



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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

TEL: (831) 384-6131 FAX: (831) 883-5995

**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

11 Reservation Road, Marina, California

Tuesday, October 12, 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 54956.9

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)

##### B. 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

This agenda is subject to revision and may be amended prior to the scheduled meeting. A final agenda will be posted at the District office at 11 Reservation Road, Marina, 72 hours prior to the meeting. Copies will also be available at the Board meeting. A complete Board packet containing all enclosures and staff materials will be available for public review on Thursday, October 7, 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 November 9, 2010.

C. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator  
Agency Negotiator (General Manager)  
Employee Organization: Marina Coast Water District Employees Association

D. 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. 2010-67 to Show Appreciation to the District Employees for Their Assistance With the 50<sup>th</sup> Anniversary Celebration of the Marina Coast Water District

**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. 2010-68 to Approve Amendment No. 2 to the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, & III

B. Receive the Revised Quarterly Financial Statements for April 1, 2010 to June 30, 2010

C. Approve the Expenditures for the Month of September 2010

D. Approve the Draft Minutes of the Regular Board Meeting of September 14, 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 Appointment to the Water Conservation Commission

*Action: The Board of Directors is requested to appoint a member to the vacant position on the Water Conservation Commission.*

B. Consider Appointments to the Budget and Personnel, the Projects and Planning, and the Operations and Maintenance Committees, and Approve the Charge, Formation and Meeting Day and Time of Each Committee

*Action: The Board of Directors will consider appointing members to 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. 2010-69 to Adopt a Workforce Development Training Policy for Promotion of Local Apprenticeship Hiring in Marina Coast Water District Public Works Projects

*Action: The Board of Directors will consider adopting a Workforce Development Training Policy to promote local apprenticeship hiring in Marina Coast Water District projects.*

D. Consider Adoption of and Provide Direction on Draft Resolution No. 2010-70 to Approve Financing and Payment in 2010 for the 224-acres (+/-) of Armstrong Ranch Land and Appurtenant Easements Acquired

*Action: The Board of Directors will consider adopting and providing direction on Resolution No. 2010-70 approving financing and payment in 2010 for the 224-acres (+/-) of Armstrong Ranch Land and Appurtenant Easements acquired.*

**10. Staff Report**

A. Receive Update on Employee Development

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

E. Director's Comments

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

*Regular Meeting:    Tuesday, November 9, 2010, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: October 12, 2010

Presented By: Kenneth K. Nishi

Agenda Title: Consider Adoption of Resolution No. 2010-67 to Show Appreciation to the District Employees for Their Assistance With the 50<sup>th</sup> Anniversary Celebration of the Marina Coast Water District

Detailed Description: The Marina Coast Water District was formed in 1960 and this year celebrates its 50<sup>th</sup> Anniversary. The District Board and staff held a luncheon on September 30, 2010, inviting rate payers, elected officials and staffs of our region to join in the celebration.

The Board of Directors greatly values the District employees, their hard work and ability to work together in a professional manner, and the respect the District employees show while working with members of the public.

The Board of Directors wishes to thank all of the employees of the Marina Coast Water District for an outstanding job with the 50<sup>th</sup> Anniversary celebration and in showing the community that they are a family who works together to serve others with professionalism, efficiency, a “can do” attitude, and pride, all with a Marina Coast Water District smile.

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:     Resolution No. 2010-67.

Recommendation: The Board of Directors consider adopting Resolution No. 2010-67 to show appreciation to the District employees for their assistance with the 50<sup>th</sup> Anniversary celebration of the Marina Coast Water District.

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 \_\_\_\_\_

October 12, 2010

Resolution No. 2010 - 67  
Resolution of the Board of Directors  
Marina Coast Water District to  
Showing Appreciation to the District Employees for Their Assistance in  
Putting Together the 50<sup>th</sup> Anniversary Celebration of the Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 12, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Marina Coast Water District was formed in 1960 and this year celebrates its 50<sup>th</sup> Anniversary; and,

WHEREAS, the District Board and staff held a luncheon on September 30, 2010, inviting rate payers, elected officials and staffs of our region to join in the celebration; and,

WHEREAS, the Board of Directors greatly values the District employees, their hard work and ability to work together in a professional manner, and the respect the District employees show while working with members of the public; and,

WHEREAS, the employees of the Marina Coast Water District did an outstanding job with the 50<sup>th</sup> Anniversary celebration and in showing the community that they are a family who works together to serve others with professionalism, efficiency, a “can do” attitude, and pride, all with a Marina Coast Water District smile.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby show appreciation to the District employees for their assistance with the 50<sup>th</sup> Anniversary celebration of the Marina Coast Water District.

PASSED AND ADOPTED on October 12, 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 \_\_\_\_\_

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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. 2010-67 adopted October 12, 2010.

