

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Special Board Meeting
December 10, 2015
4:30 p.m.

Draft Minutes

1. Call to Order:

President Gustafson called the meeting to order at 4:30 p.m. on December 10, 2015.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Tom Moore
Jan Shriner

Board Members Absent:

Peter Le – Vice President
Bill Lee

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, Legal Counsel via telephone
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Paul Sciuto, Monterey Regional Water Pollution Control Agency
Kenneth Nishi, Marina Resident

3. Pledge of Allegiance:

President Gustafson led everyone present in the pledge of allegiance.

4. Public Comment on Closed Session Items:

None.

The Board entered into closed session at 4:32 p.m. to discuss the following items:

5. Closed Session:

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline, Recycled Water
Agency Negotiators: Peter Le and Howard Gustafson
Negotiating Parties: MRWPCA, MCWRA, MPWMD, City of Salinas and others.
Under Negotiation: Price and Terms

The Board ended closed session at 6:05 p.m.

President Gustafson reconvened the meeting to open session at 6:06 p.m.

6. Reportable Actions Taken during Closed Session:

President Gustafson stated that direction was given and no reportable action was taken.

7. Action Item:

- A. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-62
Approving the Advanced Treatment Water Delivery and Supply Project Agreement
Between Monterey Regional Water Pollution Control Agency and Marina Coast Water
District:

Mr. Keith Van Der Maaten, General Manager, introduced this item and for the record summarized the key elements of the Agreement as being:

1. MRWPCA and MCWD agree to work together on a joint project with MRWPCA having 3500 AFY for recharge water into the Seaside basin and MCWD having up to 1427 AFY (600 AFY in this phase 1) to serve the Ord Community's recycled water demands.
2. Capital and replacement/rehabilitation costs will be shared proportionally based on the respective capacity in the pipeline (fixed).
3. Operations and maintenance will be shared proportionally based on the actual product water flow through the pipeline (variable).
4. MCWD shall own the Product Water Conveyance Pipeline and MRWPCA shall own the AWT and Injection Well facilities.
5. MRWPCA will complete an amendment to the CEQA documents for the AWT and Injection facilities. The Pure Water Monterey Project EIR identified the environmental effects of constructing the Product Water Conveyance Pipeline along the RUWAP Alignment, and operating the Product Water Conveyance Pipeline for the Pure Water Monterey Project; however the EIR recognized that shared use of a single Product Water Conveyance Pipeline for both the Pure Water Monterey Project to supply recycled water to MCWD for the RUWAP would necessitate further review under the California Environmental Quality Act ("CEQA"). Shared use of a single Product Water Conveyance Pipeline would necessitate expansion of the Advanced Water Treatment Plant in order to purify the recycled water destined for the RUWAP

Agenda Item 7-A (continued):

because all water flowing in the shared pipeline must be purified; by contrast if water to serve the RUWAP were conveyed in its own separate pipeline, only tertiary treatment would be needed.

6. MRWPCA will construct the AWT and Injection Well facilities and MCWD will construct the new Product Water Conveyance Pipeline facilities by December 31, 2017.
7. MRWPCA agrees to not sell any water to MCWD's customers in MCWD's service area.
8. MRWPCA and MCWD agree on a process to determine the amount of MCWD Fort Ord Water Rights.
9. This agreement recognizes MCWD's existing rights to Central Marina wastewater flows per existing agreements. For example, in June 2009, MRWPCA and MCWD entered into a 50-year RUWAP Memorandum of Understanding, in which, subject to certain conditions specified therein, (a) MRWPCA committed 650 AFY of summer recycled water to MCWD for the Ord Community; (b) MCWD affirmed its separate commitment of 300 AFY of summer recycled water to the Ord Community; and (c) MRWPCA and MCWD committed to supply 477 AFY of recycled water during other months to the Ord Community - for a total of 1,427 AFY.
10. MRWPCA and MCWD agree on a process to discuss and resolve each's claim to "stranded costs".
11. This agreement includes off-ramps at several decision points including the inability to secure water user agreement(s), inability to gain easements, and denial by PUC of Pure Water Project.

Mr. Kenneth Nishi, Marina resident, asked what was in it for the Central Marina ratepayers. He voiced his concerns over how the pipeline will be used and that higher treated wastewater will cost more than regular recycled water. Mr. Nishi asked what it would cost per acre foot and noted that it had been said previously that the cost would exceed the cost of desalinated water. He concluded by saying that MRWPCA has historically said that MCWD has no other rights than Central Marina and if "MRWPCA and MCWD agree on a process to determine the amount of MCWD Fort Ord Water Rights" is put in the agreement, it will erode MCWD's negotiated rights.

Director Moore made a motion to adopt Resolution No. 2015-62 to approve the Advanced Treatment Water Delivery and Supply Project Agreement between Monterey Regional Water Pollution Control Agency and Marina Coast Water District and read the NOW, THEREFORE BE IT RESOLVED, into record:

1. The Board has reviewed the Advanced Treated Water Delivery and Supply Agreement between Monterey Regional Water Pollution Control Agency and Marina Coast Water District ("Agreement"), finds that it is in the best interests of the District to approve the Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, and hereby approves the form of the Agreement.

2. The President is hereby authorized to execute and deliver after consultation with the District's Legal Counsel the Agreement in the form presented at this meeting, with such changes, insertions and deletions as may be approved by the President before executing the Agreement, said execution being conclusive evidence of such approval.

3. The President and any other officers, employees and agents of the District shall be, and each of them hereby is, authorized to give or take all approvals, consents, directions, instructions, notices, orders, requests, indemnifications and other actions permitted or required by any of the documents authorized by this Resolution, and to take any such action that such authorized representative, with the advice of District's Legal Counsel, may deem necessary or desirable to further the purposes of this Resolution.

4. All actions heretofore taken by the officers, employees and agents of the District in connection with the matters authorized by this Resolution are hereby ratified, approved and confirmed.

Director Shriner seconded the motion. The motion was passed.

Director Shriner	-	Yes	Vice President Le	-	Absent
Director Moore	-	Yes	President Gustafson	-	Yes
Director Lee	-	Absent			

8. Adjournment:

The meeting was adjourned at 6:21 p.m.

APPROVED:

Howard Gustafson, President

ATTEST:

Paula Riso, Deputy Secretary