

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
August 10, 2005  
7:00 p.m.

**Minutes**

1. Call to Order:

Vice President Brown called the meeting to order at 7:00 p.m. on August 10, 2005.

Board Members Present:

David Brown – Vice President  
Ken Nishi  
Charles Scholl  
Howard Gustafson

Board Members Absent:

Tom Moore – President

Staff Members Present:

Mike Armstrong, General Manager  
Lloyd Lowrey, Legal Counsel  
Marc Lucca, Deputy General Manager/District Engineer  
Jade Sullivan, Capital Projects Manager  
Ken Demmons, Project Manager  
Suresh Prasad, Director of Finance  
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Bob Schaffer, Marina Community Partners  
Lyndel Melton, RMC  
Stephanie Hughes

2. Oral Communications:

None.

3. Action Item:

- A. Consider Adoption of Resolution No. 2005-55 to Authorize Disbursement of the Water Construction Cost Share of the Fort Ord Reuse Authority General Jim Moore Blvd. Phase II Project:

Mr. Ken Demmons, Project Manager, introduced this item.

Director Nishi asked why Creegan & DeAngelo didn't recognize that the 8" line needed replacement when they did the original design. Mr. Jade Sullivan, Capital Projects Manager, answered that Creegan & DeAngelo knew about the 8" line but the District decided to change the line size at a later date. Mr. Marc Lucca, Deputy General Manager/District Engineer, added that during Phase I of the project the poor condition of the line was discovered and staff decided at that time to replace the line. Director Nishi asked if the District would do this with all projects. Mr. Lucca answered that it was site and project specific. Director Nishi asked how much more the bigger pipelines would cost. Mr. Lucca stated that he would need to look up the exact cost of the pipe. Director Nishi stated he would like to see the cost before making a decision. Director Gustafson asked why Alamar was doing the inspections and not the District. Mr. Lucca answered that there was not enough personnel on staff to do the inspections.

Director Scholl made a motion to approve Resolution No. 2005-55 to authorize disbursement of the water construction cost share of the Fort Ord Reuse Authority General Jim Moore Blvd. Phase II Project. Director Gustafson seconded the motion.

The motion was passed.

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

4. Review Draft Board Items:

- A. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2005-xx to Approve Contract Change Orders to the Ord Community Valve Replacement Project with Monterey Peninsula Engineering and Amend the Fiscal Year 2005/2006 Budget:

Mr. Sullivan introduced this item.

Director Nishi voiced his concern over the District designing projects without knowing what is really needed and causing cost overruns. Mr. Sullivan answered that normally a 15% contingency is requested when a project is brought before the Board and this project is at an 11.5% contingency. He added that MPE has done a great job in spite of the poor quality of the as-builts.

Agenda Item 4-A (continued):

Director Nishi voiced his concerns that many projects have been going over budget. Director Gustafson agreed that the designers need to stay within the budget. Director Scholl answered that he had been involved in engineering for 40 years and never met cost targets or time constraints on projects because management of the projects is so aggressive to get them done quickly and inexpensively. The only way to not go over budget is to sandbag and pad the expenses by 10%. Director Scholl would rather the District be aggressive, get good estimates and if valid reasons are presented, returning to the Board for additional funds.

Vice President Brown requested this item to be placed on the consent calendar for the August 24, 2005 Board meeting.

- B. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2005-xx to Approve a Professional Services Agreement with RMC Water and Environment for Program Management Services for the Regional Urban Water Augmentation Project:

Mr. Lucca introduced this item, Mr. Lyndel Melton and Ms. Stephanie Hughes, RMC. Director Gustafson asked if this was just going to be a design/build or design/bid/build. Mr. Lucca answered that it has yet to be decided.

Director Scholl commented that that the reasoning behind the hybrid project was that the District could move forward with the recycled water more quickly than desalinated water and asked if that was still the plan. Mr. Lucca answered affirmatively. Director Scholl answered that it allowed the District to see what projects are coming on line and to see how many customers there will be for recycled water. Discussion followed.

