



MARINA COAST WATER DISTRICT & GROUNDWATER SUSTAINABILITY AGENCY

11 RESERVATION ROAD, MARINA, CA 93933-2099
OFFICE: (831) 384-6131 www.mcwd.org

DIRECTORS

JAN SHRINER
President

HERBERT CORTEZ
Vice President

BRAD IMAMURA
THOMAS P. MOORE
GAIL MORTON

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
Via Zoom Teleconference

Monday, January 23, 2023, 6:30 p.m. PST

Due to Governor Newsom's Executive Order N-29-20 and recommendations on protocols to contain the spread of COVID-19, staff and Board members will be attending the January 23, 2023 remotely from various locations. There will be No physical location of the meeting. The public is strongly encouraged to use the Zoom app for best reception. There may be limited opportunity to provide verbal comments during the meeting. Persons who are participating via telephone will need to press *9 to be acknowledged for comments. Members of the public participating by Zoom will be placed on mute during the proceedings and will be acknowledged only when public comment is allowed, after requesting and receiving recognition from the Board President. Public comment on the action item can also be submitted in writing to Paula Riso at priso@mcwd.org by 9:00 am on Monday, January 23, 2023; such comments will be distributed to the MCWD Board before the meeting.

This meeting may be accessed remotely using the following Zoom link:

<https://us02web.zoom.us/j/82708835910?pwd=RDJKVjI2K3RpNlQwZ284SnlaT01pUT09>

Passcode: 985868

To participate via phone, please call: 1-669-900-9128; Meeting ID: 827 0883 5910 Passcode: 985868

Our Mission: We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.

1. Call to Order

2. Roll Call

3. Presentations

- A. [Receive a Plaque from the American Society of Civil Engineers for the Pure Water Monterey Groundwater Replenishment Project](#)

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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 District offices at 11 Reservation Road, Marina. A complete Board packet containing all enclosures and staff materials will be available for public review on the District website, Thursday, January 19, 2023. 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.

B. Adopt Resolution No. 2023-01 in Recognition of Derek Cray, Operations and Maintenance Manager, for 5 Years of Service to the Marina Coast Water District
(Page 2)

4. 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.*

5. Closed Session

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

- 1) City of Marina, Monterey Peninsula Water Management District, Marina Coast Water District, and Marina Coast Water District Groundwater Sustainability Agency .v. California Coastal Commission, et al. (California-American Water Company, Real Party in Interest), Monterey County Superior Court Case No. 22CV004063 (Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief)
- 2) Application of California-American Water Company to Obtain Approval of the Amended and Restate Water Purchase Agreement for the Pure Water Monterey Groundwater Replenishment Project, Update Supply and Demand Estimates for the Monterey Peninsula Water Supply Project, and Cost Recovery, before the California Public Utilities Commission, Application 21-11-024
- 3) California-American Water Company, et al. v. Marina Coast Water District (San Francisco County Superior Court Case No. CGC-15-546632)(First District Court of Appeals, Division Two, Case No. A160662)

B. Pursuant to Government Code section 54956.9(d)(4)
Conference with Legal Counsel – Initiation of Litigation
One Potential Case

Reconvene to Open Session Estimated to be at 7:30 p.m.

6. 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.*

7. Pledge of Allegiance

8. 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.*

9. Consent Calendar

- A. [Receive and File the Check Register for the Month of December 2022](#)
(Page 8)
- B. [Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of December 13, 2022](#)
(Page 16)
- C. [Approve the Draft Minutes of the Special Joint Board/GSA Meeting of December 28, 2022](#)
(Page 23)
- D. [Adopt Resolution No. 2023-02 to Proclaim a Local Emergency, and Authorize Remote Teleconference Meetings of All District Legislative Bodies for the Following 30 Days](#)
(Page 26)
- E. [Adopt Resolution No. 2023-03 to Amend Section 34 of the Board of Director's Manual - Committees](#)
(Page 30)
- F. [Adopt Resolution No. 2023-04 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Shea Homes Limited Partnership for the Dunes at Monterey Bay Phase 2N - Stage A Development in Marina, CA](#)
(Page 35)
- G. [Receive the 4th Quarter 2022 MCWD Water Consumption Report](#)
(Page 101)
- H. [Receive the 4th Quarter 2022 Sewer Flow Report](#)
(Page 106)
- I. [Receive a Status Report Update on Current Capital Improvement Projects](#)
(Page 109)

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. [Accept the Annual Comprehensive Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2022](#)
(Page 119)
- B. [Receive the Marina Coast Water District FY 2022-2023 Mid-Year Financial Report](#)
(Page 121)
- C. [Adopt Resolution No. 2023-05 to Amend the FY 2022-2023 Capital Improvement Budget to Fully Fund the Booker Lift Station Replacement Project and the Intermediate Reservoir Recoating and Replacement Projects](#)
(Page 132)

D. Make Director Appointments to Standing Committees of the Board and to Outside Agencies for 2023, and as Negotiators to any Ad Hoc Committees of the Board
(Page 137)

11. 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. Committee and Board Liaison Reports

1. Executive Committee
2. Budget and Personnel Committee
3. Community Outreach Committee
4. M1W Board Member Liaison

12. Board Member Requests for Future Agenda Items

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

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

Special Legal Workshop: Saturday, February 11, 2023, 6:30 p.m.

Regular Board Meeting: Tuesday, February 21, 2023, 6:30 p.m.

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 3-A

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Receive a Plaque from the American Society of Civil Engineers for the Pure Water Monterey Groundwater Replenishment Project

Staff Recommendation: The Board of Directors receive a plaque from the American Society of Civil Engineers for the Pure Water Monterey Groundwater Replenishment Project.

Background: *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.*

Discussion/Analysis: Mr. Mike McCullough, Monterey One Water, will present the plaque to the District.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Action: Not applicable.

Financial Impact: ☐ Yes ☒ No **Funding Source/Recap:** None

Other Consideration: None.

Material Included for Information/Consideration: None.

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: 3-B

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Adopt Resolution No. 2023-01 Recognizing Derek Cray, Operations and Maintenance Manager, for 5 years of Service to the Marina Coast Water District

Staff Recommendation: The Board of Directors adopt Resolution No. 2023-01 recognizing Derek Cray for 5 years of dedicated service as a department Manager for the Marina Coast Water District and Groundwater Sustainability Agency.

Background: *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: Mr. Cray joined the District in January 2018. His management of the District's Operations and Maintenance Department serves as an example not only to District leadership but also the industry as a whole. He served as the Interim General Manager from Jan 2021 to April 2021, a demonstration of his willingness to take on new challenges to meet the needs of our community. His constant attention to operational readiness has ensured the District's full compliance with all State and Federal regulations, which is no small feat.

During Mr. Cray's first five years with the District, he has been involved in furthering the District's ability to proactively address operational issues and failing infrastructure. He has accomplished this with an attention to detail and forward-thinking attitude that is nothing less than outstanding. His work ethic has been demonstrated by the spearheading of the Generator Project, which provided new generators at all critical District facilities. This project encompassed the installation of 7 new generator systems, all were integrated into the District's supervisory control and data acquisition system (SCADA) to enhance monitoring and operational efficiency. He also led an effort to complete a district-wide pressure-reducing station (PRV) rebuild and update.

Among his other notable accomplishments as a department head, are the complete metering of all unmetered services leading to the District being 100% metered, the rehabilitation of Well 35 (Watkins Gate), and the rehabilitation of (Crescent, Neeson, Booker, Airfield, and East Garrison) lift stations.

Further, Mr. Cray has implemented an extensive series of SCADA improvements which have significantly improve operational reliability, data collection, and operator interface. This has included new instruments, analyzers, pressure transducers, flow meters, new servers, and alarm applications. In particular, as part of this process, he completed a change to the control logic for water pumping to reduce PG&E costs by only pumping during off-peak hours at District well sites.

As an extension of his duties, Derek oversaw the Marina Booster complete rehab this included the replacement of all pumps, controls, valves and piping on-site. It is his willingness to work in other areas of expertise which add to the overall effectiveness of the District.

Under Derek's leadership the Operations and Maintenance Department is currently operating above the industry standard in terms of the operational scope of the department and the amount of effort to operate and maintain it. He achieves this with a high level of organization and a focused effort to run his department professionally and efficiently. Derek doesn't ask his department to do any more than he is willing to do himself.

It is with great pleasure and pride that we hold Mr. Cray up as an example of good leadership and dedication to our community and that we recognize him for five years of outstanding service to the District and wish him many more to come.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Action: Not applicable.

Financial Impact: ___ Yes ___ **X** ___ No **Funding Source/Recap:**

Material Included for Information/Consideration: Resolution No. 2023-01.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

January 23, 2023

Resolution No. 2023 - 01
Resolution of the Board of Directors
Marina Coast Water District
Recognizing Derek Cray, Operations and Maintenance Manager,
for 5 Years of Service to the Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on January 23, 2023 via a video conference pursuant to Governor Newsom’s Executive Order N-29-20, as follows:

WHEREAS, Derek Cray joined the District on January 2, 2018 as the Operations and Maintenance Manager; and,

WHEREAS, on December 7, 2020 the Board of Directors appointed Mr. Cray Interim General Manager which he successfully did from January 2, 2021 to April 12, 2021, and,

WHEREAS, under his direct supervision the District operates and maintains \$184 Million dollars in Capital Assets, and,

WHEREAS, his forward thinking mindset has been instrumental in the improvement of many of the District Systems and their integration into a thoughtful operational network, and,

WHEREAS, beyond the day-to-day operational needs of his position, his talents range further to negotiating one-off with contracts public and private entities and working hand-in-glove with partner Agencies, and,

WHEREAS, his eagerness to support other divisions when support was needed has provided invaluable support to other district departments such as the Engineering Department and specifically the Capital projects division, and,

WHEREAS, Mr. Cray’s natural and affable leadership style have done him great credit and facilitated great service to the District and our communities.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the District does hereby express its gratitude and recognize Derek Cray for outstanding leadership and dedicated service to the District during his 5 years, and wishes him continued success with the District.

PASSED AND ADOPTED on January 23, 2023, 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_____

Jan Shriner, President

ATTEST:

Remleh Scherzinger, 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. 2023-01 adopted January 23, 2023.

Remleh Scherzinger, Secretary

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 9

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Consent Calendar

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

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, 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 December 2022
- B) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of December 13, 2022
- C) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of December 28, 2022
- D) Adopt Resolution No. 2023-02 to Proclaim a Local Emergency, and Authorize Remote Teleconference Meetings of All District Legislative Bodies for the Following 30 Days
- E) Adopt Resolution No. 2023-03 to Amend Section 34 of the Board of Director's Manual – Committees
- F) Adopt Resolution No. 2023-04 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Shea Homes Limited Partnership for the Dunes at Monterey Bay Phase 2N Development in Marina, CA
- G) Receive the 4th Quarter 2022 MCWD Water Consumption Report
- H) Receive the 4th Quarter 2022 Sewer Flow Report
- I) Receive a Report on Current Capital Improvement Projects

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Action: Not applicable.

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 December 2022; draft minutes of December 13, 2022; draft minutes of the Special Joint Board/GSA meeting of December 28, 2022; Dunes Phase 2N Infrastructure Agreement; 4th Quarter Water Consumption Report; 4th Quarter Sewer Flow Report; and, Current Capital Improvement Projects list.

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: January 23, 2023

Prepared By: Mary Lagasca

Approved By: Remleh Scherzinger P.E.

Agenda Title: Receive and File the Check Register for the Month of December 2022

Staff Recommendation: The Board of Directors receive and file the December 2022 expenditures totaling \$3,639,308.78.

Background: *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 December 2022 and the Board is requested to receive and file the check register. The December check register was larger than normal due to the following payments:

- Check No 72950 – Purchase of two 2022 Ford F650 – Water/Sewer Service Trucks for \$390,915.90
- Check No 72970 – Developer Reimbursement payment to WCP Developers, LLC for \$767,670.08 for the Booker LS Replacement Project (OS-0152)

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: ____Yes ____X____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: December 2022 Summary Check Register.

Action Required: ____Resolution ____X____Motion ____Review
(Roll call vote is required.)

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____

Abstained_____

Noes_____

Absent_____

DECEMBER 2022 SUMMARY CHECK REGISTER

DATE	CHECK #	CHECK DESCRIPTION	AMOUNT
12/08/2022	72883 - 72931	Check Register	80,859.14
12/13/2022	ACH	Friedman & Springwater LLP	129,581.50
12/13/2022	72932 - 72972	Check Register	1,872,155.68
12/20/2022	72973 - 73035	Check Register	1,041,844.53
12/09/2022	ACH	CalPERS	27,293.34
12/09/2022	ACH	Payroll Direct Deposit	120,921.53
12/09/2022	ACH	Empower Retirement	9,810.10
12/09/2022	ACH	Internal Revenue Service	45,115.01
12/09/2022	ACH	State of California - EDD	10,660.18
12/09/2022	ACH	WageWorks, Inc.	698.22
12/09/2022	501449 - 501450	Check Register	1,264.80
12/13/2022	501451 - 501458	Check Register	79,129.86
12/20/2022	501459	Board Compensation Checks and Direct Deposit	1,015.83
12/20/2022	ACH	Internal Revenue Service	168.34
12/23/2022	ACH	CalPERS	27,569.77
12/23/2022	ACH	Payroll Direct Deposit	124,879.70
12/23/2022	ACH	Empower Retirement	7,716.62
12/23/2022	ACH	Internal Revenue Service	46,309.69
12/23/2022	ACH	State of California - EDD	11,035.10
12/23/2022	ACH	WageWorks, Inc.	635.72
12/23/2022	501460	Check Register	576.80
12/30/2022	501461	Check Register	67.32
TOTAL DISBURSEMENTS			<u><u>3,639,308.78</u></u>

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
72883	11/30/2022	12/08/2022	Ace Hardware of Watsonville, Inc.	General Supplies	1,000.16
72884	11/06/2022	12/08/2022	Denise Duffy & Associates, Inc.	Water Distribution Laterals Construction Compliance - RUWAP	5,684.85
72885	10/31/2022	12/08/2022	Peninsula Welding & Medical Supply, Inc.	Gas Cylinder Tank Rental Fee - Welding Supplies	12.90
72886	11/15/2022	12/08/2022	Monterey Bay Analytical Services	Laboratory Testing	920.00
72887	10/28/2022	12/08/2022	CWEA - Monterey Bay Section	Membership Renewal; Grade I Mechanical Tech Renewal	297.00
72888	11/18/2022	12/08/2022	Verizon Wireless	Cell Phone Service 11/2022	1,760.99
72889	10/28/2022	12/08/2022	Johnson Controls Security Solutions LLC	Alarm Phone Line Troubleshoot - Beach Office	693.02
72890	12/01/2022	12/08/2022	Forensic Analytical Consulting Services, Inc.	Hazardous Materials Air Monitoring	6,672.50
72891	10/31/2022	12/08/2022	DataProse, LLC	Customer Billing Statements 10/2022	5,085.59
72892	11/21/2022	12/08/2022	Conservation Rebate Program	460 Lewis Pl - Landscape Rebate	472.00
72893	10/20/2022	12/08/2022	Cal-Risk Control Services, Inc	Forklift Training Class - (14) O&M	2,450.00
72894	11/07/2022	12/08/2022	Dwyer Instruments, Inc.	Level Transducer - Well 10	2,294.51
72895	10/31/2022	12/08/2022	Pacific Ag Rentals LLC	Mobile Restroom Rental - Beach/ Ord Offices	974.88
72896	10/31/2022	12/08/2022	Green Rubber-Kennedy AG, LP	General Supplies	1,160.59
72897	11/07/2022	12/08/2022	U.S. Bank Corporate Payment Systems	Associate Engineer, System Operator); ArcGIS Enterprise Configuring a Base Deployment Course - IT Administrator; Cross-Connection Control Specialist Training - (2) O&M; Banquet - Bayonet Black Horse Ceremony; Cloud Hosted Server - CityWorks/ ESRI; SCADA Internet Service; SCADA Mobile/ Laptop Hotspot; General Supplies	15,586.88
72898	11/21/2022	12/08/2022	Pacific Monarch LTD	Bus Rental - Cal Am Coastal Commission Meeting	150.00
72899	11/30/2022	12/08/2022	ICONIX Waterworks (US), Inc.	Butterfly Valve, Supplies - CSUMB Building 201; Gate Valve Key, Digging Bar, Supplies - Vehicle #W01; General Supplies	2,947.55
72900	11/08/2022	12/08/2022	Boutin Jones, Inc.	Legal Services 10/2022	912.00
72901	11/30/2022	12/08/2022	Marina Coast Water District (BLM)	BLM Water, Sewer, Fire Service 11/2022	391.26
72902	10/10/2022	12/08/2022	Irrigation Association	2023 Annual Membership; Certification Renewal	555.00
72903	10/31/2022	12/08/2022	AutoZone Parts, Inc.	Fleet Supplies	388.02
72904	11/02/2022	12/08/2022	TW Associates, LLC	(2) Pulsation Dampeners, General Supplies	1,339.94
72905	10/24/2022	12/08/2022	HPS West, Inc.	(16) 1 1/2" MS Multi-Jet Meters with Allegro Register	10,966.43
72906	11/09/2022	12/08/2022	Conservation Rebate Program	149 Aaron Way - Landscape Rebate	2,150.00
72907	11/21/2022	12/08/2022	Conservation Rebate Program	403 Reindollar Ave - Landscape Rebate	150.00
72908	11/29/2022	12/08/2022	Conservation Rebate Program	3203 Melanie Rd - Washer Rebate	100.00
72909	11/21/2022	12/08/2022	Conservation Rebate Program	15527 Watkins Gate Rd - Washer Rebate	150.00
72910	11/29/2022	12/08/2022	Conservation Rebate Program	3300 Steven Ct - Washer Rebate	100.00
72911	11/29/2022	12/08/2022	Conservation Rebate Program	1050 Scott Ct - Washer Rebate	150.00
72912	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 138 Seal Ct	44.55
72913	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 128 Belle Dr	17.02
72914	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - Hydrant Meter	2,181.51
72915	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 478 Crivello Rd	48.20
72916	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - Hydrant Meter	1,670.39

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
72917	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 2715 3rd Ave	268.44
72918	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3293 Michael Dr	9.97
72919	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3349 Drew St	40.00
72920	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 138 Seal Ct	46.36
72921	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3010 Parson Cir	40.00
72922	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - Hydrant Meter	1,278.01
72923	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 352 Carentan Rd	35.00
72924	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3204 De Forest Rd	30.65
72925	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - Hydrant Meter	2,200.31
72926	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 213 9th St	53.96
72927	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3099 Crescent Ave	57.71
72928	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 2786 Telegraph Blvd	20.27
72929	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 3370 Greenbrook Pl	12.98
72930	11/30/2022	12/08/2022	Customer Service Refund	Refund Check - 2713 Sea Glass Ave	40.00
72931	12/01/2022	12/08/2022	Customer Service Refund	Refund Check - 3295 Dunes Dr	7,247.74
ACH	11/08/2022	12/13/2022	Friedman & Springwater LLP	Legal Services 10/2022	129,581.50
72932	11/29/2022	12/13/2022	Quinn Company	Caterpillar D100-8 Generator - Reservation LS	46,501.17
72933	12/07/2022	12/13/2022	Becks Shoe Store, Inc. - Salinas	Boot Benefit - Meter Reader, Engineering	395.01
72934	11/30/2022	12/13/2022	Salinas Valley Ford	Fuel Pump Relay Relocation - Vehicle #1238	840.73
72935	11/30/2022	12/13/2022	Insight Planners	Web Development/ Maintenance and Hosting 11/2022	1,599.00
72936	10/28/2022	12/13/2022	Home Depot Credit Services	General Supplies	493.76
72937	11/16/2022	12/13/2022	Area Communications	Answering Service 10/19 - 11/15	320.42
72938	09/30/2022	12/13/2022	Schaaf & Wheeler	Construction Meetings, Review Submittals - Ord Village LS FM Improvements; Developers (Campus Town, Dunes 1B Promenade, Dunes 2 West, Dunes Brass Tap)	8,401.25
72939	10/04/2022	12/13/2022	Monterey Peninsula Engineering	Ord Village LS - Construction Pmts 11, 12; Ord Village/ Gigling LS - Construction Pmts 13, 14	104,098.38
72940	12/06/2022	12/13/2022	Monterey Bay Analytical Services	Laboratory Testing	1,312.00
72941	11/29/2022	12/13/2022	CWEA - Monterey Bay Section	Membership Renewal	202.00
72942	11/30/2022	12/13/2022	Monterey One Water	Sewer Treatment Charge 11/2022 - 12/2022	335.30
72943	11/08/2022	12/13/2022	Harris & Associates	Inspection Services - RUWAP Distribution; Project Management - Recycled Water; Developers (CHISPA East Garrison Apartments, Dunes 2 East, Enclave at Cypress Grove, Lower Stilwell)	43,121.50
72944	12/01/2022	12/13/2022	Maynard Group	AT&T Wireless Backup, eMVS Cloud, VoIP Services, NEC Phone Equipment Maintenance, General Services 11/2022 - 12/2022	9,308.17
72945	11/09/2022	12/13/2022	Core & Main LP	Backup Allegro Mobile System	3,597.95
72946	10/01/2022	12/13/2022	CSDA	2023 Membership Renewal	8,810.00
72947	11/08/2022	12/13/2022	Carollo Engineers, Inc.	RFI's, Project Management - RUWAP	830.10
72948	11/18/2022	12/13/2022	Univar Solutions USA, Inc.	(1,745) gals Chlorine - Intermediate Reservoir, Wells 10 and 11	5,687.79

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
72949	11/09/2022	12/13/2022	Daiohs USA	Coffee Supplies	102.35
72950	11/07/2022	12/13/2022	National Auto Fleet Group	(2) 2022 Ford F650 - Water/ Sewer Service Trucks	390,915.90
72951	11/29/2022	12/13/2022	Employee Reimbursement	Grade III Water Distribution Certification Fee	90.00
72952	11/01/2022	12/13/2022	Uline, Inc.	(4) Office Chairs, Conference Table - Water Resources	1,112.72
72953	10/31/2022	12/13/2022	ECAM Secure	Monthly Security Fees - Ord Wastewater Treatment Facility	1,218.50
72954	11/08/2022	12/13/2022	Marina Tire & Auto Repair	Oil Change, (3) Replacement Tire Sensors - Vehicle #1001	481.41
72955	11/25/2022	12/13/2022	U.S. Bank National Association	IOP Office Copier Lease 11/20 - 12/19	287.34
72956	11/09/2022	12/13/2022	Remy Moose Manley, LLP	Legal Services 10/2022	210,269.50
72957	12/05/2022	12/13/2022	Monterey Bay Technologies, Inc.	IT Support Services 12/2022	3,600.00
72958	11/15/2022	12/13/2022	The Pun Group, LLP	2022 Audit - 1st Progress Billing	20,000.00
72959	12/01/2022	12/13/2022	Aleshire & Wynder, LLP	Legal Services 11/2022	5,692.50
72960	11/30/2022	12/13/2022	Peninsula Messenger LLC	Courier Service 12/2022	260.00
72961	11/21/2022	12/13/2022	Western Exterminator Company	Pest Control - Beach Office 11/2022	106.75
72962	11/30/2022	12/13/2022	Iron Mountain, Inc.	Shredding Service 11/2022	288.58
72963	11/28/2022	12/13/2022	AT&T	Phone and Alarm Line Service 11/2022	250.09
72964	12/01/2022	12/13/2022	Simpler Systems, Inc.	UB Datapp Maintenance 12/2022	500.00
72965	12/01/2022	12/13/2022	Pure Janitorial, LLC	Janitorial Service - MCWD, BLM Offices 11/2022	5,424.28
72966	11/01/2022	12/13/2022	Verizon Connect NWF, Inc.	GPS Service - (29) Fleet Vehicles 10/2022	532.00
72967	11/07/2022	12/13/2022	United Rentals, Inc.	General Supplies	165.99
72968	11/15/2022	12/13/2022	Psomas	Construction Management/ Inspection - Gigling LS FM, Ord Village LS FM Improvements; Construction Management - A1/A2 Tanks B/C Booster	224,681.36
72969	01/01/2023	12/13/2022	The Ferguson Group, LLC	Grant Writing and Legislative Advocacy 01/2023	1,700.00
72970	09/16/2022	12/13/2022	WCP Developers LLC	Reimbursement - Replacement of the Booker LS	767,670.08
72971	12/01/2022	12/13/2022	Greenwaste Recovery, Inc.	Garbage Collection & Recycling Services 12/2022	801.80
72972	12/05/2022	12/13/2022	Conservation Rebate Program	135 Robin Dr - Washer Rebate	150.00
72973	11/19/2022	12/20/2022	Becks Shoe Store, Inc. - Salinas	Boot Benefit - O&M	200.00
72974	12/16/2022	12/20/2022	City of Marina	Franchise Tax Fee 07/2022 - 09/2022	44,633.30
72975	12/10/2022	12/20/2022	PG&E	Gas and Electric Service 11/2022	84,604.28
72976	11/28/2022	12/20/2022	Home Depot Credit Services	General Supplies	1,178.41
72977	11/21/2022	12/20/2022	Grainger	General Supplies	295.22
72978	10/31/2022	12/20/2022	Schaaf & Wheeler	Construction Meetings, Review Submittals - Ord Village LS FM Improvements; Construction Phase - A1/A2 Tanks B/C Booster; On-Call Engineering Services - Master Plan Review; Developers (Campus Town, Dunes 1B Promenade, Dunes 2 North, Dunes Brass Tap, Dunes Hilltop Park, Enclave at Cypress Grove, Enclave Phase 3, Quick Quack Car Wash)	59,939.16
72979	11/03/2022	12/20/2022	Monterey Peninsula Engineering	Ord Village LS - Construction Pmt #15	62,666.86
72980	11/02/2022	12/20/2022	Monterey Peninsula Engineering	RUWAP Distribution System - Construction Pmt #24A	12,800.00
72981	11/18/2022	12/20/2022	MBS Business Systems	Copier Maintenance (3 Units) 08/02 - 02/11	2,129.43

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
72982	11/30/2022	12/20/2022	Peninsula Welding & Medical Supply, Inc.	Gas Cylinder Tank Rental Fee - Welding Supplies	12.90
72983	11/30/2022	12/20/2022	Monterey Newspapers Partnership	Advertisement - Cal-Am Desal Coastal Commission Meeting	1,710.00
72984	12/02/2022	12/20/2022	Rauch Communication Consultants, Inc.	Public Relations 08/2022 - 09/2022	25,320.69
72985	11/04/2022	12/20/2022	DLT Solutions, LLC	Autodesk AutoCAD/ Civil 3D 2023 Government Renewal Subscription 02/2023 - 01/2024	9,871.56
72986	12/05/2022	12/20/2022	Staples Credit Plan	Office Supplies	1,371.45
72987	11/09/2022	12/20/2022	Anderson Pacific Engineering Construction, Inc.	A1/A2 Tanks B/C Booster - Construction Pmt #13	312,873.00
72988	12/02/2022	12/20/2022	Harris & Associates	Inspection Services - RUWAP Distribution; Developers (CHISPA East Garrison Apartments, Dunes 2 East, Enclave at Cypress Grove)	14,842.10
72989	11/21/2022	12/20/2022	Johnson Controls Security Solutions LLC	Holdup Button Relocation - Beach Office; Alarm Troubleshooting - IOP, Ord Offices	2,583.06
72990	11/30/2022	12/20/2022	HD Supply Facilities Maintenance LTD	General Supplies	737.63
72991	11/30/2022	12/20/2022	E.H. Wachs Company	Circuit Board - Vehicle #1102	881.84
72992	11/30/2022	12/20/2022	DataProse, LLC	Customer Billing Statements 11/2022	6,079.43
72993	11/18/2022	12/20/2022	American Supply Company	Janitorial Supplies	131.04
72994	10/17/2022	12/20/2022	SWRCB	Recycled Water Review Fees 07/2021 - 06/2022	4,202.50
72995	11/29/2022	12/20/2022	SWRCB	Ord Village LS FM Construction Permit Fee 07/01/22 - 06/30/23	600.00
72996	11/29/2022	12/20/2022	SWRCB	RUWAP Construction Permit Fee 07/01/22 - 06/30/23	1,640.00
72997	11/29/2022	12/20/2022	SWRCB	A1/A2 Tanks Construction Permit Fee 07/01/22 - 06/30/23	1,016.00
72998	12/08/2022	12/20/2022	SWRCB	Desal Plant Brine Discharge Permit Fee 07/01/22 - 06/30/23	3,453.00
72999	12/08/2022	12/20/2022	SWRCB	WW Collection Facility Permit Fee 07/01/22 - 06/30/23	3,453.00
73000	12/08/2022	12/20/2022	SWRCB	RUWAP Waste Discharge Permit Fee 07/01/22 - 06/30/23	3,453.00
73001	11/22/2022	12/20/2022	Wallace Group	Developer (Wathen-Castanos Homes)	4,571.25
73002	12/01/2022	12/20/2022	Geiger	(2,500) #10 Window Envelopes	285.38
73003	11/28/2022	12/20/2022	O'Reilly Automotive Stores, Inc.	Auto/ General Supplies	266.92
73004	11/22/2022	12/20/2022	Val's Plumbing & Heating, Inc.	Boiler Troubleshooting, Fuse Replacement - IOP Office	552.87
73005	11/30/2022	12/20/2022	CCOI Gate & Fence	Gate Repair - BLM	1,406.59
73006	12/12/2022	12/20/2022	Daiohs USA	Coffee Supplies	172.99
73007	11/16/2022	12/20/2022	Sherwin-Williams Co.	General Supplies	21.52
73008	11/28/2022	12/20/2022	Craig Evans Pump Testing Service	Pump Testing - (21) Sites	6,300.00
73009	12/05/2022	12/20/2022	Della Mora Heating Sheet Metal & Air Conditioning	(2) Wall Furnace Replacements - Ord Office	3,482.01
73010	11/21/2022	12/20/2022	Marina Tire & Auto Repair	Oil Change - Vehicle #1303	90.89
73011	12/06/2022	12/20/2022	Richards, Watson & Gershon	Legal Services 11/2022	105,782.05
73012	12/15/2022	12/20/2022	Conservation Rebate Program	165 Aaron Way - Toilet Rebate	50.00
73013	11/07/2022	12/20/2022	Edges Electrical Group, LLC	Electrical Wires, Supplies - Reservation LS	731.58
73014	12/02/2022	12/20/2022	Remy Moose Manley, LLP	Legal Services 11/2022	92,478.98

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
73015	11/14/2022	12/20/2022	Monterey Bay Technologies, Inc.	CityWorks Portal SSL Security Certificate Renewal 11/14/22 - 12/16/23; Network Attached Storage Device - O&M CCTV Video Storage	1,314.32
73016	11/17/2022	12/20/2022	Brigantino & Company	Appraisal Reports - (3) Properties	15,750.00
73017	11/10/2022	12/20/2022	Griffith, Masuda & Hobbs	Legal Services 10/2022	21,580.71
73018	11/29/2022	12/20/2022	Evoqua Water Technologies, LLC	(3,812) gals Bioxide - East Garrison LS	16,533.50
73019	12/07/2022	12/20/2022	Conservation Rebate Program	4516 Seascape Ct - Washer Rebate	100.00
73020	12/06/2022	12/20/2022	TIAA, FSB	Ord Office Copier, eCopy ScanStation Leases 12/2022	422.04
73021	11/29/2022	12/20/2022	EKI Environment & Water, Inc.	Monterey Subbasin Groundwater Sustainability Plan Prop 68	5,582.98
73022	11/30/2022	12/20/2022	Cintas Corporation No. 630	Uniforms, Towels, Rugs 11/2022	1,329.13
73023	11/30/2022	12/20/2022	White Cap, L.P.	General Supplies	226.11
73024	11/25/2022	12/20/2022	WEX Bank	Fleet Gasoline 11/2022	7,216.36
73025	11/29/2022	12/20/2022	The Pape' Group, Inc.	Motor Hood - John Deere Backhoe	892.65
73026	11/02/2022	12/20/2022	Zanjero, Inc.	Seaside Development Analysis - On Call Services; CIP Program Tool 09/2022 - 10/2022; Desal Plant Program Management 09/2022 - 10/2022	30,180.00
73027	11/28/2022	12/20/2022	HPS West, Inc.	(30) 1 1/2" MS Multi-Jet Meters with Allegro Register	20,819.66
73028	12/06/2022	12/20/2022	SBRK Finance Holdings, Inc.	CivicPay/ CivicPay IVR Transaction Fees 04/2022 - 11/2022	6,675.00
73029	11/02/2022	12/20/2022	Springbrook National User Group	2023 Membership Renewal	100.00
73030	12/03/2022	12/20/2022	Advanced Pressure Washing LLC	Building/ Roof Pressure Washing - IOP Office	10,425.00
73031	12/07/2022	12/20/2022	Conservation Rebate Program	203 Naples Rd - Washer Rebate	150.00
73032	12/07/2022	12/20/2022	Conservation Rebate Program	18582 McClellan Cir - Washer Rebate	150.00
73033	12/15/2022	12/20/2022	Conservation Rebate Program	5015 Peninsula Point Dr - (2) Toilet Rebates	150.00
73034	12/16/2022	12/20/2022	City of Seaside	City Utility Tax 07/2022 - 09/2022	23,363.05
73035	12/15/2022	12/20/2022	Employee Reimbursement	Mileage	12.13
ACH	12/09/2022	12/09/2022	CalPERS	Payroll Ending 12/02/22	27,293.34
ACH	12/09/2022	12/09/2022	Payroll Direct Deposit	Payroll Ending 12/02/22	120,921.53
ACH	12/09/2022	12/09/2022	Empower Retirement	Payroll Ending 12/02/22	9,810.10
ACH	12/09/2022	12/09/2022	Internal Revenue Service	Payroll Ending 12/02/22	45,115.01
ACH	12/09/2022	12/09/2022	State of California - EDD	Payroll Ending 12/02/22	10,660.18
ACH	12/09/2022	12/09/2022	WageWorks, Inc.	Payroll Ending 12/02/22	698.22
501449	12/09/2022	12/09/2022	General Teamsters Union	Payroll Ending 12/02/22	688.00
501450	12/09/2022	12/09/2022	MCS	Payroll Ending 12/02/22	576.80
501451	12/07/2022	12/13/2022	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 01/2023	73,968.04
501452	11/25/2022	12/13/2022	AFLAC	Employee Paid Benefits 11/2022	1,245.86
501453	11/17/2022	12/13/2022	Principal Life	Employee Paid Benefits 12/2022	211.24
501454	11/30/2022	12/13/2022	Justifacts Credential Verification, Inc.	Background Check - New Hire	173.13
501455	11/10/2022	12/13/2022	Lincoln National Life Insurance Company	Life, Short/ Long Term Disability, AD&D Insurance 12/2022	2,853.48
501456	11/23/2022	12/13/2022	WageWorks, Inc.	FSA Admin Fees 11/2022	164.00
501457	11/18/2022	12/13/2022	Transamerica Life Insurance Company	Employee Paid Benefits 11/2022	427.32

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
501458	11/15/2022	12/13/2022	Employee Reimbursement	Class B License Exam Fee	86.79
501459	12/20/2022	12/20/2022	Board Compensation Checks and Direct Deposit	Board Compensation 11/2022	1,015.83
ACH	12/20/2022	12/20/2022	Internal Revenue Service	Board Compensation 11/2022	168.34
ACH	12/23/2022	12/23/2022	CalPERS	Payroll Ending 12/16/22	27,569.77
ACH	12/23/2022	12/23/2022	Payroll Direct Deposit	Payroll Ending 12/16/22	124,879.70
ACH	12/23/2022	12/23/2022	Empower Retirement	Payroll Ending 12/16/22	7,716.62
ACH	12/23/2022	12/23/2022	Internal Revenue Service	Payroll Ending 12/16/22	46,309.69
ACH	12/23/2022	12/23/2022	State of California - EDD	Payroll Ending 12/16/22	11,035.10
ACH	12/23/2022	12/23/2022	WageWorks, Inc.	Payroll Ending 12/16/22	635.72
501460	12/23/2022	12/23/2022	MCS	Payroll Ending 12/16/22	576.80
501461	12/01/2022	12/30/2022	Employee Reimbursement	Refund Check - Employee Paid Benefits 11/2022	67.32
Total Disbursements for December 2022					3,639,308.78

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 9-B

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of December 13, 2022

Staff Recommendation: The Board of Directors approve the draft minutes of the December 13, 2022 regular joint Board/GSA meeting.

