

Marina Coast Water District

District Office
11 Reservation Road
Marina, California

Regular Board Meeting
November 13, 2012
6:00 p.m.

Accepted Minutes

1. Call to Order:

Vice President Gustafson called the meeting to order at 6:00 p.m. on November 13, 2012.

2. Roll Call:

Board Members Present:

Howard Gustafson – Vice President
Jan Shriner
Bill Lee
Kenneth K. Nishi – arrived at 6:49 p.m.

Board Members Absent:

Dan Burns – President

Staff Members Present:

Jim Heitzman, General Manager
Roger Masuda, Legal Counsel
Kelly Cadiente, Director of Administrative Services
Joe Correa, Operations and Maintenance Supervisor
Andy Sterbenz, Interim District Engineer
Patrick Breen, Project Manager
Thomas Barkhurst, Laboratory Supervisor
Peter Spiro, Associate Engineer
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Paula Kepsol	Carmelita Garcia, Pacific Grove
Pete Talbot, HDR	Erica Parker, Friends of Mark Stone, Monterey
Pam Krone-Davis, Seaside Resident	Scott Wertz, Sierra Club
Sarah James	Jason Campbell, Seaside Resident
Joey Defante	Suzanne Worchester, Ord Community Resident
Reggie James, Covenant Presbyterian Church	Beth Palmer, Monterey Downs
Joel Robbins, Covenant Presbyterian Church	Chris Mack
Andres Czerwiak, Covenant Presbyterian Church	Peter Le, Marina Resident
Mike McCullough, MRWPCA	Jane Haines, Attorney
Sid Williams, Marina Resident	Gail Morton, Marina Resident
Mike Salerno, Keep Fort Ord Wild	Sue Hawthorne, Seaside Resident
Jack Stewart, Veteran's Cemetery	Margaret Davis, Marina Resident

The Board entered into closed session at 6:00 p.m.

3. Closed Session:

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation
(Subdivision (a) of Section 54956.9)

1) Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and Complaint for Declaratory Relief)

2) In the Matter of the Application of California-American Water Company (U 210 W) for a Certificate of Public Convenience and Necessity to Construct and Operate its Coastal Water Project to Resolve the Long-Term Water Supply Deficit in its Monterey District and to Recover All Present and Future Costs in Connection Therewith in Rates, California Public Utilities Commission No. A.04-09-019

3) 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

4) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, Monterey County Superior Court Case No. M120053 (Complaint for Declaratory Relief)

B. Pursuant to Government Code Section 54956.9 (c)

Conference with Legal Counsel – Anticipated Litigation
Potential Initiation of Litigation
One Case – MCWD Claims against Monterey County and MCWRA

C. Pursuant to Government Code Section 54956.9(b)(1) and 54956.9(b)(3)(C)

Conference with Legal Counsel – Anticipated Litigation
Potential Litigation
Two Cases

1) Claims of MCWRA and Monterey County against MCWD

2) Claims of California–American Water Company against MCWD

D. Pursuant to Government Code Section 54956.9 (c)

Conference with Legal Counsel – Anticipated Litigation
Potential Initiation of Litigation
One Case

- E. Pursuant to Government Code 54957.6
Conference with Labor Negotiator
Agency Negotiator (General Manager)
Employee Organization: Marina Coast Water District Employees Association
- F. Pursuant to Government Code 54957.6
Conference with Labor Negotiator
Agency Negotiator (General Manager)
Employee Organization: Teamsters Local 890
- G. Pursuant to Government Code Section 54957
Public Employment
Title: General Manager - Consideration and Approval of Extension of General Manager
Employment Contract

The Board ended closed session at 6:32 p.m.

Vice President Gustafson reconvened the meeting to open session at 7:00 p.m.

4. Possible Action on Closed Session Items:

Mr. Roger Masuda, Legal Counsel, stated that no reportable actions were taken in closed session.

G. Consideration and Approval of Extension of General Manager Employment Contract:

Director Lee made a motion to approve the extension of the General Manager's employment contract. Vice President Gustafson seconded the motion. Director Shriner commented that the Board needs to have an evaluation prior to consideration of the approval for the extension of the General Manager's employment contract. She stated that she prefers that the Board wait until an evaluation takes place and this be tabled until the next regularly scheduled Board meeting. Director Lee commented that an evaluation was completed in May 2012 and it was found to be exemplary so he believed the previous point has already been taken care of.

