

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
November 14, 2007
6:45 p.m.

Minutes

1. Call to Order:

President Gustafson called the meeting to order at 6:46 p.m. on November 14, 2007.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Ken Nishi – Vice President
Bill Lee
Tom Moore
One vacant seat

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Jeff Cattaneo, District Engineer
Lloyd Lowrey, Legal Counsel
Andy Sterbenz, Schaaf & Wheeler Consultant
Richard Youngblood, Water Conservation Coordinator
Suresh Prasad, Director of Finance
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Bob Holden, MRWPCA
Ralph Marcello, Nicholson and Olson
Paul Bruno, Monterey Peninsula Engineering
Matt Huerta, South County Housing
Joan and Marshall Reeves, El Rancho Mobile Home Park
Larry Parsons, Monterey Herald
Brian Briggs, City of Marina
Joe Oliver, MPWMD

Dan Burns, Resident
William Franks, Resident
Mike Owen, Resident
Peter Le, Resident
Dave Brown, Resident
Jane Barr, Mid Peninsula Housing

3. Action Items:

A. Adoption of Resolution No. 2007-78 in Recognition and Appreciation of David W. Brown:

Director Moore made a motion to adopt Resolution No. 2007-78 recognizing and appreciating David W. Brown for his service on the District's Board of Directors. Vice President Nishi seconded the motion. The motion was passed with one vacant seat.

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

President Gustafson read the narration on the resolution and presented Mr. Brown with a plaque of appreciation.

B. Consider Appointment of Applicant to Fill the Existing Vacated Seat on the Board of Directors:

Mr. Lloyd Lowrey, District Legal Counsel, briefly explained the procedure regarding filling the vacated seat. He explained that the Board advertised for the position and three people have applied. Mr. Lowrey added that it was standard for the Board to allow each applicant to have something to say to the Board, and as it is an open meeting, everyone listens to all the proceedings. After hearing from the applicants, the Board has to conduct their deliberations and selection process in public.

Mr. William Franks, resident, explained that he is currently employed by the Monterey Regional Water Pollution Control Agency (MRWPCA) as a Distribution Operator in the CSIP System. He stated that he would like to give service back to the Marina Coast Water District and the City of Marina, and to help guide the District in its future endeavors. Mr. Franks added that he did not feel there was a conflict of interest between his work and serving on the District Board and that he was confident he could separate the two.

Vice President Nishi commented that he appreciated Mr. Franks taking the time to fill out an application and wanting to serve and help the District and ratepayers.

Mr. Lowrey asked if Mr. Franks had any assets other than his house within the jurisdiction of the District. Mr. Franks stated he had no other assets. Mr. Lowrey asked the nature of Mr. Franks employment with the MRWPCA. Mr. Franks explained that he is currently employed as a Distribution Operator II in the CSIP System.

Agenda Item 3-B (continued):

Mr. Dan Burns, resident, stated that he was in the wastewater business for more than 33 years and the last 28 were with the MRWPCA until his retirement two years ago. He currently has a Grade V wastewater certificate and was certified as a Water Treatment Operator. Mr. Burns stated that his qualifications would be beneficial to the District and the City of Marina especially with some of the projects going on within the District.

Vice President Nishi commented that he appreciated Mr. Burns taking the time to fill out an application and wanting to serve and help the District and ratepayers.

Mr. Lowrey asked if Mr. Burns had any assets other than his house within the jurisdiction of the District. Mr. Burns stated he had no other assets. Mr. Lowrey asked the nature of Mr. Burns contract work with the MRWPCA. Mr. Burns explained that he has worked with the MRWPCA on special projects. Last year he worked on a Grease Trap project with local restaurants. He also did the construction management on the BioSolids project. Mr. Burns added that he is scheduled to do another project in December for a limited time.

Mr. Peter Le, resident, commented that he is familiar with most of the developments in Marina and the water and wastewater system. He stated that he was confident he could make a contribution to the residents of Marina.

Vice President Nishi commented that he appreciated Mr. Le taking the time to fill out an application and wanting to serve and help the District and ratepayers.

