



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: [www.mcwd.org](http://www.mcwd.org)

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**DIRECTORS**  
HOWARD GUSTAFSON  
*President*

WILLIAM LEE  
*Vice President*

THOMAS P. MOORE  
KENNETH K. NISHI  
DAN BURNS

## Agenda

### Regular Board Meeting, Board of Directors Marina Coast Water District

11 Reservation Road, Marina, California  
Wednesday, October 21, 2009, 6:45 p.m. PST

*This meeting has been noticed according to the Brown Act rules. The Board of Directors now meets regularly on the second Tuesday of each month. The meetings normally begin at 6:45 p.m. at the District offices at 11 Reservation Road, Marina, California.*

**Mission:** Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.

**Vision:** The Marina Coast Water District will be the leading public supplier of integrated water and wastewater services in the Monterey Bay Region.

#### 1. Call to Order

#### 2. Roll Call

#### 3. Closed Session

##### A. Pursuant to Government Code Section 54956.8

Conference with Real Property Negotiator (General Manager, Legal Counsel)

Property: D/E Reservoir Site

Negotiating Parties: MCWD, City of Seaside

Under Negotiation: Lease Agreement

##### B. Pursuant to Government Code 54956.8

Conference with Real Property Negotiator (General Manager, Legal Counsel)

Property: Parcel of Land known as Sunset Place

Negotiating Parties: MCWD, Residents, City of Marina

Under Negotiation: Fee Title Ownership and Disposal

#### 7:00 p.m. Reconvene Open Session

**4. Possible Action on Closed Session Items** *The Board will report out on any action taken during Closed Session, and may take additional action in Open Session, as appropriate. Any closed session items not completed will be discussed at the end of the meeting.*

**This agenda is subject to revision and may be amended prior to the scheduled meeting. A final agenda will be posted at the District office at 11 Reservation Road, Marina, 72 hours prior to the meeting. Copies will also be available at the Board meeting. A complete Board packet containing all enclosures and staff materials will be available for public review on Thursday, October 15, 2009 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. The next regular meeting of the Board of Directors is scheduled for November 17, 2009.**

## 5. Pledge of Allegiance

**6. Oral Communications** *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to three minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

**7. Consent Calendar** *Board approval can be taken with a single motion and vote. A Board member or member of the public may request that any item be pulled from the Consent Calendar for separate consideration at this meeting or a subsequent meeting. The public may address the Board on any Consent Calendar item. Please limit your comment to three minutes.*

- A. Adopt Resolution No. 2009-71 to Consider an Amendment to the Marina Coast Water District's 457 Tax Deferred Compensation Plan Contract and Approve the Trust Agreement with Reliance Trust
- B. Adopt Resolution No. 2009-72 to Reclassify the Temporary, Contract Utility Laborer to Regular, Full-Time Employee
- C. Adopt Resolution No. 2009-73 to Approve the Lease of the Laserfiche Document Storage System
- D. Adopt Resolution No. 2009-74 to Accept the Infrastructure Installed by FORA as a Portion of the General Jim Moore Boulevard - Phase IV Project and to Convey Certain Portions of that Infrastructure to California American Water Company
- E. Approve Expenditures for the Month of September 2009
- F. Approve the Draft Minutes of the Regular Board Meeting of September 22, 2009

**8. Action Items** *The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board on these Items as each item is reviewed by the Board. Please limit your comment to three minutes.*

- A. Consider Adoption of Resolution No. 2009-75 to Update the Landscape Incentive Program and Allocate Additional Funding

*Action: The Board of Directors will consider updating the Landscape Incentive Program and allocating additional funding.*

- B. Consider Adoption of Resolution No. 2009-76 to Approve the Hot Water Recirculation System Rebate Program and Allocate Funds for the Program

*Action: The Board of Directors will consider approving the Hot Water Recirculation System Rebate Program and allocating funds for the program.*

## 9. Staff Reports

- A. Receive 3<sup>rd</sup> Quarter 2009 Ord Community Water Consumption and Sewer Flows Report

B. Receive Update on the Current Status of the Stilwell Kidney Development Project

**10. Informational Items** *Informational items are normally provided in the form of a written report or verbal update and may not require Board action. The public may address the Board on Informational Items as they are considered by the Board. Please limit your comments to three minutes.*

A. General Manager's Report

B. District Engineer's Report

C. Counsel's Report

D. Committee and Board Liaison Reports

- |                                  |   |
|----------------------------------|---|
| 1. Water Conservation Commission | 6. FORA                                   |
| 2. Joint City-District Committee | 7. Executive Committee                    |
| 3. MRWPCA Board Member           | 8. Community Outreach                     |
| 4. LAFCO Liaison                 | 9. Ord Community Ad Hoc Committee         |
| 5. JPIA Liaison                  | 10. Special Districts Association Liaison |

E. Director's Comments

## **11. Correspondence**

**12. Adjournment** *Set or Announce Next Meeting(s), date(s), time(s), and location(s):*

*Regular Meeting: Tuesday, November 17, 2009, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7

Meeting Date: October 21, 2009

Submitted By: Paula Riso  
Reviewed By: Jim Heitzman

Presented By: Paula Riso

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of: A) Adopt Resolution No. 2009-71 to Consider an Amendment to the Marina Coast Water District's 457 Tax Deferred Compensation Plan Contract and Approve the Trust Agreement with Reliance Trust; B) Adopt Resolution No. 2009-72 to Reclassify the Temporary, Contract Utility Laborer to Regular, Full-Time Employee; C) Adopt Resolution No. 2009-73 to Approve the Lease of the Laserfiche Document Storage System; D) Adopt Resolution No. 2009-74 to Accept the Infrastructure Installed by FORA as a Portion of the General Jim Moore Boulevard – Phase IV Project and to Convey Certain Portions of that Infrastructure to California American Water; E) Approve Expenditures for the Month of September 2009; and, F) Approve the Draft Minutes of the Regular Board Meeting of September 22, 2009.

Environmental Review Compliance: None.

Prior Committee or Board Action: See individual transmittals.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement - Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: \_\_\_\_\_ Yes \_\_\_\_\_ No

Funding Source/Recap: See individual transmittals.

Material Included for Information/Consideration: See individual transmittals.

Staff Recommendation: The Board of Directors approve the Consent Calendar as presented.

Action Required: \_\_\_\_\_ Resolution   X   Motion \_\_\_\_\_ Review  
(Roll call vote is required.)

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: October 21, 2009

Submitted By: Jean Premutati

Presented By: Jean Premutati

Reviewed By: Jim Heitzman

Agenda Title: Adopt Resolution No. 2009-71 to Consider an Amendment to the Marina Coast Water District's 457 Tax Deferred Compensation Plan Contract and Approve the Trust Agreement with Reliance Trust

Detailed Description: The District's Hartford 457 tax deferred compensation contract does not presently contain a provision for plan participants to make personal loans. In the event of an unforeseeable emergency, a plan participant may withdraw funds for severe financial hardship as a result of a sudden or unexpected illness or if a primary resident is in danger of foreclosure. However, plan participants may find it necessary to borrow against their account to finance educational expenses for dependents, purchase a home or automobile, reduce high interest rate credit card debt, pay delinquent income or property taxes, etc. An amendment will include a maximum of two personal loans and one home loan at no less than \$1,000 per loan and a maximum of 50% of the participants account balance or up to \$50,000.

