



# 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**  
KENNETH K. NISHI  
*President*

WILLIAM LEE  
*Vice President*

THOMAS P. MOORE  
HOWARD GUSTAFSON  
DAN BURNS

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

### **DUAL LOCATIONS**

19 Rue Rabelai, Pau, France 64000

and

11 Reservation Road, Marina, California

Tuesday, September 14, 2010, 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 54956.8**

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

Property: Parcel of Land known as Sunset Place

Negotiating Parties: MCWD and Residents of Sunset Place

Under Negotiation: Fee Title Ownership and Disposal

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, September 9, 2010 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the Board Clerk at: 831-883-5910. The next regular meeting of the Board of Directors is scheduled for October 12, 2010.

- B. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
(Subdivision (a) of Section 54956.9)  
Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and Complaint for Declaratory Relief)
  
- C. Pursuant to Government Code 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Unused portion (north section bounded by 4<sup>th</sup> and 5<sup>th</sup> avenues) of the MCWD's 2840 4<sup>th</sup> Avenue property  
Negotiating Parties: MCWD, Tope's Tree Service  
Under Negotiation: Lease
  
- D. Pursuant to Government Code 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Easements and Land on Armstrong Property, North of Marina  
Negotiating Parties: MCWD and Armstrong Family  
Under Negotiation: Price, Terms, and Conditions
  
- E. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator  
Agency Negotiator (General Manager)  
Employee Organization: Marina Coast Water District Employees Association
  
- F. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator  
Agency Negotiator (General Manager)  
Employee Organization: Teamsters Local 890

**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.*

**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. Presentation**

- A. Consider Adoption of Resolution No. 2010-61 in Recognition of US Army Representative, Dennis Oaks, for his Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

**8. 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. 2010-62 to Approve a Return to Work Program
- B. Adopt Resolution No. 2010-63 to Revise Section 10.14 and Update Section 17 of the Employee Handbook
- C. Approve the Draft Fall 2010 Newsletter
- D. Receive the Quarterly Financial Statements for April 1, 2010 to June 30, 2010
- E. Approve the Expenditures for the Month of August 2010
- F. Approve the Draft Minutes of the Regular Board Meeting of August 10, 2010
- G. Approve the Draft Minutes of the Special Joint Board Meeting of August 13, 2010

**9. 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. 2010-64 to Authorize Marina Coast Water District Property, Sunset Place, to be Declared Surplus

*Action: The Board of Directors will consider declaring Marina Coast Water District property, Sunset Place, to be surplus.*

- B. Consider Adoption of Resolution No. 2010-51 to Reinstate the Budget and Personnel Committee, the Projects and Planning Committee and the Operations and Maintenance Committee, and to Approve the Charge, Formation and Meeting Day and Time of Each Committee

*Action: The Board of Directors will consider reinstating the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees; to approve the charge, formation and meeting day and time of each Committee.*

- C. Consider Adoption of Resolution No. 2010-65 Approving a Variance Request for the Monterey Institute for Research in Astronomy Regarding Connection Costs

*Action: The Board of Directors will consider providing a variance for capacity charges regarding the remodeling of the Monterey Institute for Research in Astronomy.*

- D. Consider Adoption of Resolution No. 2010-66 to Approve a Memorandum of Understanding for Renewable Energy Facility Planning between Monterey Regional Waste Management District, Monterey County Water Resources Agency, Monterey Regional Water Pollution Control Agency and Marina Coast Water District

*Action: The Board of Directors will consider approving a Memorandum of Understanding for Renewable Energy Facility Planning between Monterey Regional Waste Management District, Monterey County Water Resources Agency, Monterey Regional Water Pollution Control Agency and Marina Coast Water District.*

**10. Staff Report**

- A. Receive Update on the Master Meter Water Usage Billing

**11. 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
  - 2. Joint City-District Committee
  - 3. MRWPCA Board Member
  - 4. LAFCO Liaison
  - 5. JPIA Liaison
  - 6. FORA
  - 7. Executive Committee
  - 8. Community Outreach
  - 9. Special Districts Association Liaison
- E. Director’s Comments

**12. Correspondence**

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

*Regular Meeting: Tuesday, October 12, 2010, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: September 14, 2010

Submitted By: Rich Youngblood

Presented By: Rich Youngblood

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-61 in Recognition of US Army Representative, Dennis Oaks, for his Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

Detailed Description: The Board of Directors is requested to consider adopting a resolution recognizing Dennis Oaks for his service on the Water Conservation Commission.

Dennis Oaks was appointed as the representative from the U. S. Army, Presidio of Monterey, to the Water Conservation Commission in November 2007. As a member of the Commission he provided input on water conservation activities, practices and programs. During his tenure on the Water Conservation Commission, Mr. Oaks provided thoughtful insight and wise counsel.

Mr. Oaks's dedication and commitment to public service has been recognized by his fellow Commission members and those who have come into contact with him. For his unselfish dedication and commitment, the Marina Coast Water District (MCWD) wishes to recognize Dennis Oaks for his service, and wishes him well in the future.

Environmental Review Compliance: None required.

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

Prior Committee or Board Action: None.

Financial Impact:  Yes  No

Funding Source/Recap: None.

Material Included for Information/Consideration: Resolution No. 2010-61.

Staff Recommendation: The Board of Directors adopt Resolution No. 2010-61 to recognize US Army Representative, Dennis Oaks, for his dedicated service to the Marina Coast Water District as a member on the Water Conservation Commission.

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 \_\_\_\_\_

September 14, 2010

Resolution No. 2010 - 61  
Resolution of the Board of Directors  
Marina Coast Water District  
Recognition of Public Member, Dennis Oaks,  
for Dedicated Service to the Marina Coast Water District as a Member on the  
Water Conservation Commission

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010 at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, Dennis Oaks was appointed in November 2007 to serve as a member on the Water Conservation Commission of the Marina Coast Water District; and,

WHEREAS, during his tenure, Dennis Oaks rendered superior service to the MCWD by providing invaluable participation and insights, and by contributing significant personal time.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and commends Dennis Oaks for outstanding and dedicated service to the MCWD and the Committee's of the Board.

PASSED AND ADOPTED on September 14, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-61 adopted September 14, 2010.

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Jim Heitzman, Secretary



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8

Meeting Date: September 14, 2010

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Carl Niizawa

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2010-62 to Approve a Return to Work Program
- B) Adopt Resolution No. 2010-63 to Revise Section 10.14 and Update Section 17 of the Employee Handbook
- C) Approve the Draft Fall 2010 Newsletter
- D) Receive the Quarterly Financial Statements for April 1, 2010 to June 30, 2010
- E) Approve the Expenditures for the Month of August 2010; and,
- F) Approve the Draft Minutes of the Regular Board Meeting of August 10, 2010
- G) Approve the Draft Minutes of the Special Joint Board Meeting of August 13, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: See individual transmittals.

Board Goals/Objectives: *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: 8-A

Meeting Date: September 14, 2010

Submitted By: Jean Premutati

Presented By: Jean Premutati

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-62 to Approve a Return to Work Program

Detailed Description: On June 22, 2010, the Board of Directors adopted Resolution No. 2010-35 consenting to enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) contingent on passing a risk assessment and ACWA JPIA Executive Committee authorization.

As a result of the risk assessment, two recommendations (see attached) have been submitted. Subject to the completion and implementation of the recommendations, the Marina Coast Water District (MCWD) can anticipate acceptance into the workers' compensation program.

While the MCWD has adhered to the Occupational Safety and Health Administration (OSHA) and the American National Standards Institute (ANSI), Standard for Respiratory Protection regulations and requirements for respirators and confined space entry, the program did not fully meet JPIA practices. Since the receipt of the attached letter, this has since been corrected and signed off by the Risk Management Consultant, Scott Wood.

The Return to Work Program will be implemented District-wide and require employee compliance. It will be necessary to train all managers and supervisors on the requirements and necessary documentation and a new policy adopted and incorporated into our existing handbook. Once approved, this completes the application process and the MCWD should be eligible to change carriers on October 1, 2010.

Environmental Review Compliance: None.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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:     \_\_\_\_\_Yes     \_\_\_X\_\_\_No

Funding Source/Recap: N/A.

Material Included for Information/Consideration: Resolution No. 2010-62; ACWA JPIA letter of August 5, 2010; and, Attachment A – Return to Work Program.



