

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
January 22, 2003
7:00 p.m.

Minutes

1. Call to Order/Roll Call:

President Nishi called the meeting to order at 7:00 p.m. on January 22, 2003.

Board Members Present:

Ken Nishi – President
Tom Moore – arrived at 7:02 p.m.
David Brown
Ron Russo

Board Members Absent:

Charles Scholl – Vice-President

Staff Members Present:

Mike Armstrong, General Manager
Lloyd Lowrey, Legal Counsel
Dave Meza, District Engineer
Suresh Prasad, ASO Finance and Technology
Rich Youngblood, Water Conservation Coordinator
Connie Chavoya, ASO Personnel and Administration
Paula Carina, Board Clerk

Audience:

Keith Israel, MRWPCA General Manager
Dave Kimbrough, MCWRA
Bob McKenzie
Toan Bui
Emmette Randle
Chris Bunn
Peter Taormina
Luigi Delucchi

2. Oral Communications:

None.

3. Presentations:

- A. Consider Adoption of Resolution No. 2003-01 in Recognition of Director Thomas Moore:

President Nishi postponed this item until later in the meeting.

4. Action Items:

- A. Consider Enacting Ordinance No. 37 an Ordinance Amending Portions of Titles 1, 3, and 6 and Appendices D and E of the District Code:

Mr. Meza introduced this item. Director Moore asked for clarification on why the Ordinance was split into two? Mr. Llowrey stated that criteria for separating the Ordinance was the capacity charges. Director Moore asked what the difference was between the two Ordinances? Mr. Llowrey stated that Ordinance 37 was clarifying capacity changes that were approved in Ordinance 36. President Nishi stated that he would like to see the Ordinances combined and follow the Prop. 218 process notifying customers of the change. Discussion followed.

Director Moore had the following edits to Ordinance 37:

Page 10 – Definition of EDU second sentence to read “...one (1) single-family, residential dwelling unit, defined as 0.33 acre-foot...”

Page 16 – Violations and notices item A7 to read “...required, not to exceed 7 days from date of notice.”

Page 16 – Violations and notices item C to read “If a person fails to correct...”

Page 19 – 6.12.040 item C to read “...time of connection to each structure...”

Page 24 – Appendix D to read “...wastewater collection rate in FY 2002/2003 the wastewater demand factor is multiplied by \$5.56 then by the wastewater demand factor for the appropriate user classification.”

Page 27 – Appendix E to read “Deposit for Relocation of Meter Box”

On motion by Director Moore, seconded by Director Brown; the Board adopt Ordinance No. 37, with the edits previously mentioned, and removing Section 7 and moving it to Ordinance No. 38. President Nishi stated he could not support Ordinance 37 not going through the Prop. 218 process and he would like both ordinances together as one. The motion failed.

Action Item 4-A (continued):

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

B. Consider Enacting Ordinance No. 38 to Approve Proposed Revisions to Portions of Title 6 and Appendix C of the District Code Regarding Water Capacity Changes:

Mr. Meza introduced this item. Mr. Lowrey clarified this Ordinance would be numbered 37 as the previous Ordinance 37 did not pass. Director Moore suggested an edit to Appendix C, page 36, the second sentence at bottom of page to read, "The resultant capacity charge...".

Mr. Lowrey clarified that the transmittal does state an option to combine the two ordinances.

Mr. Peter Taormina addressed the Board voicing his approval of the Ordinance. President Nishi would like to see a more comprehensive study regarding water use within the District. Mr. Meza explained that an average water use was used as it is difficult to define exact use by different business types, i.e. restaurants could be either full service or take out only. President Nishi asked if the Board accepted the water use factors suggested, i.e. hotel/motel/bed & breakfast at 0.17 per unit, would others whom paid a higher usage factor expect a refund? Mr. Meza stated that the District had approved three variances that would be affected by this ordinance, and those three would be due a refund from the District. Mr. Lowrey stated that the statute of limitations would limit others in requesting a refund.

On motion by Director Moore, seconded by Director Brown; the Board adopt Ordinance No. 37 incorporating all the material from the previous Ordinance No. 37 with the suggested edits. Mr. Lowrey confirmed that the Ordinance No. 37 would follow the Prop. 218 process. The motion was passed.

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

President Nishi announced that Ordinance No. 37 was adopted on a vote of 3-Aye, 1-No, and 1-Absent.

C. Consider Adopting Resolution No. 2003-02 Approving the Consultant Procurement Policy and Procedure:

President Nishi requested to postpone items 4-C and 4-D until Vice-President Scholl returns.

Action Item 4-C (continued):

On motion by Director Moore, seconded by Director Brown; the Board postpones items 4-C and 4-D until the February 26, 2003 meeting. With a vote of 4-Ayes, 0-Noes, 1-Absent the motion was passed.