Director Nishi voiced his concern over not having a signed agreement with the MRWPCA regarding who would own, maintain and operate the recycled water and pipelines before going forward with the Regional Urban Water Augmentation Project and with FORA regarding funding. Director Nishi asked if there was only one bidder for this project. Mr. Lucca answered the District did talk with one other consulting firm but staff believed that RMC would be a better choice because they brought a lot of familiarity with the area and knowledge of the issues faced by the District as well as they will not pursue the detailed design portion of the project. Director Nishi commented that he would like to see the information on the other consultant and would like to see a minimum of three bids on each project.

Director Gustafson voiced his concerns about the project and recycled water. He would like to work with developers and get the desal plant back in commission.

Director Scholl asked if the District is responsible for the customers in the Ord Community. Director Gustafson answered affirmatively.

Agenda Item 4-B (continued):

Mr. Lucca answered that negotiations are not complete and that information will be provided at the next meeting.

Vice President Brown requested this item to be placed as an action item for the August 24, 2005 Board meeting.

C. Review Draft Board Transmittal to Consider Selecting Facilitator to Conduct Strategic Planning and Provide Direction to Staff:

Mr. Armstrong introduced this item.

Director Scholl asked if the decision would be made at the August 24, 2005 meeting and asked if he could contact the facilitators beforehand to ask questions. Mr. Armstrong answered that any Director could contact the facilitators and that this item was for review and action would be taken at the next meeting. Director Nishi asked to see the list of facilitators and would like to have more than two candidates to choose from. Discussion followed.

Vice President Brown requested this item to be placed as an action item for the August 24, 2005 Board meeting and asked staff to advise the facilitators they are welcome to address the Board at that meeting if they so desire.

D. Review Draft Board Transmittal to Consider Approving Expenditures for the Month of July 2005:

Mr. Suresh Prasad, Director of Finance, introduced this item. Director Nishi inquired on check # 39140. Mr. Prasad answered he would provide more information at the next meeting.

Vice President Brown requested this item to be placed on the consent calendar for the August 24, 2005 Board meeting.

E. Review Draft Board Transmittal to Consider Approval of the Draft Minutes of the Regular Board Meeting of June 8, 2005:

Vice President Brown requested this item to be placed on the consent calendar for the August 24, 2005 Board meeting.

F. Review Draft Board Transmittal to Consider Approval of the Draft Minutes of the Special Joint Board Meeting of June 10, 2005:

Vice President Brown requested this item to be placed on the consent calendar for the August 24, 2005 Board meeting.

G. Review Draft Board Transmittal to Consider Approval of the Draft Minutes of the Regular Board Meeting of June 22, 2005:

Vice President Brown requested this item to be placed on the consent calendar for the August 24, 2005 Board meeting.

5. Discuss Possible Agenda Items for the August 24, 2005 Planning Workshop and Provide Direction to Staff:

Director Nishi asked to discuss the desalination plant; the chronology of the plant – where it started and where the District is now; and, a time frame of when it is expected to produce water. Director Gustafson also asked to see the chronology of the desalination plant. Director Nishi stated he had tried to contact Ionics and the person he needed to talk to had retired or no longer worked there. Discussion followed.

6. Director's Comments:

Director Scholl commented that he traveled with members of the MRWPCA and the MPWMD to see the recycled water treatment plant in Orange County.

Director Nishi stated he had not received information for check #'s 38737 and 38841. He also commented that the General Manager's Weekly Report stated the District was still holding desal tours and wanted to know why when the plant is not operating.

7. Correspondence:

No comments.

Vice President Brown recessed the meeting from 8:10 until 8:20 p.m.

The Board entered into closed session at 9:45 p.m.

8. Closed Session:

- A. Pursuant to Government Code Section 54956.9  
Conference with Real Property Negotiator  
Property: Bayer Tank Lot  
Negotiating Parties: MCWD and Damian and Trevor Fink  
Under Negotiation: Price and Terms

Agenda Item 8 (continued):

- B. Pursuant to Government Code Section 54956.9  
Conference with Real Property Negotiator  
Property: Sand Tank Lot  
Negotiating Parties: MCWD and Chadmar Group  
Under Negotiation: Price and Terms

The Board returned to open session at 8:50 p.m.

9. Possible Action on Closed Session Items:

Vice President Brown stated direction was provided to staff and no action was taken.

10. Adjournment:

The meeting was adjourned at 8:50 p.m.

APPROVED:

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David W. Brown, Vice President      Date

ATTEST:

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Michael D. Armstrong, General Manager