September 14, 2010

Resolution No. 2010 - 62  
Resolution of the Board of Directors  
Marina Coast Water District  
Approve a Return to Work Program

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010, at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Board adopted Resolution No. 2010-35 consenting to enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) contingent upon passing a risk assessment and ACWA JPIA Executive Committee authorization; and,

WHEREAS, ACWA JPIA has conducted the risk assessment and submitted a recommendation to the MCWD to implement a Return to Work Program; and,

WHEREAS, the new program will be implemented District-wide, require employee compliance and training of appropriate staff; and;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2010-62 to approve a Return to Work Program.

PASSED AND ADOPTED on September 14, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-62 adopted September 14, 2010.

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Jim Heitzman, Secretary

**Return to Work Program**

The MCWD recognizes that our employees are a critical part of our operation, and even if an employee becomes injured, on or off the job or has a temporary disability as a result of surgery or an illness, he/she remains a valuable part of the our staff. A Return to Work Program (RTWP) is a proven essential cost containment element of our overall risk management program. In conjunction with our Safety Program, it is an effective tool in returning employees to productive work in the shortest time possible, while maintaining high morale and keeping costs to a minimum.

It is MCWD's goal to bring an employee back to work in a useful capacity as soon as possible. We are looking at transitional duty from the positive point of view that our employees want to work and should recognize this practice as a benefit.

If you are injured on or off the job, or have a temporary disability as a result of surgery or illness, the RTWP looks at ways to bring you back to work as soon as the doctor determines you are medically ready. This may mean making temporary modifications to your job duties or work hours to accommodate your recovery.

If the employee does not report to work (modified duty or regular work) when the physician releases the employee or leave has expired, the employee may not be eligible for temporary disability payments, workers' compensation payments, or regular wages, and the employee could be subject to disciplinary action, up to and including termination.

The Management Services Administrator (MSA) will act as a liaison between the employee, supervisor, physician, and the JPIA Claims representative (if workers' compensation is involved).

**Modified or Alternate Duty**

MCWD will consider the following when attempting to identify alternative duties:

- The first priority should be to return the employee to the same job, if possible, based on the medical restrictions, as prescribed by the treating physician. Building on existing work experience and working relationships avoids adding stresses of adjusting to new tasks and surroundings.
- If this is not possible, the returned employee should be provided modified work in the same department. Job or work site modifications may include a temporarily reduced work schedule, changed duties, trading heavier parts of the job with co-workers, altering the way duties are performed, making physical changes in the workstation, and providing the employee with specialized tools or adaptive devices.
- As a last alternative, the employee may be returned to work in a different department. Transferable employment skills will be emphasized and on-the-job training will be provided to supplement these skills.

Regardless of the accommodations made, we want our transitional employment to be productive and will be tailored to the employee's individual abilities in order to facilitate recovery. The duties will be flexible so that they can be easily altered to meet the requirements of the employee's medical program or our internal needs.

We must remember that our RTWP is designed to accommodate temporary disability. The time in the program should typically not exceed ninety (90) calendar days. As healing occurs, the employee's work duties will be changed and frequently modified to reflect increased work capacity of the recovering employee, as dictated by the employee's physician restrictions.

For workers' compensation claims, if the employee is not going to reach full duty within the ninety (90) calendar-day period, the MSA will work with the JPIA Claims representative and the employee's physician on an alternative plan of action. In the case of a non-industrial claim or disability, the MSA will contact the employee's physician to discuss an alternative plan of action.

#### Designated Industrial Medical Provider for on the Job injuries/illnesses

For workers' compensation, the MSA will discuss the RTWP with the employee's physician or designee. The success of the program will depend on good communication between the MSA, the physician, the injured worker and the JPIA claims representative.

When an injury occurs, we want to get immediate medical attention for our injured worker. Depending on the seriousness of the injury, 911 will be contacted or the employee's supervisor will drive the employee to our industrial medical provider. If the employee has to go to the hospital, the ambulance should be directed to take the employee to:

Community Hospital of the Monterey Peninsula (CHOMP)/Salinas Valley Memorial Hospital (SVMH) (depending upon the employee's location at the time of the emergency).

Once the employee is released from the hospital, he/she may be redirected to the employee's pre-designated physician or, in the absence of a pre-designated physician, to the MCWD industrial medical clinic, Doctors on Duty. The MSA will ensure that the physician has a copy of the employee's job description.

In the event a supervisor accompanies an employee to the clinic or pre-designated physician, the supervisor will take a copy of the job description. A discussion should be held between the supervisor and the physician at the conclusion of the appointment regarding what restrictions will be placed on the employee's job duties. Once determined, the MSA will contact the physician.

#### Employee Eligibility

All regular full-time employees are eligible to participate in the RTWP, however, under certain situations, it may not be offered.

#### Management Orientation

The management team will be held accountable for the effective implementation of the RTWP.

The management team plays an essential role in helping an injured or ill employee transition back to work. Training, dedication, and commitment are essential to the success of our RTWP.

If an injured worker is not released to return to full or modified duty, the employee's supervisor will make regular calls to the employee to review his/her health and recovery. The supervisor should let the employee know that he/she is missed and that MCWD is looking forward the employee's early recovery and quick return. The supervisor should determine when the employee's next physician appointment is scheduled. This information should be communicated to the MSA.

The injured employee and his/her supervisor will meet with the MSA when the employee returns with restrictions from the physician. A determination will be made regarding job duties based on the physician's restrictions. A Transitional Duty Assignment form will be completed and signed by the employee, supervisor, and the MSA.

### Employee Orientation

All employees will be notified of the RTWP at the time it is implemented. New hires will be informed of the RTWP at his/her employee orientation. All employees will be held accountable for providing assistance with the RTWP if called upon. The success of this program will be judged on the collective effort of all of our employees.

### Monitoring an Injury/Illness

The MSA will give the injured/ill worker all the pertinent forms and information, as well as reviewing with the employee his/her responsibilities.

If an employee is not returned to full or modified duty immediately, the MSA may need to follow-up with the physician to determine if there are any restrictions that could be imposed which might allow the worker to return. The MSA will ask the physician to complete a Physician's Report/Employee Work Status form. The MSA will meet with the employee's supervisor and the employee to determine what modifications can be made to meet the doctor's restrictions. For non-occupational cases, a Fitness for Duty Exam may be warranted. The District will coordinate this and inform the employee once an appointment has been secured.

### Employee's Responsibilities

If the physician releases the employee to full duty with no restrictions, the employee will provide his/her supervisor with a copy of the Physician's Report/Employee Work Status form and return to full duty.

If the employee is not released to return to work, it is the employee's responsibility to attend each scheduled physician's appointment.

If the physician releases the employee with restrictions, the employee will provide a copy of the Physician's Report/Employee Work Status form to his/her supervisor. The employee will then



participate in a meeting with the supervisor and MSA regarding how the employee's job duties will be modified to meet the restrictions. A Transitional Duty/Assignment form will be completed at this time and signed by the employee, supervisor, and the MSA. Once this form has been signed, it will be the employee's responsibility to:

- Work within the physical limitations set by the physician at all times, and perform only those temporary duties assigned to the employee by their supervisor.
- Advise his/her supervisor if he/she is having difficulties performing the assigned tasks.
- Provide advance notice to the supervisor if he/she must miss work for a medical appointment.
- On future visits to the physician, ensure that his/her supervisor is advised of any changes to the work restrictions and provide the supervisor with an updated copy of the Physician's Report/Employee Work Status form.

It is the supervisor's responsibility to ensure the employee is following the restrictions and directions provided. If the employee is not, then appropriate action will be taken after consultation with the MSA.

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: September 14, 2010

Submitted By: Jean Premutati

Presented By: Jean Premutati

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-63 to Revise Section 10.14 and Update Section 17 of the Employee Handbook

Detailed Description: As new programs and employment laws change, staff is committed to revising the employee handbook in a customary and timely manner. Implementation of the Return to Work Program will require employee compliance and a change to current practice. It is therefore necessary to update the existing handbook to incorporate this new program and its requirements into Section 17.

Additionally, in a further review of the handbook, staff has found Section 10.14 – Management Leave does not contain the exact language of the current Teamsters MOU and, as such, a revision to the handbook is requested in order to maintain consistency in both documents.

Environmental Review Compliance: None.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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:     \_\_\_\_\_Yes       X  No

Funding Source/Recap: N/A.

Material Included for Information/Consideration: Resolution No. 2010-63; and, MCWD Employee Handbook Table of Contents, Handbook Revision Record, Section 10.14 – Management Leave and Section 17 – Return to Work Program.

Staff Recommendation: The Board of Directors adopt Resolution 2010-63 to revise and update the Marina Coast Water District Employee Handbook.

