

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
December 11, 2002
7:00 p.m.

Minutes

1. Call to Order/Roll Call:

President Moore called the meeting to order at 7:00 p.m. on December 11, 2002.

Board Members Present:

Tom Moore – President
David Brown – Vice-President
Emmette Randle
Kenneth Nishi
Charles Scholl

Board Members Absent:

None.

Staff Members Present:

Mike Armstrong, General Manager
Lloyd Lowrey, Legal Counsel – arrived at 7:05 p.m.
Dave Meza, District Engineer
Suresh Prasad, ASO Finance and Technology
Rich Youngblood, Water Conservation Coordinator
Jade Sullivan, Project Engineer
Evelina Adlawan, Technical Services Officer
Jim Dowless, O & M Superintendent
Connie Chavoya, ASO Personnel and Administration
Paula Carina, Board Clerk

Audience:

Mr. Tony Kelsey
Mr. Lester Lee
Mr. Alex Gallego
Mr. Brett Miller
Mr. Toan Bui
Mr. Tom Gaffney
Ms. Candy Ingram
Mr. Pete Taormina

2. Oral Communications:

None.

3. Administer Oath of Office:

Mr. Armstrong administered the Oath of Office to the three newly elected Board members; Mr. Thomas Moore, Mr. Charles Scholl, and Mr. Ronald Russo.

4. Presentations:

A. Consider Adoption of Resolution No. 2002-61 in Recognition of Emmette Randle, Jr.

On motion by President Moore, seconded by Vice-President Brown; the Board adopt Resolution 2002-61 recognizing Mr. Emmette Randle for his years of dedication and leadership in serving as a member of the Board of the Marina Coast Water District. The motion was passed.

President Moore	-	Yes	Vice-President Brown	-	Yes
Director Randle	-	Yes	Director Nishi	-	Yes
Director Scholl	-	Yes			

President Moore then presented the plaque to Mr. Randle. Mr. Randle expressed his thanks.

B. Consider Awarding Five-Year Plaque and Gift Certificate to Alex Gallego, System Operator I

Mr. Armstrong read the narration commending Mr. Gallego for his five years with the District.

On motion by Director Nishi, seconded by Vice-President Brown; the Board award a five-year plaque and gift certificate to Mr. Gallego. With a vote of 5-Ayes, 0-Noes, 0-Absent, the motion was passed.

President Moore then presented the plaque and gift certificate to Mr. Gallego.

President Moore recessed the meeting from 7:15 p.m. until 7:20 p.m. for refreshments.

5. Election of Board President and Vice-President:

After Mr. Lloyd Lowrey briefly explained the election process, President Moore opened the nominations for President.

Director Scholl nominated Director Nishi to serve as President. Director Brown seconded the motion.

Item 5 (continued):

Hearing no other nominations, President Moore closed the nominations for President. The motion was passed.

President Moore	-	Yes	Vice-President Brown	-	Yes
Director Russo	-	Yes	Director Nishi	-	Abstained
Director Scholl	-	Yes			

Director Nishi assumed the duties of President and opened nominations for Vice-President.

Vice-President Brown nominated Director Scholl to serve as Vice-President. Director Moore seconded the motion.

Hearing no other nominations, President Nishi closed the nominations for Vice-President. The motion was passed.

Director Moore	-	Yes	Vice-President Brown	-	Yes
Director Russo	-	Yes	President Nishi	-	Yes
Director Scholl	-	Yes			

6. Action Items:

- A. Consider Enacting Ordinance No. 37 an Ordinance Amending Sections 6.04.020, 6.08.030, 6.08.090, 6.12.020, 6.12.040 and 6.12.050 and Appendices C and E of the District Code Changing Factors and Clarifying the Method for Calculating Charges for Water and Sewer Services.

Mr. Meza introduced this item and asked the Board to table the item and not consider taking action until staff brings back this Ordinance for reconsideration. He then introduced several members of the audience and invited them to make comments if they so desired. Mr. Peter Taormina was the only audience member to address the Board. After hearing Mr. Taormina's comments, President Nishi closed the public hearing and announced that the tentative date for the next Budget and Personnel meeting is January 14, 2003 if any members of the public would like to attend. He then postponed the agenda item until next month.

- B. Consider Adoption of Resolution No. 2002-62 Approving a Loan Program Proposal from Municipal Financing Corporation to Fund Capital Improvement Program Projects for the Ord Community Service Area:

Mr. Prasad introduced this item.

Action Item 6-B (continued):

On motion by Director Moore, seconded by Vice-President Scholl; the Board adopt Resolution No. 2002-62 approving a loan program proposal from Municipal Financing Corporation to fund capital improvement projects for the Ord Community service area. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	Director Nishi	-	No
Director Brown	-	Yes			

C. Consider Accepting the 2001/2002 Audit Report:

Mr. Prasad introduced this item. Mr. Brett Miller, associate of Moss, Levy & Hartzheim, briefed the Board on the findings made by the auditing firm. Director Moore asked if a footnote could be inserted clarifying Government Contributions for 2001 and 2002? Mr. Miller confirmed that adding a footnote could be done. Director Moore inquired on the line item titled "Transmission Lines" and asked for clarification. Mr. Prasad stated he would provide details on that line item. Director Moore asked if the "SCADA" and "Telemetry System" line items could be combined? Mr. Prasad stated they could. President Nishi inquired if it showed in the report the amount of restricted revenue that is Capacity and Connection Fees? Mr. Miller stated that it was not broken out in the report, but staff could provide the numbers to the Board upon request. President Nishi asked for a breakout of Fort Ord operating revenues to show how much was Capacity and Connection Fees.