All authorized loans must be paid off in five years and will be at the current prime interest rate plus 1%. Loan payments are made through payroll deductions and in the event a participant with an outstanding loan is on unpaid status with the District, the participant must pay the plan directly. If a plan participant terminates employment prior to the loan being paid in full, he/she is responsible for the entire balance before any distributions are made.

Participants may prepay the loan balance at any time without penalty.

In order to include the loan provision in the contract, the plan must have an appointed trustee. Reliance Trust is currently offered by The Hartford at no charge.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_\_\_ Yes       X   No

Funding Source/Recap: N/A.

Material Included for Information/Consideration: Resolution No. 2009-71; Resolution Adopting Amendment to Marina Coast Water District Deferred Compensation Plan; and, Trust Agreement.

Staff Recommendation: The Board of Directors amend the Marina Coast Water District's 457 Deferred Compensation Plan contract to allow personal loans to plan participants and approve the Trust Agreement with Reliance Trust.

Action Required:  Resolution  Motion  Review  
(Roll call vote is required.)

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Board Action

Resolution No  Motion By  Seconded By

Ayes  Abstained

Noes  Absent

Reagendized  Date  No Action Taken

Resolution No. 2009-71  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving an Amendment to the Marina Coast Water District's  
457 Tax Deferred Compensation Plan Contract to Allow Personal Loans to Plan Participants

October 21, 2009

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District has approved and adopted the 457 Tax Deferred Compensation Plan with The Hartford. The District hereby declares the intention to continue the Plan, but reserves the right to terminate or amend the Plan at any time; and,

WHEREAS, the current plan does not contain a loan provision and only authorizes participants to withdraw funds for financial hardship as a result of a sudden or unexpected illness or if a primary resident is in danger of foreclosure; and,

WHEREAS, a contract amendment allows plan participants to borrow against their account to finance educational expenses for dependents, purchase a home or automobile, reduce high interest rate credit card debt, or pay delinquent income or property taxes; and,

WHEREAS, participants, at any one time are capped at a maximum of two personal loans and one home loan at no less than \$1,000 per loan and a maximum of 50% of participants account balance or up to \$50,000; and,

WHEREAS, loan payments are made through payroll deductions and in the event a participant with an outstanding loan is on unpaid status with the District, the participant must pay the plan directly. If a plan participant terminates employment prior to the loan being paid in full, he/she is responsible for the entire balance before any distributions are made; and,

WHEREAS, MCWD approves the Trust Agreement and appoints Reliance Trust Company, as Trustees of the Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve a plan amendment to the Marina Coast Water District 457 Tax Deferred Compensation Plan Contract to Allow Personal Loans to Plan Participants.

PASSED AND ADOPTED on October 21, 2009, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

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Howard Gustafson, President

ATTEST:

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Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-71 adopted October 21, 2009.

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Jim Heitzman, Secretary



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-B

Meeting Date: October 21, 2009

Submitted By: Jean Premutati

Presented By: Jim Heitzman

Reviewed By: Jim Heitzman

Agenda Title: Adopt Resolution No. 2009-72 to Reclassify the Temporary, Contract Utility Laborer to Regular, Full-Time Employee

Detailed Description: At a regular meeting on June 9, 2009, the Board of Directors approved the temporary hire of a Temporary, Contract, Utility Laborer position. Staff noted, at that time, a status report would be presented to the Board with a possibility of revisiting the contract.

The temporary, Contract Utility Laborer has been assigned the duties of maintenance and groundskeeping for the Administrative and Ord Offices. Since this position was filled in August, both the interiors and exteriors of the facilities are cleaned and cared for on a more frequent basis which we anticipate will prolong repairs and/or replacement of materials. In addition, the Laborer's efforts have been invaluable in helping to complete Phase II of the demonstration garden at the Ord office and supplies are maintained and replenished when needed.

The addition of this position has enabled the O&M staff to focus their time on preventive maintenance and repair of the distribution and collection systems and unforeseen emergencies rather than parking lot and grounds maintenance.

The Utility Laborer is currently funded through the 2009/2010 janitorial account and a vacant System Operator I. Staff recommends retaining this beneficial position and a reclassification from Temporary, Contract to Regular, Full-Time with benefits. With the creation of this position, salary range A-7 from \$16,643 - \$21,241, will be established.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On June 9, 2009, the Board of Directors approved the temporary hire of a Temporary, Contract, Utility Laborer position.

Board Goals/Objectives: *2007/2008 Strategic Plan Mission – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:       X   Yes            No

Funding Source/Recap: All salary and benefit accounts.

Material Included for Information/Consideration: Resolution No. 2009-72.



Resolution No. 2009-72  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving the Reclassification of the Temporary, Contract Utility Laborer  
to Regular, Full Time Employee

October 21, 2009

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Board recognizes the need for proper maintenance of District facilities and the Utility Laborer performs these duties on a routine basis; and,

WHEREAS, the Utility Laborer has freed up the Meter Readers and Operations and Maintenance department from having to conduct building and grounds maintenance, general exterior and interior clean up to the Beach Office and Ord Office; and,

WHEREAS, since the position was filled in August, both interiors and exteriors of District facilities are cleaned and cared for on a more frequent basis which we anticipate will prolong repairs and/or replacement of materials; and,

WHEREAS, salary range A-7 from \$16.643 - \$21.241, needs to be approved for this position and added to the MCWD Compensation Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the reclassification of the Utility Laborer to Regular, Full-Time with benefits at salary range A-7 from \$16.643 - \$21.241 per hour.

PASSED AND ADOPTED on October 21, 2009, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Howard Gustafson, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-72 adopted October 21, 2009.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-C

Meeting Date: October 21, 2009

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Jim Heitzman

Agenda Title: Adopt Resolution No. 2009-73 to Approve the Lease of the Laserfiche Document Storage System

Detailed Description: The Board is requested to authorize the lease of the Laserfiche Document Storage System (DSS) for the District.

After months of meeting and review of several Document Storage Systems, staff has chosen Laserfiche as the DSS vendor. The Department Heads met with five different vendors and reviewed their products. The consensus among the group was that Laserfiche was the product that would be best suited for the District's needs. A staff member/user from each individual department also met and reviewed the product and provided their input.

At the August 11, 2009 Board Meeting, staff presented the DSS in detail and explained the benefits and needs of the system.

Staff recommends leasing the software and hardware using capital lease approach with a \$1 buy-out option at the end of the lease term. The cost to lease the complete system for 36 months will be \$3,150 - \$3,350 per month, depending on the final review of the District credit application.