Action Required:       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 \_\_\_\_\_

September 14, 2010

Resolution No. 2010 - 63  
Resolution of the Board of Directors  
Marina Coast Water District  
Revise Section 10.14 and Update Section 17 of the Employee Handbook

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010, at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, staff is committed to revising the employee handbook as employment laws and programs change; and;

WHEREAS, implementation of the Return to Work Program will require employee compliance and a change to current practice. It is necessary to incorporate the new program and its requirements into Section 17 – Return to Work Program; and;

WHEREAS, staff has determined, after an additional review of the existing handbook that Section 10.14 – Management Leave does not contain the exact language of the current Teamsters MOU and, as such, a revision to the handbook is requested in order to maintain consistency in both documents; and;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2010-63 to revise Section 10.14 and update Section 17 of the employee handbook.

PASSED AND ADOPTED on September 14, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-63 adopted September 14, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: September 14, 2010

Submitted By: Rich Youngblood  
Reviewed By: Carl Niizawa

Presented By: Rich Youngblood

Agenda Title: Approve the Draft Fall 2010 Newsletter

Detailed Description: The Board of Directors is requested to approve the draft Fall 2010 Newsletter.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: Printing account - \$2,000.

Material Included for Information/Consideration: Copy of the draft Fall 2010 Newsletter.

Staff Recommendation: The Board of Directors approve the draft Fall 2010 Newsletter.

Action Required:  Resolution  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: 8-D

Meeting Date: September 14, 2010

Submitted By: Suresh Prasad  
Reviewed By: Carl Niizawa

Presented By: Suresh Prasad

Agenda Title: Receive the Quarterly Financial Statements for April 1, 2010 to June 30, 2010

Detailed Description: All figures reported for the quarter are based on accrual basis accounting. The MCWD's consolidated financial statement for the quarter includes revenues of \$2.889 million and expenses of \$2.166 million, resulting in operating reserves of \$0.723 million. The MCWD budget projected an operating reserve of \$0.557 million for the same period. The operating reserve was higher than the budget expectation by \$0.166 million due to increase in revenues for the current quarter.

Summary of Cost Centers:

<b>Description</b>	<b>Actual Qtr</b>	<b>Budget Qtr</b>	<b>Actual FYTD</b>	<b>Budget FYTD</b>
<b>Marina Water</b>				
Revenues	908,120	901,725	3,793,717	3,701,900
Expenses	643,880	571,276	2,076,638	2,285,103
Op Reserves	264,240	330,449	1,717,079	1,416,797
<b>Marina Sewer</b>				
Revenues	174,587	183,600	700,072	734,400
Expenses	158,512	128,808	562,698	515,233
Op Reserves	16,075	54,792	137,374	219,167
<b>Ord Community Water</b>				
Revenues	1,129,185	1,177,375	4,507,861	4,879,300
Expenses	988,501	1,037,622	3,691,172	4,150,489
Op Reserves	140,684	139,753	836,689	728,811
<b>Ord Community Sewer</b>				
Revenues	400,829	400,950	1,606,248	1,603,800
Expenses	246,984	267,240	907,699	1,068,962
Op Reserves	153,845	133,709	698,550	534,838
<b>Regional Water Augmentation</b>				
Revenues	276,277	4,000	286,822	16,000
Expenses	127,748	106,193	430,463	424,771
Op Reserves	148,529	(102,193)	(143,641)	(408,771)
<b>Consolidated Cost Centers</b>				
Revenues	<b>2,888,999</b>	2,667,650	10,894,720	10,935,400
Expenses	<b>2,165,625</b>	2,111,140	7,648,669	8,444,558
Op Reserves	<b>723,374</b>	556,510	3,246,051	2,490,842

As of June 30, 2010, the MCWD had \$17.668 million in liquid investments, and \$0.561 million of principal as internal loans to the Ord Community Cost Centers payable to the Marina Cost Centers. The MCWD also had \$4.368 million of bond proceeds for construction purposes and \$3.084 million of bond proceeds for debt reserve purposes in the bank. The MCWD owed \$39.785 million in debt for the 2006 revenue certificates of participation bond and \$0.506 million for CalPERS loan.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

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

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

Funding Source/Recap: N/A.

Material Included for Information/Consideration: Quarterly Financial Statements, Investments and Debt Summary Statements.

Staff Recommendation: The Board of Directors receive the Quarterly Financial Statements for April 1, 2010 to June 30, 2010.

Action Required: \_\_\_\_\_ Resolution    \_\_\_\_\_ 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: 8-E

Meeting Date: September 14, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Approve Expenditures for the Month of August 2010

Detailed Description: The Board of Directors is requested to approve the attached August 2010 check register for expenditures totaling \$1,097,626.83.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: August 2010 Summary Check Register.

Staff Recommendation: The Board of Directors approve the August 2010 expenditures totaling \$1,097,626.83.

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: 8-F

Meeting Date: September 14, 2010

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Carl Niizawa

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of August 10, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of August 10, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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 August 10, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the August 10, 2010 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

Dual Locations  
Navy Gateway Inns and Suites  
1312 Meyerkord Avenue, Newport RI  
and  
District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
August 10, 2010  
6:45 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 6:45 p.m. on August 10, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi– President  
Bill Lee – Vice President – arrived at 6:50 p.m.  
Howard Gustafson  
Tom Moore – via teleconference  
Dan Burns

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager  
Anne Secker, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Suresh Prasad, Director of Finance  
Brian True, Capital Projects Manager  
Jean Premutati, Management Services Administrator  
Kelly Cadiente, Director of Administrative Services  
Rich Youngblood, Conservation Coordinator  
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Jan Shriner, Marina Resident  
Andy Sterbenz, Schaaf & Wheeler  
Bob Drake, Marina Resident  
Bob Holden, MRWPCA

The Board entered into closed session at 6:45 p.m.

3. Closed Session:

A. 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

G. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation

(Subdivision (a) of Section 54956.9)

Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and Complaint for Declaratory Relief)

The Board ended closed session at 6:47 p.m.

President Nishi reconvened the meeting at 7:00 p.m.

4. Possible Action on Closed Session Items:

Ms. Anne Secker, Legal Counsel, reported that the items were discussed and no action was taken.

5. Pledge of Allegiance:

President Nishi asked Mr. Andy Sterbenz, Schaaf & Wheeler, to lead everyone present in the Pledge of Allegiance.

6. Oral Communications:

There were no comments.

7. Presentation:

- A. Consider Adoption of Resolution No. 2010-52 in Recognition of Community Member, Bob Drake, for his Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission:

Vice President Lee read the narration recognizing Mr. Bob Drake for his service on the Water Conservation Commission.

Agenda Item 7-A (continued):

Director Moore made a motion to adopt Resolution No. 2010-52 recognizing Community Member, Bob Drake, for his dedicated service to the Marina Coast Water District as a member on the Water Conservation Commission. Director Gustafson seconded the motion. The motion was passed.

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

Mr. Drake thanked the Board of Directors and commented that the ratepayers of Marina are lucky to have a Board and professional staff that plan ahead to ensure that there is water for the community and to provide water to the rest of the Peninsula. Mr. Drake added that the Board and staff have their act together and the people of Marina will continue to benefit by having plenty of water at reasonable prices.

8. Consent Calendar:

Director Burns requested to pull items B and F from the Consent Calendar.

Director Gustafson made a motion to approve the Consent Calendar consisting of items A) Adopt Resolution No. 2010-53 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program with a Not-To-Exceed Amount of \$18,500; C) Adopt Resolution No. 2010-55 to Approve a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and Community Hospital Properties for the Community Hospital of Monterey Peninsula (CHOMP) Marina Campus; D) Adopt Resolution No. 2010-60 to Amend the Marina Coast Water District Conflict of Interest Code; and E) Approve the Expenditures for the Month of July 2010. Vice President Lee seconded the motion. The motion was passed.

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

- B. Adopt Resolution No. 2010-54 to Authorize a \$25,000 Expenditure Within CIP# RW-0156 for the Right of Entry and Easements from the Army Corp of Engineers for Recycled Water Pipelines:

Director Burns asked for clarification of this item.

Agenda Item 8-B (continued):

Mr. Brian True, Capital Projects Manager, explained that the expenditure was for the Army Corps of Engineers to process the Right-of-Entry and Construction Easements for the US Army and the Base Closure and Realignment Commission with a large portion of the funds going towards hiring someone to assess the value of the easements.