Director Nishi said that it was critical of the District to extend the General Manager's contract as he is the only one who knows how to get back the \$10 million or whatever the District spent on the Regional Desalination Project and it was appropriate to keep the key person involved.

The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

Director Shriner asked to vote last. She stated that she was voting on the prevailing side so she could bring this item back for reconsideration.

5. Pledge of Allegiance

Vice President Gustafson led everyone present in the pledge of allegiance.

6. Oral Communications:

Mr. Reggie Jones, Covenant Presbyterian Church, asked if the Board would share why they didn't approve the application of a permit for use of the Imjin Office Park on October 9th and how they could move forward or have the Board revisit their request. Vice President Gustafson stated that someone who voted yes could request that the issue be discussed again. Mr. Jones asked if he could find out who voted yes on October 9th. Vice President Gustafson answered that it was public record.

Director Shriner commented that she appreciated the public participation and asked if there were any special meetings anticipated in the coming month.

Chris Mack commented that two days notice for a special meeting is quick and suspicious. He said that giving the public only two working days notice to look at the 400 page Monterey Downs Water Supply Assessment is disrespectful and incomprehensible for anyone to go through something like that. Mr. Mack asked that the Board allow the public more time to comment and bring thoughtful considerations.

7. Consent Calendar:

Director Nishi requested to pull agenda item 7-F and 7-G from the Consent Calendar.

Director Lee made a motion to approve the Consent Calendar consisting of:

- A) Adopt Resolution No. 2012-71 to Approve the 2012-2013 District Investment Policy
- B) Adopt Resolution No. 2012-72 to Approve the Final Change Orders with the Don Chapin Company for the Well 34 Site Improvements Project Including Amending the Professional Services Agreement with Schaaf & Wheeler Consulting Engineers for General Engineering Services
- C) Adopt Resolution No. 2012-73 to Approve Final Change Orders with the Don Chapin Company for the Watkins Gate Well & Pipeline Project Including Amending the Professional Service Agreements with Schaaf & Wheeler Consulting Engineers and Luhdorff & Scalmanini
- D) Adopt Resolution No. 2012-74 to Approve Change Order No. 1 to the Supervisory Control and Data Acquisition Improvements Phase 1 Project Authorizing a No-Cost Change in Scope
- E) Approve the Draft Minutes of the Regular Board Meeting of October 9, 2012

Director Shriner seconded the motion.

Agenda Item 7 (continued):

The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

F. Approve the Draft Minutes of the Special Board Meeting of October 23, 2012:

Director Nishi commented that he meant to pull items E and G, not F, so that he could abstain from voting as he was not present at the meetings.

Director Lee made a motion to approve the draft minutes of the special board meeting of October 23, 2012. Vice President Gustafson seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Abstained	President Burns	-	Absent
Director Nishi	-	Yes			

G. Approve the Draft Minutes of the Special Board Meeting of October 26, 2012:

Director Lee made a motion to approve the draft minutes of the special board meeting of October 23, 2012. Vice President Gustafson seconded the motion. The motion failed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Abstained	President Burns	-	Absent
Director Nishi	-	Abstained			

8. Action Items:

A. Consider Adoption of Resolution No. 2012-75 to Approve the District's Fraud Policy:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item explaining that the auditors requested the District have a separate fraud policy from the one in the Employee Handbook. Director Shriner asked that the Legal Counsel explain when the General Manager and/or the Board of Directors will have free and unrestricted access to all District records and premises, whether owned or rented. She asked that the policy be more explicit about where the items would go to after they are removed from the premises.

Mr. Jim Heitzman, General Manager stated that if the FBI or Police were investigating something, they would probably take the items to their headquarters. Mr. Masuda said that the General Manager or Board of Directors can't do something serendipitously; they must have some suspicion of fraudulent activities that are on-going. He added that if the General Manager or Board of Directors thinks it is significant, they should probably alert the local authorities unless they feel confident they know how to handle an investigation.

Agenda Item 8-A (continued):

Director Shriner commented that maybe it should be made explicit that Board members should not feel confident in exploring or investigating fraud accusations and that the police should be brought onboard.

Mr. Masuda asked who drafted the policy. Ms. Cadiente stated that she drafted it using a standard form provided by the Association of Certified Fraud Examiners. Director Shriner asked to see a copy of the standard form.

Director Nishi asked to table this item until the next meeting and have staff provide Legal Counsel with a copy of the standard form so he can then make sure the Director's concerns are addressed. Mr. Masuda agreed, clarifying that Director Shriner would like to see a more detailed process for investigation. Director Shriner concurred.

