



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

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DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER
HERBERT CORTEZ

Agenda

**Regular Board Meeting, Board of Directors
Marina Coast Water District
and**

**Regular Board Meeting, Board of Directors
Marina Coast Water District Groundwater Sustainability Agency**

Marina Council Chambers
211 Hillcrest Avenue, Marina, California
Monday, June 26, 2017, 6:30 p.m. PST

This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the third Monday of each month with workshops scheduled for the first Monday of some months. The meetings normally begin at 6:30 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, Marina, California.

Our Mission: We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.

1. Call to Order

2. Roll Call

3. Public Comment on Closed Session Items *Anyone wishing to address the Board on matters appearing on Closed Session may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

4. Closed Session

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

- 1) Ag Land Trust v. Marina Coast Water District, Monterey County Superior Court Case No. M105019; Sixth Appellate District Court of Appeals Case Nos. H038550 and H039559

This agenda is subject to revision and may be amended prior to the scheduled meeting. Pursuant to Government Code section 54954.2(a)(1), the agenda for each meeting of the Board shall be posted at the City of Marina Council Chambers. The agenda shall also be posted at the following locations but those locations are not official agenda posting locations for purposes of section 54954.2(a)(1): District offices at 11 Reservation Road, Seaside City Hall, the City of Marina Library, and the City of Seaside Library. A complete Board packet containing all enclosures and staff materials will be available for public review on Wednesday, June 21, 2017. Copies will also be available at the Board meeting. Information about items on this agenda or persons requesting disability related modifications and/or accommodations should contact the Board Clerk 48 hours prior to the meeting at: 831-883-5910.

- 2) 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 No. A.12-04-019 & A.13-05-017 Settlement Agreement
 - 3) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
 - 4) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, San Francisco Superior Court Case No. CGC-13-528312 (Complaint for Declaratory Relief); First Appellate District Court of Appeals Case No. A145604
 - 5) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency, and Does 1 through 50, San Francisco Superior Court Case No. CGC-15-547125 (Complaint for Breach of Warranties, etc.)
 - 6) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
 - 7) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180895 (Petition for Writ of Mandate)
- B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Sewer Infrastructure
Negotiating parties: Howard Gustafson, Thomas Moore
Under Negotiation: Price and Terms
- C. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline, Recycled Water
Agency Negotiators: Howard Gustafson, Thomas Moore
Negotiating parties: MRWPCA and MCWD
Under Negotiation: Price and Terms
- D. Pursuant to Government Code 54956.9 (d)(2)
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation – One Potential Case
- E. Pursuant to Government Code 54956.9 (d)(4)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation – One Potential Case

5. Reportable Actions Taken During Closed Session *The Board will announce any reportable action taken during closed session and the vote or abstention on that action of every director present, and may take additional action in open session as appropriate. Any closed session items not completed may be continued to after the end of all open session items.*

6. Pledge of Allegiance

7. 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 four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

8. Presentation

A. Consider Adoption of Resolution No. 2017-35 in Recognition of Joe Correa, Operations and Maintenance Supervisor, for 25 Years of Service to the Marina Coast Water District

Action: The Board will consider adopting Resolution No. 2017-35 recognizing Joe Correa, Operations and Maintenance Supervisor, and awarding him a plaque and gift certificate for 25 years of service to the Marina Coast Water District.

9. 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 four minutes.*

A. Receive and File the Check Register for the Month of May 2017

B. Receive the Quarterly Financials for January 1, 2017 to March 31, 2017

C. Approve the Draft Minutes of the Regular Board Meeting of May 15, 2017

D. Approve the Draft Minutes of the Joint Board/GSA Meeting of June 5, 2017

E. Adopt Resolution No. 2017-36 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program

F. Adopt Resolution No. 2017-37 to Approve the Proposed Modifications to the Clothes Washer Rebate Tiers

10. 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 four minutes.*

A. Consider a Revised Variance Request for the Property of 3055 Zanetta Drive, Marina, Regarding Installation of a Backflow Device

Action: The Board of Directors will consider whether to consider a revised variance request regarding the installation of a backflow device for the property of 3055 Zanetta Drive, Marina.

- B. Consider Adoption of Resolution No. 2017-38 to Approve Amendment No. 17 to the On-Call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services to Complete the East Garrison Phase 1 and Commence the East Garrison Phase 3 Development Projects

Action: The Board of Directors will consider amending the on-call PSA with Harris & Associates for the East Garrison Phase 1 and 3 development projects.

- C. Consider Adoption of Resolution No. 2017-39 to Approve a New Professional Services Agreement with Runyon, Saltzman and Einhorn, Inc. to Provide Public Relations and Community Outreach Services to the District

Action: The Board of Directors will consider approving a Professional Services Agreement with Runyon, Saltzman and Einhorn, Inc. to provide public relations and community outreach services to the District.

- D. Consider Adoption of Resolution No. 2017-40 to Approve a Professional Services Agreement with Koff & Associates to Perform a Classification & Compensation Study

Action: The Board of Directors will consider approving a Professional Services Agreement with Koff & Associates to perform a Classification & Compensation Study.

- E. Consider Adoption of Resolution No. 2017-41 to Approve a Professional Services Agreement to Provide a Five-Year Financial Plan and Rate Study to the District

Action: The Board of Directors will consider approving a Professional Services Agreement to provide a Five-Year Financial Plan and Rate Study to the District.

- F. Consider Adoption of Resolution No. 2017-42 for Placing a Board Member in Nomination as a Member of the Association of California Water Agencies Region 5

Action: The Board of Directors will consider placing a Board member in nomination as a member of the Association of California Water Agencies Region 5.

- G. Consider Amending the Appointment of Negotiators to the Groundwater Sustainability Agency Coordination Discussions

Action: The MCWD GSA Board of Directors will consider amending the appointment negotiators to the Groundwater Sustainability Agency Coordination discussions.

- H. Consider Modifying the Proposed Jurisdictional Annexation and Sphere of Influence Boundaries of the District as Part of the Annexation Process IS/MND Update and Provide Direction on Future Annexation Requests

Action: The Board of Directors will consider modifying the proposed Jurisdictional Annexation and Sphere of Influence Boundaries of the District as part of the Annexation Process IS/MND update and provide direction on future annexation requests.

11. Staff Reports

- A. Receive a Report on an Emergency Procurement for a 15 Inch Sewer Main Replacement at Fifth Street and First Avenue in Marina, CA
- B. Receive the Developer Account Quarterly Report as of March 31, 2017

12. 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 four minutes.*

- A. General Manager's Report
- B. Counsel's Report
- C. Committee and Board Liaison Reports

- | | |
|-----------------------------------|-----------------------------------|
| 1. Water Conservation Commission | 7. LAFCO Liaison |
| 2. Joint City-District Committee | 8. FORA |
| 3. Executive Committee | 9. WWOC Report |
| 4. Community Outreach Committee | 10. JPIA Liaison |
| 5. Budget and Personnel Committee | 11. Special Districts Association |
| 6. MRWPCA Board Member Liaison | |

13. Board Member Requests for Future Agenda Items

14. Director's Comments *Director reports on meetings with other agencies, organizations and individuals on behalf of the District and on official District matters.*

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

*Monday, July 17, 2017, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: June 26, 2017

Submitted By: James Derbin

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-35 in Recognition of Joe Correa, Operations and Maintenance Supervisor, for 25 Years of Service to the Marina Coast Water District

Staff Recommendation: The Board consider adoption of Resolution No. 2017-35 recognizing Joe Correa, Operations and Maintenance Supervisor, and awarding a plaque and gift certificate for twenty-five years of service to the Marina Coast Water District.