Vice President Lee made a motion to adopt Resolution No. 2010-54 authorizing a \$25,000 expenditure within CIP# RW-0156 for the Right of Entry and Easements from the Army Corp of Engineers for recycled water pipelines. Director Gustafson seconded the motion. The motion was passed.

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

F. Approve the Draft Minutes of the Regular Board Meeting of July 13, 2010:

Director Burns stated that he pulled this item so he could abstain from the vote as he was not present at the July 13<sup>th</sup> meeting.

Director Gustafson made a motion to approve the draft minutes of the regular Board meeting of July 13, 2010. Vice President Lee seconded the motion. With a vote of 4-Ayes, 0-Noes, 1-Abstention, the motion was passed.

9. Public Hearing:

Mr. Suresh Prasad, Director of Finance, commented that the public hearing was to receive any public comments and/or protests on the proposed rate increase for Central Marina.

President Nishi opened the Public Hearing at 7:09 p.m.

A. Receiving Public Comment on Increases in District Rates, Fees, and Charges for Central Marina:

Ms. Jan Shriner, Marina Resident, commented that this was the same evening that Marina City Council was holding a meeting to discuss a possible tax measure to be put on the ballot. She stated that it was unfair to the citizens of Marina to hold these meetings on the same evening because they are facing two rate increases at the same time, as well as recent increases from the waste management. Ms. Shriner commented that the District has made some large expenditures that have been approved by the District over the last three years, along with building an office building for the Fort Ord Reuse Authority which is due to sunset in three years.

Agenda Item 9-A (continued):

Ms. Shriner added that Marina is a small town and all these expenditures are a hardship on this small community.

With no further comments, President Nishi closed the Public Hearing at 7:10 p.m.

10. Action Items:

A. Consider Second Reading and Adoption of Ordinance No. 52 Approving New District Rates, Fees & Charges for Central Marina Water and Wastewater:

Mr. Prasad commented that the District has followed the Proposition 218 process and as of this evening, has received 35 protests from Central Marina. The Ord Community Public hearing will take place on October 13, 2010 and thus far 7 protests have been received for the Ord Community. The Proposition 218 notices were mailed out on May 21<sup>st</sup> and remailed on June 25<sup>th</sup>. Mr. Prasad commented that this hearing was for the Central Marina area proposed rate increase only.

Director Gustafson made a motion to adopt Ordinance No. 52 approving new District rates, fees & charges for Central Marina water and wastewater. Vice President Lee seconded the motion. The motion was passed.

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

B. Consider Adoption of Resolution No. 2010-56 to Approve the Central Marina Budget for FY 2010-2011:

Mr. Prasad introduced this item. Director Burns inquired on the monthly meter charges. Mr. Prasad commented that the rate study the District had completed a couple of years ago determined what the meter charges would be for each service area.

Vice President Lee made a motion to adopt Resolution No. 2010-56 to approve the Central Marina Budget for FY 2010-2011. Director Gustafson seconded the motion. The motion was passed.

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

- C. Consider Adoption of Resolution No. 2010-57 to Approve a Professional Services Agreement with Enovity Inc. for LEED Commissioning Services for Imjin Office Park Building C Within a Not-to-Exceed Amount of \$34,500:

Mr. True introduced this item.

Vice President Lee made a motion to adopt Resolution No. 2010-57 to approve a Professional Services Agreement with Enovity Inc. for LEED Commissioning services for Imjin Office Park Building C within a not-to-exceed amount of \$34,500. Director Gustafson seconded the motion. The motion was passed.

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

- D. Consider Adoption of Resolution No. 2010-51 to Reinstate the Budget and Personnel Committee, the Projects and Planning Committee and the Operations and Maintenance Committee, and to Approve the Charge, Formation and Meeting Day and Time of Each Committee:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item. Director Burns commented that the duties of the Budget and Personnel Committee don't have any Personnel charges. President Nishi stated that these charges were taken from when the District previously held these Committees. When and if the Board decides to move forward with reinstating the Committees, the charges can be revised to reflect what this Board wants.

President Nishi asked the Directors to send him an email on which Committee they are interested in serving on; and, using Attachment A as a template, see if there are any items they want to add or delete to the responsibilities for each Committee.

This item was postponed until the next meeting.

#### 11. Staff Reports:

- A. Update on the Monterey Regional Water Pollution Control Agency Outfall Capacity Analysis:

Mr. Niizawa introduced this item stating that the Memorandum of Understanding (MOU) between the Monterey Regional Water Pollution Control Agency and the District calls for a calculation of an outfall capacity fee to determine the District's share in costs associated with the capital repair/replacement of the outfall.



Agenda Item 11-A (continued):

Mr. Niizawa stated that those two factors would be determined in a study subsequent to the agreement. The study was conducted by CH2M Hill and submitted to the District for review.

Mr. Niizawa summarized that the outfall capacity shown in the report was shown to be derived from several factors. The main factor is the roughness inside the pipe and another is that there are multiple ports on the discharge line, some of which have valves and some are plugged. The corrosion shown in the initial report showed substantial additional corrosion with the brine addition to the outfall. Mr. Niizawa stated that the District responded to the report with a technical memorandum from Trussell Technologies that showed the addition of brine increased the capacity so there is no impact to the outfall. The Trussell Technologies memorandum also reported that the determination of the life of the outfall pipe is not shortened due to the addition of the brine, but the fact that the pipe is already in the ocean.

Mr. Niizawa stated that CH2M Hill responded to the Trussell Technologies memorandum and acknowledged that the addition of the brine to the outfall capacity would not impact the capacity of the outfall. CH2M Hill's report showed an increase in the corrosion by the brine from what they reported the first time. Their analysis also showed that the pipe in the ocean would corrode and fail within 10 years. Mr. Niizawa said that CH2M Hill acknowledged that there was a problem with their model since the pipe has been in the ocean for 26 years and has not failed. Mr. Niizawa stated that the District will respond to the report that their modeling is flawed and the model be modified to what is currently out there. The model will be calibrated to match the actual conditions in the pipe.

B. Receive 2<sup>nd</sup> Quarter 2010 Ord Community Quarterly Water Consumption and Sewer Flow Report:

Mr. Richard Youngblood, Conservation Coordinator, introduced this item. Director Moore asked if the objectives listed in the staff report were met. Mr. Youngblood answered that the objectives were met in FY 07/08 and FY 08/09.

President Nishi asked if anyone looked at the numbers in the report. Mr. Youngblood answered that staff did review the numbers. President Nishi inquired on the difference in numbers between the number of connections and the total consumption of the CSUMB, CSUMB Frederick Park, and CSUMB Schoonover areas. Mr. Prasad answered that the connections in Frederick Park were installed at the end of 2009 so the usage was not for the entire year. President Nishi asked to have an asterisk next to these numbers explaining that fact. President Nishi questioned the usage at CSUMB Schoonover II. Mr. Youngblood answered that there was estimated water use and actual water use when the meters were installed.

Agenda Item 11-B (continued):

President Nishi questioned the Marina Heights water usage and the change from 2007 to 2009 with virtually the same number of connections. Mr. Youngblood answered that 2007 was the end of the construction for Marina Heights. The connections that they now have are for maintaining the landscaping. President Nishi ended on a positive note with the fact that Sun Bay has decreased their water use by over twenty acre-feet since 2002 due to the efforts of the District's water conservation team. President Nishi commented that he hopes this is a trend and that staff continues to monitor this report.

12. Informational Items:

A. General Manager's Report:

Mr. Heitzman stated that the District has again received the Certificate of Achievement in Financial Reporting (CAFR). This shows the District has complete transparency in their budget reporting. It is quite an accomplishment by not only the staff but also the Board.

Mr. Heitzman commented that the briefs and rebuttal briefs have been submitted to the judge on the Regional Water Project, and now is the wait for a recommendation to the Public Utilities Commission sometime in November.

Vice President Lee asked if the District receives any rate reduction on loans because of the second CAFR award. Mr. Heitzman answered that the award allows the District to maintain the status it has reached. Vice President Lee commended staff and Mr. Heitzman on receiving the award.

B. District Engineer's Report:

Mr. Niizawa introduced Ms. Kelly Cadiente as the new Director of Administrative Services.

C. Counsel's Report:

Ms. Secker stated she had nothing to report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Lee commented that it was a standard meeting and forwarded the recommendations to the Board. He added there was a vacancy on the Commission to be filled.

2. Joint City-District Committee:

President Nishi stated they were meeting on August 30th.

3. MRWPCA Board Member:

President Nishi commented that the meeting was also on August 30th.

