

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
March 20, 2017
6:30 p.m.

Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on March 20, 2017.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Thomas P. Moore – Vice President
Bill Lee
Jan Shriner
Herbert Cortez

Board Members Absent:

None

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, Legal Counsel
Michael Wegley, District Engineer
Jean Premutati, Human Resources/Customer Relations Manager
James Derbin, Operations and Maintenance Superintendent
Kelly Cadiente, Director of Administrative Services
Brian True, Capital Projects Manager
John Bardos, Application Analyst
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Andy Sterbenz, Schaaf & Wheeler
Phil Clark, Seaside Resident
Walter Erwin, Marina Resident
Noreen Erwin, Marina Resident
Hans-Ulrich Siebeneick, Seaside Resident
Jim Fletcher, UCP East Garrison, LLC
Michael Cady, UCP East Garrison, LLC
Andy Hunter, UCP East Garrison, LLC

3. Public Comment on Closed Session Items:

None.

The Board entered into closed session at 6:32 p.m. to discuss the following items:

4. 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) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
- 4) 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)
- 5) 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.)
- 6) 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
- 7) 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: Sewer Infrastructure

Negotiating Parties: Howard Gustafson, Thomas Moore

Under Negotiation: Price and Terms

The Board ended closed session at 7:01 p.m.

President Gustafson reconvened the meeting to open session at 7:03 p.m.

5. Reportable Actions Taken during Closed Session:

Mr. Roger Masuda, Legal Counsel, stated that with regards to Item 4. A-4, Cal Am vs Marina Coast Water District, the Board approved an appeal.

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

Mr. Phil Clark, Seaside Resident, stated that he had recently attended both the Pure Water and the Just Water forums and also a petition drive. At all three of these events, he noticed that there was one common factor, ratepayers angry with Cal Am. Mr. Clark complimented the District on the good job it was doing.

Mr. Hans-Ulrich Siebeneick, Seaside Resident, stated the Annexation of the Ord Community had been mandated and the District has done nothing to address it.

8. Presentation:

- A. Consider Adoption of Resolution No. 2017-13 in Recognition of Grace Silva-Santella, Public Member, for her Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission:

Vice President Moore made a motion to adopt Resolution No. 2017-13 recognizing Grace Silva-Santella for her service to the Marina Coast Water District as a member on the Water Conservation Commission. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

President Gustafson read the narration.

- B. Consider Adoption of Resolution No. 2017-14 In Recognition of Patrick Breen, Project Manager, for 5 Years of Service to the Marina Coast Water District:

This item was pulled from the agenda.

9. Consent Calendar:

Director Shriner made a motion to approve the Consent Calendar consisting of A) Receive and File the Check Register for the Month of February 2017; B) Approve the Draft Minutes of the Regular Board Meeting of February 21, 2017; C) Approve the Draft Minutes of the Regular Board Meeting of March 6, 2017; D) Adopt Resolution No. 2017-15 to Approve the Updated District Expense Reimbursement and Travel Policy; and, E) Approve the Revised Regular Board Meeting Dates for 2017. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

Director Shriner confirmed that her motion did include the June 26th date correction on the handout for the Board meeting dates.

10. Action Items:

A. Consider Appointing Public Members to Fill the Vacancies on the Water Conservation Commission:

Ms. Jean Premutati, Human Resources/Customer Relations Manager, introduced this item.

Vice President Moore made a motion to appoint the two applicants to the two vacancies on the Water Conservation Commission with Mr. Erwin filling the position ending in August 2018 and Mr. Montgomery filling the position that ends in August 2017. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

B. Consider Adoption of Resolution No. 2017-16 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District, UPC East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 Development Project:

Mr. Brian True, Capital Projects Manager, introduced this item and proposed the Board approve a slightly amended agreement with the Exhibit E modified by removing Sewer and Water Capacity Charges. Mr. Jim Fletcher, UCP East Garrison, LLC, explained the process that they are going through with this project and explained the funding reimbursement agreement with the Community Facilities District (CFD). He asked that the CFD language remain in the agreement. Discussion followed.

Agenda Item 10-B (continued):

Vice President Moore made several suggested amendments to the agreement:

- a. Page 13, Section 21.1 – add CFD name and address
- b. Page 13, end of Section 19 – add CFD initials
- c. Page 6, Section 6.2 – Last sentence to read, “Developer, or its successors or assignees agree that the District-established cost ~~will be consistent with or less than the cost for potable water and~~ of recycled water will be paid by the recycled water customers.”
- d. Page 6, Section 5.1 – delete the highlighted section (last 3 sentences)
- e. Page 6, Section 4.1 – third sentence to read, “The Developer shall pay the ~~prepayment~~ of applicable meter fees and Capacity Charges, cross connection charges, and all other applicable fees and charges for service on the former Fort Ord (or County, as the case may be) in accordance with the schedule established by the District.”
- f. Exhibit E – delete Sewer Capacity Charges and Water Capacity Charges

Vice President Moore made a motion to adopt Resolution No. 2017-16 to approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District, UPC East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 Development Project, as amended. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

- C. Consider Adoption of Resolution No. 2017-17 to Consider Approval of an Agreement with Stanford University to Acquire, Process, Interpret and Present a Final Report of an Airborne Electromagnetic Survey to Map the Distribution of Salt and Freshwater in the Northern Salinas Valley:

Mr. Keith Van Der Maaten, General Manager, introduced this item and explained the proposed project.