On motion by Director Moore, seconded by Vice-President Scholl; the Board accept the 2001/2002 Audit Report with the changes noted above. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	Director Nishi	-	No
Director Brown	-	Yes			

D. Consider Adoption of Resolution No. 2002-63 Approving a Professional Services Agreement with Forensics Analytical to Provide a Hazardous Materials Survey and Preparation of Technical Specifications for the Ord Community Corporation Yard and the Main Garrison Wastewater Treatment Plant:

Mr. Sullivan introduced this item. Vice-President Scholl inquired on the statement in the transmittal that stated, "The proposed costs were not reviewed until after staff performed their evaluation and formulated a recommendation." Mr. Lowrey stated that it was discussed at a previous meeting regarding CELSOC and the interpretation of the Government Code where cost is not required in the RFP decision. Discussion followed. Vice-President Scholl stated that he did not recall the Board giving staff directing regarding CELSOC and whether or not to follow their interpretation. Mr. Armstrong stated that a proposed policy could be brought to the Board next month for direction in the RFP process.

Action Item 6-D (continued):

On motion by Director Moore, seconded by Director Brown; the Board approve the Professional Services Agreement with Forensics Analytical to provide a hazardous materials survey and preparation of technical specifications for the Ord Community Corporation Yard and the Main Garrison Wastewater Treatment Plant. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	President Nishi	-	Yes
Director Brown	-	Yes			

E. Consider Adopting Resolution No. 2002-64 Supporting the Monterey County Water Resources Agency Salinas Valley Water Project:

Mr. Armstrong introduced this item. President Nishi asked if this came from the Orradre issue? Mr. Lowrey stated that it did. President Nishi does not feel that this issue is of benefit to the District. Mr. Armstrong explained the Salinas Valley Water Project, Zones 2C, 2 and 2A. Discussion followed. Director Moore requested to modify the resolution to support a 1/8 acre urban residential minimum charge.

On motion by Director Moore, seconded by Vice-president Scholl; the Board approve a modified resolution with the added wording, "to include a 1/8 acre urban residential minimum charge". President Nishi commented that he would like to see any increase, due to the implementation of 2C, to be kept in an escrow account for future Marina water projects. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	No	President Nishi	-	No
Director Brown	-	Yes			

F. Consider Adoption of Resolution No. 2002-65 to Approve a Professional Services Agreement for the Sand Gilia Plant Establishment Project:

Mr. Meza introduced this item. Vice-President Scholl questioned the use of student interns for watering purposes. Mr. Meza stated that staff is looking into using CSUMB students.

On motion by Vice-President Scholl, seconded by Director Moore; the Board approve Resolution No. 2002-65 with the modification that staff utilizes a student intern for watering, if possible. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	President Nishi	-	Yes
Director Brown	-	Yes			

F. Consider Directing the General Manager to Request the Local Agency Formation Commission (LAFCO) of Monterey County to Initiate a Sphere of Influence Review for the Marina Coast Water District:

President Nishi requested to table this item until after the Strategic Plan Workshop. Director Moore asked if this were urgent? Mr. Armstrong stated that it was not urgent.

On motion by Director Moore, seconded by Director Brown; the Board table this item until after the Strategic Plan Workshop. With a vote of 5-Ayes, 0-Noes, 0-Absent, the motion was passed.

G. Consider Director Appointments to Board of Director's Standing Committees and to Outside Agencies for 2003:

President Nishi made the following recommendations for representatives to the Standing Committees:

Budget and Personnel	Nishi, Scholl
Projects and Planning	Scholl, Russo
Operations and Maintenance	Scholl, Russo
Water Conservation	Moore
Joint City/District	Nishi, Scholl

President Nishi made the following recommendations for representatives to these Outside Agencies:

MRWPCA	Nishi, Alternate – Scholl
FORA	Nishi, Alternate – Scholl
LAFCO	Nishi, Alternate – Scholl
JPIA	Brown

On motion by Director Brown, seconded by Vice-President Scholl; the Board approve the recommended appointments. Director Moore inquired if the negotiating team for Joint Leadership with MRWPCA would stay the same? President Nishi stated it would change. With a vote of 4-Ayes, 1-No, 0-Absent, the motion was passed.

H. Consider Setting Date for Strategic Planning Workshop:

Ms. Candace Ingram, facilitator for the Strategic Planning, suggested setting the date after mid-January to allow for the completion of pre-meeting interviews and discussion of format and possible alternatives to use. Discussion followed.

Action Item 6-I (continued):

The Board agreed on Wednesday, January 29, 2003 from 6-10:00 p.m. for the first workshop and holding February 5th and 19th as additional dates if needed.