4. LAFCO Liaison:

Director Moore stated that there is no meeting in July and the next meeting was scheduled for August 23<sup>rd</sup>.

5. JPIA Liaison:

No comments.

6. FORA:

President Nishi stated that there was a joint meeting scheduled between FORA and the District on Friday, August 13<sup>th</sup> at 3:00 pm followed by the regular meeting at 3:30 pm.

7. Executive Committee:

No meeting was held.

8. Community Outreach:

Director Gustafson commented that the Herald has reported on the District's activities five times in the last month.

9. Special Districts Association Liaison:

Director Gustafson commented that the meeting was held on July 20<sup>th</sup> with Fred Keeley talking about California Forward and how they are working towards fixing the State of California Budget. California Forward is looking to hold a Constitutional Convention or a similar meeting to remove the two-thirds requirement of a vote for taxes, to remove term limits, and to remove Proposition 13.

E. Director's Comments:

Director Moore asked for an annual report that summarizes the various things employees have done that include certifications, conference attendance, or anything they have done to maintain or improve their job skills. President Nishi commented that maybe that could be included in the Budget and Personnel Committee and asked that it be included in the charge for that Committee.

Director Burns welcomed Ms. Cadiente to the District and that he worked with her before and she is a knowledgeable and hard worker. He praised Mr. Heitzman for filling positions with quality staff.

Director Gustafson commented that the evenings reports were very good and he appreciated them.

Vice President Lee commented that he doesn't want to forget about the mobile home parks and would like a staff report on what recommendations staff has.

President Nishi commented that he concurs with Director Burns that the General Manager has been doing an outstanding job accumulating staff that is professional and gets the job done. He added that it is not only the General Manager's accomplishment but it was the Board that has enabled this to occur. By working and thinking outside the box, the Board addresses the issues which make it better for the ratepayers to benefit the decisions the Board makes.

13. Adjournment:

The meeting was adjourned at 7:52 p.m.

APPROVED:

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-G

Meeting Date: September 14, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Special Joint Board Meeting of August 13, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of August 13, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: None.

Material Included for Information/Consideration: Draft minutes of August 13, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the August 13, 2010 special joint Board meeting.

Action Required:  Resolution  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  
Marina Coast Water District and Fort Ord Reuse Authority

FORA Conference Facility  
201 13<sup>th</sup> Street, Bldg 2925  
Marina, California

Special Joint Board Meeting  
August 13, 2010  
3:00 p.m.

**Draft Minutes**

1. Call to Order and Roll Call of Both Boards:

FORA Chair, Mayor Ralph Rubio called the meeting to order at 3:00 p.m. on August 13, 2010.

Fort Ord Reuse Authority Board of Directors:

Voting members:

Chair/Mayor Rubio (City of Seaside)	1 <sup>st</sup> Vice Chair/Supervisor Potter (County of Monterey)
Councilmember Ford (City of Marina)	Councilmember Mancini (City of Seaside)
Councilmember O'Connell (City of Marina)	Mayor Pro Tem Kampe (City of Pacific Grove)
Mayor Pendergrass (City of Sand City)	Mayor McCloud (City of Carmel-by-the-Sea)
Councilmember/Vice Mayor Selfridge (City of Monterey)	Mayor Edelen (City of Del Rey Oaks)

Absent were Councilmember McCall (City of Marina), Supervisor Parker (County of Monterey), Supervisor Calcagno (County of Monterey), and Mayor Pro Tem Gray (City of Marina).  
Arriving late: Councilmember Barnes.

Non-voting members:

Graham Bice (UC Santa Cruz)	Vicki Nakamura (Monterey Peninsula College)
Gail Youngblood (U.S. Army)	Kenneth Nishi (Marina Coast Water District)
Kevin Saunders (CSUMB)	COL Brewer (U.S. Army)

Absent were representatives from the 17<sup>th</sup> Congressional District, the 15<sup>th</sup> State Senate District, the 27<sup>th</sup> State Assembly District, Monterey Peninsula Unified School District, Monterey-Salinas Transit, and the Transportation Agency of Monterey County.

Marina Coast Water District Board Members Present:

Ken Nishi – President  
Howard Gustafson  
Tom Moore  
Dan Burns

Bill Lee – Vice President was absent.

Marina Coast Water District Staff Members Present:

Jim Heitzman, General Manager  
Anne Secker, Legal Counsel  
Suresh Prasad, Director of Finance  
Brian True, Capital Projects Manager  
Kelly Cadiente, Director of Administrative Services  
Paula Riso, Executive Assistant/Clerk to the Board

2. Pledge of Allegiance:

FORA Chair Rubio asked Vice President Kenneth Nishi, who serves on both boards, to lead the Pledge of Allegiance.

3. Acknowledgements:

Mr. Michael Houlemard, FORA Executive Officer, called attention to the handouts at the board table: one showing a revised recommendation and resolution pertaining to the Ord Community Water/ Wastewater Systems Budgets and Rates for FY 2008-2009; another with the complete packet of Exhibit W6 from years 1999-2007; and, the PowerPoint slides for the presentation of Item 6a.

4. Public Comment Period:

There were no public comments.

5. Old Business:

None.

6. New Business:

- a. Ord Community and Marina Water/Wastewater Systems Proposed Budget and Rates for FY 2008-2009:

- (1) Presentation by Marina Coast Water District

Mr. Suresh Prasad, MCWD Director of Finance, gave a PowerPoint presentation on the proposed fiscal year 2010/2011 operating and capital budgets for the water, recycled water and wastewater collection systems and corresponding customer rates for water and wastewater collection systems for the Ord Community, which had been provided in hard copy.

Agenda Item 6a1 (continued):

Mr. Prasad commented that the Prop 218 process was adhered to. He stated that notice of the proposed increase was mailed on May 21, 2010 and a second notice was mailed on June 25, 2010. Mr. Prasad noted that the budget assumptions included a customer water bill increase of 7.8% and sewer bill increase of 7.8%. The surcharges remain unchanged \$20.00 for water and \$5.00 for wastewater.

Mr. Prasad noted that all of the District's accounts, with the exception of 1,201 Army accounts, were metered. CSUMB had installed over 1300 meters in the last year.

Mr. Prasad stated that out of 2,814 customers, only seven protests were received for the Ord Community where fifty percent plus one was needed to protest the increase.

Mr. Brian True, Capital Projects Manager, commented that although there are approximately 1,200 un-metered accounts, all new structures will have meters installed. He added that the District is working with the contractor to install meters as feasible so in the future, there will be no un-metered accounts.

Councilmember Mancini commented that he is very uncomfortable with the un-metered rates and would like to see those un-metered buildings receive meters. Col. Brewer voiced his concern over the un-metered buildings as well and asked if there were any other costs involved with metering a building other than the meter. Mr. True answered that there may be a nominal fee with the plumbing fixtures. Mr. Jim Heitzman, General Manager of Marina Coast Water District, added that there would be no capacity or connection fees since the Army is already connected to the system. Mr. Brewer commented that the Army is moving towards metering all their buildings.

There were clarifying questions on the difference of rates between Central Marina and the Ord Community and sewer rates on the Peninsula.

(2) Public Hearing – Proposition 218 Notice:

FORA Chair Rubio opened the Public Hearing at 3:21 p.m.

Ms. Jan Shriner commented on the struggling community and the economic crisis young families are facing including the rate hikes proposed by MCWD.

With no other comments being offered, FORA Chair Rubio closed the Public Hearing at 3:26 p.m.



- (3) FORA Board Approval of Resolution Nos. 10-10 and 10-11 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer:

1<sup>st</sup> Vice Chair/Supervisor Potter made a motion to approve Resolution Nos. 10-10 and 10-11 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer. Mayor McCloud seconded the motion. The motion was approved unanimously.

- (4) Services on the Former Fort Ord MCWD Board Consider Adoption of Resolution Nos. 2010-58 and 2010-59 (Ord Community Budget and Compensation Plan):

Director Gustafson made a motion to adopt Resolution Nos. 2010-58 and 2010-59 approving the Ord Community Budget and Compensation Plan. Mayor Edelen seconded the motion. The motion was passed.

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

Director Burns noted that a non-member of the MCWD Board made the second to the motion and said that he would make the second. President Nishi asked for another roll call on Director Gustafson's motion to adopt Resolution Nos. 2010-58 and 2010-59 approving the Ord Community Budget and Compensation Plan and Director Burns' second. The motion was passed.

