



Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
June 26, 2017

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:33 p.m. on June 26, 2017 at the Marina Council Chambers, 211 Hillcrest Avenue, Marina, California.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Bill Lee
Jan Shriner – arrived at 6:38 p.m.
Herbert Cortez

Board Members Absent:

Thomas P. Moore – Vice President

Staff Members Present:

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

Audience Members:

Joe Correa, MCWD
Dario DiMaggio, Marina Property Owner
Phil Clark, Seaside Resident
Ashley Quackenbush, Denise Duffy & Associates
Andrew Sterbenz, Schaaf & Wheeler
Paula Pelot, Marina Resident

Kurt Gonzales, MCWD
Warren Foster, MCWD
Rene Magdaleno, MCWD
Joe Pineda, MCWD
Richard Green, MCWD

3. Public Comment on Closed Session Items:

None.

The Board entered into closed session at 6:34 p.m. to discuss the following item:

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

- C. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline, Recycled Water
Agency Negotiators: Howard Gustafson, Thomas Moore
Negotiating parties: MRWPCA and MCWD
Under Negotiation: Price and Terms

- D. Pursuant to Government Code 54956.9 (d)(2)
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation – One Potential Case

- E. Pursuant to Government Code 54956.9 (d)(4)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation – One Potential Case

The Board ended closed session at 7:03 p.m.

President Gustafson reconvened the meeting to open session at 7:04 p.m.

5. Reportable Actions Taken during Closed Session:

President Gustafson stated that no reportable action was taken and direction was given.

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

Ms. Paula Pelot, Marina resident, commented that she was disappointed with FORA for not allowing Vice President Moore to share his presentation at their meeting and for not approving an endorsement letter for MCWD to be exclusive GSA for the Ord Community.

8. Presentation:

- A. Consider Adoption of Resolution No. 2017-35 in Recognition of Joe Correa, Operations and Maintenance Supervisor, for 25 Years of Service to the Marina Coast Water District:

Director Cortez made a motion to adopt Resolution No. 2017-35 recognizing Joe Correa for 25 years of service to the Marina Coast Water District. Director Shriner seconded the motion. The motion was passed.

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

9. Consent Calendar:

Director Lee made a motion to approve the Consent Calendar consisting of A) Receive and File the Check Register for the Month of May 2017; B) Receive the Quarterly Financials for January 1, 2017 to March 31, 2017; C) Approve the Draft Minutes of the Regular Board Meeting of May 15, 2017; D) Approve the Draft Minutes of the Joint Board/GSA Meeting of June 5, 2017; E) Adopt Resolution No. 2017-36 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education program; and F) Adopt Resolution No. 2017-37 to Approve the Proposed Modifications to the Clothes Washer Rebate Tiers. Director Shriner seconded the motion. The motion was passed.

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

10. Action Items:

- A. Consider a Revised Variance Request for the Property of 3055 Zanetta Drive, Marina, Regarding Installation of a Backflow Device:

Mr. James Derbin, Operations and Maintenance Superintendent, introduced this item.

Mr. Dario DiMaggio, Marina property owner, explained the situation with his property and voiced his concerns over complying with the backflow requirements. Mr. Keith Van Der Maaten, General Manager, stated that the State Water Resources Division of Drinking Water requires backflow devices to protect the quality of the water, and the District has had this requirement in place for a long time. The Board asked clarifying questions.

Director Cortez made a motion to approve the staff recommendation of denying the Variance request for 3055 Zanetta Drive, Marina. Director Shriner seconded the motion. The motion was passed.

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

- B. Consider Adoption of Resolution No. 2017-38 to Approve Amendment No. 17 to the On-Call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services to Complete the East Garrison Phase 1 and Commence the East Garrison Phase 3 Development Projects:

Mr. Michael Wegley, District Engineer, introduced this item. He explained that this contract would complete Phase 1 and begin Phase 3 until a Request for Proposals for Construction Inspection and Support is completed and brought to the Board for consideration.

Agenda Item 10-B (continued):

Director Lee made a motion to adopt Resolution No. 2017-38 to approve Amendment No. 17 to the on-call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services to complete the East Garrison Phase 1 and commence the East Garrison Phase 3 development projects. Director Cortez seconded the motion. Director Shriner asked that Harris & Associates possibly attend a meeting so they can be asked to take caution in exceeding the approved contract amount. The motion was passed.

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

C. Consider Adoption of Resolution No. 2017-39 to Approve a New Professional Services Agreement with Runyon, Saltzman and Einhorn, Inc. to Provide Public Relations and Community Outreach Services to the District:

Ms. Jean Premutati, Human Resources/Customer Relations Manager, introduced this item. The Board commented on the scope of work and requested that Runyon, Saltzman and Einhorn, Inc. attend a meeting so that the Board can ask more detailed questions.

Director Shriner made a motion to adopt Resolution No. 2017-39 to approve a new Professional Services Agreement with Runyon, Saltzman and Einhorn, Inc. to provide public relations and community outreach services to the District. Director Lee seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Moore	-	Absent
Director Lee	-	Yes	President Gustafson	-	Yes
Director Cortez	-	No			

D. Consider Adoption of Resolution No. 2017-40 to Approve a Professional Services Agreement with Koff & Associates to Perform a Classification & Compensation Study:

Ms. Premutati introduced this item. Director Shriner asked clarifying questions.

