



Marina Coast Water District

Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
Via Zoom Teleconference
June 20, 2022

Minutes

1. Call to Order:

President Shriner called the meeting to order at 6:01 p.m. on June 20, 2022 via Zoom teleconference in Marina, California. President Shriner then proceeded with a land acknowledgement. “As Marina Coast Water District celebrates its 60th year providing publicly owned water service to its customers in Marina and the Ord Community, we acknowledge that our service area is located on the traditional lands of the Esselen people. They are known today as the Ohlone/Coastanoan-Esselen Nation. We respect their elders, past, present, and emerging, for they hold the memories, traditions, culture, and hopes of the Esselen people. We also acknowledge the government of the Ohlone/Coastanoan Esselen Nation and appreciate the spiritual role it plays today in preserving the cultural, historical and heritage beliefs of the Esselen people. We are grateful that they share their traditional lands with us.”

2. Roll Call:

Board Members Present:

Jan Shriner – President
Herbert Cortez – Vice President
Thomas P. Moore
Gail Morton
Matt Zefferman – arrived at 6:30 p.m.

Board Members Absent:

None.

Staff Members Present:

Remleh Scherzinger, General Manager
Roger Masuda, District Counsel
Kelly Cadiente, Director of Administrative Services
Derek Cray, Operations and Maintenance Manager
Patrick Breen, Water Resources Manager
Brian True, Senior Civil Engineer
Amelia Cane, Civic Spark Fellow
Teo Espero, IT Administrator
Paula Riso, Executive Assistant/Clerk to the Board

Agenda Item 2 (continued):

Audience Members:

Andy Sterbenz, Schaaf & Wheeler
Martin Rauch, Rauch Communications Consultant, Inc.
Joe Pineda, MCWD
Sarah Babcock, MCWD
Steven Gortler, Registered Municipal Investment Advisor
Nichole Flores, Marina Resident
Phil Clark, Seaside Resident
Trang Tu Nguyen, Shea Homes
Jack Gao, Shea Homes
Joe Aliotti
Marc Kelly

President Shriner commented that Item 9-A will begin promptly at 7:00 p.m. pursuant to the Public Notice that was published.

3. Action Item:

- A. Appoint a District Negotiator to Negotiate with California American Water Company Regarding an Emergency Water Transfer:

Mr. Remleh Scherzinger, General Manager, introduced this item.

Director Morton made a motion to appoint the General Manager and District Counsel as negotiators for MCWD. Director Moore seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Absent			

4. Public Comment on Closed Session Items:

There were no comments made.

The Board entered into closed session at 6:06 p.m. to discuss the following items:

5. Closed Session:

- A. Marina Coast Water District v. Trustees of the California State University, and Does 1-20; Monterey County Superior Court Case No. 21CV001296 (Verified Complaint for Declaratory and Injunctive Relief)

Agenda Item 5 (continued):

- B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch Property
Negotiating Parties: Sunberry Growers, LLC. and MCWD Negotiators (Legal Counsel and General Manager)
Under Negotiation: Price and Terms

- C. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Emergency Transfer of District Water
Negotiating Parties: California-American Water Company and MCWD Negotiator (To Be Determined in Item 3-A)
Under Negotiation: Price and Terms

Director Zefferman joined the meeting at 6:30 p.m. The Board ended closed session at 6:59 p.m. President Shriner reconvened the meeting to open session at 7:00 p.m.

6. Reportable Actions Taken During Closed Session:

President Shriner stated that there were no reportable actions taken in Closed Session.

7. Pledge of Allegiance:

Director Zefferman led everyone present in the pledge of allegiance.

8. Oral Communications:

There were no comments made.

9. Action Item:

- A. Conduct a Public Hearing: Make a Motion to Find that Adoption of the Ordinance is Exempt from the California Environmental Quality Act; Consider Waiving the Reading of Ordinance No. 62 in its Entirety; and, Consider the Second Reading and Adoption of Ordinance No. 62, Approving an Ordinance Amending Title 4, Recycled Water, of the Marina Coast Water District Code:

President Shriner opened the Public Hearing at 7:01 p.m.

Mr. Patrick Breen, Water Resources Manager, introduced this item.

Mr. Roger Masuda, District Counsel, explained why adoption of this Ordinance is exempt from the California Environmental Quality Act (CEQA), and that by adopting the Ordinance, the Board was also finding that this Ordinance is exempt from CEQA.