In order for the District to obtain tax-exempt lease rates, the District cannot issue more than \$30 million of qualified tax-exempt obligations during the calendar year 2009. Staff does not contemplate that the District will issue more than \$30 million of qualified tax-exempt obligations for this year.

Environmental Review Compliance: None

Prior Committee or Board Action: On August 11, 2009, staff presented the DSS in detail.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_X\_\_\_ Yes     \_\_\_ \_\_\_ No

Funding Source/Recap: Funding for this purchase will come from all four cost centers. The funding for this project was included in the FY 2009/2010 budget.

Material Included for Information/Consideration: Resolution No. 2009-73.

Staff Recommendation: The Board of Directors adopt Resolution No. 2009-73 to approve the lease of the Laserfiche Document Storage System.

Action Required:     Resolution     Motion     Review  
(Roll call vote is required.)

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Resolution No. 2009-73  
Resolution of the Board of Directors  
Marina Coast Water District  
Approve Lease of Laserfiche Document Storage System

October 21, 2009

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, organizations use Document Storage Systems (DSS) for a variety of reasons and in a variety of ways. While there are a myriad of benefits to using a DSS, the bottom line is that these systems save organizations substantial time and money; and,

WHEREAS, the District has determined that a true and very real need exists for the acquisition of the DSS; and,

WHEREAS, after months of meeting and review of several DSS, staff has chosen Laserfiche as the DSS vendor; and,

WHEREAS, staff recommends leasing the software and hardware using capital lease approach with a \$1 buy-out option at the end of the lease term. The cost to lease the complete system for 36 months will be \$3,150 - \$3,350 per month, depending on the final review of the District credit application; and,

WHEREAS, the District further certifies that it does not contemplate issuing more than \$30,000,000 of “qualified tax-exempt obligations,” during calendar year 2009.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve lease of the Laserfiche Document Storage System and authorize the General Manager to enter into all contracts and to take all actions and execute all documents as may be necessary or appropriate to give effect to this Resolution and the total dollar amount of any and all such change orders for the contract, in the aggregate, which shall not exceed \$110,000.

PASSED AND ADOPTED on October 21, 2009 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

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Howard Gustafson, President

ATTEST:

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Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-73 adopted October 21, 2009.

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Jim Heitzman, Secretary



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-D

Meeting Date: October 21, 2009

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Jim Heitzman

Agenda Title: Adopt Resolution No. 2009-74 to Accept the Infrastructure Installed by FORA as a Portion of the General Jim Moore Boulevard - Phase IV Project and to Convey Certain Portions of that Infrastructure to the California American Water Company

Detailed Description: The Board of Directors is requested to authorize the General Manager to accept title to the newly installed potable water lines, sewer lines, and appurtenances constructed within the Fort Ord Reuse Authority's (FORA's) General Jim Moore Boulevard Phase - Phase IV (GJMB4) project. Concurrently, the Board of Directors is requested to authorize the General Manager to transfer the title to certain portions of the newly constructed potable water lines and appurtenances to the California American Water Company (CAW). The instrument to achieve the title transfers described is a Bill of Sale and drafts of the two needed documents are included herein for review.

The total installed value of the water and sewer infrastructure constructed by FORA on MCWD's behalf within the GJMB4 project is \$2,734,755. This amount appears on the appropriate Bill of Sale and transfers ownership of the infrastructure from FORA to the MCWD. The potable water component of the installed infrastructure has a value of \$2,691,755 while the sanitary sewer component of the installed infrastructure has a value of \$43,000.

On March 10, 2009, the Board approved Resolution No. 2009-03 that set the total project resource at \$2,935,000, an amount that included contingency resources intended for other District direct costs such as infrastructure design, engineering construction support, construction geotechnical work, and District Counsel guidance. The sum of the other-direct-costs utilized to achieve the project objectives was \$146,876, the largest fraction of this total being expended within design, construction support, and geotechnical contracting arrangements with Creegan & D'Angelo Infrastructure Engineers. The result achieved by the project is that the work was completed under-budget by \$53,369 (\$2,935,000 - \$2,734,755 - \$146,876).

The District has benefited from an agreement between MCWD and CAW that provides for joint use of the potable water pipeline facility. Within that joint use agreement, MCWD agreed to construct within the GJMB4 project certain sections of pipes and appurtenances for CAW's sole ownership and use. The total value of the infrastructure that needs to be transferred to CAW is \$434,134. Similar to the Bill of Sale that FORA is providing to MCWD, included for review is the draft Bill of Sale that MCWD is proposing to provide to CAW.

A provision of the joint use agreement with CAW is that CAW will contribute 49% of the total cost of the shared infrastructure installed with the GJMB4 project. Included for review is the current invoicing for this agreement provision submitted for CAW's payment. That invoice shows that CAW's cost contribution for the shared facilities is \$1,590,353 which includes their

share for MCWD labor costs and other direct costs. Since CAW provided an initial payment of \$1,300,000 during the summer of 2009, the invoice shows a balance owed to the District of \$290,353.

Acceptance of the infrastructure by the District entailed certain tasks be completed prior to that final acceptance, including:

- A final inspection and walk-through by the District personnel to verify completion of all punch-list items; and,
- Submission of acceptable As-Built drawings for the work; and,
- Transfer of title to the infrastructure to the District by means of a bill-of-sale.

The construction contractor and FORA completed the punch-list work in August, 2009. All MCWD assets are located within the public right-of-way or on former Army lands for which we have a documented right-of-entry. This is documented by As-built drawings for the installed water and sewer infrastructure accepted on October 19, 2009. If the proposed Resolution is approved by the Board, the transfer of title will be complete pending executing signatures.

Environmental Review Compliance: None required.

Prior Board Action: On October 14, 2008 the Board adopted Resolution No. 2008-53 authorizing expenditure of the District's share of construction costs for a 30-inch potable waterline within the Fort Ord Reuse Authority's General Jim Moore Boulevard Phase IV Improvement Project Alignment; Resolution No. 2009-03 on March 10, 2009 authorized the expenditure of an increased amount of construction costs to install a 30-inch potable waterline within the Fort Ord Reuse Authority's General Jim Moore Boulevard Phase IV Improvement Project Alignment; and Resolution No. 2009-06 on March 10, 2009 approved a Water-Wheeling Agreement with California American Water Company.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.; and Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact:      Yes      No

Funding Source/Recap: The GJMB4 infrastructure costs were funded by the 2006-series bond proceeds and by CAW's fair share payments. The project work is identified in the approved FY 2008/2009 budget as CIP OW-124 which was resourced by an estimated amount of \$2,938,312.

Material Included for Information/Consideration: Resolution No. 2009-74, Draft Bill of Sale from FORA to MCWD, Draft Bill of Sale from MCWD to CAW, and an invoice from MCWD to CAW with associated attachments.