J. Consider Setting Date for Water Augmentation Project Workshop:

Mr. Armstrong introduced this item and suggested that it be held in a workshop forum. Discussion followed. The Board agreed on Thursday, January 23, 2003 at 7:00 p.m. as the primary date and January 15th as a fallback date.

President Nishi recessed the meeting from 9:07 p.m. until 9:10 p.m.

7. Consent Calendar:

Director Nishi requested items C, D, E, and J, to be pulled from the agenda.

On motion by Director Brown, seconded by Vice-President Scholl; the Board approve Consent Calendar items A (Approve minutes of the Regular Board Meeting of October 23, 2002), B (Approve minutes of the Special Board Meeting of November 7, 2002), F (Consider Adoption of Resolution No. 2002-66 Approving a Professional Services Agreement with Fugro West, Inc. to Continue the Desalination Plant Inland Groundwater/Brine Dilution Monitoring for Calendar Year 2003), G (Consider Adoption of Resolution No. 2002-67 Approving a Grant Agreement with the Department of Water Resources for a Urban Water Conservation Capital Outlay Grant), H (Consider Approval of the Construction and Transfer of Water and Sewer Infrastructure Agreement for Seaside Highlands Subdivision), and I (Consider Adoption of Resolution No. 2002-68 Declaring Property to be Surplused) as presented. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	President Nishi	-	Yes
Director Brown	-	Yes			

C. Approve Expenditures for the Month of October 2002:

President Nishi inquired on checks 33634 and 33664 to Golden Gate Petroleum. Mr. Prasad stated that he would pull both checks and make sure they were not duplicated. President Nishi requested checks 33661, 33709 and why there were 13 checks for the October 9, 2003 payroll while the other payrolls show 12, to be brought to the January 14, 2003 Budget and Personnel Committee for review.

D. Approve Expenditures for the Month of November 2002:

President Nishi requested check number 33875 to be brought to the Budget and Personnel Committee for review.

E. Quarterly Financial Statement July 1, 2002 to September 30, 2002 (Re-Stated):

President Nishi inquired on the Fort Ord Sewer Fund Revenues and the Marina Sewer Fund Revenues. Mr. Prasad stated that he would pull the information and provide it at the Budget and Personnel Committee in January.

On motion by Director Moore, seconded by Director Brown; the Board approve Consent Calendar items C (Approve Expenditures for the Month of October 2002), D (Approve Expenditures for the Month of November 2002), and E (Quarterly Financial Statement July 1, 2002 to September 30, 2002) as presented. The motion was passed.

Director Moore	-	Yes	Vice-President Scholl	-	Yes
Director Russo	-	Yes	President Nishi	-	Yes
Director Brown	-	Yes			

I. Consider Approving Proposed Board Committee and Meeting Dates for 2003:

President Nishi requested this item be postponed until after the committees meet with the new committee members and decide on the dates that suit them best. Discussion followed. Mr. Armstrong suggested keeping the January committee meeting dates at which time the committees could discuss future meeting dates and bring those dates back to the Board for approval at the January Board meeting.

On motion by Director Brown, seconded by Director Moore; the Board approve the January meeting dates only. With a vote of 5-Ayes, 0-Noes, 0-Absent, the motion was passed.

8. Informational Items:

A. General Manager's Report:

No comments.

B. Counsel's Report

No comments.

C. Strategic Plan Update:

No comments.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No comments.

2. Operations and Maintenance Committee:

No meeting.

3. Budget and Personnel Committee:

No comments:

4. Projects and Planning Committee:

Vice-President Scholl stated that Sand City representatives attended the meeting and mentioned that they are interested in talking to MCWD as a backup emergency source of water if they are to undertake the building of a desalination plant in their area.

5. Joint City-District Committee:

Director Moore stated that there was discussion on gray water systems and conservation with regards to the Marina Heights project.

6. MRWPCA Board Member:

Director Moore stated not much happened at the Board meeting and he did not attend the Holiday dinner due to a conflict. The Joint Leadership group met and will meet again on January 21, 2003.

7. LAFCO:

No comments.

8. JPIA:

No comments.

E. District Correspondence:

Director Nishi voiced his concern that a letter to MPWMD regarding Ordinance 105 was written without Board approval.

F. Director's Comments:

Director Scholl inquired on the request by Mr. Bargas to purchase Well Lot 4. He thought that it would be addressed at this meeting. Mr. Armstrong stated Well Lot 4 was not on the list approved by the Board as surplus and the District would send Mr. Bargas a letter in response.

Director Moore expressed his thanks to fellow Directors and Staff for their support and cooperation over the past year.

Director Brown thanked Mr. Armstrong for his explanation of the Salinas Valley Water Project as it was very informative and helpful.

President Nishi asked for next month's agenda to include:

Items for the Next Meeting

Signing checks

Duties of the President – specifically A7 to review and set the Board agenda

President Nishi asked for the documents to show where the Board gave action to approve CSUMB not paying capital costs.

9. Adjournment:

The meeting was adjourned at 9:44 p.m.

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Michael D. Armstrong, General Manager