



Marina Coast Water District

Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
June 17, 2024

Minutes

1. Call to Order:

President Morton called the meeting to order at 6:02 p.m. on June 17, 2024 both in-person at 920 2nd Avenue, Suite A, Marina, California; and, via Zoom teleconference.

2. Roll Call:

Board Members Present:

Gail Morton – President
Jan Shriner – Vice President
Herbert Cortez
Brad Imamura
Thomas P. Moore

Board Members Absent:

None

Staff Members Present:

Remleh Scherzinger, General Manager
David Hobbs, Assistant District Counsel
Derek Cray, Operations and Maintenance Manager
Mary Lagasca, Director of Administrative Services
Garrett Haertel, District Engineer
Patrick Breen, Water Resources Manager
Teo Espero, IT Administrator
Reinel Lagman, District Analyst
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Peter Le, Marina Resident
Phil Clark, Seaside Resident
Doug Yount, Shea Homes
An Nguyen
Mike Kennedy
Paul Lord, MCWD
Renate Perry
Andy Sterbenz, Schaaf & Wheeler Consulting Civil Engineers
Martin Rauch, Rauch Communication Consultants, Inc.

Agenda Item 2 (continued):

Stephen Lovette
Brian McCarthy, City of Marina Councilmember
Nisha Patel, City of Seaside
Michael Amylon
Antonio Munoz, MCWD
Rene Magdaleno, MCWD
Jose Rodriguez, MCWD
Frank Perry

3. Pledge of Allegiance:

President Morton asked Mr. Martin Rauch, Rauch Communication Consultants, Inc., to lead everyone present in the pledge of allegiance.

4. Oral Communications:

There were no public comments.

5. Presentation:

A. Adopt Resolution No. 2024-31 to Recognize Antonio Munoz, System Operator II, for 5 Years of Service to the Marina Coast Water District:

Mr. Derek Cray, Operations and Maintenance Manager, introduced this item and voiced his appreciation of Mr. Munoz's hard work and positive attitude. Mr. Cray thanked Mr. Munoz and stated he looked forward to many more years working with Mr. Munoz.

Vice President Shriner made a motion to adopt Resolution No. 2024-31 to recognize Antonio Munoz, System Operator II, for 5 years of service to the Marina Coast Water District. Director Moore seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

President Morton, Vice President Shriner, Director Moore, Director Imamura, and, Director Cortez shared in the reading of the Resolution.

Mr. Rene Magdaleno, MCWD employee, stated it was a pleasure to work with Antonio who always has a great attitude and is always willing to help.

Mr. Jose Rodriguez, MCWD employee, also said that he was happy to work with Antonio who is an excellent worker and has a lot of knowledge.

Agenda Item 5-A (continued):

Director Moore noted that District employees play a key role in keeping the water safe for the public, thanked Mr. Munoz for his five years of service, and wished him many more years with the District.

Vice President Shriner voiced her appreciation of Mr. Munoz's hard work and for bringing his family to celebrate this milestone.

Director Cortez praised Mr. Munoz's initiative for completing his certifications so quickly, which shows his dedication for his work.

Director Imamura asked how Mr. Munoz liked working at the District. Mr. Munoz answered that he enjoyed working for the District and looked forward to coming to work every morning and he respects all his coworkers.

President Morton presented Mr. Munoz with a plaque and gift certificate.

President Morton recessed the meeting from 6:20 p.m. to 6:25 p.m.

President Morton announced that all protests to the proposed Marina Coast Water District Water and Wastewater Rates must be submitted to the Board Secretary by not later than the close of the Public Hearing. Any protests submitted after that time shall be rejected as late and shall not be considered.

OPEN PUBLIC HEARING

President Morton opened the Public Hearing at 6:26 p.m.

