



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

HOWARD GUSTAFSON
President

PETER LE
Vice President

THOMAS P. MOORE
WILLIAM Y. LEE
JAN SHRINER

Agenda

Regular Board Meeting, Board of Directors Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue, Marina, California
Monday, August 17, 2015, 6:30 p.m. PST

This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the first and third Monday of each month. The meetings normally begin at 6:30 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, Marina, California.

Our Mission: *We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

1. Call to Order

2. Roll Call

3. Public Comment on Closed Session Items *Anyone wishing to address the Board on matters appearing on Closed Session may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

4. Closed Session

A. 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

This agenda is subject to revision and may be amended prior to the scheduled meeting. Pursuant to Government Code section 54954.2(a)(1), the agenda for each meeting of the Board shall be posted at the City of Marina Council Chambers. The agenda shall also be posted at the following locations but those locations are not official agenda posting locations for purposes of section 54954.2(a)(1): District offices at 11 Reservation Road, Seaside City Hall, the City of Marina Library, and the City of Seaside Library. A complete Board packet containing all enclosures and staff materials will be available for public review on Wednesday, August 12, 2015. Copies will also be available at the Board meeting. Information about items on this agenda or persons requesting disability related modifications and/or accommodations should contact the Board Clerk 48 hours prior to the meeting at: 831-883-5910.

- 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 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.)
- 5) 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).
- 6) 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)

- B. Pursuant to Government Code 54956.8
 Conference with Real Property Negotiator
 Property: Recycled Water Pipeline, Recycled Water
 Agency Negotiators: Peter Le and Howard Gustafson
 Negotiating parties: MRWPCA, MCWRA, MPWMD, City of Salinas, and others.
 Under Negotiation: Price and Terms
- C. Pursuant to Government Code 54956.8
 Conference with Real Property Negotiator
 Property: Sewer Infrastructure
 Negotiating parties: Howard Gustafson and Peter Le
 Under Negotiation: Price and Terms

7:00 p.m. Reconvene Open Session

5. **Reportable Actions Taken During Closed Session** *The Board will announce any reportable action taken during closed session and the vote or abstention on that action of every director present, and may take additional action in open session as appropriate. Any closed session items not completed may be continued to after the end of all open session items.*
 - B. Consider Adoption of Resolution No. 2015-xx to Approve a Memorandum of Understanding Regarding Source Water and Water Recycling

6. Pledge of Allegiance

7. Oral Communications *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

8. Consent Calendar *Board approval can be taken with a single motion and vote. A Board member or member of the public may request that any item be pulled from the Consent Calendar for separate consideration at this meeting or a subsequent meeting. The public may address the Board on any Consent Calendar item. Please limit your comment to four minutes.*

A. Receive and File the Check Register for the Month of July 2015

B. Approve the Draft Minutes of the Regular Board Meeting of August 3, 2015

9. Action Items *The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board on these items as each item is reviewed by the Board. Please limit your comment to four minutes.*

A. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-43 to Approve a Request for Proposals for a Cyber Security Audit Services

Action: The Board of Directors will consider approving a Request for Proposals for a Cyber Audit and direct staff to issue the Request for Proposals.

10. Informational Items *Informational items are normally provided in the form of a written report or verbal update and may not require Board action. The public may address the Board on Informational Items as they are considered by the Board. Please limit your comments to four minutes.*

A. General Manager's Report

B. Counsel's Report

C. Committee and Board Liaison Reports

1. Water Conservation Commission
2. Joint City-District Committee
3. Executive Committee
4. Community Outreach Committee
5. Budget and Personnel Committee
6. MRWPCA Board Member Liaison

7. LAFCO Liaison
8. FORA
9. WWOC Report
10. JPIA Liaison
11. Special Districts Association

12. Director's Comments *Director reports on meetings with other agencies, organizations and individuals on behalf of the District and on official District matters.*

13. Adjournment *Set or Announce Next Meeting(s), date(s), time(s), and location(s):*

*Regular Meeting: Tuesday, September 8, 2015, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8

Meeting Date: August 17, 2015

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consent Calendar

Staff Recommendation: The Board of Directors approve the Consent Calendar as presented.

Background: *2015 Strategic Plan Mission Statement – To provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of July 2015
- B) Approve the Draft Minutes of the Regular Board Meeting of August 3, 2015

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or the Board can pull these items and discuss each one individually.