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of December 13, 2022 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

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 December 13, 2022.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____



Marina Coast Water District

Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting

Hybrid Meeting

December 13, 2022

Draft Minutes

1. Call to Order:

President Shriner called the meeting to order at 6:34 p.m. on December 13, 2022 with Board members and staff present at 920 2nd Avenue, Suite A, Marina, California; and, via Zoom teleconference for the public in Marina, California. President Shriner then proceeded with a land acknowledgement. “As Marina Coast Water District celebrates its 62nd year providing publicly owned water service to its customers in Marina and the Ord Community, we acknowledge that our service area is located on the traditional lands of the Esselen people. They are known today as the Ohlone/Coastanoan-Esselen Nation. We respect their elders, past, present, and emerging, for they hold the memories, traditions, culture, and hopes of the Esselen people. We also acknowledge the government of the Ohlone/Coastanoan Esselen Nation and appreciate the spiritual role it plays today in preserving the cultural, historical and heritage beliefs of the Esselen people. We are grateful that they share their traditional lands with us.”

President Shriner invited Ms. Lyvesha Franklin to give a meditative speech prior to the Oath of Office. Ms. Franklin proceeded to give a meditative and introspective speech.

2. Administer Oath of Office:

Mr. Remleh Scherzinger, General Manager, administered the Oath of Office to Brad Imamura, Gail Morton; and Jan Shriner. Mrs. Kathy Imamura pinned a MCWD lapel pin to Director Imamura’s lapel. Director Imamura commented that he was looking forward to serving with the other Directors in the interest of District customers and the environment. Director Morton commented that she was looking forward to working with the existing and new Board members and the ability to efficiently solve problems both within the organization, and regionally. Director Shriner voiced her appreciation to the voters for her election to the Board and looked forward to working with her fellow Board members.

3. Roll Call:

Board Members Present:

Jan Shriner – President
Herbert Cortez – Vice President
Thomas P. Moore – arrived at 6.41 p.m.
Gail Morton
Brad Imamura

Board Members Absent:

None.

Agenda Item 3 (continued):

Staff Members Present:

Remleh Scherzinger, General Manager
David Hobbs, Assistant District Counsel
Mary Lagasca, Director of Administrative Services
Patrick Breen, Water Resources Manager
Garret Haertel, District Engineer
Teo Espero, IT Administrator
Paul Lord, Water Conservation Specialist
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Andy Sterbenz, Schaaf & Wheeler
Phil Clark, Seaside Resident
Matt Zefferman, Marina Resident
Cynthia Ludwig
Adam Probolsky, Probolsky Research
Martin Rauch, Rauch Communication Consultants
Bob Nolan, Marina Resident
Mark Kelly
Lyvesha Franklin

4. Election of Board President and Vice President for 2023:

Director Cortez nominated Director Shriner for President. Director Moore seconded the nomination. The nomination was passed by the following vote:

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

Director Morton nominated Director Cortez for Vice President. Director Moore seconded the nomination. The nomination was passed by the following vote:

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

5. Public Comment on Closed Session Items:

There were no comments made.

The Board entered into closed session at 6:56 p.m. to discuss the following item:

6. Closed Session:

- A. Pursuant to Government Code section 54956.9(d)(4)
Conference with Legal Counsel – Liability Claim
Claimant: Peter Le
Agency claimed against: Marina Coast Water District

The Board ended closed session at 7:13 p.m. President Shriner reconvened the meeting to open session at 7:14 p.m.

7. Reportable Actions Taken During Closed Session:

Mr. David Hobbs, Assistant District Counsel, stated that there was one reportable action which was to reject the claim of Peter Le against the Marina Coast Water District with direction to counsel to provide a notice of rejection.

8. Pledge of Allegiance:

Director Imamura led everyone present in the pledge of allegiance.

9. Oral Communications:

Ms. Paula Riso, Executive Assistant/Clerk to the Board, stated that comments had been received by the Board of Directors and will be included as part of the meeting's record.

10. Presentations:

- A. Adopt Resolution No. 2022-54 to Recognize Matt Zefferman for 4 Years of Outstanding and Dedicated Service as a Director to the Marina Coast Water District:

Director Morton made a motion to adopt Resolution No. 2022-54 to recognize Matt Zefferman for 4 years of outstanding and dedicated service as a Director to the Marina Coast Water District and commented that it was a pleasure working with him. Director Moore seconded the motion and also noted that it was a pleasure working with him. Director Imamura commented that Mr. Zefferman served this Board very honorably and he would strive to achieve the same outstanding service during his tenure. Vice President Cortez read the narration of Resolution No. 2022-54. The motion was passed by the following vote:

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

Mr. Zefferman thanked the Board for the recognition and noted that it was his honor and privilege to serve on the Board.

B. Receive a Presentation from Probolsky Research on the Marina Coast Water District General Survey and Accept the Survey Results:

Mr. Scherzinger introduced this item and Mr. Probolsky. Mr. Adam Probolsky, Probolsky Research, provided a brief presentation of the survey of a random 300 customers of the District, noting that some were via phone, some via online. He stated that the languages spoken were English and Spanish and the survey took between 20-25 minutes to complete. Mr. Probolsky shared that the survey results were very positive but noted that conservation messaging could use some improvement. The Board asked clarifying questions. Mr. Scherzinger stated that staff intends to bring this information into the Outreach Committee for further action.

Mr. Marc Kelly commented that he was puzzled why household income wasn't part of the survey.

Vice President Cortez asked that strategic messaging be discussed in the Executive Committee and implementation and application be discussed at the Outreach Committee.

11. Consent Calendar:

Vice President Cortez stated that items 11-H and 11-I were pulled from the Consent Calendar.

Director Morton made a motion to approve the Consent Calendar consisting of: A) Receive and File the Check Register for the Month of October 2022; B) Receive and File the Check Register for the Month of November 2022; C) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of October 17, 2022; D) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of November 7, 2022; E) Approve the Draft Minutes of the 5:00 PM Special Joint Board/GSA Meeting of November 29, 2022; F) Approve the Draft Minutes of the 6:30 PM Special Joint Board/GSA Meeting of November 29, 2022; and, G) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of November 30, 2022. Director Moore seconded the motion. The motion was passed by the following vote:

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

H. Approve the Proposed Regular Board/GSA Meeting and Workshop Meeting Schedule for 2023:

Director Morton made a motion to approve the proposed regular Board/GSA meeting and workshop meeting schedule for 2023. Director Moore seconded the motion. The motion passed by the following vote:

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

I. Receive the Validated 2021 Water Loss Report:

Director Moore made a motion to receive the validated 2021 Water Loss Report. Director Morton seconded the motion. The motion was passed by the following vote:

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

12. Action Items:

A. Receive Information on AB 2449 and Consider Authorizing a Return to Traditional Brown Act Requirements for Teleconference Attendance by Board Members:

Mr. Hobbs introduced this item and the options for the Board to consider.

Director Morton made a motion to table this item until February 2023. Director Moore seconded the motion. The motion was passed by the following vote:

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

B. Discuss Reconfiguring the Standing Committees of the Board and Director Participation of the Standing Committees:

Mr. Scherzinger introduced this item and explained staffs suggestion to move the Water Conservation Commission to Stage 3 of the Water Shortage Contingency Plan; change Budget and Personnel to Budget and Engineering Committee; and, change to Outreach to Outreach and Personnel Committee. Following discussion, President Shriner suggested the following for consideration at the January meeting:

- Joint City District Committee – (MCWD host two meetings per year [April, October] with the City able to host additional meetings if they want) – Morton, Imamura, Alternate-Cortez
- Budget and Engineering Committee – Morton, Shriner, Alternate-Cortez
- Community Outreach and Personnel Committee – Imamura, Moore, Alternate-Cortez
- Monterey One Water – Moore, Alternate-Cortez
- LAFCO – Cortez, Alternate-Shriner
- JPIA – Morton, Alternate-Imamura
- SVBGSA – Morton, Alternate-Shriner
- Climate Action Plan – Moore, Zefferman
- Executive Committee – Shriner, Cortez

13. Informational Items:

A. General Manager's Report:

Mr. Scherzinger gave the following update:

- 1) The Notice of Decision was given by the California Coastal Commission on November 30th which begins the 30-day clock.

B. Committee and Board Liaison Reports:

1. Executive Committee:

This meeting was canceled.

2. Community Outreach Committee:

This meeting was canceled.

3. M1W Board Member Liaison:

Director Moore gave a brief update noting they met on November 28th.

14. Board Member Requests for Future Agenda Items:

President Shriner suggested any requests can be emailed to staff.

15. Director's Comments:

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

16. Adjournment:

The meeting was adjourned at 9:30 p.m.

APPROVED:

Jan Shriner, President

ATTEST:

Paula Riso, Deputy Secretary

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 9-C

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Approve the Draft Minutes of the Special Joint Board/GSA Meeting of December 28, 2022

Staff Recommendation: The Board of Directors approve the draft minutes of the December 28, 2022 special joint Board/GSA meeting.

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of December 28, 2022 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

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 December 28, 2022.

Action Required: ____ Resolution X Motion ____ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____



Marina Coast Water District

Special Board Meeting/Groundwater Sustainability Agency Board Meeting
December 28, 2022

Draft Minutes

1. Call to Order:

President Shriner called the meeting to order at 5:00 p.m. on December 28, 2022, Zoom teleconference in Marina, California.

2. Roll Call:

Board Members Present:

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

Board Members Absent:

Herbert Cortez – Vice President

Staff Members Present:

Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

None

3. Action Item:

- A. Adopt Resolution No. 2022-55 to Proclaim a Local Emergency, and Authorize Remote Teleconference Meetings of All District Legislative Bodies for the Following 30 Days:

Director Morton made a motion to adopt Resolution No. 2022-55 to proclaim a local emergency and authorize remote teleconference meetings of all District legislative bodies for the following 30 days. Director Moore seconded the motion. The motion was passed by the following vote:

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

4. Directors Comments:

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

Special Board Meeting
December 28, 2022
Page 2 of 2

5. Adjournment:

The meeting was adjourned at 5:05 p.m.

APPROVED:

Jan Shriner, President

ATTEST:

Paula Riso, Deputy Secretary

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 9-D

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Approved By: Remleh Scherzinger P.E.

Agenda Title: Adopt Resolution No. 2023-02 to Proclaim a Local Emergency, and Authorize Remote Teleconference Meetings of All District Legislative Bodies for the Following 30 Days

Staff Recommendation: The Board of Directors adopt Resolution No. 2023-02 to proclaim a local emergency and authorize remote teleconference meetings of all District legislative bodies for the following 30 days.

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.*

On March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic. That proclamation remains in effect. As a result of the state of emergency, the Governor issued executive orders that waived the normally strict provisions of the Brown Act relating to holding and participating in meetings via teleconferencing. Executive Order N-29-20 allowed bodies subject to the Brown Act to meet without a physical meeting location, so long as various requirements were met, including providing the public the opportunity to observe and participate in the meeting telephonically or electronically. Executive Order No. N-08-21 extended the suspension of the Brown Act's normal teleconferencing rules through September 30, 2021.

On September 16, 2021, Governor Newsom signed AB 361 which took effect immediately. This legislation amends the Brown Act to allow meeting bodies subject to the Brown Act to meet via teleconference during a proclaimed state of emergency in accordance with teleconference procedures established by AB 361 rather than under the Brown Act's more narrow standard rules for participation in a meeting by teleconference. The Monterey County Health Officer has issued a recommendation for social distancing in legislative body meetings, so the first meeting after September 30, 2021, may be held without making findings. If the Board desires to continue to meet remotely via teleconference after that first meeting, the Board is required to make certain findings under AB 361 no later than 30 days after the first teleconference meeting held pursuant to AB 361, and every 30 days thereafter. If the Board does not meet again within 30 days, a special meeting may be necessary for this purpose. If the finding is not timely made, the Board will be required to meet in person to make findings to return to remote meetings.

Discussion/Analysis: The teleconference rules of AB 361 are operative only so long as the Governor's proclamation of statewide emergency is in place; once that proclamation is terminated, the Board must either meet in person or utilize the normal Brown Act rules for teleconferencing.

On December 28, 2022, the Board adopted Resolution No. 2022-55 proclaiming a local emergency and authorizing remote teleconference meetings of all District Legislative bodies for 30 days. Staff recommends proclaiming the emergency is still in place and authorize the Board to continue to meet remotely via teleconference until such time the emergency is over.

Environmental Review Compliance: None required.

Legal Counsel Review: Legal Counsel reviewed the original staff report in September 2021 and there have been no significant changes to the report since that time.

Climate Adaptation: Not applicable.

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

Other Considerations: The Board of Directors can elect to not proclaim a local emergency and return to in-person meetings.

Material Included for Information/Consideration: Resolution No. 2023-02.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

January 23, 2023

Resolution No. 2023 - 02
Resolution of the Board of Directors
Marina Coast Water District

Proclaiming a Local Emergency, and Authorize Remote Teleconference Meetings of All
Meetings of the Board of Directors and Specified Board Committees
for the Following 30 Days

RESOLVED, by the Board of Directors ("Board") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on January 23, 2023 via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic; and,

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 which took effect immediately and amends the Brown Act to allow meeting bodies subject to the Brown Act to meet via teleconference during a proclaimed state of emergency in accordance with teleconference procedures established by AB 361 rather than under the Brown Act's more narrow standard rules for participation in a meeting by teleconference; and,

WHEREAS, the first meeting after September 30, 2021, may be held without making findings. However, if the Board desires to continue to meet remotely via teleconference after that first meeting, the Board is required to make certain findings under AB 361 no later than 30 days after the first teleconference meeting held pursuant to AB 361, and every 30 days thereafter; and,

WHEREAS, no later than 30 days after meeting via teleconference for the first time pursuant to AB 361, the body must make a finding that the body "has reconsidered the circumstances of the state of emergency" and further find that "[a]ny of the following circumstances exist: (i) The state of emergency continues to directly impact the ability of the members to meet safely in person. (ii) State or local officials continue to impose or recommend measures to promote social distancing." (Gov't Code §54953(e)(3) [AB 361, p. 11].); and,

WHEREAS, the teleconference rules of AB 361 are operative only so long as the Governor's proclamation of statewide emergency is in place; once that proclamation is terminated, the Board, the Executive Committee, Budget and Personnel Committee, and Community Outreach Committee, and Director participation in the Joint City-District Committee, must either meet in person or utilize the normal Brown Act rules for teleconferencing.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Marina Coast Water District does hereby:

1. Proclaim a local emergency; and,
2. Reconsidered the circumstances of the state of emergency and find that the following circumstances exist: (i) The state of emergency continues to directly impact the ability of the members to meet safely in person. (ii) State or local officials continue to impose or recommend measures to promote social distancing; and,
3. Authorize Remote Teleconference Meetings of All Meetings of the Board of Directors, the Executive Committee, Budget and Personnel Committee, and

Community Outreach Committee, and Director participation in the Joint City-District Committee for the Following 30 Days.

PASSED AND ADOPTED on January 23, 2023 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 _____

Jan Shriner, President

ATTEST:

Remleh Scherzinger, 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. 2023-02 adopted January 23, 2023.

Remleh Scherzinger, Secretary

Marina Coast Water District Agenda Transmittal

Agenda Item: 9-E

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Presented By: Remleh Scherzinger P.E.

Agenda Title: Adopt Resolution No. 2023-03 to Amend Section 34 of the Board of Director's Manual - Committees

Staff Recommendation: The Board of Directors amend Section 34 – Committees, of the Board of Director's Manual.

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.*

The Board of Director's Manual, when it was first adopted in 2002, superseded Resolution No. 1993-3 and Resolution No. 1998-1 and memorialized the Standing Committees of the Board where they currently reside, in Section 34 of the Manual. At the December 13, 2022 Board meeting, the Board discussed the Standing Committees and appointments and made several recommend changes, such as moving the Water Conservation Commission to the Water Shortage Contingency Plan where it will reside; changing the Budget and Personnel Committee to Budget and Engineering Committee; changing the Community Outreach Committee to Community Outreach and Personnel Committee; the Joint City District Committee being hosted by the District twice a year and allowing the City of Marina to call and host any additional meetings during the year; and, setting a Climate Action Plan Ad Hoc Committee.

Discussion/Analysis: Staff has made the suggested changes to Section 34 of the Board of Director's Manual.

1. Standing Committees

a. Standing Committees consisting of two Directors and such other persons as the Board may appoint ~~District standing committees~~ shall be ~~the Water Conservation Commission~~, the Joint City-District Committee, the Executive Committee, the Budget and ~~Personnel~~ Engineering Committee, and the Community Outreach and Personnel Committee. ~~Each committee shall consist of two Directors and such other persons as the Board may appoint. Standing Committees constitute legislative bodies for the purposes of the Brown Act.~~ Each Director shall serve on one or more standing committees.

Water Conservation Commission: ~~The Board will select one Director to serve as a Board Liaison to the Water Conservation Commission, and one Director as an alternate. The Board will appoint five (5) members of the public from within the area served by the District (either annexed or served by contract), for terms of two years. Public members of committees shall not receive confidential information of the District and shall not participate in closed meetings except upon advice from Legal Counsel. The members of the Water Conservation Commission shall have the duties and responsibilities to:~~

- ~~• Review water conservation ordinances and policies and advise the Board in matters related to conservation and water usage by customers of the District;~~

- ~~Review and advise the Board concerning refinements/adjustments to the water conservation program, specifically conservation Best Management Practice implementation, outreach and educational programs, the conservation budget, and water loss programs and conservation within the larger Water Resources Programs;~~
- ~~Review and advise the Board on the District's Water Shortage Contingency Plan, Conservation Ordinance, and conservation provisions of the District Code;~~
- ~~Review and advise the Board on equipment and technologies that promote water conservation;~~
- ~~Review conservation outreach activities and get Board approval on an annual event calendar for actions to inform the public about the District's conservation activities.~~

Joint City-District Committee: ~~The Board President or Vice President shall serve on this committee along with another Director. In addition to the t~~Two Directors shall be appointed to this committee, all other and one alternate Directors may serve as alternates to this committee. The duties and responsibilities of the Joint ~~District — City~~City-District Committee are to communicate with ~~the Land Use Jurisdictions~~cities within the District's service areas, to maintain a harmonious working relationship between the Board and the City officials and staff, and to report to the Board its findings and recommend appropriate action with respect to any inter-agency matters. The District will host two meetings per year with the City of Marina. The City of Marina and any other city within a District service area may request a meeting during the year, which the Committee will seek to accommodate.

Executive Committee: The Board President and Vice President shall serve on this committee. This committee shall meet ~~on an as-needed basis~~monthly to discuss topics of a general nature with the General Manager. The purpose of the Executive Committee is to provide the President and Vice President with a routine opportunity to discuss ideas, information flows, current and potential future projects and future agenda items with the General Manager and any staff members that the General Manager deems appropriate.

Budget and ~~Personnel~~ Engineering Committee: The Board President shall appoint two Directors to serve on this committee. This committee shall meet on an as-needed-basis. The duties and responsibilities of the Budget and ~~Personnel~~ Engineering Committee are to provide input in the process of approving the annual budget, provide input on rate and fee studies, and provide input on ~~engineering personnel issues, hiring's, or staff programs.~~

Community Outreach and ~~Personnel~~ Committee: The Board President shall appoint two Directors to serve on this committee. This committee shall meet on an as-needed-basis. The duties and responsibilities of the Community Outreach and Personnel Committee shall be to provide ideas and recommendations to the Board regarding public information activities, to receive periodic reports from staff and consultants regarding District public information activities, and to provide comments and recommendations to staff regarding draft public information products created by staff or consultants, and to provide input on staff programs.

b. Other Standing Committees of the District.

Water Conservation Commission: The Water Conservation Commission will meet when the Board declares a Stage 3 drought and at such times as requested by the Board. The Board will appoint five (5) members of the public who reside within a District service area, for terms of two years. The members of the Water Conservation Commission shall have the duties and responsibilities to review and advise the Board on Stage 3 of the District's Water Shortage Contingency Plan.

c. All Standing Committees shall comply with the Brown Act.

Environmental Review Compliance: None required.

Legal Counsel Review: District Counsel reviewed and provided input on this item.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes X No **Funding Source/Recap:** None

Other Considerations: None recommended.

Material Included for Information/Consideration: Resolution No. 2023-04.

Action Required: _____Resolution X Motion _____Review

Board Action

Motion By_____Seconded By_____No Action Taken_____

Ayes_____Abstained_____

Noes_____Absent_____

January 23, 2023

Resolution No. 2023 - 03
Resolution of the Board of Directors
Marina Coast Water District
Amending Section 34 of the Board of Director's Manual

RESOLVED, by the Board of Directors ("Board") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on January 23, 2023 via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, the Board of Director's Manual was first adopted in 2002 and within it, memorialized the Standing Committees; and,

WHEREAS, at the December 13, 2022 Board meeting, the Board discussed the Standing Committees and made several recommend changes to amend Section 34 of the Board of Director's Manual.

WHEREAS, the recommended changes are as follows: the Water Conservation Commission will reside in the Water Shortage Contingency Plan; the Budget and Personnel Committee will change to Budget and Engineering Committee; the Community Outreach Committee will change to Community Outreach and Personnel Committee; the Joint City District Committee being hosted by the District twice a year and allowing any of the cities within the District's service area to call and host any additional meetings during the year; and, setting a Climate Action Plan Ad Hoc Committee.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Marina Coast Water District does hereby amend Section 34 of the Board of Director's Manual as follows:

34. Standing Committees

- a. Standing Committees consisting of two Directors and such other persons as the Board may appoint shall be, the Joint City-District Committee, the Executive Committee, the Budget and Engineering Committee, and the Community Outreach and Personnel Committee. Each Director shall serve on one or more standing committees.

Joint City-District Committee: Two Directors shall be appointed to this committee, and one alternate Director. The duties and responsibilities of the Joint City-District Committee are to communicate with cities within the District's service areas, to maintain a harmonious working relationship between the Board and the City officials and staff, and to report to the Board its findings and recommend appropriate action with respect to any inter-agency matters. The District will host two meetings per year with the City of Marina. The City of Marina and any other city within a District service area may request a meeting during the year, which the Committee will seek to accommodate.

Executive Committee: The Board President and Vice President shall serve on this committee. This committee shall meet monthly to discuss topics of a general nature with the General Manager. The purpose of the Executive Committee is to provide the President and Vice President with a routine opportunity to discuss ideas, information flows, current and potential future projects and future agenda items with the General Manager and any staff members that the General Manager deems appropriate.

Budget and Engineering Committee: The Board President shall appoint two Directors to serve on this committee. This committee shall meet on an as-needed-basis. The duties and responsibilities of the Budget and Engineering Committee are to provide input in the process of approving the annual budget, provide input on rate and fee studies, and provide input on engineering.

Community Outreach and Personnel Committee: The Board President shall appoint two Directors to serve on this committee. This committee shall meet on an as-needed-basis. The duties and responsibilities of the Community Outreach and Personnel Committee shall be to provide ideas and recommendations to the Board regarding public information activities, to receive periodic reports from staff and consultants regarding District public information activities, and to provide comments and recommendations to staff regarding draft public information products created by staff or consultants, and to provide input on staff programs.

b. Other Standing Committees of the District.

Water Conservation Commission: The Water Conservation Commission will meet when the Board declares a Stage 3 drought and at such times as requested by the Board. The Board will appoint five (5) members of the public who reside within a District service area, for terms of two years. The members of the Water Conservation Commission shall have the duties and responsibilities to review and advise the Board on Stage 3 of the District's Water Shortage Contingency Plan.

c. All Standing Committees shall comply with the Brown Act.

PASSED AND ADOPTED on January 23, 2023 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 _____

Jan Shriner, President

ATTEST:

Remleh Scherzinger, 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. 2023-02 adopted January 23, 2023.

Remleh Scherzinger, Secretary

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 9-F

Meeting Date: January 23, 2023

Prepared By: Garrett Haertel, P.E.

Approved By: Remleh Scherzinger P.E.

Agenda Title: Adopt Resolution No. 2023-04 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Shea Homes Limited Partnership for the Dunes at Monterey Bay Phase 2N - Stage A Development in Marina, CA

Staff Recommendation: The Board of Directors adopt Resolution No. 2023-04 approving a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District and Shea Homes Limited Partnership for the Dunes at Monterey Bay Phase 2N - Stage A development project.

Background: *Strategic 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.*

Detailed Description: The Board of Directors is requested to approve a Water, Sewer, and Recycled Water Infrastructure Agreement (hereafter referred to as the Infrastructure Agreement) between MCWD and Shea Homes Limited Partnership (Developer) for the Dunes at Monterey Bay Phase 2N - Stage A (Dunes 2N–Stage A) development project. The attached Infrastructure Agreement is similar to recent board-approved (February 2022) format used for other development projects within the MCWD service area. There are some nonsubstantive changes in addition to specific modifications of the agreement due to the unique nature of this particular situation, as described below.

Dunes 2N is located at the northern western edge of the former Fort Ord in Marina, CA. The entrance to the development will be the intersection of Imjin Parkway and 2nd Avenue.

The Dunes 2N development is a fully entitled development located on former Fort Ord lands within the land use jurisdiction of the City of Marina. This Infrastructure Agreement is for a portion of the Dunes 2N development known as Dunes 2N–Stage A. Dunes 2N-Stage A will entail the new construction of the underground utilities and appurtenances that will serve the development of 3 commercial parcels. Parcels A, B, and C are identified on Parcel Map recorded on March 8, 2022 (Document No. 2022011360). The lot layout and proposed water and sewer infrastructure is depicted on Exhibit C of the included Infrastructure Agreement.

The proposed land-use for Dunes 2N Parcel A, B and C is commercial on an approximately 6.87-acre, 2.66, and 1.2-acre site respectively. Within the three parcels, approximately 2-acres of Dunes 2N-Stage A site will be landscaped area. A portion of Parcel D is used for roadway construction purposes and will be used for the water and sanitary sewer backbone infrastructure serving Parcels A, B, and C when those parcels are ultimately developed by a future owner. Because this infrastructure agreement is only for backbone infrastructure to provide services to these specific parcels, MCWD’s obligation under this agreement is limited to providing a “will-serve letter” on behalf of the parcels as opposed to an unconditional commitment to provide water service once the improvements are accepted by MCWD. This infrastructure agreement contemplates that

MCWD will provide the future owner with water and sewer service upon compliance with MCWD’s specific requirements for the commercial project.

The entire Dunes at Monterey Bay development project has an entire potable water allocation of 593-AFY (see Exhibit A of the Infrastructure Agreement) from the City of Marina’s former Fort Ord water supply. This Infrastructure Agreement for Dunes 2N-Stage A will designate as allocated 59.97 AFY of potable water based on the Bowman Report dated January 19, 2023 (See Exhibit A of the Infrastructure Agreement).

The new infrastructure transferred to MCWD will be constructed within the public right-of-way, public utility easements, or within easements provided to MCWD by the Developer. The infrastructure will include PVC potable water pipelines, PVC recycled water pipelines, PVC gravity sewer pipelines, and associated sewer manholes, water valves, and other appurtenances.

Environmental Review Compliance: This Infrastructure Agreement is not a “project” under the California Environmental Quality Act (CEQA); this action is categorically exempt.

Legal Counsel Review: Legal Counsel reviewed and approved the Infrastructure Agreement template in February 2022. Legal Counsel has reviewed this particular Infrastructure Agreement for compliance with MCWD’s requirements.

Climate Adaptation: This project is merely an initial utilities installation phase and climate adaptation is not applicable. However, recycled water infrastructure is being installed as part of this project which has the potential to reduce potable water demand. In addition, MCWD will require landscaped areas to be equipped with smart landscape irrigation systems and leak-detecting master shutoff valves, helping to conserve both water and energy.

Financial Impact: _____ Yes ___X___ No **Funding Source/Recap:** None

Material Included for Information/Consideration: Resolution No. 2023-04; and, Infrastructure Agreement, including Exhibits A through D.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

January 23, 2023

Resolution No. 2023 - 04
Resolution of the Board of Directors
Marina Coast Water District

Approving a Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District and Shea Homes Limited Partnership
for the Dunes at Monterey Bay Phase 2N - Stage A Development in Marina, CA

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on January 23, 2023 via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, Shea Homes Limited Partnership (Developer) has coordinated with the District on their Dunes at Monterey Bay Phase 2N - Stage A development, consisting of new construction and related infrastructure, within the City of Marina portion of the Ord Community; and,

WHEREAS, the City of Marina has allocated a portion of its former Fort Ord water supply allocation for the Developer’s use in developing the Dunes at Monterey Bay Phase 2N - Stage A development project, and,

WHEREAS, the District and the Developer are working cooperatively regarding proposed water, recycled water and sewer system improvements; and,

WHEREAS, the District and the Developer have agreed upon the proposed Water, Sewer and Recycled Water Infrastructure Agreement and desire to enter into same.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby:

1. authorize the General Manager to execute the Water, Sewer and Recycled Water Infrastructure Agreement between MCWD and Shea Homes Limited Partnership for their Dunes at Monterey Bay Phase 2N - Stage A development; and,
2. 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 January 23, 2023, 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_____

Jan Shriner, President

ATTEST:

Remleh Scherzinger, 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. 2022-04 adopted January 23, 2023.

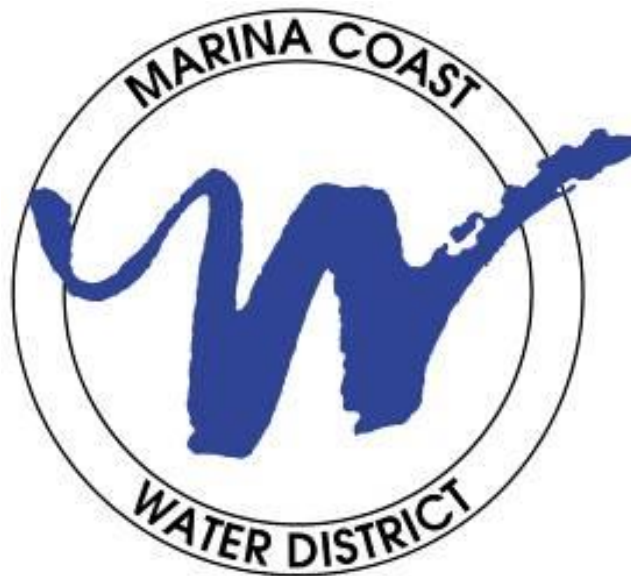
Remleh Scherzinger, Secretary

MARINA COAST WATER DISTRICT

Water, Sewer and Recycled Water Infrastructure Agreement

for

The Dunes on Monterey Bay Phase 2 North – Stage A



WATER, SEWER AND RECYCLED WATER
INFRASTRUCTURE AGREEMENT

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WATER, SEWER AND RECYCLED WATER INFRASTRUCTURE AGREEMENT

This Agreement made and entered into this xx Day of xxxx, 2023 (“Effective Date”), between **Marina Coast Water District**, 11 Reservation Road, Marina, CA, 93933, hereinafter called "District", and Shea Homes Limited Partnership, a California Limited Partnership, with its principal offices at 2630 Shea Center Drive, Livermore, CA 94551, hereinafter called the "Developer" (collectively, the “parties”). The name of the Developer’s development that is the subject of this Agreement is The Dunes on Monterey Bay – Phase 2 North – Stage A, consists of infrastructure improvements for the water, recycled water and sewer infrastructure which will serve Parcels A, B, C and portions of Parcel D.

