



# 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**  
WILLIAM Y. LEE  
*President*

DAN BURNS  
*Vice President*

HOWARD GUSTAFSON  
KENNETH K. NISHI  
JAN SHRINER

## Agenda

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

11 Reservation Road, Marina, California

Tuesday, July 19, 2011, 6:45 p.m.

*This meeting has been noticed according to the Brown Act rules.*

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

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

#### 1. Call to Order

#### 2. Roll Call

#### 3. Closed Session

- A. Pursuant to Government Code Section 54956.9  
Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Subdivision (b)  
- One Case

*A letter dated June 21, 2011, from the Monterey County Board of Supervisors transmitted a "Summary of Preliminary Findings Regarding Director Stephen Collins' Business Relationship With RMC Water and Environment and Marina Coast Water District." The Summary, prepared by Remcho, Johansen & Purcell, LLP, states that certain conduct raises questions about the validity of contracts to which Marina Coast Water District is a party. Based on the statements in the Remcho Summary and statements in news media since then, a point has been reached where, in the opinion of the MCWD Board based on the advice of its legal counsel, there is a significant exposure to litigation against MCWD.*

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. Copies will also be available at the Board meeting. 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 August 9, 2011.

**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. Public Comments** *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. Action Items**

- A. Consider Adoption of Resolution No. 2011-56 to Approve Reimbursement to Fort Ord Reuse Authority for Half of the Cost of an Independent Audit of the 2011/2012 Proposed Ord Community Water and Wastewater Rates Not-to-Exceed \$7,500

*Action: The Board of Directors will consider approving Reimbursement to Fort Ord Reuse Authority for Half of the Cost of an Independent Audit of the 2011/2012 Proposed Ord Community Water and Wastewater Rates Not-to-Exceed \$7,500.*

- B. Consider Revising the Director Appointment to the Joint City District Committee and the Liaison to the Monterey Regional Water Pollution Control Agency

*Action: The Board President will make a recommendation to revise the appointment to the Joint City District Committee and the liaison to the Monterey Regional Water Pollution Control Agency.*

**8. Directors Comments**

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

*Regular Meeting: Tuesday, August 9, 2011, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: July 19, 2011

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2011-56 to Approve Reimbursement to Fort Ord Reuse Authority for Half of the Cost of an Independent Audit of the 2011/2012 Proposed Ord Community Water and Wastewater Rates Not-to-Exceed \$7,500

Detailed Description: The Board is requested to consider adoption of Resolution No. 2011-56 to approve reimbursement to Fort Ord Reuse Authority (FORA) for half the cost of an independent audit of the FY 2011/2012 Proposed Ord Community water and wastewater rates not-to-exceed \$7,500.

At its joint July 8, 2011 FORA/MCWD Board meeting, the FORA Board did not approve the proposed Ord Community rates and instead approved a motion to hire an outside independent auditor to conduct an audit on the validity of the FY 2011/2012 proposed Ord Community water and wastewater rates with a cost not-to-exceed \$15,000. The motion also included having MCWD pay for half the cost of the audit.

Environmental Review Compliance: None.

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: Funded through the Ord Community water and wastewater cost centers.

Material Included for Information/Consideration:    Resolution No. 2011-56.

Staff Recommendation: The Board of Directors adopt Resolution No. 2011-56 to approve reimbursement to FORA for half the cost of an independent audit of the FY 2011/2012 proposed Ord Community water and wastewater rates not-to-exceed \$7,500.

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

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Resolution No\_\_\_\_\_ Motion By\_\_\_\_\_ Board Action  
Seconded By\_\_\_\_\_

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

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

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

July 19, 2011

Resolution No. 2011-56  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving Reimbursement to Fort Ord Reuse Authority for  
Half of the Cost of an Independent Audit of the 2011/2012  
Proposed Ord Community Water and Wastewater Rates Not-to-Exceed \$7,500

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on July 19, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the FORA Board’s motion to approve the compensation plans failed at the July 8, 2011 joint FORA/MCWD Board meeting and instead approved a motion to hire an outside independent auditor to conduct an audit on the validity of the FY 2011/2012 proposed Ord Community water and wastewater rates with a cost not-to-exceed \$15,000 in which the motion included having MCWD pay half the cost of the audit; and,

WHEREAS, in order to resolve this matter and obtain approval of the FY 2011/2012 proposed Ord Community rates and compensation plans, MCWD staff finds it necessary to proceed with the independent audit.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2011-56, approving reimbursement to FORA for half the cost of an independent audit of the 2011/2012 proposed Ord Community water and wastewater rates not-to-exceed \$7,500.

PASSED AND ADOPTED on July 19, 2011, 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 \_\_\_\_\_

\_\_\_\_\_  
William Y. Lee, 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. 2011-56 adopted July 19, 2011.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-B

Meeting Date: July 19, 2011

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Reviewed By: Carl Niizawa

Agenda Title: Consider Revising the Director Appointment to the Joint City District Committee and the Liaison to the Monterey Regional Water Pollution Control Agency

Detailed Description: The Board of Directors is requested to reconsider the Director appointment to the Joint City District Committee and the liaison to the Monterey Regional Water Pollution Control Agency (MRWPCA).

On January 11, 2011, President Lee appointed himself and Vice President Burns to the Joint City District Committee; and, he also appointed Vice President Burns as a liaison to the MRWPCA with himself as alternate. Due to other commitments, Vice President Burns is unable to continue serving on the Joint City District Committee and as liaison to the MRWPCA.

President Lee proposes revising the Joint City District Committee appointments to include himself and Director Gustafson. He also proposes appointing Director Nishi as the MRWPCA liaison with himself as alternate.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On January 11, 2011, the Board of Directors approved the Committee appointments for 2011.

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: None.

Staff Recommendation: This is a Board requested item.

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 \_\_\_\_\_