Background: *5-Year Strategic Plan, Strategic Element 5.0 – Our objective is to recruit and maintain a highly qualified, diverse and inspired workforce that delivers the essential services of our mission statement to the public while providing outstanding customer service.*

Discussion/Analysis: Joe Correa began his employment with the District on May 19, 1992. During his career, he has worked in water and wastewater treatment, water reclamation, and water distribution. Joe successfully operated the District's desalination plant for several years. The experience he gained operating and maintaining the desalination plant qualified Joe for taking the CADPH Grade III Water Treatment Operator exam, which he passed in 2011.

Currently Joe Correa holds the following professional certifications:

- Water Distribution Operator Grade D4
- Water Treatment Operator Grade III
- CWEA Collections III

Joe's unique problem solving abilities have influenced every aspect of District operations. He continues to make a significant contribution in the area of electrical trouble shooting, sewer lift station repairs, well motors, water booster pump motors, switches, and relays resulting in a significant reduction in outside electrical contractor fees.

Joe was promoted to the position of Operations and Maintenance Supervisor in 2012. Joe has taken on the new responsibilities of this position with great strides and is positively influencing how we operate and maintain the District's valuable assets.

It is with great pleasure that the District recognizes Joe Correa's twenty-five years of service to the Marina Coast Water District, and wishes him well in his continued service to the District.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Hospitality
Accounts for all four cost centers.

Material Included for Information/Consideration: Resolution No. 2017-35.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

June 26, 2017

Resolution No. 2017-35
Resolution of the Board of Directors
Marina Coast Water District
Recognizing Joe Correa, Operations and Maintenance Supervisor,
For 25 Years of Service to MCWD

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Joe Correa joined the District on May 19, 1992; and,

WHEREAS, Joe has worked in water and wastewater treatment, water reclamation, water distribution and operated and maintained the Districts’ desalination plant; and,

WHEREAS, Joe's trouble shooting/problem solving skills and solid work ethic have significantly contributed to the successful operation of District water and wastewater facilities; and,

WHEREAS, Joe continues to make positive contributions in the area of electrical trouble shooting and repairs, sewer lift station repairs, well motor repair, water booster pump and motor repair, all resulting in a significant reduction in outside electrical contractor expenses for the District; and,

WHEREAS, Joe’s hard work and dedication earned him a promotion to the Operations and Maintenance Supervisor position in 2012; and,

WHEREAS, Joe is a dedicated and loyal employee who is well-respected and admired by his fellow employees and District customers.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and recognizes Joe Correa for twenty-five years of service to the Marina Coast Water District, presents him with a plaque and gift certificate, and wishes him continued success with the District.

PASSED AND ADOPTED on June 26, 2017 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-35 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9

Meeting Date: June 26, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consent Calendar

Staff Recommendation: The Board of Directors approve the Consent Calendar as presented.

Background: *5-Year Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of May 2017
- B) Receive the Quarterly Financials for January 1, 2017 to March 31, 2017
- C) Approve the Draft Minutes of the Regular Board Meeting of May 15, 2017
- D) Approve the Draft Minutes of the Joint Board/GSA Meeting of June 5, 2017
- E) Adopt Resolution No. 2017-36 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program
- F) Adopt Resolution No. 2017-37 to Approve the Proposed Modifications to the Clothes Washer Rebate Tiers

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or they can pull them separately for discussion.

Material Included for Information/Consideration: Check Register for May 2017; Quarterly Financials for January 1, 2017 to March 31, 2017; draft minutes of May 15, 2017; draft minutes of June 5, 2017; MOU with MPUSD for In-School Water Conservation Education; and, Clothes Washer rebate graphs.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: June 26, 2017

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of May 2017

Staff Recommendation: The Board of Directors receive and file the May 2017 expenditures totaling \$4,191,364.62.

Background: *5-Year Strategic Plan, Objective No. 3 – Our objective is to manage public funds to assure financial stability, prudent rate management and demonstrate responsible stewardship. Our fiscal strategy is to forecast, control and optimize income and expenditures in an open and transparent manner. We will efficiently use our financial resources to assure availability to fund current and future demands.*

Discussion/Analysis: These expenditures were paid in May 2017 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Expenditures are allocated across the six cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04- Ord Sewer, 05-Recycled Water, 06-Regional Water.

Other Consideration: None.

Material Included for Information/Consideration: May 2017 Summary Check Register.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: June 26, 2017

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive the Quarterly Financial Statements for January 1, 2017 to March 31, 2017

Staff Recommendation: The Board receives the Quarterly Financial Statements for January 1, 2017 to March 31, 2017.

Background: *5-Year Strategic Plan, Strategic Element No. 3.2 – Regular Financial Updates to Policymakers and Managers.*

Discussion/Analysis: All figures reported for the quarter are based on accrual basis accounting. The District's consolidated financial statement for the quarter includes operating revenues of \$3.273 million and expenses of \$2.056 million, resulting in net gain from operations of \$1.217 million. The District budget projected net gain from operations of \$0.398 million for the same period.

The net gain from operations for the quarter was higher than the budget expectation by \$0.819 million due to the timing of when revenues are earned and expenses are accrued producing different results than those in which the annual budget amounts are divided evenly by quarter.

Summary of Cost Centers:

| <u>Description</u> | <u>Actual Qtr</u> | <u>Budget Qtr</u> | <u>Actual FYTD</u> | <u>Budget FYTD</u> |
|----------------------------|-------------------|-------------------|--------------------|--------------------|
| Marina Water | | | | |
| Revenue | 834,952 | 950,681 | 2,720,024 | 2,852,040 |
| Expenses | <u>519,397</u> | <u>676,313</u> | <u>1,647,836</u> | <u>2,028,939</u> |
| Net Gain/(Loss) | 315,555 | 274,368 | 1,072,188 | 823,101 |
| Marina Sewer | | | | |
| Revenue | 294,770 | 258,857 | 836,852 | 776,570 |
| Expenses | <u>160,313</u> | <u>192,047</u> | <u>463,242</u> | <u>576,139</u> |
| Net Gain/(Loss) | 134,457 | 66,810 | 373,610 | 200,431 |
| Ord Community Water | | | | |
| Revenue | 1,540,207 | 1,452,717 | 4,780,494 | 4,358,150 |
| Expenses | <u>1,030,993</u> | <u>1,481,595</u> | <u>3,577,269</u> | <u>4,444,786</u> |
| Net Gain/(Loss) | 509,214 | (28,878) | 1,203,225 | (86,636) |
| Ord Community Sewer | | | | |
| Revenue | 603,546 | 538,339 | 1,746,659 | 1,615,017 |
| Expenses | <u>345,423</u> | <u>375,444</u> | <u>1,078,896</u> | <u>1,126,328</u> |
| Net Gain/(Loss) | 258,123 | 162,895 | 667,763 | 488,689 |

| | | | | |
|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Recycled Water Project | | | | |
| Revenue | - | 1 | 16 | 2 |
| Expenses | - | <u>77,487</u> | <u>129,145</u> | <u>232,461</u> |
| Net Gain/(Loss) | - | (77,486) | (129,129) | (232,459) |
| Regional Project | | | | |
| Revenue | - | - | - | - |
| Expenses | - | - | - | - |
| Net Gain/(Loss) | - | - | - | - |
| Consolidated Cost Centers | | | | |
| Revenue | 3,273,475 | 3,200,595 | 10,084,045 | 9,601,779 |
| Expenses | <u>2,056,126</u> | <u>2,802,886</u> | <u>6,896,388</u> | <u>8,408,653</u> |
| Net Gain/(Loss) | 1,217,349 | 397,709 | 3,187,657 | 1,193,126 |

As of March 31, 2017, the District had \$19.274 million in liquid investments. The District also had \$0.850 million of 2010 refunding bond proceeds for debt reserve purposes in the bank.