1. Definitions; Allocations; District’s Role; Term of this Agreement.

1.1 Definitions, whenever used in this Agreement, the following terms shall have the following respective meanings:

a. “Agreement” means this Water, Sewer and Recycled Water Infrastructure Agreement as it may be amended from time to time in accordance with the terms and conditions hereof.

b. “City” means the City of Marina and/or the appropriate Agency of Land Use Jurisdiction.

c. “Contractor” means any contractor with which the Developer has a direct contractual relationship to perform any work under this Agreement.

d. “Development” means that certain property is located to the North of Imjin Parkway near 2nd Avenue and is described as the backbone infrastructure serving Parcel A, B, and C of Parcel Map recorded on March 8, 2022 and portions of Parcel D shown on the map at Exhibit “C.”

e. “Facilities” shall mean those certain infrastructure improvements and system provided for in this Agreement and as approved by District as part of its review of the Development plans, Facilities shall include, but not be limited to, pipes, pumps, electrical and instrumentation and controls.

f. “Procedures” means the District’s *Procedure Guidelines and Design Requirements*.

g. “Standards” means the District’s *Standard Plans and Specifications for Construction of Domestic Water, Sewer, and Recycled Water Facilities*.

h. “Water Allocation” means the total water allocated by the City/Land Use Jurisdiction for the Development as documented in Exhibit “A” and described in Exhibits “B” and “C”.

1.2 Allocation of Water Capacity for the Development. The parties hereto expressly agree that as a condition precedent for the performance of the District's obligations hereunder, Developer must provide proof, to the satisfaction of the District, that a City-approved allocation of potable water and recycled water capacities exists. In accordance with the foregoing, Developer has provided District with the City's Resolution No. 2005-129. The Assigned Water Use Rates published as Appendix C in the MCWD Water Code- Ordinance shall be the basis for calculating the Development's water demand. Based on the Developer's current estimation of land uses and the application of Appendix C (included within Exhibit A), this specific phase of Development is allocated 59.97-AFY of potable water. This backbone project enables the future development for a portion of Dunes 2N, specifically Parcels A, B, and C noted in Parcel Map recorded March 8, 2022 (Document No. 2022011360), subject to Section 5.1 herein.

1.3 Sewer Capacity. The District provides sewer collection from customers and conveyance of those sewer flows to the Monterey One Water (M1W) Regional Interceptor System which discharges to the M1W Wastewater Treatment Plant (WWTP). If additional Capacity is required for the Development, the Developer shall purchase the capacity from the M1W at the Developer's sole expense and shall provide proof of payment for that capacity right to the District at the time the sewer infrastructure is conveyed. Furthermore, the Developer understands and agrees that nothing herein shall be construed as a representation of future sewer capacity by the District.

1.4 District's Role. The District's role in the Development is to approve the plans for Facilities, inspect the construction of the Facilities, accept the transfer of the title to the Facilities, to maintain and operate the systems, and to bill customers for water, sewer, and recycled water service at rates set for the District's Service Area from time to time.

1.5 Term. This Agreement commences upon the above Effective Date and shall expire (a) two (2) years thereafter or (b) upon completion by the Developer and acceptance by the District of all Facilities required by this Agreement and the expiration of the required warranty period, whichever occurs first, unless terminated sooner as provided in section 19 of this Agreement.

2. Design and Construction Requirements

2.1 The facilities shall be designed, constructed, and be operable in strict accordance with the District's requirements, which shall be a condition of the District's acceptance of the system Facilities under this Agreement. The District's requirements include, but are not limited to the following:

2.1.1 Developer shall design and construct the Facilities in strict accordance with the District's most recent Procedures and Standards in effect at the time of construction, (contained in updated Procedures) and any other applicable Federal, State, or local Regulatory Agency requirements, whichever are most stringent. Any conflict in Development requirements shall be addressed during the plan review process or at such other times as any such conflict is discovered. A licensed civil engineer registered in the State of California shall prepare and stamp all plans and specifications for the Developer. The licensed civil engineer shall assure all changes made during construction are in compliance with the *Procedures*.

2.1.2 The Developer shall comply with the District's most recent Procedures and the District's most recent Standards in effect at the time of construction when submitting project plans and specifications to the District for review and consideration for approval. District's review shall commence after the District determines compliance with District's Procedures regarding the submittals and any other applicable State Regulatory Agency requirements, whichever are most stringent. District review of the Development's plans and specifications shall commence after receipt of the initial deposit (see Paragraph 2.1.7).

2.1.3 The Developer shall comply with most recent District Code in effect at the time of construction including, but not limited to, section 4.28 *Recycled Water*. The District will identify recycled water turnout location(s). The Developer will also install the lateral lines from each turnout to the point of delivery. The Developer, or its successors or assignees (such as an owner's association), will assist MCWD to obtain all required permits for the on-site use of recycled water. This shall include but is not limited to, complying with the California Department of Health Services, the State of California Regional Water Quality Control Board, the State Water Board, Division of Drinking Water, and other regulatory agency requirements prior to constructing any recycled water Facilities.

2.1.4 The District shall have the right to inspect the construction of the Facilities and ensure that construction and installation conforms to the Development plans and specifications. District's right to inspect extends to five (5) feet from the building exterior at the point where the utility enters the structure. The District shall also have the right to confirm that Developer is using fixtures noted in the District's Permit Application forms including zero water use urinals, hot water recirculation systems, etc., in compliance with the District's most recent rules and ordinances. The District's right to confirm compliance under this section does not in any way eliminate or supersede any inspection obligations by the City or County, including but not limited to the issuance of final occupancy permits. District will endeavor to inform the responsible City or County agency of these MCWD requirements so that the responsible agency can incorporate these items into their inspection punch list.

2.1.5 All Facilities subject to District's right of inspection shall be tested to meet District requirements. No Facilities or portion thereof will be accepted without meeting all District test requirements. The District shall have the right to inspect work in progress in the construction of either in-tract or out-of-tract water, recycled water and sewer infrastructure Facilities or special fixtures, as described above.

2.1.6 The Developer, on a phased basis, agrees to pay all fees and charges, including additional plan check fees and construction inspection fees as required by the District for the Development. These fees will be determined by the District at the time the fees are due and payable. The District may also require a prepaid fee to cover staff time before preliminary level or concept level plan check begins. (See *Procedures* section 100.6.2) If the District Engineer determines consultant assistance is required for plan check review or portion thereof, the Developer agrees to prepay the additional plan check fees if that cost exceeds the balance on the initial deposit. The District shall obtain the Developer's written approval for any costs in excess of this amount, for which approval shall not be unreasonably withheld. Upon the execution of this Agreement by both parties, the Developer shall deposit with the District the applicable administration and plan check fees. Any surplus fees shall be returned to the Developer.

2.1.7 Construction Inspection Fees. On a phased basis, the District shall require the construction inspection fee before undertaking a construction inspection review of the proposed facilities. As a condition precedent to the District's obligation to undertake a construction inspection review of the proposed facilities, the Developer shall provide to the District the construction inspection fee, which is currently five hundred dollars (\$500.00) per unit plus three percent (3%) of facilities construction costs, pursuant to Developer's Engineer's estimate. (See *Procedures* section 200.3.2)

3. Temporary Irrigation

3.1 In the event the Developer has complied with the terms of this Agreement, the Developer may specify areas of landscaping within the area covered by this Agreement to have "temporary irrigation." A temporary irrigation network may only exist for 6-years from installation. At the end of 6-years, the temporary irrigation network will have ceased to exist (i.e. be demolished) or it will be considered a District-approved, permanent irrigation connection.

3.2 The Development's temporary irrigation network Facilities shall be designed, constructed and be made operable, and then demolished in strict accordance with MCWD's requirements. District's requirements include, but are not limited to the following:

3.2.1 Developer shall design and construct the temporary irrigation network facilities in strict accordance with the below requirements, MCWD's most recent Procedures and Standards in effect at the time of construction (contained in MCWD's Procedures, Guidelines, and Design Requirements and the MCWD Water Code), and any other applicable State Regulatory Agency requirements, whichever are most stringent. This requirement expressly includes MCWD Water Code section 4.28 *Recycled Water*. Any conflict between these requirements shall be addressed during the plan review process or at such other times as any such conflict is discovered. A licensed landscape architect registered in the State of California shall prepare all plans and specifications for the temporary irrigation networks.

3.2.2 Developer, within the design of the temporary irrigation network, shall specifically provide MCWD a clear depiction of the temporary irrigation network layout and the precise area, in acres and square feet, that will be irrigated temporarily. The connection location and all surface and subsurface features that will be demolished and removed by Developer at the end of the temporary network's useful life shall be depicted.

3.2.4 Developer shall design the temporary irrigation networks with the piping and irrigation distribution heads above the surface of the ground. Some features may be installed in boxes below the surface, but the piping shall return to the surface in as few feet as feasible after passing through any such subsurface feature. In particular, the meter box in which MCWD will install the temporary irrigation meter shall be installed per normal MCWD standard (and thereby will be below the surface).

3.2.5 Developer shall provide, within the design of the temporary irrigation network, a demolition design detail acceptable to MCWD depicting the temporary irrigation site's connection demolition and remaining irrigation facilities in their post-demolition condition.

3.3 District shall have the right to inspect the construction of the temporary irrigation networks facilities, verify that construction conforms to the plans, specifications and MCWD standards,

witness the demolition and removal of the temporary irrigation network, and inspect the demolition and removal of the temporary irrigation network's connection. District's right to inspect does not in any way eliminate or supersede any inspection obligations by the State or local Land Use Jurisdiction.

3.4 As required by MCWD, all temporary irrigation networks shall be tested to meet MCWD requirements. No facilities or portion thereof will be accepted as suitable for service without meeting all MCWD test requirements. The District shall have the right to inspect work in progress in the construction of either in-tract or out-of-tract temporary irrigation networks as described above.

3.5 Developer agrees to pay all costs-to-connect as a condition precedent to MCWD's obligation to install the meter required to serve water to the temporary irrigation network. Costs to connect for a temporary irrigation network include, but are not limited to, the meter installation fee (which includes the cost of the meter itself), a water permit fee, a backflow prevention program fee (all at the then-existing rates), and the payment of a special connection fee. These costs-to-connect are due prior the installation of water meters. The special connection fee shall be in the exact amount of the Water capacity charge that would otherwise be assessed to the identical permanent irrigation network with the magnitude of the special connection cost determined in identical fashion. District's Board of Directors reserves its right to review and revise these cost-to-connect fees and charges from time to time subject to applicable law and MCWD's approval procedures for such charges. Developer agrees to pay the costs-to-connect in effect at the time of providing services.

3.6 If the temporary irrigation network is removed to MCWD's satisfaction by the end of the third-year since meter installation (or by an earlier date), then the special connection fee shall be reimbursed to Developer in the amount of the 100% of the special connection fee. Similarly, if the temporary irrigation network is removed:

- By the end of the fourth-year since meter installation as determined in Section 3.5, then the special connection fee reimbursement to Developer shall be 75%.
- By the end of the fifth-year since meter installation as determined in Section 3.5, then the special connection fee reimbursement to Developer shall be 50%.
- By the end of the sixth-year since meter installation as determined in Section 3.5, then the special connection fee reimbursement to Developer shall be 25%.

If the temporary irrigation network remains in-service following the end of the sixth-year, then no reimbursement of special connection fees will be owed to the Developer and the temporary irrigation network may be removed (or not) at the discretion of Developer. The District will retain all special connection fees paid and will treat the so-called temporary irrigation network as a District approved, permanent irrigation connection.

4. Existing Water, Sewer and Recycled water Infrastructure/Annexation

4.1 The Developer will comply with the District's *In-Tract Policy* regarding any water, recycled water and sewer mains or appurtenances within the Development. Developer, or its successors or assignees, shall assume all responsibility, and will hold District harmless, for all infrastructures within the Development boundaries that will be modified, removed or abandoned by Developer. Abandonment-in-place requires written approval by the District. The Developer shall be solely responsible for repair, replacement and maintenance of existing District Facilities

to remain within the Development boundaries during the construction of the Development, regardless of whether the Facilities are for the benefit of the Development.

4.2 Annexation. Developer acknowledges that the Development shall be annexed into the District's jurisdictional boundaries. In exchange for the District's commitments to provide the services specified herein to the Development, the Developer, and its successors and assigns, hereby irrevocably consent to the annexation of the Development to the District. The terms and conditions of this section of the Agreement supersedes interpretations of MCWD Water Code section 3.08.060.D. Developer shall cooperate in all manner with the requests of the District, the Monterey County Local Agency Formation Commission ("LAFCO"), or any other public agency in any proceedings to annex the Development to the District. The Developer shall be responsible for preparing all studies, maps, legal descriptions, and other documents required by LAFCO in connection with the annexation process, including the efforts to comply with CEQA requirements. The Developer shall also be responsible for any engineering, legal and publication costs and all other charges which may be incurred by the District in preparing and examining maps, legal descriptions and other documents in relation thereto, and other expenses regularly incurred in connection with the annexation of the Development into the District. Expressly, the Developer shall be responsible for paying all LAFCO and State Board of Equalization fees and costs or any other fees in connection with the annexation. District, in its discretion, may require Developer to provide a deposit at the commencement of the annexation process for District's cost reimbursements described herein. District may require Developer to replenish the deposit within thirty (30) days of written notice. The Developer shall indemnify and defend the District from all legal actions in relation to the annexation.

5. District to Serve Development

5.1 Upon final Board Acceptance of the conveyance of the facilities and final Board Acceptance of the facilities, District will provide a will serve letter evidencing that District will deliver water, recycled water and provide sewer service to the Development, provided Developer's successor in interest complies with MCWD project plan submission/approval requirements as referenced in the MCWD *Procedure Guidelines and Design Requirements*, MCWD *Standard Plans and Specifications for Construction of Domestic Water, Sewer, and Recycled Water Facilities* and Sections 1, 2, 3, 4, 6, 7, 9, 10, 11, 12, 13, 14, 18, 21, 24, 31, 32, 33, and 34 of this Agreement. The District's obligations in this section are subject to District's rules, regulations, policies and ordinances, which may be updated from time to time.

Capacity Charges	Per EDU
Water	*\$13,125.00
Recycled Water Only	*\$5,175.00
Sewer	*\$3,375.00

*Per District Ordinance 6.089.090 Section B, each July 1st, Capacity Charges will be adjusted by an increment based on the change in the Engineering News Record 20-City Average Construction Cost Index (CCI) over the prior year, using the index published for the first quarter of the calendar year, and rounding to the nearest \$25. The CCI for 1st Quarter 2022 is 8.87%.

6. Capacity Charge

6.1 The current FY 2022-2023 capacity charges, effective July 1, 2022 and January 1, 2023, for water and sewer services are \$13,125 per EDU and \$5,175 per EDU, respectively, under Title 6 of the MCWD Water Code and which may be adjusted annually under that Title. In addition to these authorized annual adjustments, the District Board of Directors reserves its right to review and revise these charges from time to time subject to applicable law and the District's approval procedures for such charges. The Developer shall pay the capacity charges in effect on the date that the Meter Application for any given EDU is accepted by MCWD.

7. Provision for Non-Potable Water Use

7.1 Based upon existing studies, the District does not have sufficient existing firm water supplies to meet the water demands of projected developments within the District's service area. Therefore, improvement plans must be compatible with District's then-in effect master recycled-water capital facilities improvement plans and anticipate the availability of a non-potable water supply to serve common area open spaces within the Development, as permitted by applicable laws and regulations.

7.2 Developer, and its successors or assignees (such as an owners association), agrees to take recycled water for non-potable use. Developer, or its successors or assignees agree that the District-established cost will be paid by the recycled water customers.

8. Non-Completion of Prior Projects and Phases

8.1 To the extent Developer has existing obligations under any other Infrastructure Agreement with District which have yet to be fulfilled, District reserves the right to refuse to provide the services specified herein until Developer completes those tasks to the satisfaction of District.

9. Licensed Contractor

9.1 The Developer, or his authorized representative (contractor, or subcontractors as the case may be) performing the work, shall be licensed under the provisions of the Business and Professions Code of the State of California to perform the specified work required for the Development. District reserves the right to waive this requirement at its sole discretion where permitted under state statute.

9.2 The Developer, or its contractor, shall be skilled and regularly engaged in the installation of water, recycled and sewer systems. The District may request evidence that the constructing party has satisfactorily installed other projects of like magnitude or comparable difficulty. Upon request, contractors must furnish evidence of their qualifications to do the work in a form suitable to the District prior to the commencement of any work on the facilities.

10. Permits, Easements, and Related Costs

10.1 Except as otherwise provided in this Agreement, the Developer shall obtain all necessary local, county and state permits (including encroachment permits) and conform to requirements thereof. Developer shall obtain all easements (excluding easements within existing public rights of way) necessary for ingress and egress to and from the facilities for the purpose of installation, operation, maintenance, replacement and removal of said facilities and for the location of the facilities. Pipeline easements shall be as noted in the *Procedures* and shall be a minimum of 20

feet in width or as otherwise agreed by the District Engineer and Developer. Easements shall be in a form approved by the District and it shall be the Developer's responsibility to have the approved easements recorded. Developer shall provide proof of recordation of the easements, in a form satisfactory to the District, prior to the District's obligation to provide any of the services contemplated by this Agreement.

11. Final Inspection and Reimbursement of District Costs

11.1 The District must inspect completed Facilities, or portion thereof. The District will not accept any facility until its Engineer has given written approval that it satisfies the District's requirements. Developer shall be responsible for all costs incurred by the District that are associated with interim and final inspection, completion, additional construction, and testing of the facilities, subject to the limitations set forth in Paragraph 2 *Design and Construction Requirements*. Developer shall reimburse District for costs to correct any damages to facilities related to the construction of the Development caused by the Developer or any authorized representative (developer's contractor). This reimbursement obligation is limited to the warranty period described in paragraph 15 *Warranties*. Developer shall remit to District prior to the conveyance of the facilities to the District, payment of all costs due and unpaid under this Agreement over and above deposits previously paid to the District. If there are surplus deposit funds or any refunds due Developer, then District shall return to Developer the amount of such surplus or refunds upon acceptance by the District of all facilities required to be constructed under this Agreement.

12. District's Non-responsibility for Acts or Omissions of Developer, etc.; Developer Responsible for Verifying Underground Utility Lines and Surface Obstructions

12.1 The District is not responsible for and does not assume any responsibility or liability whatsoever for, acts and omissions of the Developer, Developer's contractors or any contractor's subcontractors or suppliers at any time during the design and construction of the facilities. Any location of underground utility lines or surface obstructions given to the Developer or placed on the project drawing by District are for the Developer's convenience and must be verified by Developer in the field. The District assumes no responsibility for the sufficiency or accuracy of such information, lines, or obstructions.

13. Record Drawings, As-Built Plans, Specifications, Values, Etc.

13.1 Developer shall, as a condition of District's acceptance of the facilities, provide to the District in accordance with Section 300.20 of the *Procedures Guidelines and Design Requirements* the following:

13.1.1 As-Built Plans. The Developer shall provide one hardcopy and one electronic PDF copy of the Contractor's As-Built Plans. The As-Built Plans shall be the approved plans which are red-lined by the Contractor. The contractor's red-lines shall show field changes made during construction. Documentation supporting the approved changes by the Engineer of Record shall be provided to the District at the time the Contractor As-Built Plans are submitted

13.1.2 Record Drawings. Record Drawings shall incorporate the redlines and the as-built survey (see *Procedures* Section 300.20) of the completed improvements. Record Drawings shall be stamped and signed by the Engineer of Record and accepted by the District. Two

sets of Bond drawing prints and one copy of the Autodesk Civil 3D file shall be provided and accepted by the District..

13.1.2 One hardcopy and one electronic copy of the specifications, contract documents used for the construction of the water, sewer, and recycled system, a complete, detailed statement of account, the form and content to be provided by the District at the time of conveyance, of the amounts expended for the installation and construction of the facilities, with values applicable to the various components thereof, together with a list of any other materials and equipment (and their values) being transferred.

13.1.3 Any other documents required by *Procedures* Section 300.20.

14. Indemnity, Insurance, and Sureties

14.1 Indemnity and Insurance - The Developer agrees to have every Contractor performing work on the Facilities fully comply with the all of the requirements in Exhibit D. To the extent that any indemnity or insurance coverage provided by any such Contractor does not fully indemnify the District for any and all claims as defined in Exhibit D, Developer agrees to indemnify, hold harmless, and defend the District, its directors, officers, employees, representatives, and authorized volunteers. Coverages required by Exhibit D shall be maintained throughout the term of this Agreement. Every Contractor shall file with the District prior to the commencement of any work under this Agreement, and as policy renewals occur, Certificates of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in full force and effect.

14.2 Performance and Payment Surety - Developer or its Contractor, as the case may be, shall furnish the District with a surety to secure the completion of and payment for the facilities. The amount of the performance surety shall not be less than 100% of the District's estimate of the total cost to construct all of the facilities required under this Agreement. The amount of the payment surety shall not be less than 100% of the District's estimate of the total cost to construct all of the Facilities required under this Agreement. The surety instrument shall be in a form satisfactory to the District such as a performance and payment bond, irrevocable letter of credit, cash deposit, or irrevocable construction "set-aside" letter. Such surety may include evidence that it was submitted to another public agency of an equivalent or greater amount covering the work to be done under this Agreement. Each surety must be authorized in the State of California to issue the surety instrument provided. All surety instruments signed by an agent must be accompanied by a certified copy of the agent's authority to act.

14.3 Developer shall furnish the District with a Warranty bond or other surety instrument satisfactory to the District in the amount equal to forty percent (40%) of the actual construction costs to secure the Developer's performance under Section 15, Warranties.

14.4 Submittal of Insurance Certificates and Surety - The required insurance certificates shall be delivered prior to commencement of construction. The required performance and payment surety shall be delivered to the District prior to District approval of plans and specifications. No work may be commenced under this Agreement unless and until all required insurance certificates and performance and payment sureties are submitted to and approved by the District. The Warranty surety shall be provided prior to the District's acceptance of the facilities and shall remain in effect for the duration specified in Section 15.1.

14.5 The performance surety shall remain in effect until final acceptance of the facilities by the District in accordance with Section 13.1. The payment surety shall remain in effect until the last

of the following occur: (i) the statutory time has expired to commence a legal action on the payment surety and no legal action was filed, (ii) satisfaction of all judgments against the payment surety, and (iii) as otherwise provided by law. The warranty surety shall remain in effect until all warranties under this Agreement have expired.

15. Transfer of System Facilities to District after Completion

15.1 Developer shall execute and obtain all signatures of all other parties having any interest (including any Deed of Trust) and deliver a conveyance satisfactory in form and content to District. This conveyance shall transfer unencumbered ownership of all facilities required by this Agreement to the District together with all real property, interests in real property, easements and rights-of-ways (including any off-site easements or real property) other than those contained in public rights of way, and all overlying and other underground water rights that are a part of, appurtenant to, or belonging to the Development now or hereafter served by the water, sewer and recycled water system facilities that are necessary or appropriate in the opinion of the District for the ownership and operation of the facilities. Provided all conditions set forth in this Agreement are satisfied, the District shall accept the conveyance. All costs of construction of the facilities, for which the Developer is responsible, shall have been paid for by Developer, the time for release of the payment surety under Section 12.5 shall have expired (or Developer shall provide other security acceptable to the District), and the title to all of the facilities and the interests in real property transferred shall be good, clear and marketable title, free and clear of all encumbrances, liens or charges. Developer shall pay costs of any title insurance deemed necessary by the District and is reasonable and customary for the insured transaction type. All construction, including final inspection punch list items must be completed prior to transfer, and the transfer shall not be completed until the conveyance transferring the water, sewer and recycled water system facilities has been formally accepted by the District. After transfer, the District shall own and be free in every respect to operate and manage the facilities and to expand or improve, or interconnect the facilities with other adjacent facilities, as the District deems appropriate in its sole discretion.

16. Developer Assistance

16.1 Developer shall, secure and provide any information or data reasonably needed by District to take over the ownership, operation and maintenance of the facilities. This obligation shall extend to one year after transfer of the Facilities.

17. Warranties

17.1 Developer hereby warrants that as of the time of the District's acceptance of the conveyance of the facilities (or when Developer thereafter completes the installation of any works or components subsequently installed, repaired, or replaced) the Facilities and all components thereof, will be in satisfactory working order and quality and free of any defect in equipment, material, or design furnished, or workmanship performed by the Contractor or any subcontractor or supplier at any tier; and that the facilities and all components thereof have been constructed and installed in compliance with all approved specifications and as-built plans being provided to the District, and in accordance with applicable requirements of the District and any other governmental agency having jurisdiction. Developer also warrants that as of the time of the District's acceptance of the conveyance of the facilities (or when Developer thereafter completes the installation of any works or components subsequently installed, repaired, or replaced) the Facilities will operate in good and sufficient manner for the purposes intended for (a) one (1) year

after the latter of (i) the date of acceptance, (ii) the expiration of all lien enforcement periods, or (iii) proof of conveyance of Facilities, or (b) 180-days from the date new Facilities are subsequently re-installed, repaired, or replaced and inspected and accepted by the District (hereafter *replacement facilities*), whichever of (a) or (b) occurs last. The Developer shall remedy at the Developer's expense any failure to conform with any applicable requirement of the District, by any Contractor or any subcontractor or supplier at any tier, or any defect. If the Developer fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice by the District or any other person or entity, the District shall have the right to replace, repair, or otherwise remedy the failure, defect, or damage at the Developer's expense and the Developer shall indemnify District for all such costs (including District's own labor costs) incurred.

17.2 With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this Agreement, the Contractor shall:

- (1) Obtain all warranties that would be given in normal commercial practice;
- (2) Require all warranties to be executed, in writing, for the benefit of the District; and
- (3) Enforce all warranties for the benefit of the District, if directed by the District.

In the event any warranty under this section has expired, the District may bring suit at its expense to enforce a subcontractor's, manufacturer's, or supplier's warranty.

17.3 This Section 17 shall not limit the District's rights under the law with respect to latent defects, gross mistakes, or fraud.

18. No Water, Recycled Water and Sewer Service Prior to Completion and Transfer

18.1 The Developer shall not allow any occupant or person to commence operations or use of any part of the Facilities without the express written consent of the District. District may impose conditions or restrictions upon any consent to such prior service, such as posting a surety bond. District recognizes that the Development, and hence the Facilities, may be built, accepted and transferred in multiple phases. Notwithstanding any of the foregoing, Developer may use the Facilities before they are accepted for fire protection and construction purposes in all phases, subject to satisfaction of applicable testing.

19. Performance

19.1 Developer agrees to promptly design and construct the Facilities and, transfer the same to the District in accordance with the terms of this Agreement. If construction of the facilities have not been completed and accepted by District within twenty four (24) months from the date of execution of this Agreement (such date may be extended for delays beyond Developer's control and without the fault or negligence of the Developer or any Contractor or subcontractor or supplier at any tier, but in no event shall such delay exceed twelve (12) additional months), the District shall have the option to terminate this Agreement. If construction on any phase is not complete within twenty-four months or as extended as provided above, then an Amendment to this Agreement will be necessary to address each such phase, which shall incorporate the policies, fees and charges of the District then in effect as of the effective date of said Amendment. Subsequent phases also may at District's discretion be addressed by Amendment(s) to this Agreement.

19.2 Responsibility for Work - Until the completion and final acceptance by the District of all the work under and implied by this Agreement, the Developer will require the work to be under the

Contractor's responsible care and charge. The Contractor shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

20. Assignment

20.1 Neither party may assign their rights or obligations under this Agreement within its term without the written consent of the other party.

20.2 Provisions of water delivery, recycled water delivery, and sewer service will be deemed assigned to each property owner upon acquisition of his/her commercial and/or residential unit in the Development. Upon assignment, the Developer's responsibilities relating to recycled water facilities, use and approvals will become the assignee's responsibility. This provision will cease to have any effect when the District accepts title to the water facilities, or the Agreement is terminated.

21. Dispute Resolution Procedure

21.1 Disputes arising under this Agreement shall be resolved as provided in this section.

21.2 Prevention of Disputes/Meet and Confer - The parties agree that they share an interest in preventing misunderstandings that could become claims against one another under this agreement. The parties agree to attempt to identify and discuss in advance any areas of potential misunderstanding that could lead to a dispute. If either party identifies an issue of disagreement, the parties agree to engage in a face-to-face discussion of the matter within three (3) calendar days of the initial request. If the dispute cannot be negotiated between the parties, the matter shall first be brought to the attention of the District's Board of Directors at the first available regularly scheduled Board Meeting. As a contract dispute, the matter shall be considered by the District Board of Directors in closed session under the Brown Act without the Developer or Contractor in attendance. If any disagreement remains unresolved for ten (10) days after consideration by the District Board of Directors, the parties agree to submit it to mediation as provided in Section 19.3 below.

21.3 Mediation - Either party may demand, and shall be entitled to, mediation of any dispute arising under this agreement at any time after completing the meet and confer process described in subsection 19.2. Mediation shall commence not more than ten (10) days after the initial mediation demand and must be concluded not more than thirty (30) days after the date of the first mediation demand. If mediation is not concluded within that time, then either party may demand arbitration as set forth in Section 19.4.

Mediation shall be submitted first to a mediator with at least ten years' experience with the issues in dispute. The mediator shall be selected by mutual agreement of the parties. Failing such mutual agreement, a mediator shall be selected by the presiding judge of the Monterey County Superior Court. In the interest of promoting resolution of the dispute, nothing said, done or produced by either party at the mediation may be discussed or repeated outside of the mediation or offered as evidence in any subsequent proceeding. The parties acknowledge the confidentiality of mediation as required by Evidence Code 1152.5.

No mediator shall submit, and no arbitrator or court shall consider, any mediator

recommendations, declarations, or findings unless the parties give their written consent to the proposed mediator statement.

21.4 Arbitration - If mediation fails to resolve the dispute, the parties shall select an arbitrator by mutual agreement. Failing such agreement, the arbitrator shall be selected by the Presiding Judge of the Superior Court. The decision of the arbitrator shall be final and not subject to judicial litigation.

Arbitration shall be commenced within thirty (30) days of the arbitration demand and concluded within 60 days of arbitration demand.

Arbitration shall follow the so-called “baseball arbitration” rule in which the arbitrator is required to select an award from among the final offers presented by the contending parties. The arbitrator may not render an award that compromises between the final offers.

Unless the arbitrator selects another set of rules, the arbitration shall be conducted under the J.A.M.S. Undisputed Streamlined Arbitration Rules and Procedures, but not necessarily under the auspices of J.A.M.S. Upon mutual agreement, the parties may agree to arbitrate under an alternative scheme or statute. The Arbitrator may award damages according to proof. Judgment may be entered on the arbitrator’s award in any court of competent jurisdiction.

NOTICE: IN AGREEING TO THE FOREGOING PROVISION, YOU ARE WAIVING YOUR RIGHT TO HAVE YOUR RIGHTS UNDER THIS AGREEMENT TRIED IN A COURT OF LAW OR EQUITY. THAT MEANS YOU ARE GIVING UP YOUR RIGHT TO TRIAL BY JUDGE OR JURY. YOU ARE ALSO GIVING UP YOUR RIGHT TO DISCOVERY AND APPEAL EXCEPT AS PROVIDED IN THE ARBITRATION RULES. IF YOU REFUSE TO ARBITRATE YOUR DISPUTE AFTER A PROPER DEMAND FOR ARBITRATION HAS BEEN MADE, YOU CAN BE FORCED TO ARBITRATE OR HAVE AN AWARD ENTERED AGAINST YOU BY DEFAULT. YOUR AGREEMENT TO ARBITRATE IS VOLUNTARY.

BY INITIALING THIS PROVISION BELOW, THE PARTIES AFFIRM THAT THEY HAVE READ AND UNDERSTOOD THE FOREGOING ARBITRATION PROVISIONS AND AGREE TO SUBMIT ANY DISPUTES UNDER THIS AGREEMENT TO NEUTRAL BINDING ARBITRATION AS PROVIDED IN THIS AGREEMENT.

MCWD’s INITIALS_____

SHEA’s: INITIALS_____

22. Waiver of Rights

22.1 Waiver. No waiver of any breach or default by either party shall be considered to be a waiver of any other breach or default. The waiver by any party for the time for performing any act shall not constitute a waiver of the time for performing any other act or an identical act to be performed at a later time. None of the covenants or other provisions in this Agreement can be waived except by written consent of the waiving party.

23. Notices

23.1 All notices, demands, or other communications, which this Agreement contemplates or authorizes, shall be in writing and shall be personally delivered, or mailed by certified mail, return receipt requested, or delivered by reliable overnight courier, to the respective party as follows:

To District: Marina Coast Water District
Attn: General Manager
11 Reservation Road
Marina, California 93933

To Developer: Shea Homes Limited Partnership
Attn: Don Hofer
2630 Shea Center Drive
Livermore, CA 94551

23.2 The address to which notice may be sent may be changed by written notification of each party to the other as above provided.

24. Severability

24.1 If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement. Stricken provisions shall not affect the legality, enforceability, or validity of the remainder of this Agreement so long as the stricken provision is replaced with a legal, enforceable and valid provision that conforms with the allocation of benefits and burdens to the respective parties and intent of the parties as expressed herein.

25. Paragraph Headings

25.1 Paragraph headings are for convenience only and are not to be construed as limiting or amplifying the terms of this Agreement in any way.

26. Successors and Assignees

26.1 This Agreement shall be binding on and benefit the assignees or successors to this Agreement in the same manner as the original parties hereto.

27. Integrated Agreement

27.1 This Agreement integrates and supersedes all prior and contemporaneous Agreements and understandings concerning the subject matter herein. This Agreement constitutes the sole agreement of the parties and correctly sets forth the rights, duties and obligations of each to the others. Future amendments must be in writing signed by the parties. Any prior agreements, promises, negotiations or representations not expressly set forth in this Agreement are of no force and effect.

28. Negotiated Agreement

28.1 This Agreement has been arrived at through negotiation between the parties. Neither party is deemed the party that prepared the Agreement within the meaning of Civil Code Section 1654.