Mr. Lowrey asked if Mr. Le had any assets other than his house within the jurisdiction of the District. Mr. Le stated he had no other assets. Mr. Lowrey asked the nature of Mr. Le employment. Mr. Le answered that he is currently employed with the City of Soledad.

Mr. Lowrey informed the Board that they have heard from all the applicants and has a couple of options available to them. First, they can select from the applicants that were present; and second, they could extend the time to allow others to apply and then choose from the larger group of applicants. Mr. Lowrey explained that the Board has sixty days to appoint someone to fill the Board vacancy from the time it was learned at the last meeting. He added that before the Board makes their final decision, he wanted to give his opinion on potential conflict questions that were raised with information some of the applicants gave. Mr. Lowrey suggested that now would be the appropriate time for the Board to allow for public comments.

Mr. Paul Bruno, Monterey Peninsula Engineering, commented that he had known Mr. Le for many years. He stated that Mr. Le was very dedicated, competent, fair and honest in his dealings and would make an excellent addition to the Board. Mr. Bruno offered his support of Mr. Le for the open seat.

Agenda Item 3-B (continued):

Mr. Mike Owen, resident, commented that he appreciated everyone applying for this position as well as the openness of the selection process. He asked that the Board share their reasoning and logic behind any decision they make. Mr. Owen stated that he echoed the comments of Mr. Bruno and also voiced his support of Mr. Le.

Mr. Lowrey asked to give his thoughts on potential conflict questions. He said that when considering running for or selecting someone to be appointed to the District Board or any public agency Board, there are several considerations that need to be thought about. First, conflicts that might limit what a Director can do in fulfilling the duties of the office. The three questions that could be asked are 1) is there a common law conflict-of-interest; 2) would there be a limitation of ability to contract with another entity in which a Board member has a financial interest; and 3) limitations imposed by the Political Reform Act (PRA). The PRA says that government compensation and salaries does not count as a conflict of interest. Government Code Section 1090 and following, states that compensation from a government entity is not a conflict of interest and is a non-interest. Government salaries are a non-interest unless the contract is with the department that employs that individual. Mr. Lowrey stated that the question tonight, being that two individuals work for a sister agency, is whether there would be any limitations imposed. At most, if there was a limitation, it would be a remote interest disqualifying the individual from being involved in contracts that involve the MRWPCA. The MRWPCA is a single purpose agency and therefore if the Board selected an applicant that receives compensation from the MRWPCA, as long as that circumstance applies, they would be restricted from participating in contracts with the MRWPCA.

Director Moore commented that the applicant with the biggest burden would be Mr. Franks. Mr. Lowrey agreed since there is full-time employment. Director Moore asked how Mr. Burns' contracts with the MRWPCA would affect his ability to serve on the Board. Mr. Lowrey answered that as long as Mr. Burns is receiving compensation from the MRWPCA, he would be restricted from participating due to remote interest. When the contract was complete, there would no longer be a conflict and it would be non-interest. However, if there was a possibility of future continuing contracts, Mr. Lowrey stated that the Attorney Generals opinions indicate that the District should be conservative in that regard. Mr. Burns commented that his upcoming contract should only be for three weeks and there are no other contracts beyond that. Mr. Lowrey stated that in that case, there would be a conflict until the contract is complete and once the contract is over there is no longer a conflict.

President Gustafson commented that he had some concerns over the MRWPCA issue and it might weigh on his decision regarding Mr. Franks. He added that Mr. Burns is now retired other than the three week contract. President Gustafson commented that he knew Mr. Le from working with him previously.

Agenda Item 3-B (continued):

Director Moore made a motion to appoint Mr. Peter Le to the Board of Directors. Director Lee seconded the motion. The motion failed with one vacant seat.

Director Moore	-	Yes	Vice President Nishi	-	No
Director Lee	-	Yes	President Gustafson	-	No

President Gustafson commented that he looked over the resumes and liked the fact that Mr. Burns was retired, his water experience and that he was a long-time Marina resident. He added that although he didn't know Mr. Burns or Mr. Franks personally, he did know Mr. Le and respected him and his work. President Gustafson stated that the Board needs to appoint someone who could hit-the-ground-running and with his experience, Mr. Burns would be his choice.