The District owed \$29.840 million for the 2015 Senior Revenue Refunding Bonds Series A as well as \$4.190 million for the 2010 Subordinate Revenue Refunding Bonds, and \$2.800 million to Holman Capital Corporation for the conversion of the Rabobank N.A. construction loan for the BLM building as of March 31, 2017.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: None

Material Included for Information/Consideration: Quarterly Financial Statements, Investments and Debt Summary Statements.

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: June 26, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of May 15, 2017

Staff Recommendation: The Board of Directors approve the draft minutes of the May 15, 2017 regular Board meeting.

Background: *5-Year Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of May 15, 2017 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes ___ **X** No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of May 15, 2017.

Action Required: ___ Resolution ___ **X** Motion ___ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: June 26, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Joint Board/GSA Meeting of June 5, 2017

Staff Recommendation: The Board of Directors approve the draft minutes of the June 5, 2017 joint Board/GSA meeting.

Background: *5-Year Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of June 5, 2017 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes ___ **X** No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of June 5, 2017.

Action Required: ___ Resolution ___ **X** Motion ___ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: June 26, 2017

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Reviewed By: Jean Premutati

Agenda Title: Adopt Resolution No. 2017-36 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program

Staff Recommendation: The Board of Directors adopt Resolution No. 2017-36 approving a Memorandum of Understanding (MOU) between the Marina Coast Water District (MCWD) and the Monterey Peninsula Unified School District (MPUSD) regarding the In-School Water Conservation Education Program for the 2017-2018 school year.

Background: *5-Year Strategic Plan, Strategic Goal 1.7 – Review and update our water conservation program.*

The MPUSD and MCWD have worked together for more than fifteen years to bring water conservation education to students in the District's service area. This agreement continues this long-standing relationship between the two partners and provides the means to plan and integrate water conservation instruction into the curriculum at local schools for FY 2017/2018.

Teacher surveys, and feedback from school administrators, students, and their families, indicate that the unique, professional classroom instruction provided is desired, appreciated, and very effective. The program is tremendously valued by staff, school faculty, and the community because it is successful in achieving the most important goal: getting the local children to understand more about earth science, the properties of water, and the importance of practicing water conservation every day. Results of an earlier study of the program's effectiveness were positive, showing students were able to make more valid points about water conservation after receiving classroom instruction.

Discussion/Analysis: MCWD will reimburse MPUSD for hourly classroom instruction and program development work at an amount not-to-exceed \$38,750, which includes an hourly rate and statutory benefits, through June 30, 2018. This maximum expenditure amount is based upon reimbursements paid during previous years when as many as 160 classroom presentations were performed. A certified, experienced, MPUSD Teacher has been hired and tasked with providing targeted instruction to students, and the school staff. Simultaneously, the teacher will help the District develop water conservation- related curricula designed to meet the state academic curriculum standards. All instruction and educational materials presented will be age appropriate for the children who are provided these classes.

Environmental Review Compliance: None required.

Financial Impact: X Yes No Funding Source/Recap: This item is funded through the FY 2017/2018 Conservation Budget of the Central Marina and Ord Community cost centers.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2017-36; and, MOU between MCWD and Monterey Peninsula Unified School District.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

June 26, 2017

Resolution No. 2017 - 36
Resolution of the Board of Directors
Marina Coast Water District
Approving a Memorandum of Understanding
Between Marina Coast Water District and the Monterey Peninsula Unified School District
Regarding the In-School Water Conservation Education Program

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on June 26, 2017, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, MCWD has developed a Memorandum of Understanding (MOU) with the Monterey Peninsula Unified School District regarding the In-School Water Conservation Education Program that will facilitate program development and the teaching of water conservation education; and,

WHEREAS, the MOU is an agreement to formalize planning and execution of the In-School Water Conservation Education Program; and,

WHEREAS, water conservation is within the District’s Mission and the funding for this MOU is included in the District’s budget for FY 2017/2018 under Conservation Education with a not-to-exceed amount of \$38,750 for expenses through June 30, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the proposed Memorandum of Understanding regarding the In-School Water Conservation Education Program with wage and benefit reimbursements.

BE IT FURTHER RESOLVED, that the Board of Directors does hereby authorize the General Manager to sign the MOU.

PASSED AND ADOPTED on June 26, 2017 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-36 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-F

Meeting Date: June 26, 2017

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Reviewed By: Jean Premutati

Agenda Title: Adopt Resolution No. 2017-37 to Approve the Proposed Modifications to the Clothes Washer Rebate Tiers

Staff Recommendation: The Board of Directors approve the proposed modifications to the clothes washer rebate tiers.

Background: *Five-Year Strategic Plan, Strategic Goal 1.7 – Review and update our water conservation program.*

The high-efficiency (HE) clothes washer rebate tiers were established in April 2007. The rebate payment amounts, for various levels of clothes washer machine water use efficiency, are shown in the attached Table A. The most water efficient machines, having a lower Water Factor, receive the highest rebate payment.

The water use efficiency (Water Factor) of machines in 2007 ranged between 3.2 and 10 gallons of water used per cubic foot of laundry machine capacity. Most top-of-the-line HE clothes washers at that time had a Water Factor near 4.5. Only a few rebates were provided for clothes washers having water use lower than 4.5 gallons per cubic foot of laundry.

In the last nine years, the efficiency of clothes washing machines has greatly improved. Now, most HE clothes washer rebates provided by the District are for clothes washers having a Water Factor of 3.2, with the most efficient machines having a Water Factor as low as 2.9.

Discussion/Analysis: Because clothes washer water use efficiency has improved so much over the past nine years, and the majority of rebates paid out by the District have been at the highest payment tier, a review of the rebates sent to customers by the District in the past 2.5 years was conducted. The review revealed that 99% of the recent clothes washer rebate applicants received a rebate in the highest payment tier, compared to 45% of applicants nine years ago. Of the 378 rebate applicants, 375 received the \$125 rebate, 1 received the \$50 rebate and 2 did not receive a rebate because the washer had a Water Factor of 8.0 gallons per cubic foot of laundry.

To keep our program current with the latest developments in water conservation policy and clothes washer technology, and in support of the District's goal to provide incentives to encourage customers to choose and use the most water efficient clothes washing machines, staff proposes shifting the three existing rebate payment tiers closer towards the end of the water efficiency range (more efficient, lower water use machines), as shown in the attached Table B.

To further incentivize customers to replace older clothes washer machines and to choose the most efficient machines available, it is suggested by the Water Conservation Commission working group members that the highest rebate amount be increased from \$125 to \$150. Financially, this is reasonable because fewer rebates are anticipated at the highest tier, and rebates will no longer

be provided for the purchase of the least efficient clothes washing machines.

Using the proposed rebate tiers, and based on the Water Factor of the 378 machines rebated in the past 2.5 years, it is estimated that only 85% of applicants in the near future would receive a rebate. Approximately 15% of clothes washers purchased would not qualify for any rebate. Only 20% of applicants would now get the highest rebate of \$150, 30% would get the \$100 rebate, and 35% would get a \$50 rebate. A comparison between the distribution range of past and future clothes washer rebates is illustrated in the attached Table C.

Again, based on rebates provided over the last 2.5 years, it is estimated that the proposed changes could reduce future rebate expenditures by as much as 40% or \$28,750 annually.

A new public information campaign would announce any program changes simultaneously to the roll-out of the new tiers in July of 2017 (FY 2017-2018).

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Proposed 2017-2018 water conservation budget for clothes washer rebates, Marina and Ord service area water cost centers.

Other Considerations: Modify rebate tiers, rebate amounts, eligible customers, and roll-out date of program changes.

Material Included for Information/Consideration: Resolution No. 2017-37; and, Tables A, B, & C.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

June 26, 2017

Resolution No. 2017 - 37
Resolution of the Board of Directors
Marina Coast Water District
Approving the Modifications to the Clothes Washer Rebate

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on April 11, 2007, the Board approved the existing clothes washer rebate tiers and clothes washer rebate amounts; and,

WHEREAS, the Board wishes to continue a policy that encourages water conservation by providing rebates to Marina customers who purchase and install the most water efficient clothes washers; and,

WHEREAS, on April 6, 2017 the Water Conservation Commission reviewed the past and future water conservation program budgets for clothes washer rebates; and,

WHEREAS, on May 4, 2017 the Water Conservation Commission reviewed the proposed modifications to the clothes washer rebate tiers and clothes washer rebate payments, and recommended Board approval.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the following modifications to the clothes washer rebate program:

| Water Factor Gallons Water/Cu. Ft. Laundry Capacity | Rebate Amount |
|--|---------------|
| Above 3.8 | None |
| 3.5 - 3.8 | \$50 |
| 3.0 - 3.4 | \$100 |
| 2.9 or lower | \$150 |

NOW, THEREFORE, BE IT FURTHER RESOLVED, authorize the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on June 26, 2017, 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-37 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-A

Meeting Date: June 26, 2017

Submitted By: James Derbin

Approved By: Keith Van Der Maaten

Agenda Title: Consider a Revised Variance Request for the Property of 3055 Zanetta Drive, Marina, Regarding Installation of a Backflow Device

Staff Recommendation: Staff recommends denying the revised variance request allowing the property owner of 3055 Zanetta Drive to not install a backflow device as requested.

Background: In 2011, two District staff members in the Operations and Maintenance Department earned their CA/NV Cross-Connection Control Program Specialist certification. This professional certification was needed in order to comply with the CA State Water Resources Control Board, Division of Drinking Water (DDW) requirement, per Title 17 of the California Code of Regulations, that the District have an effective Cross-Connection Control program in place. Part of this requirement is that the District conduct periodic site surveys of all properties connected to the Districts potable water system and asses any hazards those connections pose to the potable water supply.

On June 16, 2016 District staff conducted a Cross-Connection Control Survey of 3055 Zanetta Drive. Staff found the plumbing to this four unit apartment complex to be complex in nature. Following the completion of the Survey a letter was sent to the property owner requesting a backflow prevention device be installed at the customer's meter. The property owner stated he is unable to install the backflow since it will be in the middle of his driveway. Staff reached out several times to discuss installation options with the property owner over the phone and met with him and to show how other properties on Zanetta Drive have achieved backflow compliance. Staff explained that since the meter box is located in the driveway the District would allow the backflow be installed at the side of the driveway.

At the regularly scheduled Board meeting held on April 17, 2017, the Board was presented with an initial variance request from this property owner, dated March 3, 2017, to not install a backflow device for 3055 Zanetta Drive. At this meeting the Board denied the variance request and directed staff to work with the property owner on finding a suitable installation location for the device.

Following the April 17th Board meeting, staff met with the property owner and showed him a suitable location for the device to his side of the common driveway. At that time, the property owner requested the District either move his meter and box to his side of the common driveway, so that he can install the device close to the meter box, or help him install and/or pay for the installation.

Since meeting with staff, the property owner resubmitted a revised variance request dated May 12, 2017. In the revised variance request, the property owner is asking for reconsideration of a variance in complying with the District's backflow installation requirement for his property because the cost of breaking up the concrete to install the backflow device "would cause the owner unequal treatment and undue hardship" because "some owners may be required to pay more than others to meet the backflow requirements".

Discussion/Analysis: The District’s Ordinance Section 3.28.020.B.3 states that all “multifamily residential units with three or more dwelling units” are required to install a backflow prevention device. Several properties, 3039, 3043, 3074 Zanetta Drive, already had backflows installed before the current District Cross-Connection Control staff surveyed the properties on this street. Other multi-family properties on Zanetta that recently installed backflows are 3035, 3049, 3051, 3057, and 3059 Zanetta Drive. Two of the properties listed above have a common water meter box located in the driveway. These properties, 3057 and 3059 Zanetta, have installed backflow devices to their respective sides of the driveway as staff has requested the 3055 Zanetta Drive property to do.

Eight of the ten multifamily residential units on Zanetta, with three dwelling units or more, already have backflows installed and are currently in compliance with the District’s backflow requirement. The two that have yet to install a backflow are 3053 and 3055 Zanetta.

District staff recommends denying the variance request as staff believes it would not be “unequal treatment” to this property owner to require the installation of the backflow in the manner proposed, but in fact would be “unequal treatment” to other customers to allow this one property to not install a device in compliance with the District’s Ordinance as the other property owners have done. While each installation is unique and may vary in costs to the property owner based on myriad of reasons, this particular installation is similar to other installations on the same street and is reasonable. Therefore staff does not believe the “unequal treatment and undue hardship” argument is a supported or valid reason to approve a variance. Further, for a variance to be granted, it must meet each of the conditions listed in Section 2.08.020 of the Marina Coast Water District Code including that granting the variance will not cause a significant adverse effect on the water supply or on service to other persons served by the District and that granting the variance would be in the best interest of the District. Staff believes that granting the variance will have an adverse effect on the District’s water supply and service to other persons as the whole purpose of an effective Cross-Connection Control program is the protection of the Districts water supply and service to all our customers. Finally, there is no support to show that this variance would be in the best interest of the District.

Environmental Review Compliance: None required.

Financial Impact: _____ Yes X No Funding Source/Recap: None

Material Included for Information/Consideration: Exhibit A - June 5th Letter from MCWD to the property owner at 3055 Zanetta Drive and the revised Variance Request dated May 12, 2017; Exhibit B - original Variance Request dated March 3, 2017; Exhibit C - Chapter 3.28 of the District Code; Exhibit D - pictures of the meter boxes at 3055 Zanetta Drive and 3057 and 3059 Zanetta Drive

Action Required: _____ Resolution X Motion _____ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B

Meeting Date: June 26, 2017

Submitted By: Brian True

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Consider Adoption of Resolution No. 2017-38 to Approve an Amendment to the On-Call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services to Complete the East Garrison Phase 1 and Commence the East Garrison Phase 3 Development Projects

Staff Recommendation: The Board adopt Resolution No. 2017-38 amending the On-Call Professional Services Agreement with Harris & Associates for inspection and construction support services for the East Garrison Phase 1 and East Garrison Phase 3 development projects.

Background: *Five-Year Strategic Plan, Element No. 2 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District standards.*

The East Garrison development began construction work in 2006 with much of the activity placed “on-hold” in 2008. The first phase of the development resumed in 2011. The Infrastructure Agreement (for both Phase 1 and 2) was fully executed in March 2012, and MCWD accepted the Phase 1 infrastructure for ownership in 2012. The Phase 2 work in East Garrison began in 2015 and MCWD accepted the infrastructure for ownership on February 1, 2016 (Resolution No. 2016-05). The East Garrison Phase 3 work began with the adoption of MCWD Board Resolution No. 2017-16 that authorized the East Garrison Phase 3 Infrastructure Agreement.

