

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
March 26, 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 March 26, 2003.

Board Members Present:

Ken Nishi – President
Charles Scholl – Vice-President
Tom Moore – arrived at 7:02 p.m.
David Brown

Board Members Absent:

Ron Russo

Staff Members Present:

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

Audience:

Evelina Adlawan
Jim Dowless
Toan Bui
Connie Chavoya
David Chavoya
Sherrie Payne
Alex Gallego
Thomas Barkhurst
Dale North

Susan Kiefert
Tony Kelsey
Lester Lee
Joan Reeves
Joann Velman
Jeff Kilpatrick
Peter Taormina
John Wilkes
Luigi Delucci

Virgil Piper

2. Oral Communications:

None.

3. Presentations:

A. Consider Awarding Thirty-Year Plaque and Gift Certificate to Connie Chavoya, ASO Administration and Personnel:

Mr. Armstrong read the narration commending Ms. Chavoya for her thirty years with the District.

On motion by Director Moore, seconded by Vice-President Scholl; the Board award Connie Chavoya a thirty-year plaque and gift certificate. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

President Nishi presented the plaque and gift certificate to Ms. Chavoya, who voiced her appreciation. President Nishi then recessed the meeting from 7:05 until 7:16.

President Nishi re-convened the meeting and opened the Public Hearing at 7:16 p.m.

4. Public Hearing:

A. Public Hearing on Ordinance No. 37 to Amend Portions of Titles 1,3, and 6 and Appendices C, D, and E of the District Code:

Mr. Meza introduced this item.

Director Moore asked Mr. Meza to explain capacity charges for the public's benefit. Several members of the public stated they were still unclear on capacity charges and how the proposed capacity charges would affect residential households. Director Moore and Vice-President Scholl explained that the capacity charges would only affect new structures and changes in old structures, i.e. remodeling or additions, that exceeded the District's standards. The public requested clearer information regarding Ordinance No. 37. Mr. Lowrey described the Prop. 218 process that the District followed in processing Ordinance No. 37.

Director Moore requested staff put a spreadsheet together showing limits and guidelines for capacity charges.

Mr. Kilpatrick inquired on sewer capacity charges. He asked if the District was looking into reducing sewer EDU's as they did with the water EDU's? Is the District doing a study on sewer capacity?

4-A. Public Hearing (continued):

Mr. Armstrong stated the District would look into sewer capacity charges as soon as the Board directs staff to do so. Ms. Velman requested the District to put a message on their bills regarding the next rate increase due in July as a reminder to customers.

President Nishi closed the Public Hearing at 8:36 p.m.

5. Action Item:

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

On motion by Vice-President Scholl, seconded by Director Brown; the Board enact Ordinance No. 37. Director Brown stated capacity charges should be paid by new construction, not ratepayers. Vice-President Scholl agreed and also stated he felt staff did a great job with the information they collected. Director Moore explained why he agreed that new construction should pay capacity charges. Mr. Lowrey clarified that the Board passed Ordinance No. 37 on January 22, 2003, that the District was observing the required sixty days waiting period before enactment, and that those sixty days were now complete. By approving this agenda item, Ordinance No. 37 would be enacted. Vice-President Scholl amended his motion to conform to Mr. Lowrey's statement. Director Brown seconded the amendment. President Nishi voiced his concerns that the District did not use their own study and used numbers from MPWMD's study. He also stated there needs to be a study on sewer capacity. President Nishi is concerned that the public is still unclear of what Ordinance No. 37 is about. The motion was passed.

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

The Board entered into closed session at 8:45 p.m.

6. Closed Session:

- A. Pursuant to Government Code Section 54956.9
Conference with Legal Counsel – Existing Litigation
Case No. M60728 – Validation Action:

The Board returned to open session at 9:10 p.m.

7. Possible Action on Closed Session Items:

President Nishi stated direction was given to the Legal Counsel.