Staff Recommendation: The Board of Directors adopt Resolution 2009-xx to accept the infrastructure installed by FORA as a portion of the General Jim Moore Boulevard - Phase IV Project and to convey certain portions of that infrastructure to the California American Water Company.

Action Required:  Resolution  Motion  Review  
(Roll call vote is required.)

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Board Action

Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Resolution No. 2009-74  
Resolution of the Board of Directors  
Marina Coast Water District  
Acceptance of the Infrastructure Installed by FORA as a Portion of the  
General Jim Moore Boulevard - Phase IV Project and to Convey Certain Portions of that  
Infrastructure to the California American Water Company

October 21, 2009

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Board of Directors approved Resolution No. 2008-53 on October 14, 2008 authorizing an expenditure to fulfill the District’s financial obligation for funding construction costs for the 30-inch diameter potable waterline within the Fort Ord Reuse Authority’s (FORA’s) General Jim Moore Boulevard Phase IV Improvement Project alignment and the total authorized amount was to be \$2,650,000; and,

WHEREAS, the Board of Directors approved Resolution No. 2009-03 on March 10, 2009 authorizing expenditure of an increased amount of construction costs to install a 30-inch Potable Waterline within FORA’s General Jim Moore Boulevard Phase IV Improvement Project alignment and the total authorized increased amount was to be \$2,935,000; and,

WHEREAS, the Board of Directors approved Resolution No. 2009-06 on March 10, 2009 approving a Water-Wheeling Agreement with California American Water Company (CAW) that provided for cost sharing, joint use of infrastructure, and direct ownership of certain infrastructure constructed within FORA’s General Jim Moore Boulevard Phase IV Improvement Project alignment; and,

WHEREAS, FORA, CAW, and the District strongly want to execute the Bill of Sale drafts included herein as the instruments of title transfer; and,

WHEREAS, District staff finds that the project work is complete, the District is prepared to accept ownership of the installed infrastructure within FORA’s General Jim Moore Boulevard Phase IV Improvement Project, and the District is prepared to convey ownership of certain portions of the accepted infrastructure to CAW.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to accept for MCWD ownership of the infrastructure within FORA’s General Jim Moore Boulevard Phase IV Improvement Project Authority, to convey ownership of certain portions of that infrastructure to CAW, and to execute all agreements and documents that give effect to this Resolution.

PASSED AND ADOPTED on October 21, 2009, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Howard Gustafson, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-74 adopted October 21, 2009.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-E

Meeting Date: October 21, 2009

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Jim Heitzman

Agenda Title: Approve Expenditures for the Month of September 2009

Detailed Description: The Board is requested to approve the attached September 2009 check register for expenditures totaling \$1,093,909.89.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact:     \_\_\_ Yes     \_\_\_ **X** \_\_\_ No

Funding Source/Recap: Expenditures are allocated across the five cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04- Ord Sewer, 05-New Water.

Material Included for Information/Consideration: September 2009 Summary Check Register.

Staff Recommendation: The Board of Directors approve the September 2009 expenditures totaling \$1,093,909.89.

Action Required:     \_\_\_ Resolution     \_\_\_ **X** \_\_\_ Motion     \_\_\_ Review

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Board Action

\_\_\_ Resolution No \_\_\_     Motion By \_\_\_     Seconded By \_\_\_

Ayes \_\_\_     Abstained \_\_\_

Noes \_\_\_     Absent \_\_\_

Reagendized \_\_\_     Date \_\_\_     No Action Taken \_\_\_

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-F

Meeting Date: October 21, 2009

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Jim Heitzman

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of September 22, 2009

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of September 22, 2009.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_ Yes     \_\_\_ X No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of September 22, 2009.

Staff Recommendation: The Board of Directors approve the draft minutes of the September 22, 2009 regular Board meeting.

Action Required:     \_\_\_ Resolution     \_\_\_ X Motion     \_\_\_ Review

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Board Action

\_\_\_ Resolution No \_\_\_     Motion By \_\_\_     Seconded By \_\_\_

Ayes \_\_\_     Abstained \_\_\_

Noes \_\_\_     Absent \_\_\_

Reagendized \_\_\_     Date \_\_\_     No Action Taken \_\_\_

Marina Coast Water District

Comfort Suites  
12101 Challenger Parkway  
Orlando, FL 32826  
District Offices  
11 Reservation Road  
Marina, California

Dual Locations

Regular Board Meeting  
September 22, 2009  
6:45 p.m.

**Draft Minutes**

1. Call to Order:

President Gustafson called the meeting to order at 6:45 p.m. on September 22, 2009.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager  
Lloyd Lowrey, Legal Counsel  
Jean Premutati, Management Services Administrator  
Brian True, Interim District Engineer  
Suresh Prasad, Director of Finance  
Jim Dowless, Operations and Maintenance Superintendent  
Rich Youngblood, Conservation Coordinator  
Paula Riso, Executive Assistant

Audience Members:

Bob Holden, MRWPCA  
Vienna Merritt Moore, Marina Resident  
Bruce Delgado, Marina Mayor/Marina Resident  
Sue Parris, Consultant  
Larry Parsons, The Monterey Herald  
Tony Kelsey, MCWD

Tim Wilson, Marina Resident  
Katrina Morelli, Marina Resident  
Andy Sterbenz, Schaaf & Wheeler  
David Brown, Marina Resident  
George Riley, Monterey Resident  
Barbara Montanti, MCWD



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, Legal Counsel)  
Property: D/E Reservoir Site  
Negotiating Parties: MCWD and City of Seaside  
Under Negotiation: Lease Agreement
  
- B. Pursuant to Government Code Section 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Former Fort Ord Well Sites  
Negotiating Parties: MCWD, UCMBEST, FORA, U.S. Army  
Under Negotiation: Easements and Fee Title Ownership
  
- C. Pursuant to Government Code Section 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Cell Antennae – D/E Reservoir Site  
Negotiating Parties: MCWD, Metro PCS  
Under Negotiation: Price, Terms, and Conditions

The Board ended closed session at 6:54 p.m.

President Gustafson reconvened the meeting to open session at 7:00 p.m.

4. Possible Action on Closed Session Items:

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

5. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

6. Oral Communications:

No comments.

7. Presentations:

- A. Consider Adoption of Resolution No. 2009-65 in Recognition of Barbara Montanti, Customer Service Assistant, and Awarding a Plaque and Gift Certificate for 10 Years of Service to Marina Coast Water District:

Director Moore made a motion to adopt Resolution No. 2009-65 recognizing Barbara Montanti, Customer Service Assistant, and awarding her a plaque and gift certificate for 10 years of service to Marina Coast Water District. Director Burns seconded the motion. The motion was passed.

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

President Gustafson read the narration and presented Mrs. Montanti with a plaque and gift certificate. Mr. Jim Heitzman, General Manager, commended Mrs. Montanti on her tenure with the District.