Vice President Moore inquired if he should recuse himself from the dais because he had received his Master’s degree from Stanford and if that represented a conflict of interest. Mr. Masuda said it was not a conflict of interest and Vice President Moore could remain on the dais.

Director Cortez made a motion to adopt Resolution No. 2017-17 to approve an Agreement with Stanford University to acquire, process, interpret and present a Final Report of an Airborne Electromagnetic Survey to map the distribution of salt and freshwater in the northern Salinas Valley. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

- D. Consider Adoption of Resolution No. 2017-18 to Pledge Revenues and Funds for Repayment of Financing of the Planning, Design, and Construction of the Regional Urban Water Augmentation Project from the State Water Resources Control Board and Replace Resolution No. 2017-03:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item. The Board asked clarifying questions.

Director Lee made a motion to appoint adopt Resolution No. 2017-18 to pledge revenues and funds for repayment of financing of the planning, design, and construction of the Regional Urban Water Augmentation Project from the State Water Resources Control Board and replace Resolution No. 2017-03. Vice President Moore seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

- E. Consider Adoption of Resolution No. 2017-19 to Approve the District Technology Plan Appendix for FY 2017-2018:

Ms. Cadiente introduced this item. Vice President Moore suggested annual cyber security training for employees.

Vice President Moore made a motion to appoint adopt Resolution No. 2017-19 to approve the District Technology Plan Appendix for FY 2017-2018. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Yes			

- F. Consider Providing Direction Regarding the Call for Nominations to Seat C of the California Special Districts Association Coastal Network:

The Board took no action on this item.

- G. Consider Adoption of Resolution Nos. 2017-20 and 2017-21 to Concur in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority:

Vice President Moore made a motion to appoint adopt Resolution Nos. 2017-20 and 2017-21 to Concur in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority, both Kathleen J. Tiegs of the Cucamonga Valley Water District, and Melody McDonald of the San Bernardino Valley Water Conservation District. Director Lee seconded the motion. The motion was passed.

Agenda Item 10-G (continued):

Director Shriner	-	Yes	Vice President Moore	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	Abstained			

11. Workshop:

- A. Receive Presentation on Draft District FY 2017-2018 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents:

Ms. Cadiante introduced this item and reviewed the proposed changes in the budget. The Board asked clarifying questions and made suggested changes to the bar graphs, but made no changes to the draft budget. Mr. Siebeneick questioned why the Ord Community rates were 50% higher than Central Marina. Mr. Van Der Maaten stated that he would meet with Mr. Siebeneick after the meeting to explain.

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

Mr. Michael Wegley, District Engineer, introduced this item. The Board asked clarifying questions and Vice President Moore suggested adding the word "parallel" to the project description of Project OW206.

12. Staff Report:

- A. Receive an Update on the Emergency Water Main Work at Beach Road and Del Monte Avenue:

Mr. Wegley provided the Board with an update on the completed emergency work on the water main at Beach Road and Del Monte Avenue.

13. Informational Items:

- A. General Manager's Report:

Mr. Van Der Maaten informed the Board that two District employees recently went out of their way to help people in need of assistance. One helped a man who had crashed his bicycle and was hurt on the side of the road, and the other found a small child wandering alone early in the morning and stayed with him until help arrived. The Board was very appreciative of the outstanding human compassion shown by District employees.

B. Counsel's Report:

No report.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Shriner gave a brief update.

2. Joint City District Committee:

Vice President Moore gave a brief update.

3. Executive Committee:

Vice President Moore gave a brief update.

4. Community Outreach Committee:

Vice President Moore gave a brief update.

5. Budget and Personnel Committee:

Director Cortez gave a brief update.

6. MRWPCA Board Member:

Vice President Moore gave a brief update.

7. LAFCO Liaison:

Director Cortez stated that he would be attending the next meeting on March 27th.

8. FORA:

Vice President Moore gave a brief update and noted the next meeting is scheduled for April 14th.

9. WWOC:

Mr. Van Der Maaten stated the next meeting is April 12th.

10. JPIA Liaison:

Director Shriner gave an update.

11. Special Districts Association Liaison:

Vice President Moore noted the next meeting is scheduled for April 18th.

14. Board Member Requests for Future Agenda Items:

President Gustafson noted that any requests could be emailed to staff.

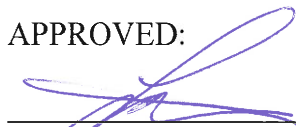
15. Director's Comments:

Director Shriner, Director Cortez, Vice President Moore, and President Gustafson made comments.

16. Adjournment:

The meeting was adjourned at 9:02 p.m.

APPROVED:



Howard Gustafson, President

ATTEST:



Paula Riso, Deputy Secretary