6. Public Hearing:

A. Receive Public Comment on Proposed Increases in District Rates, Fees, and Charges for the Marina Coast Water District's Service Areas:

Mr. Peter Le, Marina resident, commented that the District held several meetings in which he submitted comments, but has yet to receive any response. He asked that his comments be made part of the record of this meeting. Mr. Le asked the following questions: 1) how is the Castroville Inter-tie project funded, and asked if it's by rates; 2) the recycled water cost center has been running in a deficit and has been subsidized by Marina water for about \$11 million, how long will it continue to be subsidized, and how much from Ord water; 3) the rate study said in the next five years, the capacity fees from the Seaside golf course will subsidize recycled water and why not charge the true cost of recycled water to Seaside. The proposed recycled water increase is only 5% and it is cheaper than potable water.

Agenda Item 6-A (continued):

A public member commented that he wanted to thank the Monterey County Food Bank who provides 65,000 meals a month to families in need. He then stated that the 325% increase was going to affect a lot of families, mostly seniors who are on fixed incomes. He added that he could understand why an increase is needed, but the increase proposed is too high and should be reasonable. He also suggested providing a ballot for customers to send back and having the notice in Spanish as well as English. He questioned how the District even knows everyone received their notices in the mail, as there were only a few people present.

Mr. Brian McCarthy, City of Marina Councilmember, commented that he was at the meeting to support the process and that most people don't understand the condition of the infrastructure the District inherited from the Army on the Ord Community. He said that although he doesn't want to see gigantic rate increases, he understands what the District is dealing with. Mr. McCarthy added that he appreciated the process of what the District is doing regarding Prop 218.

Ms. Renate Perry, resident, commented that the increase is too high and wanted to know where it was posted showing how the increase was justified.

CLOSE PUBLIC HEARING

President Morton closed the Public Hearing at 6:44 p.m. noting that any protests received after this time will not count as the hearing has been closed.

7. Staff Report

- A. General Manager's Verbal Report on the Result of Proposition 218 Protests to the Proposed Increases in District Rates, Fees, and Charges for the Marina Coast Water District's Service Areas:

Mr. Remleh Scherzinger, General Manager, reported that of the 6,119 parcels, 42 valid protests have been received, which is .7% of the parcels.

Vice President Shriner asked who would respond to the questions raised and when they would be answered. Mr. David Hobbs, Assistant Legal Counsel, stated that the answers would be provided the next day. Director Moore stated that all of the rate study meeting information is available on the District website. Mr. Scherzinger stated that staff will work with Legal Counsel to provide answers to the questions raised and make them available to the Board and public.

8. Action Items:

- A. Adopt Resolution No. 2024-22 Declaring the Results of the Proposition 218 Protest Count for the Proposed Increases in District Rates, Fees, and Charges for the Marina Coast Water District's Service Areas:

Agenda Item 8-A (continued):

Director Moore asked for clarification on what numbers should be inserted into the Resolution. President Morton stated that in the “NOW, THEREFORE, BE IT RESOLVED” Section 1. Findings, Finding 2 should read “the District received a total of 54 timely-filed written protests; and,”; and Finding 3 should read “of the 54 total timely-filed written protests received, 42 protests were submitted by record owners of parcels...”.

Director Cortez made a motion to adopt Resolution No. 2024-22 declaring the results of the Proposition 218 protest count for the proposed increases in District Rates, Fees, and Charges for the Marina Coast Water District’s service areas, as stated by President Morton. Vice President Shriner seconded the motion. The public member voiced his concern over the process and noted that he didn’t feel it was transparent. President Morton stated that Prop 218 was State Law and that the District followed the process required by law. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

Mr. Frank Perry, resident, stated that he felt there is a disconnect with the process as only 42 out of 6,100 people protested the increase.

- B. Adopt Resolution No. 2024-23, CEQA Determination that Proposed Ordinance No. 63, Changing District Rates, Fees, and Charges for the Marina Coast Water District Service Areas is exempt under the California Environmental Quality Act, and that the Board authorizes the General Manager to file a Notice of Exemption with the Monterey County Clerk and with the State Clearinghouse:

Ms. Mary Lagasca, Director of Administrative Services, introduced this item.