- B. Consider Adoption of Resolution No. 2009-66 in Recognition of Tony Kelsey, Systems Operator II, and Awarding a Plaque and Gift Certificate for 30 Years of Service to Marina Coast Water District:

Director Moore made a motion to adopt Resolution No. 2009-66 recognizing Tony Kelsey, Systems Operator II, and awarding him a plaque and gift certificate for 30 years of service to Marina Coast Water District. Director Burns seconded the motion. The motion was passed.

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

President Gustafson read the narration and presented Mr. Kelsey with a plaque and gift certificate. Mr. Heitzman commended Mr. Kelsey on his tenure with the District.

8. Consent Calendar:

Director Moore requested to pull items C and D from the Consent Calendar. Director Nishi requested to pull item G from the Consent Calendar.

Agenda Item 8 (continued):

Director Nishi made a motion to approve the Consent Calendar consisting of items; A) Appoint Mr. Richard Newhouse to the Water Conservation Commission; B) Adopt Resolution No. 2009-67 to Approve a Professional Services Agreement with Westin Engineering Inc. to provide Asset Management System Maintenance and Support Services for FY 2009/2010; E) Receive the Quarterly Financial Statements for April 1, 2009 to June 30, 2009; F) Approve Expenditures for the Month of August 2009; H) Approve the Draft Minutes of the Regular Board Meeting of August 11, 2009; I) Approve the Draft Minutes of the Special Board Meeting of August 17, 2009; and, J) Approve the Draft Minutes of the Special Board Meeting of September 3, 2009. Director Burns seconded the motion. The motion was passed.

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

C. Adopt Resolution No. 2009-68 to Approve Preparation and Submittal of a Financial Assistance Application to the Clean Water State Revolving Fund for the Regional Desalination Project and Authorize a Representative:

Director Moore asked some clarifying questions regarding how this application affects the District. Mr. Heitzman stated that this application was needed to apply for the stimulus funds. Director Moore made a motion to adopt Resolution No. 2009-68 to approve preparation and submittal of a Financial Assistance Application to the Clean Water State Revolving Fund for the Regional Desalination Project and authorize a Representative. Director Burns seconded the motion. The motion was passed.

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

D. Adopt Resolution No. 2009-69 to Approve a Dedicated Source of Revenue for Repayment of the Clean Water State Revolving Fund for the Regional Urban Water Augmentation Project Recycled Water Facilities:

Director Moore questioned dedicating District revenue for this fund. Mr. Heitzman answered that the first step is to get the application accepted, and then when collateral is needed, it will be brought before the Board for approval.

Director Moore made a motion to adopt Resolution No. 2009-69 to approve a dedicated source of revenue for repayment of the Clean Water State Revolving Fund for the Regional Urban Water Augmentation Project Recycled Water Facilities. Director Burns seconded the motion.

Agenda Item 8-D (continued):

The motion was passed.

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

G. Approve the Draft Minutes of the Regular Board Meeting of July 14, 2009:

Director Nishi asked that page 7, third paragraph, last sentence, of the July 14<sup>th</sup> minutes reflect the exact verbiage Director Moore used.

Director Nishi made a motion to approve the July 14, 2009 minutes with the proposed change. President Gustafson seconded the motion. The motion was passed.

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

9. Action Items:

A. Consider Adoption of Resolution No. 2009-55 to Provide a Limited Variance to 223/225 Palm Avenue:

Mr. Brian True, Interim District Engineer, introduced this item. The Board asked some clarifying questions. Director Nishi asked if Legal Counsel agreed with the information provided. Mr. Lloyd Lowrey, Legal Counsel, answered that he did agree. Director Nishi asked if the customer was satisfied. Mr. True answered that the customer was indeed satisfied.

Director Nishi made a motion to adopt Resolution No. 2009-55 to provide a limited variance to 223/225 Palm Avenue. Director Moore seconded the motion. The motion was passed.

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

B. Consider Appointing Two Directors to a Regional Urban Water Augmentation Project Ad-Hoc Committee:

Mr. Heitzman introduced this item.

Agenda Item 9-B (continued):

Director Moore asked how often this group would meet and what other agencies were participating. Mr. Heitzman answered that the other agencies would probably be Monterey County Water Resources Agency and Monterey Regional Water Pollution Control Agency and they would only meet every few weeks or monthly. President Gustafson suggested appointing Director Nishi and Director Burns. Director Moore stated that he would like to volunteer for the position. Director Nishi commented that he and Director Burns have been attending meetings with these agencies and are aware of the issues.

President Gustafson made a motion to appoint Directors Nishi and Burns to the Regional Urban Water Augmentation Project Ad-Hoc Committee. Director Nishi seconded the motion. The motion was passed.

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

C. Consider Adoption of Resolution No. 2009-70 to Censure a Director:

Mr. Lowrey introduced this item. He stated that Ms. Sue Parris investigated and reported on the allegations. Mr. Lowrey commented that the policies in question were adopted by the Board. A censure is a way for the Board to express their displeasure and disapprove the behavior of a Board member.

Mr. Bruce Delgado, Marina Mayor/Marina Resident, commented that he did not support the censure of Director Moore. He voiced his support of Director Moore.

Director Moore gave a brief PowerPoint presentation in his defense which outlined the allegations made against him and how they changed over time. Director Moore handed out a revised Resolution No. 2009-70 for consideration.

Director Moore made a motion to approve the revised Resolution No. 2009-70. The motion died for lack of a second.

Director Burns asked Ms. Parris to clarify the changes in the allegations against Director Moore and to clarify her recommendations in the investigation.

Ms. Parris answered that she could not clarify the changes in the allegations. She did clarify the findings she made in her report and the fact that Director Moore's appearance at a Sierra Club meeting was not an allegation made by anyone, only a concern.

Agenda Item 9-C (continued):

Mr. David Brown, Marina resident, commented that Director Moore was only exercising his 1<sup>st</sup> Amendment Rights. He added that this was a slim basis for censure and the Board really needs to work together “given the high stakes regional issues the Board is dealing with”, as stated in the newspaper by a Board member.

Mr. Lowery asked to answer the question by Director Burns about why there were changes in the allegations. He answered that the changes came about in the resolution and the findings are; 1) that Director Moore failed to behave in a manner consistent with the vote of the majority of the Board members by continuing to serve on the Special Districts Association; and, 2) by failing to support the Board’s vote as to who should run for election to the LAFCO seat. Mr. Lowery also agreed with Mr. Delgado’s comment and asked that the resolution be modified in the last WHEREAS to read, “...the fact that the Board, on May 28, 2008, nominated Director Nishi...” and remove the word elected.

Director Moore read a letter from Don Champion, President of the Special Districts Association of Monterey County, into the record.

President Gustafson commented that Mr. Champion would be better serving the SDA by supporting the MCWD decision. President Gustafson stated that he was asked not to attend any SDA meetings and he didn’t try to. He would like to see more team effort and continuity between the Board members.