President Gustafson made a motion to appoint Mr. Burns to the Board of Directors. Director Lee seconded the motion. Vice President Nishi commented that the reason he voted no for Mr. Le is because there is a spot for him in this organization and it is not as a Director. Mr. Le has better skills as an engineer and the District could use someone like him working on staff. Vice President Nishi commented that looking at two of the three applicants are from MRWPCA tells him that the General Manager must have done something good at the MRWPCA for them to want to be his boss. One of the hard parts of sitting here is telling someone "no" and making them unhappy and another hard part is to do what is right. Vice President Nishi stated he could support Mr. Burns because he worked somewhere for that many years and that shows integrity.

The motion was passed with one vacant seat.

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

Mr. Jim Heitzman, General Manager, administered the Oath of Office to Mr. Dan Burns.

Mr. Lowrey commented that there was correspondence received yesterday and today from Ms. Paula Pelot, who is objecting to the participation of the General Manager in Closed Session because of his previous employment with the MRWPCA and the District's current negotiations with that agency. Mr. Lowrey stated that in an opinion by the Attorney General regarding Government Code Section 1090, that former employment doesn't disable someone from being able to be involved in contracts. Regarding questions on the Political Reform Act, Government Code Section 87406.3 also contains provisions that speak to an exception on Government salaries. Mr. Lowrey opined that there was no disablement of the General Manager from either the PRA or Government Code Section 1090. He added that it would be appropriate for Director Burns to be excused from Closed Session item A until his current employment contract is complete.

The Board entered into closed session at 7:25 p.m.

4. 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
- B. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator (General Manager, Lloyd Lowrey)
Property: Water Rights
Negotiating Parties: MCWD and Clark Colony Water Company
Under Negotiation: Price and Terms
- C. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator (General Manager)
Property: 11 Reservation Road
Negotiating Parties: MCWD and Marina Dunes
Under Negotiation: Price and Terms
- D. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator (General Manager)
Property: Easements, Rights-of-Way, Pipelines and Appurtenances, and Water Rights
Negotiating Parties: MCWD and Seaside County Sanitation District
Under Negotiation: Price and Terms
- E. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiators (General Manager)
Property: Armstrong Ranch Reserved Area and Easements
Negotiating Parties: MCWD and Armstrong Family
Under Negotiation: Price and Terms

President Gustafson reconvened the meeting to open session at 7:43 p.m.

5. Possible Action on Closed Session Items:

President Gustafson stated that direction was given to the negotiators regarding Item A and no action was taken in closed session.

6. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

None.

8. Public Hearing:

- A. Consider First Reading of Ordinance No. 51, Modifying Chapter 3.36.030.W of the District Code to Allow for Submetering of Multiunit Residential or Mixed-Use Development, and Direct Staff to Schedule a Second Reading on December 12, 2007:

Mr. Jeff Cattaneo, District Engineer, introduced this item. He explained that this item originated as a variance request and staff believed re-writing the ordinance to cover the issue would be more in order than having a variance of this item and it would cover all future requests of this nature.

Director Moore stated that he had asked several questions of legal counsel and asked if there were any answers to those questions. Mr. Lowrey stated that Director Moore had asked the procedure to turn-off water in a multi-tenant situation. He answered that the District Code, Section 3.20.010 provides for water shut-off in multi-tenant situations. The Code states that if the owner/customer should become arrears in payments, every effort must be made to notify the actual users and they have the option of becoming customers without paying the delinquent amount. Director Moore asked how they would become customers if they don't have individual meters; and, how would the District read the meters if they are on private property. Mr. Heitzman stated that staff would look into how it is handled now with multi-tenant buildings. Vice President Nishi stated that he would like to see deed restrictions. Director Moore suggested a construction standard that the individual meters are accessible to the District or they should be remote read meters.

Director Moore commented that the term "dual service connections" was not listed under definitions. Mr. Lowrey stated that the definition should be added to the Code.

Mr. Lowrey clarified that the sentence under 2.e. – New Construction, should read, "Detached garages or other nondwelling structures converted into dwelling units will be separately metered."

