

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
May 28, 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 May 28, 2003.

Board Members Present:

Ken Nishi – President
Charles Scholl – Vice-President
Tom Moore
David Brown
Ron Russo

Board Members Absent:

None.

Staff Members Present:

Mike Armstrong, General Manager
Lloyd Lowrey, Legal Counsel
Dave Meza, District Engineer
Jade Sullivan, Projects Engineer
Suresh Prasad, ASO Finance and Technology
Connie Chavoya, ASO Administration and Personnel
Evelina Adlawan, Technical Support Manager
Richard Youngblood, Water Conservation Specialist
Paula Carina, Board Clerk

Audience:

Mike Tarazski, MACTEC, Inc.
David Eisen
Lavonne Stone
Toan Bui

2. Oral Communications:

None.

3. Action Items:

A. Consider Adoption of Resolution No. 2003-23 to Approve the District Budget and Ord Community Compensation Plan for 2003-2004:

Mr. Prasad introduced this item. President Nishi would like to see the increase of 7% be split into a 3½% budget cut and a 3½% increase. He then inquired on the backflow billing documentation he had previously requested. Mr. Prasad stated that backflow billing was in progress and would not be provided until the June Budget and Personnel Committee meeting.

Mr. Armstrong read a statement that he had said he would read before the District Board and the FORA Board regarding the Validation Action and the recent action by the Monterey County Superior Court. A summation of the statement is as follows: “Mr. Michael Armstrong agreed to publicly tell the District Board and the FORA Board that Ms. Lavonne Stone dropped her protest against the water rates and charges on condition that the two boards be informed that she and her fellow residents desire to be annexed into the Marina Coast Water District in order to be enfranchised, which is to be allowed to vote, in Marina Coast Water District Board elections.”

President Nishi asked who the District was withholding capital charges from? Mr. Prasad stated CSUMB was the only agency with whom the District was withholding capital charges. Discussion regarding capital charges followed.

On motion by Director Moore, seconded by Director Brown; the Board adopt Resolution No. 2003-23 approving the District Budget and Ord Community Compensation Plan for FY 2003-2004. Mr. Lowrey explained the legal requirements of item five in the proposed resolution. Ms. Lavonne Stone inquired on the safety of the water meter as well as monthly sewer charges. Mr. Armstrong addressed her concerns. Mr. Lowrey, Vice-President Scholl, and Director Moore each explained the process behind collecting capital component charges. The motion was passed.

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

B. Consider Water Quality Data for Ord Community Well No. 29 and Provide Direction to Staff:

Mr. Tarazski gave a technical briefing on the water quality associated with former Fort Ord's Well No. 29. Discussion followed. Director Moore suggested reducing the fact sheet provided in the packet from two pages to one.

C. Consider Adoption of Resolution No. 2003-24 to Approve a Contract with Koff & Associates to Perform District Salary/Classification Study:

Ms. Chavoya introduced this item.

On motion by Vice-President Scholl, seconded by Director Brown; the Board adopt Resolution No. 2003-24 approving a contract with Koff & Associates to perform a District salary/classification study. The motion was passed.

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

Mr. Armstrong asked if the Board would go back to item B and review the financial impact associated with this item as well as the recommendation and, if so desire, to consider making a motion.

B. Consider Water Quality Data for Ord Community Well No. 29 and Provide Direction to Staff:

On motion by Vice-President Scholl, seconded by Director Moore; the Board accept the staff recommendation as outlined on the bottom of page 44 of the packet, which reads, "Staff recommends that the District continue to work closely with the Army on any and all publications that address water quality issues in the Ord community, sponsor a Power Point presentation of the Ord drinking water facilities during the Army Open House on June 21 and request overall groundwater problem presentation by MACTEC. Staff do not recommend a media release at this point but will be ready to respond if queried." The motion was passed.

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

D. Consider Adoption of Resolution No. 2003-25 to Certify the Notice of Exemption for the Ord Community Water System Valve Rehabilitation Project and to Approve the Ord Community Water System Valve Rehabilitation Project:

Mr. Meza introduced this item. Vice-President Scholl questioned the need for a Notice of Exemption (NOE)? Mr. Meza and Mr. Lowrey explained the requirements of CEQA that necessitate the need for a NOE.

On motion by Director Moore, seconded by Vice-President Scholl; the Board approve Resolution No. 2003-25 certifying the Notice of Exemption and to approve the Ord Community Water System Valve Rehabilitation Project. The motion was passed.

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

E. Consider Approval of the Draft Scope of Work for the Marina Wastewater Collection System Master Plan:

Mr. Sullivan introduced this item.

On motion by Director Moore, seconded by Director Russo; the Board approve the draft Scope of Work for the Marina Wastewater Collection System Master Plan. With a vote of 5-Ayes, 0-Noes, 0-Absent, the motion was passed.

F. Consider Adopting Resolution No. 2003-26 to Authorize Membership in the New Special District Association of Monterey County and to Designate District Representatives:

Mr. Armstrong introduced this item.

On motion by Director Moore, seconded by Director Brown; the Board approve Resolution No. 2003-26 authorizing membership in the new Special District Association of Monterey County with the designated representatives to be the primary and alternate LAFCO liaisons. The motion was passed.

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

G. Receive Report from District Negotiators Regarding Negotiations with California State University Monterey Bay and Capital Component Charges and Consider Providing Direction to Negotiators:

Mr. Lowrey absented himself from this item. Mr. Armstrong introduced this item. He explained the District received a proposal from CSUMB and would like to draft a counter proposal to be provided to the Board at the June 4, 2003 Strategic Planning Workshop. Direction to negotiators will be provided at that time.