Director Moore stated that in his defense of running for the LAFCO seat, the Board was made aware that he was running for the LAFCO seat on November 18, 2008 and did not say anything until the censure was brought up in July 2009. In any case, although the MCWD Board nominated Director Nishi to run for the LAFCO seat, the only way to run for the LAFCO seat is through self-nomination and both Director Nishi and Director Moore had to fill out self-nomination forms to run. Director Moore stated that if the Board wanted that say he should have understood the intent to nominate Director Nishi to the LAFCO seat, they could perhaps say that, and they could perhaps censure him for failing to support Director Nishi’s election campaign, but he did not hear any evidence that other Board members went out and campaigned for Director Nishi nor did they discuss campaign strategy for supporting Director Nishi. Director Moore added that the reason the LAFCO process is a self-nomination process, is so when Boards are politically squabbling amongst themselves, does not prevent anyone from the forty-three Independent Special Districts from having an opportunity to elect and vote for the best candidate. Director Moore stated that if this Board follows through with this censure, they will set a precedent to other Boards about allowing members to run for elections. He commented that by censuring him, they would be anti-democratic.

As to continuing to serve on the SDA, Director Moore stated that there is nothing wrong with that and the SDA states that anyone can attend the meetings.

Agenda Item 9-C (continued):

Director Moore added that the Board Procedures Manual calls for “Directors to make reasonable and diligent inquiry of competent, qualified and reliable advisors and other sources to obtain sufficient information for informed timely decisions and judgments.” After attending approximately twenty-five SDA meetings he has received lots of advice from competent, qualified and reliable advisors and other sources by attending those meetings. Director Moore stated that to censure him for this would be to censure him for complying with the Board Procedures Manual. Director Moore stated that if he were to be censured for attending SDA meetings, Director Nishi should also be censured for attending the October 2008 SDA meeting to campaign for his election without getting prior approval from the Board. Director Moore continued that he has a right to peacefully assemble and a right to free speech and if he is censured for this, it is an attempt to abridge his rights to Article 1, by some sort of political coercion. He stated that he is not going to bow down for that and if the Board does vote to censure him, they are violating their sworn oath to uphold the Constitution of the United States of America. Director Moore concluded he is trying to do his duty by attending these meetings and by being the representative for the LAFCO meetings.

President Gustafson stated that he was only concerned with Director Moore’s past policy of SDA representation.

Director Nishi made a motion to adopt Resolution No. 2009-70 with the following corrections: 1) sixth WHEREAS, correct spelling of Manual; 2) last WHEREAS change elected to nominated; and, 3) Finding number 1, remove the words, continuing to serve on the Special District Association and. President Gustafson seconded the motion.

Mr. Delgado commented that he hopes the Board doesn’t approve this motion tonight. In Director Moore’s twenty minute defense of his record of attending 21 of 25 meetings, and the intelligence and articulation that he covered through the Constitution and the Board Procedures Manual shows what an incredible asset Director Moore is for this District and this City. Mr. Delgado added that it would be a very dim light to censure him a respectable individual who has done such a well job. Even while being censured, Director Moore had maintained the best respect for the Board and the public and in doing so, he is serving the Board well to garner public trust in his service.

The motion was passed.

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

10. Staff Report:

A. Receive Update on the Hot Water Recirculation System Rebate Program:

Mr. Rich Youngblood, Water Conservation Coordinator, introduced this item. Director Burns commented on gray water usage and asked if staff was keeping up on the latest information. Mr. Youngblood answered they were. Director Nishi suggested offering \$250 for a Hot Water Recirculation System Rebate. He urged finding a solution to getting the funds out there and saving water. Director Burns asked when a report on the landscape incentives would be ready. Mr. Youngblood answered that it was going to the Water Conservation Commission next week then would be brought to the Board. Director Nishi suggested lobbying to the Cities and County to install drip irrigation.

11. Informational Items:

A. General Manager's Report:

Mr. Heitzman stated he had nothing to report.

B. District Engineer's Report:

Mr. True stated he had nothing to report.

C. Counsel's Report:

Mr. Lowery stated he had nothing to report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No report.

2. Joint City-District Committee:

No report.

3. MRWPCA Board Member:

Director Nishi reported that the meeting was boilerplate.

4. LAFCO Liaison:

Director Nishi stated the meeting was next Monday.



5. JPIA Liaison:

No report.

6. FORA:

Vice President Nishi stated they discussed Imjin Park in Closed Session.

7. Executive Committee:

No report.

8. Community Outreach:

President Gustafson commented that the newsletter and having the meetings televised was reaching the public.

9. Ord Community Ad Hoc Committee:

Mr. Heitzman stated that it could be discussed at a special workshop on October 20<sup>th</sup> and skip the October 13<sup>th</sup> Board meeting. Director Moore stated he would be in France from the 15<sup>th</sup> to the 25<sup>th</sup>. The Board agreed to hold the workshop on October 27<sup>th</sup> at 5:30 pm to coincide with the Board meeting and move the November meeting to the 17<sup>th</sup>.

10. Special Districts Association Liaison:

President Gustafson commented the next meeting is October 20th.

C. Director's Comments:

Director Burns commented that he would like to deal with issues straight up when there is something of concern. The President and Vice President should talk to the individual right away before it comes to censure. Director Burns would like to see the Board work on it.

Director Moore commented that he was disappointed with the outcome. He assured his supporters that he will continue to do a professional job in this office and also before the LAFCO Commission as well as any other assignments he may get from Marina Coast Water District. Director Moore commented that it was inappropriate under agenda item 10-A for Director Nishi to excoriate him in an off-topic comment, and President Gustafson tolerated it and did nothing to stop him. He would appreciate the President to prevent those things from occurring.

Director Nishi commented that the Board needs to learn to work together as a team and although he keeps saying it, they are not doing it. Director Nishi stated that with this censure, the Board is just requesting that Director Moore refrain from engaging in similar conduct in the future.

Agenda Item 11-C (continued):

Director Nishi said that Director Moore made a comment to the paper that his racist remark was just in humor. Director Nishi added that Director Moore's comment tells him that he just doesn't get it that we can't ridicule nationalities.

Director Moore asked for a point of order.

Director Nishi stated that this is "Director's Comments".

Director Moore stated that it was just rehashing derogatory statements.

Director Nishi commented that if Director Moore would get in line this wouldn't have to happen and if he would have learned from it the first time, this wouldn't have happened.

Director Moore asked Director Nishi to show some respect and refer to him as Director Moore and not "Tom".

12. Correspondence:

No comments.

13. Adjournment:

The meeting was adjourned at 8:33 p.m.

APPROVED:

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Howard Gustafson, President

ATTEST:

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Jim Heitzman, General Manager

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: October 21, 2009

Submitted By: Rich Youngblood, Paul Lord

Presented By: Rich Youngblood

Reviewed By: Jim Heitzman

Agenda Title: Consider Adoption of Resolution No. 2009-75 to Update the Landscape Incentive Program and Allocate Additional Funding

Detailed Description: The Board of Directors is requested to approve the updated Landscape Incentive Program and allocating an additional \$30,000 from the KB Homes fund.