Director Moore commented that he approved of the provision that the Monterey County Agriculture Commission, Division of Weights and Measures would be monitoring the meter accuracy.

Agenda Item 8-A (continued):

Director Moore commented that the District's Water Conservation Ordinance which refers to hot water recirculation units only speaks to single-family dwellings. He would like to see these boiler units insulated and have hot water recirculation units installed.

Director Moore stated that Section 2.f.iv, allows owners to charge each tenant for the actual amount of water used, the monthly wastewater charge, monthly water capital surcharge and monthly wastewater capital surcharge. It does not speak to the monthly meter charge. He would like to see it clarified so all owners will be using the same method to charging the tenants. Discussion regarding billing followed. Mr. Heitzman stated that staff would answer the questions raised before the next reading of the Ordinance.

Mr. Matt Huerta, South County Housing, commented that he had held discussions with the Monterey County Agriculture Commission, Division of Weights and Measures and in addition to what the District is requiring, the Division of Weights and Measures would actually approve the type of submeter, test the meter, seal the meter, install the meter or have it installed by a certified installer, and at the end of the ten-year compliance period, the meter must be replaced. Mr. Huerta stated that they believe they are meeting the District's goals and would be happy to answer any other questions the Board may have.

Mr. Cattaneo showed the Board a devise that would be installed in each unit which would register how much water is used in that unit so the tenants can verify they are being billed correctly. Director Moore suggested staff investigate the potential of the District somehow getting the reads from these devises and the District billing the tenants individually.

Ms. Jane Barr, Mid-Peninsula Housing, voiced her support of the Ordinance and making individuals responsible for their own water use. She asked for consideration of Section 2.f.ii, to add a clause for affordable housing and the infeasibility of metering each unit.

Mr. Brian Briggs, City of Marina, voiced support of the Ordinance and affordable housing.

Mr. Richard Youngblood, Water Conservation Coordinator, announced that if the Board declares that the District is in a water shortage, Stage 2, 3 or 4, the Board can change the rate structure to do that. Under this Ordinance, the owner would be required to comply with the new rate structure.

President Gustafson asked that this item be returned as another first reading with the changes as requested.

9. Consent Calendar:

Director Moore requested to pull items A and B.

Director Moore made a motion to approve the consent calendar consisting of items C) Adopt Resolution No. 2007-81 to Amend the District's Check Signing Policy; D) Approve the Draft November 2007 Newsletter; E) Receive the Quarterly Financial Statements for July 1, 2007 to September 30, 2007; F) Approve the Expenditures for the Month of October 2007; and G) Approve the Draft Minutes of the Regular Board Meeting of October 24, 2007. President Gustafson seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

A. Adopt Resolution No. 2007-79 to Authorize a Reduction in the Bond Coverage for Marina Heights Phase I:

Director Moore voiced his concern over reducing the bond coverage and wanted to ensure the District was sufficiently protected if the system substantially deteriorates before the District becomes the actual owner of it. Mr. Cattaneo commented that he did not believe the District could hold on to \$2+ million when there is only \$129,000 of work that is left to complete. Discussion followed. Director Moore asked if the District has accepted infrastructure that is not complete before. Mr. Andrew Sterbenz commented that the only work waiting to be completed is setting the rims and lids and grade once the final paving is complete. At this time, the sewer lines are flowing and the water lines are pressurized.

Vice President Nishi made a motion to adopt Resolution No. 2007-79 authorizing a reduction in the bond coverage for Marina Heights Phase I. Director Lee seconded the motion. Director Lee asked if staff recommends the Board accept this. Staff answered affirmatively. The motion was passed.

Director Moore	-	No	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

B. Adopt Resolution No. 2007-80 to Approve the Water Supply Assessment and Written Verification of Supply for the Proposed Seaside Main Gate Development:

Director Moore commented that on page 43 of the packet, Table 3-2 has a range included in the "Estimated Main Gate Use" and "Estimated Remaining Supply". He would like to have the

Agenda Item 9-B (continued):

range removed and use 213.1 for the “Estimated Main Gate Use”, and 160.5 for the “Estimated Remaining Supply”. He suggested that if the City of Seaside decides to do a smaller project, an adjustment can be made when other developments come along. Mr. Cattaneo commented that the range is because there were two options presented to the District and the District is obligated to review both options. There is sufficient water available for either option. Mr. Cattaneo suggested that legal counsel give an interpretation if the District is at any risk by accepting a WSA with a range included. Director Moore asked to hear legal counsel’s interpretation. President Gustafson called for the question.