8. Action Items (continued)

B. Consider Adoption of Resolution No. 2003-16 to Approve the Consultant Procurement Policy and Procedure:

Mr. Meza introduced this item. Director Moore asked if there were changes made by the Budget and Personnel Committee? Vice-President Scholl stated the changes were made before the Budget and Personnel Committee met and there were no further changes. Director Moore suggested a change to Section C, item 1f of the Consultant Procurement Policy and Procedure manual; "Project Manager" will determine members for the Consultant Selection Panel. Director Brown asked if this procedure conforms to what CELSOC wants? Mr. Meza confirmed it did. Director Brown asked what would happen if the Attorney General's opinion differs from this procedure? Mr. Lowrey stated it would be brought back to the Board for reevaluation.

On motion by Director Moore, seconded by Vice-President Scholl; the Board adopt Resolution No. 2003-16 approving the Consultant Procurement Policy and Procedure with the following changes to the Consultant Procurement Policy and Procedure Manual:

- 1) Section C, item 1f to be changed to:
"Project Manager" will determine members for the Consultant Selection Panel
- 2) Section C, item 2 Title to be changed to:
"Non-Grant Funded Projects" with Estimated Cost of \$100,000 or Less
- 3) Section C, item 2b: change word "discretionary" to "not required"
- 4) Section C, item 2c: add word "issued" after Request for Proposals
- 5) Section C, item 3: remove second bullet "For amendments to existing contracts"
- 6) Section C, item 3 last paragraph, last sentence to read: "...Board of Directors is required for contracts 'and contract amendments' greater than \$10,000."
- 7) Section D, item 4: replace the word "Approach" with "Plan" in the Title and "a plan" in the first bullet.

Discussion followed. The motion was passed.

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

C. Consider Analysis to Provide a Non-Potable Temporary Construction Water Service:

Mr. Sullivan introduced this item.

Action Item 8C (continued):

On motion by President Nishi; seconded by Director Brown; the Board request staff to look into the WRA Truck Station and bring this item back to the Projects and Planning Committee for a recommendation. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

D. Consider Adoption of Resolution No. 2003-17 to Approve Amendment No. 1 to the Winzler & Kelly Consulting Engineers to Provide Design Services for the Ord Community Sewer System Improvement Project:

Mr. Sullivan introduced this item. Director Moore asked for an explanation on the extra expense of \$37,985? Mr. Sullivan explained this amendment allows for a more focused in-depth look at the Ord Village Lift Station and possibly moving wastewater directly into the MRWPCA sewer interceptor at the lift station.

On motion by Director Moore, seconded by Director Brown; the Board adopt Resolution No. 2003-17 approving Amendment No. 1 to the Winzler & Kelly Consulting Engineers to provide design services for the Ord Community sewer system improvement project. Vice-President Scholl advised that the MRWPCA should be aware that the District is pursuing this option and investing funds to do so. The motion was passed.

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

E. Review and Discuss Preliminary Draft Budget and Schedule for FY 2003/2004:

Mr. Prasad introduced this item. He reviewed the changes made since the February 26, 2003 Board meeting. The Board asked several clarifying questions.

F. Review and Consider District's Existing Debt Analysis:

Mr. Prasad introduced this item. The Board asked several clarifying questions.

On motion by Director Moore, seconded by Vice-President Scholl; the Board table this item. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

G. Consider Adoption of Resolution No. 2003-18 Approving the Design/Build Agreement with Winzler & Kelly Consulting Engineers/Contractor to Provide Construction Services for the Emergency Temporary Imjin Lift Station Repair Project:

Mr. Sullivan introduced this item.

Action Item 8G (continued):

Vice-President Scholl asked for the number of estimated hours needed to do the work. Mr. Sullivan said the number was unknown at this time. Vice-President Scholl asked if Mr. Sullivan was confident in the estimated cost. Mr. Sullivan stated he was. Mr. Armstrong stated he recently visited the lift station and noted it was in danger of failing and creating a significant sewer spill.

Hearing no motion to adjourn, President Nishi continued the meeting.

On motion by Director Brown; seconded by President Nishi; the Board approve Resolution No. 2003-18 approving the design/build agreement for construction services with Winzler & Kelly Consulting Engineers/Contractor to provide emergency construction services for the Imjin Road emergency temporary repair project. Director Moore asked if this would push up the replacement project scheduled for 2004? Mr. Sullivan stated there was still much work to be done in other areas before the replacement project could happen. The motion was passed.

