

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Special Board Meeting
December 22, 2009
5:30 p.m.

Minutes

1. Call to Order:

President Nishi called the meeting to order at 5:30 p.m. on December 22, 2009.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Paula Riso, Executive Assistant
Carl Niizawa, Deputy General Manager/District Engineer
Suresh Prasad, Director of Finance

Audience Members:

George Riley, Monterey Resident
Andy Sterbenz, Schaaf & Wheeler

The Board entered into Closed Session at 5:30 p.m.

3. Closed Session:

A. Pursuant to (Subdivision (a) of Government Code Section 54956.9)

Conference with Legal Counsel -- Existing Litigation

Name of case: California Public Utilities Commission Proceeding A.04-09-019, "In the Matter of the Application of California-American Water Company (U 210 @) for a Certificate of Public Convenience and Necessity to Construct and Operate its Coastal Water Project to Resolve the Long-Term Water Supply Deficit in its Monterey District and to Recover All Present and Future Costs in Connection Therewith in Rates."

The Board ended closed session at 5:59 p.m.

4. Reconvene Open Session:

President Nishi reconvened the meeting to open session at 6:00 p.m.

5. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, stated that there was a conference and no action was taken in closed session.

6. Pledge of Allegiance:

Director Gustafson led everyone present in the pledge of allegiance.

7. Oral Communications:

Mr. George Riley, Monterey resident, stated that he was a strong advocate and in total support of the Regional Plan. He voiced his concern that the Monterey Peninsula Water Management District had no formal role in the Regional Plan and would like to see them become involved somewhere down the line.

8. Action Item:

A. Consider Adoption of Resolution No. 2009-83 to Amend the FY 2009/2010 Budget and Authorize Additional Funding for Continued District Participation in the Coastal Water Project/Regional Water Project Proceedings:

Mr. Jim Heitzman, General Manager, introduced this item. Mr. Lowrey commented that this represents the funds appropriated specifically by the Board, for participation in the Public Utility Commissions' processes, formally. Before the District applied to become a party to the proceedings, there were significant funds spent on the REPOG process and Water for Monterey County.

Agenda Item 8-A (continued):

Mr. Lowrey stated that this amount of funds is the ones specifically targeted for participating in this proceeding, not the least of which is the Final Environmental Impact Report for the Coastal Water Project.

Director Moore asked if the expenditures could be recovered and what the estimated cost would be through mid-January 2010. Mr. Lowrey answered that he didn't know if the expenditures could be recovered and that there was no way to know what the estimated cost would be through mid-January. He did not know if there were any outstanding bills that had yet to be received or processed. Mr. Lowrey stated that the Board's authorization would be for two things, 1) a ratification to pay the bills that were already appropriated, and, 2) bills that may have been encumbered but have not yet been received by the District. Director Burns asked if the Board should just authorize \$350,000 for now to get through the next few months. Mr. Heitzman commented that the excellent legal firms' the District has retained has others wanting their services and if the District can't promise them the funds are committed, the District may lose the firms' business.

Mr. Riley commented that the Marina Coast Water District has been very important in this process and it is only as productive as the Board is committed and this Board has been very committed from the very beginning. Mr. Riley stated that this District has brought professional commitments to the table and deserves a lot more respect and credit for what has transpired.

Director Gustafson made a motion to adopt Resolution No. 2009-83 amending the FY 2009/2010 Budget and authorizing additional funding for continued District participation in the Coastal Water Project/Regional Water Project proceedings. Vice President Lee seconded the motion. Director Moore commented that he would reluctantly vote in favor of this resolution and would have rather seen this item at a regularly scheduled Board meeting. President Nishi commented that you either have to fish or cut bait, and this District has been fishing. President Nishi stated that he has confidence in the staff to make the right decisions. The motion was passed.

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

6. Director's Comments:

Director Gustafson commented that he also has confidence in the staff and the District has put together an "A" team.

Director Moore wished everyone Happy Holidays.

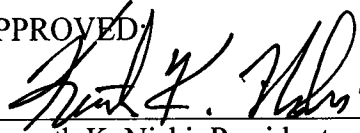
Director Gustafson wished everyone a Merry Christmas.

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7. Adjournment:

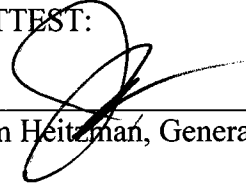
The meeting was adjourned at 6:19 p.m.

APPROVED:



Kenneth K. Nishi, President

ATTEST:



Jim Heitzman, General Manager