Vice President Nishi made a motion to adopt Resolution No. 2007-80 to approve the Water Supply Assessment and Written Verification of Supply for the proposed Seaside Main Gate Development. Director Lee seconded the motion. The motion was passed.

Director Moore	-	No	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

10. Action Items:

A. Respond to Correspondence on Alleged Brown Act Violation from Ms. Paula Pelot, et al:

Mr. Lowrey commented that the correspondence received from Ms. Paula Pelot alleges a Brown Act violation and requests a cure or correction of the violation. Mr. Lowrey stated he has reviewed everything and in his opinion, there has been no Brown Act violation as specified in the correspondence received. Mr. Lowrey recommends the Board find that there was no violation and direct legal counsel to send a letter stating that no action to cure or correct will be taken.

Director Burns made a motion to find there was no violation and directs legal counsel to send a letter stating that no action to cure or correct will be taken. Director Lee seconded the motion. The motion was passed.

Director Moore	-	No	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

B. Consider Second Reading and Adoption of Ordinance No. 50 to Amend Appendix C by Updating the Water Demand Factor for Theaters:

Mr. Heitzman introduced this item.

Agenda Item 10-B (continued):

Vice President Nishi made a motion to adopt Ordinance No. 50 amending Appendix C by updating the water demand factor for theaters. Director Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

C. Consider Accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year Ended June 30, 2007:

Mr. Suresh Prasad, Director of Finance, introduced this item and introduced Mr. Ralph Marcello, Nicholson and Olsen. Mr. Prasad explained that this is the first time the District has done a Comprehensive Annual Financial Report (CAFR). The reason the District did a CAFR is because staff plans on applying for a Government Financial Officer Association (GFOA) which is a prestigious award. Mr. Marcello stated that the District's net assets increased over \$3 million and that shows the District is in a good financial position and it was a good accomplishment. He added that he does not know of any other local agency who has received the CAFR award and the odds of getting it on the first try are very low. Mr. Marcello added that one positive aspect of getting the award might mean getting lower rates on bond issuance in the future. He stated that the audit went very smooth and staff was very cooperative during the audit. Mr. Marcello stated that there would be eight new auditing standards next year and the District has a very capable staff that should be able to handle those new requirements.

Director Moore stated that there were several typo's in the document but he would discuss those with staff at a later time. Mr. Marcello stated that this was a draft and there were several typo's that would be corrected before the final copy. Director Moore had several questions regarding net and capital assets. Vice President Nishi asked if a legend could be included in the audit. Mr. Heitzman stated that staff would include a legend.

Vice President Nishi complimented staff on a job well done.

Director Moore made a motion to accept the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year Ended June 30, 2007 to include his corrections as discussed earlier. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

D. Consider Adoption of Resolution No. 2007-59 to Approve Participation in the Monterey Bay Regional Water Authority:

Vice President Nishi made a motion to adopt Resolution No. 2007-59 approving participation in the Monterey Bay Regional Water Authority. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

E. Consider Adoption of Resolution No. 2007-82 to Approve an Agreement with the Monterey Peninsula Water Management District, California American Water and Monterey County Water Resources Agency to Provide Potable Water for the Aquifer Storage and Recovery Test Well Facility Project:

Vice President Nishi made a motion to adopt Resolution No. 2007-82 approving an agreement with the Monterey Peninsula Water Management District (MPWMD), California American Water (CalAm) and Monterey County Water Resources Agency (MCWRA) to provide potable water for the Aquifer Storage and Recovery Test Well Facility Project. Director Lee seconded the motion. Mr. Lowrey stated that the MPWMD asked the District to approve the agreement both with and without CalAm included. Mr. Heitzman added that CalAm was a large corporation and it could take quite a while to go through the process. In the meantime, they gave an informal agreement.