B. Consider Adoption of Resolution No. 2012-76 to Approve Revisions to the Water Conservation Commission Procedures and to the Board Procedures Manual Section Regarding the Water Conservation Commission:

Mr. Andy Sterbenz, Interim District Engineer, introduced this item explaining that the Board asked the Water Conservation Commission to review their charter and responsibilities. He said that over the last year the Water Conservation Commission has done so and their recommended changes are provided for consideration.

Director Nishi questioned page 58 of the Board packet under D3 where it states "A good reason for failing to attend a Commission meeting is a personal illness, a family illness or emergency, or being absent from the State with the permission required by law (in accordance with Government Code 1770). He commented that the Government Code does not include "a family illness or emergency". Mr. Sterbenz answered that language was added at the request of the Commission. Director Nishi said that if "family illness or emergency" is to be added, the reference to the Government Code needs to be removed. He added that he thought the language should be deleted. Director Nishi stated the same change should be made to section 4A on page 59 of the packet.

Director Shriner stated that the Board Procedures Manual has the language Director Nishi suggested and agreed that the language should be the same for the Commission too.

Director Nishi made a motion to adopt Resolution No. 2012-76 to approve the revisions to the Water Conservation Commission Procedures and to the Board Procedures Manual Section regarding the Water Conservation Commission as just amended. Director Shriner seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

C. Consider Adoption of Ordinance No. 55, an Ordinance Adding Chapters 6.08.090.E and 6.12.040.D to the District Code on Transfer of Water and Sewer Capacity Credit:

Mr. Sterbenz introduced this item.

Director Nishi commented that Central Marina does not have records of who owns or paid capacity charges. He said that to implement this Ordinance, the District has to be able to check records for connection charges and if they don't have the records, they only have half the solution. Director Nishi stated that he would like to see the District implement and document this information.

Director Shriner questioned who asked to have this item on the agenda. Director Nishi answered it was on the agenda because of a recent development project, the uncertainty of if they should pay fees or not, and to make sure that it is done right.

Director Shriner asked if there was an implication for capacity with the developments that the District knows of such as Cypress Knolls, East Garrison, or the Dunes. Mr. Sterbenz answered that he didn't think so, because they don't pay capacity charges until the lot is developed and they get a meter or sewer lateral. Mr. Masuda clarified that for every building they tear down in the Ord Community, they get credit for 1 EDU. Mr. Sterbenz added that the Military Housing keeps stringent records so that they don't build more buildings than they tear down, as a result they don't have to pay additional capacity charges.

Director Shriner commented that recently the Board has had several requests regarding the fire sprinkler ordinance and twice there have been variance requests for sub-metering multi-family housing and now this ordinance was on the agenda. She asked how the ordinances were prioritized and if there was preferential treatment given to some individuals. Director Nishi commented that the fire sprinkler issue was going to be addressed in the Rate Study. Director Shriner asked about the variance requests and when they would be addressed in an ordinance. Director Nishi said it was being worked on.

Director Nishi made a motion to adopt Ordinance No. 55, an Ordinance adding Chapters 6.08.090.E and 6.12.040.D to the District Code on Transfer of Water and Sewer Capacity Credit. Director Lee seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

Director Shriner stated she voted yes for the sake of reconsideration.

- D. Consider Adoption of Resolution No. 2012-77 to Authorize the General Manager to Take Any and All Actions Necessary to Provide a Conditional Commitment to the General Services Administration to Construct an Imjin Office Park Building to House the Bureau of Land Management Regional Office:

Mr. Patrick Breen, Project Manager, introduced this item.

Director Nishi congratulated staff on finding a potential customer for the Imjin Office Park property.

Director Shriner commented that she would join in enthusiastically if it was for the vacant office space the District already has in the Imjin Office Park. She asked if the District would be responsible for the \$3.2 million expense to build a new building. Mr. Heitzman responded that the lease agreement will be structured to match up with the loan so that the lease would be paying the loan payment while the District is the property owner. Director Shriner asked why they Bureau of Land Management couldn't lease the vacant office space in the FORA building. Mr. Heitzman answered that the vacant space was too small and didn't fit their needs. Mr. Masuda stated that they were looking for 8,000 square feet of office space and the vacant office space in the FORA building was only 6,000 square feet. Director Nishi stated that Mr. Jones who spoke earlier, was interested in the vacant office space.

Director Shriner voiced her concern over the expense of the building and that it is not in the Capital Projects list.

Director Nishi made a motion to adopt Resolution No. 2012-77. Director Lee seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

Director Shriner asked to vote last. She stated that she was voting on the prevailing side so she could bring this item back for reconsideration.

- E. Consider Adoption of Resolution No. 2012-78 to Approve the Water Supply Assessment for the Monterey Downs Specific Plan:

Mr. Sterbenz introduced this item explaining that the City of Seaside (Seaside) is in agreement with Monterey County (County) to prepare a specific plan for this project. He stated that this specific plan covers the Monterey Horse Park area, the California Central Coast Veterans Cemetery, and the Seaside Corporation yard. Mr. Sterbenz stated that the water demand for the project would be about 852.5 acre feet per year (afy). He said that Seaside and the County currently have existing groundwater from the 6,600 acre feet (af) within the Ord Community of about 382 af which has not been allocated to other projects.

Agenda Item 8-E (continued):

Mr. Sterbenz stated that the District has identified the demand for this specific plan as presented as 852.5 afy per year and the District has the ability to supply up to 382 afy if so allocated by the jurisdictions. He said that the District is working to develop additional water supplies for the Ord Community, and when those supplies are developed and allocated through FORA to the jurisdictions and the project, the District can then supply the rest of the specific plan for approval.

Mr. Peter Le, Marina resident, asked when the County actually transferred the water supply to Seaside and if so, where was the document. He said that if there is an assumption that the County will transfer the water, then that needs to be spelled out in the document. Mr. Le commented that if you add up all the water use for Seaside from 2003 to June 2012, between that consumption and the allocation for the Seaside Resort there is no water for this project. Mr. Le stated that on January 17, 2007, the FORA Board said that Seaside only had 47 af left to use. He said that currently the Ord Community is using less than half of the 6,600 af that is available and maybe it should be re-looked at.

Ms. Jane Haines commented that she emailed the District a 16 page letter for them to review and that she was asking the Board not to approve the report at this time because of serious errors. She stated that she had difficulty opening the document from the District website with her Macintosh computer. Ms. Haines stated that a 2007 FORA Board report and a 2012 District report contradict what is in the Water Supply Assessment (WSA). She voiced her concerns over the reports that seem to contradict each other.

Mr. Sid Williams, Marina resident, asked the Board to consider all of the allocation that Seaside has been given and have planned to use but have not yet used. He said that Seaside has the ability to maneuver their own water allocation within their jurisdiction. Mr. Williams stated that Marina Coast Water District is the purveyor of water and not a land use jurisdiction. He added that the District's responsibility is to provide the water and ensure they don't exceed their allocation.

Ms. Gail Morton, Marina resident, agreed with the comments of Jane Haines and Peter Le. She said that in the report, there is no indication there is adequate water; and, the calculation is inconsistent if the water is going to come from Seaside or the County. Ms. Morton added that there is no documentation from the County stating that they will use their water allocation for this project. She asked that the document not be approved.

Mr. Scott Waltz, Sierra Club, asked that the Board delay this matter for some of the reasons already mentioned. Mr. Waltz stated that he also had difficulty opening the document on the District website. Director Nishi asked if he had a Macintosh computer. Mr. Waltz answered that he did.

Agenda Item 8-E (continued):

Ms. Margaret Davis, Marina resident, commented that this report is lacking the huge water need for the Fort Ord National Monument. She also noted that the Veteran's Cemetery has been assigned very little water and is using gravel in its landscaping rather than lawn. Ms. Davis would like to see priorities change.

Mr. Jason Campbell, Seaside resident, asked that the Board continue this item so public can review it better. He also has a Macintosh and he was able to print it out but it was a large document and the public needs time to review it. Mr. Campbell stated that this assessment completely ignores the intent of the 1993 Agreement regarding the 6,600 af and shutting down all the Fort Ord wells. Mr. Campbell stated that Luana Conley also asked to have this item continued.

Ms. Paula Kepsol stated that under SB610, Water Code Section 10910-10915, the public water system (Marina Coast) shall respond and submit the request to the city within 90 days of the request. She said that the District can request one 30 day extension for a total of 120 days to submit the report to the city. Ms. Kepsol, said that on April 10, 2012 the District passed a resolution stating that the City of Seaside requested the WSA. She said that the report is past due and should not be postponed.

Mr. Mike Salerno, Keep Fort Ord Wild, requested that this item be continued until the December meeting. He voiced his concern over the study not addressing the capacity of the deep aquifer and it doesn't even address the District's own deep aquifer study. Mr. Salerno stated that the WSA assumes the County will give its entire supply to Seaside, but the County has never taken any action to do so.