E. Consider Adoption of Resolution No. 2003-03 to Approve a New Staff Position and Job Description for a Technical Assistant:

President Nishi requested this item be postponed until the next Board meeting when Vice-President Scholl returns.

On motion by Director Moore, seconded by Director Brown; the Board postpone item 4-E until the February 5, 2003 Special Board Meeting. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

F. Consider Approval of the Marina Water Disinfection Replacement Design/Build Project Scope of Work:

Mr. Meza introduced this item. Director Brown asked what percentage of hypochlorite would be added to the water? Mr. Meza stated the percentage is 12%. He explained that Well 9 would use hypochlorite tablets instead of liquid as the well is infrequently used.

On motion by Director Moore, seconded by Director Brown; the Board approve the Marina Water Disinfection Replacement Design/Build Project scope of work. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

G. Receive Staff Report Regarding Staff Discussions with Sand City Regarding the Sand City Water Project and Provide Direction to Staff:

Mr. Meza introduced this item. President Nishi is concerned that the Board did not give direction to staff to negotiate with outside agencies and believes that this should be discussed at the Board level. He would like to see a joint meeting between the two boards or appoint a negotiating committee consisting of two board and two council members to discuss, with Board direction, different issues with Sand City. Director Moore said staff was given direction to do what they have done so far and agreed that a joint board meeting or negotiating committee would be appropriate. Discussion followed.

On motion by Director Moore, seconded by Director Russo; the Board to direct staff to schedule a joint board meeting with Sand City. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion passed.

H. Consider Adoption of Resolution No. 2003-04 to Consider Acquisition of Other Water Companies:

Mr. Armstrong introduced this item. President Nishi gave a brief background of the Alco owned utilities. He then asked if the Board would be interested in looking into acquiring the Moss Landing water system or any of the other Alco owned utilities?

Mr. Lowrey stated that if the Board adopts this resolution, LAFCO approval is required for any service outside the District jurisdiction. Director Brown asked if any of the water systems are adjacent to the District? He was informed that none are adjacent. Director Moore advised the Board to use care when considering this issue. Discussion followed.

On motion by President Nishi, seconded by Director Brown; the Board adopt Resolution No. 2003-04 appointing President Nishi and Vice-President Scholl to work with the General Manager to contact and meet with the PUC-appointed receiver to obtain additional information on the water companies including LAFCO information. Director Moore voiced his concern over the staff time needed to procure the required information and asked if this had to be passed by resolution? President Nishi suggested staff to look into the Moss Landing company only and bring all pertinent information back to the Board. Discussion followed. President Nishi amended his motion to have staff look into the Moss Landing Water System only and bring the information back to the February 5, 2003 special Board meeting. The motion was passed.

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

I. Consider Adoption of Resolution No. 2003-05 to Approve a Policy for the Use of Non-Potable Water for Construction Projects on the Former Fort Ord:

Mr. Armstrong introduced this item. President Nishi briefly explained that he wanted the District to be proactive in trying to reduce the influence of seawater in the District wells. By using non-potable water for construction projects, the potable water demand would be lessened. Discussion followed.

On motion by President Nishi, seconded by Director Russo; the Board approve Resolution No. 2003-05 directing the General Manager to develop a proposed project concept and budget to provide for the use of recycled water in construction projects with an amendment to the third paragraph reading "...and will remain potable until a temporary non-potable distribution system is completed". The motion was passed.

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

President Nishi recessed the meeting from 9:11 until 9:15 p.m.

H. Reconsider Director Appointments to Standing Committees of the Board and to Outside Agencies for 2003:

President Nishi requested this item be postponed until Vice-President Scholl's return.

On motion by Director Moore, seconded by Director Brown; the Board postpone item 4-J until the February 5, 2003 Special Board Meeting. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

I. Consider Providing Direction to the MCWD Representative on the MRWPCA Board Regarding MRWPCA Officer Elections:

Director Moore introduced this item. Discussion followed. Director Moore stated that he requested this item to be put on the agenda due to the delicate negotiations taking place between the current members of the joint leadership committee, of which Dr. Peggy Shirrel is one. Discussion followed.

On motion by Director Moore, seconded by Director Brown; the Board support Dr. Shirrel for a second term as chair of the MRWPCA. The motion failed.

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

L. Consider Adopting Resolution No. 2003-06 to Approve Support for Salinas Valley Water Project Ballot Assessment Process:

Mr. Armstrong introduced this item. Mr. Lowrey gave clarification on the spending of public funds in regards to items such as this. His recommendation is to follow the 1990 Attorney General's opinion, which states that in order to expend public funds for a venture like this, clear and unambiguous legislative authority is required. Otherwise, the District could use public funds to provide educational information to the public about a ballot measure. Discussion followed. Mr. Bob McKenzie, Mr. Chris Bunn, and Mr. Dave Kimbrough requested Board support on this issue.

