

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
May 28, 2008
7:00 p.m.

Minutes

1. Call to Order:

President Gustafson called the meeting to order at 7:00 p.m. on May 28, 2008.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Jeff Cattaneo, District Engineer
Jim Dowless, Operations and Maintenance Superintendent
Rich Youngblood, Conservation Coordinator
Brian True, Capital Projects Manager
Paula Riso, Executive Assistant/Clerk to the Board

Audience:

Leif Coponen, Schaaf & Wheeler
Bob Schaffer, Marina Community Partners
Debbie Platt, City of Marina
Elizabeth Mariano, Resident
Tom Gamble, Marina Community Partners
Bob Holden, MRWPCA
Lyndel Melton, RMC Water and Environment
Katie DeAmaral
William Franks, MRWPCA

3. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

4. Oral Communications:

Ms. Elizabeth Mariano, Marina resident, addressed the Board with her concerns on the meter base charge for 1” meters and provided a letter explaining her concerns. Ms. Mariano explained that this was the second time she has approached the Board in the hopes of getting an item on the agenda to discuss this issue.

5. Presentations:

A. Consider Adoption of Resolution No. 2008-24 in Recognition and Appreciation of Thomas DeAmaral, Systems Operator I:

Director Moore made a motion to adopt Resolution No. 2008-24 recognizing and appreciating Thomas DeAmaral in his retirement from the District. 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			

Mrs. DeAmaral was presented with a Resolution and jacket for Mr. DeAmaral in recognition of his retirement from the Marina Coast Water District.

B. Receive Presentation by RMC Water and Environment on *Water for Monterey County*:

Mr. Jim Heitzman, General Manager, introduced Mr. Lyndel Melton of RMC Water and Environment. Mr. Melton gave the Board a presentation on *Water for Monterey County*.

The presentation discussed how the Regional Water Supply Plan addresses gaps in the Northern Monterey County Water Supplies; how the recommended program provides a diverse set of supplies, increasing reliability and sustainability; and, a reduction in the Salinas Basic groundwater pumping is a prerequisite for use of the seawater intruded aquifer. The first priority is to make the highest use of the available recycled water supplies. Mr. Melton explained that seawater has intruded a significant portion of the Salinas Groundwater Basin and the seawater intrusion in the 180’ aquifer is nearly reaching the City of Salinas. *Water for Monterey County* provides a sustainable regional supply and it utilizes river water, ocean water and potentially intruded groundwater while helping to restore the aquifer in conjunction with the MCWRA project: Salinas Valley Water Project.

6. Consent Calendar:

Director Burns made a motion to approve the consent calendar consisting of items A) Adopt Resolution No. 2008-25 Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election Set for November 4, 2008; B) Adopt Resolution No. 2008-26 to Approve a Professional Services Agreement with Denise Duffy and Associates to Provide Environmental Monitoring and Reporting Services for the Mitigation and Monitoring Program for the 18" Water Line Project; C) Receive the Quarterly Financial Statements for January 1, 2008 to March 31, 2008; D) Approve the Draft Minutes of the Special Board Meeting of April 30, 2008; and, E) Approve the Draft Minutes of the Regular Board Meeting of May 14, 2008. Director Moore seconded the motion. Mr. Jeff Cattaneo, District Engineer, pointed out that the *Summary of Cost Centers* shows the operating reserves are \$1,500,000 below the budgeted amount. Vice President Nishi inquired on the internal loan stating he was under the impression that it was already paid. Mr. Cattaneo stated that he would have the Director of Finance answer that question to the Board via email or at a Board meeting. Vice President Nishi stated that he would prefer to receive it during a Board meeting so the public can receive the information as well. Vice President Nishi complimented staff on reducing the expenditures. The motion was passed.

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

7. Action Items:

- A. Consider Appointing a District Representative to Run for Nomination as an Independent Special District Representative on the Local Agency Formation Commission of Monterey County:

Vice President Nishi commented that he had asked this item to be on the agenda. He stated that Ms. Peggy Shirrel, the alternate Independent Special District Representative, had stepped down, leaving her seat, along with the primary seat which is expiring, open.

Vice President Nishi added that he would like to run for the alternate position and supports Anne McGowan as the primary because of the exemplary job she has been doing. However, as the seat held by Anne McGowan is expiring, the protocol for elections is that all nominees will run for both seats and are placed on a ballot. The LAFCO will mail ballots to the Independent Special Districts who will then vote on their selection. The nominee with the most votes will hold the primary seat and the second highest vote will hold the alternate seat. Vice President Nishi commented that he spoke with Ms. McGowan and explained that he had no desire to replace her and was appreciative of the work she has done. Ms. McGowan was understanding and encouraged Vice President Nishi to run for election.

