

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
November 16, 2015
6:30 p.m.

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on November 16, 2015.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None.

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, Legal Counsel
Mike Wegley, District Engineer
James Derbin, Operations and Maintenance Superintendent
Kelly Cadiente, Director of Administrative Services
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Andy Sterbenz, Schaaf & Wheeler
Paula Pelot, Marina Resident
Rick Riedl, City of Seaside
Jo Ann Cannon, Marina Resident
Ken Pun, Pun Group, LLP

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) 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. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
- 6) 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: 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

The Board ended closed session at 7:01 p.m.

President Gustafson reconvened the meeting to open session at 7:02 p.m.

5. Reportable Actions Taken during Closed Session:

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

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

None.

8. Consent Calendar:

Director Moore made a motion to approve the Consent Calendar consisting of the following items:

- A. Receive the Quarterly Financial Statements for April 1, 2015 to June 30, 2015
- B. Receive and File the Check Register for the Month of October 2015
- C. Approve the Draft Minutes of the Regular Board Meeting of November 2, 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 Item:

- A. Discussion and Possible Action to Consider Accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2015:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item and pointed out several corrections that were recently made, and introduced Mr. Ken Pun, Pun Group, LLP. Mr. Pun gave a brief presentation on the Comprehensive Annual Financial Report and the Audit Process.

Ms. Paula Pelot, Marina resident, noted that it would be helpful to include the number of employees in each position on the Organization Chart so that it matches the number of employees in the summary.

Following discussion, Vice President Le made a motion to accept the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2015 with the following changes: on page 7 adding the number of employees to the Organization Chart and adding a page number after page 13. Director More seconded the motion. The motion was passed.

Agenda Item 9-A (continued):

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

- B. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-54 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program:

Mr. James Derbin, Operations and Maintenance Superintendent, introduced this item.

Director Moore made a motion to adopt Resolution No. 2015-54 to approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District regarding the In-School Water Conservation Education Program. Director Lee seconded the motion. The motion was passed.

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

Ms. Jo Ann Cannon, Marina resident, thanked the Board for approving the program and lauded working with the schools to spread the importance of conservation.

- C. Discussion and Possible Action to Consider the Adoption of the Following Resolutions Necessary to Submit a Clean Water State Revolving Fund Financial Assistance Application to the State Water Resources Control Board for the Regional Urban Water Augmentation Project; Resolution No. 2015-55 Reimbursement Resolution; Resolution No. 2015-56 – Authorizing Resolution; and, Resolution No. 2015-57 – Pledged Revenues and Fund(s) Resolution:

Mr. Keith Van Der Maaten, introduced this item. The Board asked clarifying questions.

Ms. Pelot asked the following general questions; 1) who would be the beneficiary of this tertiary treatment project and pipeline, 2) if there are any agreements in place with the beneficiaries for cost reimbursements that are associated with the project or pipeline, and 3) will the costs be absorbed by the entire Ord Community and/or Central Marina. Mr. Van Der Maaten responded that there were no agreements in place at this time and that the costs would be borne by the users of that facility.

Mr. Roger Masuda, Legal Counsel, explained that the District was going forward with implementing their responsibilities under the 1998 agreement with FORA.

Agenda Item 9-C (continued):

Vice President Le made a motion to adopt Resolution No. 2015-55 Reimbursement Resolution; Resolution No. 2015-56 – Authorizing Resolution modified so that the Board President is the signatory; and, Resolution No. 2015-57 – Pledged Revenues and Fund(s) Resolution with the first WHEREAS and the NOW, THERFORE BE IT RESOLVED to read “...all lease revenues received from Monterey Regional Water Pollution Control Agency derived from leasing of the Regional Urban Water Augmentation Project pipeline as well as all revenues from the sale of recycled water”. Director Lee seconded the motion.

Director Shriner made a substitute motion to adopt Resolution No. 2015-55 Reimbursement Resolution; Resolution No. 2015-56 – Authorizing Resolution, as written; and Resolution No. 2015-57 – Pledged Revenues and Fund(s) Resolution with the first WHEREAS and the NOW, THERFORE BE IT RESOLVED to read “...all lease revenues received from Monterey Regional Water Pollution Control Agency derived from leasing of the Regional Urban Water Augmentation Project pipeline as well as all revenues from the sale of recycled water”. The motion died for lack of a second.

The original 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 Receive an Update on the Ord Community Annexation and Provide Guidance on the Project Description:

Mr. Andrew Sterbenz, Schaaf & Wheeler, introduced this item and briefly reviewed the options before the Board regarding the areas to be included in the service area and in the sphere of influence, and explained that they would be used as the Project Description in the updated CEQA Initial Study.

Director Moore made a motion to follow staff’s recommendation of: 1) extending the District service boundary to add only the Ord Community parcels currently served, and 2) extend the sphere of influence to add the designated Ord Community development parcels. He also directed staff to engage with Seaside County Sanitation; and to provide legal advice regarding incompatibility of office. Director Shriner seconded the motion.

Ms. Pelot noted that she supported the motion in its entirety.

Director Moore added to his motion to verify that staff could include a memorialization of separate cost centers that LAFCO could approve until such time as voters in both cost centers approve something different. Director Shriner seconded the addition to the motion.

Agenda Item 9-D (continued):

The motion was passed.

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

10. Staff Report:

A. Updates to the Engineering Procedures, Guidelines, and Design Requirements Regarding Landscape and Irrigation Systems:

Mr. Derbin explained that this update would change Section 700 of the Engineering Procedures Guidelines and Design Requirements to be the same as the State's Model Water Efficient Landscape Ordinance that was directed under the Governor's Executive Order on April 1, 2015.

11. Correspondence Received by the District, Directors and General Manager:

None.

12. Informational Items:

A. General Manager's Report:

1. Receive a Verbal Report on Preparation for El Niño:

Mr. Van Der Maaten gave a brief update on the District's preparations for El Niño and stated that overall the District was in decent shape. He added that they were looking at updating the Emergency Response Plan and the Emergency Operations Center Plan, in addition to checking on parts and inventory throughout the District.

2. Receive a Verbal Update on the Water Consumption at the Two Seaside Golf Courses:

Mr. Van Der Maaten gave an update stating that the two golf courses are 59 acre feet short of the 2,500 acre feet that was part of the land swap agreement. He added that they haven't used water from the District the last couple of months and assumed that their water was being served from the Seaside Basin.

B. Counsel's Report:

No report.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No report.

2. Joint City District Committee:

The meeting is scheduled for Wednesday, November 18th.

3. Executive Committee:

President Gustafson gave a brief update.

4. Community Outreach Committee:

President Gustafson gave a brief update.

5. Budget and Personnel Committee:

President Gustafson gave a brief update.

6. MRWPCA Board Member:

No report.

7. LAFCO Liaison:

No report.

8. FORA:

Vice President Le gave a brief update.

9. WWOC:

No report.

10. JPIA Liaison:

No report.

11. Special Districts Association Liaison:

No report.

13. Board Member Requests for Future Agenda Items:

Director Shriner suggested having an agenda item on how to handle inappropriate emails sent out by Board members. Mr. Masuda opined that unless a Director was using a District email address and as long as they were not signing it as being a Director, they have First Amendment Rights.

14. Director's Comments and Reports on Meetings:

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

15. Adjournment:

The meeting was adjourned at 8:50 p.m.

APPROVED:

Howard Gustafson, Director

ATTEST:

Paula Riso, Deputy Secretary