29. Attorneys' Fees

29.1 If arbitration or suit is brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover as an element of costs of suit, and not as damages, a reasonable attorneys' fee to be fixed by the arbitrator or Court, in addition to any other relief granted. The "prevailing party" shall be the party entitled to recover costs of suit, whether or not the suit proceeds to arbitrator's award or judgment. A party not entitled to recover costs shall not recover attorneys' fees. No sum for attorneys' fees shall be counted in calculating the amount of an award or judgment for purposes of determining whether a party is entitled to recover costs or attorneys' fees.

29.2 If either party initiates litigation without first participating in good faith in the alternative forms of dispute resolution specified in this Agreement, that party shall not be entitled to recover any amount as attorneys' fees or costs of suit even if such entitlement is established by statute.

30. Exhibits

30.1 All exhibits referred to in this Agreement and attached to this Agreement are incorporated in this Agreement by reference.

31. Disclaimer/Indemnity Regarding Public Works

31.1 District has not determined whether the project would be considered a "Public Works" project for the purposes of California law, and makes no warranties or representations to Developer about whether the project would be considered a "Public Works" project. Developer is aware that if the project is considered a "Public Works" project, then Developer would have to pay "prevailing wages" under California Labor Code section 1771. If Developer fails to pay such prevailing wages, Developer acknowledges that it will be liable to, among other things, pay any shortfall owed as well as any penalties that might be assessed for failure to comply with the law. If Developer does not pay prevailing wages, and an action or proceeding of any kind or nature is brought against the District based on such failure, Developer will defend and indemnify District in the action or proceeding. District agrees to reasonably cooperate and assist Developer in any the defense of any such action.

32. No Third-Party Beneficiaries

32.1 There are no intended third-party beneficiaries to this Agreement.

33. Compliance with Laws

33.1 Developer will comply with all laws, rules and regulations in carrying out its obligations under this Agreement.

34. Counterparts

34.1 This Agreement may be executed in counterparts, and each fully executed counterpart shall be deemed an original document.

**By: SHEA HOMES Limited Partnership,
a California limited partnership**

By: _____

Name: _____

Its: _____

By: _____

Name: _____

Its: _____

By DISTRICT

Rem Scherzinger, General Manager
Marina Coast Water District

EXHIBIT A

WATER ALLOCATION DOCUMENTATION

RESOLUTION NO. 2005-129

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA MAKING FINDINGS AND DETERMINATIONS PURSUANT TO CALIFORNIA WATER CODE SECTION 10911(c) AND CALIFORNIA GOVERNMENT CODE SECTION 66473(b)(3), AND RESERVING AND ALLOCATING WATER SUFFICIENT TO SERVE THE MCP DEVELOPMENT.

WHEREAS, the City Council of the City of Marina, California (the "City"), did on the 31st day of May, 2005, hold a duly-noticed public hearing, continued from the 17th day May 2005, to consider approval of the University Villages Specific Plan and related approvals consisting of a General Plan Amendment, Tentative Map, Design Review for Phase 1 Improvements, Tree Removal Permit, Zoning Map Amendment and a development agreement between the City and Marina Community Partners, LLC, covering the development of approximately 390 acres of the approximately 420 acre area covered by the Specific Plan controlled by Marina Community Partner, LLC (the "Development Agreement") (collectively, the "Project") (that portion of the Project controlled by Marina Community Partners, LLC, and to be developed in accordance with the Development Agreement is hereinafter referred to as the "MCP Development" and the remaining portion of the Project is referred to as the "Other UV Specific Plan Development"); and

WHEREAS, the Planning Commission of the City of Marina, California, did on the 5th day of May, 2005, hold a duly-noticed public hearing, continued from the 14th day of April, 2005 and a work session, on the 23rd day of April 2005, recommend approval, subject to conditions, of the University Specific Plan and other entitlements; and

WHEREAS, said University Villages Specific Plan has complied with the requirements of the California Environmental Quality Act of 1970, California Public Resources Code section 21000 et seq., in that the City of Marina has prepared and certified the University Villages Specific Plan Environmental Impact Report (SCH No. 2004091167); and

WHEREAS, the city has been allocated 1,325 acre feet of potable water annually under the Fort Ord Reuse Plan adopted by the Fort Ord Reuse Authority ("FORA") to serve property within the City that is also within the Fort Ord Reuse Plan planning area (the "FORA Allocation"); and

WHEREAS, in connection with the preparation of the University Villages Specific Plan Environmental Impact Report, on October 18, 2004 the City requested the Marina Coast Water District ("MCWD") to prepare a water supply and demand assessment and written verification of sufficient supply in compliance with Sections 10910 through 10912, inclusive, of the Water Code, and Sections 65867.5 and 66473.7 of the Government Code, respectively, to evaluate whether sufficient potable water will be available to serve the water demands associated with the Project, including, but not limited to, the MCP Development to be

developed by Marina Community Partners, LLC, and its successors and assigns, under the Development Agreement (the "University Villages WSA"); and

WHEREAS, acting on the City's request, the MCWD did prepare the University Villages WSA, attached hereto as Exhibit A, which document was approved by the MCWD's governing body, in accordance with California Water Code section 10910(g)(1), following public hearings held on the 12th day of January 2005 and continued to the 26th day of January 2005; and

WHEREAS the University Villages WSA has been considered by the City, along with those documents included in the administrative recorded and listed on the attached Exhibit B, and a true and correct copy thereof included in the University Villages Specific Plan Environmental Impact Report, in accordance with California Water Code sections 10911(b-c).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina, as follows:

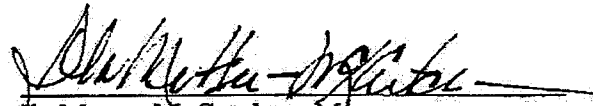
1. That the above recitations are true and correct, incorporated herein by this reference, and constitute findings of the City Council in this matter;
2. That, in accordance with California Water Code section 10911(c) and in light of those considerations set forth in the attached Exhibit B and Exhibit B-1, the City Council hereby finds that, based on the entire record, projected water supplies will be sufficient to satisfy the demands of the Project, in addition to existing and planned future uses;
3. That, in accordance with California Government Code section 66473.7(b)(3) and in light of those considerations set forth in the attached Exhibit B and Exhibit B-1, the City Council hereby finds that, based on the entire record, in addition to overstating the Project's and the MCP Development's water demands, the University Villages WSA failed to account for additional water supplies that are, or will be, available prior to completion of the MCP Development subdivision that will satisfy the requirements of Government Code section 66473.7.
4. The City Council determines that the evidence in the records constitutes substantial evidence to support the actions taken and findings made in this Resolution.
5. That the City Council does hereby irrevocably reserve and allocate 593 acre feet annually of the FORA Allocation to that 390 acre portion of the Project covered by the Development Agreement and controlled by Marina Community Partner's LLC, its successors and assigns, to serve the MCP Development;
6. That the allocation of water under this resolution is deemed to be sufficient to meet the water demands associated with the full build-out of the MCP Development in a manner consistent with the Specific Plan and the Development Agreement, as described in the attached Exhibit B.

PASSED AND APPROVED by the City Council at a regular meeting of May 17, 2005 and continued to May 31, 2005, by the following vote

AYES, COUNCIL MEMBERS: Gray, Morrison, Wilmot, McCall and Mettee-McCutcheon

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None


Ma Mettee-McCutcheon, Mayor

ATTEST:

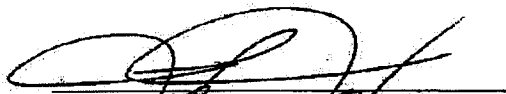

Joy P. Junsay, City Clerk/Secretary

EXHIBIT B

Finding 1:

In accordance with California Water Code section 10911(c), the City hereby determines, based on the entire record, that projected water supplies will be sufficient to satisfy the demands of the Project, in addition to existing and planned future uses.

Finding 2:

In accordance with California Government Code section 66473.7(b)(3), the City Council hereby determines, based on the entire record, additional water supplies not accounted for by the Marina Coast Water District ("MCWD") in its WSA issued for the University Villages Specific Plan are, or will be, available prior to completion of the MCP Development subdivision that will satisfy the requirements of Government Code section 66473.7.

Evidence in Support of Findings:

Background

Following its determination that the Project is subject to the requirements of SB 610 (California Water Code section 10910 *et seq.*), and SB 221 (California Government Code section 66473.7), the City identified the Marina Coast Water District (MCWD) as the relevant public water system that may supply water for the Project and, on October 18, 2004 requested MCWD to prepare a water supply assessment and written verification of supply to determine whether projected water supplies will be sufficient to serve the Project and the MCP Development, in addition to existing and planned future uses, as required by Water Code section 10910 and Government Code section 66473.7.

Pursuant to Water Code section 10910(g), on January 26, 2005, MCWD approved the Water Supply Assessment and Written Verification of Supply for the Proposed University Villages Specific Plan Development and Marina Community Partners Project ("University Villages WSA"). The University Villages WSA concluded that the MCP Development is, according to MCWD, expected to consume approximately 732 acre-feet of water per year ("AFY"). The University Villages WSA also concluded that additional development within the University Villages Specific Plan area is expected to consume approximately 124 AFY, bringing total expected water demand for the entire Project to approximately 856 AFY. The University Villages WSA estimated that of the City's existing 1,325 AFY water allocation from the Fort Ord Reuse Authority ("FORA") to the City of Marina for use on the former Fort Ord, approximately 694 AFY remains available to serve Fort Ord development within the City's jurisdictional boundaries. Accordingly, the University Villages WSA determined that (1) there is 162 AFY shortfall in water supplies necessary to serve buildout of the Project, and (2) there is a 38 AFY shortfall in water supplies necessary to serve the MCP Development.

Water Code section 10911(c) requires the City to make its own determination, based on substantial evidence in light of the entire record, whether there is a sufficient projected water

supply available to satisfy the demands of the Project, in addition to existing and planned future uses. When considered in light of the entire record, the City concludes that such water supply is available because, as explained below, (1) appropriate water demand factors for the Project indicate that the Project will consume less water than that amount assumed by the University Villages WSA, and (2) the planned MCWD Regional Urban Water Augmentation Project (Augmentation Project) will, when implemented, provide an additional 2,400 AFY for uses on the former Fort Ord, the City's share of which will be sufficient to serve the Project water demand, in addition to existing and planned uses. On May 26, 2004 MCWD approved the Notice of Determination for the Augmentation Project Final EIR, previously certified on October 27, 2004.

Revised Demand Factors

Based on the information and analysis contained in *Information Sources, Procedures and Comparisons, Water Demand Estimates for the University Villages Project, Marina, California*, prepared by RBF Consulting (the "RBF Report"), it is apparent that that water demand factors used by MCWD and incorporated into the University Villages WSA to determine the overall water demand associated with both the Project and the University Villages Specific Plan area are inappropriate because they do not reflect actual planned demand for the Project and the University Villages Specific Plan.

There are several errors in the water demand methodology relied upon in the University Villages WSA. First, as explained in the RBF Report, the University Villages WSA's methodology for calculating exterior non-residential water demand estimates is inaccurate because it calculates unit water demands as "Interior SF Demand Fac" by multiplying a unit factor by the proposed interior square footage for each land use. Second, the University WSA determines a Total Demand in acre feet per year for the exterior water demand on a Total Planning Area basis. The University Villages WSA roughly adopts the Project projections for percent turf and ornamental coverages, although the Project actually makes individual estimates of the exterior water demands based on the planned parcel acreage proposed for each land use. Third, in connection with estimating exterior water demand, the University Villages WSA evenly applies these values throughout the planning area, thus eliminating independent consideration of exterior water demand on per parcel basis. In short, the WSA assumes that, as to exterior water demands, one size fits all.

RBF's analysis (or the "project analysis," as described in the RBF Report), on the other hand, determines exterior water demands on a per parcel basis, adjusted for planned recycled water usages. This figure is subtracted from total water demands for each land use based on the unit water demands recommended by MCWD's own guidelines to determine interior water usages. By individualizing exterior demands based on planned parcel acreages for each land use, the RBF analysis provides a more accurate estimate of actual water demands associated with the Project. Based on the demand factors described in the RBF Report, the Project will have an estimated overall water demand of 701 AFY, rather than the 856 AFY demand assumed by the University Villages WSA, as shown on the attached Exhibit B-1. Based on the demands factors described in the RBF Report, the MCP Development portion of the Project will have an estimated overall water demand of 593 AFY, rather than the 732 AFY assumed by the University

Villages WSA. Table 1, below, compares current available supply against the total overall water demand (based on demand factors set forth in the RBF Report) of (1) existing uses within the City's portion of former Fort Ord, (2) approved uses within City's portion of former Fort Ord (i.e., the Marina Heights project), and (3) the MCP Development. According to Table 1, when appropriate demand factors are implemented, it is projected that the City has sufficient available potable and or recycled water to serve the MCP Development, in addition to existing and approved uses on the City's portion of former Fort Ord, and the residual net surplus amount of 187 AFY could supply the remainder of the Project (which requires 108 AFY) or such other priority uses as determined by the City Council.

Table 1 Summary of Currently Available Water Supply vs. Projected Demands of the MCP Development, Existing Uses and Approved Uses Based on Demand Factors Set Forth in the RBF Report	
Total Available Supply	1,325 AFY
Less Total Demand of Existing Development on Fort Ord Within City	(253 AFY)
Less Total Demand of Approved Marina Heights Project	(292 AFY)
Less Total Demand of MCP Development	(593 AFY)
Net Surplus of Available Supply	187 AFY

Table 2, below, compares the 187 AFY net surplus available supply, as shown in Table 1, above, against the Other UV Specific Plan Development and the total projected demands of future planned uses within the City's portion of the former Fort Ord, which projected demands are more fully described on the attached Exhibit B-1.

Table 2 Summary of Net Surplus Available Supply vs. Projected Demands of the Other UV Specific Plan Development and Planned Future Uses Within City's Portion of Former Fort Ord Based on Demand Factors Set Forth in the RBF Report	
Total Net Surplus of Available Supply	187 AFY
Less Total Demand of Cypress Knolls Project	(148 AFY)
Less Other UV Specific Plan Development	(108 AFY)
Less Total Demand of Airport Business Park Project	(155 AFY)
Less Total Demand of Airport Area Golf Course	(420 AFY)
Less Total Demand of Other Planned Development (see Exhibit B-1)	(229 AFY)
Net Supply Deficit	(873 AFY)

As demonstrated in Tables 1 and 2, above, current available supplies are sufficient to serve the MCP Development, in addition to existing and approved uses on the City's portion of the Former Fort Ord, and the residual net surplus amount of 187 AFY could supply the remainder of the Project (which requires 108 AFY) or such other priority uses as determined by the City Council. When other planned future uses are considered, however, current available supplies are insufficient to meet total overall demands. To accommodate the projects identified in Table 2, the City must rely on reasonably foreseeable planned future water supplies to serve the Project, in addition to existing and planned future uses, in accordance with and as permitted by Water Code sections 10910 and 10911.

Augmentation Project Background

The Augmentation Project is being developed to supply an additional 2,400 AFY of water to be used by MCWD to serve the water demands of future buildout of the former Fort Ord. The Augmentation Project is necessary to meet the quantified water demand requirements of the Fort Ord Reuse Plan, as implemented by FORA and as evaluated in the FORA Reuse Plan EIR. The development of a potable water supply to augment Fort Ord's groundwater allocation has been a centerpiece of the plans to reuse former Fort Ord since, at least, the September 1993 execution of *Agreement No. A-06404: Agreement between the United States of America and the Monterey County Water Resources Agency Concerning Annexation of Fort Ord into Zones 2 and 2A of the Monterey County Water Resources Agency* (the "MCWRA Annexation Agreement").

The MCWRA Annexation Agreement sets forth the terms of the annexation of the Fort Ord property into the Monterey County Water Resources Agency's ("MCWRA") Salinas Valley Groundwater Special Benefit Zones 2 and 2A. The MCWRA Annexation Agreement limits groundwater withdrawals from the Salinas Basin for the purpose of serving Fort Ord uses to 6,600 AFY. Under the agreement, this limitation must remain in place until a project to provide future water supplies to former Fort Ord that do not rely on groundwater is implemented. The MCWRA Annexation Agreement also anticipates developing future supplies cooperatively, with another water agency, such as MCWD, developing future water supplies through the implementation of a smaller scale project, such as the 2,400 AFY Augmentation Project.

In 1996, MCWRA, MCWD, the Monterey Regional Water Pollution Control Agency ("MRWPCA"), the City, the owners of the Armstrong Ranch and the owners of the Lonestar property (the "Lonestar Property") entered into the *Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands* (the "MCWD Annexation Agreement"). Pursuant to Section 4 of the MCWD Annexation Agreement, the Armstrong Ranch, Lonestar Property and the MCWD service area were annexed into MCWRA's Salinas Valley Groundwater Special Benefit Zones 2 and 2A. Section 5.1 of the MCWD Agreement limits MCWD's authority to withdrawal potable groundwater from the Salinas Basin to 3,020 AFY until MCWD develops augmented water supplies, such as those supplies to be developed under the Augmentation Project. Sections 5.1, 5.5 and 6.10 of the MCWD Annexation Agreement requires the parties to prepare a plan, such as the Augmentation Project, for the development of a long-term water supply to MCWD's service area, including Fort Ord.

In June 1997, the final *Fort Ord Reuse Plan* (the "Reuse Plan") was adopted by FORA. The heart of the Reuse Plan is a set of goals, objectives, policies and programs to be implemented by FORA and each of the three land use jurisdictions initially taking title and/or approving development within the Fort Ord property. Pursuant to section 3.11.5.4(d) of the Reuse Plan, development beyond the limits defined in the Reuse Plan's Residential Development Program will be allowed only upon the augmentation of existing water supplies. To formulate the necessary water supply augmentation, the Reuse Plan requires FORA to continue to actively participate in and support the development of reclaimed water supply sources by MCWD and the MRWPCA to ensure adequate water supplies for the Fort Ord property. The Reuse Plan also

authorizes FORA to investigate and provide appropriate augmentation of the potable water supplies to assure the long-range water supplies for the planned uses on the Fort Ord property.

On June 20, 2000, the United States Army and FORA entered into an economic development conveyance agreement (the "EDC Agreement") pursuant to which the Fort Ord property's water rights were transferred from the Army to FORA, pursuant to the federal Base Closure Act, and which authorizes FORA to transfer portions of the Fort Ord property to its member jurisdictions. The EDC Agreement contains several provisions relative to water supplies and systems for the Fort Ord property. Pursuant to section 5.03 of the EDC Agreement, FORA -- and its successors and assigns -- are required to cooperate with MCWD, MCWRA and grantees of the Fort Ord property "to establish and apply a fair process to ensure that all grantees of the former Fort Ord property will be provided an equitable supply of the water at the former Fort Ord."

In 2002, a multi-tiered alternatives analysis was conducted by MCWD that considered twenty-nine potential alternative water supply alternatives to meet the objectives of the Augmentation Project. Through that analysis, MCWD and a Technical Advisory Committee comprised of representatives of the MRWPCA, FORA, the Monterey Peninsula Water Management District, the Carmel Area Wastewater District, MCWRA and the U.S. Army evaluated the 29 potential alternatives and recommended two of the most viable augmentation alternatives that could be implemented by MCWD: seawater desalination and recycled water. Both of these recommended alternatives were the subject of a detailed engineering feasibility study conducted by MCWD. On October 27, 2004, MCWD certified the Augmentation Project EIR, which document evaluates the environmental impacts associated with the seawater desalination project, recycled water project and hybrid project future water supply alternatives.

The seawater desalination alternative contemplates construction of a new 3,000 AFY desalination facility in the area currently occupied by MCWD's existing desalination plant. The proposed desalination project would replace MCWD's existing desalination plant and produce at least 2,400 AFY of water. In addition to a new or expanded desalination plant, this alternative would require the construction of two radial-arm collection wells, two disposal wells, seawater intake and brine disposal pumps and associated pipelines.

The recycled water alternative provides 3,000 AFY of recycled water which would be used by MCWD for the irrigation of landscaping and open space within its service area, thus freeing up proportional amounts of groundwater for potable uses. The recycled water alternative requires the construction of a 63-acre recycled water storage reservoir, a distribution system consisting of approximately 200,000 linear feet of 6- to 24-inch diameter main and lateral pipelines, operational storage tanks and associated pumps and a connection to the Salina Valley Reclamation Project facility. MCWD is also considering implementing a hybrid alternative which would combine aspects of the recycled water alternative and seawater desalination alternative while maintaining the Augmentation Project goal of producing at least 2,400 AFY of augmentation supplies to serve buildout of former Fort Ord under the FORA Reuse Plan.

On May 25, 2005 the MCWD board adopted Resolution No. 2005-27 which, among other things, approved the Regional Water Augmentation Project Plan, consisting of the Augmentation Project, the Engineering Feasibility Report and the Final EIR for the Augmentation Project.

While no particular alternative was adopted, the MCWD approved a course of action that will result in one of the three alternatives being adopted and implemented.

MCWD currently has identified a budget requirement for fiscal year 03/04 through fiscal year 07/08 of approximately \$60 million to assure that reliable and high quality water is delivered to its Fort Ord customers. A capital fund collected by FORA as part of its development fee program is estimated to generate approximately \$19 million by 2015, which funds will be available to support implementation of the Augmentation Project. The Project will be included in this fee program.

City's Reliance on the Augmentation Project Water

Pursuant to Water Code section 10911(a), if, as a result of its assessment, MCWD concludes, as it did in the University Villages WSA, that its water supplies are, or will be, insufficient, MCWD must provide to the City its plans for acquiring additional water supplies. This information is contained in Section 4.0 of the University Villages WSA, which indicates that MCWD expects the Augmentation Project will be on-line within six to ten years. If, as here, a water supply assessment concludes that *available* supplies are insufficient to serve the project, in addition to other planned uses, Water Code section 10911(a) requires the water supply assessment to include "plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop such future supplies." Such plans may include, but are not limited to, (i) the estimated cost and proposed financing methods related to the acquisition and development of additional supplies, (ii) a description of the federal, state and local permits necessary for acquiring and developing additional supplies, and (iii) estimated timeframes for the acquisition of additional supplies.

A lead agency's reliance on planned, but unconfirmed, future water supplies was recently determined to comply with the requirements of CEQA by the California Court of Appeal. In *Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (Vineyard Area Citizens) 2005 Cal. App. LEXIS 349, the Court upheld an EIR prepared for the proposed Sunridge Specific Plan, covering a 6,015-acre mixed-use project located in the Sunrise Douglas and Sunridge areas of unincorporated Sacramento County (and now within the City of Rancho Cordova).

As is the case with the University Villages EIR, the EIR for the 22,500 unit Sunridge Specific Plan project included a detailed analysis of the regional water demand and the supplies available to serve that demand. The proposed long-term water supply for the planning area included a mix of existing groundwater entitlements and unconfirmed, but planned, future surface water deliveries. Much of the Sunridge Specific Plan EIR's analysis of proposed future surface water supplies was based on the multi-jurisdictional *Water Forum Plan*, a significant water policy project that evaluates water resources and future water supply needs of the Sacramento metropolitan region and the environmental impacts associated with developing future water supplies.

The *Vineyard Area Citizens* court held that an EIR provides an adequate analysis of water supply issues if the EIR identifies and analyzes potential water supply sources even though the final

availability of those water sources is not yet confirmed. Citing a similar ruling in *Napa Citizens for Honest Government v. Napa County Board of Supervisors*, the court stated that "[s]uch an approach makes sense as a practical matter. To hold otherwise would require each project covered by the *Water Forum Plan* to revisit all of the issues addressed in that massive collaborative effort each time a new project was proposed. ... Such an approach would be wasteful and even possibly counterproductive."

Like the future *Water Forum Plan* supplies relied upon by the lead agency in the *Vineyard Area Citizen's* case, the Augmentation Project is a multi-jurisdictional water supply project that, over the course of several years, has been subject to numerous studies, public meetings, and a full environmental analysis, as documented in the certified Augmentation Project EIR. The Augmentation Project has been budgeted by MCWD and development fees are being collected by FORA to help fund the Augmentation Project facilities. The Project will be included in this fee program. Further, as noted above, the MCWD approved the Regional Water Augmentation Project Plan, thus approving the implementation of one of the three alternatives discussed above. In light of the various contractual commitments to developing a viable augmentation supply, the detailed planning and analysis already conducted for the Augmentation Project, the multi-jurisdictional need and support for the Augmentation Project, the MCWD's recent approval of the plan, and the participating jurisdictions' efforts to ensure funding for the Augmentation Project, and in light of relevant case law and statutory mandates, the City hereby determines that it is appropriate to consider the future Augmentation Project water supplies when making its determination whether there will be sufficient projected water supplies to serve the Project, in addition to planned and future uses, as required by Water Code section 10911(c).

Water Supply Reliability Assessment Assuming the Augmentation Project

As noted above, pursuant to section 5.03 of the EDC Agreement, FORA - and its successors and assigns - are required to cooperate with MCWD, MCWRA and grantees of the Fort Ord property "to establish and apply a fair process to ensure that all grantees of the former Fort Ord property will be provided an equitable supply of the water at the former Fort Ord." Based on the facts that (1) that the Augmentation Project will produce at least 2,400 AFY of potable and/or reclaimed water to serve the Fort Ord property as provided in MCWD's own approvals, and (2) that FORA will likely allocate Augmentation Project water in accordance with the allocation percentages historically used by FORA to allocate the 6,600 of Salinas Basin groundwater among the various member jurisdictions participating in the Fort Ord Reuse Plan (as adjusted to account for those member jurisdictions that likely would not receive future allocations),¹ then it is estimated that the City will be allocated approximately 39 percent of the 2,400 AFY of Augmentation Project water (i.e., 936 AFY) for use on the City's portion of the Fort Ord property. Table 3 below compares total currently available supply and future supplies reasonably anticipated to accrue to the City from the Augmentation Project against total projected water demands of

¹ The following jurisdictions were previously allocated water from the Salinas Basin groundwater supply and are projected to have a surplus of water in the future: Monterey County, and the State Parks. As a result, it is reasonably likely that these jurisdictions may not need or require augmented water supply. Further, the US Army and the FORA Reserves may not need or require augmented water supply based on projected future demand.

existing, planned and future uses on the City's portion of the former Fort Ord property, based on demand factors as set forth in the RBF Report.²

Table 3 Summary of Currently Available Water Supply and Augmentation Supply vs. Projected Demands of Existing, Planned and Future Use on City's Portion of Former Fort Ord, Based on Demand Factors Set Forth in the RBF Report³	
Total Available Supply Plus City Share of Augmentation Water Supply	2,261 AFY
Less Total Demand of Existing Development on Fort Ord Within City	(253 AFY)
Less Total Demand of Approved Marina Heights Project	(292 AFY)
Less Total Demand of MCP Development	(593 AFY)
Less Total Demand of Cypress Knolls Project	(148 AFY)
Less Demand of Other UV Specific Plan Development	(108 AFY)
Less Total Demand of Airport Business Park Project	(155 AFY)
Less Total Demand of Airport Area Golf Course	(420 AFY)
Less Total Demand of Other Planned Development (see Exhibit B-1)	(229 AFY)
Net Existing and Future Water Supply Surplus	63 AFY

As shown in Table 3, above, when the City's estimated share of the Augmentation Supply is considered in addition to currently available existing supplies, there is a sufficient potable water supply to serve the Project, in addition to planned and existing uses.

Additional Documentation

In addition to the information contained or referenced in the University Villages WSA and University Villages EIR, the City has reviewed and considered the following documents as part of its water supply sufficiency determination made pursuant to Water Code section 10911(c):

- Marina Coast Water District 2001 Urban Water Management Plan, December 12, 2001;
- Marina Coast Water District Deep Aquifer Study, May 2003;

² MCWD owns and operates a seawater desalination plant located at its former wastewater treatment plant site on Reservation Road between Dunes Drive and Monterey Bay. The plant has a production capacity of approximately 300 AFY, assuming an on-line factor of 90 percent. The desalination plant is part of MCWD's distribution system for its Marina service area, which is interconnected with the Fort Ord water distribution system. The existing desalination plant is currently off-line, but can be rehabilitated and made operational at fairly minimal costs. If the Augmentation Project is delayed for any reason, then future development (including the Project) could finance the repair and operation of the desalination plant in order to serve development on the City's portion of the former Fort Ord. On May 25, 2005 the MCWD board directed staff to consider selling or transferring water rights from the immobilized desalination plant to the City. As a result, this water source may be available to provide augmented water to the City.

³ Water Code section 10910 and Government Code section 66473.7 require a description of the water provider's supply reliability and vulnerability to shortage for an average water year, a single dry year and multiple dry years. Such an analysis is most clearly relevant to systems that are supplied by surface water. Since the supply discussed herein is either desalinated water, recycled water or groundwater, short and medium-term hydrologic conditions over a period of less than five years usually have little bearing on water availability.

- Marina Coast Water District Regional Urban Water Augmentation Project Alternatives Analysis, March 31, 2003;
- MCWD Regional Urban Water Augmentation Project FORA Board Meeting Presentation, April 11, 2003;
- Marina Coast Water District Regional Urban Water Augmentation Project Engineering Feasibility Study Report; August 2003;
- Marina Coast Water District Notice of Preparation of EIR for the Regional Urban Water Augmentation project, August 21, 2003;
- Marina Coast Water District Public Scoping Meeting presentation on the Regional Urban Water Augmentation Project, September 8, 2003;
- Marina Coast Water District Groundwater Inventory and Status Report; March 18, 2004;
- Marina Coast Water District Groundwater Inventory and Status Report Presentation to the MCWD Board; March 24, 2004;
- Marina Coast Water District Regional Water Augmentation Project Final Environmental Impact Report (SCH# 2003081142), certified October 27, 2004;
- Marina Coast Water District Resolution No. 2005-27, entitled "Resolution of the Board of Directors Approving a Plan for the MCWD Regional Water Augmentation Project and the Notice of Determination for the Regional Water Augmentation Project," approved on May 25, 2005.
- Information Sources and Procedures Used In The Preparation of Water Demand Estimates for the University Villages Project, on or about April 2004 as updated, prepared by RBF Consulting ;
- Annexation Agreement and Groundwater Mitigation Framework for Marina Area Lands by and between the City of Marina, Marina Coast Water District, Monterey County Water Resources Agency, J.G. Armstrong et. al and RMC Lonestar, August 7, 1996;
- Memorandum of Agreement between the United States Army and the Monterey County Water Resources Agency;
- Annexation Assembly and Evaluation Report for the Annexation of Fort Ord by the Monterey County Water Resources Agency, September 9, 1993;
- Agreement No. A-06404: Agreement between the United States of America and the Monterey County Water Resources Agency Concerning Annexation of Fort Ord into Zones 2 and 2A of the Monterey County Water Resources Agency, September 21, 1993;
- Settlement Agreement and General Release by and between the Sierra Club and the Fort Ord Reuse Authority, November 30, 1998;
- A Resolution of the Fort Ord Reuse Authority, Amending Section 1.01.050 and Adding Chapter 8 to the Fort Ord Reuse Authority Master Resolution, Relating to Base Reuse Planning and Consistency Determinations;
- Implementation Agreement by and between the Fort Ord Reuse Authority and the City of Marina, May 1, 2001;
- Memorandum of Agreement Between the United States of America, Acting By and Through The Secretary of the Army, United States Department of the Army and The Fort Ord Reuse Authority for the Sale of Portions of the Former Fort Ord Located in Monterey County, California, June 20, 2000.
- Fort Ord Reuse Plan; June 13, 1997;

- Fort Ord Reuse Plan Final Environmental Impact Report (SCH# 96013022), certified June 13, 1997;
- Salina Valley Water Project Final Environmental Impact Report.
- American Water Works Association Manual of Water Supply Practices, M22, Sizing Water Service Lines and Meters;
- American Water Works Association Research Foundation Residential Water Use Summary, AAWARF Residential End Uses of Water Study, 1999;
- Water Demand Forecasts Methodology for California Water Planning Areas - Work Plan and Model Review Final Prepared for the Cal-Fed bay Delta Program, July 29, 2003;
- Residential Indoor Water Conservation Study: Evaluation of High Efficiency Indoor Plumbing Fixture Retrofits In Single-family Homes in the East Bay Municipal Utility District Service Area, July 2003;
- Water Use Classification of Landscape Species: A Guide to the Water Needs of Landscape Plants, L. Costello and K. Jones, University of California Cooperative Extension, April 1, 1994
- Marina Coast Water District 2002-05 Board Meeting Agendas and Minutes

Draft 1-26-05

Water Supply Assessment and Written Verification of Supply

Proposed University Villages Specific Plan Development and Marina Community Partners Project

