



Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
March 19, 2018

Draft Minutes

1. Call to Order:

President Moore called the meeting to order at 6:30 p.m. on March 19, 2018 at the Marina Council Chambers, 211 Hillcrest Avenue, Marina, California.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None

Staff Members Present:

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

Audience Members:

Andrew Sterbenz, Schaaf & Wheeler
Philip Clark, Seaside Resident
Rick De la Cruz, City of Seaside Developer
Dana Cleary, CHISPA
Lloyd Lowrey, CHISPA Legal Counsel
Paul Tran, CHISPA

Andy Hunter, Woodson Engineers
Alfred Diaz-Infante, CHISPA President

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 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); First Appellate District Court of Appeals Case No. A145604, A146166, A146405
- 5) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency; and, California-American Water Company, Monterey County Water Resources Agency vs Marina Coast Water District, San Francisco Superior Court Case Nos. CGC-15-547125, CGC-15-546632 (Complaint for Breach of Warranties, etc.)
- 6) 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 54956.9 (d)(2)
Conference with Legal Counsel – Anticipated Litigation
Significant exposure to Litigation – One Potential Case

The Board ended closed session at 6:58 p.m.

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

5. Reportable Actions Taken during Closed Session:

Mr. Roger Masuda, Legal Counsel, stated that there were no reportable actions taken during Closed Session.

6. Pledge of Allegiance:

Director Cortez led everyone present in the pledge of allegiance.

7. Oral Communications:

None.

8. Consent Calendar:

Director Gustafson made a motion to approve the Consent Calendar consisting of: A) Receive and File the Check Register for the Month of February 2018; B) Approve the Draft Minutes of the Joint Board/GSA Meeting of February 20, 2018; C) Approve the Draft Minutes of the Special Board Meeting of March 5, 2018; and, D) Adopt Resolution No. 2018-15 to Approve a Change in Vendors for the Life and Accidental Death and Dismemberment Insurance and Short-Term and Long-Term Disability Benefits for District Employees. Director Lee seconded the motion. The motion was passed.

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

9. Action Items:

- A. Consider Adoption of Resolution No. 2018-16 Regarding a Variance to the Application of MCWD Water Code Section 3.36.030.W.2.a for the Junsay Oaks Development Project and Consider Adoption of Resolution No. 2018-17 to Modify the Infrastructure Agreement Between MCWD and CHISPA in Order to Implement the Variance Request:

Mr. Michael Wegley, District Engineer, introduced this item and explained the variance request and how the project's distinguishing characteristics make it unique from other multi-family projects.

Agenda Item 9-A (continued):

Mr. Wegley explained that there would be an Implementing Agreement that would be part of the Infrastructure Agreement, and this Implementing Agreement would have a future performance assured by a License Agreement. He said that under the License Agreement, CHISPA would own and maintain the sub-meters; be responsible for reporting sub-meter usage monthly; perform water conservation actions; and, test the sub-meters annually. The Board asked clarifying questions.

Mr. Alfred Diaz-Infante, CHISPA President, thanked the Board for bringing this back and thanked staff for the additional work they did to help with this variance. He stated that the rents are set by HUD and they have an affordability contract for 55 years so no one will profit from this project. Mr. Diaz-Infante added that all savings would remain with the property.

Mr. Andy Hunter, Woodson Engineers, stated that they used similar housing to compare water usage.

President Moore suggested adding language to Section 2.1 of the License Agreement regarding CHISPA providing an annual report of the savings and how those were returned to the Junsay Oaks tenants.

Vice President Shriner made a motion to adopt Resolution No. 2018-16 to approve the variance request to the application of MCWD Water Code Section 3.36.030.W.2.a for the Junsay Oaks Development Project. Director Cortez seconded the motion. The motion was passed.

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

Vice President Shriner made a motion to adopt Resolution No. 2018-17 to modify the Infrastructure Agreement between MCWD and CHISPA in order to implement the variance request, and add language to Section 2.1 of the License Agreement regarding an annual report of savings, pending legal counsel's approval. Director Cortez seconded the motion. The motion was passed.

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

B. Consider Adoption of Resolution No. 2018-18 to Authorize a Notice of Completion for the Lightfighter Drive Extension Project be Filed with the Monterey County Recorder:

Mr. Wegley introduced this item. Vice President Shriner voiced her appreciation for this and recent projects coming in at, or below the estimates.

Agenda Item 9-A (continued):

Director Gustafson made a motion to adopt Resolution No. 2018-18 to authorize a Notice of Completion for the Lightfighter Drive Extension Project be filed with the Monterey County Recorder. Vice President Shriner seconded the motion. The motion was passed.

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

C. Consider Adoption of Resolution No. 2018-19 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District and Seaside Senior Living, LLC for the Seaside Senior Living Development Project:

Mr. Wegley introduced this item explaining that it was an assisted living and memory care facility. He reviewed the proposed changes to the District's basic Infrastructure Agreement.

Mr. Rick De la Cruz, Seaside Developer, gave a brief explanation of the facilities and the benefits they provide. He thanked staff for working with them to get this project moving forward.

Director Gustafson made a motion to adopt Resolution No. 2018-19 to approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District and Seaside Senior Living, LLC for the Seaside Senior Living Development Project. Director Lee seconded the motion. The motion was passed.

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

D. Consider Providing Direction Regarding Nomination to the Coastal Network, Seat A of the California Special District Association Board:

President Moore introduced this item. There was no interest from any Board members to run for this seat.

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:

Vice President Shriner stated the next meeting was scheduled for Thursday, April 5th.

2. Joint City District Committee:

President Moore stated the next meeting was scheduled for Wednesday, April 25th.

3. Executive Committee:

President Moore stated that the met on March 13th.

4. Community Outreach Committee:

No meeting was held.

5. Budget and Personnel Committee:

No meeting was held.

6. M1W Board Member:

President Moore gave a brief update.

7. LAFCO Liaison:

Director Cortez said the next meeting was March 26th.

8. FORA:

President Moore said they met on March 9th.

9. WWOC:

Mr. Van Der Maaten said a budget meeting is scheduled for March 28th.

10. JPIA Liaison:

No report.

11. Special Districts Association Liaison:

President Moore said the next meeting is April 17th.

12. SVGSA Liaison:

Mr. Van Der Maaten said they are moving ahead and will be meeting in the future.

11. Correspondence:

12. Board Member Requests for Future Agenda Items:

President Moore noted that any requests could be emailed to staff. Vice President Shriner said she would like to see the Water Conservation Ordinance in an agenda in the near future.

13. Director's Comments:

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

14. Adjournment:

The meeting was adjourned at 7:56 p.m.

APPROVED:

Thomas P. Moore, President

ATTEST:

Paula Riso, Deputy Secretary