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Jim Heitzman, Secretary



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8

Meeting Date: October 12, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2010-68 to Approve Amendment No. 2 to the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, & III
- B) Receive the Revised Quarterly Financial Statements for April 1, 2010 to June 30, 2010
- C) Approve the Expenditures for the Month of September 2010; and,
- D) Approve the Draft Minutes of the Regular Board Meeting of September 14, 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: October 12, 2010

Submitted By: Brian True

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-68 to Approve Amendment No. 2 to the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, & III

Detailed Description: The Board is requested to adopt a resolution approving Amendment 2 to the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, and III (hereafter Infrastructure Agreement). This Project is currently in hiatus as a result of the economic slow-down.

The original Infrastructure Agreement for the Marina Heights Development was executed on January 13, 2006 and was limited in term to a period of 24 months with the possibility of a 12-month extension. This is a standard timeframe and a term limitation exists in all of the development Infrastructure Agreements currently in force.

The current requested amendment to the Infrastructure Agreement with Cypress Marina Heights, LP would be the second Amendment to the original Infrastructure Agreement. The first amendment was authorized on July 9, 2008 and extended the term of the Infrastructure Agreement to August 2010.

The proposed Amendment No. 2 would yield a new termination date for the Infrastructure Agreement of January 1, 2014, extending the term of the Infrastructure Agreement by three-years and four-months from the termination date agreed upon in Amendment No. 1. The proposed Amendment also provides for administrative modification to the Infrastructure Agreement specific to allowing two one-year term extensions upon request by the Developer and granting of such request by the District's General Manager or Deputy General Manager/District Engineer.

In light of the general slow-down in development and construction activity within the MCWD service area, District staff finds no advantage to the District in denying this request to extend the Infrastructure Agreement term. District staff envisions benefit to the District in extending the Infrastructure Agreement term for the following reasons:

- the extension increases and improves District's infrastructure by having assets installed by a development group; and
- the extension improves the District's ability to generate revenue from infrastructure installed such that this particular development group may be in a position at the earliest feasible moment to sell parcels of land and homes with associated connection fees and future use-payments that would accrue to the District.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On December 14, 2005, Board Resolution No. 2005-70 approved the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, and III (the Infrastructure Agreement). On July 9, 2008, Board Resolution No. 2008-33 approved Amendment No. 1 to the Infrastructure Agreement.

Financial Impact:  Yes  No

Funding Source/Recap: N/A

Material Included for Information/Consideration: Resolution No. 2010-68; and, draft Amendment No. 2 to the Infrastructure Agreement.

Recommendation: Approve the adoption of Resolution No. 2010-68 to Approve Amendment No. 2 to the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights - Phases I, II, & III.

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 \_\_\_\_\_

October 12, 2010

Resolution No. 2010 - 68  
Resolution of the Board of Directors  
Marina Coast Water District to  
Approve Amendment No. 2 to the  
Agreement for Construction and Transfer of  
Water, Sewer, and Recycled Water Infrastructure with  
Cypress Marina Heights, LP at Cypress Marina Heights – Phases I, II, and III

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on October 12, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, on December 14, 2005, the District Board adopted Resolution No. 2005-70 approving the Agreement for Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure (hereafter “Infrastructure Agreement”) for the proposed Cypress Marina Heights Development; and,

WHEREAS, Cypress Marina Heights, LP requested, on June 17, 2008, an Amendment to the Infrastructure Agreement that extended the term of the Infrastructure Agreement to August 2010 and the District Board granted such an Amendment to the Infrastructure Agreement by the adoption of Board Resolution No. 2008-33 on July 9, 2008; and,

WHEREAS, the current request for Amendment to the Infrastructure Agreement with Cypress Marina Heights, LP would be termed Amendment No. 2, is in the form included with this Agenda Transmittal, yields a new expiration date of January 1, 2014, and includes the possibility of two one-year extensions by the General Manager or Deputy General Manager/District Engineer.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve Amendment No. 2 to the Agreement for Construction and Transfer of Water, Sewer, And Recycled Water Infrastructure with Cypress Marina Heights, LP at Cypress Marina Heights – Phases I, II, and III and authorizes the General Manager and/or the Deputy General Manager/District Engineer to take all action and execute all documents that may be necessary and appropriate to give effect to this resolution.

PASSED AND ADOPTED on October 12, 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 \_\_\_\_\_

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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. 2010-68 adopted October 12, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: October 12, 2010

Submitted By: Suresh Prasad  
Reviewed By: Carl Niizawa

Presented By: Suresh Prasad

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

Detailed Description: The quarterly financial statements have been revised to include a separate cost accumulation sheet for Regional Water Project. All figures reported for the quarter are based on accrual basis accounting. The District'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 District 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:

<u>Description</u>	<u>Actual Qtr</u>	<u>Budget Qtr</u>	<u>Actual FYTD</u>	<u>Budget FYTD</u>
<b>Marina Water</b>				
Revenues	908,120	901,725	3,793,717	3,701,900
Expenses	<u>643,880</u>	<u>571,276</u>	<u>2,076,638</u>	<u>2,285,103</u>
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	<u>158,512</u>	<u>128,808</u>	<u>562,698</u>	<u>515,233</u>
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	<u>988,501</u>	<u>1,037,622</u>	<u>3,691,172</u>	<u>4,150,489</u>
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	<u>246,984</u>	<u>267,240</u>	<u>907,699</u>	<u>1,068,962</u>
Op Reserves	153,845	133,709	698,550	534,838
<b>Recycled Water Project</b>				
Revenues	2,599	4,000	12,933	16,000
Expenses	<u>127,748</u>	<u>106,193</u>	<u>430,463</u>	<u>424,771</u>
Op Reserves	(125,149)	(102,193)	(417,530)	(408,771)
<b>Regional Water Project</b>				
Revenues	0	0	0	0
Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Op Reserves	0	0	0	0

<b>Consolidated Cost Centers</b>				
Revenues	<b>2,615,320</b>	2,667,650	10,620,832	10,935,400
Expenses	<b>2,165,625</b>	2,111,140	7,648,669	8,444,558
Op Reserves	<b>449,695</b>	556,510	2,972,162	2,490,842

As of June 30, 2010, the District 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 District also had \$4.368 million of bond proceeds for construction purposes and \$3.084 of bond proceeds for debt reserve purposes in the bank. The District 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: Revised Quarterly Financial Statements, Investments and Debt Summary Statements.

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

Action Required:  Resolution  Motion  Review

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-C

Meeting Date: October 12, 2010

Submitted By: Suresh Prasad  
Reviewed By: Carl Niizawa

Presented By: Suresh Prasad

Agenda Title: Approve Expenditures for the Month of September 2010

Detailed Description: The Board of Directors is requested to approve the attached September 2010 check register for expenditures totaling \$739,949.70.

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: September 2010 Summary Check Register.

Staff Recommendation: The Board of Directors approve the September 2010 expenditures totaling \$739,949.70.

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-D

Meeting Date: October 12, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of September 14, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of September 14, 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 September 14, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the September 14, 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  
19 Rue Rabelai, Pau, France 64000  
and  
District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
September 14, 2010  
6:45 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 6:45 p.m. on September 14, 2010.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager  
Lloyd Lowrey, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Suresh Prasad, Director of Finance  
Jean Premutati, Management Services Administrator  
Kelly Cadiante, Director of Administrative Services  
Rich Youngblood, Conservation Coordinator  
Sean Knight, Assistant Engineer  
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Jan Shriner, Marina Resident	Bruce Weaver, MIRA
Andy Sterbenz, Schaaf & Wheeler	Tami Huntly, MIRA
Marshall Reeves, Marina Resident	
George Eads, Marina Resident	
Dennis Oaks, US Army	

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
  
- 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

President Nishi ended closed session at 7:04 p.m. and reconvened the meeting to open session at 7:05 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, reported that on items 3-A and 3-B there was no action taken. On item 3-C instructions were given and no action was taken. Items 3-D, E, and F were deferred until the end of the meeting at which time the Board of Directors would return to closed session.

5. Pledge of Allegiance:

President Nishi asked Mr. Marshall Reeves, Marina Resident, to lead everyone present in the Pledge of Allegiance.

6. Oral Communications:

There were no comments.

7. Presentation:

- A. Consider Adoption of Resolution No. 2010-61 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:

Mr. Rich Youngblood, Conservation Coordinator, read the narration recognizing Mr. Dennis Oaks for his service on the Water Conservation Commission.

Director Gustafson made a motion to adopt Resolution No. 2010-61 recognizing US Army Representative, Dennis Oaks, for his dedicated service to the Marina Coast Water District as a member on the Water Conservation Commission. Director Moore seconded the motion. The motion was passed.

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

President Nishi presented Mr. Oaks with a commemorative Resolution.

Mr. Oaks thanked the Board for their appreciation.

8. Consent Calendar:

President Nishi requested to pull items A and G from the Consent Calendar.

Agenda Item 8 (continued):

Director Gustafson made a motion to approve the Consent Calendar consisting of items 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.

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

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

President Nishi commented that this was a great program the District is trying to put together to allow employees a chance to return to work in the shortest amount of time and keeping costs at a minimum.

Ms. Jean Premutati, Management Services Administrator, commented that this program was a recommendation from the ACWA JPIA in order for the District to join in their Worker's Compensation Program.

Director Moore made a motion to adopt Resolution No. 2010-62 approving a Return to Work Program. 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			

G. Approve the Draft Minutes of the Special Joint Board Meeting of August 13, 2010:

President Nishi asked that page 2 of the minutes show that the Pledge of Allegiance was led by President Kenneth Nishi, deleting the word "Vice".

President Nishi made a motion to approve the minutes of the special Joint Board Meeting of August 13, 2010 with the correction noted. 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			

9. Action Items:

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

Mr. Youngblood introduced this item explaining that when the property was originally declared surplus in December 2009, there was a typo in the resolution regarding the schedule the property was listed on. This action is to clarify that the property is deemed surplus.

Director Burns made a motion to adopt Resolution No. 2010-64 authorizing Marina Coast Water District Property, Sunset Place, to be declared surplus. 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			

- 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:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item.

Director Burns made a motion 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 and meeting day and time of each Committee. 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			

President Nishi asked that the Board members inform him of which Committee(s) they would like to serve on and bring it back to the next meeting for appointment.

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

Mr. Niizawa introduced this item noting the conditions that the Board needs to find in order to grant a variance and that staff recommends denying the variance request.

Agenda Item 9-C (continued):

Mr. Niizawa commented that the Monterey Institute for Research in Astronomy (MIRA) has indicated that although approximately 2,800 square feet have been added to the building, there is not any additional water usage anticipated thus asking for a variance to waive the connection costs.

Mr. Bruce Weaver, MIRA, gave a brief background of the Institute and how they are a non-profit agency that is totally dependent on public contributions.

The Board discussed the hardship of paying the connection costs and Mr. Lowrey commented that the Board needs to determine that the three factors are met before granting a variance.

President Nishi made a motion to adopt Resolution No. 2010-65 approving a variance request for the Monterey Institute for Research in Astronomy regarding connection costs with the following findings (the language inserted into the Resolution is underlined):

- 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 the Monterey Institute for Research in Astronomy is a non-profit, non-fee operation whose limited income is dependent solely on donations and the payment of the capacity charges and fees in one payment would be an undue hardship on the Applicant; and,
- 2) Granting a variance to allow the capacity charges and fees to be paid over time will not cause a significant impact on the water supply or on service to other persons served by the district, in that it is not anticipated to increase the monthly water use beyond the use that would exist if the capacity fees and charges were paid in full in one payment; and,
- 3) The variance is in the best interest of the district, in that the variance will promote responsible and conservative water use for scientific education within MCWD.

And, to make monthly payments of \$250 until the balance of \$5,923 is paid in full. Vice President Lee seconded the motion. The motion was passed.

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

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:

Mr. Carl Niizawa introduced this item. He stated that there have been slight changes from the Memorandum of Understanding (MOU) in the board packet and the one that was handed out prior to the meeting. Mr. Niizawa clarified that the changes were only the use of acronyms for the agencies in the MOU. Nothing substantial had been changed.

Vice President Lee asked if the other agencies have approved this MOU. Mr. Niizawa answered that they are taking it to their Boards within the next few weeks. Mr. Jim Heitzman, General Manager, stated that this is a planning MOU and does not commit anyone to do the project. Mr. Lowrey commented that this was purely an institutional document.

Director Gustafson made a motion to adopt Resolution No. 2010-66 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. Vice President Lee seconded the motion. The motion was passed.

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

Director Moore commented that he approved this MOU but the only reason he was abstaining was because he did not have the revised MOU in front of him.

#### 11. Staff Report:

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

Mr. Youngblood introduced this item and commented that staff was recommending an Ad Hoc Committee of community stakeholders, staff and possibly a Board Director to further examine the issues. President Nishi stated that since the Board voted to reinstate the Standing Committees, this item could be discussed at one of them.

#### 11. Informational Items:

A. General Manager's Report:

No report.



B. District Engineer's Report:

No report.

C. Counsel's Report:

No report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Lee commented that there was nothing to report.

2. Joint City-District Committee:

President Nishi stated they were trying to resolve the Teen Center among other things. The relationship between the District and the City of Marina is positive which is beneficial to the residents of Marina.

3. MRWPCA Board Member:

President Nishi commented that the meeting was on August 30<sup>th</sup> and was boiler plate. The next meeting is September 27<sup>th</sup>.

4. LAFCO Liaison:

Director Moore stated that the meeting was boiler plate. The next meeting is September 27<sup>th</sup>.

5. JPIA Liaison:

No comments.

6. FORA:

President Nishi stated that a joint meeting was held between FORA and the District on Friday, August 13<sup>th</sup> and the September 10<sup>th</sup> meeting was boiler plate.

7. Executive Committee:

No meeting was held.

8. Community Outreach:

Director Gustafson commented that the quarterly newsletter was just approved and will be distributed in the coming weeks.

9. Special Districts Association Liaison:

Director Gustafson stated that the next meeting was scheduled for October 19th.

E. Director's Comments:

Director Moore commented that the City of Marina has a volunteer Community Emergency Response Team (CERT) program. He would like staff to meet with the City to see if CERT would give a brief presentation to the Board to determine any relevance there might be to the District. Director Moore also asked staff to research some options for installing removable and semi permanent television broadcast equipment for Board meetings and to bring it to the next Board meeting.

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

Vice President Lee thanked staff for the continued good work and the General Manager for the outstanding hiring practices.

President Nishi commented that the District was celebrating its 50 Year Anniversary on September 30<sup>th</sup> from 11 to 2 p.m. and public, ratepayers, friends of MCWD in and on the central coast were welcome to attend.

President Nishi recessed the meeting from 8:06 until 8:11 p.m.

The Board re-entered into closed session at 8:11 p.m.

3. Closed Session:

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

The Board ended closed session at 8:34 p.m.

Mr. Lowrey stated that instruction was given on all three items and no action was taken.

13. Adjournment:

The meeting was adjourned at 8:35 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: October 12, 2010

Submitted By: Rich Youngblood

Presented By: Rich Youngblood

Reviewed By: Carl Niizawa

Agenda Title: Consider Appointment to the Water Conservation Commission

Detailed Description: The Water Conservation Commission is authorized nine positions, eight are presently filled. The vacant position is a public member position. Mr. Jim Felton, resident of Marina, has submitted an application to be appointed. The public positions are appointed for a term of two years.

Board of Directors Member (1): Bill Lee, Dan Burns (alternate)

City of Marina Council Member (1): Jim Ford

Public Members (5):  
Dan Amedeo  
Nathan Chaney  
Richard Newhouse  
Steven Reeves  
Vacant (1)

Army Member (1): Jay Tulley

CSUMB Member (1) Bob Brown

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Water Conservation Commission recommended this item for Board consideration.

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: Application for appointment to the Water Conservation Commission by Jim Felton.

Recommendation: The Board of Directors consider appointment of Jim Felton to the Water Conservation Commission.

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: 9-B

Meeting Date: October 12, 2010

Submitted By: Paula Riso

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Appointments to the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees, and to Approve the Charge, Formation and Day and Time of Each Committee

Detailed Description: On September 14, 2010, the Board of Directors decided to reinstate the Budget and Personnel, Projects and Planning, and Operations and Maintenance Committees and asked that the appointment to the Committees be made at the next meeting.

President Nishi asked each Board member to provide him with their selection of Committee(s) on which they would like to serve. The Committee members will then select a date and time in which to meet.

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: Attachment A – Committee Charges.

Staff Recommendation: The Board of Directors is requested to appoint members to the Budget and Personnel, the Projects and Planning and the Operations and Maintenance Committees, 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 \_\_\_\_\_

## **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: October 12, 2010

Submitted By: Carl Niizawa

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-69 to Approve a Workforce Development Training Policy for Promotion of Local Apprenticeship Hiring in District Public Works Projects

Detailed Description: The Board is requested to consider adopting a policy in conformance with the Fort Ord Reuse Authority (FORA) Workforce Development Training Policy (October 14, 2005) for promotion of local apprenticeship hiring for the District's public works projects.

Unemployment in Monterey County has risen significantly in the economic downturn. Unemployment has been particularly hard on those locally in construction trades and for construction trade apprentices in need of work experience. On May 27, 2010, the Board adopted Ordinance No. 53 to support hiring of local residents for the District's public works projects. An accompanying policy to promote the use of local construction trade apprentices in the District's public works projects would be consistent with current regional needs and the FORA Workforce Development Training Policy.

FORA Workforce Development Training Policy encourages its member jurisdictions to adopt FORA's policy for the utilization of trained local apprentices for the development of property on the former Fort Ord. The FORA Workforce Development Training policy reinforces the mandatory State Labor Code Law requiring apprentice use in public works projects, requires that 85% of apprentices employed be local residents, and includes a requirement for 25% of the apprentices to come from local qualified apprenticeship programs. These requirements are seen as stimulating demand for local apprentices and encouraging enrollment in local qualified apprenticeship schools.

For the District's use, the District staff recommends three small modifications of the FORA policy. The first recommended modification is for the expansion of this policy to the entire MCWD service area beyond the former Fort Ord. The second recommended modification is the replacement of reference to FORA staff with that the District's staff. This is needed for purposes of both the District administration and the planned 2014 FORA sunset. The third recommended modification is the addition of language to negate requirements of the policy where such implementation would violate federal or state grant/loan rules for project funding.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On May 27, 2010, the Board of Directors adopted Ordinance No. 53, adding Chapter 2.10 to the district code to promote local hiring for District public works.

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. 2010-69; and, Workforce Development Training Policy for Capital Projects (Attachment A).

Staff Recommendation: The Board of Directors adopt the proposed Policy to promote local hiring of apprentices for District Public Works Projects.

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 \_\_\_\_\_

October 12, 2010

Resolution No. 2010 - 69  
Resolution of the Board of Directors  
Marina Coast Water District  
Adoption of Workforce Development Training Policy for Promotion of  
Local Apprenticeship Hiring in District Public Works Projects

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on October 12, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, unemployment in Monterey County has risen significantly in the economic downturn and has been particularly hard on those locally in construction and construction trade apprentices in need of work experience; and,

WHEREAS, there is a need to provide local residents with more opportunities to participate in workforce development and apprenticeship programs; and,

WHEREAS, the Fort Ord Reuse Authority (FORA) encourages its member jurisdictions to adopt its Workforce Development Training policy for the utilization of trained local apprentices for the development of property on the former Fort Ord.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the Workforce Development Policy (Attachment A) and authorizes the General Manager and/or Deputy General Manager/District Engineer to take all action and execute all documents that may be necessary and appropriate to give effect to this resolution.