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

7. Announcements and Correspondence:

President Nishi commented that it was a pleasure to meet in this Board meeting. Director Gustafson commented that the District was celebrating its 50<sup>th</sup> Anniversary. President Nishi announced that everyone was invited to the celebration in September.

Special Joint Board Meeting  
August 13, 2010  
Page 5 of 5

8. Adjournment:

The meeting was adjourned at 3:29 p.m.

APPROVED:

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: September 14, 2010

Submitted By: Rich Youngblood

Presented By: Rich Youngblood

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-64 to Authorize Marina Coast Water District Property, Sunset Place, to be Declared Surplus

Detailed Description: Section 31041 of the Water Code authorizes the MCWD to hold, use, lease, or dispose of property within or without the MCWD necessary to the full exercise of its power. Staff requests that the Board review the attached Schedule of Property to be declared surplus. If the Board declares the listed real property as surplus, there are certain procedures that must be followed.

The property must first be offered to other public agencies, cities, etc. If no other agency is interested in the property then the MCWD can dispose of the property. On May 24, 2000, the MCWD adopted a policy for the sale of surplus real property. For surplus real property that does not meet land use requirements for construction without a variance, the MCWD will notify and negotiate for thirty days the sale or lease transaction with the property owners adjoining the surplus MCWD property planned for disposal.

Following the process, the MCWD can advertise the sale of these properties to the general public. All offers would be submitted by sealed bid with a deadline period for submittal. No set minimum is necessary as the Board has the right to refuse any bid presented or may decide at the time of considering the bids not to accept any offers submitted. This applies to any declared surplus property.

Environmental Review Compliance: Notice of Exemption pursuant to Section 15312 of the CEQA regulations.

Prior Committee or Board Action: Annual review of property to be declared surplus. The last time the MCWD offered surplus property was December 9, 2009.

Board Goals/Objectives: *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:     \_\_\_\_\_Yes     \_\_\_X\_\_\_No

Funding Source/Recap: N/A.

Material Included for Information/Consideration: Resolution No. 2010-64; and, List of surplus property.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2010-63 authorizing MCWD property, Sunset Place, to be declared surplus.

Action Required:      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 \_\_\_\_\_

September 14, 2010

Resolution No. 2010 - 64  
Resolution of the Board of Directors  
Marina Coast Water District  
Declaring Property Surplus and Providing for Disposition

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010 at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, the MCWD is authorized by Section 31041 of the Water Code to hold, use, enjoy, lease, or dispose of property within or without the MCWD necessary to the full exercise of its powers; and

WHEREAS, the General Manager advises that certain items of real property owned by the MCWD, as enumerated on the Schedule to this Resolution, are no longer necessary for MCWD purposes and are of no further use to the MCWD, and recommends that the MCWD dispose of such property; and,

WHEREAS, the MCWD’s Legal Counsel advises that the MCWD may dispose of the property by private or public sale, as is determined by the General Manager to be in the MCWD’s best interests as to any item of property; and,

WHEREAS, it is in the best interests of the MCWD to dispose of the property enumerated on the Schedule to this Resolution, in accordance with MCWD policy and on the advice and recommendation of the General Manager and Legal Counsel.

NOW, THEREFORE, BE IT RESOLVED:

1. The real property of the MCWD enumerated on the Schedule to this Resolution is surplus to the needs of the MCWD and shall be disposed of for valuable consideration in the MCWD’s best interest.
2. No person who personally participates in or influences the sale or process for selling the property may acquire any of the property, including the members of the Board, the General Manager, selected management employees of the MCWD, and MCWD’s Legal Counsel.
3. The General Manager is authorized and directed to take such actions as are necessary or appropriate to give effect to this Resolution, and to do whatever is necessary and proper to sell or otherwise dispose of said property as provided by this Resolution.

PASSED AND ADOPTED on September 14, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-64 adopted September 14, 2010.

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

## Schedule

### DISTRICT SURPLUS PROPERTY LIST

Sunset Place (Dirt Road), Marina, CA

Road size 200' x 60'

AP# 03215110

Assessment #009-009

APN# 032-151-010

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: September 14, 2010

Submitted By: Paula Riso

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-51 to Reinstate the Budget and Personnel Committee, the Projects and Planning Committee and the Operations and Maintenance Committee, and to Approve the Charge, Formation and Day and Time of Each Committee

Detailed Description: In September 2003, the Board of Directors decided to place the Budget and Personnel, Projects and Planning, and Operations and Maintenance Committees on hold due to the scheduling of two Board meetings per month. In August 2008, the Board of Directors revised the Board meeting schedule of two meetings per month back to one per month due to the lack of agenda items and development activity in the Ord and Marina Communities.

On June 22, 2010, the Board of Directors requested information regarding each Committee's charge and formation to be provided for consideration and reinstatement.

Refer to Attachment A for the proposed charge, formation and day and time of each committee.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: None.

Material Included for Information/Consideration: Resolution No. 2010-51; and, Attachment A.

Staff Recommendation: The Board of Directors is requested to adopt Resolution No. 2010-51 to reinstate the Budget and Personnel Committee, the Projects and Planning Committee and the Operations and Maintenance Committee, and to approve the charge, formation meeting and day and time of each committee.

Action Required:  Resolution  Motion  Review



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Board Action

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

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

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

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

September 14, 2010

Resolution No. 2010 - 51  
Resolution of the Board of Directors  
Marina Coast Water District

Reinstating the Budget and Personnel Committee, the Projects and Planning Committee  
and the Operations and Maintenance Committee,  
and to Approve the Charge, Formation and Meeting Day and Time of Each Committee

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010, at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, in September 2003, the Board of Directors canceled the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees; and,

WHEREAS, the Board of Directors has requested to reinstate the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees; and,

WHEREAS, the formal charge, formation and meeting day and time of each committee is attached as Attachment A to this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby reinstate the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees, approves the charge, formation and meeting day and time of each committee (Attachment A).

PASSED AND ADOPTED on September 14, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-51 adopted September 14, 2010.

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Jim Heitzman, Secretary

## Attachment A

### 1) Budget and Personnel Committee:

The duties and responsibilities of the Budget and Personnel Committee shall include:

- (a) developing and recommending a financial policy to the Board;
- (b) reviewing the MCWD's annual operating budget and making recommendations thereon to the Board;
- (c) reviewing the quarterly financial statement of the MCWD;
- (d) advising the Board on methods and procedures which will assure that the financial policies adopted by the Board are carried out;
- (e) reviewing and advising the Board on financial feasibility of MCWD projects, acting on undertakings referred to it by the Board;
- (f) requesting an annual audit;
- (g) receiving, reviewing, and evaluating the findings and financial reports of the outside auditors, including any and all management letters; and, based thereon, making recommendations to the Board concerning the financial operations of, and services provided by, the MCWD;
- (h) reviewing the check register;
- (i) reviewing salary and wage levels, as proposed by the General Manager; and,
- (j) reporting and making personnel recommendations to the Board that are consistent with the Committee's budgetary review.
- (k) reviewing annual employee development activities

The Budget and Personnel Committee shall consist of two Directors and such other persons as the Board may appoint.

2) Operations and Maintenance Committee:

The duties and responsibilities of the Operations and Maintenance Committee shall be:

- (a) reviewing and making recommendations to the Board on the operation and maintenance of the MCWD's works, as defined in section 30024 of the Water Code; and,
- (b) reviewing and making recommendations to the Board for regular and emergency operation and maintenance procedures and related expenditures.

The Operations and Maintenance Committee shall consist of two Directors and such other persons as the Board may appoint.

3) Projects and Planning Committee:

The duties of the Projects and Planning Committee shall be:

- (a) reviewing existing projects and making recommendations to the Board, as appropriate; and,
- (b) reviewing staff reports on proposed projects and making recommendations to the Board, as appropriate.

The Projects and Planning Committee shall consist of two Directors and such other persons as the Board may appoint.

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: September 14, 2010

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-65 Approving a Variance Request for the Monterey Institute for Research in Astronomy Regarding Connection Costs

Detailed Description: The Board of Directors is requested to take action on a Variance Request submitted by the Monterey Institute for Research in Astronomy (MIRA). The applicant's completed Variance Request Form was received by MCWD staff on August 26, 2010. Per MCWD Code Sections 2.08.020 for a variance request, the General Manager shall make a written determination and recommend to the MCWD Board action on the request. The Board has the power, by resolution, to approve or disapprove requests for variances, after considering recommendations received from the General Manager.