President Morton made a motion to adopt Resolution No. 2024-23, CEQA Determination that Proposed Ordinance No. 63, Changing District Rates, Fees, and Charges for the Marina Coast Water District Service Areas is exempt under the California Environmental Quality Act, and that the Board authorizes the General Manager to file a Notice of Exemption with the Monterey County Clerk and with the State Clearinghouse. Director Moore seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

- C. Consider Waiving the Reading of Ordinance No. 63 in its Entirety; and, Consider Second Reading and Adoption of Ordinance No. 63 Approving New District Rates, Fees and Charges for the Marina Coast Water District’s Service Areas:

Agenda Item 8-C (continued):

Director Moore made a motion to waive the reading of Ordinance No. 63 in its entirety; an Ordinance Amending Sections 6.08.010, 6.08.020, 6.08.030, 6.08.040, 6.08.050, 6.08.060, 6.08.080, 6.08.090, 6.08.100, 6.08.110, 6.12.020, 6.12.030, 6.12.040, 6.12.050, and 6.16.010 of the District Codes Changing Rates Fees and Charges for Water and Sewer Services for the Marina Coast Water District's Service Areas. Director Imamura seconded the motion. Ms. Lagasca noted that staff corrected a typo for the Ordinance to read "...Marina Coast Water District's Service Areas." by pluralizing the word "Area". Director Moore amended his motion to include the corrected typo. Director Imamura seconded the amended motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

Director Moore made a motion to consider the Second Reading and Adoption of Ordinance No. 63. Director Imamura seconded the motion. Mr. Le commented that Ordinance No. 63 was different from the version in the notice and in the First Reading and voiced his concerns with some of the calculations for sewer charges and fire hydrant charges. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

D. Adopt Resolution No. 2024-24 to Adopt District Rates, Fees, and Charges for Recycled Water Service:

Ms. Lagasca introduced this item.

Director Cortez made a motion to adopt Resolution No. 2024-24 to adopt District Rates, Fees, and Charges for Recycled Water Service. President Morton seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

E. Adopt Resolution No. 2024-25 to Adopt the Marina Coast Water District Budget for FY 2024-2025 and Waive Section 6.08.070 of the District Code for FY 2024-2025:

Ms. Lagasca introduced this item. The Board asked clarifying questions. Ms. Lagasca noted that the only change from the previous version of the draft budget was a paragraph on page 5 that was corrected. The Board asked more clarifying questions.

Agenda Item 8-E (continued):

Vice President Shriner made a motion to adopt Resolution No. 2024-25 to adopt the revised Marina Coast Water District Budget for FY 2024-2025 and Waive Section 6.08.070 of the District Code for FY 2024-2025. Director Cortez seconded the motion.

Mr. Doug Yount, Shea Homes, complimented staff for the best budget he has seen and noted it was an excellent presentation. He then encouraged getting the CIP project for the Dunes 30” sewer line down 1st Avenue done in the next fiscal year; and, the relocation of the Corporation Yard as they are critical projects.

The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

- F. Adopt Resolution No. 2024-26 to Amend the Construction Contract for the A1/A2 Reservoir and B/C Booster Station Project with Anderson Pacific Engineering Construction, Inc. for the California Avenue Pipeline Construction Work:

Mr. Garrett Haertel, District Engineer, introduced this item and explained that this was a critical project to get the A1/A2 Reservoir and B/C Booster Station online.

Director Moore made a motion to adopt Resolution No. 2024-26 to amend the Construction Contract for the A1/A2 Reservoir and B/C Booster Station Project with Anderson Pacific Engineering Construction, Inc. for the California Avenue Pipeline Construction Work. Director Imamura seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

9. Consent Calendar:

President Morton noted that Agenda Item 9-E was pulled from the agenda. Director Imamura asked to pull items B and D from the consent calendar.

