

Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue
Marina, California

Regular Board Meeting
June 15, 2015
6:30 p.m.

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:30 p.m. on June 15, 2015.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Peter Le – Vice President
Bill Lee
Tom Moore
Jan Shriner

Board Members Absent:

None

Staff Members Present:

Bill Kocher, Interim General Manager
Roger Masuda, Legal Counsel
Andrew Sterbenz, Interim District Engineer
Michael Wegley, District Engineer
Jean Premutati, Management Services Administrator
Kelly Cadiante, Director of Administrative Services
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

None.

3. Public Comment on Closed Session Items:

No comments.

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

4. Closed Session:

- A. Pursuant to Government Code 54957
Public Employee Appointment
Title: General Manager

- B. 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, 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) 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)

 - 4) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CGC-13-528312 (Petition for Writ of Mandate)

 - 5) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), case number pending (Petition for Writ of Mandate)

- C. Pursuant to Government Code 54957.6
Conference with Labor Negotiators
Agency Negotiators (Bill Kocher, Peter Le)
Employee Organization: Marina Coast Water District Employees Association

- D. Pursuant to Government Code 54957.6
Conference with Labor Negotiators
Agency Negotiators (Bill Kocher, Peter Le)
Employee Organization: Teamsters Local 890

- E. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline, Recycled Water
Agency Negotiators: Peter Le and Howard Gustafson
Negotiating parties: MRWPCA, MCWRA, MPWMD, City of Salinas, and others
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:

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

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

Return to Item 5-A.

5. Reportable Actions Taken during Closed Session:

A. Adopt Resolution No. 2015-24 to Approve the Employment Contract for the General Manager Position:

Director Moore made a motion to Adopt Resolution No. 2015-24 to approve the employment contract for the General Manager Position. Director Lee seconded the motion. The motion was approved.

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

7. Oral Communications:

No comments.

8. Consent Calendar:

Director Shriner requested to pull Item 8-D from the Consent Calendar. Vice President Le requested to pull Items A and B from the Consent Calendar.

Director Moore made a motion to approve the Consent Calendar consisting of the following items:

- C. Receive and File the Check Register for the Month of May 2015
- E. Approve the Draft Minutes of the Special Board Meeting of June 4, 2015

Director Shriner seconded the motion.

Consent Calendar (continued):

The motion was passed.

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

- A. Adopt Resolution No. 2015-26 to Allow Tax Deferred Member-Paid Contributions – IRC 414(h)(2) Employer Pick-Up to the California Public Employees Retirement System:

Director Moore made to adopt Resolution No. 2015-26 to allow Tax Deferred Member-Paid Contributions – IRC 414(h)(2) Employer Pick-Up to the California Public Employees Retirement System. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	No
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

- B. Adopt Resolution No. 2015-27 to Approve a Professional Services Agreement with Monterey Bay Technologies to Provide Information Technology Support Services to the District for FY 2015-2016:

Following discussion, Director Moore made a motion to approve a Professional Services Agreement with Monterey Bay Technologies to provide Information Technology Support Services to the District for one year. Director Shriner seconded the motion.

Vice President Le made a substitute motion to approve a Professional Services Agreement with Monterey Bay Technologies to provide Information Technology (IT) Support Services to the District for one year and to direct staff to issue a Request for Proposals for IT Services by November 2015. President Gustafson seconded the motion. The motion was passed.

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

- D. Approve the Draft Minutes of the Regular Board Meeting of June 1, 2015:

Following discussion Director Moore made a motion to approve the draft minutes of the regular Board meeting of June 1, 2015 as written. President Gustafson seconded the motion.

Director Shriner made a substitute motion to accept the minutes as written and pull item 9-A from the agenda. The motion died for lack of a second.

The original motion was passed.

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

9. Action Items:

A. Discussion and Possible Action to Edit and Authorize the Interim General Manager to Submit a Comment Letter on the Monterey Downs EIR:

Mr. Bill Kocher, Interim General Manager, noted that since the June 1st minutes stated that the Board gave him the authority to submit the letter with Director's comments, he would do so.

B. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-28 to Authorize a Contract to Provide Annual Audit Services to the District:

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

Director Moore made a motion to adopt Resolution No. 2015-28 to authorize a contract with The Pun Group to provide annual audit services to the District. The motion died for lack of a second.

Vice President Le made a substitute motion to adopt Resolution No. 2015-28 to authorize a contract with Charles Fedak & Company to provide annual audit services to the District. President Gustafson seconded the motion.

Director Shriner made a substitute motion to adopt Resolution No. 2015-28 to authorize a contract with Moss, Levy & Hartzheim, LLP. to provide annual audit services to the District. The motion died for lack of a second.

Director Moore made a substitute motion to adopt Resolution No. 2015-28 to authorize a contract with The Pun Group to provide annual audit services to the District. Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	No
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Yes			

C. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-29 to Approve the Marina Coast Water District Budget for FY 2015-2016:

Following discussion, Director Moore suggested tabling this item.

Agenda Item 9-C (continued):

Vice President Le made a motion to adopt Resolution No. 2015-29 to approve the Marina Coast Water District budget for FY 2015-2016 as follows:

1. Adopt Central Marina Budget
2. Adopt Ord Budget with the following:
 - a. Authorize the GM to draft a letter with review of District Counsel to start mediation process in accordance with the agreement
 - b. Freeze the \$470k RUWAP Desal account line item until it is resolved
 - c. Adopt the 9% rate increase with the restriction not to use it for litigation
 - d. Prohibit all District staff, District Counsel, consultants, and Special Attorney's not to work on recycled water or the recycled project until authorized by the Board at a later date.

Following discussion, Vice President Le Modified 2.a of his motion to include:

Modified to meet the time limits (2 weeks) as specified in the agreement, in the meantime, authorize the Interim General Manager to contact the FORA Board to get their exact motion language.

President Gustafson seconded the motion. The motion was passed.

Director Shriner	-	No	Vice President Le	-	Yes
Director Moore	-	No	President Gustafson	-	Yes
Director Lee	-	Yes			

- D. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-30 to Approve the District Five-Year Capital Improvement Projects Budget:

Mr. Andy Sterbenz, Interim District Engineer, introduced this item.

Vice President Le made a motion to adopt Resolution No. 2015-30 to approve the District Five-Year Capital Improvement Projects Budget freezing the RUWAP Desal Project and Recycled Water Project until authorization at a later date by the Board. President Gustafson seconded the motion. The motion was passed.

Director Shriner	-	No	Vice President Le	-	Yes
Director Moore	-	No	President Gustafson	-	Yes
Director Lee	-	Yes			

- E. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-31 to Approve a Contract with Inland Potable Services, Inc. for Water Tank Cleaning Services:

Mr. Sterbenz introduced this item.

Agenda Item 9-E (continued):

Vice President Le made a motion to adopt Resolution No. 2015-31 to approve a contract with Inland Potable Services, Inc. for Water Tank Cleaning Services. Director Moore seconded the motion. The motion was passed.

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

10. Informational Items:

A. General Manager's Report:

Mr. Kocher introduced the District's new District Engineer, Mr. Mike Wegley.

B. Counsel's Report:

Mr. Masuda commented that he finished his review of the approved Board Procedures Manual.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Le gave a brief update.

2. Joint City District Committee:

Vice President Le stated that it was scheduled for June 24th.

3. Executive Committee:

No meeting was held.

4. Community Outreach Committee:

No meeting was held.

5. Budget and Personnel Committee:

No meeting was held.

6. MRWPCA Board Member:

Vice President Le noted that the next meeting was June 29th.

7. LAFCO Liaison:

Vice President Le noted that the next meeting was June 22nd.

8. FORA:

President Gustafson noted that the budget was passed.

9. WWOC:

Vice President Le stated there was no meeting.

10. JPIA Liaison:

Director Shriner stated that there was no report.

11. Special Districts Association Liaison:

President Gustafson stated the next meeting was in July.

12. Director's Comments:

Director Moore and Director Shriner made comments. Vice President Le gave an update on his attendance at the AWWA Conference.

President Gustafson noted that there would be a special meeting on June 29, 2015 at 6:30 p.m.

13. Adjournment:

The meeting was adjourned at 8:01 p.m.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary