

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
February 28, 2007
6:45 p.m.

Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:45 p.m. on February 28, 2007 after which the Board entered into closed session.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Ken Nishi – Vice President
Bill Lee
Tom Moore

Board Members Absent:

David Brown

Staff Members Present:

Marc Lucca, General Manager
Lloyd Lowrey, Legal Counsel
Andrew Sterbenz, Schaaf & Wheeler Consultant
Jeff Cattaneo, District Engineer
Suresh Prasad, Director of Finance
James Derbin, Operations Engineer
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Tom Buell, MRWPCA
Jill Anderson, City of Seaside
Paul Findley, RBF

3. Closed Session:

- A. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator
Property: Easements, Rights-of-Way, Pipelines and Appurtenances, and Water Rights
Negotiating Parties: MCWD and MRWPCA
Under Negotiation: Price and Terms

- B. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiators
Property: Pipelines and Related Appurtenances
Negotiating Parties: MCWD and California American Water
Under Negotiation: Price and Terms

President Gustafson reconvened the meeting to open session at 7:06 p.m.

4. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

5. Possible Action on Closed Session Items:

President Gustafson stated that no action was taken in closed session.

6. Oral Communications:

None.

7. Consent Calendar:

Director Moore requested to pull item A (Adopt Resolution No. 2007-20 to Approve an Amendment to the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for System Map Updating) from the consent calendar. Vice President Nishi requested to pull items C (Adopt Resolution No. 2007-22 to Approve an Amendment to an Agreement between the District and Sprint/Nextel for Use of the D/E Tank Site), D (Adopt Resolution No. 2007-23 to Approve Purchase of One Ford F150 Truck), and E (Receive Quarterly Financial Statements for October 1, 2006 to December 31, 2006) from the consent calendar.

Director Moore made a motion to approve the consent calendar consisting of item B) Adopt Resolution No. 2007-21 to Approve an Amendment to the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for Pre-Design of the A1/A2 Reservoir and B/C Booster Pump Station Project. President Gustafson seconded the motion.

Agenda Item 7 (continued):

The motion was passed.

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

- A. Adopt Resolution No. 2007-20 to Approve an Amendment to the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for System Map Updating:

Director Moore asked several clarifying questions regarding the common datum and AutoCAD standards.

Director Moore made a motion to adopt Resolution No. 2007-20 approving an amendment to the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for system map updating. President Gustafson seconded the motion. The motion was passed.

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

- C. Adopt Resolution No. 2007-22 to Approve an Amendment to an Agreement between the District and Sprint/Nextel for Use of the D/E Tank Site:

Vice President Nishi asked if there was language in the agreement which limits the number of antennae that can be placed on the tank. Mr. Marc Lucca, General Manager, answered that the agreement states up to twelve antennae can be placed installed. Vice President Nishi asked if there was additional cost if they put more antennae's on the tank. Mr. Lucca answered that the agreement says there will be a cost for each additional antennae placed on the tank. Discussion followed. Vice President Nishi stated that he would like language that stipulates a maximum number of antennae or requires additional funds for each additional antennae placed on the tank. President Moore suggested staff find out the maximum number of antennae that will fit on the tower. Vice President Nishi stated he was unclear on Sections 4(h)a and 4(h)b of the Agreement. President Gustafson asked that staff get clarification on those sections and bring it back to the Board.

President Gustafson requested this item be returned to the March 14, 2007 meeting.

D. Adopt Resolution No. 2007-23 to Approve Purchase of One Ford F150 Truck:

Vice President Nishi stated that he would like to see the District purchase a Ford Ranger which gets better gas mileage. Mr. Suresh Prasad, Director of Finance, commented that the Ford Ranger cannot handle the loads that the meter readers carry i.e. meters, meter box covers and cement. Mr. Lucca also stated that it was a safety hazard when the meter readers carried such heavy loads as the truck did not handle in a safely particularly in wet weather. Director Moore questioned if there was another vehicle that could handle the heavy load safely. Mr. Jim Dowless, Operations and Maintenance Superintendent, stated that the F150 was best suited.

Director Lee made a motion to adopt Resolution No. 2007-23 approving the purchase of one Ford F150 Truck. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	No
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

Director Moore suggested looking into a hybrid for the conservation department.

E. Receive Quarterly Financial Statements for October 1, 2006 to December 31, 2006:

Vice President Nishi asked why the water revenues dropped. Mr. Prasad answered that the water revenues are period budgeted and it is hard to determine exactly what the revenue will be. Vice President Nishi questioned what "other revenue" was comprised of on page 36. Mr. Prasad stated that is was developer reimbursements for fees such as plan check fees. Vice President Nishi questioned if capacity fee revenue was included in other revenue and if it was restricted. Mr. Prasad answered that it was separate and not included with other revenue, and that it was restricted. Vice President Nishi asked if the Schedule of Investments Summary could show an "as of" date in the Internal Loan Receivable box. Mr. Prasad stated he would add the date for the next quarterly update. Vice President Nishi questioned the payback of internal loans. Mr. Prasad responded that the Board had directed to set up a 10-year payback schedule of internal loans.

Director Moore questioned where the District Bonds were captured in the financial statements. Mr. Prasad said they were listed under Schedule of Debt Summary. Director Moore questioned activity on the bonds. Mr. Prasad answered that there has been no activity on the District side but the Trustee side has had activity of which the District gets monthly updates. Mr. Prasad stated that he could add that activity to the report if the Board desires. Director Moore answered that it would be helpful.

Agenda Item 7-E (continued):

Vice President Nishi made a motion to receive the Quarterly Financial Statements for October 1, 2006 to December 31, 2006. Director Moore seconded the motion. The motion was passed.

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

8. Action Items:

A. Reconsider District's Appointment to Special District's Association:

President Gustafson introduced this item.

Vice President Nishi made a motion to appoint Director Lee as the alternate to the SDA. President Gustafson seconded the motion. The motion was passed.

Director Moore	-	No	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

B. Consider Second Reading of Ordinance No. 44 to Establish Procedures for Issuance of Emergency Proclamations; Repeal Section 6.04.020(B) and Amend Appendix E of the District Code:

Mr. Lucca introduced this item. Director Lee asked how the District would notice a meeting in the case of an emergency. Mr. Lucca answered that Ordinance No. 44 states a meeting will be called within seven days or as soon as possible thereafter and when an emergency or special meeting is declared, only 24-hours notice needs to be given. Director Moore suggested word clarification on page 50 of the Board packet as the first sentence in Section 2.09.020(A) did not read clearly. Mr. Andrew Sterbenz, suggested changing the word "of" to "or" so the sentence would read, "...may proclaim the existence or threatened existence...".

Director Moore made a motion to adopt Ordinance No. 44 establishing procedures for issuance of Emergency Proclamations; repeal Section 6.04.020(B) and amend Appendix E of the District Code with the change noted above. Director Lee seconded the motion. The motion was passed.

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

C. Consider Adoption of Resolution No. 2007-24 to Approve a Professional Services Agreement for Implementation of Phase I of the Asset Management Program:

Mr. James Derbin, Operations Engineer, introduced this item and gave a brief presentation to the Board. Mr. Lucca explained how this program will improve operations such as routine maintenance and also include the customer service department. This program will allow customer service personnel to immediately notify Operations and Maintenance personnel of a situation and to get feedback on a more timely basis thus providing customers with up-to-the-minute information. Mr. Derbin explained that this program is run from a GIS server which will keep accurate system maps to accurately locate assets.

Director Lee asked if the laptops proposed for use in the maintenance personnel trucks could also be used for automatic meter reading. Mr. Prasad answered that staff decided to do a trial period with the asset management program before thinking of combining the two together. Director Lee questioned if allowing customers the ability to look at the information on line was a security risk. Mr. Derbin answered that customers could only see their own information and could not access any asset maps. Director Lee asked if this program would keep a log of labor hours on projects. Mr. Derbin answered that it would. Director Lee questioned if other assets i.e. buildings and their maintenance would be tracked through this program as well. Mr. Derbin answered that they would. Mr. Lucca stated that this program will help when the District is doing work for developers or contractors especially when the District has to redo things several times. It will track the hours worked and equipment used so the District can properly invoice the developers for reimbursable work. Director Lee asked if invoicing the developers for the work performed by the District would be enough to pay for the program. Mr. Lucca answered that the developers have paid about one million dollars to the District for services performed.

Director Moore asked if this program works with the GIS program that Schaaf & Wheeler will be using to update the system maps. Mr. Derbin answered that it was compatible. Director Moore inquired on the annual maintenance fee. Mr. Derbin stated that the annual maintenance fee is derived from the price of the program and is a set amount not to increase over time. Director Moore commented that he would like the Board to consider two sets of system back-up, one digital and one not. He would like to see the digital back-up sent off-site to an out-of-state repository at least once a month for safekeeping. Director Moore suggested periodically printing copies of current maps and asset data and sending those off-site for safekeeping.

Vice President Nishi asked if this system was compatible with the CCJDC. Mr. Derbin answered that the GIS data will be compatible.

