

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Special Board Meeting
November 29, 2010
7:30 p.m.

Minutes

1. Call to Order:

Vice President Lee called the meeting to order at 7:30 p.m. on November 29, 2010.

2. Roll Call:

Board Members Present:

Bill Lee – Vice President
Howard Gustafson
Tom Moore
Dan Burns

Board Members Absent:

Ken Nishi– President

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Carl Niizawa, Deputy General Manager/District Engineer
Jean Premutati, Management Services Administrator
Kelly Cadiente, Director of Administrative Services
Evelina Adlawan, Water Quality Manager
James Derbin, Operations and Maintenance Superintendent
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Richard Newhouse, Marina Resident
Jan Shriner, Marina Resident

The Board entered into closed session at 7:30 p.m.

3. Closed Session:

- A. Pursuant to Government Code 54957.6
Conference with Labor Negotiator
Agency Negotiator (General Manager)
Employee Organization: Marina Coast Water District Employees Association
- B. Pursuant to Government Code 54957.6
Conference with Labor Negotiator
Agency Negotiator (General Manager)
Employee Organization: Teamsters Local 890
- C. Pursuant to Government Code 54957.6
Conference with Labor Negotiators
Agency designated representatives: Kenneth K. Nishi and William Lee
Unrepresented Employee: General Manager

Vice President Lee ended closed session at 8:20 p.m. and reconvened the meeting to open session at 8:26 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, reported that on item 3-A and 3-B, the Board of Directors met and conferred with the negotiator, direction was given and no action was taken. On item 3-C, the Board of Directors met with the negotiator, there was discussion and no action was taken in closed session. Action on item 3-C will take place in open session with one revision to the resolution. The revised page was distributed to everyone at the meeting.

Vice President Lee asked to do the Pledge of Allegiance before continuing with item 3-C.

5. Pledge of Allegiance:

Vice President Lee led everyone present in the Pledge of Allegiance.

4. Possible Action on Closed Session Items:

- C. Consider Adopting a Resolution to Approve an Amendment to the General Manager's Contract:

Mr. Lowrey briefly explained the changes made to the General Manager's contract.

Agenda Item 4-C (continued):

Mr. Lowrey commented that the following changes to the General Manager's contract are proposed to clarify the intentions that were understood by the parties but were not captured in the language of the contract. The changes are clarifications and have no fiscal impact on the District.

Paragraph 1.1 is clarified to read that the General Manager is authorized to engage "up to 10 consultants each year for the District, with compensation for each self-employed consultant or consulting firm of up to \$10,000 in any month or \$75,000 in any fiscal year without prior Board approval."

Paragraph 2.1.3 is clarified to allow the General Manager to continue to receive his lifetime benefit of health care, vision care, and dental care, after working for 3 consecutive years with the District, even if, after the 3 years, he is employed elsewhere. This paragraph is also amended to allow the General Manager, at his option and sole cost, to enroll his dependents in the District's health care plan for dental, vision and medical care, at the same rate, including any carrier rate increases, as for dependant coverage for other management employees of the District.

Paragraph 2.1.9 is clarified to specify that the PARS Plan will provide a pre-retirement death benefit for the General Manager's surviving spouse. This clause was supposed to be in the contract from the beginning, but PARS provided an incorrect form when the Plan was originally set up.

Paragraph 2.1.13 (Tuition) is being deleted.

Paragraph 2.2 is expanded to allow the Board to review the General Manager's benefits within 30 days after approving a change in benefits for other management employees and unless the Board approves some other change within 30 days, the General Manager's benefits will be adjusted in the same manner as the benefits of other management employees.

Paragraph 5.1 is clarified to allow further 3-year extensions of the General Manager's contract. It also clarifies that the \$12,500 yearly benefit, should the District opt not to renew the General Manager's contract, will accrue on a monthly basis so that each month of service will equal one-twelfth (1/12th) of the \$12,500 in any year.