The Board of Directors adopted Resolution No. 2010-22 on April 13, 2010 authorizing a Professional Services Agreement with Harris & Associates (Harris, termed the base contract) to provide engineering consulting services, construction management support and on-call inspections. There have been several contract amendments over the years to provide service to the East Garrison Phases 1 and 2, with the most recent in November 2013. The values of the all three East Garrison Phase 1 Amendments sum up to \$137,605. This current request for an amendment is anticipated to see East Garrison Phase 1 through to completion of the last home/structure.

This proposed Amendment will also serve the commencement of East Garrison Phase 3 inspection and construction support services. The proposal includes Harris & Associates labor for roughly 6-weeks of effort on East Garrison Phase 3 tasks. This will allow staff time to complete an enhanced Request for Proposals process to include an all encompassing task list for inspection and construction support that is currently underway.

Discussion/Analysis: The Board of Directors is requested to authorize an amendment to the base contract with Harris & Associates for On-Call Development and Construction Support Services. The not-to-exceed amount of the Amendment of \$68,350 in the Harris & Associates proposal is to be paid for entirely by the Developer (Union Community Partners/Benchmark). The Developer

has provided the full amount of the first three Amendments generated to serve their East Garrison Phase 1 project and MCWD has additional Developer resources in-hand to continue the East Garrison Phase 3 work.

The Developer and MCWD staff agree that contract inspection and construction support labor is warranted due to the large but temporary work-load needed to support the on-going construction work. Further, the Developer and staff agree that maintaining the relationship with Harris & Associates will be the most cost-effective way in which to proceed for finishing Phase I work due to the costs and time associated with incorporating a new organization into the current process.

Specific scope elements with this amendment include: inspection of any new sanitary sewer infrastructure installed or repaired; inspection of any new water system infrastructure installed or repaired; verifying the landscape and conservation process compliance; and reviewing meter requests and conducting walk-throughs of all structures to receive potable water meters.

Harris & Associates has provided excellent on-going inspection and construction support services for MCWD. They maintain a local office in the City of Salinas with assigned project personnel present locally. District staff has reviewed the proposed scope of work and fee estimate for this planned amendment and finds that the scope is reasonable. The labor-rates have not increased and are comparable and competitive with other engineering firms providing services to MCWD based on general industry standards.

This proposed PSA amendment will be paid for entirely by the Developer through the existing well-established large development accounting procedure. The contract amendment is on a time and materials expense basis. Prior to Harris & Associates performing any work under this amendment, the Developer will be required to have the amendment amount or a substantial percentage thereof on deposit with MCWD and held in the East Garrison development account. At no time will payments be made to Harris without corresponding resources in-hand from the Developer to cover the expense.

Evaluating the amendments to the Harris & Associates base contract, staff notes that the contract is nearing the end of its' useful life. Staff is intending to replace this contract and the tasks thereunder with a new, more encompassing (in terms of task descriptions) contract.

Environmental Review Compliance: Not Applicable; this action amending a Professional Services Agreement is not a "project" under the California Environmental Quality Act (CEQA).

Financial Impact: _____Yes X No Funding Source/Recap: There is no financial impact to the MCWD from this action; the Developer will be required to resource the entire amendment amount through deposited funds with MCWD in advance of payment to Harris & Associates.

Other Considerations: None – this amendment is generally a continuation of on-going work and provides other ancillary benefits.

Material Included for Information/Consideration: Resolution No. 2017-38; and, Harris & Associates proposal.

Action Required: X Resolution _____Motion _____Review
(Roll call vote is required.)

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____

Abstained_____

Noes_____

Absent_____

June 26, 2017

Resolution No. 2017 – 38
Resolution of the Board of Directors
Marina Coast Water District
Amending the Professional Services Agreement with
Harris & Associates for Inspection and Construction Support Services for Completion of the
East Garrison Phase 1 and Commencement of the Phase 3 Development Projects

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Marina Community Partners and UCP/Benchmark (“Developer”) have coordinated with MCWD on their East Garrison Phase 1 and Phase 3 development projects consisting of new home construction and related infrastructure on the Former Fort Ord lands within Monterey County, CA; and,

WHEREAS, the District and the Developer entered into an Infrastructure Agreement for the East Garrison Phase 1 development project which was effective in March, 2012 and adopted Resolution No. 2017-16 on March 20, 2017 authorizing MCWD’s execution of the Infrastructure Agreement for East Garrison Phase 3 which is awaiting final signatures; and,

WHEREAS, the District and the Developer are working cooperatively regarding construction of water, recycled water and sewer system improvements and new home construction; and,

WHEREAS, the District and the Developer agree that outside assistance for inspection and construction support labor is warranted to achieve the objective of having new homes built and those homes being served by MCWD and that the Developer will pay for the inspection services as required by the Infrastructure Agreements; and,

WHEREAS, the MCWD Board of Directors authorized the On-Call Services Contract with Harris & Associates for providing inspection and construction support services through the adoption of Resolution No. 2010-22 on April 13, 2010; and,

WHEREAS, Harris & Associates has an existing contractual relationship with MCWD, they have long association with this particular development project, and Harris & Associates maintains a local office; and,

WHEREAS, District staff finds that the Harris & Associates current scope and fee proposal to conduct the work is reasonable, their charge rates are comparable to other engineering firms providing services to the District and their charge rates have not increased and are competitive based on general industry-wide standards.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute an amendment to the On-Call Professional Services Agreement with Harris & Associates for inspection and construction support services for completion of the East Garrison Phase 1 and commencement of East Garrison

Phase 3 development projects, and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$68,350.

PASSED AND ADOPTED on June 26, 2017 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-38 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-C

Meeting Date: June 26, 2017

Prepared By: Jean Premutati

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-39 to Approve a New Professional Services Agreement with Runyon, Saltzman, and Einhorn Inc. to Provide Public Relations and Community Outreach Services to the District

Staff Recommendation: Staff recommends the Board of Directors adopt Resolution No. 2017-39 to approve a new Professional Services Agreement (PSA) with Runyon, Saltzman, and Einhorn Inc. (RSE) and a proposed scope of work for FY 2017/2018.

Background: At the January 4, 2016 regular meeting, the Board approved a PSA with RSE for a scope of work totaling \$161,750 over FY 2015/2016 and FY 2016/2017. The scope of work included four (4) phases which the District and RSE have completed, including a few that were not on the original list such as the video for the Regional Urban Water Augmentation Project (RUWAP) Recycled Water Project. To maintain consistency in our messaging and to enhance our community outreach in light of our upcoming projects, MCWD staff would like to proceed with continuing its relationship with RSE under a revised scope of work.

Discussion/Analysis: RSE has created a brand for the District called Marina Coast Future H2O which proposes initiatives that include creating a microsite and infographics. In addition, RSE is recommending enhanced community outreach particularly with the ongoing process to consider approval of the Monterey Peninsula Water Supply Project (MPWSP) and proceeding with the annexation of the Ord Community, the RUWAP, and Groundwater Sustainability Agency (GSA) Projects/Activities. These topics are a keen interest of ratepayers, stakeholders and regional residents. It is intended that MCWD will host a community forum and more directly engage in the public debate.

Additionally, RSE will continue the News Bureau and social media support which has been growing. Both activities support the various projects and issues facing MCWD such as working with the Salinas Valley Groundwater Sustainability establishing the Groundwater Sustainability Agency; educating ratepayers on the impacts related to the proposed MPWSP; participating in the Regional Urban Water Augmentation Project; and developing an Annual Report. The District has budgeted \$120,000 for this work.