Director Moore made a motion to adopt Resolution No. 2007-24 approving a Professional Services Agreement for implementation of Phase I of the Asset Management Program. President Gustafson seconded the motion.

Agenda Item 8-C (continued):

The motion was passed.

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

Vice President Nishi commented that this system is moving the District in the right direction.

D. Receive Update and Provide Comments on Monterey Bay Regional Water Solutions Task Force:

Mr. Lucca introduced this item. The Board had no additional comments to provide. Mr. Lucca asked for Board support of this item and stated that before any funds were to be expended, it would be brought before the Board. The Board gave their support.

E. Consider Approval of Dates to Conduct a 2007 Board Plan and Goals Session:

Mr. Lucca introduced this item. Following discussion, the Board selected the following Saturday's, April 14, 21, and 28 to be held from 9:00 am to 1:00 pm. Mr. Lucca confirmed that April 14th was a definite date and Director Lee would check on the other dates for his availability.

9. Informational Items:

A. General Manager's Report:

Mr. Lucca informed the Board that the next CPUC meeting is March 28, 2007. He also informed the Board that the customer service department mistakenly sent past due notices for accounts that are set up for automatic payment. Mr. Lucca added that the accounts were debited correctly, but the process was not committed into the software system to show the payments were made. He stated that a letter is ready for signature to send to the customers apologizing and explaining what happened. Mr. Lucca explained that he has asked the Director of Finance to put in writing, a program insuring that this does not happen again. Vice President Nishi asked that the Board be informed immediately if this, or any other problem, should happen again.

B. Counsel's Report:

Mr. Lowrey gave an update on a case that was adopted by the California Supreme Court regarding Water Supply Assessments (WSA). He added that, in that case, the Supreme Court found that a firm water supply had not been established past the first five years of the EIR.

Mr. Lowrey stated that the Supreme Court did not agree with the assumptions included in the water supply as being available. He opined that this Supreme Court decision upholds the District's conservative approach to WSA's.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Lee commented the meeting was scheduled for March 1, 2007.

2. Joint City-District Committee:

Mr. Lucca stated that the meeting was cancelled per the City of Marina's request.

3. MRWPCA Board Member:

Vice President Nishi stated that nothing of significance to the District was discussed at the meeting.

4. LAFCO Liaison:

Vice President Nishi stated that there was a special meeting on the City of Greenfield annexation and also stated that the previous meeting was cancelled.

5. JPIA Liaison:

Director Moore stated that the next meeting was scheduled for May 7, 2007.

6. Monterey Bay Regional Water Authority:

President Gustafson stated the MBRWA was already discussed under agenda item 8-D.

7. FORA:

Vice President Nishi stated that another special meeting on prevailing wage was held and following discussion the action was postponed again.

8. Executive Committee:

President Gustafson commented that the Committee has not yet officially met.

9. Community Outreach:

Mr. Lucca commented that the Committee met and discussed sending requests for proposals for assistance with public outreach. Once the proposals are received, staff will review them and with the Committee approval, bring them before the Board for consideration.

10. Ord Community Ad Hoc Committee:

Director Moore stated that the OCAC met on February 20, 2007 and the committee purpose was briefed by himself, Mr. Lucca and Mr. Lowrey. He added that Supervisor Jerry Smith was elected Chair with Mayor Mettee-McCutchon elected Vice Chair.

11. Special Districts Association (SDA) Liaison:

President Gustafson stated the SDA will meet in April.

D. Director's Comments:

There were no comments.

10. Planning Workshop:

A. 2006 Strategic Plan – Board Housekeeping:

Mr. Lucca introduced this item. The Board requested to discuss Duties of Directors at the April 25, 2007 meeting.

President Gustafson recessed the meeting from 8:42 until 8:49 p.m. after which the Board re-entered into closed session.

3. Closed Session:

A. Pursuant to Government Code Section 54956.8

Conference with Real Property Negotiator

Property: Easements, Rights-of-Way, Pipelines and Appurtenances, and Water Rights

Negotiating Parties: MCWD and MRWPCA

Under Negotiation: Price and Terms

B. Pursuant to Government Code Section 54956.8

Conference with Real Property Negotiators

Property: Pipelines and Related Appurtenances

Negotiating Parties: MCWD and California American Water

Under Negotiation: Price and Terms

President Gustafson reconvened the meeting to open session at 9:52 p.m.

5. Possible Action on Closed Session Items:

No action was taken in closed session.

11. Adjournment:

The meeting was adjourned at 9:52 p.m.

APPROVED:

Howard Gustafson, President

Date

ATTEST:

Marc A. Lucca, General Manager