Director Shriner made a motion to adopt Resolution No. 2017-40 to approve a Professional Services Agreement with Koff & Associates to Perform a Classification & Compensation Study with a review of the proposed comparator agencies and brought back before the Board. Director Cortez seconded the motion. The motion was passed.

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

E. Consider Adoption of Resolution No. 2017-41 to Approve a Professional Services Agreement to Provide a Five-Year Financial Plan and Rate Study to the District:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item.

Ms. Paula Pelot, Marina resident, questioned how many times Carollo & Associates has performed the rate study and encouraged the Board to consider looking into cost allocations of administrative overhead and the methodology involved. She added that sometimes you need a fresh look into the methodology. Ms. Cadiente stated that the cost allocation was not included in the Carollo contract last time and the cost allocation method used was an approved legal method. She added that the cost allocation is included in this study and Carollo will look into the current methodology and if there is a better methodology. Ms. Cadiente noted that the District had contracted with Carollo one other time for a rate study.

Director Lee made a motion to adopt Resolution No. 2017-41 to approve a Professional Services Agreement with Carollo & Associates to provide a five-year Financial Plan and Rate Study to the District. Director Cortez seconded the motion. The motion was passed.

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

F. Consider Adoption of Resolution No. 2017-42 for Placing a Board Member in Nomination as a Member of the Association of California Water Agencies Region 5:

The Board took no action on this item.

G. Consider Amending the Appointment of Negotiators to the Groundwater Sustainability Agency Coordination Discussions:

President Gustafson stated this item has been tabled.

H. Consider Modifying the Proposed Jurisdictional Annexation and Sphere of Influence Boundaries of the District as Part of the Annexation Process IS/MND Update and Provide Direction on Future Annexation Requests:

Mr. Wegley introduced this item and shared a brief PowerPoint presentation noting the areas proposed for annexation, including the “island” of Ione Olsen School and Marina United Methodist Church, and whether to process requests to be annexed into the District. Ms. Pelot asked for clarification on the maps and what areas are developed, undeveloped and what is included in the annexation. Mr. Wegley explained the areas on the map. The Board asked clarifying questions. Mr. Van Der Maaten stated that staff is requesting the Board take three actions: 1) to modify the proposed boundaries to make the undeveloped area in the south a future study area instead of a Sphere of Influence; 2) to annex the Ione Olsen School, Marina United Methodist Church “island”; and, 3) to receive direction whether to process new requests for annexation as the District moves forward or hold them and bring them back later.

Director Lee made a motion to modify the proposed boundaries to make the undeveloped area in the south a future study area instead of a Sphere of Influence. Director Cortez seconded the motion. The motion was passed.

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

Director Lee made a motion to annex the Ione Olsen School, Marina United Methodist Church “island”. Director Cortez seconded the motion. The motion was passed.

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

Director Lee made a motion to process the University of California Santa Cruz’s request for annexation to the District and review others as they come forward. Director Shriner seconded the motion. The motion was passed.

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

11. Staff Reports:

- A. Receive a Report on an Emergency Procurement for a 15 Inch Sewer Main Replacement at Fifth Street and First Avenue in Marina, CA:

Mr. Wegley introduced this item explaining the emergency repair of the sewer main at Fifth Street and First Avenue and showed a picture of the damaged sewer main. He explained that this repair was just for a portion of the sewer main and if development occurs in that area, the developer will be replacing the entire main.

- B. Receive the Developer Account Quarterly Report as of March 31, 2017:

Mr. Wegley introduced this item explaining that staff is working on getting the business process in place within the District’s programs. He added that staff has been working closely with the City of Marina and there is now a place on their permit forms for the District to sign-off that the work is complete. Director Shriner questioned the fees owed by Del Rey Oaks.

12. Informational Items:

- A. General Manager’s Report:

Mr. Van Der Maaten noted that the initial results from the AEM/Rosemary Knight study are in and the amount of information is incredible. He added that staff is anticipating sharing the results at the August 7th Board/GSA meeting.

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:

Director Shriner stated the next meeting is scheduled for June 28th.

3. Executive Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for July 24th.

4. Community Outreach Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for July 24th.

5. Budget and Personnel Committee:

President Gustafson stated the meeting was boiler-plate and noted the next meeting is scheduled for July 24th.

6. MRWPCA Board Member:

No report.

7. LAFCO Liaison:

No report.

8. FORA:

Director Shriner gave a brief update.

9. WWOC:

Mr. Van Der Maaten stated the next meeting is August 16th.

10. JPIA Liaison:

Director Shriner gave an update.

11. Special Districts Association Liaison:

President Gustafson noted the next meeting is July 18th.

13. Board Member Requests for Future Agenda Items:

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

14. Director's Comments:

Director Shriner, Director Lee, Director Cortez, and President Gustafson made comments.

15. Adjournment:

The meeting was adjourned at 8:25 p.m.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary