

Marina Coast Water District

District Office
11 Reservation Road
Marina, California

Special Board Meeting
March 29, 2012
5:30 p.m.

Minutes

1. Call to Order:

President Burns called the meeting to order at 5:30 p.m. on March 29, 2012.

2. Roll Call:

Board Members Present:

Dan Burns – President
Howard Gustafson – Vice President
Jan Shriner
Kenneth K. Nishi

Board Members Absent:

Bill Lee – excused (out of state on business)

Staff Members Present:

Jim Heitzman, General Manager
Carl Niizawa, Deputy General Manager/District Engineer
Jean Premutati, Management Services Administrator
Kelly Cadiente, Director of Administrative Services
Brian True, Capital Projects Manager
James Derbin, Operations and Maintenance Superintendent
Paul Lord, Water Conservation Specialist
Patrick Breen, Project Manager
Thomas Barkhurst, Laboratory Supervisor
Paula Riso, Executive Assistant/Board Clerk

Audience Member:

Andy Sterbenz, Schaaf & Wheeler Engineering

3. Pledge of Allegiance

President Burns led everyone present in the pledge of allegiance.

4. Oral Communications:

No comments were received.

5. Budget Workshop:

- A. Receive District Draft FY 2012-2013 Budgets, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item and gave a brief presentation. The Board asked several clarifying questions.

President Burns asked staff to insert into the meter rate sheet, the amount customers are paying for meters that have fire sprinkler systems in their homes. Mr. Heitzman stated that the customers are charged by the size of their meters and staff could put a notation next to the 1” meter charge stating that this is what customers with sprinkler systems are paying for their meters.

Director Shriner asked for clarification on transferring of funds to/from reserves. Ms. Cadiente explained the reason for transferring funds to/from reserves. Director Nishi explained that the reason for multiple reserve accounts was because the State was raiding Special District’s reserve funds. He added that to keep the State from taking the District’s reserve funds, multiple accounts were created.

Director Shriner asked for clarification on CIP projects and funding for those projects. Ms. Cadiente and Mr. Heitzman explained the funding for CIP projects.

Director Nishi suggested the District look into the budget and consider getting rid of the surcharge in the future. Mr. Heitzman said that if the District raises the capacity fee, the surcharge can be removed. He said that the next rate study will include looking at the capacity fees and the surcharge.

Director Nishi commented on the water consumption tiers for Marina and Ord and noted that the first tier was comparable but the second and third tiers were way off. He asked staff to do some calculations on lowering the Ord second and third tiers to bring them closer in line with Marina. Mr. Heitzman commented that as soon as the budget is approved, the District will begin looking into a rate study so there will be plenty of time for the Board to review the rate study and ask questions before the next budget process begins.

Director Nishi commented that if an entity is outside the District, the District should think about what capacity charges should be. He doesn’t think it is appropriate to charge them the same as if they were in the District because then the existing ratepayers are subsidizing the outside entities.

Agenda Item 5-A (continued):

Mr. Heitzman stated that the rate study would look at that as well as the fire service meter charge as the Board had promised customers.

Director Nishi thanked Ms. Cadiente for a good presentation and stated that he liked the new format.

- B. Receive District Draft Five-Year Capital Improvement Projects Budget for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final CIP Budget Documents:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item. Mr. Heitzman stated that the Board is welcome to meet with the District staff to go over any questions they might have on the Capital Improvement Projects (CIP).

Director Shriner asked if the Board approved the CIP Budget were they committed to these CIP projects. Mr. Heitzman answered that the CIP budget was a wish list of things the District would like to do over the next 5 years, but the Board of Directors always has the ability to change their mind and not move forward with a project.

Director Nishi commented on the Wharf Hydrant Replacement CIP and congratulated staff on replacing all the other Wharf Hydrants in the District. He suggested an article in the next District Newsletter to inform the customers of this accomplishment and that they can notify their insurance agencies to see about a lower premium.

Mr. Heitzman commented that the District is working with the Fire Marshall because the replacement of the Wharf Hydrants could lower insurance rates for those homes affected.

Director Nishi commented that when the District puts in the new 8" pipe for the last Wharf Hydrant, they should consider leaving the old 4" pipe in the ground to save money.

Director Nishi questioned the \$20,000 cost in the landscaping project. Mr. Heitzman commented that the landscape garden has generated more interest than previously thought and asked that the Board allow staff to look into it a little deeper. He stated that he didn't think the full \$20,000 would be spent. Director Nishi agreed that it shouldn't cost \$20,000 to complete this project.

6. Director's Comments:

Director Shriner thanked staff for their hard work and answering many of her questions ahead of time.

Vice President Gustafson thanked staff for their availability and that he liked the new budget format.

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Agenda Item 6 (continued):

Director Nishi thanked staff for their hard work.

Mr. Heitzman thanked the finance staff for their hard work.

7. Adjournment:

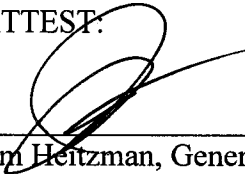
The meeting was adjourned at 6:44 p.m.

APPROVED:



Dan Burns, President

ATTEST:



Jim Heitzman, General Manager