**Prepared by the Marina Coast Water District
and**



Byron Buck & Associates
Water Resources and Environmental Consulting

January 26, 2005

Draft 1-26-05

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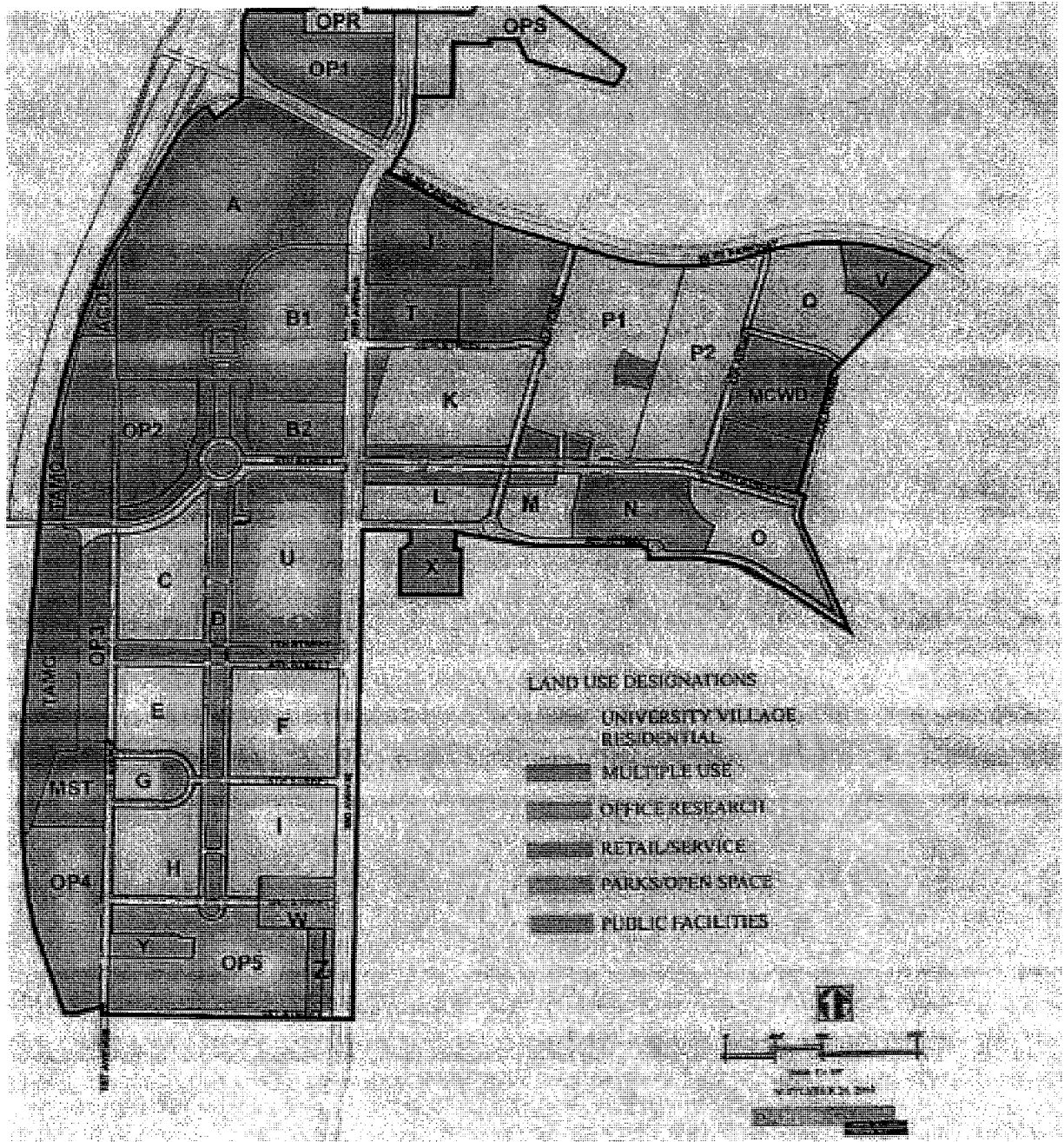
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Figure 1-2
University Villages Specific Plan Land Uses



Source: University Villages Specific Plan

Table 2-1 University Villages Specific Plan Residential and Common Area Water Demand Projection												
		Lot	Lot	Person/	Interior	% Irrigable	Turf	Ornamental	Water Demands in AF/Y			Notes
		Size Sq.Ft.	Size Ac.	Unit	Demand	Area	%	%	Total	Total	Total	Ornaments @1.5 eff/ac
University Villages Development	No. Units				Gallons				Interior	Exterior	Demands	turf at 2.1 eff/acre
					per Day				unit demands			
Residential Uses												
Single Family												
Live-Work Townhome	139	1740	0.04	1.5	98.2	30%	0%	100%	0.11	0.02	17.78	Int. demand @125% reflecting liv/work
Duet	352	2250	0.05	1.5	78.5	40%	40%	60%	0.09	0.04	43.62	
Small Lot Alley	242	3088	0.07	2	104.7	40%	30%	70%	0.12	0.05	39.91	
Small Lot Standard	131	3800	0.09	3	157.1	40%	50%	50%	0.18	0.06	31.28	
Carriage	126	4750	0.11	3	167.1	40%	80%	40%	0.18	0.08	32.39	
Standard Lot	115	5750	0.13	3	167.1	50%	60%	40%	0.18	0.12	34.35	
Multi Family												
Mixed Use Townhome	24		11	1.5	78.5	10%	25%	75%	0.09	1.82	3.93	
Apartments	108		3	2	104.7	10%	25%	75%	0.12	0.50	13.16	
	1129											
Total Residential Demands											216.42	
Common Areas												
Parks and Open Spaces												
University Villages Project (MCP)						19.2					23.6	Per landscape architect open space
Other Specific Plan Parcels						8.1					9.0	analysis
Total Open Space											32.6	

Table 2-2 University Villages Specific Plan Development - Non Residential Demand Projection

Marina Community Partners Development													
Planning Area	Land Use	Parcel Size	Bldg. Size In sf.	Interior Demand Fac.	Interior Demands	Irrigable Area	Percent Turf	Percent Ornamental	Turf Demand	Ornamental Demand	Total Ext. Demand	Total Demand In AFYR	Factors and Notes
A	Total Planning Area	30.6				18.3	20%	80%	6.426	18.95	24.78	24.78	2.1 ETo turf, 1.5 Ornamental
	Retail		385,000	0.00004	15.48							15.48	MCWD Actual Averages
	Restaurant		20,000	0.001187	23.33							23.33	MPWMD factor
	Fast Food Restaurant		18,500	0.038/seat	43.89							43.89	MPWMD factor
	Total Planning Area	8.6				4.8	50%	50%	5.04	3.6	8.64	8.64	2.1 ETo turf, 1.5 Ornamental
J	Gas Station/store		3,000	0.00004	0.75							0.75	Store plus 0.1051sf/pump@8 pumps
	Grocery Store		55,000	0.00039	21.45							21.45	MCWD Factor
	Service		8,000	0.00034	2.08							2.08	Avg. of MCWD factors
	Retail Shops		17,000	0.00004	0.88							0.88	MCWD Actual Averages
	Total Planning Area	22.7				11.35	20%	80%	4.787	18.62	18.39	18.39	2.1 ETo turf, 1.5 Ornamental
B1	Total Planning Area	22.7				11.35	20%	80%	4.787	18.62	18.39	18.39	2.1 ETo turf, 1.5 Ornamental
	Retail		114,000	0.00004	4.58							4.58	MCWD Actual Averages
	Restaurant		15,000	0.02/seat	17.50							17.50	MPWMD factor
	Fast Food Restaurant		10,000	0.038/seat	28.80							28.80	MPWMD factor
	Cinema (1750 seats)		35,000	0.0012/seat	2.10							2.10	MPWMD factor
	Service		25,000	0.00034	8.58							8.58	Avg. of MCWD factors
	Office (above retail)		10,000	0.00012	1.20							1.20	MCWD Factor
V	Total Planning Area	3.8				1.8	20%	80%	0.756	2.16	2.92	2.92	2.1 ETo turf, 1.5 Ornamental
	Retail		12,000	0.00004	0.48							0.48	MCWD Actual Averages
	Restaurant		5,000	0.02/seat	5.83							5.83	MPWMD factor
	Fast Food Restaurant		2,000	0.038/seat	5.32							5.32	MPWMD factor
	Service		5,500	0.00034	1.89							1.89	Avg. of MCWD factors
OP1	Total Planning Area	11.0				5.5	80%	80%	6.775	4.125	9.90	9.90	2.1 ETo turf, 1.5 Ornamental
	Hotel		350 rooms	0.17000	59.50							59.50	MCWD Factor
	Retail		1,000	0.00004	0.04							0.04	MCWD Actual Averages
	Restaurant		12,725	0.02/seat	14.85							14.85	MPWMD factor
T	Total Planning Area	4.9				2.5	50%	50%	2.625	1.875	4.50	4.50	2.1 ETo turf, 1.5 Ornamental
	Hotel		160 rooms	0.17000	25.50							25.50	MCWD Factor
OP2	Office/light ind.	15.7	253,000	0.00012	30.38	7.9	20%	80%	3.318	9.48	12.80	12.80	MCWD Factor
OP3	Office/Cultural	8.2	82,000	0.00012	9.84	2.8	20%	80%	1.092	3.12	4.21	4.21	MCWD Factor
OP4	Office/light ind.	10.5	170,000	0.00012	20.40	5.9	20%	80%	2.228	8.58	10.80	10.80	MCWD Factor
OP5	Office/light ind.	15.3	245,000	0.00012	29.40	7.7	20%	80%	2.234	9.24	12.47	12.47	MCWD Factor
Z	Total Planning Area	2.1				1.1	20%	80%	0.482	1.32	1.78	1.78	2.1 ETo turf, 1.5 Ornamental
	Retail		8,500	0.00004	0.34							0.34	MCWD Actual Averages
	Service		5,000	0.00034	1.72							1.72	Avg. of MCWD factors
	Restaurant		5,000	0.02/seat	5.83							5.83	MPWMD factor
	Fast Food Restaurant		1,500	0.038/seat	3.89							3.89	MPWMD factor
Totals		131.2			383.4				35.7	73.3	109.0	492.4	
Other Specific Plan Development (new uses only)													
		Lot Coverage											
Monterey-Selinas Transit (MST)		4.3	15%	0.0001	2.81	1.075	0%	100%	0	1.81	1.81	4.42	BBA (bus transit related)
Trans. Agency of Mo.Co. (YAMC)		13.2	15%	0.0001	8.82	3.3	0%	100%	0	4.95	4.95	13.57	BBA (undefined transit related)
Marina Coast WVD (MCWD)		11.3	25%	0.0003	36.82	5.65	60%	40%	7.12	3.39	10.51	47.43	MCWD (as elementary school)
US Army Corps of Engineers (ACOE)		2.0	n/a										No change in existing use
City Marina PBC Parcel 8th St. **		17.4	10%	0.0002	15.18	8.7	15%	20%	2.74	2.81	5.35	20.51	MCWD (public/rec. play fields)
City Marina PBC Parcel 3rd St.		3.0	35%	0.0002	9.15	0.76	20%	80%	0.32	0.90	1.22	10.36	MCWD (public/rec. center)
Goodwill Industries		5.0	n/a										No change in existing use
Young Nak Church		1.5	14%	0.0001	0.88	0.725	80%	50%	0.76	0.54	1.31	2.19	MCWD (proposal in process)
Co. of Monterey		1.7	n/a										
City of Marina - fire station site		3.3	35%	0.0003	15.08	0.825	20%	80%	0.36	0.99	1.34	16.43	MCWD (fire station)
Total Out Parcels		63.7			88.64						28.28	114.9	
**85% irrigable area artificial turf													

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January 19, 2023

Doug Yount
Project Director Shea Homes
2630 Shea Center Drive
Livermore, CA 94551

Subject: Water Review – MCP Phase 2N Commercial

Dear Mr. Yount:

We have completed a review of the background materials provided for the entire Dunes on Monterey Bay developments and have made projections of water demands throughout. We understand that this review was required as a condition of approval of the implementation agreement for the proposed Phase 2 North commercial parcel development (Project). This letter provides the results of our review and modeling.

Introduction:

The Marina Coast Water District (MCWD), is currently requesting a review of the status of water allocations for the Dunes on Monterey Bay Project (proposed Project) and specifically the Phase 2N Commercial. The proposed Project is a part of the area formerly known as the University Villages. The Applicant is Marina Community Partners, and the proposed Project is located within the Dunes Specific Plan Area.

Bowman was contracted by Marina Community Partners to determine the water demand projected for the proposed Project, based on local unit water demand factors, and the adequacy of water supplies allocated to the proposed Project.

Bowman staff prepared this review with assistance from and coordination with Marina Community Partners.

Bowman staff previously prepared water demand estimates for the City that are used in this evaluation. Water demand reviews for Phases 1 and 2 of 1C were completed in February and October 2015 and the review of Phase 3 of 1C was completed in March 2016. Review of Phase 2 East was completed in January of 2021. Recently, December 2022, the demand review was completed for Phase 1B Promenade..

Task 1 Water Demand Analysis

A land use spreadsheet was developed to inventory the type and amount of residential and non-residential land uses in each phase of the planned development (non-residential includes both commercial uses and landscaping in common areas). The current Department of Real Estate exhibits (DREs) and tentative maps were used for each project phase to estimate the water demands. However, detailed plans for Phase 2N have yet to be developed so it is subject to changes in the future based on the final design. The water demand estimate was used to determine the total water demands of the project's residential and nonresidential uses with interior and exterior uses identified separately.

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The running tally of water usage for current development was updated to facilitate future water demands and remaining water supplies for future phases of the project.

A more detailed presentation of the estimated water demands for the proposed Project is provided below.

Baseline Conditions:

On May 17, 2005, the City approved an allocation of 593 AFY of potable water in Resolution No. 2005-129 Reserving and Allocating Water Sufficient to Serve the Marina Community Partners (MCP) Development.

The University Villages Settlement Agreement (Settlement Agreement) imposes the following requirements for the installation of water conserving facilities in residences throughout the Specific Plan Area with the objective of maximizing water conservation:

- Drought-tolerant plant materials in landscaping
- Satellite controlled Evapotranspiration-based (ET) irrigation control systems
- Tankless hot water heaters
- Dual Flush / Ultra low flow toilets
- Hot water return pumping
- Conversion to the use of recycled water for exterior non-residential demands as available.

Potable water will remain in use for landscape irrigation until recycled water becomes available to the Project.

Several development projects have occurred throughout the Specific Plan Area from land transfers by MCP to other parties. The following is a list of these projects:

- Montage Health, Marina Campus
- Veterans Administration Monterey Health Care Center
- Springhill Suites (Marriott) Hotel
- Phase 1A (Marina Village Retail Center)
- Planning Area B1 (Cinemark Theater and Fast Casual Dining Project)
- Phase 1C Residential
- University Village Apartments

A detailed breakdown of the water allocation for the Specific Plan Area including built projects and proposed projects is included in Table 1.

Table 1: Projects in MCP Specific Plan Area

	A	B	C	D D=A-(B+C)
Project	Allocation (AFY)	Constructed or Approved Project (AFY)	Proposed Project (AFY)	Remaining Allocation (AFY)
Dunes on Monterey Bay Project Total	593			593
Constructed or Approved Projects				
Dunes Shopping Center (Planning Area 1A)		34.0		
Montage		22.3		
QSR (Shops at the Dunes) Planning Area B1		12.9		
Cinemark (allocation included in Retail/Restaurant Planning Area B1)		9.3		
UV Apartments		14.0		
Phase 1C Residential		69.5		
VA Clinic		20.7		
Springhill Suites		30.0		
Phase 2 East Residential		55.3		
Subtotal of Approved Projects		268		325
Future Projects				
Phase 1 Promenade Residential			19.8	
Phase 1 Promenade Non-Residential			20.0	
Phase 1 B Office Park			12.7	
Phase 2/3 BMR Housing			41.2	
Phase 2 West Residential			18.0	
Phase 2 West Non-Residential			3.4	
Phase 2 North Residential			15.9	
Phase 2 North Non-Residential			66.9	
Phase 3 Residential			66.9	
Phase 3 Non-Residential			53.1	
Subtotal of Future Project			317.9	7.1

Phase 2N Commercial Water Supply Availability

A water demand estimate was prepared for the proposed Project based on information provided by the project Applicant. Water demands are separately identified for interior potable water use and exterior uses, to facilitate an accounting of the potential future use of recycled water and potable water conservation resulting therefrom.

Provided in Exhibit 1 is the Parcel Map for the Phase 2N Commercial. Parcels A, B, and C constitute the property where the commercial uses will be developed. MCP is contractually obligated to provide the hotel complex 51.63 AFY as a maximum amount, but this number is subject to reduction based on projected improvements once entitled, and actual use once constructed.

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Tables 2a-2b provides a more detailed presentation of the estimated water demands for the proposed Project. It is based on water demands for similar local projects and Best Management Practices (BMP's) for the installation and use of water conservation facilities and practices similar to those required by MCWD and the Settlement Agreement. These assumptions result in a total estimated water demand for the Commercial Phase 2N of 59.97 AFY.

Table 2a Phase 2N Estimated Commercial Interior Water Demands

<u>Land Use</u>	<u>Units (Rooms, Acreage, Sq.ft.)</u>	<u>Unit Demand (AFY/unit)</u>	<u>Total Demand MCWD</u>
Gas Station	12 pumps	0.1051	1.26
Car wash*			0.67
Gas Station Mini Mart	1,500	0.00033	0.5
Full Service Hotel**	199	0.17	33.83
Extended Stay Hotel**	90	0.17	15.30
Restaurants/bar	3,000	0.00125	3.75
Conference/mtg Space	5,000	0.000092	0.46
<u>Total Phase 2N Commercial</u>			55.77

*0.67 AFY for carwash per Western Car Wash Association (50 cars per day @ 12 gallons per wash)

**0.11 AFY is estimated for each hotel room per MCWD water demand factor, plus an additional 0.06 AFY to account for ancillary uses within the hotel, such as swimming pool, lobby restrooms, etc.

Table 2b Phase 2N Estimated Commercial Exterior Water Demands

Land Use	Irrigable Area (Acres)	% Turf Planting	Turf Irrigated Area (Acres)	% Ornamental Plantings	Ornamental Irrigated Area (Acres)	Unit Turf Demand (AFY/Unit)	Unit Ornamental Demand (AFY/Unit)	Exterior Demand (AFY/Unit)
Commercial Landscape	2.00	100	2	0	0	2.10	na	4.2

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Conclusion:

An adequate supply of water appears to be available to the Phase 2N Commercial Project based on the allocation of 593 AFY of Potable Water to the MCP Specific Plan Area per City Resolution No. 2005-129. Table 4 provides a summary of the current water entitlement and allocations. Approximately 45% of the Specific Plan water allocation has been provided to developments constructed or contractually approved. Approximately 54% of the Specific Plan water allocation or 317.9 AFY is available for future or proposed development. There remains approximately 1% or 7.1 AFY of the total water supply currently not allocated after all proposed development. By current estimates, 34.52 AFY of the Specific Plan water allocation will remain with the implementation of recycled water irrigation. Therefore, there is adequate water available for The Dunes Phase 2N Commercial.

Table 4 Summary of Water Allocation

Summary Area	AFY
TOTAL SUPPLY (MCP UV Entitlement)	593.0
Running Tally of Development Built to Date	268.0
Phase 1 Projection	52.6
Phase 2 Projection	104.1
Phase 2/3 Affordable Housing	41.2
Phase 3 Projection	120.0
Total Proposed Demand	317.9
Water Balance = TOTAL SUPPLY – (Running Tally+Phase 1+2+3 Projected)	7.1
Less Non-Residential Exterior (Convert to Recycled Water)	34.52
TOTAL AFTER RECYCLED Water CREDIT	41.62

James Brezack
Director, Water Resources
Bowman

Christie Robinson
Senior Planner
Bowman

MCWD WATER CODE: APPENDIX C*

Marina Coast Water District Assigned Water Use Factors for Determining Water Capacity Charges

The district, through the general manager, assigns water use factors from this Appendix C for new and modified uses. Each new or modified service connection that involves two or more uses shall be subject to a use calculation for each proposed use. Where a proposed use may be designated as more than one type of use, the type of use which most accurately depicts the proposed use shall be selected. Where doubt exists, the higher intensity use type shall be chosen. Water use rates are assigned for various uses per unit - square footage, number of rooms, seats, etc. The assigned water use rates determined considering estimated water use availability for various uses. The type of use and assigned water use rates are listed below.

Type of Use	Basis	Assigned MCWD Water Use Rates By Acre-Ft	Project Quantity (Units)	Total Project Water Use Per Annum by Use (Acre-Ft)
Residential				
Multi Family - Apartment	DU	0.21		0
Apartment (senior complex)	DU	0.12		0
Group Housing (boarding, dormitory, convalescent)	Occupant	0.062		0
Condominium/Townhouse	DU	0.24		0
Mobile Home	DU	0.21		0
Multi-Family - Duplex to Fourplex	DU	0.24		0
Single Family 0 < lot < 0.08 acres (13 or more units per acre)	DU	0.25		0
Single Family 0.08 <= lot < 0.22 acres (5—12 Units/Acre)	DU	0.28		0
Single Family 0.22 <= lot < 0.67 acres (2—4 Units/acre)	DU	0.52		0
Single Family (lot >= 0.67 acres)	acres	0.89		0
Accessory Dwelling Unit < 640 sq. ft.	DU	0.17		0
Accessory Dwelling Unit 641 to 800 sq. ft.	DU	0.21		0
Accessory Dwelling Unit 841 to 1,200 sq. ft.	DU	0.25		0
TOTAL RESIDENTIAL ACRE-FEET THIS INFRASTRUCTURE AGREEMENT				0

Type of Use	Basis	Assigned MCWD Water Use Rates By Acre-Ft	Project Quantity (Units)	Total Project Water Use Per Annum by Use (Acre-Ft)
Non-Residential				
Auto Sales/Repair Shops (Gross Floor Area)	sq. ft.	0.00006		-
Bank	sq. ft.	0.0003		-
Bakery	sq. ft.	0.00027		-
Bar (w/o restaurant)	sq. ft.	0.00023		-
Beauty shop/barber shop	stations	0.05		-
Car Wash w/ recycle	sq. ft.	× * 50 cars/day @ 12gal/wash	TPW from WCWA	0.67
Child Care	sq. ft.	0.0061		-
Dry Cleaners (onsite cleaning)	sq. ft.	0.0004		-
Gas Station (w/o minimart or restaurant)	pumps	0.1051	12	1.26
Gym, Health Club (w/o aquatics)	sq. ft.	0.00012		-
Hotel/Motel/Bed & Breakfast (Guest room portion only)**	units	0.17	289	49.13
Laundromat (self-serve)	washers	0.202		-
Laundry - Commercial	sq. ft.	× *		
Office - General (nonmedical, includes chiropractor)	sq. ft.	0.0001		
Office - Government, Education	sq. ft.	0.000092		-
Office - Medical, Dental	sq. ft.	0.00016		-
Manufacturing (other than food, beverage, chemical)	sq. ft.	0.056		-
Manufacturing (food, beverage, chemical)	sq. ft.	× *		

Meeting Halls, Churches, School Room	sq. ft.	0.000092	5000	0.46
Nursing Home (care portion only)	bed	0.12		-
Laboratory	sq. ft.	0.000082		-
Laboratory - Photographic	sq. ft.	0.003		-
Landscape (non-turf)	acres	2.1		-
Landscape (turf)	acres	2.5		-
Plant Nursery	sq. ft.	0.00009		-
Public Restroom	toilets	0.058		-
Restaurant (full service - 3 meals, dish washing)	sq. ft.	0.00125	3,000	3.75
Restaurant (Fast food/casual with onsite prep)	sq. ft.	0.00051		-
Restaurant (take out w/ minimal onsite prep)	sq. ft.	0.00027		-
Store - General Retail (Department Store)	sq. ft.	0.00005		-
Store - Grocery and Markets	sq. ft.	0.00033	1,500	0.50
Swimming Pool (per 100 sq. ft. pool area)	sq. ft.	0.02		-
Theater	seats	0.0012		-
Veterinary	sq. ft.	0.00022		-
Warehouse, Distribution, Self-Storage	sq. ft.	0.00001		-
TOTAL NON RESIDENTIAL ACRE-FEET THIS INFRASTRUCTURE AGREEMENT				55.77

TOTAL COMBINED ACRE-FEET THIS INFRASTRUCTURE AGREEMENT	55.77
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The assigned water use rate is then multiplied by the appropriate square footage, room, or seat number for each use and the capacity charge per acre-foot of water.

Example: To compute capacity charges in October 2020 for a 1,000 sq. ft. office (assume only a single use) in Central Marina, multiply 1,000 by 0.0001 (from table) and then by \$6,332. The resultant capacity charge for this office in Central Marina would be \$633.20.

* See manufacturer's recommendation.

**0.11 AFY is estimated for each hotel room per MCWD water demand factor, plus an additional 0.06 AFY to account for ancillary uses within the hotel, such as swimming pool, lobby restrooms, etc.

Note: These assigned uses are for estimation purposes only and not for determination of actual EDU's or capacity charges, to be paid by developer or developer's successor in interest.

EXHIBIT B
LEGAL DESCRIPTION

LEGAL DESCRIPTION

Real property in the City of Marina, County of Monterey, State of California, described as follows:

PARCELS D, AS SHOWN AT CERTAIN MAP ENTITLED "PARCEL MAP, OPPORTUNITY PHASE 1A - THE DUNES ON MONTEREY BAY", FILED FOR RECORD MARCH 08, 2022 IN VOLUME 24 OF PARCEL MAPS, AT PAGE 16, FILED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF MONTEREY, STATE OF CALIFORNIA.

Vol 24 Par pg 16

N: 2.138.950 E: 5.738.350

OWNERS' STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF, OR HAVE SOME RIGHT, TITLE OR INTEREST IN AND TO, THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN UPON THIS MAP, AND THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID PROPERTY, AND WE CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE SUBDIVISION BOUNDARY LINES.

WE ALSO HEREBY ACKNOWLEDGE THAT THE PARCEL D WILL BE DEVELOPED IN THE FUTURE AND WILL REQUIRE DEDICATION OF EASEMENTS AND RIGHT-OF-WAY TO THE PUBLIC DEEMED NECESSARY AT THE TIME OF DEVELOPMENT.

THE AREAS DESIGNATED AS TEMPORARY ROADWAY AND ACCESS EASEMENT ARE INTENDED TO PROVIDE ACCESS TO THE ADJACENT ABUTTING PARCELS UNTIL PUBLIC RIGHT-OF-WAY IS DEDICATED.

THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: PUBLIC UTILITY EASEMENTS (PUE), WHERE DESIGNATED WITHIN THE SUBDIVISION SHOWN ON THIS MAP FOR THE CONSTRUCTION, MAINTENANCE, USE, REPLACEMENT, IMPROVEMENT, AND OPERATION OF SANITARY SEWERS, STORM DRAINS, AND WATER PIPELINES, GAS AND ELECTRICITY TRANSMISSION LINES AND TELEPHONE LINES, AND ALL THE NECESSARY APPURTENANCES THERETO, TOGETHER WITH THE RIGHT OF INGRESS TO AND EGRESS FROM SAID EASEMENT.

AS OWNER:

MARINA COMMUNITY PARTNERS, LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: [Signature]
DONALD A. HOFER, AUTHORIZED AGENT

BY: [Signature]
DAVID BEST, AUTHORIZED AGENT

NOTARY STATEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT TO THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF California

COUNTY OF Alameda

ON February 14, 2022

BEFORE ME, Kathy Lynn Barlow, NOTARY PUBLIC

PERSONALLY APPEARED Donald A. Hofer, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/they EXECUTED THE SAME IN HIS/HER/their AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/their SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND, AND OFFICIAL SEAL
(NOTE: NOTARY SEAL NOT REQUIRED IF THE BELOW INFORMATION IS COMPLETED)

SIGNATURE [Signature]
COUNTY OF BUSINESS: Alameda
COMMISSION EXPIRATION DATE: March 2, 2022
COMMISSION NUMBER: 2230180

NOTARY STATEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT TO THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF California

COUNTY OF Alameda

ON February 14, 2022

BEFORE ME, Kathy Lynn Barlow, NOTARY PUBLIC

PERSONALLY APPEARED David Best, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/they EXECUTED THE SAME IN HIS/HER/their AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/their SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND, AND OFFICIAL SEAL
(NOTE: NOTARY SEAL NOT REQUIRED IF THE BELOW INFORMATION IS COMPLETED)

SIGNATURE [Signature]
COUNTY OF BUSINESS: Alameda
COMMISSION EXPIRATION DATE: March 2, 2022
COMMISSION NUMBER: 2230180

CITY MANAGER'S STATEMENT

I, LAYNE LONG, CITY MANAGER OF THE CITY OF MARINA, AS AUTHORIZED BY COUNCIL RESOLUTION 88-73 OF SAID CITY, DO HEREBY ACCEPT ON THE BEHALF OF THE CITY OF MARINA ALL PUBLIC EASEMENTS OFFERED FOR DEDICATION HEREON, IN CONFORMITY WITH THE TERMS OF THE OFFER OF DEDICATION.

BY: [Signature] 2/23/22
LAYNE LONG
CITY MANAGER, CITY OF MARINA

CITY ENGINEER & SURVEYOR'S STATEMENT

I, BRIAN McMINN, CITY ENGINEER AND SURVEYOR OF THE CITY OF MARINA, HEREBY STATE THAT I HAVE EXAMINED THE PARCEL MAP AND AM SATISFIED THAT IT IS TECHNICALLY CORRECT; THAT THE SUBDIVISION SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE APPROVED TENTATIVE MAP AND ANY APPROVED ALTERATIONS THEREOF AND THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT, AS AMENDED, AND THE CITY OF MARINA SUBDIVISION ORDINANCE, TITLE 16 OF THE MARINA MUNICIPAL CODE HAVE BEEN COMPLIED WITH.

BY: [Signature] DATE: 2/15/22

NAME: BRIAN McMINN
TITLE: CITY ENGINEER AND SURVEYOR, CITY OF MARINA
LICENSE: PE 64143, PLS 8116

PLANNING DEPARTMENT'S STATEMENT

I, GUIDO F. PERSICONE, COMMUNITY DEVELOPMENT DIRECTOR, HEREBY CERTIFY THAT THE MAP SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE "UNIVERSITY VILLAGES" TENTATIVE MAP, AS APPROVED BY THE CITY COUNCIL OF MARINA ON MAY 31, 2005, AND SUBSEQUENT AMENDMENT APPROVED OCTOBER 2, 2008.

BY: [Signature] DATE: 2/15/22
NAME: GUIDO F. PERSICONE TITLE: COMMUNITY DEVELOPMENT DIRECTOR

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF THE CITY OF MARINA, IN APRIL 2020. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

BY: [Signature] 2/8/2022
RICHARD P. WEBER
L.S. NO. 8002



COUNTY RECORDER'S STATEMENT

FILED THIS 8th DAY OF March, 2022, AT 11:20 A.M. IN VOLUME 24 OF PARCEL MAPS, AT PAGE 16 AT THE REQUEST OF FIRST AMERICAN TITLE COMPANY.

STEPHEN L. VAGNINI
MONTEREY COUNTY CLERK-RECORDER
BY: [Signature]
NAME: Angelique Villarreal DEPUTY

DOCUMENT NO.: 2022011360 FEE: \$ 89.00

PARCEL MAP OPPORTUNITY PHASE 1A THE DUNES ON MONTEREY BAY

A 16.48 ACRE SUBDIVISION OF PARCEL TWO AND PORTIONS OF PARCEL ONE AS DESCRIBED IN DOC. #2020031475, OFFICIAL RECORDS OF MONTEREY COUNTY, CALIFORNIA, IN THE CITY OF MARINA, STATE OF CALIFORNIA

PREPARED BY:
WHITSON ENGINEERS
6 HARRIS COURT, MONTEREY CALIFORNIA

JOB No: 3140.13 DATE: FEBRUARY 4, 2022 SHEET 1 OF 4

EXHIBIT B - PARCEL MAP (24 PAR 16), DOCUMENT NO. 2022011360

Vol 24 Per pg 16

EASEMENTS AND DOCUMENTS OF RECORD

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED EASEMENT DEED RECORDED JUNE 2, 1976 AS REEL 1058, AT PAGE 655 OF OFFICIAL RECORDS.

AN EASEMENT FOR GAS PIPELINE AND INCIDENTAL PURPOSES, RECORDED APRIL 17, 1997 AS REEL 3506, AT PAGE 1533 OF OFFICIAL RECORDS, IN FAVOR OF: PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION

THE FACT THAT THE LAND LIES WITHIN THE BOUNDARIES OF THE FORMER FORT ORD REDEVELOPMENT PROJECT AREA, AS DISCLOSED BY VARIOUS DOCUMENTS OF RECORD.

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED ASSIGNMENT OF EASEMENTS ON FORMER FORT ORD AND ORD MILITARY COMMUNITY, COUNTY OF MONTEREY AND QUITCLAIM DEED FOR WATER AND WASTE WATER SYSTEMS RECORDED NOVEMBER 7, 2001 AS RECORDER'S SERIES NO. 2001-094583 OF OFFICIAL RECORDS.

AN EASEMENT FOR WATER AND WASTE WATER DISTRIBUTION SYSTEMS AND INCIDENTAL PURPOSES IN THE DOCUMENT RECORDED OCTOBER 26, 2001 AS RECORDER'S SERIES NO. 2001090792 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED EASEMENT TO FORT ORD REUSE AUTHORITY FOR WATER AND WASTE WATER DISTRIBUTION SYSTEMS LOCATED ON FORMER FORT ORD RECORDED OCTOBER 26, 2001 AS RECORDER'S SERIES NO. 2001090792 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED COVENANT TO RESTRICTION USE OF PROPERTY ENVIRONMENTAL RESTRICTION RECORDED MAY 22, 2002 AS RECORDER'S SERIES NO. 2002048987 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS AND RIGHTS AND EASEMENTS AS CONTAINED IN THE DOCUMENT ENTITLED QUIT CLAIM DEED FOR A PORTION OF THE FORMER FORT ORD, MONTEREY COUNTY, CALIFORNIA RECORDED MARCH 15, 2004 AS RECORDER'S SERIES NO. 2004023330 OF OFFICIAL RECORDS. DOCUMENT RE-RECORDED JULY 9, 2004 AS RECORDER'S SERIES NO. 2004072094 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT RECORDED AUGUST 5, 2005 AS RECORDER SERIES NO. 2005-080653 AND 2005-080654 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED DEVELOPMENT AGREEMENT BY AND BETWEEN CITY OF MARINA, AND MARINA COMMUNITY PARTNERS, LLC FOR THE UNIVERSITY VILLAGES PROJECT (A PART OF THE UNIVERSITY VILLAGES SPECIFIC PLAN) RECORDED AUGUST 5, 2005 AS RECORDER SERIES NO. 2005-080655 & 2005-080656 OF OFFICIAL RECORDS; THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "NOTICE OF EXTENSION OF TERMINATION DATE OF DEVELOPMENT AGREEMENT" RECORDED APRIL 10, 2020 AS RECORDER'S SERIES NO. 2020-017976 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS AND RIGHTS AND EASEMENTS AS CONTAINED IN THE DOCUMENT ENTITLED QUITCLAIM DEED FOR A PORTION OF UNIVERSITY VILLAGES PARCELS FORMER FORT ORD, MONTEREY COUNTY, CALIFORNIA (FORT ORD REUSE AUTHORITY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MARINA) RECORDED SEPTEMBER 1, 2005 AND ALSO RECORDED MARCH 27, 2006 AS RECORDER SERIES NO. 2005091639 AND RECORDER SERIES NO. 2005091641 AND 2006026845 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS AND RIGHTS AND EASEMENTS AS CONTAINED IN THE DOCUMENT ENTITLED "QUITCLAIM DEED" RECORDED NOVEMBER 6, 2012 AS RECORDER SERIES NO. 2012068039 OF OFFICIAL RECORDS.