PASSED AND ADOPTED on October 12, 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. 2010-69 adopted October 12, 2010.

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Jim Heitzman, Secretary

Workforce Development Training Policy for Capital Projects  
Marina Coast Water District  
October 12, 2010

1. Construction contractors or subcontractors contracting for work in capital projects with MCWD in its service area or under its authority shall employ or cause to be employed registered apprentices in State approved apprenticeship programs established in California Labor Code Division 3 Chapter 4, commencing with section 3070. The apprenticeship programs must have graduated apprentices annually for at least the past five (5) years.
  - a) This requirement applies to any craft for which the State of California Department of Apprenticeship Standards has approved an apprenticeship program. A properly indentured apprentice will be employed under the regulations of the craft or trade at which he or she is indentured and shall be employed only at the work of the craft or trade in which he or she is registered.
  - b) The apprenticeship program five year graduation requirement shall not be required of any trade or craft not recognized by the Department of Labor or Division of Apprenticeship Standards as an apprenticeable occupation for more than five years immediately prior.
2. Apprentices, indentured under this Workforce Development Training Policy, shall be paid not less than the prevailing wage, as defined by the California Department of Industrial relations as defined in Division 2, Part 7, and Chapter 1 of the California Labor Code. The minimum number of apprentice work hours is determined by California Labor Code 1777.5.
3. Eighty-five percent (85%) of the apprentices indentured under this Workforce Development Training Policy must reside in the Counties of Santa Cruz, San Benito and Monterey.
4. Graduates of the following programs are eligible for apprenticeship:
  - a) Monterey County Workforce Investment Board Pre-Apprenticeship
  - b) Mission Trails Regional Occupation Program – Construction
  - c) Construction Programs in regional educational institutions serving Monterey, San Benito and Santa Cruz Counties.The number of hours worked by apprentice graduates from these programs may not be less than twenty-five percent (25%) of the total apprentice hours worked on any single project.
5. The General Manager or Deputy General Manager/District Engineer shall establish procedures for compliance with this policy which shall include but, are not limited to the following:

- a) On MCWD Projects “Certified Payrolls” on appropriate forms shall be submitted no more than weekly or less than monthly, commensurate with the size of the project.
  - b) Penalties for non-compliance shall be assessed. Penalties shall start at no less than \$100.00 per day or exceed no more than \$1,000.00 per day for each day of violation, commensurate with the size of the project.
6. A waiver may be granted by the General Manager or Deputy General Manager/District Engineer if a contractor demonstrates undue hardship or circumstances where insufficient qualified apprentice graduates are available for employment. Submission of requests for waivers must be in writing and sent to the General Manager or Deputy General Manager/District Engineer.
7. This policy shall not apply where such application is inconsistent with local/state/federal law or any rule governing use of outside project financing.
8. The General Manager or Deputy General Manager/District Engineer shall take all actions and execute all documents as may be necessary or appropriate to give effect to this policy.

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: October 12, 2010

Submitted By: Lloyd Lowrey

Presented By: Jim Heitzman

Reviewed By: Jim Heitzman

Agenda Title: Consider Adoption of and Provide Direction on Draft Resolution No. 2010-70 Approving Financing and Payment in 2010 for the 224-acres (+/-) of Armstrong Ranch Land and Appurtenant Easements Acquired

Detailed Description: On March 16, 2010, the Board adopted Resolution 2010-18, approving exercise of an option created in 1996 for acquisition of land and easements on the Armstrong Ranch, conditioning any use of the land on compliance with the California Environmental Quality Act (CEQA). A lawsuit was filed on April 5, 2010, and amended on April 6, 2010, by the Ag Land Trust to vacate the action taken on March 16 together with action taken on April 5 conditionally approving the District's participation in the Regional Desalination Project. That suit is still pending and a trial date has not been set. No order was requested by Ag Land Trust issued by the court to prevent the acquisition, and the transaction closed on June 30, 2010, in accordance with the District's agreement with the Armstrong Family.

As consideration for the land and easements, MCWD delivered to the Armstrong Family a Promissory Note in the amount of \$7,351,786 and recorded a Deed of Trust to secure payment of the Note. Copies of the Note and the recorded Deed from the Armstrong Family to the District are attached.

MCWD may prepay the Note in whole or in part and paragraph 4 of the Note provides that all payments made through December 31, 2010, shall be included in computing annexation fees, capacity charges and/or service charges charged by MCWD, on a per acre-foot per year basis, for portions of the Armstrong Ranch annexed as provided in the 1996 Annexation Agreement and Groundwater Mitigation Framework.

Direction is needed from the Board on whether to pursue financing to prepay the Note in whole or in part by December 31, 2010. Because of the large amount of money involved, the commitment to obtain financing needs to be made about 60 days in advance of the funding and payment. Payment by December 31, 2010, requires commitment to proceed by October 31. Payment by December 31 will preserve the District's ability to recover the payments through annexation fees, capacity charges and/or service charges upon future annexation of portions of the Armstrong Ranch, but financing will be subject to uncertainty from the pending lawsuit by the Ag Land Trust.

The General Manager recommends that the Board authorize the General Manager to pursue financing to pay the Note in full by December 31, 2010. A draft Resolution No. 2010-70 is attached to this transmittal for consideration and approval by the Board.



Environmental Review Compliance: The proposed action on a commitment to financing and prepayment of the Note has no potential for causing a significant effect on the environment and is therefore not subject to CEQA (CEQA Guidelines, 14 Cal. Code Regs., §15061(b)(3)). The proposed action will not affect the acquisition of the land, which has already occurred, or any use of the land, which has yet to be approved after appropriate analysis, review and consideration of all alternatives and any necessary mitigation measures in compliance with CEQA. The proposed action only affects the time of payment and preserving the District's ability to recover the payments.

Prior Committee or Board Actions:

- Approval of the 1996 Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands and July 1996 Supplement;
- Resolution No. 2003-33 to Adopt a Negative Declaration under the California Environmental Quality Act for an "Amendment to Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands Affecting Marina Coast Water District and J.G. Armstrong Family Members";
- Resolution No. 2003-34 to Approve an "Amendment to Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands Affecting Marina Coast Water District and J.G. Armstrong Family Members";
- Resolution No. 2004-56 Certification the Final Environmental Impact Report for the Regional Water Augmentation Project;
- Resolution No. 2005-27 Approving of the Plan for the District Regional Urban Water Augmentation Project and the Notice of Determination for the Regional Water Augmentation Project;
- Resolution No. 2006-90 authorizing the General Manager to accept water, sewer and recycled water easements under the terms of Board approved infrastructure agreements;
- Resolution No. 2006-91 Certifying a CEQA Addendum for the District's Regional Urban Water Augmentation Project and Authorizing Filing a Notice of Determination;
- Resolution No. 2006-93 Approving the Revisions to Regional Urban Water Augmentation Project and Authorizing Filing of a Notice of Determination for the Recycled Water Project; Resolution No. 2007-18 Adopting a CEQA Addendum for the District's Regional Urban Water Augmentation Project;
- Resolution No. 2007-19 Adopting Addendum No. 2 to the Certified Environmental Impact Report for the Regional Urban Water Augmentation Project; Approving Revisions to the Recycled Water Project and Authorizing Filing a Notice of Determination;
- Resolution No. 2007-25 authorizing the General Manager to accept Water, Sewer and Recycled Water Easements;
- Resolution No. 2009-25 and the associated MOU between the District and MRWPCA for Brine Disposal;
- Resolution No. 2009-42 and the associated MOU between the District and MRWPCA for the Regional Urban Water Augmentation Project;
- Resolution No. 2009-44 and the associated Revised MOU between the District, MCWRA, and MRWPCA Regarding Cooperative Planning and Joint Analysis for a Monterey Regional Water Supply Program;
- Resolution No. 2009-45 and the associated Revised MOU between the District, MCWRA, and MRWPCA Recycled Water Three-Way;

- Resolution No. 2010-08 and the associated Agreement between the District and MRWPCA for Use of the Regional Treatment Plant’s Outfall for Brine Disposal
- Resolution No. 2010-18 approving the acquisition of land and easements on the Armstrong Ranch.

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: Per the Note, purchase payments for the Site shall commence 6-months after June 25, 2010. Principal and interest payments will be made in 20 equal semi-annual payments with other terms specified in the Note. As discussed above, the Note allows prepayment without penalty and provides for MCWD to recapture payments made by December 31, 2010. Payments made by MCWD prior to development will be funded by District reserves intended for the purpose with on-going payments planned for within the approved CIP Budget as a line item within Cost Center 1 (Marina Water), “Armstrong Purchase Option (per 2/2A Agreement)”.

Material Included for Information/Consideration: Resolution No. 2010-70 with the following attachments:

- A. MCWD Resolution 2010-18 (without attachments)
- B. Promissory Note Dated 6-25-10
- C. Grant Deed Recorded 6-30-10

Staff Recommendation: The Board authorize the General Manager to obtain a commitment for financing to pay the Note in full by December 31, 2010.

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\_\_\_\_\_

October 12, 2010

Resolution No. 2010 - 70  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing the General Manager to Seek a Commitment of Funds  
To Pay in Full the Promissory Note to "Sandhills as Nominee" Dated 6-30-10

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("the District"), at a regular meeting duly called and held on October 12, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Directors find as follows:

AUTHORITY

WHEREAS, this resolution is adopted pursuant to the County Water District Law, Sections 30000 and following, of the California Water Code, and pursuant to the California Environmental Quality Act ("CEQA"), codified at Sections 21000 and following of the Public Resources Code, and the CEQA Guidelines codified at Title 14, Sections 15000 and following of the California Code of Regulations; and,

PURPOSE

WHEREAS, the purpose of this Resolution is to authorize the General Manager to obtain a commitment for financing to pay the Note in full by December 31, 2010; and,

BACKGROUND

WHEREAS, on March 16, 2010, the Board adopted Resolution No. 2010-18, approving exercise of an option created in 1996 for acquisition of land and easements on the Armstrong Ranch, conditioning any use of the land on compliance with the California Environmental Quality Act (CEQA); and,

WHEREAS, as consideration for the land and easements, MCWD delivered to the Armstrong Family a Promissory Note ("Note") in the amount of \$7,351,786; and,

WHEREAS, MCWD may prepay the Note in whole or in part and paragraph 4 of the Note provides that all payments made through December 31, 2010, shall be included in computing annexation fees, capacity charges and/or service charges charged by MCWD, on a per acre-foot per year basis, for portions of the Armstrong Ranch annexed as provided in the 1996 Annexation Agreement and Groundwater Mitigation Framework; and,

WHEREAS, direction is needed from the Board on whether to pursue financing to prepay the Note in whole or in part by December 31, 2010; and,

WHEREAS, payment of the Note by December 31 will preserve the District's ability to recover the payments through annexation fees, capacity charges and/or service charges upon future annexation of portions of the Armstrong Ranch; and,

ACTION

WHEREAS, this Resolution would authorize the General Manager to obtain a commitment for financing to pay the Note in full by December 31, 2010; and,

CEQA COMPLIANCE

WHEREAS, The proposed action on a commitment to financing and prepayment of the Note has no potential for causing a significant effect on the environment and is therefore not subject to CEQA (CEQA Guidelines, 14 Cal. Code Regs., §15061(b)(3). The proposed action will not affect the acquisition of the land, which has already occurred, or any use of the land, which has yet to be approved after appropriate analysis, review and consideration of all alternatives and any necessary mitigation measures in compliance with CEQA. The proposed action only affects the time of payment and preserving the District's ability to recover the payments; and,

RECOMMENDATION

WHEREAS, the District's General Manager, recommends that the Board authorize the General Manager to obtain a commitment for financing at current, competitive rates and for a term of not less than ten years, and to use the funds from the financing to pay the Note in full by December 31, 2010.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District adopt the foregoing findings; and,

BE IF FURTHER RESOLVED, that the Board of Directors of the Marina Coast Water District hereby authorize the General Manager and Secretary to obtain a commitment for financing at current, competitive rates and for a term of not less than ten years, and to use the funds from the financing to pay the Note in full by December 31, 2010; and,

BE IT FURTHER RESOLVED, that the General Manager and Secretary and the President of the Board, and in their absence those persons authorized to act in their stead, to take the actions and execute the documents necessary to give effect to this Resolution.

PASSED AND ADOPTED on October 12, 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 \_\_\_\_\_

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager

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. 2010-70 adopted October 12, 2010.

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Jim Heitzman, Secretary

## **ATTACHMENTS**

- A. MCWD Resolution 2010-18 (without attachments)
- B. Promissory Note Dated 6-25-10
- C. Grant Deed Recorded 6-30-10

Marina Coast Water District  
Staff Report

Agenda Item: 10-A

Meeting Date: October 12, 2010

Prepared By: Jean Premutati

Reviewed By: Carl Niizawa

Subject: Receive Update on Employee Development for FY2009/2010

Summary: The Board is requested to receive a report on staff development to include certifications and training for FY 2009/2010.

There has been a significant amount of activity in the past fiscal year. All departments continually look for ways to improve processes and seek revenue savings.

In O&M, five (5) Operators received additional or advanced certification other than required in their job classifications from the California Department of Public Health (CDPH) and California Water Environment Association (CWEA). Rene Magdalena and Warren Foster received their Grade I Distribution certification, Tuan Nguyen, and Joe Pineda received their Grade II Distribution certification and Joe Correa passed the Grade III Treatment certification with CADPH. In addition, Martin Rosales received his Collections Grade II certification with the CWEA. Richard Green, Warren Foster and Rene Magdalena were scheduled to take the Grade II Distribution exam, Joe Correa was scheduled to take the Grade IV Distribution exam and James Derbin was set to take the Grade V Distribution exam with CADPH in September of 2010, but unfortunately the State of California has temporarily suspended all CADPH testing due to the delay in passing of the State budget. Paul Lord, Water Conservation Specialist passed the American Water Works Association (AWWA) Grade II Water Efficiency Practitioner certification.

Engineering staff participated in the California Water Law Conference, WateReuse Symposiums on recycled water, the American Recovery & Restoration Act (ARRA) workshops and the American Public Works Association Congress.

Human Resources participated in local workshops on healthcare reform, risk management, 2010 employment law update, and the annual conference for the Society for Human Resource Management.

District-wide, employees received training in communication strategies, office and field ergonomics, sexual harassment prevention, respect in the workplace and customer service in the public sector.

In the coming year, we anticipate further staff development in the areas of strategic thinking, management skills, and technical writing.