Material Included for Information/Consideration: The July 2015 Check Register; and, the draft minutes of August 3, 2015.

Action Required: _____ Resolution X Motion _____ Review
(Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: August 17, 2015

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of July 2015

Staff Recommendation: The Board of Directors receive and file the July 2015 expenditures totaling \$769,903.19.

Background: *2015 Strategic Plan, Objective No. 3 – Our objective is to manage public funds to assure financial stability, prudent rate management and demonstrate responsible stewardship. Our fiscal strategy is to forecast, control and optimize income and expenditures in an open and transparent manner. We will efficiently use our financial resources to assure availability to fund current and future demands.*

Discussion/Analysis: These expenditures were paid in July 2015 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Expenditures are allocated across the six cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04-Ord Sewer, 05-Recycled Water, 06-Regional Water.

Other Consideration: None.

Material Included for Information/Consideration: July 2015 Summary Check Register.

Action Required: Resolution Motion Review
(Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: August 17, 2015

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of August 3, 2015

Staff Recommendation: The Board of Directors approve the draft minutes of the August 3, 2015 regular Board meeting.

Background: *2015 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of August 3, 2015 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: _____Yes ___X___No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of August 3, 2015.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: August 17, 2015

Submitted By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Discussion and Possible Action to Consider Adoption of Resolution No. 2015-43 to Approve a Request for Proposals for Cyber Security Audit Services

Staff Recommendation: The Board of Directors adopt Resolution No. 2015-43 to approve a Request for Proposals (RFP) for cyber security audit services and direct staff to issue the RFP.

Background: *2015 Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

On March 16, 2015, the Board adopted Resolution No. 2015-11 to approve the District Technology Plan Appendix for FY 2015-2016. Included in the approved motion was direction to staff to seek an appropriate computer security consultant to perform a cyber security audit of the District's Information and Technology (IT) and the Supervisory Control and Data Acquisition (SCADA) systems.

Discussion/Analysis: To date, the District has never conducted a cyber security audit. Based on breaches in security at a neighboring governmental institution and the level of dependence the District has on its information systems, staff concurs with the Board's concern over the level of security of the District's IT and SCADA systems. Staff therefore requests the Board consider adoption of Resolution No. 2015-43 to approve a RFP for cyber security audit services to the District.

The scope of services in the RFP will include:

- Perform a full Internet Firewall router review of both the IT and SCADA systems.
- Conduct a full review of VPN routers and communication between the two office locations and between the SCADA control room and each site within the water and sewer systems.
- Provide a full Internet vulnerability assessment of the organization.
 - Identify and provide suggestions to remediate vulnerabilities.
- Review the current IT policies and procedures and recommend changes to align with Best Practices.
- Review all network gear, including switches, access points, hubs, etc. of both the IT and SCADA systems.
- Review network and infrastructure maps for accuracy.
 - Identify discrepancies.

The tentative schedule of RFP process is as follows:

- August 17, 2015 – Board approves RFP for independent audit services
- August 18, 2015 – Distribute RFP's
- September 10, 2015 – Proposals due
- September 21, 2015 – Board reviews proposals, selects audit firm and awards contract

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Funded through FY 2015/2016 Operating Budget of the Central Marina and Ord Community cost centers – MW 27%, MS 7%, OW 54%, OS 12%.

Material Included for Information/Consideration: Resolution No. 2015-43; and, Draft RFP for Cyber Security Audit Services.

Action Required: Resolution Motion Review
(Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 17, 2015

Resolution No. 2015-43
Resolution of the Board of Directors
Marina Coast Water District
Approving a Request for Proposals
For Cyber Security Audit Services to the District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 17, 2015 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on March 16, 2015, the Board adopted Resolution No. 2015-11 to approve the District Technology Plan Appendix for FY 2015-2016. Included in the approved motion was direction to staff to seek an appropriate computer security consultant to perform a cyber security audit of the District’s Information and Technology (IT) and the Supervisory Control and Data Acquisition (SCADA) systems; and,

WHEREAS, the District has never conducted a cyber security audit; and,

WHEREAS, based on breaches in security at a neighboring governmental institution and the level of dependence the District has on its information systems, staff concurs with the Board’s concern over the level of security of the District’s IT and SCADA systems.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2015-43 approving a request for proposals to provide cyber security audit services to the District.

PASSED AND ADOPTED on August 17, 2015, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2015-43 adopted August 17, 2015.

Keith Van Der Maaten, Secretary