THE TERMS AND PROVISIONS AND RIGHTS AND EASEMENTS AS CONTAINED IN THE DOCUMENT ENTITLED "QUITCLAIM DEED FOR A PORTION OF THE FORMER FORT ORD, MONTEREY, CALIFORNIA (FORT ORD REUSE AUTHORITY TO THE CITY OF MARINA FOR A PORTION OF PARCEL E2b.1.1.1)" RECORDED JULY 28, 2015 AS RECORDER SERIES NO. 2015041976 OF OFFICIAL RECORDS.

AN EASEMENT FOR UNDERGROUND CONDUITS AND INCIDENTAL PURPOSES, RECORDED MARCH 24, 2017 AS RECORDER SERIES NO. 2017015951 OF OFFICIAL RECORDS. IN FAVOR OF: PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION

THE TERMS AND PROVISIONS, RIGHTS AND EASEMENTS AS CONTAINED IN THE DOCUMENT ENTITLED "QUIT CLAIM DEED FOR A PORTION OF THE DUNES AT MONTEREY BAY FORMER FORT ORD" RECORDED JUNE 30, 2020 AS RECORDER SERIES NO. 2020031475 OF OFFICIAL RECORDS.

SOILS REPORT STATEMENT

A SOILS REPORT DATED MARCH 23, 2020 PREPARED BY BERLOGAR STEVENS & ASSOCIATES HAS BEEN SPECIFICALLY PREPARED FOR THIS SUBDIVISION AND IS ON FILE WITH THE CITY OF MARINA'S PUBLIC WORKS DEPARTMENT.

PARCEL MAP OPPORTUNITY PHASE 1A THE DUNES ON MONTEREY BAY

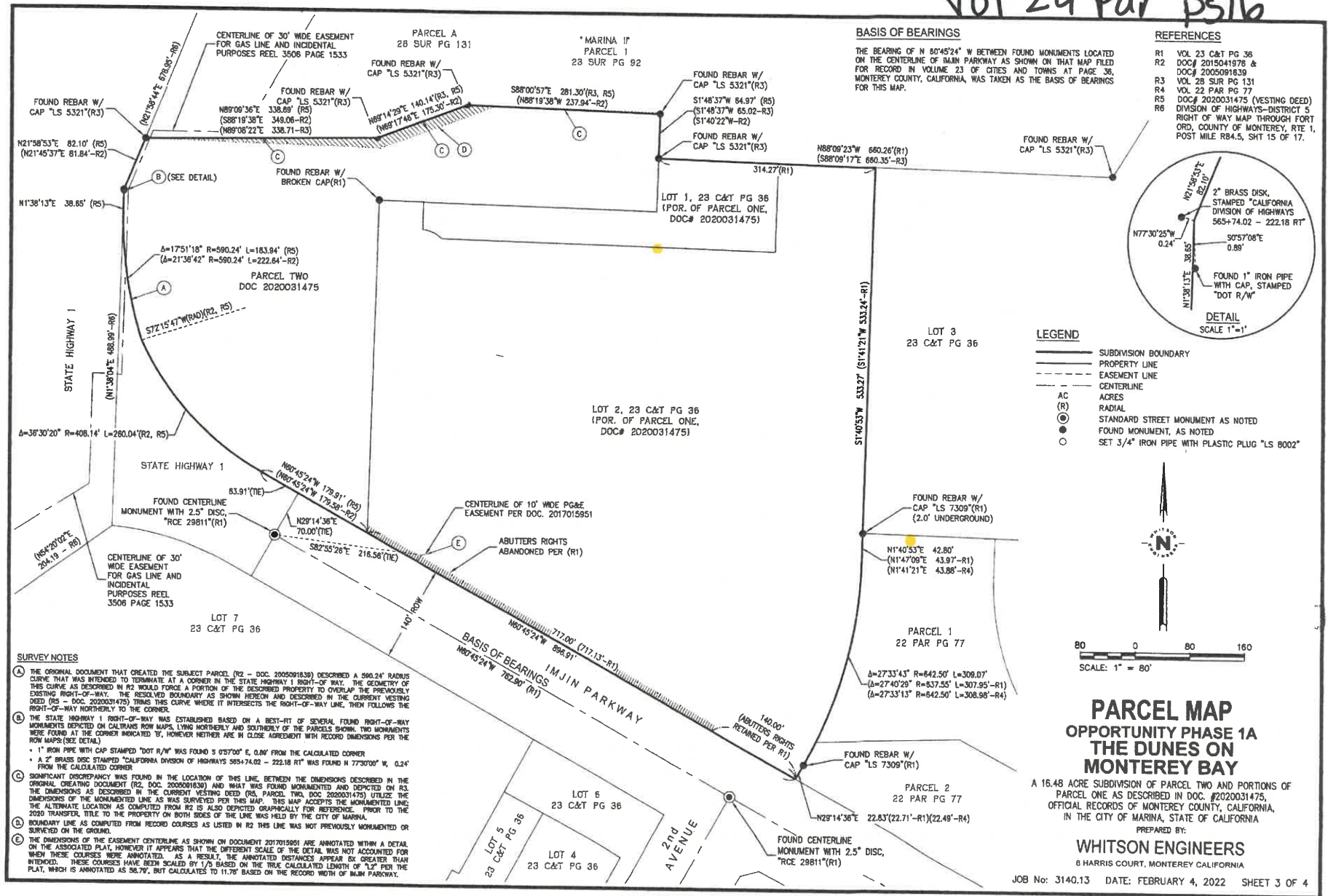
A 16.48 ACRE SUBDIVISION OF PARCEL TWO AND PORTIONS OF
PARCEL ONE AS DESCRIBED IN DOC. #2020031475,
OFFICIAL RECORDS OF MONTEREY COUNTY, CALIFORNIA,
IN THE CITY OF MARINA, STATE OF CALIFORNIA

PREPARED BY:

WHITSON ENGINEERS
6 HARRIS COURT, MONTEREY CALIFORNIA

JOB No: 3140.13 DATE: FEBRUARY 4, 2022 SHEET 2 OF 4

Vol 24 Par ps16



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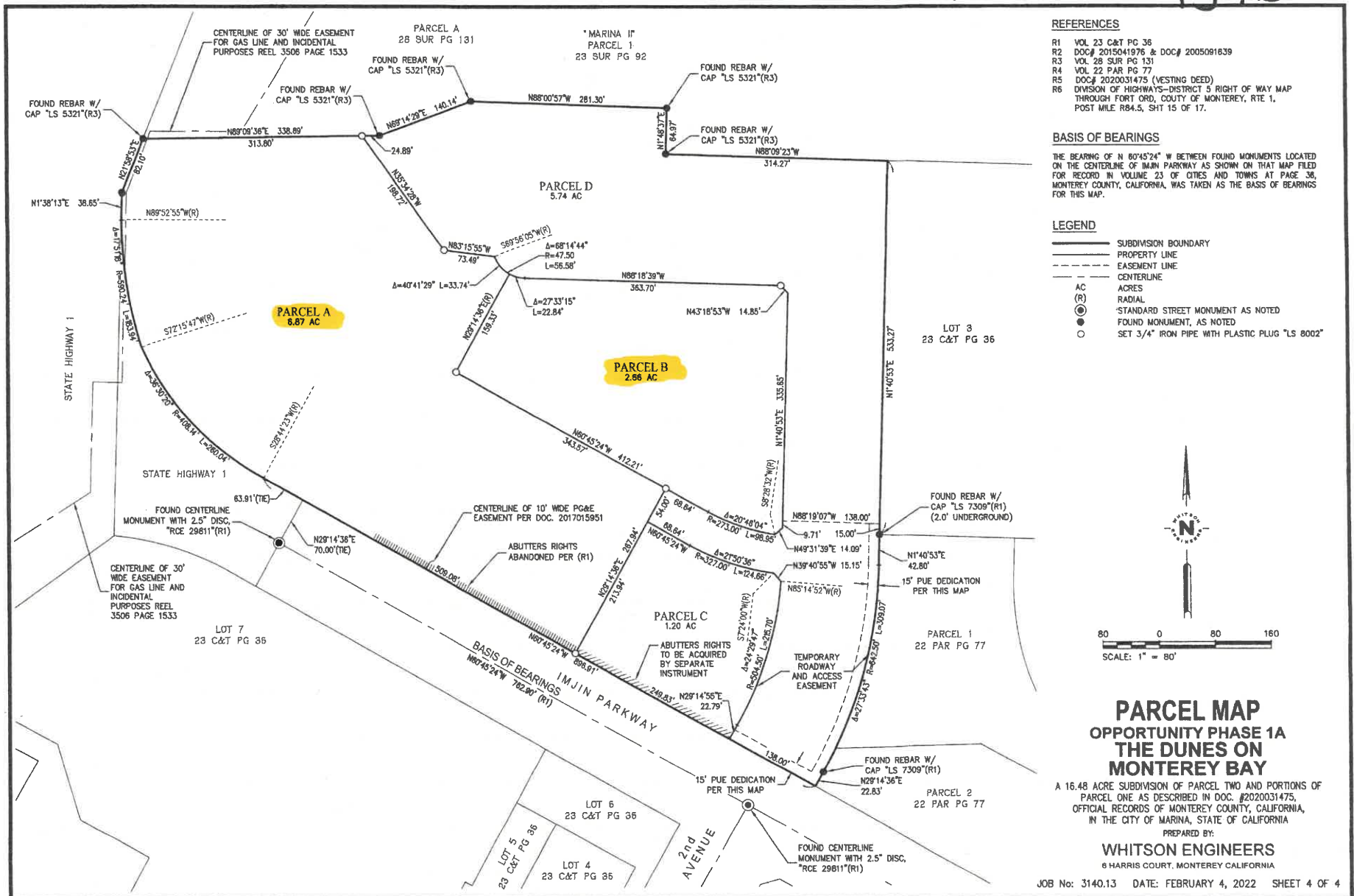
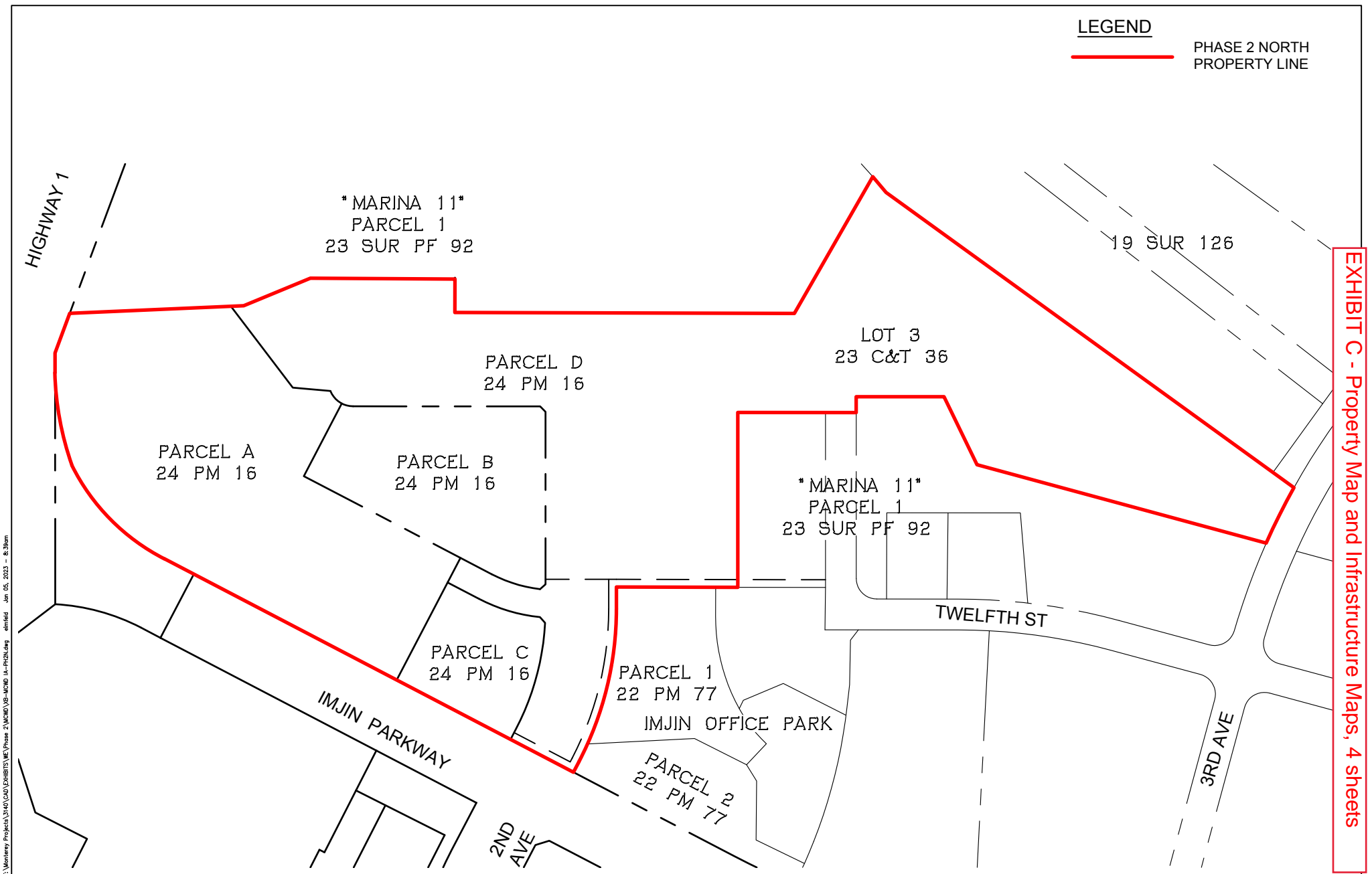


EXHIBIT C

MAP OF DEVELOPMENT

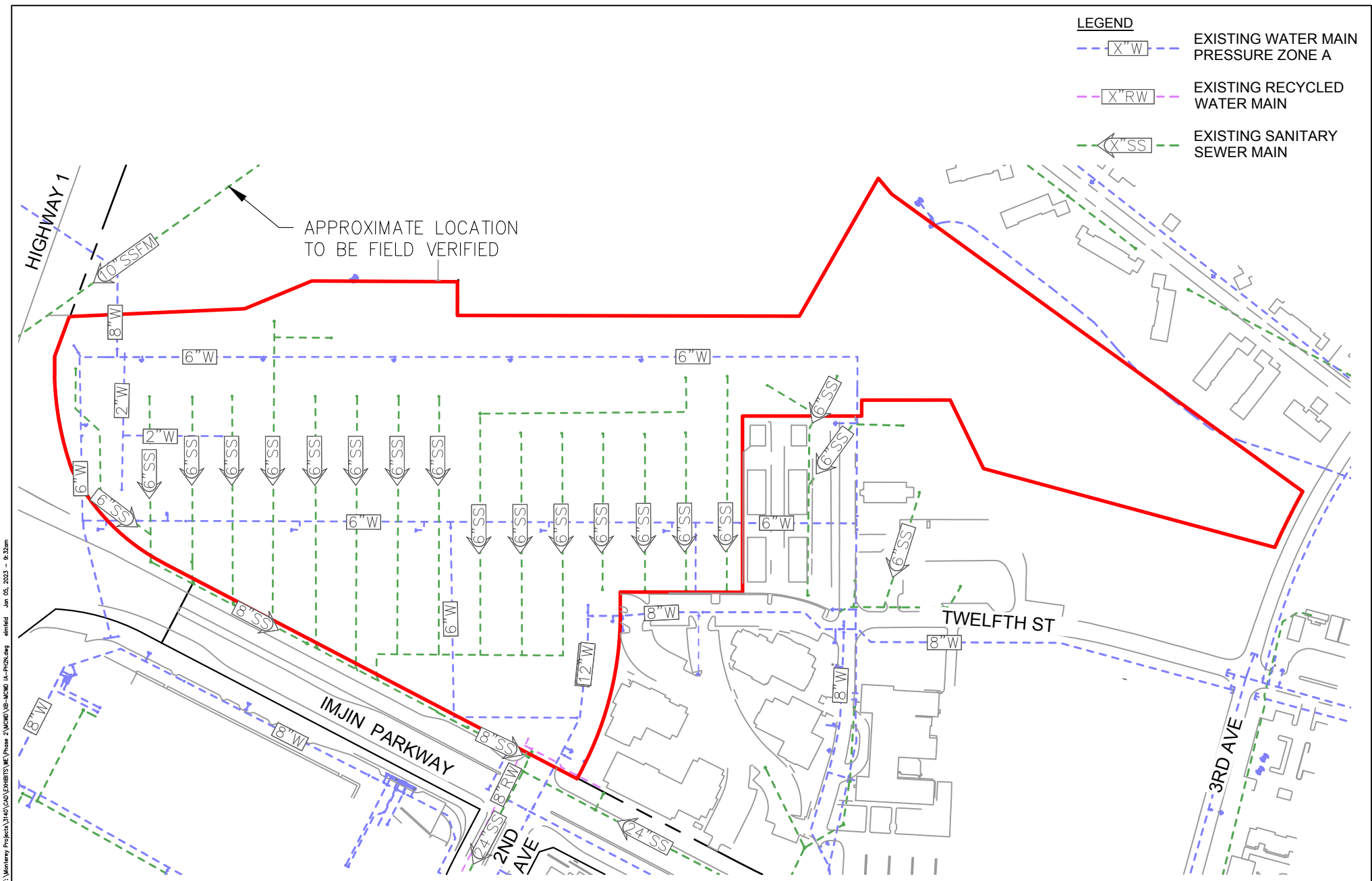


PHASE 2 NORTH PROPERTY MAP
THE DUNES ON MONTEREY BAY
 MONTEREY COUNTY, CALIFORNIA

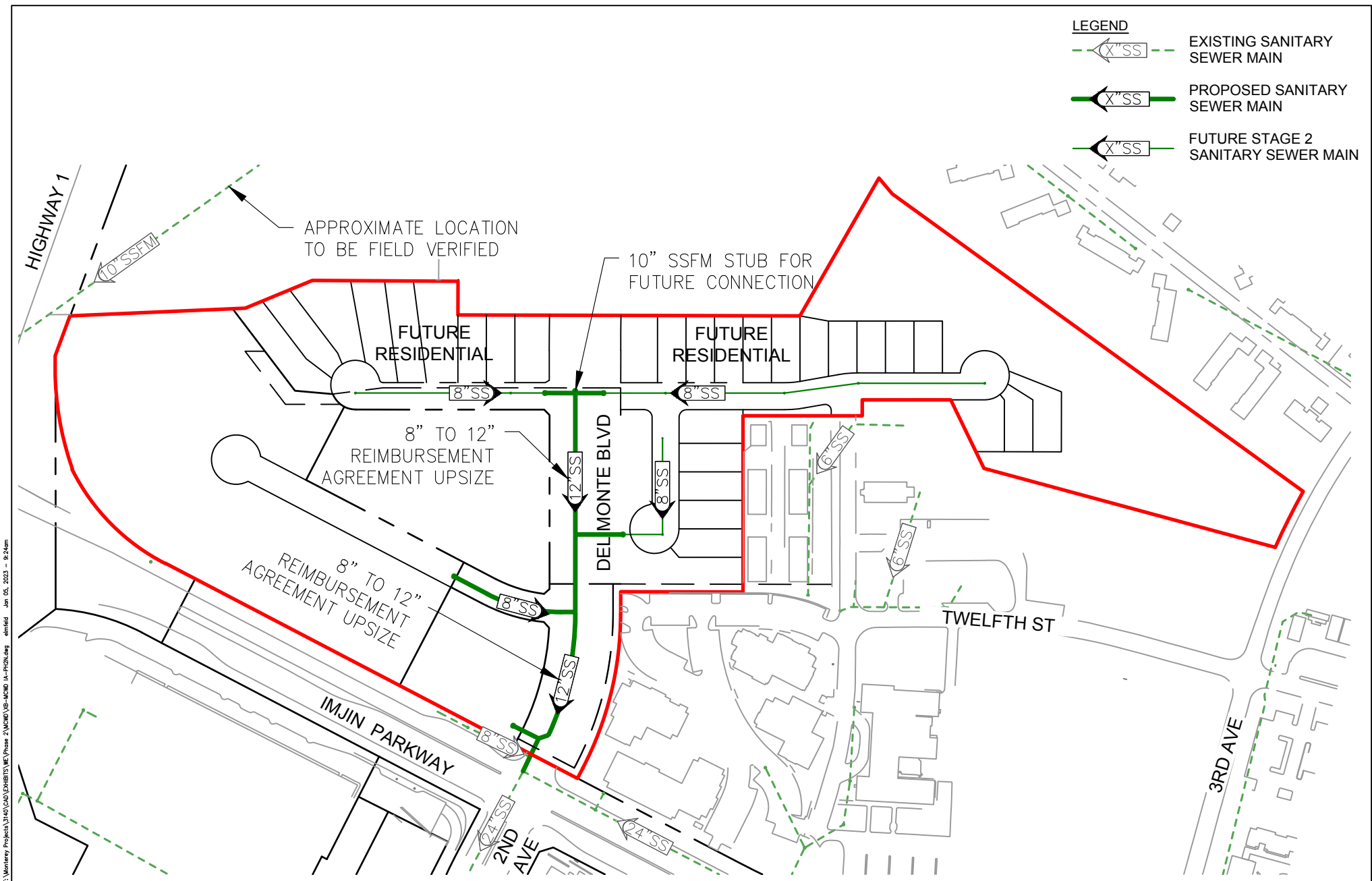


Civil Engineering
 Land Surveying
 6 Harris Court
 Monterey, California
 831.649.5225
 whitsonengineers.com

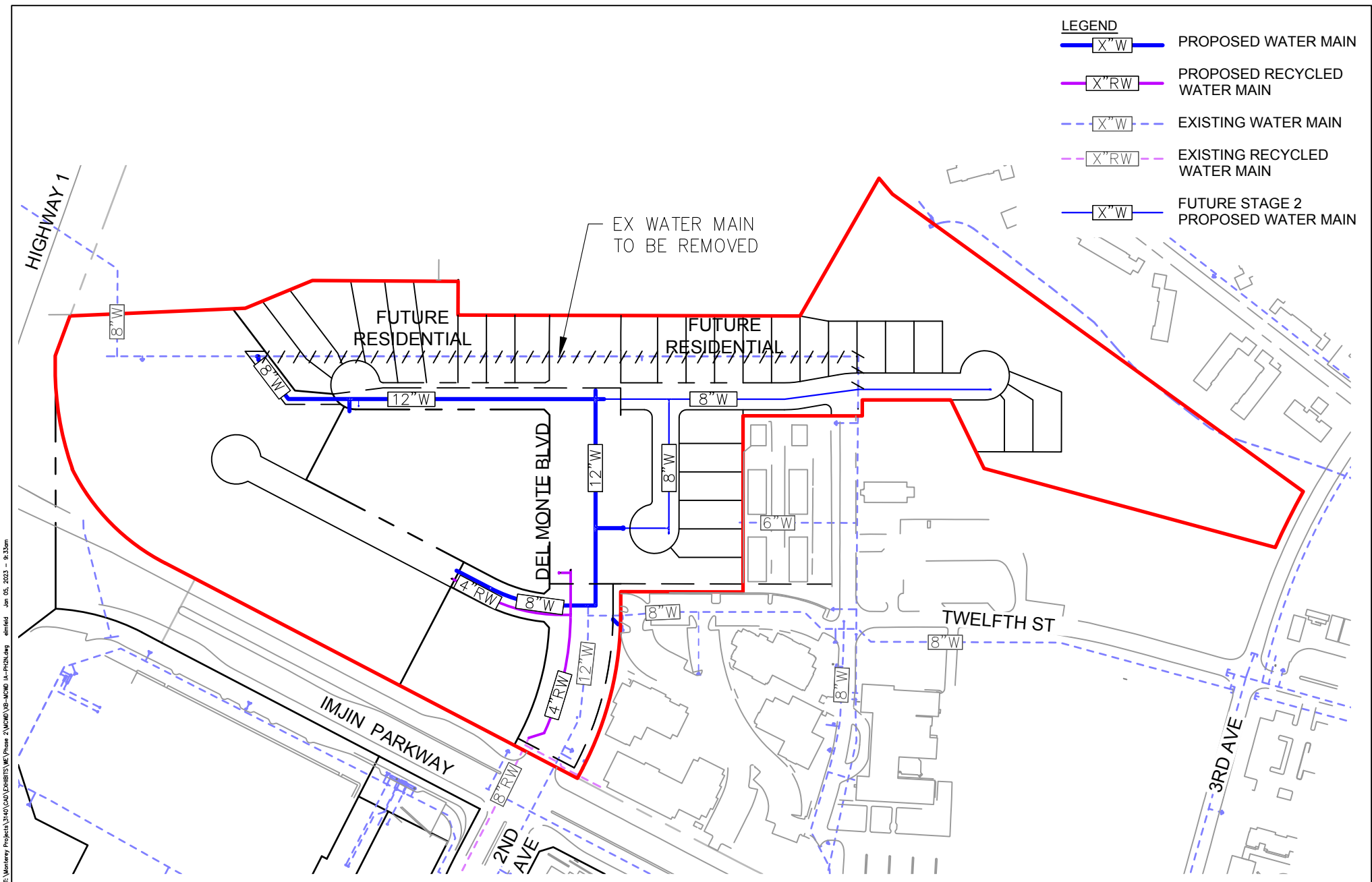




PHASE 2 NORTH EXISTING INFRASTRUCTURE
THE DUNES ON MONTEREY BAY
 MONTEREY COUNTY, CALIFORNIA



PHASE 2 NORTH SANITARY SEWER INFRASTRUCTURE
THE DUNES ON MONTEREY BAY
 MONTEREY COUNTY, CALIFORNIA



PHASE 2 NORTH WATER INFRASTRUCTURE
THE DUNES ON MONTEREY BAY
 MONTEREY COUNTY, CALIFORNIA

EXHIBIT D

INDEMNIFICATION AND INSURANCE REQUIREMENTS for Infrastructure Agreements

1. Workers' Compensation and Employer's Liability Insurance –

- a. The Developer shall require every Contractor to certify that it and all of its subcontractors are aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of any work under this Agreement.
- b. The Developer shall require every Contractor and all sub-contractors to insure (or be a qualified self-insured) under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof.
- c. The Contractor shall provide employer's liability insurance in the amount of at least \$1,000,000 per accident for bodily injury and disease.

2. Definitions – For purposes of this Exhibit, the following terms shall have the following respective meanings:

“Claim” - shall be used collectively to refer to and include any and all claims, demands, causes of action, damages, costs, attorneys’ fees, expert fees, court costs, expenses, penalties, losses or liabilities, in law or in equity, of every kind and nature whatsoever.

3. Indemnification - To the fullest extent permitted by law, the Developer will require every Contractor to indemnify, hold harmless, and defend District, its directors, officers, employees, representatives, and authorized volunteers (collectively, the “indemnitees”), and each of them from and against:

- a. Any claim, including, but not limited to, injury to or death of any person including District and/or Contractor, or any directors, officers, employees, or authorized volunteers of District or Contractor, and damages to or destruction of property of any person, including but not limited to, District and/or Contractor or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this agreement, however caused, regardless of any negligence of District or its directors, officers, employees, or authorized volunteers, except to the extent caused by the sole negligence or willful misconduct or active negligence of District or its directors, officers, employees, or authorized volunteers;
- b. Any claim arising out of, resulting from, or relating in any way to a violation of any governmental law or regulation, compliance with which is the responsibility of the Contractor;

- c. Any claims (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any indemnitee may incur with respect to the failure, neglect, or refusal of Contractor to faithfully perform the work and all of the Contractor's obligations to the Developer for work to be performed under this Agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, expert fees, and court costs, incurred by an indemnitee in any lawsuit to which the indemnitee is a party.
- d. Contractor acknowledges and understands that the area in and around which the work will be performed has been identified as a possible location of munitions and explosives of concern ("MEC"). All indemnification obligations of Contractor under this Agreement shall specifically include any claim involving, arising out of or related to MEC.

The Developer will require their Contractor to pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officers, employees, or authorized volunteers, relating to any claim.

The Developer will require their Contractor to reimburse District or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor's indemnification obligation shall not be limited to the proceeds, if any, received by the District, or its directors, officers, employees or authorized volunteers from any insurance required to be provided under this Agreement.

4. Commercial General Liability and Automobile Liability Insurance - The Developer will require their Contractor to provide and maintain the following commercial general liability and automobile liability insurance:

Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial **General Liability** Coverage (Occurrence Form CG 0001)
2. Insurance Services Office **Automobile Liability** Coverage (Form CA 0001), covering Symbol 1 (any auto) (owned, non-owned and hired automobiles)

Limits - The Consultant shall maintain limits no less than the following:

1. **General Liability** - Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to

the District) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

2. ***Automobile Liability*** - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.

Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

1. The District, its directors, officers, employees, or authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Contractors; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the District, its directors, officers, employees, or authorized volunteers.
2. For any claims related to this project, the Contractor's insurance shall be primary insurance as respects the District, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the District, its directors, officers, employees, or authorized volunteers shall not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the District, its directors, officers, employees, or authorized volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the District.

Such liability insurance shall indemnify the Contractor and his/her sub-contractors against loss from liability imposed by law upon, or assumed under contract by, the Contractor or his/her sub-contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to the District.

5. Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be disclosed in writing to and approved by the District.

6. Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by the District.

7. Munitions and Explosives Coverage (MEC) - The Developer will require their Contractor to maintain insurance that includes coverage for services and work in or around MEC, or claims, damage or injury related in any way to this Agreement which arise from MEC. The Marina Coast Water District, its officers, directors and employees and any of its authorized representatives and volunteers shall be named as additional insureds under all insurance maintained by Contractor related in any way to work performed by it on behalf of the Marina Coast Water District.

8. Builder's Risk Insurance - The Developer or the Developer's Contractor will provide and maintain builder's risk insurance (or installation floater) covering all risks of direct physical loss, damage or destruction to the work in the amount specified by the District, to insure against such losses until final acceptance of the work by the District. Such insurance shall include¹ explosion, collapse, underground excavation and removal of lateral support. The District shall be a named insured on any such policy. The making of progress payments to the Contractor by the Developer shall not be construed as creating an insurable interest by or for the District or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by the District.

9. Waiver of Rights of Subrogation - The Developer will require their Contractor's insurer to waive all rights of subrogation against the District, its directors, officers, employees, or authorized volunteers.

10. Evidences of Insurance - Prior to the commencement of construction activities under this Agreement, the Developer will require their Contractor to file with the District a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative. Such evidence shall include an original copy of the additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 1-5.

The Developer will require their Contractor, upon demand of the District, to deliver to the District such policy or policies of insurance and the receipts for payment of premiums thereon.

All insurance correspondence, certificates, binders, etc., shall be mailed to:

Marina Coast Water District
11 Reservation Road
Marina, CA 93933
Attn: Management Services Administrator

11. Sub-Contractors' Required Insurance Requirements - In the event that the Contractor employs sub-contractors as part of the work to be performed under this Agreement, it shall be the Developer's responsibility to require and confirm that every Contractor requires each of its sub-contractor to meet the same minimum insurance requirements specified in this Exhibit for every Contractor.

Marina Coast Water District Staff Report

Agenda Item: 9-G

Meeting Date: January 23, 2023

Prepared By: Patrick Breen

Approved By: Remleh Scherzinger P.E.

Agenda Title: Receive the 4th Quarter 2022 MCWD Water Consumption Report

Summary: The Board of Directors is requested to receive the 4th Quarter 2022 MCWD Water Consumption Report. The report is a ten-year comparative report that is provided to the Board on a quarterly basis. Quarterly water consumption reports of the Ord Community have been submitted to the Board since 2006 and are organized by land-use jurisdiction. Reports submitted since 2016 include the consumption information for Central Marina as well as an analysis of variances between current-year projected consumption and prior-year consumption. In addition, two graphs of the data in the consumption report are included: 1) 10-Year Comparison of Annual Usage of Central Marina and the Ord Community, and 2) 10-Year Comparison of Annual Usage of the Ord Community by Jurisdiction.

Informational annotations for the data included in the report are as follows:

- October was dry. An early November rain event delivered over two inches of precipitation in one week. Three weeks of dry weather followed before consistent rain events resumed and delivered over six inches of rainfall throughout December. The historic average rainfall for the fourth quarter is 4.45” inches of rain. The 8.26” inches of rainfall received in the fourth quarter is 185% of the historical average. The 9.67” inches of rain received during the Rain Year-to-Date (July – December) is 200% of the 4.83” inch historical average and 65% of the average rain year total (July – June) of 14.98” inches.
- The fourth quarter measured evapotranspiration (ET) rate in South Salinas was 7.46” inches. Evapotranspiration in October and November were higher than the historical average while December was lower. Three weeks of clear, sunny weather in November helped lift the quarterly ET measurement of 7.46” inches 8% above the historical average measurement of 6.93” inches. This is the ninth consecutive quarter with evapotranspiration higher than the historical average used for comparison.



