



Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
Rate Study Workshop #3
December 4, 2017

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on December 4, 2017 at the District office, 11 Reservation Road, Marina, California.

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
Kelly Cadiente, Director of Administrative Services
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Pierce Rossum, Carollo Engineers
Andrew Sterbenz, Schaaf & Wheeler
Ashley Quackenbush, Denise Duffy & Associates
Doug Yount, Shea Homes
Rick Riedl, City of Seaside

3. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

4. Oral Communications:

None.

5. Workshop:

A. Rate Study Workshop #3:

Ms. Kelly Cadiente, Director of Administrative Services, introduced Mr. Pierce Rossum, Carollo Engineers. Mr. Rossum stated that this presentation was going to focus on: Financial Outlook and Challenges; Financial Planning Scenarios; and, Rate Structure Recommendations. Mr. Rossum stated that the previous forecast of building up reserves didn't materialize, in part due to conservation and the drought. He stated that all four systems have significant increases in capital funding needs forecasted in the next five years. Mr. Rossum went over proposed financial scenarios – Immediate, Balanced, and Extended and explained the pros and cons of each. He reviewed the potential customer impact of the three scenarios. The Board asked clarifying questions. For the Rate Structure Recommendations, Mr. Rossum proposed moving to a two-tier rate structure as opposed to continuing the three-tier structure. There was discussion on where to set fixed rates. The Board suggested adding a drought trigger to the rate study so that if another long drought hits the area, the District can consider declaring a drought increase if needed. The Board agreed that the drought rate would be included in the fixed rate.

Mr. Rossum recapped that the financial scenarios the Board preferred were the balanced scenario and he would also bring back a balanced and immediate option for Ord water, and the immediate option for Marina sewer.

6. Action Item:

A. Receive Comments on the Administrative Draft of the Ord Community Annexation Draft Initial Study:

Mr. Michael Wegley, District Engineer, introduced this item stating that it had been carried over from the last meeting to allow additional comments. Mr. Wegley said that the study had been reviewed by staff and LAFCO and there were some corrections/edits that had been proposed. Mr. Doug Yount, Shea Homes, asked if the Public Hearing was going to be held on January 22, 2018. Mr. Wegley confirmed that it was.

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7. Director's Comments:

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

8. Adjournment:

The meeting was adjourned at 7:55 p.m. in honor of Butch Fernandez who passed away in November.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary