be. President Moore answered that Mr. Lucca's interpretation was correct. The motion was to direct staff to continue negotiations as contained in the draft agreement with the stipulation that staff ask SCSD if they would consider performing the service for free.

The motion was passed.

Director Gustafson	-	No	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	No			

D. Consider Revising the Appointment of District Liaison to the FORA Board of Directors:

Vice President Brown stated he asked for this item to be on the agenda for consideration as his schedule conflicts with the FORA meeting schedule. President Moore suggested Director Scholl move from the alternate to primary position for FORA and Vice President Brown replace Director Scholl on the Water Conservation Commission; and, President Moore would serve as the alternate to FORA.

President Moore made a motion to appoint Director Scholl as primary liaison for FORA with himself as alternate; and Vice President Brown to replace Director Scholl on the Water Conservation Commission (WCC). Vice President Brown seconded the motion.

Director Nishi voiced his concern that there are two alternates to the FORA Board and stated that only those who can make a commitment should be appointed to the various committees and partial attendance is not acceptable.

Director Scholl had three comments: 1) Director Nishi should support the motion as he always stated that the same Director should serve on FORA and MRWPCA; 2) Director Scholl never missed a meeting while serving on the WCC; and, 3) Director Scholl never missed a meeting while serving as the primary and alternate on FORA.

Director Nishi clarified that he felt the same Director should serve on FORA, MRWPCA and LAFCO.

Agenda Item 4-D (continued):

President Moore called the question. Director Scholl seconded the motion to call the question. The motion to call the question was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

The motion by President Moore was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

E. Consider Adoption of Resolution No. 2005-40 to Approve Additional Components of the Employee Appreciation and Recognition Program:

Mr. Armstrong introduced this item. Director Nishi commented that he was taken aback at being asked to donate to an employee's retirement party. He stated it is the Board's responsibility to do something for employees especially if they have been with the District for a considerable length of time. Director Nishi also stated that he told the General Manager and Board President to use the funds that he never used for seminars to fund the party.

Vice President Brown asked Director Nishi if he would like to fill in the blanks of the resolution and make a motion. Director Nishi stated that he just wants to see long time employees taken care of. Director Gustafson agreed that long time employees should be recognized. Director Scholl commented that the Board should be proud of what the District offers employees and added that additional recognition could have been discussed during negotiations. He added that he will be contributing to the lunch and gift. President Moore commented that he has not seen anywhere else the amount of recognition the District pays to its employees. He added that the District is paying for a portion of the party, i.e. cake.

Ms. Pelot commented that as a government employee it is common practice for employees to contribute to fellow employees' retirement and other parties.

Vice President Brown commented that government agencies do not allocate funds for retirement parties and such. He added he also contributed to the luncheon and gift.

Director Scholl made a motion that the Board considers additional employee recognition during the next union negotiations. Vice President Brown seconded the motion. The motion failed.

Agenda Item 4-E (continued):

Director Gustafson	-	No	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	No
Director Nishi	-	No			

F. Consider Adoption of Resolution No. 2205-46 to Adopt the Salinas Valley Integrated Regional Water Management Functional Equivalent Plan:

Mr. Armstrong introduced this item and Mr. Bill Phillips, Deputy General Manager of the Monterey County Water Resources Agency. Mr. Phillips introduced Mr. Lyndel Melton, RMC Water and Environment and explained that there would be a short presentation on the Prop. 50 Chapter 8 Implementation Grant Application and the Salinas Valley Integrated Regional Water Management Functional Equivalent Plan (FEP).

Director Gustafson commented that the Pajaro Sunny/Mesa Community Services District (PSMCSD) did not join and had requested the County invite them to join. He added that he would like to see the MOU mentioned in the resolution before deciding anything. Mr. Armstrong answered that the MOU was the one the Board adopted at last month's meeting.

Director Scholl asked why the MRWPCA was not listed in the document. Mr. Phillips answered that there are two tiers in the Prop. 50 Chapter 8 process. There is a basic requirement that three or more water agencies must join as partners and that any stakeholders must be identified. Mr. Phillips stated that the MRWPCA is a stakeholder as a partner of the MCWD. Director Gustafson asked why Castroville Water District, Monterey County Water Resources Agency and MCWD must all be listed as lead agencies. Mr. Phillips answered that Prop. 50 requires that the applicants must be group partners and that many other agencies can and are stakeholders. Mr. Armstrong added that the FEP focuses on the Salinas Basin of which the MCWD is part. That is also why the PSMCSD is only a stakeholder and why they have sent a letter of support for this Plan.

Director Nishi asked when the program was started. Mr. Phillips responded that it was on the November 2003 ballot and since that time while the state has been developing guidelines for all the various chapters, local agencies have been looking into the proposed projects to see which might fall under this proposition. The main focus on this Plan began about six months ago. Discussion followed. President Moore thanked the MCWRA for proceeding to do the Plan and including the District. He then asked if the MCWRA actually received letters of support from the agencies listed on page 2-3. Mr. Phillips answered that they have received some and are expecting letters from the others on the list and the final application will state exactly who sent letters of support.

Agenda Item 4-F (continued):

Director Scholl made a motion to adopt Resolution No. 2205-46 adopting the Salinas Valley Integrated Regional Water Management Functional Equivalent Plan. President Moore seconded the motion.

Mr. Shaw commented that it was a chance to get free money for capital improvements and hopes the Board supports the resolution.

The motion was passed.

