

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
October 10, 2007  
6:45 p.m.

**Minutes**

1. Call to Order:

President Gustafson called the meeting to order at 6:45 p.m. on October 10, 2007.

2. Roll Call:

Board Members Present:

Howard Gustafson – President  
Ken Nishi – Vice President  
Bill Lee  
Tom Moore – arrived at 6:46

Board Members Absent:

David Brown – excused

Staff Members Present:

Jim Heitzman, General Manager  
Jeff Cattaneo, District Engineer  
Lloyd Lowrey, Legal Counsel  
Andy Sterbenz, Schaaf & Wheeler Consultant  
Brian True, Capital Projects Manager  
Suresh Prasad, Director of Finance  
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Tom Kouretas, MRWPCA

The Board entered into closed session at 6:45 p.m.

3. Closed Session:

- A. Pursuant to Government Code Section 54956.8  
Conference with Real Property Negotiator (General Manager, Directors Gustafson, Brown)  
Property: Easements, Rights-of-Way, Pipelines and Appurtenances, and Water Rights  
Negotiating Parties: MCWD and Monterey Regional Water Pollution Control Agency  
Under Negotiation: Price and Terms

President Gustafson reconvened the meeting to open session at 6:48 p.m. The meeting was recessed until 7:00 p.m.

4. Possible Action on Closed Session Items:

President Gustafson stated that no action was taken in closed session.

5. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

6. Oral Communications:

None.

7. Consent Calendar:

Director Moore pulled item E from the consent calendar.

Director Moore made a motion to approve the consent calendar consisting of items A) Adopt Resolution No. 2007-72 to Approve a Professional Services Agreement with Ron Allen to Provide Consultant Services for the Water Education Program; B) Adopt Resolution No. 2007-73 to Accept Title to the Water, Sewer and Recycled Water Infrastructure within Marina Heights Phase 2 and Releasing the Performance Bonds; C) Receive the Quarterly Financial Statements for April 1, 2007 to June 30, 2007; and D) Approve Expenditures for the Month of September 2007. Director Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

E. Approve the Draft Minutes of the Regular Board Meeting of September 26, 2007:

Director Moore stated that handouts were provided with his suggested revisions. Vice President Nishi stated that he would like to make a correction to page 8 of the minutes. The second paragraph under item 3. MRWPCA Board Member, should read, "Vice President Nishi stated that in the morning he received an email...".

Director Moore made a motion to approve the draft minutes of the regular Board meeting of September 26, 2007 with the changes mentioned. Director Lee seconded the motion.

Agenda Item 7-E (continued):

The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

8. Action Items:

Mr. Jim Heitzman, General Manager, stated that staff would like to pull action items B) Consider Adoption of Resolution No. 2007-74 Granting a Variance of District Code: Chapter 3.36.030.W.Metering; and D) Consider Adoption of Resolution No. 2007-76 to Approve Infrastructure and Utility Agreements between Monterey Bay Military Housing, LLC and MCWD for the Stilwell Kidney Housing Development.

A. Consider Formation of the Hiring Procedures Ad Hoc Committee:

Mr. Heitzman introduced this item. Director Moore stated he was in favor of Option 1 (The HPAC would be made up of two Board members, the General Manager, and five members of the public); with Option 2 (The HPAC would be made up of one Board member, the General Manager, the Management Services Administrator and three members of the public) as a fallback. Vice President Nishi stated he was in favor of Option 3 (only five public members). Director Moore stated that he would like to see a Board member on the committee. President Gustafson asked if Director Moore would like to serve on the committee. Director Moore answered that he would and asked if Director Lee wanted to serve on the committee as well. Director Lee commented that he would like to see the public members discuss the hiring procedures and bring back a recommendation to the Board.

Director Moore made a motion for Option 1 with Option 2 as the fallback. Motion failed for lack of a second.

Vice President Nishi made a motion for Option 3. Director Lee seconded the motion. Director Moore asked if Option 3 would prohibit a Board member from attending the meetings. Mr. Lloyd Lowrey, Legal Counsel, stated that they were Brown Act meetings and anyone could attend as a member of the public. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

C. Consider Adoption of Resolution No. 2007-75 to Authorize the Construction of Certain Capital Improvements under a Reimbursement Agreement with East Garrison Partners I, LLC, and Approve Filing a CEQA Notice of Determination:

Mr. Jeff Cattaneo, District Engineer, introduced this item. Director Lee asked if East Garrison Partners had an estimation of when the construction of homes would begin. Mr. Cattaneo answered that they were estimating occupancy in early 2009.

Director Moore asked if the District has seen the bids received for this project. Mr. Cattaneo stated that he had not seen the bids but the District could request copies of them. Director Moore asked if the low bid was selected. Mr. Cattaneo answered that he could find out if the low bid was selected. Director Moore asked if there was a breakdown of costs to ensure the reimbursement was for District infrastructure improvements and not other unrelated improvements. Mr. Andrew Sterbenz, Schaaf & Wheeler Consultant, answered that the Reimbursement Agreement asks for an itemized list when they invoice the District for the work. Other developers provided to the District the actual invoices they received for work performed.