The program provides incentives to customers for retrofitting landscaping and inefficient irrigation equipment to water efficient plantings and irrigation controls. The Board of Directors allocated \$20,000 to start the program which began in January 2008, and with this additional allocation, the total program budget will be \$50,000. The program has been updated to help clarify questions that have arisen since the program began.

As of this date, forty-two projects have been accepted. Thirty-three of those projects are single family residential, four are multifamily, and five are large landscapes. Seven projects have been suspended for lack of progress. Twenty-five projects have been completed and received rebates totaling \$9,228.34. Ten projects are in progress, encumbering an additional \$10,406.40 of the original \$20,000 fund which, when paid, will leave only \$365.26 available for new projects.

Through the completed projects, over 7,870 square feet of lawn has been removed and replaced with low water use alternatives. In excess of 9,800 square feet of sprinkler irrigation has been converted to more efficient drip irrigation. Thirteen rain switches and seven efficient irrigation controllers, operating 113 irrigation zones, have been installed.

The water savings of the sixteen completed projects older than six months is 5.6 acre-feet per year. The savings is equivalent to the annual water use of 16.8 single family homes. These sixteen projects received rebates totaling \$5,978.31. The one-time cost per acre-foot of water saved is \$1,067.56.

If approved, this resolution would update the program and increase the available funds for landscape incentive projects by allocating \$30,000 of the funds provided by K&B Homes to the Landscape Incentives Program operational budget. These funds were paid by K&B Homes as a conservation offset for not installing District-approved hot water recirculation systems in the model homes at the Seaside Highlands Development.

	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>
From: K&B Homes Account	\$46,000	-\$30,000	\$16,000

Environmental Compliance Review: None required.

Prior Committee or Board Action: The Board approved and funded the Landscape Incentives Program in 2007 by allocating \$20,000 of the \$66,000 received from KB Homes as a result of a variance issued to the Seaside Highlands development, for failure to install hot water recirculation systems in the model homes as required by District standards. On October 1, 2009, the Water Conservation Commission recommended forwarding this item to the Board of Directors for approval.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 1 - To manage and sustain the District's groundwater and desalinated water, recycled water and wastewater services, conservation activities, infrastructure and human resources at or above industry standards.*

Financial Impact:     \_\_\_ Yes                     \_\_\_X\_\_\_ No

Funding Source Recap: Funding would be provided by allocating funds previously collected from KB Homes for a future conservation effort.

Material Included for Information/Consideration: Resolution No. 2009-75; and, Exhibit A – Updated Landscape Incentive Program.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2009-75 updating the Landscape Incentive Program and allocating an additional \$30,000 in funds.

Action Requested: \_\_\_X\_\_\_ Resolution     \_\_\_ Motion             \_\_\_ Review  
(Roll call vote is required.)

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Board Action

\_\_\_ Resolution No. \_\_\_ Motion By \_\_\_ Seconded By \_\_\_

Ayes: \_\_\_\_\_ Abstained: \_\_\_\_\_

Noes: \_\_\_\_\_ Absent: \_\_\_\_\_

Reagendized: \_\_\_\_\_ Date: \_\_\_\_\_ No Action Taken: \_\_\_\_\_

Resolution No. 2009-75  
 Resolution of the Board of Directors  
 Marina Coast Water District  
 Approving an Updated Landscape Incentive Program and Allocating Additional Funds

October 21, 2009

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District Board allocated \$20,000 to start the program which began in January 2008; and,

WHEREAS, staff has updated the Landscape Incentive Program to clarify questions that have arisen since the program began; and,

WHEREAS, additional District funding will need to be provided to continue the program; and,

WHEREAS, an additional allocation of \$30,000 will leave \$16,000 in funds received from KB Homes and bring the program total to \$50,000; and,

WHEREAS, the District seeks to conserve water resources in compliance with the District’s Water Conservation Ordinance and AB325 the Model Water Efficient Landscape Ordinance; and,

WHEREAS, the implementation and continuation of a landscape incentive program conserves water and assists in meeting the District’s goals regarding water conservation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby allocate an additional \$30,000 from the KB Homes fund:

	Beginning Balance	Change	Ending Balance
From: K&B Homes Account	\$46,000	-\$30,000	\$16,000

PASSED AND ADOPTED on October 21, 2009, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

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Howard Gustafson, President

ATTEST:

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Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-75 adopted October 21, 2009.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: October 21, 2009

Submitted By: Rich Youngblood

Presented By: Rich Youngblood

Reviewed By: Jim Heitzman

Agenda Title: Consider Adoption of Resolution No. 2009-76 to Approve the Hot Water Recirculation System Rebate Program and Allocate Funds for the Program

Detailed Description: The Board of Directors is requested to approve the Hot Water Recirculation Program and allocate funds to begin the program.

The program provides an incentive to customers to retrofit existing homes with hot water recirculation systems to reduce water consumption. When customers turn on the hot water and let it run until it becomes hot enough to use, they are wasting water. The amount of water wasted varies with a number of factors including the distance between the hot water heater and fixture where a demand is placed. This rebate will provide an incentive to retrofit a hot water recirculation system to reduce the wasted water.

The rebate provided will be up to \$250 per installation, not to exceed the cost of the pump being installed and materials. While this does not reimburse customer the entire cost of a retrofit which will vary from site to site, it provides an incentive for those who would consider doing so.

The data available to judge the effectiveness of hot water recirculation system retrofit programs for communities like Marina Coast Water District's service area is not available. This program will allow us to collect information on the customer's experiences in our service area to evaluate the retrofitting of hot water recirculation systems in our community.

This resolution would make available funds for Hot Water Recirculation System rebates by allocating \$6,000 of the funds provided by K&B Homes to the Hot Water Recirculation System rebate operational budget. These funds were paid by K&B Homes as conservation offset for not installing District-approved hot water recirculation systems in the model homes at the Seaside Highlands Development.

	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>
From: K&B Homes Account	\$16,000	-\$6,000	\$10,000

Environmental Compliance Review: None required.

Prior Committee or Board Action: On September 22, 2009, the Board received a staff report on the Hot Water Recirculation System Program. On October 1, 2009, the Water Conservation Commission recommended forwarding this item to the Board of Directors for approval.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 1 - To manage and sustain the District's groundwater and desalinated water, recycled water and wastewater services, conservation activities, infrastructure and human resources at or above industry standards.*

Financial Impact:  Yes  No

Funding Source Recap: Funding would be provided by allocating funds previously collected from KB Homes for a future conservation effort.

Material Included for Information/Consideration: Resolution No. 2009-76; and, Exhibit A - Hot Water Recirculation System Program.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2009-76 approving the Hot Water Recirculation System Program and allocating \$6,000 to fund the program.