Agenda Item 9-A (continued):

Noting that there were no comments from the Board or the public, President Shriner closed the Public Hearing at 7:07 p.m.

Director Morton made a motion to find that this Ordinance is exempt from CEQA. Mr. Masuda commented that the motion did not need to be made separately as adopting the Ordinance makes the finding that it is exempt from CEQA. Director Morton withdrew her motion.

Director Morton made a motion to waive the reading of the entire Ordinance No. 62, amending sections 1.04.010, 4.28.010, 4.28.020, 4.28.030, and 4.28.040; and establishing sections 4.28.050, 4.28.060, 4.28.070, 4.28.080, 4.28.090, 4.28.100, 4.28.110, 4.28.120 of the District Code pertaining to Recycled Water Service. Director Moore seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

Director Moore made a motion to adopt Ordinance No. 62, which includes that the Ordinance is exempt from CEQA as stated in Section 9 of the Ordinance. Director Morton seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

10. Presentations:

A. Adopt Resolution No. 2022-24 in Recognition of Lyssa Farrell, Customer Service/Billing Technician II, for 5 Years of Service to the Marina Coast Water District:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item and praised Ms. Farrell for her excellent work at the District.

Director Moore made a motion to adopt Resolution No. 2022-24 in recognition of Lyssa Farrell, Customer Service/Billing Technician II, for 5 years of service to the Marina Coast Water District. Director Morton seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

B. Consider Adoption of Resolution No. 2022-25 in Recognition of Joe Correa and to Adjourn the Meeting in his Memory:

Mr. Derek Cray, Operations and Maintenance Manager, introduced this item and expressing the District's deep grief over the loss of Joe Correa. He then shared his thoughts and fond memories of Joe Correa.

Mr. Phil Clark, Seaside resident, shared his memories of Joe Correa and that he will not be forgotten.

Ms. Sarah Babcock, MCWD employee, shared her memories of Joe Correa and how much he will be missed and never forgotten.

Director Moore praised Joe's hard work and his dedication to the desalination plant, noting that Joe will be missed.

Director Zefferman made a motion to adopt Resolution No. 2022-25 in recognition of Joe Correa and to adjourn the meeting in his memory. Director Morton seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

11. Consent Calendar:

President Shriner stated that staff pulled item 11-A. Director Zefferman pulled items 11-I and 11-J from the Consent Calendar.

Director Moore made a motion to approve the Consent Calendar consisting of: A) Receive and File the Check Register for the Month of May 2022; B) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of May 9, 2022; C) Approve the Draft Minutes of the Regular Joint Board Meeting of May 16, 2022; D) Approve the Draft Minutes of the Special Joint Board Meeting of May 24, 2022; E) Receive an Update on the Fiscal Impacts to the District due to Covid-19; F) Adopt Resolution No. 2022-26 to Proclaim a Local Emergency, and Authorize Remote Teleconference Meetings of All District Legislative Bodies for the Following 30 Days; and G) Adopt Resolution No. 2022-27 to Approve the Third Amendment to the Loan Agreement with PNC Bank (formerly BBVA Mortgage Corporation) for Interim Financing of the Regional Urban Water Augmentation Recycled Water Pipeline and Distribution System. Director Morton seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

11. Consent Calendar (continued):

H. Adopt Resolution No. 2022-28 to Adopt the FY 2021-2022 Updates to the Investment Policy:

Ms. Cadiente introduced this item and explained that Mr. Steven Gortler, Registered Municipal Investment Advisor, would give a brief presentation on some strategies and investment plans available to the District. The Board had questions regarding U.S. Treasury securities and investing in other types of savings accounts. Mr. Scherzinger clarified that staff is only asking to update the proposed language in the policy.

Director Morton made a motion to adopt Resolution No. 2022-28 to adopt the proposed updated language only to the FY 2021-2022 Investment Policy. Director Moore seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	No
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

I. Adopt Resolution No. 2022-29 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Shea Homes, LP, for the Dunes Phase 1B Promenade Development in Marina, CA:

Director Zefferman questioned the arbitration clause and pointed out typos in Section 21.3 on page 15 of the Infrastructure Agreement where it references the subsections. He stated that this refers to Item 11-J as well.