Other Considerations: The Board can approve the new scope of work as is or require staff to ask for either a more aggressive/less aggressive approach.

Environmental Review Compliance: None required.

Financial Impact: X Yes No Funding Source/Recap – Across all four cost centers; Marina water, Marina sewer, Ord water, Ord sewer

Material Included for Information/Consideration: Resolution No. 2017-39; Exhibit A - Memo from Scott Rose; and, Exhibit B - proposed scope of work.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

June 26, 2017

Resolution No. 2017-39
Resolution of the Board of Directors
Marina Coast Water District
Approving a New Professional Services Agreement
with Runyon, Saltzman, and Einhorn Inc. to Provide Public Relations and
Community Outreach Services to the District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Runyon, Saltzman, and Einhorn Inc. (RSE) have been the District’s public relations firm for the past eighteen months. The initial scope of work comprised four phases of work to be completed over the FY 2015/2016 and FY 2016/2017 budget years. District staff and RSE have completed nearly all the tasks in the original scope including the video for the Regional Urban Water Augmentation Project (RUWAP) Recycled Water Project that was not a task identified in the initial scope; and,

WHEREAS, to maintain consistency in our messaging and the enhance our community outreach in light of our upcoming projects, staff recommends continuing our relationship with RSE; and,

WHEREAS, RSE’s new scope of work provides for more community engagement through ratepayer notification, and hosting a community forum while continuing our social media and News Bureau and branding our Marina Coast Future H2O; and,

WHEREAS, the District has seen an increase in ratepayer participation and interest in our projects and we need to ensure our message is on point.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2017-39 approving a new PSA with RSE to continue providing public relations and community outreach services to the District for FY 2017/2018.

PASSED AND ADOPTED on June 26, 2017, 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-39 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-D

Meeting Date: June 26, 2017

Prepared By: Jean Premutati

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-40 to Approve a Professional Services Agreement with Koff & Associates to Perform a Classification and Compensation Study

Staff Recommendation: The Board of Directors adopt Resolution No. 2017-40 to approve a Professional Services Agreement (PSA) to Perform a Classification and Compensation Study for the District.

Background: *Five-Year Strategic Plan, Strategic Element 5.4 - Conduct periodic compensation studies – To ensure the District remains able to attract and keep high-performing workforce, the District will conduct periodic compensation studies to determine competitiveness relative to the local and regional labor market. The Board will establish its salary and benefit philosophy prior to the commissioning of these studies.*

At the April 17, 2017 regular Board meeting, the Board approved a Request for Proposals (RFP) for a customized classification and compensation study for the District. The RFP's were mailed to twelve consulting firms on April 19 with a respond by deadline of May 18, 2017. Two valid proposals were received.

A matrix to compare the respondents is provided based on the following

- Experience, qualification and references
- Economics and value
- Quality of proposal
- Scope of work and methodologies to be used

Koff & Associates who conducted the District class and comp study in 2012 was a respondent (see attached). They are already familiar with the District and would require minimal time to “catch up” on information such as salary schedules, hierarchy within the District, and classifications which were completed in 2012. Georg Krammer, VP of Koff and Associates would be our primary consultant as he conducted the 2012 study. Koff and Associates have worked with many other water districts and have extensive familiarity with the industry. The Koff proposal offers two cost options (see Matrix).

Additionally, during the 2012 study, there was a list of comparison agencies developed with assistance from Koff. Staff is recommending using the same list for this study as well. The list was based on demographics, size of agency, similarity of population, cost of living and the labor market. This will help to eliminate time necessary to collect additional data and create a new list.

An unsolicited response from Compass Business Solutions, a firm from Ingomar, PA submitted a proposal with their scope of work. Compass has proposed several onsite meetings which would include travel and lodging reimbursement from Pennsylvania.

From what staff could determine, Compass has limited exposure to the public sector and water/wastewater industry.

Discussion/Analysis: Staff is recommending the Board approve a PSA with Koff & Associates for Cost Option Two that will include all classifications in the District. In addition, staff recommends using the same comparator agencies from the 2012 study. This would help eliminate the time to gather data for a new list. The cost is in line with the FY 2017/2018 budget for the classification and compensation study.

Other Considerations: The Board can request Koff to develop a new list of comparison agencies.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Resource/Recap: Across all four cost centers.

Material Included for Information/Consideration: Resolution No. 2017-40; Exhibit A – Matrix of proposals; Exhibit B - Koff & Associates proposal; Exhibit C - consultant list for distribution; and, Exhibit D - list of 2012 comparison agencies.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Resolution No. 2017-40
Resolution of the Board of Directors
Marina Coast Water District
Approving a Professional Services Agreement
To Perform a Classification & Compensation Study

June 26, 2017

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, at the April 17, 2017 regular meeting, the Board approved an RFP for distribution for a customized classification and compensation study for the District; and,

WHEREAS, staff distributed 12 proposals with a May 18, 2017 deadline. Staff received two valid proposals: one from Koff & Associates in Berkeley, CA with two cost options of \$27,250 and \$31,500, and a proposal from Compass for \$47,750 to include travel and lodging expenses from Pennsylvania; and,

WHEREAS, staff recommends the Board approve the Koff & Associates Cost Option two so that each classification in the District will be reviewed, however, only those identified positions will be required to fill out Position Description Questionnaires and meet with the consultants.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2017-40, to approve a Professional Services Agreement with Koff & Associates to perform the modified District classification and compensation study using the same comparison agencies from the 2012 study.

PASSED AND ADOPTED on June 26, 2017, 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-40 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-E

Meeting Date: July 26, 2017

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-41 to Approve a Professional Services Agreement with Carollo Engineers to Provide a Five-Year Financial Plan, a Water, Wastewater and Recycled Water Rate and Comprehensive Fee Study and a Cost Allocation Plan to the District

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2017-41 to approve a Professional Services Agreement with Carollo Engineers to provide a five-year financial plan, comprehensive rate study and cost allocation plan to the District for a not-to-exceed amount of \$98,548.

Background: Board Goals/Objectives: *Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

On May 15, 2017, the Board adopted Resolution No. 2017-29 to approve a Request for Proposals (RFP) for a five-year water, wastewater, and recycled water financial plan and rate study with a cost allocation plan.

Discussion/Analysis: Staff is requesting the Board consider adoption of Resolution No. 2017-41 to approve a PSA with Carollo Engineers to provide a five-year financial plan and rate study with a cost allocation plan to the District. Previously, staff issued a RFP with a proposal due date of June 12, 2017. Eight proposals were received and evaluated by staff. The proposals were evaluated based on the following criteria:

- Qualifications of firm
- Related Experience
- References
- Completeness of Response/Ability to understand District's Needs
- Reasonableness of Cost and Price

Environmental Review Compliance: None.

Financial Impact: Yes No Funding Source/Recap: Funded through FY 2017/2018 Operating Budget of the Central Marina and Ord Community cost centers.

Material Included for Information/Consideration: Resolution No. 2017-41; Exhibit A - Evaluation Matrix; Exhibit B - Carollo Engineers Proposal; and Exhibit C - Professional Services Agreement with Carollo Engineers.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____

Abstained_____

Noes_____

Absent_____

June 26, 2017

Resolution No. 2017-41
Resolution of the Board of Directors
Marina Coast Water District

Approving a Professional Services Agreement with Carollo Engineers to Provide
a Five-Year Financial Plan, a Water, Wastewater and Recycled Water Rate and Comprehensive
Fee Study and a Cost Allocation Plan to the District
For a Not-to-Exceed Amount of \$98,548

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on May 15, 2017, the Board adopted Resolution No. 2017-29 Request for Proposals (RFP) for a five-year water, wastewater, and recycled water financial plan and rate study with a cost allocation plan; and,

WHEREAS, staff issued a RFP with a proposal due date of June 12, 2017 and received eight proposals; and,

WHEREAS, staff has reviewed the proposals and recommends Board approval of a Professional Services Agreement with Carollo Engineers to provide the financial plan, rate study and cost allocation plan to the District.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute a Professional Services Agreement with Carollo Engineers for a not-to-exceed amount of \$98,548 to provide a five-year financial plan and rate study and cost allocation plan to the District.