Action Requested:  Resolution  Motion  Review  
(Roll call vote is required.)

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Board Action

Resolution No. \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes: \_\_\_\_\_ Abstained: \_\_\_\_\_

Noes: \_\_\_\_\_ Absent: \_\_\_\_\_

Reagendized: \_\_\_\_\_ Date: \_\_\_\_\_ No Action Taken: \_\_\_\_\_



Resolution No. 2009-76  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing the Hot Water Recirculation System Program  
and Allocating Funds for the Program

October 21, 2009

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 21, 2009 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District Board adopted the FY 2009/2010 Budget on July 9, 2009; and,

WHEREAS, the District’s FY 2009/2010 budget did not include a Hot Water Recirculation System Rebate Program; and,

WHEREAS, the District seeks to conserve water resources in compliance with the District’s Water Code; and,

WHEREAS, pursuant to the adoption of Resolution No. 2009-75, the District retains \$16,000 of the \$66,000 received in funds from KB Homes in 2004 as a conservation offset for KB Homes failure to install hot water recirculation systems per District standards in ten homes at the Seaside Highlands Development; and,

WHEREAS, the implementation of hot water recirculation system rebate program would conserve water and assist in meeting the District’s goals regarding water conservation.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the Hot Water Recirculation System Program in Exhibit A and allocate \$6,000 to fund the program:

	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>
From: K&B Homes Account	\$16,000	-\$6,000	\$10,000

PASSED AND ADOPTED on October 21, 2009, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Howard Gustafson, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2009-76 adopted, October 21, 2009.

\_\_\_\_\_  
Jim Heitzman, Secretary

## EXHIBIT A

### Hot Water Recirculation System Program Description

The District's Hot Water Recirculation System Program provides an incentive to customers to retrofit existing homes with hot water recirculation systems to reduce water consumption. When customers turn on the hot water and let it run until it becomes hot enough to use, they are wasting water. The amount of water wasted varies with a number of factors including the distance between the hot water heater and fixture where a demand is placed. This rebate will provide an incentive to retrofit a hot water recirculation system to reduce the wasted water.

The District will provide up to \$250 for the retrofit of a hot water recirculation system pump. The rebate will be equal to the purchase price of the pump and associated materials, not to exceed \$250.

The following steps must be completed by the property owner to be eligible for a rebate.

1. The Hot Water Recirculation Pump must be a new installation in an existing system.
2. The customer will submit an original receipt to verify the purchase price of the pump with a completed District Rebate Form, once the recirculation system is installed and is operational.
3. The recirculation system must have an operational timer and a thermostat regulating the recirculation pump hours and water temperature.
4. The customer must request the rebate within one year of purchase of the pump. Receipts older than one year are not eligible.

The customer is subject to inspection to verify the installation of the pump, timer, and thermostat.

The rebate offer is dependent on availability of funds.

October 21, 2009

Marina Coast Water District  
Staff Report

Agenda Item: 9-A

Meeting Date: October 21, 2009

Prepared By: Suresh Prasad, Rich Youngblood  
Reviewed By: Jim Heitzman

Presented By: Rich Youngblood

Subject: Receive 3rd Quarter 2009 Ord Community Water Consumption and Sewer Flows Report

Summary: The Board is requested to receive the 3rd Quarter 2009 Ord Community Water Consumption and Sewer Flow Report. Quarterly water consumption reports have been submitted to the Board since 2006. The report includes Ord Community sewer flows so that sewer capacity can be tracked. This report assists District staff in complying with several objectives from the Board's 2007/2008 Strategic Plan including:

Objective 1D – *Reduce “Unaccounted for Water” each Fiscal Year by 1% from the system average of 14.5% or about 6.7 AFY (FY 07/08 and FY 08/09).* The attached report helps track the number of meters installed at those properties that were previously unmetered and therefore assists with tracking unaccounted for water.

Objective 1E – *Reduce overall water usage each Fiscal Year by 0.5% from current amount of 4,300 AFY or about 21.5 AFY (FY 07/08 and FY 08/09).* The report tracks water use.

Objective 1G – *Annually review Urban Water Management Plan and amend as necessary.* The report assists in tracking water use that will be used in the annual update of the UWMP.

Objective No. 2 – *To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmental sensitive way.* The sewer flow is measured at the Ord Community flume. The flume went into operation in April 2007. This report will track available sewer capacity that was dedicated by the US Army for use in the development of the Ord Community. The Army had sewer treatment capacity rights of 3.3 million gallons per day (mgd) of which it retained 1.1 mgd with 2.2 mgd for use by the Ord Community.

Below are informational notes for the data reported:

- The rainfall for the 3rd quarter of 2009 (July, August, September), was 0 inches, below the historical quarterly average of 0.28 inches. The average evapotranspiration for this period is 10.82 inches compared to the quarterly figure of 11.3 inches.
- The number of customers in each category is defined as the number of active accounts within that land use jurisdiction.
- “Army Facilities & Businesses - Ord” captures all uses not listed in the other Army categories.

Ord Community Sewer flows as measured at the old Main Garrison Wastewater Treatment Plant for the 3rd Quarter of 2009 was 83 million gallons or 0.90 mgd. This leaves an available balance of 2.4 mgd.

The 4th Quarter 2009, Ord Community Water Consumption and Sewer Flow Report (October, November, and December) will be presented to the Board in January 2010.

Marina Coast Water District  
Staff Report

Agenda Item: 9-B

Meeting Date: October 21, 2009

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Jim Heitzman

Subject: Receive Update on the Current Status of the Stilwell Kidney Development Project

Marina Coast Water District has been engaged with Monterey Bay Military Housing (MBMH) to re-develop the neighborhood called Stilwell Kidney and its associated infrastructure for several years. In June 2009, the District provided authorization-to-construct approval for the infrastructure improvements and MBMH commenced construction immediately. The approved concept was that entirely new, modern water, sewer, and irrigation infrastructures would be installed by MBMH throughout the project area with the exception of District-authorized re-utilization of existing water and sewer infrastructures within the Gigling Road alignment.

As of October 12, approximately 95% of the planned potable water systems have been installed with roughly 50% of the installed percentage completely construction tested, disinfected, and placed in-service. Approximately 80% of the sanitary sewer system has been installed with construction testing underway. The first batch of 50 potable water meters – from an anticipated total of between 250 and 300 meters have been approved for installation during the weeks of October 12 through October 23.

The re-utilization of existing water and sewer infrastructures within Gigling Road did not proceed within MBMH's plans. The existing infrastructures failed to meet the agreed upon performance criteria for re-using existing facilities. As a result, MBMH has replaced virtually all of the 6-inch diameter potable water main in Gigling with a new PVC 8-inch potable water main and has conducted a Cured-In-Place-Plastic (CIPP) pipe repair process on the majority of the existing gravity sanitary sewer pipeline in Gigling.

Images of the construction process are included for review.