

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
January 14, 2004
7:00 p.m.

Minutes

1. Call to Order/Roll Call:

President Scholl called the meeting to order at 7:00 p.m. on January 14, 2004.

Board Members Present:

Charles Scholl – President
Tom Moore
David Brown
Ken Nishi

Board Members Absent:

Ron Russo – Vice-President

Staff Members Present:

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

Audience:

Jim Brezack, RBF Consulting
Denise Duffy, Denise Duffy & Associates
Allison Imamura, Denise Duffy & Associates
Bob Schaffer
Curtis Weeks, MCWRA
Bob Jaques, MRWPCA
Michael Shaw, Marina Heights
Evelina Adlawan
Jim Dowless
Tony Kelsey
Lester Lee

Dave Foote, Schaaf & Wheeler
Mike Johnston, Teamsters Union
Simon Whitmey

2. Oral Communications:

None.

3. Recognitions:

- A. Consider Adoption of Resolution No. 2004-02 in Recognition of Paula Carina, Executive Assistant/Clerk of the Board, as Employee of the Quarter for January – March 2004:

Mr. Armstrong read the narration commending Ms. Carina.

On motion by Director Moore, seconded by Director Brown; the Board approve Resolution No. 2004-02 recognizing Ms. Carina as Employee of the Quarter for January – March 2004. The motion was passed.

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

Ms. Carina voiced her appreciation.

President Scholl elected to take the items out of order in deference to the number of public members present.

4. Action Items:

- B. Consider Providing Requested Projected Water Demand Information To Monterey County Water Resources Agency for Use in Developing a Project Concept Description for a Regional Desalination Plant:

Mr. Armstrong introduced this item then introduced Mr. Curtis Weeks, MCWRA General Manager. Mr. Weeks explained why MCWRA is requesting this information from the District and other agencies in the area. He explained the requested information should identify immediate water needs as well as those planned in the future. Discussion followed.

On motion by Director Moore, seconded by Director Brown; the Board directed staff to send a letter to MCWRA indicating: 1) the District will require 13,500 afy; 2) this is not a commitment to take that amount; and, 3) ask MCWRA to work with MCWD to ensure future equity between agricultural and urban water users vis-à-vis the proposed desalination project. Discussion followed. With a vote of 3-Ayes, 1-No, 1-Absent, the motion was passed.

C. Consider Adoption of Resolution No. 2004-03 to Support a Statewide Ballot Initiative to Require Voter Approval Before State Government May Take Local Tax Funds:

Mr. Armstrong introduced this item. President Scholl voiced his support of this item.

On motion by Director Moore, seconded by Director Brown; the Board direct staff to revise the Resolution with proper wording reflecting the District. The motion was passed.

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

E. Consider Adoption of Resolution No. 2004-04 to Approve a Professional Services Agreement with Harris & Associates for the Ord Community Valve Replacement Project:

Mr. Sullivan introduced this item.

On motion by Director Brown, seconded by Director Moore; the Board approve a Professional Services Agreement with Harris & Associates for the Ord Community Valve Replacement Project. The motion was passed.

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

5. Review Draft Board Items:

A. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2004-xx to Approve Adoption of Final Resolution with the California Public Employees Retirement System:

Mr. Armstrong introduced this item. Mr. Lowrey stated the District would need to amend the two MOU's with the employee units to reflect the change if the Board approved the Final Resolution. Director Moore asked what the vote count was in the employee election. Mr. Armstrong stated it was unanimous on both votes. Director Moore asked staff to prepare a table and bar chart showing cash flow over the next 20 years and the cost of the current retirement system and the proposed PERS plan. He would also like the chart to show the amortization of the unfunded liability at the PERS percentage rate; the District finding outside funding for the unfunded liability; and, paying the unfunded liability up front to see which would be the best alternative. Director Moore asked that any staff members that might have reservations about getting into PERS please contact him either on or off the record, and voice those reservations.

Agenda Item 5-A (continued):

President Scholl concurred with Director Moore's request and stated he hopes this spreadsheet will help everyone to understand the burden to ratepayers and the benefit that would be derived from joining PERS.

President Scholl recessed the meeting from 7:45 until 7:55 p.m. for everyone to enjoy a celebratory piece of cake.

- B. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2004-xx to Approve Amendment No. 1 to the Professional Services Agreement with Denise Duffy & Associates for the Regional Urban Water Augmentation Project:

Mr. Armstrong introduced this item. He stated both he and Mr. Meza were aware of the additional work being performed by Denise Duffy & Associates. Director Moore asked for clarification on item 1a of Attachment 1. Ms. Duffy explained the out-of-scope tasks in item 1a. Director Nishi inquired how many of the original alternatives passed the screening process. Ms. Duffy and Mr. Brezack explained the process of deriving the alternatives and that the alternatives were not specifically numbered in the beginning of the process. Director Nishi inquired on the additional RBF charges for this item. Ms. Duffy explained those charges. President Scholl requested this item be placed on the Consent Calendar for January 28, 2004.