PASSED AND ADOPTED on June 26, 2017 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-41 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-F

Meeting Date: June 26, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-42 for Placing a Board Member in Nomination as a Member of Association of California Water Agencies Region 5

Staff Recommendation: The Board of Directors discuss whether to place a Board member in nomination as a member of the Association of California Water Agencies (ACWA) Region 5.

Background: *5-Year Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

On May 31, 2017, the District received a memorandum from ACWA calling for nominations to the Region 5 Board for the 2018-2019 Term.

Discussion/Analysis: The Region 5 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 5 for the 2018-2019 term. The Nominating Committee is currently seeking candidates for the Region 5 Board, which is comprised of Chair, Vice Chair and up to five Board Member positions.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 5 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 5. The members of the Region 5 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: None.

Other Considerations: The Board of Directors can decide not to nominate any Board member to this seat.

Material Included for Information/Consideration: Resolution No. 2017-42; ACWA e-letter with Rules & Regulations and candidate nomination form.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

June 26, 2017

Resolution No. 2017 - 42
Resolution of the Board of Directors
Marina Coast Water District

Placing in Nomination Director _____

As a Member of the Association of California Water Agencies Region 5 _____(position)

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 26, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the Board of Directors of the Marina Coast Water District does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA); and,

WHEREAS, Director _____ has indicated a desire to serve as a _____ (position) of ACWA Region 5.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Marina Coast Water District,

1. Does place its full and unreserved support in the nomination of _____ for the _____(position) of ACWA Region 5; and,
2. Does hereby determine that the expenses attendant with the service of _____ in ACWA Region 5 shall be borne by the Marina Coast Water District.

PASSED AND ADOPTED on June 26, 2017 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2017-42 adopted June 26, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-G

Meeting Date: June 26, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Amending the Appointment of Negotiators to the Groundwater Sustainability Agency Coordination Discussions

Staff Recommendation: The Board of Directors discuss whether to amend the appointment of negotiators to the Groundwater Sustainability Agency (GSA) Coordination discussions.

Background: *5-Year Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

On June 5, 2017, the Board appointed Vice President Moore and Director Shriner as the primary negotiators, with Director Lee as alternate, for discussions on GSA coordination.

Discussion/Analysis: President Gustafson would like to amend the appointment of negotiators to the GSA coordination discussions.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes ___ X No Funding Source/Recap: None.

Other Considerations: The Board of Directors can vote to keep the appointed negotiators.

Material Included for Information/Consideration: None.

Action Required: ___ Resolution ___ X Motion ___ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-H

Meeting Date: June 26, 2017

Submitted By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Consider Modifying the Proposed Jurisdictional Annexation and Sphere of Influence Boundaries of the District as Part of the Annexation Process IS/MND Update and Provide Direction on Future Annexation Requests

Staff Recommendation: The Board of Directors:

- 1) Modify the proposed boundary adjustment in two areas to remove a SCSD annexed area and an undeveloped area that is a point of contention between MCWD and SCSD from the District's sphere of influence area and into a "future study" area (Attachment 6); and,
- 2) Modify the proposed District's jurisdictional boundary to include annexation of the Ione Elementary School and Marina United Methodist Church; and,
- 3) Provide direction on whether to process requests to be annexed into the district that may arise as a result of this IS/MND study as part of this process or to consider the annexation requests at a later date under separate action(s).

Background: 5-Year Strategic Plan, 6.1 Annexation of the Ord community – To ensure direct representation of the Ord Community in matters related to the District, we will work with LAFCO to expand the District's Sphere of Influence and legal boundary to include the Ord Community. During the annexation process the District will work with LAFCO to ensure proper governance is applied to the resultant District. Additional care will be taken to ensure that existing cost centers remain separate so that the City of Marina and the Ord Community remain independent divisions within the District, supporting their individual infrastructure needs.

MCWD is the exclusive water service provider for the Ord Community pursuant to Federal Law and implementing agreements thereunder. Effective June 2, 1997, MCWD became the operator of the Fort Ord water system. The Ord Community is within MCWD's water service area pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, the Fort Ord Base Reuse Plan, the 1998 MCWD-FORA Water/Wastewater Facilities Agreement, the June 20, 2000 Memorandum of Agreement between the Army and the Fort Ord Reuse Authority (FORA), and the Potable Water Service Contract with the Army, which all cumulated in the October 2001 conveyance by the Army through FORA to MCWD of all of Fort Ord's water and sewer infrastructure and 4,871 AFY of the 6,600 AFY of the Army's groundwater allocation from the Monterey County Water Resources Agency.

According to the FORA Act, FORA will cease to exist on June 30, 2020, and as a final step to the above actions, the Ord Community will need to be annexed into the District's service area or included in its Sphere of Influence (SOI) before FORA goes away. Amending the District's sphere of influence and service area boundary is an action under the Local Agency Formation Commission of Monterey County (LAFCO). A Draft Initial Study/Negative Declaration (IS/ND)

was prepared by Denise Duffy and Associates, Inc. (DDA) to accompany a future LAFCO application for the District. This IS/ND was circulated for public review on October 31, 2011. Written comments were received through December 15, 2011, and a public hearing to receive oral comments was held on January 10, 2012.

In response to the comments received in 2011, and in order to continue to move forward on the annexation process, on November 16, 2015, the MCWD Board provided guidance and direction to staff on boundary adjustments to the proposed jurisdictional annexation area and sphere of influence boundaries of the District to be used in the project description in an updated CEQA initial study. Specifically, this direction from the Board included extending the District's service boundary to add only the Ord Community parcels currently served and to extend the sphere of influence to add certain designated development parcels (Attachment 1). Additionally, on May 15, 2017, the Board approved an RFP with DDA to update the IS/MND and LAFCO application planning for the updated boundaries. Once the IS/MND is updated and revised, the document will be recirculated for public review and comment prior to final consideration by the Board of Directors.

Discussion/Analysis: Staff and DDA recently met to move forward on the IS/MND update and it was discovered that the boundary adjustments to the proposed sphere of influence boundaries as directed by the Board meeting on November 16, 2015 contained an area within the Former Fort Ord that had somehow been annexed sometime ago into the SCSD for wastewater service only (Attachment 3). Unless this is resolved into one service provider for water and wastewater, this situation is likely to cause complications with regard to fair Board representation and, under current law, only one agency may provide municipal service within a given service area. Further, the proposed sphere of influence boundary adjustments also include one other area within the Former Fort Ord that SCSD has expressed an interest in annexing for wastewater service only (Attachment 3). While preliminary engineering studies have been performed on this area by both SCSD and MCWD, there remains unresolved disagreements on the findings from those studies. It would appear prudent to finalize the engineering work study and to further study the service of this area through MCWD's Master Plan update that is currently underway. Staff is therefore requesting guidance from the board on changing the boundary adjustments in these two areas from "sphere of influence" to "future study area" (Attachment 6). This change would remove all SCSD contested "undeveloped areas" from the proposed sphere of influence boundaries and place them in a category for future study.