Ms. Sue Hawthorne, Seaside resident, stated that a scholar and very learned man once said to her, "If you cannot explain this to a layperson, you, yourself don't understand it." She asked if each Board member read the document, understood it and could explain it to the citizens. Ms. Hawthorne asked how the Board can explain the discrepancies in the document strung together by many ifs. She said it would be premature to approve this tonight.

Ms. Beth Palmer, Monterey Downs, explained that SB610 under Water Code Section 10910-10915, the District has to prepare the WSA within the timeframe for the city. She said that the reason for it needs to be done right now is because under CEQA it has to be done at the outset and will be used in the preparation of the EIR. Ms. Palmer said that the Code allows looking at existing and future water supplies. She added that SB221 is for future water supplies, and says that before a tract map can be recorded, you have to have verification that all of the future uses or what was relied on in the WSA is actually in existence. Ms. Palmer explained that that is not the purpose of the document today. She said that the document is used so CEQA can go and the EIR can move forward. Ms. Palmer explained that the public can put all their comments in the EIR and it will all be verified again under SB221. Ms. Palmer reminded everyone that the document was overdue and asked that the Board approve the Resolution, submit the WSA to the City of Seaside so that they can continue to move forward with the EIR.

Agenda Item 8-E (continued):

Ms. Susan Worchester, Ord Community resident, said that she just heard about this that morning and has not had a chance to read the document. She said that the numbers don't line up and future water supplies have not been approved so how can anyone rely on them. Ms. Worchester questioned the projects in limbo and who will end up paying for those. She said that the public needs more time to review this document.

Mr. Chris Mack asked for clarification if the approval process is already three months late. Vice President Gustafson answered that it was late according to the Code. Mr. Mack asked that this item be continued and held in a larger space so that more public can participate and hear what is going on. He said that the WSA's use of projected population and the resulting reclaimed water doesn't seem correct. Mr. Mack asked that this item be delayed because the document was distributed on a holiday weekend and people did not get a chance to look at it.

Mr. Jack Stewart, Veteran's Cemetery, commented that the assumptions made on the Veteran's Cemetery use of stoneage are not true. He said that there will be some full burial sites that will be composed of composite granite in an effort to protect the water supply. Mr. Stewart said that when they started the project they didn't want to have the huge allocations of water used in regular cemeteries and as a result, the final project will use only 2 afy of water. Mr. Stewart said that the Keep Fort Ord Wild group has one thing in mind, and that is to delay the process. He said that Keep Fort Ord Wild is trying to stop four developments from moving forward and the Veteran's Cemetery is one of them. Mr. Stewart advised the Board to carry on with the process.

Director Shriner voiced her concern that there are ten people outside the Boardroom who cannot hear the proceedings and asked Mr. Boudreau, who was standing in the doorway, to see if there were any other public members interested in speaking. Mr. Boudreau answered that no one else wanted to speak.

Director Shriner said that although an informal request was posted of the project, the details have not yet been clarified. She said that the 2011 Urban Water Management Plan was based upon a 2010 FORA document, and since that time, all of the light industrial has been eliminated from this project; and 80% of the retail has been eliminated from the project. Director Shriner said that the project Water Demand Report, delivered to the District in October 2012, was made available to her today and she has not had time to read it. She said that she has not yet seen the 2004 RUWAP EIR although it is referenced in the packet. Director Shriner said that the Fort Ord Base Reuse Plan stated there is no water available. She said that she was also having difficulty accessing documents on the website. Director Shriner said that the documentation of the Seaside and County allocations are not present in the packet for review, it is a rumor. She said the specific plan for the project has not been seen. Director Shriner applauded the public participation and asked that they take time getting all the numbers and documentation together.

Agenda Item 8-E (continued):

Director Nishi asked for an explanation on the difference between a Water Supply Assessment and Written Verification of Supply. Mr. Sterbenz said that page 83 of the packet explained the differences between the WSA and WVS. Director Nishi said that he liked Ms. Palmers explanation better as it was clearer.

Ms. Palmer explained that a WSA is prepared at the outset of CEQA so it could be used to prepare the EIR. She said that the WVS is what is done to verify any future projects that were relied on in the WSA to verify they are in existence before you can record the sub-division tract map. Director Nishi reiterated that this is just to start the process. Mr. Masuda agreed that this is just the start of the CEQA process.