Marina Coast Water District 10 Year Annual Consumption as of December 31, 2022

Metered Consumption

Boundary	Subdivision	2013 Consumption	2014 Consumption	2015 Consumption	2016 Consumption	2017 Consumption	2018 Consumption	2019 Consumption	2020 Consumption	2021 Consumption	2022 Consumption	3Yr Running Avg.	5Yr Running Avg.	Allocation
Boundary: Central Marina														
Central Marina	Central Marina	1,696.27	1,599.58	1,388.97	1,327.45	1,349.94	1,400.84	1,315.11	1,402.34	1,343.71	1,308.04			
Central Marina	East Ridge	11.03	10.15	8.16	7.92	8.04	8.18	9.30	8.92	8.14	8.68			
Central Marina	MarinaConstruction	-	-	-	-	-	-	3.33	23.28	14.94	3.11			
Central Marina	MB Estates II	14.48	12.27	9.74	9.40	9.61	10.66	9.10	10.17	9.55	9.29			
Central Marina	MB Estates III	4.47	3.86	3.17	2.73	2.95	3.46	4.00	4.20	3.79	3.71			
Central Marina	Sea Breeze	11.24	10.27	9.02	8.81	8.80	8.91	7.92	8.87	9.83	9.10			
Total Central Marina		1,737.50	1,636.13	1,419.05	1,356.31	1,379.33	1,432.05	1,348.77	1,457.78	1,389.95	1,341.94	1,396.56	1,394.10	3,190.00
Boundary: FOArmy														
FOArmy	Army	27.53	22.84	19.39	25.05	24.51	26.59	26.71	22.47	18.75	17.54			
FOArmy	Fitch Park	80.05	66.31	60.20	56.96	97.06	101.43	102.71	105.04	96.03	97.84			
FOArmy	Hayes Park	77.32	71.18	53.40	46.78	53.23	59.12	53.65	51.37	49.65	47.23			
FOArmy	Marshall Park	-	-	-	-	5.66	56.31	59.42	56.48	56.84	56.12			
FOArmy	Ord Kidney	104.17	80.47	71.44	70.02	70.14	83.27	108.33	128.11	116.49	108.94			
FOArmy	Stilwell Park	44.01	28.44	33.74	23.91	21.47	32.05	50.20	45.78	44.89	58.45			
Total FOArmy		333.07	269.25	238.17	222.71	272.07	358.76	401.03	409.26	382.64	386.11	392.67	387.56	1,577.00
Boundary: FOCounty														
FOCounty	County	9.75	3.00	3.17	5.40	8.78	4.91	5.01	1.04	2.10	2.45			
FOCounty	CountyConstruction	0.57	-	-	0.68	-	0.86	-	-	-	-			
FOCounty	EastGarrison	5.56	35.21	71.61	65.92	136.90	175.55	202.19	225.57	219.40	212.59			
Total FOCounty		15.89	38.21	74.78	72.00	145.68	181.32	207.20	226.62	221.50	215.03	221.05	210.33	710.00
Boundary: FOCSUMB														
FOCSUMB	CSUMB	176.63	152.68	104.04	97.61	128.61	130.90	113.71	86.87	117.16	161.91			
FOCSUMB	Frederick Park	93.21	63.02	65.91	67.34	63.52	56.50	42.83	30.22	32.67	38.26			
FOCSUMB	Schoonover I	123.49	105.32	102.44	97.96	98.39	103.86	99.17	101.81	94.37	74.84			
FOCSUMB	Schoonover II	32.10	23.92	20.69	20.15	23.84	26.73	21.77	23.47	20.61	19.34			
Total FOCSUMB		425.43	344.95	293.08	283.06	314.36	317.98	277.48	242.37	264.81	294.35	267.18	279.40	1,035.00
Boundary: FOMarina														
FOMarina	Abrams HAuthor	12.14	8.98	8.39	9.43	10.77	12.02	5.90	7.16	5.09	2.79			
FOMarina	Abrams Interim	5.42	4.92	3.89	3.75	4.12	4.56	3.43	5.15	4.74	4.42			
FOMarina	Abrams Park	56.35	56.92	44.20	39.54	50.91	54.50	52.45	47.92	45.30	42.47			
FOMarina	Dunes CHOMP	7.14	9.12	8.58	6.77	5.41	6.88	6.42	3.51	4.28	7.13			
FOMarina	Dunes Comm	16.81	14.28	12.71	14.06	30.12	32.89	30.66	25.43	30.53	32.45			
FOMarina	Dunes on MB Res	-	0.10	4.69	24.69	45.20	64.16	64.39	79.30	83.14	87.20			
FOMarina	Dunes UV Apts	9.13	28.85	33.97	20.23	23.56	23.86	23.85	20.72	23.60	19.82			
FOMarina	Dunes UVSpecPlan	5.06	3.52	1.98	2.45	3.24	2.25	1.34	0.88	0.71	0.79			
FOMarina	Dunes VA DOD	-	-	-	0.09	5.42	2.08	2.61	2.25	1.92	2.07			
FOMarina	Imjin Office Park	1.28	1.60	2.03	4.89	4.61	2.47	7.93	9.09	7.69	8.40			
FOMarina	Marina	17.81	13.80	16.99	31.61	31.54	33.71	33.89	21.60	23.69	36.51			
FOMarina	Marina Construction	-	-	-	-	-	-	-	-	-	0.02			
FOMarina	MarinaAirport	4.08	2.75	2.30	2.03	2.77	7.50	3.45	6.24	4.87	5.30			
FOMarina	MarinaConstruction	16.55	35.13	25.33	39.65	42.84	25.35	35.70	45.45	39.93	58.38			
FOMarina	MarinaRecreation	-	-	-	-	0.05	-	-	-	-	-			
FOMarina	Preston Park	101.17	83.30	51.93	51.63	56.29	61.31	55.97	66.12	63.13	61.73			
FOMarina	Preston Shelter	6.63	5.85	5.43	6.63	5.83	5.92	5.06	4.16	7.25	7.65			

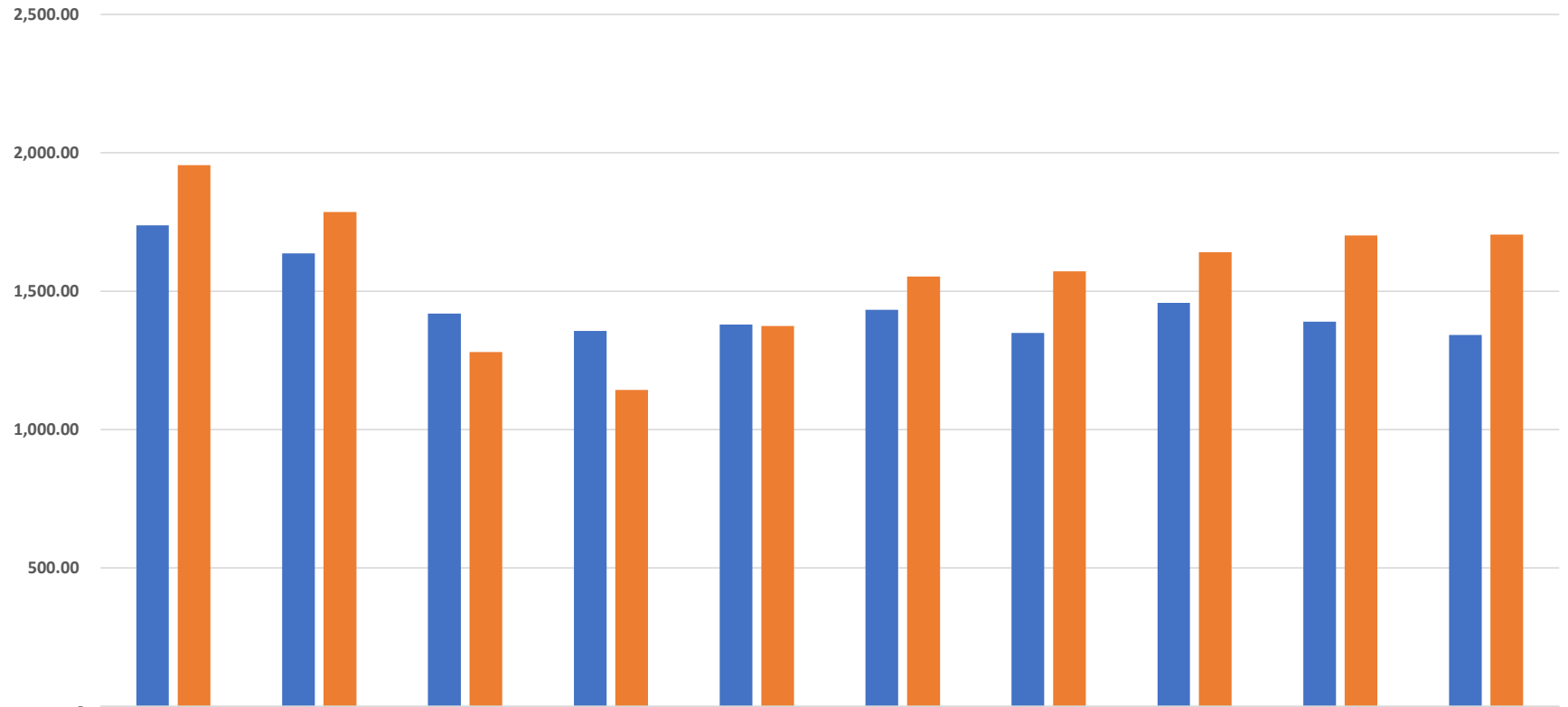
Boundary	Subdivision	2013 Consumption	2014 Consumption	2015 Consumption	2016 Consumption	2017 Consumption	2018 Consumption	2019 Consumption	2020 Consumption	2021 Consumption	2022 Consumption	3Yr Running Avg.	5Yr Running Avg.	Allocation
FOMarina	School	4.26	3.34	4.54	1.93	1.95	2.27	2.72	2.64	1.44	1.81			
FOMarina	SeaHaven	13.61	7.49	7.34	10.02	23.37	37.67	61.92	75.21	74.77	103.06			
Total FOMarina		277.44	279.97	234.28	269.41	348.01	379.41	397.68	422.82	422.07	482.02	442.30	420.80	1,325.00
Boundary: FOSeaside														
FOSeaside	Golf Course	-	-	-	-	-	-	-	-	-	7.62			
FOSeaside	Bay View	91.10	79.48	44.24	46.43	57.97	51.60	46.94	57.50	56.77	48.11			
FOSeaside	GolfCourse	457.47	524.88	139.06	1.18	1.11	1.16	0.19	0.15	51.52	8.05			
FOSeaside	Marina Coast Water Distr	-	-	-	-	-	-	0.04	0.08	0.82	1.32			
FOSeaside	School	102.72	39.80	50.02	48.91	30.95	43.57	44.06	58.89	71.24	63.22			
FOSeaside	Seaside	5.65	4.17	3.91	7.08	5.97	8.06	2.24	3.21	6.51	7.18			
FOSeaside	Seaside Resort	0.45	0.63	0.51	0.89	0.98	1.23	1.21	1.89	1.15	1.21			
FOSeaside	Seaside Soper	11.38	12.70	9.58	9.30	8.50	9.12	8.13	11.04	7.94	8.96			
FOSeaside	SeasideConstruction	10.00	11.39	18.86	14.39	13.41	13.65	8.64	9.64	35.60	12.47			
FOSeaside	SeasideHighland	158.76	134.27	123.69	109.28	114.89	126.20	116.47	134.89	125.56	118.11			
FOSeaside	Sun Bay	64.40	44.95	48.70	57.89	58.66	59.44	59.13	61.21	51.80	45.00			
FOSeaside	The Enclave at Cypress C	-	-	-	-	-	-	-	-	-	4.25			
Total FOSeaside		901.94	852.27	438.57	295.35	292.44	314.02	287.04	338.50	408.93	325.48	357.64	334.80	1,012.50
Boundary: FOUCMBES														
FOUCMBES	UCMBest	1.29	1.11	0.94	0.75	1.30	1.80	1.10	0.73	1.07	1.02			
Total FOUCMBES		1.29	1.11	0.94	0.75	1.30	1.80	1.10	0.73	1.07	1.02	0.94	1.15	230.00
Total Central Marina		1,737.50	1,636.13	1,419.05	1,356.31	1,379.33	1,432.05	1,348.77	1,457.78	1,389.95	1,341.94	1,396.56	1,394.10	
Total Ord Community		-	1,955.06	1,785.76	1,279.81	1,143.28	1,373.86	1,553.29	1,571.53	1,640.30	1,701.03	1,681.78	1,634.03	
Grand Total		3,692.56	3,421.89	2,698.86	2,499.59	2,753.19	2,985.35	2,920.30	3,098.08	3,090.98	3,045.95	3,078.34	3,028.13	

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AREA	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Central Marina	1,737.50	1,636.13	1,419.05	1,356.31	1,379.33	1,432.05	1,348.77	1,457.78	1,389.95	1,341.94
Ord Community	1,955.06	1,785.76	1,279.81	1,143.28	1,373.86	1,553.29	1,571.53	1,640.30	1,701.03	1,704.02
Totals	3,692.56	3,421.89	2,698.86	2,499.59	2,753.19	2,985.35	2,920.30	3,098.08	3,090.98	3,045.95

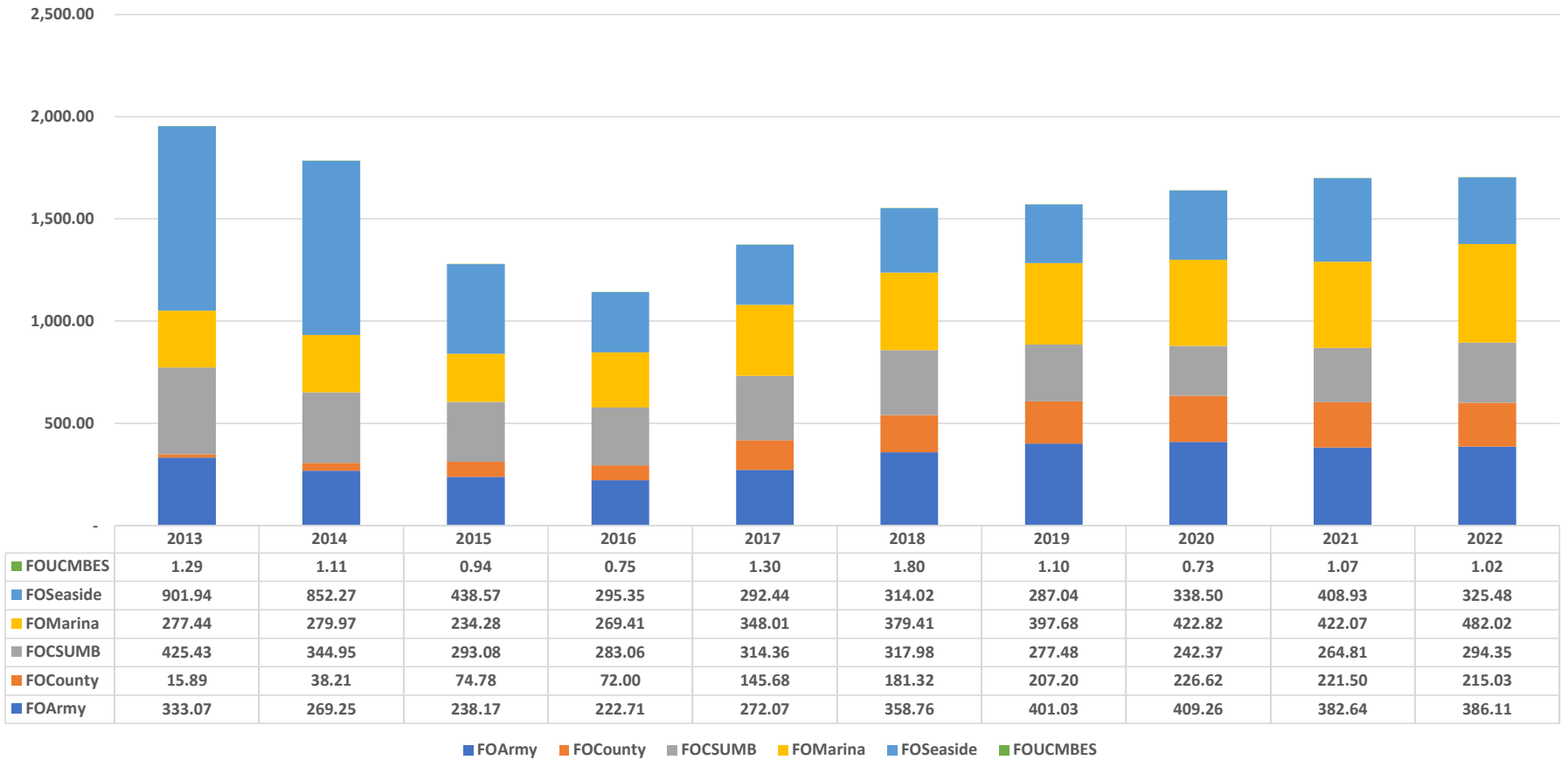
SUBDIVISION	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
FOArmy	333.07	269.25	238.17	222.71	272.07	358.76	401.03	409.26	382.64	386.11
FOCounty	15.89	38.21	74.78	72.00	145.68	181.32	207.20	226.62	221.50	215.03
FOCSUMB	425.43	344.95	293.08	283.06	314.36	317.98	277.48	242.37	264.81	294.35
FOMarina	277.44	279.97	234.28	269.41	348.01	379.41	397.68	422.82	422.07	482.02
FOSeaside	901.94	852.27	438.57	295.35	292.44	314.02	287.04	338.50	408.93	325.48
FOUCMBES	1.29	1.11	0.94	0.75	1.30	1.80	1.10	0.73	1.07	1.02
Totals	1,955.06	1,785.76	1,279.81	1,143.28	1,373.86	1,553.29	1,571.53	1,640.30	1,701.03	1,704.02

**Marina Coast Water District
10-Year Comparison Annual Consumption in Acre Feet**



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Central Marina	1,737.50	1,636.13	1,419.05	1,356.31	1,379.33	1,432.05	1,348.77	1,457.78	1,389.95	1,341.94
Ord Community	1,955.06	1,785.76	1,279.81	1,143.28	1,373.86	1,553.29	1,571.53	1,640.30	1,701.03	1,704.02

Marina Coast Water District - Ord Community 10-Year Comparison Annual Consumption in Acre Feet



**Marina Coast Water District
Staff Report**

Agenda Item: 9-H

Meeting Date: January 23, 2023

Prepared By: Patrick Breen

Approved By: Remleh Scherzinger P.E.

Agenda Title: Receive the 4th Quarter 2022 Sewer Flow Report

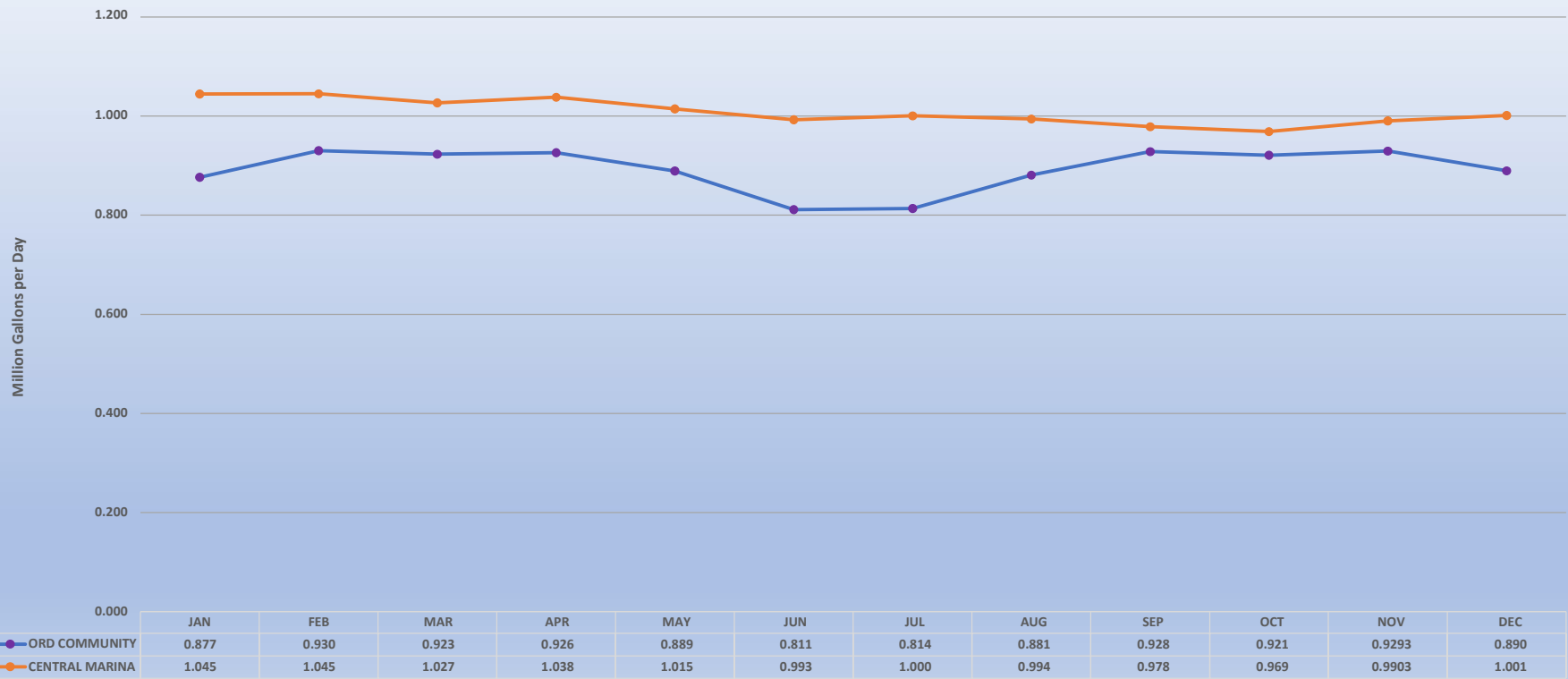
Summary: The Board is requested to receive the 2022 Sewer Flow Report for the 4th quarter of 2022 ended December 31, 2022. This staff report includes tracking information on sewer flows through the Monterey One Water Agency's (M1W) Fort Ord and Marina pump stations.

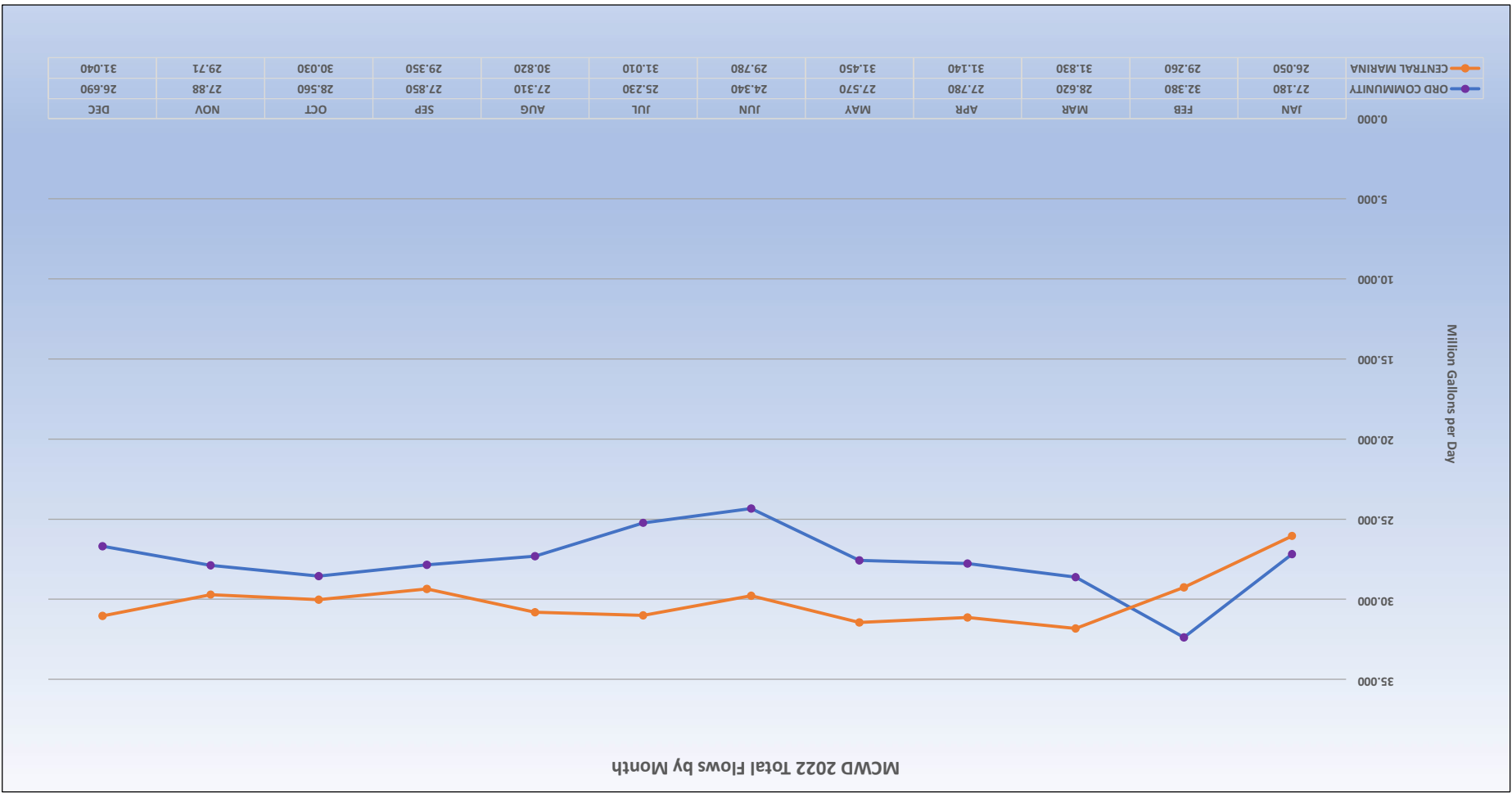
M1W provides flow data for the Marina Pump Station monthly through an automated report. Central Marina sanitary sewer flows for the quarter ended December 31, 2022, were 120.13 million gallons or 428.99 Acre Feet (AF) which yielded an average daily sewer flow of 0.984 million-gallons-per-day (MGD) or 3.515 per day.

The Ord Community's sanitary sewer flow to the M1W interceptor system is measured by a District flume structure located adjacent to the retired Main Garrison wastewater treatment plant. M1W also provides the flow data for the District flume through an automated report. The Ord Community sanitary sewer flows for the quarter ended December 31, 2022, was 110.98 million gallons or 396.32 AF, which yielded an average daily sewer flow of 0.917 MGD or 3.274 AF per day.

This staff report also includes charts for January – December 2022 average daily flows and total flows in million gallons by month.

MCWD 2022 Average Daily Flows by Month





Marina Coast Water District Agenda Transmittal

Agenda Item: 9-I

Meeting Date: January 23, 2023

Prepared By: Garrett Haertel, PE

Approved By: Remleh Scherzinger, P.E.

Agenda Title: Receive a Report on the Capital Improvement Program – Project Update Report

Staff Recommendation: Receive quarterly project update report on the current Capital Improvement Program (CIP).

Background: *Strategic Plan, Goal No. 2 – 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 FY 2022-2023 Budget approved by the Board of Directors included improvements and expansion plans for existing water, recycled water, and wastewater collection systems. The following CIP update report provides project lists currently in design/construction based on the board adopted annual budget.

Projects listed include details on service area and system. For reference, the project number contains an identifier prefix for the appropriate cost center. The prefixes include:

- General Water (GW),
- General Sewer (GS), (General projects affect both service areas)
- Marina Water (MW),
- Marina Sewer (MS),
- Ord Community Water (OW),
- Ord Community Sewer (OS),
- Recycled Water (RW), and
- District-wide projects (WD) (Projects affecting all four cost centers).

Discussion/Analysis: The attached CIP Project Status Report lists active projects with project number, title, description, justification and status of progression through design and construction.

Within the current fiscal year approved budget there were originally 22 projects included. There have been 3 additional projects added to the existing CIP. Of the 25 projects currently budgeted, 17 are renewal and replacement, 7 are engineering improvement and 1 is for current development. As of December 31, 2022, approximately 30% of the total annual CIP budget has been spent, most of which is for A1/A2 Tanks, Booker Lift Station, and Ord Lift Station. This spend percentage is below the anticipated 50% amount for this time period due to the District carrying a portion of the budget internally causing the 30% spent-to-date figure to not reflect the total effort expended to date. This accounting issue will be resolved at project close. In addition, District engineering staff is also working on 14 separate development projects and the associated project review, coordination, and construction of infrastructure that has become or will become assets of the District. The Director of Administrative Services and the District Engineer are working together closely to improve project accounting in the area of development assets.

The District Engineer is spearheading an internal project to develop a CIP tool for budgeting, forecasting and tracking projects. This tool will aid in the development of a long-term,

comprehensive CIP that can easily be modified to account for changing infrastructure demands and fiscal and construction environments. This tool will aid in understanding the financial impact of a planned CIP versus a reactionary run-to-failure approach.

During this quarter the largest project within this fiscal year is the A1/A2 Tanks and B/C Booster Station project (GW-0112). The project consists of constructing two 1.6-million-gallon tanks and a booster station. The booster station will pump water into storage tanks and pressure zones in higher elevations. The project is located on the Cal State University Monterey Bay campus. The assembly of both tanks is complete. Both tanks have been coated and are awaiting the final aesthetic application. The booster station walls, foundation, roof structure, and main pump manifold are complete and site piping is under construction.

The Ord Village Lift Station and Force Main Improvements project (OS-0147) is nearing completion. The new lift station is fully operational, the installation of the permanent backup power generator is complete and the project is awaiting PG&E removal of power at the previous pump station location for final demolition of the old station. This station was located on the western side of Highway 1 within environmentally sensitive land previously owned by the Army and transferred to California State Parks. This installation of the new station and improvements to the force main eliminates the sewage lift station within sensitive habitats and improves maintenance access.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: The District's goal is to provide projects that address climate change and improves the District's footprint on the environment. The Ord Village Lift Station project accomplishes both of these as the new location is further protected from the shifting dune environment. The lift station is no longer sited on approximately 10,000 square feet where operations and maintenance activities could have adverse impacts to the surrounding environmental community. Dunes are a vital part of beach habitats, helping to diminish shoreline erosion and absorbing the impact from storm surges. The beach and dune habitat are part of Monterey Bay's unique coastal dune system and the greater Monterey Bay Marine Sanctuary. The Dunes are home to many species of birds, including the California brown pelican, western snowy plover, western gull, black phoebe, and others.

By moving this facility to the east side of California Highway 1 it also armored the asset against future sea level rise and by design was an aesthetic improvement. This was accomplished by moving the facility below grade and removing its visual impact on the community.

Financial Impact: ☐ Yes ☒ No **Funding Source/Recap:** None

Material Included for Information/Consideration: CIP Status Report.

Action Required: ☐ Resolution ☐ Motion ☒ Review

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____

Abstained_____

Noes_____

Absent_____



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
1	GW-0112	A1/A2 BC Booster Improvements	<ul style="list-style-type: none"> Two 1.6 MG A-Zone storage tanks B/C-Zone BPS upgrade Associated piping and facilities 	This project will provide water storage for Zone A in the Ord Community and Central Marina. The B and C booster pumps will pump water from Zone A tanks to Zones B and C tanks. It will provide needed storage and fire flows for the community.	Construction - 68%	Patrick Breen	<ul style="list-style-type: none"> A1 and A2 Tank Coating Complete. A1/A2 Tank Murals laid out awaiting proper weather for application B/C Pumphouse construction continues; roof complete, pump station manifold complete.
2	GW-0311	Intermediate Reservoir Recoat	<ul style="list-style-type: none"> Recoat the tank interior Recoat the tank exterior Rehabilitate structural components of the roof 	The intermediate tank serves as the forebay for the main transmission pipelines from all the Ord wells to both central Marina and Ord communities. The interior coating was delaminating and required replacement. In the process of recoating the interior, roof beams were discovered to be deficient and were replaced.	Complete	Patrick Breen	<ul style="list-style-type: none"> Final Warranty Inspection upcoming.