Additionally, Ione Olson Elementary School and Marina United Methodist Church receive sewer and water service from the District but are outside of the District's jurisdictional boundaries (Attachment 4). Staff recommends annexing these into the District.

Finally, the circulation of the IS/MND could result in property owners requesting to be included in the annexation rather than the sphere of influence. An example would be the undeveloped UC Santa Cruz property east of the intersection of Reservation Road and Blanco Road (Attachment 5). UCMBEST has expressed interest in including the parcel if an Annexation Agreement can be reached between MCWD and UCMBEST. Staff is therefore requesting guidance from the board on allowing these requests to be processed as they come up as part of this project, or to move forward on the proposed sphere of influence boundaries and consider the annexation requests at a later date under separate action(s).

Environmental Review Compliance: An Environmental Impact Report is not considered necessary for this project under CEQA. A Draft Initial Study/Negative Declaration will have to be prepared and circulated for public review.

Financial Impact: ____ Yes ___X___ No Funding Source/Recap. Any action/direction provided by the Board from this report is not expected to have a financial impact on the project as currently budgeted.

Other Considerations: All reasonable considerations for decision have been included in the discussion section of this report.

Material Included for Information/Consideration:

1. 2015 Proposed Annexation and SOI
2. Tentative Schedule
3. City of Seaside, Del Rey Oaks, and Monterey in Former Fort Ord
4. Olson School Island in Marina Service Area
5. UCMBEST undeveloped Areas
6. Newly Proposed Annexation Map

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Staff Report

Agenda Item: 11-A

Meeting Date: June 26, 2017

Prepared By: Patrick Breen
Reviewed By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Receive Report on an Emergency Procurement for a 15 Inch Sewer Main Replacement at Fifth Street and First Avenue in Marina, CA

Staff Recommendation: The Board of Directors receive a report on an emergency procurement for replacement of a 15 inch sewer main located near the intersection of Fifth St. and First Ave. in Marina, CA.

Background: *Strategic Plan, Goal No. 2 – To meet 100% of current and future customers’ needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

During the conditions assessment portion of the Master Planning process (the Akel Engineering Group is conducting) a portion of 15 inch sewer main located near the intersection of Fifth St. and First Ave. was discovered to be caving in and is in need of immediate repair.

This sewer main receives flow from the CSUMB campus and is located in an area to be redeveloped (see Attachment 1 map). Staff anticipates the majority of infrastructure in this area will be reconstructed during the redevelopment process.

The ceiling of the concrete sewer main is failing and if it collapses has the potential to cause a significant sewer spill.

Given the situation, Engineering has recommended an Emergency Procurement to the General Manager pursuant to 5.2 of the Marina Coast Water District Procurement Policy (Attachment 2). After the situation was brought to staff’s attention the situation was investigated and determined to be in need of immediate repair given the potential for failure. On June 21, 2017, the General Manager authorized staff to move forward with the engineering work. Per Section 5.2 “The General Manager shall report all emergency procurements to the Board of Directors as soon as practicable.”

Staff approached Monterey Peninsula Engineering (MPE) to provide a quote to repair the section of sewer main determined to be in greatest need of immediate repair. MPE is currently contracted for sewer work with the District for the Clark and Cosky Lift Station Replacement Project. The quoted price was \$85,200 (Attachment 3).

The scope of work for this quote includes bypass pumping of the existing flow into a nearby sewer main, clearing of the area above the existing sewer main (and replacement main), the removal and replacement of 260 linear feet of 15 inch sewer main, the construction of two new manholes, and replacement paving of portions of First Street that remain accessible to traffic.

Staff informally contacted another General Engineering contractor with similar experience to determine if this price was reasonable and based upon their opinion and staff’s estimation, the quoted price is determined to be within reasonable industry norms for this type of work.

Marina Coast Water District
Staff Report

Agenda Item: 11-B

Meeting Date: June 26, 2017

Prepared By: Brian True

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Developer Account Quarterly Report as of March 31, 2017

Background: *Strategic Plan, Goal No. 2 – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District standards.*

Staff provides quarterly reports to the Board on the status of the Development Accounts. The Board asked staff to improve the delinquent accounts and the process for managing development accounts.

Discussion/Analysis: The 1st quarter 2017 Developer Account Update uses the new updated format for the Developer Deposit Balance Sheet presented to the Board in September 2016. In the future, Developer Deposit Balance Reports will be divided between large and medium/small active projects. This will separate subdivision developers from single parcel developments that have significantly different magnitudes, processes, and levels of outcomes. The project intake process (discussed below) will assist in making this change to the format of the Developer Deposit Balances Report.

Staff will be recommending writing-off balances owed to MCWD for the Marina Cottages and Del Rey Oaks projects. Obtaining compensation for MCWD expenses from either project is highly unlikely and legally challenging. The Del Rey Oaks developer is defunct. The Marina Cottages project is now a very aged account, and the units are owned by individuals (not the original developer).

Currently, deposits received for the suspended 300-AFY Existing Desal Agreement are included in the Developer Deposit Balance Sheet affecting three projects. They are Cypress Knolls, Marina Heights (Sea Haven), and Dunes. Staff is working on a recommendation to come to the Board in the near future to consider listing only those expenses and resources utilized to conduct the planning, design, and installation of the proposed project's infrastructure on the Developer Deposit Sheet. A policy along those lines would clear-up the Deposit Available or Balance Due for each of those three projects.

Several other internal process improvements are also under way. They are as follows:

- Development Project Application Form (project intake process)
- Development Review and Inspection Coordination with Land-Use Jurisdictions

The redesigned Development Project Application Form (a draft was provided in the last Developer Account Update on February 21, 2017) improves the internal workflow process and provides a more user-friendly application for small and medium-sized single parcel development

projects. More importantly, this form creates a legally enforceable agreement not just for District codes and ordinances but also for cost recovery of District expenses. The next step is to integrate the form's information fields with MCWD's existing database accounting tools such that the information contained in the new form will become part of the Developer Deposit Balance Report (and others) in a seamless manner between the Engineering, Customer Service, Operations and Finance Departments. Another step being made is incorporation of work-flow tracking using existing IT tools with a modular up-grade. These significant next-steps are awaiting the new Fiscal Year starting July 1, 2017.

Staff has been reaching-out to the local Land-Use Jurisdictions (LUJs) (i.e. the City of Marina, the City of Seaside, and Monterey County, etc.) to assist in developing improved development project review and approval processes. Progress has been made with the City of Marina regarding the building occupancy certification process. The City of Marina Water and Sewer Clearance Form has recently been modified to reflect accurately different stages MCWD's process in relation to the City's process. Two significant next-steps with the City of Marina will be:

- Engagement on the topic of having the City take-over all on-site inspection and compliance issues, including water conservation and fixture-count reviews that MCWD currently undertakes on a newly developed parcel prior to meter installation. Staff envisions collecting money from the customers for the on-site inspection, have the City of Marina conduct the inspection on the site (i.e. the newly developed parcel), and then the City will charge MCWD for the service. The benefits to MCWD's and the City's mutual customer service appear substantial. Staff understands that the MCWD Board and Marina City Council will have significant roles in achieving this end.
- On-going engagement with the City of Marina on that Land-Use-Jurisdiction's responsibility for allocating water supply to development projects within both MCWD's Ord-Marina and Central Marina service areas. Using existing GIS platforms and databases, an exciting opportunity exists for a collaboration to more tightly manage water allocations and water consumption on a parcel-by-parcel basis. This will allow the use of a greater percentage of the current water supply with lower probabilities of potentially exceeding the regulatory limit for extracting that water supply.