On motion by Director Moore, seconded by Director Brown; the Board requests staff to create a billing insert, which meets the criteria of the Attorney General's opinions, to educate MCWD ratepayers about the SVWP. Discussion followed. Director Moore amended his motion to address in the billing insert, specific aspects that pertain to Marina. Director Brown seconded the amended motion. Clarification was made that this item would not be passed as a resolution, only as a motion; this insert would be mailed to all MCWD customers; and, draft to be reviewed at the February 5, 2003 special Board meeting. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

President Nishi asked for a motion to adjourn, as it was 10:00 p.m.? Hearing none, the meeting resumed.

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

President Nishi requested this item to be postponed until the February 26, 2003 Board meeting.

On motion by Director Moore, seconded by Director Brown; the Board postpone item 4-M until February 26, 2003. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

5. Consent Calendar:

Director Nishi requested items F, and G to be pulled from the agenda.

On motion by Director Moore, seconded by Director Brown; the Board approve Consent Calendar items A) Approve Minutes of the Special Board Meeting of December 3, 2002; B) Approve Minutes of the Regular Board Meeting of December 11, 2002; C) Approve Expenditures for the Month of December 2002; D) Consider Adoption of Resolution No. 2003-07 to Approve an Amendment of Marina Coast Water District Money Purchase Pension Plan to Comply with GUST/EGTRRA; E) Consider Adoption of Resolution No. 2002-08 to Approve an Agreement with USA Media; and, H) Consider Adoption of Resolution No. 2003-10 Extending the Fort Ord Capital Projects Director's Contract. as presented. The motion was passed.

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

F. Consider Adoption of Resolution No. 2003-09 to Approve a Check Signing Policy:

President Nishi requested this item be postponed until Vice-President Scholl's return.

On motion by Director Moore, seconded by Director Brown; the Board postpone item 5-F until the February 26, 2003 Board Meeting. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

G. Consider Candidate for Public Service Appointment:

President Nishi asked about the process used for recruiting public members? Mr. Armstrong stated that the District has advertised for quite some time that there are vacancies on the committees for public members. President Nishi asked for the makeup of the committees. Mr. Armstrong responded that the Board by-laws and procedures manual state that Projects and Planning Committee and Operations and Maintenance Committee shall have at least one member of the public. Discussion followed. President Nishi stated he could not support Mr. Randle for public service on these two committees.

Agenda Item 5-G (continued):

On motion by Director Moore, seconded by Director Brown; the Board appoint Mr. Randle to serve as a public member on the Projects and Planning and the Operations and Maintenance Committees. Director Moore voiced his support and approval of Mr. Randle. Director Brown voiced his support as well. Director Russo stated that since he currently serves on the two committees, he would appreciate having Mr. Randle's knowledge on those committees. President Nishi voiced his concerns. Director Brown called the question. Director Moore seconded the call to question. President Nishi continued discussion. The motion to appoint Mr. Randle was passed.

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

6. Informational Items:

A. General Manager's Report:

Mr. Armstrong reported that he had been working with the General Managers at MPWMD and MCWRA on a presentation for FORA and that the FORA board could receive the presentation sometime in March. He also asked for guidance from the Board when Directors ask to place items on the agenda. President Nishi stated that if staff has questions on agenda items, call the Director and ask for more specific information.

B. Counsel's Report

No comments.

C. Staff Reports

1. Status of Negotiations with California State University Monterey Bay (CSUMB)
Regarding Capital Component Charges:

No comments.

2. In-School Water Education Quarterly Report:

No comments.

D. Strategic Plan Update:

President Nishi announced that the Strategic Planning workshop was cancelled due to Vice-President Scholl's absence. The next scheduled workshop is February 5, 2003.

E. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No comments.

2. Operations and Maintenance Committee:

No comments.

3. Budget and Personnel Committee:

No comments.

4. Projects and Planning Committee:

No comments.

5. Joint City-District Committee:

No comments.

6. MRWPCA Board Member:

No comments.

7. LAFCO:

No comments.

8. JPIA:

No comments.

F. District Correspondence:

Mr. Armstrong referred to the calendar with the upcoming meetings and asked for guidance on the February 5, 2003 Strategic Planning workshop schedule.

G. Director's Comments:

President Nishi discussed the location for the upcoming workshops.

Return to Item 3-A.

A. Consider Adoption of Resolution No. 2003-01 in Recognition of Director Thomas P. Moore:

Mr. Armstrong read the resolution.

On motion by Director Brown, seconded by Director Russo; the Board adopt Resolution No. 2003-01 in recognition of Director Moore. The motion was passed.

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

Director Moore stated his appreciation to the Board.

7. Adjournment:

The meeting was adjourned at 10:38 p.m.

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Michael D. Armstrong, General Manager