4. Consent Calendar:

President Nishi requested items F, H, and I to be pulled from the consent calendar.

On motion by Vice-President Scholl, seconded by Director Brown; the Board approve the consent calendar consisting of: A) Consider Approving the Minutes of the Special Board Strategic Planning Workshop of March 27, 2003; B) Consider Approving the Minutes of the Special Board Strategic Planning Workshop of April 16, 2003; C) Consider Approving Minutes of the Regular Board Meeting of April 23, 2003; D) Consider Approving Minutes of the Special Board Meeting Budget Workshop of April 30, 2003; E) Consider Approving Expenditures for the Month of April 2003; and, G) Consider Approval of the 2002 Consumer Confidence Reports for Marina and the Ord Community Water (formerly Presidio of Monterey Annex) Systems. The motion was passed.

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

President Nishi recessed the meeting from 8:26 p.m. until 8:31 p.m.

F. Review Quarterly Financial Statements for January 1, 2003 – March 31, 2003:

President Nishi questioned the increased water sales from last years financials? Mr. Prasad explained the District was still working under the caretaker agreement for part of that year. President Nishi inquired on the increase in revenue? Mr. Prasad stated that was in part from a rate increase. President Nishi asked for a breakdown on the capacity fee revenue and capital component revenue. Mr. Prasad stated they would be provided to the Budget and Personnel Committee. President Nishi questioned why the Operations and Maintenance expenses were higher than last year? Mr. Prasad stated the District was operating under the caretaker agreement and those fees were paid under said agreement.

Consent Calendar 4-F (continued):

On motion by Director Moore, seconded by President Nishi; the Board accept the quarterly financial statements for January 1, 2003 – March 31, 2003. Vice-President Scholl suggested putting the budgeted amounts alongside the consolidated amounts for easier viewing. President Nishi stated that could be discussed at the Budget and Personnel Committee. With a vote of 5-Aye, 0-No, 0-Absent, the motion was passed.

H. Consider Adoption of Resolution No. 2003-27 Extending a Scope of Services with ENS Resources of Washington, D.C. for Four Months

President Nishi questioned why this item was before the Board as the General Manager already authorized the extension? Discussion followed.

On motion by Director Moore, seconded by Director Brown; the Board approve Resolution No. 2003-27 extending the scope of services with ENS Resources of Washington, D.C. for four months. Discussion followed.

Vice-President Scholl called for the question. Director Moore seconded the motion. Discussion followed. With a vote of 5-Ayes, 0-Noes, 0-Absent, the motion was passed.

The original motion was passed by the following roll call vote:

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

I. Consider Appointment of a District Representative Department of Toxic Substances Control Committee Advisory Group for the Former Fort Ord Project

President Nishi stated his recommendation the FORA liaison and FORA alternate to be the District representatives, not the General Manager or his designee. No questions or motion was made.

5. Informational Items:

A. General Manager's Report:

No comments.

B. Counsel's Report:

Mr. Lowrey stated he was in the process of arranging appointments with the CPUC commissioners for District representatives.

C. Staff Reports:

1. In-School Water Education Quarterly Report:

No comments.

2. Sand City Water Project:

President Nishi voiced his concerns that elected officials did not attend the meeting.

Mr. Armstrong advised the Board that page 4 was missing from the packet and presented a copy to everyone.

On motion by Director Brown, seconded by Director Moore; the Board approve including the missing page in the final Resolution 2003-23 already approved by the Board. The motion was passed.

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

D. 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:

Vice-President Scholl inquired if there was an update on public member Paul Martin? Mr. Armstrong stated that Mr. Martin would provide a letter of resignation. President Nishi requested presenting Mr. Martin a certificate of appreciation at the next Board meeting.

5. Joint City-District Committee:

Director Moore stated the committee was working on a mission statement.

6. MRWPCA Board Member:

Vice-President stated there was discussion on the joint golf course urban reclaimed water project.

7. LAFCO:

No comments.

8. JPIA:

No comments.

F. District Correspondence:

No comments.

G. Director's Comments:

Vice-President Scholl stated he was disappointed by the conduct of the Board during the meeting.

Director Brown agreed with Vice-President Scholl. He stated that if this continues, the Board may need to revisit the Presidential nomination.

Director Moore concurred with both Vice-President Scholl and Director Brown and the need to be more professional.

Director Russo stated he feels there is a lot of mis-communication.

President Nishi agreed with everything the other Directors stated but he feels that everyone is not treated equally.

Group discussion followed.

6. Closed Session:

- A. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator
Property: Reserved Easements and Other Property Regarding Armstrong Ranch
Agency Negotiator: Michael Armstrong
Negotiating Parties: J. D. Armstrong Family and MCWD
Under Negotiation: Price and Terms

- B. Pursuant to Government Code Section 54957.6
Conference with Labor Negotiators
Agency Designated Representatives: Charles Scholl & Kenneth Nishi
Unrepresented Employee: General Manager

The Board entered into closed session at 9:11 p.m. and returned to open session at 9:47 p.m.

7. Possible Action on Closed Session Items:

Mr. Lowrey reported no action was taken on either item during closed session.

Item 6-B:

On motion by Director Brown, seconded by Vice-President Scholl; the Board increase the General Manager's compensation by 10 % with the understanding that the 10 % will apply to salary and to retirement, as it is formula driven and tied to compensation. The motion was passed.

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

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

No need for discussion as this item returns next month.

9. Adjournment:

The meeting was adjourned at 9:48 p.m.

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Michael D. Armstrong, General Manager