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

F. Consider Selection of District Negotiating Team:

President Nishi stated this was not what he asked for on the agenda. He wanted to give direction to the negotiating team. Vice-President Scholl asked who the members of negotiating team were? President Nishi stated the President selects the negotiating team and he has yet to decide who he wants on that team. Discussion followed.

Director Moore made a motion to nominate Vice-President Scholl and himself to the negotiating committee. Vice-President Scholl declined the nomination due to the number of committees he is currently serving on.

On motion by Director Moore, seconded by Director Brown; the Board send this item to the Projects and Planning Committee for discussion to include the General Manager. President Nishi stated the President selects negotiators for adhoc committees. Director Brown amended the motion to allow the Board to override the policy. Discussion followed.

Director Brown moved to call the question. Director Moore seconded the motion. Discussion followed.

Director Brown withdrew his second of the original motion and offered a motion to table the item until April 2, 2003. Vice-President Scholl would like the agenda title to read "Provide Policy Direction and Determine Make-Up of Negotiating Team.

9. Consent Calendar:

Director Moore requested item A to be pulled from the consent calendar.

On motion by Director Brown, seconded by Vice-President Scholl; the Board approve Consent calendar consisting of: B) Consider Approving the Minutes of the Special Board Strategic Planning Workshop of March 13, 2003; C) Consider Approving Expenditures for the Month of February 2003; D) Consider Approval of April 2003 Newsletter; E) Consider Adoption of Resolution No. 2002-19 to Ratify Execution of Payment for Contract with Water Resources and Information Management Engineering, Inc.; and, F) Consider Adoption of Resolution No. 2003-20 to Correct the Amount of Authorized Disbursement of the Water and Sewer Construction Cost Share of Fort Ord Reuse Authority Roadway Projects, as presented. The motion was passed.

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

A. Consider Approving Minutes of the Regular Board Meeting of January 22, 2003:

Director Moore requested that page 5 of the minutes be corrected to reflect the word "School" not "Scholl" under item J.

On motion by Director Moore, seconded by Director Brown; the Board approve the amended minutes. With a vote of 3-Ayes, 1-Noes, 1-Absent, the motion was passed.

President Nishi recessed the meeting from 10:25 until 10:28 p.m.

The Board entered into closed session at 10:28 p.m.

10. Closed Session:

A. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch – Reserved Easements and Other Property
Negotiating Parties: Michael Armstrong
Under Negotiation: Price and Terms

The Board returned to open session at 10:43 p.m. Director Brown left the meeting at 10:43 p.m.

11. Possible Action on Closed Session Items:

Mr. Lowrey reported instructions were given to the negotiator with no decision being made.

12. Consider Acquisition Options for Armstrong Acreage Reserved for the Marina Coast Water District:

Mr. Lowrey stated that if the Board wants to give direction to staff, an appropriate direction to give would be to authorize staff to proceed with the actions necessary to comply with CEQA for an amendment with Armstrong to the 1996 annexation agreement.

On motion by Director Moore, seconded by Vice-President Scholl; the Board authorized staff to proceed with the actions necessary to comply with CEQA at the end of the amendment with Armstrong. With a vote of 3-Ayes, 0-Noes, 2-Absent, the motion was passed.

13. Informational Items:

A. General Manager's Report:

No comments.

B. Counsel's Report:

None.

C. Staff Report:

1. Joint Recycled Water Demonstration Project at Blackhorse/Bayonet Golf Courses:

No comments.

D. Strategic Plan Update:

Vice-President Scholl asked if everyone had done their homework for the next workshop? Everyone stated they had.

E. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Moore commented that the date on the minutes should read March 20, 2003.

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:

No comments.

G. Director's Comments:

President Nishi stated that he would like to see a resolution from the Board when recognizing employees, to show the Board's appreciation. He would also like to see more public relations regarding items such as Ordinance 37. President Nishi requested an agenda item on capacity charges. He requested Projects and Planning to look into Water Bonds/Capacity Charges and to create a historical file. He also suggested the Joint City-District Committee discuss looking into creating an information list for customers on what procedures they need to complete when building or remodeling homes or businesses. Director Moore stated the committee has already been discussing this.

14. Adjournment:

The meeting was adjourned at 10:55 p.m.

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Michael D. Armstrong, General Manager