Mr. Joe Oliver, MPWMD, explained that the MPWMD and CalAm are working together on this project but going through their corporate office to get the agreement approved could take CalAm quite a while.

Vice President Nishi amended his motion to include the change. Director Lee seconded the amended motion.

Director Moore	-	Yes	Vice President Nishi	-	Yes
Director Lee	-	Yes	President Gustafson	-	Yes
Director Burns	-	Yes			

11. Staff Report:

A. Receive Update on the Salary Survey for the Management Services Administrator:

Mr. Heitzman introduced this item. He explained that it has been very difficult to hire individuals as the District is the lowest paid and lowest benefited public agency locally.

Agenda Item 11-A (continued):

Mr. Heitzman added that there have been very few individuals to apply for any District positions and the ones that did were very disappointed with the benefits package and declined to take the positions.

11. Informational Items:

A. General Manager's Report:

Mr. Heitzman announced that there was going to be a Thanksgiving Potluck for Directors and employees at the Ord office on Thursday, November 15, 2007.

B. District Engineer's Report:

Mr. Cattaneo commented that the District is getting ready to release a draft Negative Declaration for public comment on Well No. 33.

C. Counsel's Report:

Mr. Lowrey stated he had nothing to report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Lee asked Mr. Youngblood to give a briefing on the last meeting. Mr. Youngblood stated that there was a report on the Public Information Program at CSUMB, an update on the Marina Air Fair and an update of the Water Shortage Contingency Plan.

2. Joint City-District Committee:

President Gustafson stated they talked about reorganizing the Committee to meet quarterly and having District and City staffs discuss topics that don't require Board approval.

3. MRWPCA Board Member:

Vice President Nishi stated the meeting was next Monday evening, November 26, 2007.

4. LAFCO Liaison:

Vice President Nishi stated the next meeting was December 3, 2007.

5. JPIA Liaison:

Director Moore stated the next meeting was scheduled for November 27, 2007.

6. Monterey Bay Regional Water Authority:

President Gustafson announced a meeting was scheduled for the near future. Mr. Heitzman stated a REPOG meeting was scheduled for November 19, 2007.

7. FORA:

Vice President Nishi stated that Supervisor Potter wanted to be appointed to Supervisor Smith's position. When he gets more information, Vice President Nishi stated he would report back.

8. Executive Committee:

President Gustafson stated that no meeting was held.

9. Community Outreach:

President Gustafson stated that no meeting was held but there was going to be a barbeque at the El Rancho Mobile Home Park. Mr. Heitzman commented that President Gustafson and Director Lee would be manning the barbeque for the District and the lunch would start at 12:00 pm. He added the barbeque was in response to the long drawn out work that has been done at the mobile home park and thanking the El Rancho tenants for their patience.

10. Ord Community Ad Hoc Committee:

Director Moore commented that the next meeting was tomorrow, December 6, 2007.

11. Special Districts Association Liaison:

President Gustafson stated he had no comments.

E. Director's Comments:

Director Burns thanked the Board for appointing him to the position and he would do the best job that he can.

Vice President Nishi welcomed Director Burns to the Board.

President Gustafson voiced his welcome to Director Burns to the Board as well.

President Gustafson recessed the meeting from 9:00 – 9:03 p.m.

The Board reentered into closed session at 9:03 p.m.

4. 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
- B. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator (General Manager, Lloyd Lowrey)
Property: Water Rights
Negotiating Parties: MCWD and Clark Colony Water Company
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- C. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiator (General Manager)
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- E. Pursuant to Government Code Section 54956.8
Conference with Real Property Negotiators (General Manager)
Property: Armstrong Ranch Reserved Area and Easements
Negotiating Parties: MCWD and Armstrong Family
Under Negotiation: Price and Terms

President Gustafson reconvened the meeting to open session at 9:20 p.m.

5. Possible Action on Closed Session Items:

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

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13. Adjournment:

The meeting was adjourned at 9:20 p.m.

APPROVED:

Howard Gustafson, President

Date

ATTEST:

Jim Heitzman, General Manager