Vice President Shriner made a motion approve the Consent Calendar consisting of items A) Receive and File the Check Register for the Month of May 2024; C) Adopt Resolution No. 2024-27 to Approve Prepayment of Marina Coast Water District’s CalPERS Annual Employer Unfunded Accrued Liability Contribution for FY 2024-2025; and F) Adopt Resolution No. 2024-30 to Amend the Capital Improvement Program Budget to Adjust Funding for Imjin Office Park B Side Improvement Project and Solar Array Project. Director Moore seconded the motion.

Agenda Item 9 (continued):

The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

B. Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of May 20, 2024:

President Morton made a motion to approve the draft minutes of the regular joint Board/GSA Meeting of May 20, 2024. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Abstained	President Morton	-	Yes
Director Moore	-	Yes			

D. Adopt Resolution No. 2024-28 to Amend the FY 2023-2024 Professional Services Agreement with Rauch Communications Consultants, Inc. and Approve FY 2024-2025 Professional Services Agreement with Rauch Communications Consultants, Inc. to provide Public Relations Services to the District:

Ms. Lagasca introduced this item. Director Imamura inquired about the extra cost for the FY 2023-2024 contract. Ms. Lagasca answered it was for the additional meetings and outreach regarding the rate increase.

Director Imamura made a motion to Adopt Resolution No. 2024-28 to Amend the FY 2023-2024 Professional Services Agreement with Rauch Communications Consultants, Inc. and Approve FY 2024-2025 Professional Services Agreement with Rauch Communications Consultants, Inc. to provide Public Relations Services to the District. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Imamura	-	Yes	President Morton	-	Yes
Director Moore	-	Yes			

Mr. Scherzinger asked to give the General Manager's Report before going into Closed Session. President Morton moved to Agenda Item 13.

13. Informational Items:

A. General Manager's Report:

Mr. Scherzinger profusely thanked Ms. Lagasca and her staff for their hard work pulling together an outstanding Budget as well as her first five-year rate study. He presented Ms. Lagasca with a celebratory bottle of wine and, in his family's tradition, a 1921 silver dollar in appreciation of all she has accomplished in the last year.

10. Public Comment on Closed Session Items:

There were no comments made.

President Morton recessed the meeting from 8:02 p.m. to 8:07 p.m.

The Board entered into closed session at 8:07 p.m. to discuss the following item:

11. Closed Session:

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch Property
Negotiating Parties: Sunberry Growers, LLC. and MCWD Negotiators (Legal Counsel and General Manager)
Under Negotiation: Price and Terms

The Board ended closed session at 8:45 p.m. President Morton reconvened the meeting to open session at 8:47 p.m.

12. Reportable Actions Taken During Closed Session:

President Morton stated there were no reportable actions taken during closed session.

13. Informational Items:

A. General Manager's Report:

Mr. Scherzinger noted that on June 28th, the District would host Leadership Monterey County at lunch and then a brief tour to the A1/A2 Reservoir Tank. He added that in July, staff would be bringing the Bond to the Board for approval.

B. Committee and Board Liaison Reports:

1. M1W Board Member Liaison:

Director Moore gave a brief update on the M1W Board meeting.

14. Board Member Requests for Future Agenda Items:

There were no requests made.

15. Director's Comments:

Director Imamura, Director Cortez, Director Moore, Vice President Shriner, and President Morton made comments.

16. Adjournment:

The meeting was adjourned at 8:52 p.m.

APPROVED:



A handwritten signature in blue ink, appearing to read "Gail Morton", is written over a horizontal line. The signature is stylized and cursive.

Gail Morton, President

ATTEST:



A handwritten signature in blue ink, appearing to read "Paula Riso", is written over a horizontal line. The signature is cursive.

Paula Riso, Deputy Secretary