Vice President Nishi asked if there was an engineer's estimate. Mr. Sterbenz answered affirmatively stating that the amount in the agreement matches the bond they have posted. Vice President Nishi asked if the engineer's estimate was below or above the bond amount. Mr. Sterbenz answered that the engineer's estimate matches the bond amount. Vice President Nishi asked if this was time sensitive. Mr. Cattaneo answered that the construction has already begun and East Garrison Partners was aware that there was a risk involved without a signed agreement by the District.

Vice President Nishi made a motion to adoption of Resolution No. 2007-75 authorizing the construction of certain capital improvements under a Reimbursement Agreement with East Garrison Partners I, LLC, and approve filing a CEQA Notice of Determination. Director Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

E. Consider Adoption of Resolution No. 2007-77 to Approve an Amendment to the Professional Services Agreement with RMC Water & Environment for Program Management Services during Preconstruction/Construction Design of the Recycled Water Portion of the Regional Urban Water Augmentation Project:

Mr. Cattaneo introduced this item. For the sake of public members present, President Gustafson explained that this was a reclaimed water project that recycles wastewater for use outside homes, parks and sports fields.

Agenda Item 8-E (continued):

Director Moore made a motion to adopt Resolution No. 2007-77 approving an amendment to the Professional Services Agreement with RMC Water & Environment for program management services during Preconstruction/Construction Design of the Recycled Water Portion of the Regional Urban Water Augmentation Project. President Gustafson seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

F. Consider Directing Staff to Perform a Salary Survey for the Management Services Administrator Position:

Mr. Heitzman introduced this item. Vice President Nishi asked if staff would only look at the Management Services Administrator (MSA) position. Mr. Heitzman answered affirmatively. Director Moore asked where the staff would look for comparisons. Mr. Heitzman stated the staff would look at local agencies with similar positions. Vice President Nishi asked if Mr. Heitzman has performed salary surveys before. Mr. Heitzman answered that he had performed many salary surveys in the past.

Director Lee made a motion to direct staff to perform a salary survey for the MSA position. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Brown	-	Absent			

9. Staff Report:

A. Receive 3<sup>rd</sup> Quarter 2007 Water Consumption Report and Ord Community Sewer Flows Report:

Mr. Youngblood introduced this item. Vice President Nishi voiced his approval of the good job staff did with this report. President Gustafson agreed with Vice President Nishi on the job well done.

10. Discuss Possible Agenda Items for the October 24, 2007 Planning Workshop and Provide Direction to Staff:

Vice President Nishi asked if the Board could get a financial update at the next meeting.

Agenda Item 10 (continued):

Mr. Heitzman stated that it would be appropriate to update the Board on the status of rate study and the bond issue.

11. General Manager's/District Engineer's/Legal Counsel's Report:

Mr. Heitzman commented that the California Special Districts Association Conference was well attended in Monterey last week and the District was represented and made presentations. He added that Tuesday, October 16<sup>th</sup> was the Special Districts Association of Monterey County's dinner meeting. Mr. Heitzman pointed out that the Board Room and front office were recently painted along with the front door and a District emblem was placed on the front office gate. He stated that the small conference room had the paneling removed and was painted and that the painting would continue at least through the office areas. Director Lee inquired on the anti-intrusion device added to the front door. Mr. Heitzman answered that one evening while he was still in his office someone entered the closed office through the front door. The device was added to the front door the next day to discourage any other intruders.

Mr. Cattaneo reported that the engineering department is continuing to refine the capital improvements plan. They recently met with FORA to look at growth on the former Fort Ord to ensure the District does not put too much infrastructure in the ground before it is needed by the developments. Mr. Cattaneo stated that staff is trying to minimize the exposure to the District for infrastructure and facilities that don't have customers to support them.

Mr. Lowrey recommended having an item on the next agenda to add Mr. Heitzman formally as a negotiator in the MRWPCA and Clark Colony negotiations.

12. Director's Comments:

Vice President Nishi suggested sending a member of the District's conservation department to attend Design Review Board meetings on upcoming projects to ensure that proper conservation measures and equipment are utilized. He stated that many developers are installing sprayhead irrigation instead of drip irrigation which is not conducive to Marina wind and sand. Vice President Nishi added that maybe this should be put on an agenda for further discussion.

Director Moore suggested that there be an approval process that should go through the Joint City District Committee and the Board on irrigation designs. Mr. Sterbenz answered that the District does review irrigation designs on projects. Director Moore stated that irrigation designs should be approved and not reviewed. Mr. Cattaneo commented that the District is currently in the process of reviewing and refining its irrigation and conservation standards. He added that staff has already been looking into how to get involved at an earlier date with the developments so that the District could get their input in before things are put in the ground and built.

Agenda Item 12 (continued):

Vice President Nishi stated that maybe the District could provide incentives to encourage developers to install the most effective conservation equipment and show how it would use less water.

Director Moore asked if the Water Conservation Commission (WCC) would see the report before it is brought before the Board. Mr. Cattaneo answered that it wasn't a report but rather cleaning up the standards so they are more easily understood and followed. He added that it could be brought before the Board if requested. Director Moore asked that it go before the WCC and then brought as an information item to the Board. President Gustafson agreed.

13. Adjournment:

The meeting was adjourned at approximately 7:38 p.m.

APPROVED:

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Howard Gustafson, President

Date

ATTEST:

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Jim Heitzman, General Manager