

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
December 7, 2015
6:30 p.m.

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on December 7, 2015.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

Bill Lee

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, Legal Counsel
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
Robert Porr, Fieldman Rolapp & Associates
Lora Carpenter, Fieldman Rolapp & Associates

3. Election of Board President and Vice President:

Director Moore made a motion to nominate Director Gustafson as President. Director Gustafson seconded the motion. The motion failed.

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

Director Gustafson directed staff to put this item on an upcoming special meeting agenda when all Directors will be present.

4. Public Comment on Closed Session Items:

None.

The Board entered into closed session at 6:35 p.m. to discuss the following items:

5. 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

Agenda Item 5 (continued):

- 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

- D. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation pursuant to Government Code Section 54956.9(d)(4)
Two Potential Cases

The Board ended closed session at 7:08 p.m.

President Gustafson reconvened the meeting to open session at 7:09 p.m.

6. Reportable Actions Taken during Closed Session:

President Gustafson stated that direction was given and no reportable action was taken and that they would return to closed session at the end of the meeting.

7. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

8. Oral Communications:

None.

9. Consent Calendar:

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

- A. Receive the Quarterly Financial Statements for July 1, 2015 to September 30, 2015
- B. Approve the Draft Minutes of the Regular Board Meeting of November 16, 2015

Director Shriner seconded the motion. The motion was passed.

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

10. Action Items:

- A. Discussion and Possible Action to Consider Adoption of Resolution Nos. 2015-58 through 2015-60 to Approve an Updated District Investment Policy; and Updated District Reserve Policy; and, a District Debt Management Policy:

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

Mr. Robert Porr, Fieldman Rolapp & Associates, gave a brief presentation on the proposed changes to the existing policies and the new Debt Management Policy. He reviewed the two recommended changes to the Investment Policy; the many changes to the Reserve Policy; and the completely new Debt Management Policy. The Board asked clarifying questions and made several suggested changes.

Following discussion, Director Moore made a motion to adopt of Resolution Nos. 2015-58 through 2015-60 to approve an Updated District Investment Policy; and Updated District Reserve Policy; and, a District Debt Management Policy with direction to staff to clarify the language in Section II D and IV C of the Investment Policy. Director Shriner seconded the motion. The motion was passed.

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

- B. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-61 to Authorize the General Manager to Execute a Memorandum of Understanding between Monterey Regional Water Pollution Control Agency and Marina Coast Water District for Conducting a Public Education Program for the Southern Monterey Bay Discharges Group:

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

Director Moore made a motion to adopt Resolution No. 2015-61 to authorize the General Manager to execute a Memorandum of Understanding between Monterey Regional Water Pollution Control Agency and Marina Coast Water District for conducting a Public Education Program for the Southern Monterey Bay Discharges Group. Director Shriner seconded the motion. The motion was passed.

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

C. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-53 to Approve Revisions to the Board Procedures Manual:

Following discussion, President Gustafson appointed an Ad Hoc Committee of Director Moore and Vice President Le to work together on the suggested revisions and bring this item back in January 2016 for consideration.

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

None.

12. Informational Items:

A. General Manager's Report:

1. Receive an Update on the Bureau of Land Management Building:

Mr. Van Der Maaten gave a brief update on the progress of the BLM building.

2. Receive an Update on the Developer Accounts as of September 30, 2015:

Mr. Van Der Maaten noted that an update on the developer accounts was provided in the packet.

B. Counsel's Report:

1. Receive an Update on the Board Voting Submission of an Annexation Application to LAFCO versus on Annexation Study Activities:

Mr. Roger Masuda, Legal Counsel, stated that he had prepared a memo regarding annexation and it was included in the packet.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No report.

2. Joint City District Committee:

The meeting is scheduled for Wednesday, December 16th.

3. Executive Committee:

President Gustafson stated the meeting was this Thursday.

4. Community Outreach Committee:

President Gustafson stated the meeting was this Thursday.

5. Budget and Personnel Committee:

President Gustafson stated the meeting was this Thursday.

6. MRWPCA Board Member:

Vice President Le stated that there was a special meeting scheduled for Monday, December 14th.

7. LAFCO Liaison:

No report.

8. FORA:

Vice President Le stated the meeting was this Friday.

9. WWOC:

Vice President Le stated the meeting was next week.

10. JPIA Liaison:

No report.

11. Special Districts Association Liaison:

No report.

13. Board Member Requests for Future Agenda Items:

No comments.

14. Director's Comments and Reports on Meetings:

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

President Gustafson recessed the meeting from 8:40-8:43 p.m.

The Board returned to closed session at 8:43 p.m.

5. Closed Session:

- 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 9:14 p.m.

President Gustafson reconvened the meeting to open session at 9:15 p.m.

6. Reportable Actions Taken during Closed Session:

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

15. Adjournment:

The meeting was adjourned at 9:15 p.m.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary