



## Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting  
Dual Locations – 11 Reservation Road, Marina, and 1858 Waterford Drive, Moneta, VA  
July 15, 2019

### Minutes

#### 1. Call to Order:

Vice President Shriner called the meeting to order at 6:31 p.m. on July 15, 2019 at the Marina Council Chambers, 211 Hillcrest Avenue, Marina, California. President Moore attended via video teleconference from 1858 Waterford Drive, Moneta, VA.

#### 2. Roll Call:

##### Board Members Present:

Thomas P. Moore – President – via teleconference  
Jan Shriner – Vice President  
Herbert Cortez  
Peter Le  
Matt Zefferman

##### Board Members Absent:

None

##### Staff Members Present:

Keith Van Der Maaten, General Manager  
Roger Masuda, District Counsel  
Kelly Cadiente, Director of Administrative Services  
Derek Cray, Operations and Maintenance Manager  
Michael Wegley, District Engineer  
Rose Gill, HR/Risk Administrator  
Patrick Breen, Water Resources Manager  
Andrew Racz, Associate Engineer  
Teo Espero, IT Administrator  
Paula Riso, Executive Assistant/Clerk to the Board

##### Audience Members:

Andrew Sterbenz, Schaaf & Wheeler  
Philip Clark, Seaside Resident, WCC Member  
Shawn Storm, Marina Resident, WCC Member  
Kristin Lindgren, Liebert Cassidy Whitmore

Vera Nelson, EKI & Associates  
Lisa Berkley, Marina Resident  
Chip Wilkins, District Special Counsel

3. Public Comment on Closed Session Items:

There were no public comments.

The Board entered into closed session at 6:34 p.m. to discuss the following items:

4. Closed Session:

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation

- 1) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission Application (“A.”) 12-04-019
- 2) In the Matter of the Application of California-American Water Company (U 210 W) for an Order (1) Approving a Settlement Agreement with the County of Monterey and the Monterey County Water Resources Agency to Settle and Resolve Claims and Issues Between the Parties and to Promote the Development, Construction and Operation of a Water Supply Project for Monterey County on an Expedited Basis, and (2) Authorizing the Transfer of Authorized Costs Related to the Settlement Agreement to Its Special Request 1 Surcharge Balancing Account, California Public Utilities Commission Application (“A.”) 13-05-017, and related California Supreme Court petition for writ of review.
- 3) City of Marina and Marina Coast Water District, Petitioners v. Public Utilities Commission of the State of California, Respondent (California-American Water Company, et al., Real Parties in Interest), Petitions for Writ of Review, California Supreme Court Case No. S253585
- 4) Marina Coast Water District vs California-American Water Company, Monterey County Water Resources Agency; and, California-American Water Company, Monterey County Water Resources Agency vs Marina Coast Water District, San Francisco Superior Court Case Nos. CGC-15-547125, CGC-15-546632 (Complaint for Damages, Breach of Warranties, etc.)
- 5) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. 15CV00267, Sixth Appellate District Court of Appeals Case No. H045468

Agenda Item 4-A (continued):

- 6) Bay View Community DE, LLC; Bryan Taylor; Greg Carter; and Brooke Bilyeu vs Marina Coast Water District; Board of Directors of Marina Coast Water District; County of Monterey and Does 1-25, inclusive, Monterey County Superior Court Case No. 18CV000765 (Petition for Writ of Mandate or Administrative Mandate, and Complaint for Declaratory and Injunctive Relief and Breach of Contract)
- 7) Marina Coast Water District, and Does 1-100 v, County of Monterey, County of Monterey Health Department Environmental Health Bureau, and Does 101-110, Monterey County Superior Court Case No. 18CV000816 (Petition for Writ of Mandate and Complaint for Injunctive Relief)

The Board ended closed session at 7:09 p.m.

Vice President Shriner reconvened the meeting to open session at 7:12 p.m.

5. Reportable Actions Taken during Closed Session:

Mr. Roger Masuda, District Counsel, stated that there were no reportable actions taken during Closed Session.

6. Pledge of Allegiance:

Director Cortez led everyone present in the pledge of allegiance.

7. Oral Communications:

There were no public comments.

8. Workshop:

- A. Receive Presentation on the Updated Draft Sewer, Water and Recycled Water Master Plan Studies for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Documents:

Mr. Michael Wegley, District Engineer, introduced this item and stated that this was a follow-up to the last meeting. Director Le asked several questions and asked for more information to be added to the Master Plans, including: 1) adding Central Marina and Ord Community area limits to the figures; 2) clarify that the Ord Community is annexed; 3) calculations of the average method; 4) more tables on capacity charges showing the split between Central Marina and the Ord Community; and, 5) there is not enough recycled water for the injection project in the Recycled Water Master Plan per the agreement with M1W . Vice President Shriner questioned capacity charges and when the missing appendices would be provided. Director Cortez asked if the Board would get another look at the Master Plans before they are adopted.

Agenda Item 8-A (continued):

Director Zefferman stated that it was hard for him to follow all the questions and what pages they were on and suggested the Board members provide their questions in writing to make it easier to follow. Mr. Keith Van Der Maaten, General Manager, noted that at the June 25<sup>th</sup> meeting Directors were asked to provide their questions and comments in writing by July 8<sup>th</sup> and only one Director complied.

Mr. Van Der Maaten again asked that the Board members provide their questions and comments in writing so that staff can make sure they are addressed. Vice President Shriner asked for a timeline to get the written comments to staff. Mr. Wegley said it would be helpful if the Board could get their comments to staff within the next three weeks.

Director Le commented that he doesn't see how the proposed draft fees and the Board approved 5-year rate plan will fit together and if there will have to be some amendments. Director Le also asked for clarification on the agreement with Monterey One Water and who gets the recycled water. Mr. Van Der Maaten answered that the District has rights to however much wastewater they send over, and if the District doesn't have use for all the recycled water, Monterey One Water can use whatever is available until the District needs it. Mr. Masuda reminded the Board that many years ago, the District gave up 300-acre feet of recycled water from Central Marina for the CSIP project.

President Moore stated that he had turned in his comments to the General Manager after the last meeting, is still reviewing the documents, and will turn in more comments as soon as possible.

B. Receive Presentation on the Updated Draft Capacity Fees for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Documents:

Director Le commented that he would like staff to check the consistency between the approved 5-year rate plan, the approved budget, and capital plan. Mr. Masuda suggested staff put together a graphic showing what cost rates cover and what capacity fees cover.

9. Marina Coast Water District Groundwater Sustainability Agency Matters:

A. Action Items:

1. Consider Adoption of Resolution No. 2019-GSA01 to Authorize the General Manager to Sign, Submit and Execute a Financial Assistance Application for a Grant Agreement from the State Water Resources Control Board for Completing a Groundwater Replenishment Reuse Feasibility Study:

Patrick Breen introduced this item and explained that the financial assistance would pay for a feasibility study to identify a preferred project for injection of purified water into the Monterey subbasin.

Agenda Item 9-A (continued):

The Board asked clarifying questions including: what is the timeline; is AEM data included in the feasibility study; would it help to reduce pumping; the District will coordinate with Monterey One Water and implementation planning and what does it entail; what information will be included for the simulation period; and, the evaluation of the recycled water alternatives.

Director Zefferman made a motion to adopt Resolution No. 2019-GSA01 to authorize the General Manager to sign, submit and execute a financial assistance application for a Grant Agreement from the State Water Resources Control Board for completing a Groundwater Replenishment Reuse Feasibility Study. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

2. Consider Adoption of Resolution No. 2019-GSA02 to Approve the Greater Monterey County Integrated Regional Water Management Group's Projects for Submittal to the State to Obtain Proposition 1 Grant Funding:

At 7:50 p.m., Director Zefferman recused himself from this item due to a conflict of interest and left the dais and the meeting room.

Mr. Brian True, Senior Engineer, introduced this item noting that approval by the Groundwater Sustainable Agency was required before submittal for Prop 1 Grant Funds. The Board asked clarifying questions and discussed the five projects. Director Le stated that he couldn't support Project 1 – Castroville Community Services District "Well No. 6 – Emergency Deep Aquifer Supply and Tank Project". President Moore questioned if they could only support four of the five projects. Mr. True answered affirmatively.

President Moore made a motion to adopt Resolution No. 2019- GSA02 to approve Project Nos. 2-5 of the Greater Monterey County Integrated Regional Water Management Group's projects for submittal to the State to obtain Proposition 1 Grant Funding. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Absent	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

President Moore made a motion to approve Project No. 1 of the Greater Monterey County Integrated Regional Water Management Group's projects for submittal to the State to obtain Proposition 1 Grant Funding. Vice President Shriner seconded the motion.

Agenda Item 9-B (continued):

The motion failed by the following vote:

Director Zefferman	-	Absent	Vice President Shriner	-	Yes
Director Le	-	No	President Moore	-	Yes
Director Cortez	-	No			

10. Return to Marina Coast Water District Matters:

Vice President Shriner recessed the meeting from 8:10 p.m. to 8:15 p.m.

11. Harassment/Sensitivity Training Workshop:

A. "Unconscious Bias with Some Harassment"

Ms. Rose Gill, Human Resources/Risk Administrator, introduced this item and Ms. Kristin Lindgren of Liebert Cassidy and Whitmore. Ms. Lindgren gave a presentation and workshop on "Unconscious Bias with Some Harassment" in which the Board participated.

Vice President Shriner recessed the meeting from 9:39 p.m. to 9:43 p.m.

12. Consent Calendar:

Director Le asked to pull item B from the Consent Calendar. Director Zefferman asked to pull item C from the Consent Calendar.

Director Cortez made a motion to approve the Consent Calendar consisting of: A) Receive and File the Check Register for the Month of June 2019; and, D) Consider Adoption of Resolution No. 2019-49 to Approve a Contract Extension with the Pun Group to Provide Audit Services to the District for Fiscal Year 2018-2019. President Moore seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

B. Approve the Draft Minutes of the Joint Board/GSA Meeting of June 25, 2019:

Director Le asked that the minutes show that Director Zefferman also pulled item C from the Consent Calendar.

Director Zefferman made a motion for staff to review the audio and if necessary, amend the minutes to show Director Zefferman also pulled item C from the Consent Calendar. Director Cortez seconded the motion.

Agenda Item 12-B (continued):

The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

- C. Consider Adoption of Resolution No. 2019-48 to Approve Prepayment of Marina Coast Water District's CalPERS Annual Employer Unfunded Accrued Liability Contribution for FY 2019-2020 in the Amount of \$184,785:

Director Zefferman asked if there was a standard discount rate the District uses to make decisions like this. Ms. Kelly Cadiente, Director of Administrative Services, answered that the District looks at these things on a case-by-case basis.

President Moore made a motion to adopt Resolution No. 2019-48 to approve prepayment of Marina Coast Water District's CalPERS Annual Employer Unfunded Accrued Liability Contribution for FY 2019-2020 in the amount of \$184,785. Director Zefferman seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

13. Action Items:

- A. Consider Adoption of Resolution No. 2019-50 to Authorize a MCWD Contribution to the Contract for the Services Provided by the Greater Monterey County Integrated Regional Water Management Group's Coordinator:

The Board discussed whether to table Agenda Item 13-A to the next meeting.

Director Zefferman made a motion to table Agenda Item 13-A to the next meeting. Director Cortez seconded the motion.

Director Le made a substitute motion to adopt Resolution No. 2019-50 to authorize a MCWD contribution to the contract for the services provided by the Greater Monterey County Integrated Regional Water Management Group's coordinator. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

- B. Consider Adoption of Resolution No. 2019-51 to Award a Construction Contract to Brough Construction for the Inter-Garrison Road Water Distribution Pipeline Project; Amend the On-Call Professional Services Agreement with Harris & Associates to Provide Construction Inspection Services; and Amend the FY 2019-2020 Capital Improvement Budget:

Mr. Andrew Racz, Associate Engineer, introduced this item. Director Le suggested revising the table in the Resolution to show the costs more accurately. Discussion followed.

Director Cortez made a motion to adopt Resolution No. 2019-51 to award a construction contract to Brough Construction for the Inter-Garrison Road Water Distribution Pipeline Project; amend the On-Call Professional Services Agreement with Harris & Associates to provide construction inspection services; and amend the FY 2019-2020 Capital Improvement Budget, with the suggested changes. Director Le seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

- C. Consider Providing Direction regarding Election to the Coastal Network, Seat B, of the California Special Districts Association Board:

Mr. Van Der Maaten introduced this item.

President Moore made a motion to elect Jeff Hodge to Seat B of the Coastal Network on the California Special Districts Association Board. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Abstain	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

#### 14. Staff Reports:

- A. Receive the 2<sup>nd</sup> Quarter 2019 MCWD Water Consumption Report:

Ms. Cadiente introduced this item. There were no questions on this item.

- B. Receive the 2019 Sewer Flow Report through June 30, 2019:

Ms. Cadiente introduced this item. There were no questions on this item.



15. Informational Items:

A. General Manager's Report:

Mr. Van Der Maaten stated that the District received the CAFR award again for the eleventh straight year.

B. Counsel's Report:

No report was given.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Shriner gave a brief update and noted the next meeting is August 1st.

2. Joint City District Committee:

Vice President Shriner said the meeting was postponed to July 24th.

3. Executive Committee:

Vice President Shriner gave a brief update.

Director Zefferman made a motion to continue past 10:00 p.m. to finish the Committee and Board Liaison Reports, Board Member Requests for Future Agenda Items, and return to closed session. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

4. Community Outreach Committee:

Director Zefferman gave a brief update.

5. Budget and Personnel Committee:

Director Cortez gave a brief update.

6. M1W Board Member:

President Moore gave a brief update.

7. LAFCO Liaison:

No update was given.

8. FORA:

Director Zefferman gave a brief update.

9. WWOC:

Mr. Van Der Maaten noted the next meeting was September 17th.

10. JPIA Liaison:

Director Le gave a brief update.

11. Special Districts Association Liaison:

President Moore stated the next meeting is scheduled for July 16th and Senator Bill Monning would be speaking at the meeting.

12. SVGSA Liaison:

Mr. Van Der Maaten gave a brief update.

16. Board member Requests for Future Agenda Items:

Director Le asked for an item to discuss Board priorities for the rest of this year and for January through June.

Director Zefferman asked for an update on what the Water Conservation Commission has been doing.

Vice President Shriner recessed the meeting from 10:12 p.m. to 10:17 p.m.

The Board reentered into closed session at 10:17 p.m. to discuss the following item:

4. Closed Session:

- A. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation

- 1) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission Application (“A.”) 12-04-019

Vice President Shriner reconvened the meeting to open session at 10:55 p.m.

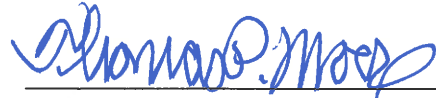
5. Reportable Actions Taken during Closed Session:

Mr. Masuda stated that there were no reportable actions taken during Closed Session.

18. Adjournment:

The meeting was adjourned at 10:57 p.m.

APPROVED:



Thomas P. Moore, President

ATTEST:



Paula Riso, Deputy Secretary