Director Morton made a motion to:

- 1) Adopt Resolution No. 2022-29 to approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Shea Homes, LP, for the Dunes Phase 1B Promenade Development in Marina, CA; and,
- 2) Adopt Resolution No. 2022-30 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Seaside Peninsula Acquisition Group for the Seaside Resort Development in Seaside, CA.

Director Zefferman asked if the motion included correcting the typos. Director Morton answered affirmatively. Director Zefferman seconded the motion.

The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

- J. Adopt Resolution No. 2022-30 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Seaside Peninsula Acquisition Group for the Seaside Resort Development in Seaside, CA:

This item was approved under the previous motion.

12. Action Items:

- A. Receive a Climate Action Plan Presentation, Adopt Resolution No. 2022-31 for Renewable Electricity Purchase, and Appoint an Ad Hoc Climate Action Plan Committee:

Mr. Breen introduced this item explaining that the Board would first receive a presentation; then consider adopting Resolution No. 2022-31; and, finally, consider appointing an Ad Hoc Climate Action Plan Committee. He then introduced Ms. Amelia Cane, Civic Spark Fellow, who proceeded to give a brief presentation on the 2018 Local Government Operations Greenhouse Gas Emissions Baseline Inventory. The Board asked clarifying questions.

President Shriner made a motion to adopt Resolution No. 2022-31 to authorize the purchase of 3CPrime One Hundred Percent Renewable Grid Electricity for District Water & Wastewater Operations and Buildings. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

President Shriner appointed Director Moore and Director Zefferman to the Ad Hoc Climate Action Plan Committee.

- B. Adopt Resolution No. 2022-11 to Approve a Professional Services Agreement with Rauch Communication Consultants, Inc. to Provide Public Relations and Community Outreach Services to the District:

Mr. Scherzinger introduced this item explaining that Rauch Communication Consultants Inc. has addressed the concerns over their team member and replaced them with a new individual. The Board made comments and asked clarifying questions.

Director Morton made a motion to adopt Resolution No. 2022-11 to approve a Professional Services Agreement with Rauch Communication Consultants, Inc. to provide Public Relations and Community Outreach Services to the District. Director Moore seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

C. Adopt Resolution No. 2022-32 to Approve Amendment No. 1 to the General Manager's Employment Contract:

Mr. Scherzinger introduced this item noting that following negotiations on May 24, 2022, the Board and General Manager agreed on an amendment to the General Manager's contract. The contract amendments are as follows:

- Increase of Base salary to \$250,000
- Removal of Section 3.b
- Increase Car Allowance by \$150.
- Convert section 7.k Cell Phone to a monthly allowance of \$100.

Director Moore made a motion to adopt Resolution No. 2022-32 to approve Amendment No. 1 to the General Manager's Employment Contract. Vice President Cortez seconded the motion. The motion was passed by the following vote:

Director Moore	-	Yes	Vice President Cortez	-	Yes
Director Morton	-	Yes	President Shriner	-	Yes
Director Zefferman	-	Yes			

13. Informational Items:

A. General Manager's Report:

Mr. Scherzinger gave the following updates:

- 1) The District had a kick-off meeting with The Ferguson Group who has been retained to help with Federal grants.
- 2) Staff began interviews for the Director of Administrative Services and District Engineer positions.
- 3) Working with Monterey One Water and the City of Seaside to begin delivering recycled water to customers.
- 4) The District has received the sewer arrearages funds from the State and has been applying them to the affected accounts.
- 5) Water Conservation numbers are 39% below 2013 usage and year-to-date is 22% conservation.

B. Committee and Board Liaison Reports:

1. Executive Committee:

President Shriner gave a brief update.

2. Budget and Personnel Committee:

Director Morton gave a brief update.

3. Community Outreach Committee:

Director Zefferman gave a brief update noting the next meeting is July 5th.

4. M1W Board Member Liaison:

Director Moore gave a brief update noting the next meeting is June 27th.

14. Board Member Requests for Future Agenda Items:

President Shriner stated that any requests may be emailed to staff.

15. Director's Comments:

Director Moore, Director Zefferman, Director Morton, Vice President Cortez, and President Shriner made comments.

16. Adjournment:

The meeting was adjourned at 9:45 p.m.

APPROVED:



Jan Shriner, President

ATTEST:



Paula Riso, Deputy Secretary