Director Gustafson	-	No	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	No			

Vice President Brown recessed the meeting from 9:20 until 9:28 p.m.

5. Consent Calendar

President Moore requested to pull items I and J from the Consent Calendar. Mr. Lowrey stated item E should have a resolution. Vice President Brown pulled item E from the Consent Calendar.

Director Gustafson made a motion to approve the Consent Calendar consisting of items A) Consider Adoption of Resolution No. 2005-41 to Approve a Professional Services Agreement with Bill Lovvorn to Provide Consultant Services for the District Water Education Program; B) Consider Adoption of Resolution No. 2005-42 to Authorize Staff to Fill the Two Operations and Maintenance Operator Grade III Positions at Salary Range 26; C) Consider Adoption of Resolution No. 2005-43 to Approve a Professional Services Agreement with Byron Buck & Associates for the Preparation of a Water Supply Assessment for the Cypress Knolls Development; D) Consider Adoption of Resolution No. 2005-44 to Approve a Professional Services Agreement with Carollo Engineers to Complete the Marina Water Systems Master Plan Project and to Amend the FY 2004/2005 Budget; F) Consider Adoption of Resolution No. 2005-45 to Approve an Agreement for Construction and Transfer of Water, Sewer and Recycled Water Infrastructure with Monterey Bay Military Housing, LLC at Fitch Park Development; G) Consider Approval of the Draft July 2005 Newsletter; H) Consider Approving Expenditures for the Month of May 2005. Vice President Brown seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	Yes			

E. Consider Approval of the Construction and Transfer of Water and Sewer Infrastructure Agreement for the Locke Paddon Point Subdivision:

Director Gustafson made a motion to approve the construction and transfer of water and sewer infrastructure for the Locke Paddon Point subdivision by Resolution. Vice President Brown seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Yes
Director Nishi	-	No			

I. Consider Approval of the Draft Minutes of the Regular Board Meeting of April 27, 2005:

President Moore stated he pulled the item to abstain from the vote.

Director Gustafson made a motion to approve the draft minutes of the regular Board meeting of April 27, 2005. Vice President Brown seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Abstained
Director Nishi	-	Yes			

J. Consider Approval of the Draft Minutes of the Regular Board Meeting of May 11, 2005:

President Moore stated he pulled the item to abstain from the vote. Director Gustafson asked for the minutes to show that he requested a letter to be sent to PSM to join the Prop. 50 group.

Director Gustafson made a motion to approve the draft minutes of the regular Board meeting of May 11, 2005 amended as afore mentioned. Vice President Brown seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Brown	-	Yes
Director Scholl	-	Yes	President Moore	-	Abstained
Director Nishi	-	Yes			

6. Informational Items:

A. General Manager's Report:

No comments.

B. Counsel's Report:

No comments.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Scholl commented the WCC should establish a mission statement to help direct the priorities of the items that staff and the District work on.

2. Joint City-District Committee:

President Moore stated that he was unable to attend the meeting. Director Gustafson stated that the water augmentation project was discussed at the meeting.

3. MRWPCA Board Member:

Director Scholl stated the major topic was a review of the budget and there was no proposed rate increase. As a member of the Recycled Water Committee, the Committee is looking forward to working with the MCWD on the hybrid project.

4. LAFCO Liaison:

No comments.

5. JPIA Liaison:

No comments.

6. Special Districts Association (SDA) Liaison:

President Moore stated the next meeting is set for July 19, 2005 and he planned on attending.

7. FORA:

Vice President Brown commented the Board attended a joint meeting with FORA.

8. Executive Committee:

No comments.

9. Community Outreach:

Director Gustafson stated he tried to get in touch with Mr. McRee, Marina Gazette, to get someone to write some articles, but the Marina Gazette is in hiatus at this time.

D. Director's Comments:

Director Scholl commented that the WCC should team up with Director Gustafson, the Community Outreach member, to let the public know about the Commission and that the Commission vacancies have been filled.

Director Nishi commented that he still hadn't received information on the CSUMB Visitor Center hook-up. He also has concerns that the negotiations with MRWPCA and CSUMB have no Board direction. Director Nishi voiced his concern over policy being made by non-Board members i.e. the issue of the District providing extra water and FORA getting to allocate it. He also commented on the fact that the FEP has been in the works for six months and the District just getting it at the last minute and he doesn't remember the Board giving any direction on that issue.

President Moore commented that the phone technology was greatly improved from what the District used to use.

7. Planning Workshop:

President Moore suggested the Board discuss a new Strategic Planning (SP) process and that Director Scholl had a positive experience with the MRWPCA's SP. Director Gustafson stated he attended eight SP workshops with the City of Marina. Director Scholl suggested Marilyn Snyder's approach might get the group to put forth a positive result. Vice President Brown voiced his approval. Director Scholl commented that the Board was vocal about setting policy but didn't have a SP. Director Gustafson stated he would do it if it is the desire of the Board. Director Nishi stated he had a different experience with Ms. Snyder where the staff and Director's were involved and he didn't feel that it worked well. Director Gustafson suggested discussing desalination at the SP workshop. Discussion followed. Staff was directed to provide recommendations on a facilitator and dates for a SP workshop.

8. Closed Session:

The closed session was cancelled.

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9. Adjournment:

The meeting was adjourned at 9:55 p.m.

APPROVED:

Thomas P. Moore, President Date

ATTEST:

Michael D. Armstrong, General Manager