Director Burns made a motion to appoint Vice President Nishi as the District Representative to run for nomination as an Independent Special District Representative for LAFCO. Director Lee seconded the motion. The motion was passed.

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

B. Consider Rescheduling the June 11, 2008 Regular Board Meeting to June 4, 2008:

Mr. Heitzman explained that he was going to be unavailable for the June 11th Board meeting and it was the decision of the Board if they wanted to move the meeting to June 4th or cancel it altogether. He explained that at this time, there are no items identified for the meeting. Vice President Nishi suggested scheduling the meeting for June 4th and if there is nothing to bring forward, it can be canceled.

Director Moore made a motion to move the meeting from June 11 to June 4, 2008. Director Burns seconded the meeting. The motion was passed.

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

8. Staff Report:

A. Receive Report from Legal Counsel Regarding the *Agreement for Financing Repair and Operation of Desalination Plant*:

Mr. Lloyd Lowrey, Legal Counsel, commented that he put into writing the oral report he gave at the May 14, 2008 Board meeting and asked if there were any questions. Director Moore asked if the letters were sent out to the parties involved. Mr. Cattaneo answered that the letter would be sent no later than June 6th to allow legal counsel to review the letter. Vice President Nishi thanked Mr. Lowrey for clarifying the oral comments made at the last meeting.

Mr. Thom Gamble, Marina Community Partners, commented that now that Front Porch is no longer involved, there is a potential for California American Water to participate. Mr. Lowrey stated that the last sentence of his May 21, 2008 letter states, "...and/or work with the District to modify the Agreement."

9. Information Items:

A. General Manager's Report:

Mr. Heitzman stated that he had nothing to report.

B. District Engineer's Report:

Mr. Cattaneo stated that he had nothing to report.

C. Counsel's Report:

Mr. Lowrey stated that in April, the 5th District Court in Fresno Valley, upheld that an environmental group could not sue the county water district over a Water Supply Assessment (WSA) because the WSA was merely an interim step in the EIR the City was doing. When a water district gives a WSA to a land use jurisdiction, it goes into the EIR process and if anyone wants to question the WSA they have to do it through the EIR process and if they don't do that they lose the ability to challenge it.

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 a Strategic Planning Workshop was held on May 23, 2008 with several directors absent and he commented that it would be better if there was a higher percentage present. He also stated that at the next Board meeting set for May 29, 2008, there was a closed session regarding negotiations with MCWD and MCWRA as one item. In the past the closed session was listed as two different items. Vice President Nishi voiced his concern to the MRWPCA legal counsel over the closed session item. He was told that this was a REPOG item. Mr. Lowrey stated that the item looks to be agendized correctly and there doesn't seem to be anything that can be done. Vice President Nishi stated that he would provide an update at the next meeting.

4. LAFCO Liaison:

Vice President Nishi stated that Salinas annexed 3,000 acres in the East side.

5. JPIA Liaison:

Director Burns commented that the annual conference was held in Monterey the week of May 5th. New officers were elected and the JPIA is looking for someone to manage their \$110,000,000 portfolio. Director Burns commented that the JPIA liability costs are down and operating costs are up 10%.

6. Monterey Bay Regional Water Authority:

President Gustafson stated that no meeting was held.

7. FORA:

Vice President Nishi stated the rates, fees and charges were continued.

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:

Meeting to be rescheduled in July 2008.

11. Special Districts Association Liaison:

The next meeting is set for July 15, 2008.

E. Director's Comments:

Director Burns commented that he was concerned that Ms. Mariano has shown up at two meetings asking for assistance and he doesn't want it to appear as though the Board is ignoring her request and asked that staff explain to her what is being done.

Agenda Item 9-E (continued):

Director Moore stated he will be attending the June 25, 2008 Board meeting via telephone.

President Gustafson commented that he did call Ms. Mariano and that it seems to be a problem with the size of the pipe because of the requirements of the Marina Fire Department and that maybe there may be a form of grandfathering in for customers in this situation.

Director Lee commented that questioned how the grandfathering would work and stated that it was the Fire Departments requirement not the District's. Mr. Lowrey stated that if a more complete discussion was to be held on this item, it needed to be agendized.

Vice President Nishi commented that although there are five different opinions on this Board, everyone still works together and get things solved. Over time, on the big issues, people will say that this Board was effective.

11. Adjournment:

The meeting was adjourned at 7:59 p.m.

APPROVED:

Howard Gustafson, President

Date

ATTEST:

Jim Heitzman, General Manager