The MCWD's processing of the request has followed the MCWD Code. The Variance Request Form, a letter response from the General Manager to the applicant containing notification of his recommended course of action, and staff's advisory memorandum to the General Manager are included as Attachment A to this Transmittal.

The Board has several courses of action available to them. These options include:

- Denying the Variance Request
- Process a resolution approving the Variance Request
- Advise staff to prepare a limited Variance Request to the Applicant that would provide for payment over a specified time

Staff's recommendation is that the Variance Request be denied on the basis that the conditions for granting such a variance (MCWD Code Section 2.08.020 D. – Variances) have not been met. Denying the Request will result in the Applicant being required to pay all current connection costs (approximately \$5,923) based on the current Commercial Connection Form and Permit Application signed August 17, 2010. Staff further recommends that the Board direct Staff to transmit a letter to the Applicant informing them of the Board's decision to deny the Request.

Environmental Review Compliance: None required.

Prior Board Actions: None.

Board Goals/Objectives: *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 the needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:     \_\_\_\_\_Yes     \_\_\_X\_\_\_No

Funding Source/Recap: There will be no financial impact if the Variance Request is denied. In the event the Board elects to provide some manner of relief to the Applicant, some financial impact may be experienced. That prospective impact would be described in the Resolution providing the selected relief.

Material Included for Information/Consideration: Resolution No. 2010-65; and Attachment A.

Staff Recommendation: The Board of Directors deny the Variance Request and direct Staff to transmit to the Applicant, via letter, the Board’s decision to deny the Request.

Action Required:     \_\_\_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 \_\_\_\_\_

September 14, 2010

Resolution No. 2010 - 65  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving a Variance for  
Monterey Institute for Research in Astronomy Regarding Connection Costs

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010 at the business office of the MCWD, 11 Reservation Road, Marina, California as follows:

WHEREAS, on August 26, 2010, the Applicant submitted a Variance Request for relief from connection charges related to their project (Attachment A); and,

WHEREAS, the Board of Directors desires to grant a variance to the Applicant and does hereby make the following findings per MCWD Code Section 2.08.020 D. – Variances:

- 1) The strict application of the code would result in unfair or unequal treatment, undue hardship, or an emergency condition exists that requires the variance be granted, in that \_\_\_\_\_; and,
- 2) Granting the variance will not cause a significant impact on the water supply or on service to other persons served by the district, in that \_\_\_\_\_; and,
- 3) The variance is in the best interest of the district, in that \_\_\_\_\_; and,

WHEREAS, the Board of Directors desires to grant a variance to the Applicant in the form of: \_\_\_\_\_

\_\_\_\_\_

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the Variance Request in the form indicated above and authorize the General Manager and/or Deputy General Manager/District Engineer to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.



PASSED AND ADOPTED on September 14, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-65 adopted September 14, 2010.

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

# Attachment A

Variance Request Processing

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: September 14, 2010

Submitted By: Carl Niizawa

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-66 to Approve a Memorandum of Understanding for Renewal Energy Facility In Support of a Regional Project Planning between Monterey Regional Waste Management District, Monterey County Water Resource Agency, Monterey Regional Water Pollution Control Agency and Marina Coast Water District

Detailed Description: The Board will consider approving a Memorandum of Understanding for Renewable Energy Facility in Support of a Regional Water Project Planning between Monterey Regional Waste Management District, Monterey County Water Resources Agency, Monterey Regional Water Pollution Control Agency and the Marina Coast Water District.

One “Green” aspect of the Regional Project is for the Desalination Facility to be powered by the electricity from landfill gas fueled generators. The landfill gas would come from the Monterey Regional Waste Management District (MRWMD) landfill located near the planned Marina Coast Water District (MCWD) Desalination Facility on the former Armstrong Ranch. A new landfill gas generation facility could serve the MCWD Facility as well as the power needs of Monterey County Water Resource Agency (MCWRA) Regional Project extraction wells. The facility could also accept digester gas as additional fuel from the adjacent Monterey Regional Water Pollution Control Agency (MRWPCA) and supply power to the MRWPCA wastewater facility as well.

The General Managers from these agencies involved have been meeting regularly on the planning for the new landfill gas power facility. This group feels that it is important to record in an MOU the roles and commitment of the respective agencies to work together to supply renewable energy to the Regional Water Project. It is planned that the MOU be provided to the California Public Utilities Commission, the California Coastal Commission, and others to show this commitment.

On August 13<sup>th</sup>, MRWMD Board requested staff modify that the original MOU, which also included providing power to the Salinas Valley Water Project, be split into separate MOUs; one, for the Regional Project, and one for the Salinas Valley Water Project. Subsequently, a revised MOU for the Regional Project was forwarded to all parties. On August 30<sup>th</sup>, the MRWPCA Board approved the revised MOU for the Regional Project. The MRWMD Board is scheduled to approve the revised MOU on September 17<sup>th</sup>.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: N/A

Material Included for Information/Consideration: Resolution No. 2010-66; and, Memorandum of Understanding for Renewable Energy Facility in Support of a Regional Water Project Planning.

Staff Recommendation: The Board of Directors approve the Memorandum of Understanding for Renewable Energy Facility in Support of a Regional Water Project Planning.

Action Required:  Resolution \_\_\_\_\_ Motion \_\_\_\_\_ Review \_\_\_\_\_ Ordinance  
(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 \_\_\_\_\_

September 14, 2010

Resolution No. 2010 - 66  
Resolution of the Board of Directors  
Marina Coast Water District  
Approval of Memorandum of Understanding for Renewal Energy Facility  
In Support of a Regional Project Planning between  
Monterey Regional Waste Management District, Monterey County Water Resource Agency,  
Monterey Regional Water Pollution Control Agency and Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on September 14, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, it is planned that the MCWD will construct, own, and operate the Regional Desalination Facility; and,

WHEREAS, it is planned that the Monterey County Water Resources Agency (MCWRA) will construct and operate the intake wells supplying water to the Regional Desalination Facility; and,

WHEREAS, the Monterey Regional Water Pollution Control Agency (MRWPCA) operates the Regional Wastewater Treatment Facility and the Salinas Valley Recycled Water Facility, both of which require electrical power that is presently provided by a combination of on-site cogeneration using digester gas and purchase of electrical power from the electrical grid; and,

WHEREAS, it is recognized that a renewable energy facility, based on landfill gas from the Monterey Regional Waste Management District (MRWMD) landfill augmented with natural gas, is potentially available and could provide significant economic, environmental, and social benefits to the Monterey region; and,

WHEREAS, it is desired by MCWD to work cooperatively with MCWRA, MRWPCA, MRWMD for the planning and implementation of a renewable energy electrical power supply to augment the water supply solution.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the attached Memorandum of Understanding for Renewal Energy Facility in Support of a Regional Project Planning between Monterey Regional Waste Management District, Monterey County Water Resource Agency, Monterey Regional Water Pollution Control Agency and Marina Coast Water District and any subsequent minor changes

PASSED AND ADOPTED on September 14, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, 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. 2010-66 adopted September 14, 2010.

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

# **Renewable Energy Facility in Support of a Regional Water Project Planning**

## **Memorandum of Understanding**

This Memorandum of Understanding (hereinafter referred to as “MOU”) is made and entered into as of the first day of \_\_\_\_\_, among the Monterey Regional Waste Management District (MRWMD), Marina Coast Water District (MCWD), Monterey County Water Resources Agency (MCWRA), and Monterey Regional Water Pollution Control Agency (MRWPCA) executing below.

**WHEREAS**, the Monterey Regional Desalination Project has been identified by California American Water (CAW), MCWD and MCWRA as the preferred alternative to the Coastal Water Project (CWP) to benefit Cities on the Monterey Peninsula,; and

**WHEREAS**, the California American Water Company CWP Final Environmental Impact Report (FEIR) has outlined a regional project that appears to be the most cost effective for ratepayers, has great regional benefit, and will result in an acceptable implementation strategy; and

**WHEREAS**, the regional plan has identified a need for a new electrical power supply to operate the Regional Desalination Facility; and

**WHEREAS**, the Marina Coast Water District will construct, own, and operate the Regional Desalination Facility; and

**WHEREAS**, the Monterey County Water Resources Agency will construct and operate the intake wells supplying water to the Regional Desalination Facility; and

**WHEREAS**, the MRWPCA operates the Regional Wastewater Treatment Facility and the Salinas Valley Recycled Water Facility, both of which require electrical power that is presently provided by a combination of on-site cogeneration using digester gas and purchase of electrical power from the electrical grid; and

**WHEREAS**, the undersigned recognize that a renewable energy facility (REF), based on landfill and digester gas, and augmented with natural gas, is potentially available and could provide significant economic, environmental, and social benefits to the Monterey region; and

**WHEREAS**, there are engineering, environmental, economic, and financial issues that require a focused effort to resolve: and

**WHEREAS**, it is further recognized that there is a need to identify, adequately plan, and rapidly implement a renewable energy electrical power supply to augment the water supply solution; and

**WHEREAS**, the Participating Entities’ signatory to this MOU desire to cooperatively engage in renewable energy facility and power supply planning and jointly analyze the proposed project; and

**WHEREAS**, the Participating Entities are able to furnish financial resources and in-kind assistance in support of this MOU; and

**WHEREAS**, this MOU provides a practical method to expeditiously create a leadership and management framework responsible for developing and implementing a strategy to provide a renewable energy facility to augment the regional water supply solutions; and

**WHEREAS**, Participating Entities recognize and respect that member entities retain independent control over their individual facilities.

