

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
February 27, 2008  
6:45 p.m.

**Minutes**

1. Call to Order:

President Gustafson called the meeting to order at 6:46 p.m. on February 27, 2008.

2. Roll Call:

Board Members Present:

Howard Gustafson – President  
Ken Nishi – Vice President  
Tom Moore  
Dan Burns

Board Members Absent:

Bill Lee

Staff Members Present:

Jim Heitzman, General Manager  
Jeff Cattaneo, District Engineer  
Lloyd Lowrey, Legal Counsel  
Suresh Prasad, Director of Finance  
Richard Youngblood, Conservation Coordinator  
Brian True, Capital Projects Manager  
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Bob Holden, MRWPCA  
Leif Coponen, Schaaf & Wheeler  
Sarah Jeffries, CSUMB Student  
Edgar Ventura, CSUMB Student

The Board entered into closed session at 6:46 p.m.

3. Closed Session:

- A. Pursuant to Government Code Section 54956.8  
Conference with Real Property Negotiator (General Manager, Directors Gustafson, Nishi)  
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 54956.9  
Conference with Legal Counsel – Existing Litigation  
Subdivision (a) of Section 54956.9  
- Monterey County Superior Court Case No. M87817, Jan Shriner v. Marina Coast Water District Board of Directors, et al.
  
- 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 Negotiator (General Manager)  
Property: Armstrong Ranch Reserved Area and Easements  
Negotiating Parties: MCWD and Armstrong Family  
Under Negotiation: Price and Terms
  
- F. Pursuant to Government Code Section 54956.95  
Liability Claims  
Claimant: El Rancho Mobile Home Park and Shopping Center  
Agency Claimed Against: Marina Coast Water District

President Gustafson reconvened the meeting to open session at 7:14 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, stated that direction was given and no action was taken.

5. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

6. Oral Communications:

None.

7. Presentation:

- A. Consider Adoption of Resolution No. 2008-10 in Recognition of Paula Riso, Executive Assistant/Clerk to the Board, and Awarding a Plaque and Gift Certificate for 10 Years of Service to the Marina Coast Water District:

Director Moore made a motion to adopt Resolution No. 2008-10 recognizing Paula Riso, Executive Assistant/Clerk to the Board, and awarding a plaque and gift certificate for 10 years of service to the Marina Coast Water District. Director Burns seconded the motion. The motion was passed.

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

President Gustafson presented Ms. Riso with a plaque and gift certificate.

8. Consent Calendar:

Vice President Nishi requested to pull items A and B from the consent calendar. Director Moore requested to pull item D from the consent calendar.

President Gustafson made a motion to approve the consent calendar consisting of item C) Receive the Quarterly Financial Statements for October 1, 2007 to December 31, 2007. Director Burns seconded the motion. The motion was passed.

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

- A. Consider Directing Staff to Negotiate a Change Order on the Construction of the Ord Reservoirs "D" and "E" Replacement Project:

Vice President Nishi asked why there was a need for a change order.

Mr. Jeff Cattaneo, District Engineer, stated that the District could save approximately \$750,000 by changing from a concrete to a steel tank.

Director Moore made a motion to direct staff to negotiate a change order on the construction of the Ord Reservoirs "D" and "E" Replacement Project. Director Burns seconded the motion. The motion was passed.

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

B. Adopt Resolution No. 2008-07 to Participate in the Veterans Cemetery Master Development Plan Fund:

Director Moore asked if the interest started accruing immediately and if it was compounded or simple interest. Mr. Heitzman answered that interest accrues immediately and explained about compounded interest.

Director Moore made a motion to adopt Resolution No. 2008-07 participating in the Veterans Cemetery Master Development Plan Fund with a revision to the resolution in the third WHEREAS to read "...at an annual interest rate of 1% compounded annually, principal and accrued interest to be repaid..." Director Burns seconded the motion. Discussion followed. The motion was passed.

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

D. Approve the Draft Minutes of the Regular Board Meeting of February 13, 2008:

Director Moore stated that he pulled the item to abstain as he was not present at the meeting.

President Gustafson made a motion to approve the draft minutes of the regular Board meeting of February 13, 2008. Director Burns seconded the motion. The motion was passed.