Paragraph 5.2 is clarified to specify that upon the General Manager's death or mental or physical incapacity to perform the duties, the General Manager's beneficiaries are entitled to any amount owed to the General Manager.

Agenda Item 4-C (continued):

Ms. Jan Shriner asked if there was a specific trigger for Paragraph 2.2 in reviewing the General Manager's benefits within 30 days after approving a change in benefits for other management employees. Mr. Lowrey answered that there was no specific language in the contract itself that requires that the matter be placed on the agenda. It would require staff, the Board, or Legal Counsel to remember to place it on the agenda for consideration.

Director Gustafson made a motion to adopt Resolution No. 2010-79 to approve an Amendment to the General Manager's Contract. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Absent
Director Burns	-	Yes			

6. Oral Communications:

No comments.

7. Action Items:

- A. Consider Adoption of Resolution No. 2010-77 to Authorize the Issuance and Sale of Refunding Bonds in the Principal Amount of Not-to-Exceed \$9,000,000 to Refund Outstanding Promissory Note Relating to Land Acquisition, and Approving Related Documents and Actions:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item.

Director Moore inquired on the source of the projected water connections, page 17 of the Preliminary Official Statement. Ms. Cadiente answered that the projections for the 2006 Bonds came from the Fort Ord Reuse Authority and that this time, due to the relatively short term Bond issue, staff went through the Ord Community with a conservative 5% projection for each year.

Director Moore inquired on the accuracy of the historic wastewater connections and historic wastewater service charge revenue, pages 20 and 21 of the Preliminary Official Statement. In doing the math, it looks as though the Ord Community wastewater service charge revenue has increased 20% in the last year. Ms. Cadiente answered that this is the Preliminary Statement and the Final statement is to be distributed before the bonds are sold. The numbers in the Preliminary Statement are derived from the Comprehensive Annual Financial Report that was brought before the Board in November. Director Moore asked staff to look into the numbers and call or email him with the answer.

Agenda Item 7-A (continued):

Director Moore made a motion to adopt Resolution No. 2010-77 to authorize the issuance and sale of Refunding Bonds in the principal amount of not-to-exceed \$9,000,000 to refund outstanding Promissory Note relating to land acquisition, and approving related documents and actions. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Absent
Director Burns	-	Yes			

B. Adopt Resolution No. 2010-78 to Approve an Amendment to the Marina Coast Water District Public Agency Retirement System (PARS) Retirement Enhancement Plan – Defined Benefit:

Mr. Jim Heitzman, General Manager, introduced this item explaining that this amendment is to clarify that in the event of his death, prior to retirement, his surviving spouse would receive a supplemental defined benefit from PARS. The language was mistakenly omitted from the employment contract.

Director Gustafson made a motion to adopt Resolution No. 2010-78 to approve an Amendment to the Marina Coast Water District Public Agency Retirement System (PARS) Retirement Enhancement Plan – Defined Benefit. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Absent
Director Burns	-	Yes			

8. Director's Comments:

Director Burns asked if staff was still looking at moving the December 14th Board meeting up a week to December 7th. Mr. Heitzman answered that the meeting will not be moved and will stay on the 14th.

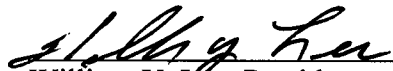
Agenda Item 8 (continued):

Vice President Lee thanked everyone for doing a great job and keeping the Board informed. He also thanked everyone for arduously working out all of these money issues so the District can pay for everything. Vice President Lee thanked Director Moore for his 17 long years of service and maintaining the public trust in the District. He also thanked the General Manager for building such a great staff.

9. Adjournment:

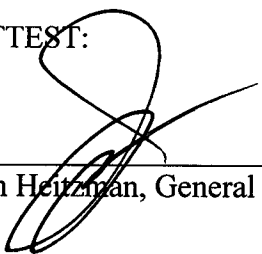
The meeting was adjourned at 8:51 p.m.

APPROVED:



William Y. Lee, President

ATTEST:



Jim Heitzman, General Manager