- C. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2004-xx to Approve Amendment No. 3 of the Professional Services Agreement with RBF Consulting to Complete the Engineering Basis of Design for the Regional Urban Recycled Water Project:

Mr. Armstrong introduced this item. Director Moore inquired on the dollar amount difference between staff and Mr. Brezack's request. Mr. Armstrong stated it was negotiated to the lesser amount. President Scholl requested this item be placed on the Consent Calendar for January 28, 2004.

- D. Consider Adoption of Resolution No. 2004-xx to Approve the District's In-Tract Water and Wastewater Collection System Infrastructure Policy:

Mr. Armstrong introduced this item. He explained the FORA Board approved the In-Tract Policy at their last meeting and added that the U.S. Army does not agree with this policy. Mr. Bob Jaques asked Mr. Armstrong to explain the impact fees FORA collects. Mr. Armstrong briefly explained that the majority of the fees collected are not earmarked for water or wastewater infrastructure and only a small amount is placed in a Potable Water Augmentation Fund. This results in no dollars from the impact fee available for infrastructure issues.

Agenda Item 5B (continued):

Director Nishi questioned if there was another alternative to charging the rate base. Board consensus is to place this item on the Consent Calendar for January 28, 2004.

F. Consider Proposal for the Ord Community Main Booster Station Parcel and Provide Direction to Staff:

Mr. Sullivan introduced this item. Director Moore asked for clarification on item 6 on the transmittal. Mr. Armstrong stated this would include discussion between MCWD, the Developer, and the City of Marina on possible options for the parcel. President Scholl requested this to be placed on the Consent Calendar for January 28, 2004.

President Scholl suggested placing items G through L directly on the Consent Calendar for January 28, 2004 and if a Director had a question on any of those items to contact staff for clarification. Director Nishi disagreed.

E. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2004-xx to Approve the District Technology Plan Appendix 2003-2004:

Mr. Prasad introduced this item. Director Nishi asked about "Billing and Financial Needs". He asked if the District outsourced the billing. Mr. Prasad stated the billing is handled in-house but the printing and mailing is outsourced to DataProse. President Scholl requested this item to be placed on the Consent Calendar for January 28, 2004.

4. Action Items:

A. Consider Director Appointments to Board of Director's Standing Committees and to Outside Agencies for 2004:

President Scholl distributed, and read aloud, a listing of the committees and recommended appointments to the Board. President Scholl suggested adding two new committees to the current standing committees. The suggested appointments are:

Water Conservation	Russo, Brown (alt)
Joint City/District	Russo, Scholl, Armstrong (alt)
MRWPCA	Scholl, Moore (alt)
MRWPCA Negotiating Team	Moore, Scholl
FORA	Brown, Russo (alt)
LAFCO	Scholl, Armstrong (alt)
Special Districts Association	Moore, Scholl (alt)
JPIA	Moore, Brown (alt)

Agenda Item 4-A (continued):

New Committees are:

Executive Committee Russo, Scholl, Armstrong

This newly proposed committee will meet at least quarterly or more frequently on an as needed basis to discuss topics of a general nature with the GM. These meetings will be of a 'pulse check' type to exchange ideas and perspectives regarding the flow of information, etc. Current projects or pending actions before the Board will specifically NOT be discussed at these meetings.

Community Outreach Nishi

This Committee will expand the current communications with the community beyond the current District Newsletter. Specifically, this committee will author monthly articles for the Marina Gazette, and develop a dialogue with the Monterey Herald writer assigned to cover matters in Marina so that there is regular coverage in the paper of current issues being discussed by the MCWD Board. This Committee Chair will also facilitate the development of a Power Point presentation and schedule speakers at all the major Social and Charity Organizations such as Lions International, Rotary and Junior Chamber of Commerce throughout the upcoming year.

Director Nishi asked the make-up of the Community Outreach Committee. President Scholl stated Director Nishi is the Chairman and is responsible to facilitate the activities outlined.

On motion by Director Brown, seconded by Director Moore; the Board approve the committee appointments as presented. With a vote of 3-Aye, 1-No, 1-Absent, the motion was passed.

D. Receive Staff Report on the Seawater Desalination Facility 300 HP Motor and Provide Direction to Staff:

Mr. Armstrong introduced this item. Director Moore asked why the cost was whited out on pages 22 and 23. Mr. Armstrong stated he had not noticed. Director Nishi stated he would like to see a new motor installed in the desal plant. Director Brown asked if the District should consider abandoning the desal plant. Director Moore suggested Sand City could possibly be interested in providing a funding stream to get the plant back in operation. Mr. Armstrong stated staff would ensure that the permit on the desal plant was not jeopardized.

President Scholl recommended two actions for the District staff to pursue.

- 1) One-on-one dialogue with Ionics to learn as to their history at other installations with this same design;
- 2) Hold discussion with Ionics or an appropriate engineer, to look at the design of motor to see if there is an ability to isolate the thrust.

Regular Board Meeting
January 14, 2004
Page 7

8. Adjournment:

The meeting was adjourned at 9:08 p.m.

APPROVED:

Charles H. Scholl, President Date

ATTEST:

Michael D. Armstrong, General Manager