**NOW, THEREFORE, BE IT RESOLVED**, that, through this MOU, the Participating Entities desire to complete the institutional framework for a renewable energy facility to supply electrical power to augment the Regional Desalination Project to meet the long-term water supply needs, through the proposed regional desalination plant and other regional project elements, for the Monterey Peninsula; and

**BE IT FURTHER RESOLVED** that the Participating Entities wish to pursue planning of a renewable energy facility to supply electrical power, complete a preliminary review of alternative electrical power supplies, collaborate to identify and obtain state and federal grants and loans, and undertake preparation of environmental documents consistent with California Environmental Quality Act and the National Environmental Policy Act requirements; and

**BE IT FURTHER RESOLVED** that the Participating Entities recognize the Monterey Regional Waste Management District is the appropriate producer of renewable and other electrical power; and

**BE IT FURTHER RESOLVED** that each of the Participating Entities shall contribute as soon as practicable to the financial and technical resources and in-kind assistance necessary to effectively implement the scope of responsibility described above; and

**BE IT FURTHER RESOLVED** that the Monterey Regional Waste Management District, the Marina Coast Water District, the Monterey County Water Resources Agency, and the Monterey Regional Water Pollution Control Agency shall obtain its respective Board of Directors' approval forthwith.

**Monterey Regional Waste Management District**

\_\_\_\_\_  
Leo Laska, Chair

\_\_\_\_\_  
William Merry, General Manager

**Monterey Regional Water Pollution Control Agency**

\_\_\_\_\_  
Louis Calcagno, Chair

\_\_\_\_\_  
Keith Israel, General Manager

**Marina Coast Water District**

\_\_\_\_\_  
Kenneth Nishi, President

\_\_\_\_\_  
Jim Heitzman, General Manager

**Monterey County Water Resources Agency**

\_\_\_\_\_  
David Hart, Chair

\_\_\_\_\_  
Curtis Weeks, General Manager



Marina Coast Water District  
Staff Report

Agenda Item: 10-A

Meeting Date: September 14, 2010

Prepared By: Rich Youngblood and Suresh Prasad

Reviewed By: Carl Niizawa

Subject: Update on Master Meter Water Usage Tier Charges

Summary: The following is an update on the Master Meter Water Tier Charges discussed at the Board Meeting held April 13<sup>th</sup> of this year.

Staff has met with representatives of Park Marina and El Rancho Shopping Center and Mobile Home Park to discuss their concerns of having to pay higher tier rates as multiple customers are on a single meter. While no consensus was achieved, there were good exchanges of information and an increased understanding of the respective situations.

Mr. Marshal Reeves, El Rancho Mobile Home Park and Shopping Center, was helpful in providing information concerning the El Rancho complex and on the complex laws that apply to mobile home parks in California. The District provides water to El Rancho Mobile Home Park and Shopping Center through one four inch meter. The monthly meter charge for a meter of this size is \$427.50. El Rancho owns and maintains the distribution inside the District's meter. The park has 99 mobile home spaces and 9 businesses and each is sub-metered.

Mr. Reeves maintains that under California law that the operator of a mobile home park can only charge mobile homes at the same rate that a single family home is charged. The El Rancho bills each mobile home customer for water using the District's tiered rate. The majority of mobile homes use less water than the second or third tier rate. The District charges El Rancho as it does all other customers and the lower tiers are exceeded quickly each month. The third tier rate is applied to all water used after the first 16 units. Mr. Reeves believes that he cannot charge this difference directly to the customers as part of the water bill. The businesses in the El Rancho Shopping Center are not bound by these restrictions, but do receive water through the same master meter contributing to the higher tier rate. As a result, Mr. Reeves indicates that he has to pay the District more for the water used at El Rancho than he can collect from the mobile home park residents.

One means for solving this issue is for the District to assume responsibility for the water distribution within the El Rancho mobile home park and bill the water use to the residents there directly. However, if this is to occur, each mobile home park resident will pay more because as individual users they will be responsible for base meter charges, as with all individual users in the district.

Staff also met with Park Marina representatives Christine Gibson (Home Owners Association (HOA) President) and Gretchen Faus, and discussed the issue of water rates for their condo association. The association has forty condominiums in eight buildings on Eucalyptus Street.

They are serviced by one four inch water meter. The monthly meter charge is \$427.50. Ms. Gibson had earlier talked with staff in reference to the cost of individually metering the units or the buildings. The HOA is not pursuing individual metering at this time.

The District has one rate structure for all customers in Central Marina and Ord Service Area. An existing meter serving multiple residential dwelling units is charged using the same tiered rate regardless of the number of dwelling unit service by that meter. As of 2005, each new dwelling unit is required to have a separate meter. Existing customers having multiple units on a single meter are not required to retrofit with individual meters. For customers to receive the tier rate for an existing dwelling unit, they must install a District meter for that unit in accordance with District design standards.

District staff has received correspondence from Marshall Reeves suggesting the District review its rate for multi-family customers served by master meters at El Rancho Mobile Home Park. Marshall Reeves recommends that we multiply our tiered rate structure by the number of units served, which is felt by him to be more equitable with other users with individual meters. In this case, the development has 108 units (99 mobile homes and 9 businesses), their first tier will be 0 hcf to 567 hcf ( $99 * 5 = 495$ ;  $9 * 8 = 72$ ), second tier will be 568 hcf to 639 hcf ( $9 * 8 = 72$ ) and the third tier will be everything over 640 hcf. The customer did not include the 4 inch monthly meter fee in their calculation. The billing calculation using the methodology proposed by the customer with the appropriate meter charge is shown below in Table A. Note that Mr. Reeves proposed rate structure is closer to what he indicates he can charge from state law.

<b><u>TABLE A</u></b>	<b><u>TABLE B</u></b>	<b><u>TABLE C</u></b>
Based on 658 hcf	Based on 658 hcf	Based on 658 hcf
Units served: 108	Units served: 108	Units served: 108
0-864 hcf      \$ 2.08    \$ 1,368.64	0-8 hcf            \$ 2.08    \$    16.64	0-567 hcf            \$ 2.08    \$ 1,385.28
865-1728 hcf    2.53            -	9-16 hcf            2.53            20.24	568-639 hcf        2.53            182.16
1729 + hcf       4.62            -	16 + hcf            4.62            2,966.04	640 + hcf            4.62            87.78
4 inch Meter                            427.50	4 inch Meter                            427.50	3/4 inch Meter      17.11          1,847.88
<b>Total</b> <b>\$ 1,796.14</b>	<b>Total</b> <b>\$ 3,430.42</b>	<b>Total</b> <b>\$ 3,503.10</b>
<b>Avg/Unit</b> <b>\$    16.63</b>	<b>Avg/Unit</b> <b>\$    31.76</b>	<b>Avg/Unit</b> <b>\$    32.44</b>

Table B shows using the same use quantity as the El Rancho Mobile Home Park bill calculated at the existing rates.

Table C shows that if one were to bill the master meter customer in a manner equivalent to a single family home, the tiered rate structure will be multiplied by the number of units served by the development plus the baseline ¾ inch monthly meter fee for each unit served by the development. Note this would also be the rate charged if the District would assume control of the park’s distribution system and direct bill the residents.

Another complication to the El Rancho Mobile Home Park situation is the inclusion of nine businesses there.

Follow-up with review of the other mobile home parks and other master meter users would be appropriate for comparative purposes. Staff recommends that the Board consider appointing an Ad Hoc committee consisting of community stakeholders, staff, and possibly a Board Director to further examine the issues.