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

9. Action Items:

A. Consider Designating a Labor Negotiator Representative for Represented Employees:

Mr. Heitzman stated that this was to negotiate with employees on renegotiating the unfunded liability with the California Public Employee Retirement System. Director Moore commented that the current contract ends in 2009 and questioned opening up the contract for one item at a time instead of all together. Vice President Nishi stated that this will help employees. Mr. Heitzman stated that this will help with recruitment.

Director Burns asked if the Board could appoint Mr. Heitzman as the negotiator for anything that comes up during the term of the contract so they don't have to keep appointing him negotiator for individual things. Vice President Nishi asked legal counsel for an opinion. Mr. Lloyd Lowrey, Legal Counsel, answered that the agenda title left a broad interpretation and the Board could appoint Mr. Heitzman as a negotiator for this one item or as negotiator for any labor item that comes up for the term of the contract.

Director Burns made a motion to appoint Mr. Heitzman as labor negotiator for represented employees for the term of the contract and to bring any item he deems necessary before the Board for consideration. President Gustafson seconded the motion. The motion was passed.

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

B. Receive Draft Budget for FY 2008-2009 and Review Budget Schedule:

Mr. Suresh Prasad, Director of Finance, explained that the draft budget is scheduled to go before FORA's Water Wastewater Oversight Committee on March 5, 2008. He added that the Board is requested to select a date for a budget workshop to discuss the budget in detail. Mr. Heitzman suggested holding the budget workshop during the March 12<sup>th</sup> Board meeting. Vice President Nishi asked when the rate study would be ready. Mr. Prasad answered that it would be in early March. Vice President Nishi suggested waiting until the rate study was received before holding the budget workshop. Mr. Heitzman then suggested holding the budget workshop at the March 26<sup>th</sup> meeting as the rate study would be received by then.

Director Burns made a motion to hold the budget workshop on March 26, 2008. Director Moore seconded the motion. The motion was passed.

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

10. Staff Report:

A. Receive 4<sup>th</sup> Quarter 2007 Water Consumption Report and Ord Community Sewer Flows Report:

Vice President Nishi inquired on the meters installed in CSUMB and suggested encouraging more meters to be installed to lower the unmetered water use. Mr. Youngblood stated that CSUMB has recently installed twenty meters and with another 65 in the works for a total of 85. Vice President Nishi suggested installing a master meter for a large unmetered area and billing for the actual usage.

Director Moore commented that the usage was extremely high for the Ord Community and cautioned that developers could run out of water unless usage comes down.

Vice President Nishi commended the school water usage in the Ord Community going down and suggested working with the Monterey Peninsula Unified School District on more conservation since it seemed to be working.

9. Informational Items:

A. General Manager's Report:

Mr. Heitzman stated that the Ad Hoc Committee to review hiring guidelines was no longer needed as the only candidate has declined. Mr. Heitzman commented that the employees were really appreciative of the additional life insurance coverage provided by the District.

B. District Engineer's Report:

Mr. Cattaneo also stated the employees were appreciative of the additional life insurance coverage.

C. Counsel's Report:

Mr. Lowrey stated that the lawsuit regarding an alleged Brown Act violation was dismissed.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No comments.

2. Joint City-District Committee:

No comments.

3. MRWPCA Board Member:

Vice President Nishi stated that Mayor Russell was voted in as Chair with Mayor Pendergrass as Vice Chair.

4. LAFCO Liaison:

Vice President Nishi stated that Aromas Water District was annexing a section in San Benito County.

5. JPIA Liaison:

Director Burns stated the next meeting was in May.

6. Monterey Bay Regional Water Authority:

President Gustafson stated that no meeting was held.

7. FORA:

Vice President Nishi stated the meeting was boiler-plate.

8. Executive Committee:

President Gustafson stated that no meeting was held.

9. Community Outreach:

President Gustafson stated that no meeting was held.

10. Ord Community Ad Hoc Committee:

Director Moore commented that new officers were voted in.

11. Special Districts Association Liaison:

No comments.

E. Director's Comments:

There were no comments.

11. Adjournment:

The meeting was adjourned at 8:01 p.m.

APPROVED:

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Howard Gustafson, President

Date

ATTEST:

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Jim Heitzman, General Manager