Director Nishi made a motion to approve Resolution No. 2012-78. Director Lee seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Yes			

She stated that she was voting on the prevailing side so she could bring this item back for reconsideration.

F. Consider Adoption of Resolution No. 2012-79 in Recognition of District Employees:

Mr. Heitzman introduced this item.

Director Nishi asked if the District contacted the Employee Assistance Program (EAP) to see if the employees wanted to be recognized. Mr. Heitzman answered that he asked the employees. Director Nishi said that he was told that they had to check with the EAP to see if the employees want to be recognized. Mr. Heitzman commented that he thought was said was that the EAP had to come to the District to give employees counseling. Director Nishi disagreed. Mr. Heitzman said that the employees asked not to be singled out and recognized. Director Nishi said that page 37 of the packet states that the EAP was to be contacted first to see if the employees want to be recognized. Mr. Heitzman answered that the first-responders specifically asked not to be recognized, have to relive the incident, and have their name made public. He said the employees do appreciate the recognition by the Board. Director Nishi said that he personally thanked the individuals involved and the other Directors should do the same.

Director Shriner made a motion to adopt Resolution No. 79. Director Lee seconded the motion. The motion was passed.

Director Lee	-	Yes	Vice President Gustafson	-	Yes
Director Shriner	-	Yes	President Burns	-	Absent
Director Nishi	-	Abstain			

Director Nishi left the meeting at 8:37 p.m.

9. Staff Reports:

A. Receive Update Regarding the Status of the Greater Monterey County Integrated Regional Water Management Plan:

Mr. Sterbenz introduced this item and explained that areas that were included in the Plan. He said the purpose for the report is to comply with Prop. 84 which is a grant program for state water projects to include stormwater, wastewater and drinking water projects.

Director Shriner commented that is there any way to make clear that the report does show Marina and Seaside growing without disturbing the integrity of the executive summary. Mr. Sterbenz answered that he could provide a hard copy or CD of the entire report for the Board. Director Shriner asked that just the page showing the population trend would be sufficient.

B. Receive a Report on the RUWAP Desalination Project Design-Build Request for Qualifications:

Mr. Sterbenz gave a brief background and listed the firms that responded to the District's Request for Qualifications. He said the list included: ARB-GHD-Valoriza Agua; Balfour Beatty-NV5-Parsons Brinkerhoff-Trussel-SWWC; IDE Technologies; Marina Water Alliance-HDR-Filanc_Acciona; PCL – Stantec-H2O Innovation –RosTek; and, Walsh-Tetra Tech-Severn Trent. Mr. Sterbenz stated that staff was beginning review of the firms and would bring several options back to the Board for consideration.

10. Informational Items:

A. General Manager's Report:

No report.

B. Counsel's Report:

No report.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Shriner commented that draft minutes were in the packet.

2. Joint City-District Committee:

Director Shriner commented that the meeting was boiler-plate.

3. Budget and Personnel Committee:

Vice President Gustafson commented that the meeting was boiler-plate.

4. Executive Committee:

Vice President Gustafson commented that they discussed the agenda.

5. Community Outreach:

Vice President Gustafson said that the newsletter was complete and being distributed.

6. MRWPCA Board Member:

No report was given.

7. FORA

Vice President Gustafson said that they discussed the FORA water assessment and the projects going on and the concerns over not being able to pass the District budget.

8. LAFCO Liaison:

No report was given.

9. JPIA Liaison:

Director Shriner commented that ACWA put in their newsletter that there was a water conservation software was available so people could see their neighbors water use.

10. Special Districts Association Liaison

Vice President Gustafson commented that he missed the meeting.

11. CalDesal:

No report was given.

11. Director's Comments:

Director Shriner said that under public comment she asked about special meetings and wanted to know if there were any special meetings anticipated between now and the December Board meeting. Vice President Gustafson answered that there weren't any that he was aware of, but if there were any, Director Shriner would be notified in the proper amount of time as required by the Brown Act.

Agenda Item 11 (continued):

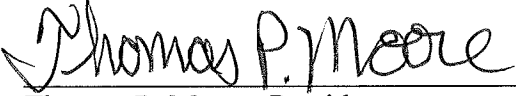
Director Lee commented that he understood Director Nishi wanting to recognize the employees, but he also understands people not wanting to be recognized.

Vice President Gustafson commented that he doesn't believe in using a WSA as a mean to stopping a development.

12. Adjournment:

The meeting was adjourned at 8:52 p.m.

APPROVED:



Thomas P. Moore, President

ATTEST:



Brian Lee, Acting General Manager