

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
March 8, 2006
7:00 p.m.

Minutes

1. Call to Order:

President Brown called the meeting to order at 7:02 p.m. on March 8, 2006.

Board Members Present:

David Brown – President
Howard Gustafson – Vice President
Ken Nishi
Tom Moore
Charles Scholl

Board Members Absent:

None

Staff Members Present:

Marc Lucca, General Manager
Lloyd Lowrey, Legal Counsel
Andrew Sterbenz, Interim District Engineer
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Doug Yount, City of Marina
Michael Shaw, Cypress Knolls
Bob Schaffer, Marina Community Partners
Bob Holden, MRWPCA
Bill Brasher, Marina Heights

2. Oral Communications:

None.

The Board entered into closed session at 7:03p.m.

3. Closed Session:

- A. Pursuant to Government Code Section 54956.9
Conference with Real Property Negotiators
Property: District Desalination Plant
Negotiating Parties: MCWD and Marina Developers
Under Negotiation: Price and Terms

The Board returned to open session at 7:46 p.m.

4. Possible Action on Closed Session Items:

President Brown stated that no action was taken in closed session and direction was given to the negotiators.

5. Action Items:

- A. Consider Adoption of Resolution No. 2006-19 to Approve the Draft Water Supply Assessment and Written Verification of Supply for the Cypress Knolls Development Project:

Vice President Gustafson made a motion to take no action and to postpone this item. Director Moore seconded the motion. Mr. Doug Yount, City of Marina, questioned why the Board was taking no action at this time. President Brown explained that the Cypress Knolls WSA/WV is based on the assumption that there is going to be a contract regarding the desalination plant and until that contract is agreed upon, the Board is reluctant to approve the WSA/WV. Mr. Lloyd Lowrey, Legal Counsel, stated for the record that the Cypress Knolls WSA was not discussed in closed session. Mr. Lowrey stated the last WHEREAS and the RESOLVED paragraphs on page 4 of the packed speak to the agreement the Board is discussing in closed session.

Director Nishi commented that he understood the Board would agree to approve the WSA/WV contingent on the execution of the agreement. He voiced his concern that a Director contacted Mr. Lowrey to discuss the agreement and the rest of the Board did not hear Mr. Lowrey's concerns until they met in closed session.

With a vote of 4-Ayes, 1-No, 0-Absent, the motion to postpone this item was passed.

- B. Consider Board Direction Regarding Pursuit of Other Funding Sources Available for District Expenditures:

Mr. Marc Lucca, General Manager, introduced this item. Director Nishi stated that he talked to Congressman Sam Farr recently and Congressman Farr commented that the District is doing a

Agenda Item 5-B (continued):

fantastic job with desalination and recycled water and that he was interested in working with the District. Director Nishi commented that it would be a good idea for a Director to talk with Congressman Farr about grant funding.

Vice President Gustafson made a motion to nominate Director Nishi to negotiate with Congressman Farr and other contacts regarding grant funding. President Brown seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Gustafson	-	Yes
Director Scholl	-	Abstained	President Brown	-	Yes
Director Nishi	-	Yes			

C. Consider Recruitment Process for the General Manager Position:

Mr. Lucca introduced this item. President Brown outlined the options before the Board.

Director Scholl made a motion to appoint a two member negotiating committee consisting of the President and Vice President to negotiate with Mr. Lucca for the General Manager Position. Director Moore seconded the motion.

Director Nishi stated that although Mr. Lucca has done an outstanding job as the District Engineer and Interim General Manager, the Board has a responsibility to see if there are any other qualified individuals to consider for the position.

President Brown stated he agreed with Director Nishi but that there is a high probability to hire the Interim General Manager and he didn't want to give false hopes to other candidates.

Director Scholl commented that he didn't agree with looking for other candidates when you already have someone that has a great track record and the Board has already seen his work.

Mr. Bob Schaffer, Marina Community Partners, commented that with the number of complex issues the District is dealing with, it is beneficial to have someone who is well-grounded in the issues representing the District. He added that Mr. Lucca represents the District well to other agencies.

The motion was passed.

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

6. Review Draft Board Items:

- A. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2006-xx to Amend the Existing Nextel Agreement at D/E Tank Site:

Mr. Lucca introduced this item. Mr. Lowrey commented that when reviewing the matter at the staff level earlier in the week, it was noticed that the conveyance of this parcel to the District in 2001 was an exclusive easement and the District may not have had the ability to enter into the lease originally.

Director Nishi questioned the agreement and asked if language could be added to require District approval before Nextel could sublet to anyone else. Mr. Lowrey answered that any language could be added and negotiated. Director Nishi asked for language to limit the number of antennae to the same number that is currently used. Mr. Lucca answered that it could be done. Director Moore agreed with Director Nishi and pointed out a typo in the agreement. Discussion followed.

President Brown asked that this item be placed as an action item for the March 22, 2006 Board meeting.

- B. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2006-xx to Approve a Professional Services Agreement with Creegan & D'Angelo for Design Phase Services for the General Jim Moore Boulevard, Phase III Project:

Mr. Sterbenz introduced this item.

President Brown asked that this item be placed on the March 22, 2006 consent calendar.

- C. Review Draft Board Transmittal to Consider Adoption of Resolution No. 2006-xx to Approve the Construction and Transfer of Water and Sewer Infrastructure Agreement between Annandale Associates, LLC and MCWD for the Carmel Circle Development:

Mr. Sterbenz introduced this item. Director Moore suggested that infrastructure agreements have a clause requiring irrigation areas to use recycled water at a cost set for recycled water.

President Brown requested this item to be placed on the March 22, 2006 consent calendar.

- D: Review Draft Board Transmittal to Consider Approving Expenditures for the Month of February 2006:

Director Nishi questioned the cost difference between the January and February Shell gas bills. He also questioned an expenditure resulting from telemetry failure. Mr. Lucca stated that staff

Agenda Item 6-D (continued):

would review the Shell bill and report back to the Board; and explained the property damage from the telemetry failure and what steps the District took to repair the damage.

President Brown requested this item to be placed on the March 22, 2006 consent calendar.

- E. Review Draft Board Transmittal to Consider Approval of the Draft Minutes of the Regular Board Meeting of January 25, 2006:

There were no questions or comments on this item.

President Brown requested this item to be placed on the March 22, 2006 consent calendar.

- F. Review Draft Board Transmittal to Consider Approval of the Draft Minutes of the Regular Board Meeting of February 8, 2006:

Director Scholl requested to have this item placed as an action item as he was absent from the February 8, 2006 meeting and will abstain from the vote.

President Brown requested this item to be placed on the February 22, 2006 consent calendar.

7. Staff Reports:

- A. Discuss Maintaining Separate Cost Centers:

Mr. Lucca introduced this item. Director Moore asked to direct staff to begin working on an Ordinance to memorialize separate cost centers. Director Nishi asked that this item be discussed during the planning workshop on March 22, 2006.

- B. Receive Staff Presentation for City of Seaside – Water Issues Forum:

Mr. Lucca introduced this item and went over the presentation he would be giving to the Seaside City Council on March 9, 2006. Director Scholl questioned the storage tank for recycled water. Mr. Lucca answered that it was mainly for equalization storage. Discussion followed.

8. Discuss Possible Agenda Items for the March 22, 2006 Planning Workshop and Provide Direction to Staff:

Director Moore stated that the discussion on separate cost centers was one item to be discussed.

9. Directors Comments:

Vice President Gustafson suggested that staff reports with presentations don't need to be presented to the Board. If the Board has questions they can ask them during the meeting.

Director Moore stated he approved receiving the presentation so that he could evaluate how the General Manager would appear to the Seaside City Council.

Director Scholl agreed that receiving the presentation was informative especially for the District's negotiation team to observe the quality of the individual giving the presentation.

President Brown commented that he agreed with Vice President Gustafson that maybe not all presentations need to be made especially when it is a long meeting.

Director Scholl commented that he recently came across a past presentation on a pilot desalination plant given by the Pajaro/Sunny Mesa Water District saying that there would be a pilot plant running within 90 days. As it has been a lot longer than 90 days, Director Scholl stated he would like to visit the pilot plant and see how it is working.

Director Nishi praised the Board for putting their personal feelings aside and working together as a team.

Mr. Lucca stated that for the Board Workshop items for the March 22, 2006 meeting the Board wanted to discuss separate cost centers; and, as part of the Strategic Plan, revisit it periodically to see where everything stands. Mr. Lucca also stated he wanted to bring a water use by development report to the Board and make it a quarterly report.

The Board entered into closed session at 9:00 p.m.

10. Closed Session:

- A. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator
Property: Easements, Rights-of-Way, Pipelines and Appurtenances, and Water Rights
Negotiating Parties: MCWD and MRWPCA
Under Negotiation: Price and Terms

- B. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator
Property: Sand Tank Lot
Negotiating Parties: MCWD and Chadmar Group
Under Negotiation: Price and Terms

- C. Pursuant to Government Code Section 54957
 - Public Employee Appointment
 - Title: General Manager
 - Negotiating Parties: MCWD Board of Directors
 - Under Negotiation: Terms

The Board returned to open session at 9:24 p.m.

11. Possible Action on Closed Session Items:

President Brown stated that no action was taken in closed session and direction was given to the negotiating committee in regards to the General Manager position.

12. Adjournment:

The meeting was adjourned at 9:25 p.m.

APPROVED:

David W. Brown, President Date

ATTEST:

Marc A. Lucca, General Manager