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
3	GW-0312	Intermediate Reservoir Valve Replacement	<ul style="list-style-type: none"> Replace and add valves to the inlet and outlet of the tank. 	The existing valves were not functioning as needed to allow the tank to be drained (to be recoated). These valves were replaced. Additional valves were installed to improve the ability to isolate the tank to improve operational flexibility.	Complete	Patrick Breen	<ul style="list-style-type: none"> Complete
4	GW-2310	Castroville Pipeline	<ul style="list-style-type: none"> Production of a preliminary conceptual design for the potential alignment of water service pipelines extending the existing MCWD distribution network to the Castroville Community Services District (CCSD). 	To show the feasibility of a potential alignment of water service pipelines extending MCWD's distribution system to CCSD.	Design – 30%	Dominique Bertrand	<ul style="list-style-type: none"> Draft conceptual design expected by February 2023
5	GW-0378	Well 12 Rehab	<ul style="list-style-type: none"> Initial Investigations to Identify and Develop Rehabilitation Requirements 	Well 12 needs Rehabilitation and Treatment for high temperature and hydrogen sulfides in order to work as regular supply source.	Design – 0%	Dominique Bertrand	<ul style="list-style-type: none"> Project Scope Complete Design Contract 3Q23



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
6	OS-0147	Ord Village LS & FM	<ul style="list-style-type: none"> Relocate Ord LS east of Hwy 1 Install approximately 4,500 LF of 10" SSFM in new alignment. 	This project replaces a 50+ old SSFM for Ord and Giggling LS that has leaked and is not accessible by O&M. Several SSOs has occurred from these SSFM in past. Relocating the Ord LS will eliminate two highway crossings and restores environmentally sensitive CA State Parks land.	Construction and Startup Complete – New System Operational – 2% Remaining for demolition work.	Andrew Racz	<ul style="list-style-type: none"> Demolition of existing lift station to begin once power utilities have been fully de-energized and removed.
7	OS-0152	Hatten & Booker LS Improvements	<ul style="list-style-type: none"> Rehabilitate existing LS using submersible pumps and new wet well. 	This project will replace the smaller lift stations that are beyond their useful life as a submersible wet well configuration LS.	Complete	Andrew Racz	<ul style="list-style-type: none"> Project Complete
8	OS-0153	Misc. Lift Station Improvements	<ul style="list-style-type: none"> Conduct Programmatic Improvements as issues at Lift Stations are identified. 	Ongoing programmatic Lift Station Improvements address asset failures of District's aging Lift Stations and extend asset life.	Design – 10%	Garrett Haertel	<ul style="list-style-type: none"> Program identified 2 projects
9	OS- 0218	Gigling Lift Station Renovation	<ul style="list-style-type: none"> Replace existing wet pit/dry pit pump station with wet pit submersible pumping station 	The Pumping Station has reached the end of asset life.	Design – 0%	Andrew Racz	<ul style="list-style-type: none"> Design Contract 3Q23



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
10	OS-0348	Odor Control for Imjin parkway LS	<ul style="list-style-type: none"> Conduct programmatic odor control activities as sites are identified. 	Ongoing programmatic odor control efforts reduce corrosive environments that deteriorate sewer infrastructure and efforts also address public concerns at identified location.	Design – 100%	Andrew Racz	<ul style="list-style-type: none"> Project design completed Construction complete 4Q23
11	OS-2301	CIPP Lining of 1 st . St. Sewer Lines (550')	<ul style="list-style-type: none"> Rehabilitate 550 LF of clay pipe through cured in place pipe (CIPP) methods. 	TV inspection indicates clay pipe is in poor condition.	Design – 100%	Derek Cray	<ul style="list-style-type: none"> O & M reviewing proposals from contractors. Project award March 2023 Construction complete June 2023
12	OS-2303	Hatten Lift Station Improvements	<ul style="list-style-type: none"> Replacement of existing Lift Station with Complete Flygt Package Unit with (2) 2HP Pumps (112 GPM each) and adding SCADA 	Pumping equipment needs replacement to extend asset life.	Construction – 0%	Derek Cray	<ul style="list-style-type: none"> Replacement Station parts procured. Estimated beginning construction February 2023. O & M in-house install
13	OS-2304	Hodges Lift Station Improvements	<ul style="list-style-type: none"> Replace (2) 3 HP pumps (94 GPM each) and associated piping to retrofit Flygt pumps as necessary. 	Pumps have reached end of asset life and need replacement.	Design – 0%	Derek Cray	<ul style="list-style-type: none"> Project design initiated 3Q FY23 Project completed 4Q FY23
14	OS-2305	Lightfighter Manhole Rehabilitation and Lining	<ul style="list-style-type: none"> Rehabilitate and line 21 sewer manholes along Lightfighter. 	Manholes are deteriorated and need refurbishment to extend asset life.	Design- 100%	Derek Cray	<ul style="list-style-type: none"> O & M coordinating bid package Expected completion of project 4Q FY23



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
15	OW-0193	Imjin Pkwy Water Main Pipeline	<ul style="list-style-type: none"> Install 2,800 LF of 12-inch water main 	This project will improve connectivity within the Zone B between the Airport/UCMBest and Abrams/Preston Park area.	Complete	Andrew Racz	<ul style="list-style-type: none"> Part of RW-0174 project
16	OW-0201	Giggling Transmission Main - D Booster to General Jim Moore	<ul style="list-style-type: none"> Install 1,800 LF of 12-inch water main 	This project will replace an existing 12" AC water main that has leaked and repaired several times.	Design – 0%	Andrew Racz	<ul style="list-style-type: none"> Project design initiated 3Q FY23
17	OW-0306	D-Zone Booster Pump Replacement	<ul style="list-style-type: none"> Replace one existing 50 HP (950 GPM) D-Zone Booster pump with a larger pump (100HP 2,000 GPM) to match specifications of remaining pump with new motor, pump and motor control center 	Currently 1 D-Zone Pump is undersized and near the end of useful life. Lacing with a larger pump will also extend the life of the remaining pump. MCC also needs replacement.	Design – 0%	Derek Cray	<ul style="list-style-type: none"> Replacement Units identified
18	OW-2302	East Garrison Second Supply	<ul style="list-style-type: none"> Add a second supply pipeline connection between East Garrison and F Reservoir via Watkins Gate alignment. This is for approximately 4,000 LF of 12" pipe and appurtenances 	East Garrison system only has one supply source and needs a second source for redundancy and emergencies.	Design – 0%	Andrew Racz	<ul style="list-style-type: none"> Initiate Design 3Q FY23



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
19	OW-2306	Ord Blight Removal and Demolition	<ul style="list-style-type: none"> Demolish of military structures located at the MCWD Corporation Yard and Ord Wastewater Treatment Facility. 	FORA initiated project to remove aging structure and improve site safety.	Design – 10%	Derek Cray	<ul style="list-style-type: none"> Complete Project scope based on Corporation Yard long-term planning efforts
20	RW-0174	RUWAP - Distribution Mains	<ul style="list-style-type: none"> Install 5-mile of RW pipe 12 PRV stations and appurtenances including backflow prevention devices and meters. 	This project will Implement Recycled Water as a water source to meet the needs of MCWD's customers & to augment the current groundwater supply for the former Fort Ord.	Construction – 95%	Andrew Racz	<ul style="list-style-type: none"> Substantial construction complete Change Order work continues Water deliveries began October 2022 5 CSUMB turnouts/PRVs to be completed upon final negotiations
21	RW-2307	RUWAP – Distribution System	<ul style="list-style-type: none"> Provide onsite system improvements for Recycled Water as identified. 	Programmatic budgeting to provide onsite Recycled Water System improvements as sites are constructed and request assistance.	Design – 30%	Dominique Bertrand	<ul style="list-style-type: none"> Online training and permitting portal complete Program information published
22	WD-0106	Corp Yard Demolition and Rehab	<ul style="list-style-type: none"> Includes supplemental blight removal of rehabilitation of buildings not covered by Project OW-2306. 	Project supplements budget needs to repair/replace existing facilities at Corporation Yard.	Design – 0%	Brian True	<ul style="list-style-type: none"> Project design initiated 3Q FY23



CIP Status Report

No	Project No.	Title	Description	Justification	Phase	PM	Status
23	WD-0379	Beach Office Corrosion Improvements	<ul style="list-style-type: none"> Replace doors and frames. 	Doors and frames are corroded and failing.	Construction – 75%	Derek Cray	<ul style="list-style-type: none"> Construction complete January 2023
24	WD-2308	SCADA Improvements	<ul style="list-style-type: none"> Project includes a variety of efforts including: upgrade to latest InTouch version, update interface screens, add pressuring, pump efficiency, and power monitoring, new switches and alarms at various sites, chlorine dosing capabilities, cellular backup, and others. 	Remote monitoring and control capabilities need enhancement to increase operational efficiency and risk management.	Design – 100%	Derek Cray	<ul style="list-style-type: none"> Begin project activities February 2023
25	WD-2309	Water/Sewer Pipeline Replacement Program (R/R)	<ul style="list-style-type: none"> Replace failing and/or old pipeline through an annual program. 	Programmatic budgeting to provide Pipeline Replacement needs as identified to prevent systematic pipeline failures over time.	Design – 0%	Derek Cray	<ul style="list-style-type: none"> Intermediate tank coating and valves Projects Valve insertion project at D-booster station, includes (2) 12" and (1) 6" valves

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 10-A

Meeting Date: January 23, 2023

Prepared By: Mary Lagasca

Approved By: Remleh Scherzinger P.E.

Agenda Title: Accept the Annual Comprehensive Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2022

Staff Recommendation: Consider Accepting the Annual Comprehensive Financial Report and the Independent Auditor's Report for the fiscal year ended June 30, 2022.

Background: *Strategic Plan, Objective 3.4 Close and Audit financial statements in a timely manner.*

California Government Code Section 26909 requires the County Auditor to either make or contract with a certified public accountant or public accountant to perform an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided unless an audit by a certified public accountant has been arranged by the District.

On June 15, 2015, the Board adopted Resolution No. 2015-28 approving a 3-year contract with the Pun Group for a not-to-exceed amount of \$24,000 per year to provide annual audit services to the District. Due to the prolonged settlement of litigation regarding the District's Regional Desalination Project (RDP), the Pun Group's contract with the District was extended for Fiscal Years 2017-2018, 2018-2019, and 2019-2020. Having been the audit firm for the District for the past several years, the Pun Group had extensive knowledge and background with regards to the RDP and therefore was best suited to provide audit services to the District.

With the settlement of the RDP litigation completed on March 10, 2021, District staff issued a Request for Proposals (RFP) for audit services on May 24, 2021, with a proposal due date of June 10, 2021. Nine (9) proposals were received and evaluated by staff. The top three (3) ranked proposals were reviewed by the General Manager and the Pun Group was determined to be the top choice. On August 2, 2021, the Board adopted Resolution No. 2021-43 approving a 1-year contract with the Pun Group to provide annual audit services to the District for FY 2020-2021 with an option to renew for FY 2021-2022, and FY 2022-2023.

Discussion/Analysis: The ACFR is an extensive report summarizing the financial activities of the District that occurred from July 1, 2021, through June 30, 2022, and is divided into three sections: Introductory, Financial, and Statistical Sections.

The introductory section contains a Letter of Transmittal, awards and achievements, organizational chart, and directory of officials. The Letter of Transmittal includes a brief overview of the District, its policies, and how the District controls its finances.

The financial section contains the Management's Discussion and Analysis report. This analysis illustrates the basic financial operations of the District in a more detailed manner than is found in the Letter of Transmittal. Also included in this section are the Independent Auditor's Report and the Basic Financial Statements and Notes to the Financial Statements.

The final section of the report is a compilation of statistical schedules for the last ten years that depict various trends and general information of the District.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ended June 30, 2021. This is the fourteenth consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Staff believes that the District's current ACFR continues to meet the Certificate of Achievement Program's requirements and is submitting it to GFOA to determine its eligibility for another certificate.

Kenneth Pun, Managing Partner of the Pun Group, LLP, Partner in charge of the District's audit team will be available at the Board meeting to answer any questions on their audit report and the District's ACFR.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes X No **Funding Source/Recap:** None.

Material Included for Information/Consideration: The Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022, provided separately.

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: 10-B

Meeting Date: January 23, 2023

Prepared By: Mary Lagasca

Approved By: Remleh Scherzinger P.E.

Agenda Title: Review the Marina Coast Water District FY 2022-2023 Mid-Year Report

Staff Recommendation: The Board receives the Marina Coast Water District Mid-Year Report for FY 2022-2023.

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

On May 16, 2022, the Board passed and adopted Resolution No. 2022-21 adopting the Marina Coast Water District Budget for FY 2022-2023.

Discussion/Analysis: The FY 2022-2023 Mid-Year Report reflects the consolidated financial activity of the District through December 31, 2022 and compares the activity with the approved budget.

The District’s Mid-Year Report includes revenues and other funding sources of \$22.8 million and expenses, including CIP/Capitalized Equipment of \$14 million, resulting in a net revenue of \$8.8 million.

The operating revenue of \$9.2 million is at 39% of the budgeted amount. At the same time last year, the operating revenue was at \$9.1 million. The apparent shortfall in revenue can be attributed to the timing of revenue recognition. The District normally generates most of its revenue on the 3rd and 4th quarter of the fiscal year. So, it is anticipated that we will fall within our revenue goals at the end of the fiscal year.

The non-operating revenue of \$13.6 million is 120% of the budgeted amount. This large bump in revenue can be attributed to the increase in returns of our bonds and the SRF grant reimbursements recognized for the RUWAP construction costs. Overall our total revenue of \$22.8 million is at 65% of the budgeted amounts.

The District’s total operating expense is at \$8.2 million or 36% of the budgeted amount. This slightly low number is due to the District’s current vacancies. CIP expenses as of mid-year is at \$4.6 million, although this figure is only at 30% of the total CIP Budget, it is important to note that this does not include CIP encumbrances and internal soft costs which will be captured at project close.

The District’s investments continue to perform well as can be seen with the historical summary of investments. As of December 2020, our investments were at \$21.4 million, \$22.2 million for 2021 and \$28.5 million for 2022. Although we have \$8.1 million in our savings account, the District is maximizing its return by keeping it with Mechanics Bank which is currently generating a return of 2.78%, compared to LAIF with a current return of 2.07%. Additional long-term investments will be considered in the remaining six months of the year.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes X No **Funding Source/Recap:** None

Material Included for Information/Consideration: Mid-Year Report for FY 2022-2023 as of December 31, 2022.

Action Required: _____Resolution _____Motion X Review

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

TABLE 1:
MARINA COAST WATER DISTRICT
MID-YEAR SUMMARY
JULY – DECEMBER 2022

	MARINA WATER	MARINA SEWER	ORD WATER	ORD SEWER	RECYCLED WATER	TOTAL
REVENUE						
Water Sales	1,837,147		4,089,280			5,926,428
Flat Rate Accounts						-
Other Water Sales			168,142			168,142
Sewer Sales		678,843		1,699,979		2,378,822
Fire System Charges	57,277		147,787			205,064
Backflow Prevention			17			17
Late Charges	16,733		62,551			79,284
Permits/Plan Check	4,535	4,535	5,180	5,150		19,400
Wheeling Charge			17,986			17,986
Meter Fees	1,590		66,944			68,534
Capacity Fees/Capital Surcharge	21,186	8,397	2,430,076	662,383	7,522,232	10,644,274
Other Income	17,495	71	2,276	8,681		28,523
Interest Income	63,699	16,278	101,475	84,832	1,297	267,581
Rental Revenue	44,145	12,613	78,830	22,073		157,661
Developer Fees	10,137	4,280	182,623	156,019	645	353,704
Grant Funding	(3,538)				2,468,175	2,464,637
Recycled Water Sales					27,555	27,555
Total Revenue	2,070,406	725,017	7,353,167	2,639,117	10,019,904	22,807,612
EXPENSES						
Salaries & Benefits	847,604	266,386	1,578,389	511,441	7,335	3,211,155
Department Expense	1,108,969	81,327	2,424,681	375,030	90,705	4,080,712
Interest Expense	111,708	51,715	305,459	175,691	201,769	846,342
Franchise & Admin Fees			72,953	26,915		99,868
Total CIP/Capitalized Equipment	1,108,202	104,048	2,361,083	1,333,209	290,202	5,196,744
Principal Debt Service						
Transfer To Capital Replacement Fund	200,000	100,000	200,000	100,000		600,000
Transfer To/(From) Reserves						
Total Expenses	3,376,483	603,476	6,942,565	2,522,286	590,011	14,034,821
NET INCOME	(1,306,077)	121,541	410,602	116,831	9,429,893	8,772,791

TABLE 2:
MARINA COAST WATER DISTRICT
REVENUE BUDGET ANALYSIS
JULY – DECEMBER 2022

	ANNUAL BUDGET	YTD REVENUE AS OF 12/31/22	AVAILABLE BALANCE	% RECEIVED	PRIOR YEAR YTD AS OF 12/31/21
OPERATING REVENUE					
Water Sales Residential	7,155,209	2,406,774	4,748,435	34%	2,455,221
Water Sales Business	1,695,057	528,129	1,166,928	31%	991,383
Water Sales School	-	210,448	(210,448)		196,422
Water Sales Multiples	4,489,119	2,055,528	2,433,591	46%	1,914,772
Water Sales Government	2,033,626	725,547	1,308,079	36%	129,271
Fire System Charge	357,669	205,064	152,605	57%	187,141
Hydrant Meter	415,528	168,142	247,386	40%	197,871
Other Water Sales	-	-	-		203,618
Late Charge Fees	220,000	79,284	140,716	36%	6,255
Backflow Revenue	52,500	17	52,483	0%	-
Reclaimed Water Sales	-	-	-		-
Recycled Water Sales	1,636,556	27,555	1,609,001	2%	-
Plan Check/Permit Fees	40,000	19,400	20,600	49%	9,070
Meter Fees	72,500	68,534	3,966	95%	34,289
Wheeling Charge	35,972	17,986	17,986	50%	12,000
Developer Fees	334,000	353,704	(19,704)	106%	592,656
Sewer Sales Business	906,396	404,400	501,996	45%	1,776,554
Sewer Sales Residential	4,324,669	1,974,422	2,350,247	46%	422,741
Total Operating Revenue	23,768,801	9,244,934	14,523,867	39%	9,129,264
NON OPERATING REVENUE					
Capital Surcharge	204,900	101,622	103,278	50%	101,548
Capacity Charges	8,780,300	10,542,652	(1,762,352)	120%	1,462,341
Interest Income	126,000	155,657	(29,657)	124%	21,195
Interest Income - Bonds	9,275	111,925	(102,650)	1207%	2,084
Other Income	24,000	28,524	(4,524)	119%	26,559
Deferred Revenue - Bonds	203,814	-	203,814	0%	-
BLM Rental Revenue	337,186	157,661	179,525	47%	155,661
Armstrong Ranch Rental Revenue	3,921	-	3,921	0%	1,960
Gain/Loss On Asset Sales	-	-	-		27,550
Grant Funding	710,584	2,464,637	(1,754,053)	347%	222,275
Water Source Fees	874,969	-	874,969	0%	-
Total Non Operating Revenue	11,274,949	13,562,678	(2,287,729)	120%	2,021,173
TOTAL REVENUE	35,043,750	22,807,612	12,236,138	65%	11,150,437

TABLE 3:
MARINA COAST WATER DISTRICT
EXPENSE BUDGET ANALYSIS
JULY – DECEMBER 2022

	ANNUAL BUDGET	YTD EXPENSE AS OF 12/31/22	AVAILABLE BALANCE	% SPENT	PRIOR YEAR YTD AS OF 12/31/21
SALARIES & BENEFITS					
Wages	5,320,221	2,163,485	3,156,736	41%	2,084,579
Wages/Benefits - Capital Proj	(271,000)	(80,781)	(190,219)	30%	(145,401)
Overtime	98,977	9,897	89,080	10%	58,063
Standby Wages	61,879	20,244	41,635	33%	20,580
FICA Expense	321,142	120,854	200,288	38%	119,736
Medicare Expense	79,476	30,711	48,765	39%	30,323
Medical Insurance	976,420	394,989	581,431	40%	399,659
Dental Insurance	48,435	18,274	30,161	38%	17,038
Vision Insurance	11,637	4,320	7,317	37%	4,440
Workers Comp Insurance	105,009	25,308	79,701	24%	24,197
Life Insurance/ AD&D	19,270	10,288	8,982	53%	9,418
Uniform Benefit	17,000	6,123	10,877	36%	8,395
Boot Benefit	5,400	1,558	3,842	29%	1,254
SUI Expense	11,954	1,741	10,213	15%	1,650
ETT Expense	359	60	299	17%	43
Car Allowance Expense	4,200	3,000	1,200	71%	2,100
Cell Phone Allowance Expense	-	600	(600)		
Moving Expenses	-	-	-		
Tuition Reimbursement	5,000	-	5,000	0%	
Disability Plan	16,471	7,664	8,807	47%	7,008
Calpers Retirement (ER)	749,765	358,863	390,902	48%	328,614
Calpers Retirement (EE)	218,321	93,538	124,783	43%	97,199
Pension Expense	320,773	-	320,773	0%	
Deferred Comp (ER)	97,000	16,819	80,181	17%	15,202
OPEB Expense	116,676	-	116,676	0%	
Board Compensation	8,000	3,600	4,400	45%	3,550
Total Salaries & Benefits	8,342,385	3,211,155	5,131,230	38%	3,087,647
DEPARTMENT EXPENSE					
Property & Liability Insurance	191,000	97,072	93,928	51%	80,577
Regulatory Fees	43,150	36,076	7,074	84%	38,775
Property Taxes	4,000	3,875	125	97%	3,966
Maintenance & Equipment	1,872,913	623,709	1,249,204	33%	485,458
Power/Gas	808,043	437,104	370,939	54%	490,744
Building Security & Other Services	29,000	14,099	14,901	49%	11,992
Phone/Answering Service	60,800	40,530	20,270	67%	27,868
Rent/Lease Equipment	20,000	7,541	12,459	38%	9,639

Contract Testing/Quality Control	72,500	12,159	60,341	17%	27,110
Books & Ref Materials	5,800	-	5,800	0%	-
Postage	45,500	20,088	25,412	44%	20,142
Printing	44,500	9,337	35,163	21%	10,331
Office & General Supply	35,451	17,107	18,344	48%	11,921
Computer & Software Expense	187,592	79,273	108,319	42%	74,566
Advertisement	40,000	26,308	13,692	66%	26,319
Maintenance Agreements	125,261	30,787	94,474	25%	23,459
Hospitality & Awards	20,000	5,001	14,999	25%	5,017
Board Meeting Video Recording	6,500	1,840	4,660	28%	3,220
Accounting Services	43,000	20,700	22,300	48%	25,160
Consulting Services	1,881,500	385,866	1,495,634	21%	462,979
Legal Fees	2,341,500	1,697,643	643,857	73%	1,149,355
Conferences/Education	26,167	12,890	13,277	49%	10,059
Travel	15,529	2,955	12,574	19%	2,113
Safety	16,500	5,508	10,992	33%	5,791
Memberships & Dues	64,150	12,324	51,826	19%	12,723
Permits	122,000	68	121,932	0%	40
Bank & Administration Fee	185,300	77,404	107,896	42%	76,523
Interest Expense	2,075,732	846,343	1,229,389	41%	856,398
Miscellaneous	1,500	-	1,500	0%	1,431
Rebate Programs	135,750	45,359	90,391	33%	14,389
Conservation Education	87,500	858	86,642	1%	16,529
Bad Debt Expense	-	-	-		-
IOP Expenses	11,000	-	11,000	0%	-
BLM Expenses	59,200	28,749	30,451	49%	25,557
Developer Expenses (Reimbursable)	520,000	324,187	195,813	62%	537,688
Water Source Fees	874,969	-	874,969	0%	
Franchise Fee	180,702	99,867	80,835	55%	85,172
Recycled Water Expense	2,370,601	4,295	2,366,306	0%	3,126
Total Department Expense	14,624,610	5,026,922	9,597,688	34%	4,636,137
TOTAL EXPENSES AS OF 12/31/22	22,966,995	8,238,077	14,728,918	36%	7,723,784

TABLE 4:
MARINA COAST WATER DISTRICT
EXPENSE BUDGET BREAKDOWN BY FUND
JULY – DECEMBER 2022

DEPARTMENT	ANNUAL BUDGET	SALARIES & BENEFITS	DEPARTMENT EXPENSE	TOTAL DEPT. EXP	% SPENT
Administration	12,994,192	1,294,691	3,384,988	4,679,679	36%
Operations & Maintenance	5,695,160	1,311,561	1,041,176	2,352,737	41%
Laboratory	245,361	63,686	14,602	78,288	32%
Conservation	498,127	109,369	56,730	166,099	33%
Engineering	2,196,370	312,761	397,154	709,915	32%
Water Resources	1,337,785	119,085	132,271	251,356	19%
TOTAL EXPENSES AS OF 12/31/22	22,966,995	3,211,153	5,026,921	8,238,074	36%

TABLE 5:
MARINA COAST WATER DISTRICT
CAPITAL EQUIPMENT ANALYSIS
JULY – DECEMBER 2022

CAPITAL EQUIPMENT	ANNUAL BUDGET	YTD EXPENSE AS OF 12/31/22	AVAILABLE BALANCE	% SPENT
Network Computer System	300,000	17,595	282,405	6%
O&M Equipment	896,000	608,274	287,726	68%
Vehicles	200,000		200,000	0%
TOTAL CAPITAL EXPENSES AS OF 12/31/22	1,396,000	625,869	770,131	45%

TABLE 6:
MARINA COAST WATER DISTRICT
CIP BUDGET ANALYSIS
JULY – DECEMBER 2022

PROJECT NO.	PROJECT NAME	ANNUAL BUDGET	YTD EXPENSE AS OF 12/31/22	AVAILABLE BALANCE	% SPENT
GW-0112	A1/A2 BC Booster Improvements	4,561,843	3,134,888	1,426,955	69%
GW-2310	Castroville Pipeline	50,000	4,710	45,290	9%
GW-0378	Well 12 Rehab	100,000	-	100,000	0%
OS-0147	Ord Village LS And FM Improvements	500,000	196,964	303,036	39%
OS-0152	Booker Lift Station Repalcement	610,500	768,467	(157,967)	126%
OS-0153	Misc. Lift Station Improvements	1,066,000	-	1,066,000	0%
OS-0218	Gigling Lift Station Renovation	1,000,000	130,976	869,024	13%
OS-0348	Odor Control Program	100,000	-	100,000	0%
OS-2301	CIPP Lining Of 1st St. Sewer Lines (550')	70,000	-	70,000	0%
OS-2303	Hatten LS Improvements	100,000	-	100,000	0%
OS-2304	Hodges Lift Station Pump And Discharge Replacement To Flygt	150,000	-	150,000	0%
OS-2305	Manhole Rehab And Lining Lightfighter 21 Manholes	150,000	-	150,000	0%
OW-0193	Imjin Parkway Pipeline, Reserv ation Rd To Abrams Drive	970,000	-	970,000	0%
OW-0201	Gigling Road Water Pipeline Replacement	318,044	-	318,044	0%
OW-0306	D-Zone Booster Pump Replacemet	99,000	-	99,000	0%
OW-2302	East Garrison 2nd Supply Via Watkins Gate And F Reserv oir	100,000	-	100,000	0%
OW-2306	Ord Blight Removal, Demolition	1,250,000	-	1,250,000	0%
RW-0174	RUWAP - Distribution System	2,809,896	290,202	2,519,694	10%
RW-2307	RUWAP - Distribution System	400,000	-	400,000	0%
WD-0106	Corp Yard Demolition & Rehab	250,000	493	249,507	0%
WD-0379	Beach Office Corrosion Improvements	70,000	-	70,000	0%
WD-2308	SCADA Improvements	400,000	-	400,000	0%
WD-2309	Water/Sewer Pipeline Replacement Program R/R	225,000	-	225,000	0%
GW-0311	Int Reserv oir Recoat		11,545	(11,545)	
GW-0312	Int Reserve Valve Replacement		32,629	(32,629)	
TOTAL CIP EXPENSES AS OF 12/31/22		15,350,283	4,570,874	10,779,409	30%

TABLE 7:
MARINA COAST WATER DISTRICT
INVESTMENT SUMMARY
JULY – DECEMBER 2022

DEPOSITORY	TYPE OF ACCOUNT	YIELD	BALANCE AS OF 12/31/22
Mechanics Bank	General Checking		1,499,758
Mechanics Bank	Checking - RUWAP LOC Proceeds		4,116
Mechanics Bank	Savings	2.78%	8,107,297
Mechanics Bank	Savings - Bldg. Removal Fund	2.78%	981,668
Mechanics Bank	Restricted Money Market	2.78%	1,087,431
State of California	Local Agency Investment Fund (LAIF)	2.07%	16,838,653
TOTAL INVESTMENT AS OF 12/31/22			28,518,923

TABLE 8:
MARINA COAST WATER DISTRICT
INVESTMENT HISTORICAL SUMMARY
JULY – DECEMBER 2022

DEPOSITORY	TYPE OF ACCOUNT	BALANCE AS OF 12/31/22	BALANCE AS OF 12/31/21	BALANCE AS OF 12/31/20
Mechanics Bank	General Checking	1,499,758	2,201,599	1,793,131
Mechanics Bank	Checking - RUWAP LOC Proceeds	4,116	4,380	4,662
Mechanics Bank	Savings	8,107,297	1,075,213	274,941
Mechanics Bank	Savings - Bldg. Removal Fund	981,668	978,060	977,766
Mechanics Bank	Restricted Money Market	1,087,431	1,081,402	1,079,782
State of California	Local Agency Investment Fund (LAIF)	16,838,653	16,898,966	17,229,185
TOTAL INVESTMENT		28,518,923	22,239,620	21,359,467

TABLE 9:
MARINA COAST WATER DISTRICT
INVESTMENT SUMMARY – BOND PROCEEDS
JULY – DECEMBER 2022

DEPOSITORY	TYPE OF ACCOUNT	YIELD	BALANCE AS OF 12/31/22
US Bank	Enterprise Revenue COP Series 2019 Project Fund	0.04%	9,231,196

TABLE 10:
MARINA COAST WATER DISTRICT
DEBT SUMMARY
JULY – DECEMBER 2022

DEBT	PRINCIPAL AMOUNT	FIRST PAYMENT	FINAL PAYMENT	RATE	BALANCE AS OF 12/31/22
2015 Refunding Bond	29,840,000	12/1/2015	6/1/2037	3.71%	23,925,000
2019 Revenue Bond	17,725,000	6/1/2020	6/1/2049	2.99%	16,945,000
RUWAP Line of Credit	55,000		3/31/2023	2.04%	5,799,288
BLM Installment Loan	2,799,880	7/20/2017	1/20/2037	5.75%	2,261,613
TOTAL DEBT AS OF 12/31/22					48,930,901

**TABLE 11:
MARINA COAST WATER DISTRICT
RESERVE DETAIL
PROJECTED AS OF 12/31/22**

	MW	MS	OW	OS	RW	Total
<u>UNRESTRICTED</u>						
Administrative & General Fund	50,000.00	50,000.00	50,000.00	50,000.00	-	200,000.00
Operating Reserves						
General Checking	7,821,636.25	3,748,121.54	(14,101,750.25)	7,621,220.82	(11,311,702.86)	(6,222,474.50)
Savings	3,082,049.39	64,923.63	59,074.56	4,901,249.74	-	8,107,297.32
LAIF	798,581.09	136,537.49	2,968,531.38	234,510.28	-	4,138,160.24
	11,702,266.73	3,949,582.66	(11,074,144.31)	12,756,980.84	(11,311,702.86)	6,022,983.06
TOTAL UNRESTRICTED	11,752,266.73	3,999,582.66	(11,024,144.31)	12,806,980.84	(11,311,702.86)	6,222,983.06
<u>DESIGNATED/RESTRICTED</u>						
Capital Replacement and Improvement Reserve Fund						
LAIF	1,583,642.81	404,687.09	570,322.96	264,225.94	-	2,822,878.80
2019 Bond Project Fund	2,314,952.50	1,536,545.07	2,221,631.80	3,158,066.80	-	9,231,196.17
	3,898,595.31	1,941,232.16	2,791,954.76	3,422,292.74	-	12,054,074.97
Capacity Charge Reserve Fund						
General Checking	-	-	-	-	7,522,232.14	7,522,232.14
Restricted MMK	-	-	1,087,431.37	-	-	1,087,431.37
LAIF	970,804.24	166,598.60	5,990,426.86	2,749,784.14	-	9,877,613.84
	970,804.24	166,598.60	7,077,858.23	2,749,784.14	7,522,232.14	18,487,277.35
TOTAL DESIGNATED/RESTRICTED	2,554,447.05	571,285.69	7,648,181.19	3,014,010.08	7,522,232.14	30,541,352.32
TOTAL RESERVES						36,764,335.38
<u>OTHER RESTRICTED FUNDS</u>						
Building Removal Funds				981,667.57		981,667.57
RUWAP LOC Proceeds					4,116.61	4,116.61
TOTAL OTHER RESTRICTED FUNDS	-	-	-	981,667.57	4,116.61	985,784.18
TOTAL RESERVES & OTHER RESTRICTED FUNDS AS OF 12/31/2022						37,750,119.56

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 10-C

Meeting Date: January 23, 2023

Prepared By: Andrew Racz

Approved By: Remleh Scherzinger P.E.

Reviewed By: Garrett Haertel

Agenda Title: Adopt Resolution No. 2023-05 to Amend the FY 2022-2023 Capital Improvement Budget to Fully Fund the Booker Lift Station Replacement Project and the Intermediate Reservoir Recoating and Replacement Projects

Staff Recommendation: The Board of Directors adopt Resolution No. 2023-05 to Amend the FY 2022-2023 Capital Improvement Budget to fully fund the Booker Lift Station Replacement project (OS-0152) and the Intermediate Reservoir Recoating (GW-0311) and Valve Replacement (GW-0312) projects.

Background: *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.*

On September 16, 2019, MCWD approved an Infrastructure Agreement (IA) with Marina Developers, Inc. for the construction of Sea Haven Phase 3A (2019-70). Under the terms of the IA, the Developer entered into a parallel Reimbursement Agreement with MCWD to design, bid, and contract reconstruction of the existing Booker lift station, whose poor former condition was inadequate to receive new flow from future homes in Sea Haven Phases 3A and 3B. Based on an analysis of anticipated future flows at sewer-shed buildout, the Developer and MCWD agreed to a 25%-75% respective cost share.

Following a competitive proposal and bid process, the Developer contracted Wallace Group to design the new lift station in fall of 2019, and awarded MPE a contract for construction, which began in January 2021. A final site walk in May 2022 determined that construction was complete, and all improvements were formally accepted by the MCWD Board of Directors at the September 2022 meeting (2022-50), along with the in-tract improvements of Phases 3A and 3B.

The Developer submitted electronic documentation of project costs to MCWD on September 16, 2022, and following staff review, submitted final bound hard copies on October 25. The cost of improvements to the Booker lift station totaled \$1,000,119.36. MCWD is responsible for 100% of the costs of Change Order #8 (\$70,322.24 for unrelated improvements to the Marina High School gravity sewer main), plus 75% of the remaining \$929,797.12 (\$697,347.84), for a total of \$767,670.08. MCWD's FY 2021-2022 CIP budget dedicates \$610,500 to the Booker lift station project. The balance of funds (\$157,170.08) must be reallocated via budget amendment.

The Intermediate Reservoir Recoating and Replacement projects were two CIPs to perform emergency repairs to a critical 200,000 gallon potable water tank serving both Central Marina and the Ord Community. Contracts were awarded to Toledo Industrial Coatings to repair and recoat the interior of the tank (GW-0311), and to Anderson Pacific to replace the tank's inlet and outlet valves (GW-0312). Work on both contracts was completed in 2022, and additional funding in the amount of \$44,174 is needed to close out the projects, following payment of final invoices.

Discussion/Analysis: Capital improvement funding for the Booker Lift Station Replacement project was budgeted at \$610,500, reflecting a total estimated project cost of approximately \$814,000 (= \$610,500 / 75%). Total actual direct cost of lift station work, including the construction contract, engineering and inspection services, were \$929,797, and an additional \$70,322 was expended on unrelated repairs to a poor-condition gravity sewer entering the lift station site from Marina High School. Project costs are divided as follows:

	Total Cost	Devpr.	MCWD
Construction contract (MPE)	\$ 777,940	\$ 194,485	\$ 583,455
Engineering (design, survey, soils)	\$ 116,015	\$ 29,004	\$ 87,011
Inspection and Overhead	\$ 35,842	\$ 8,960	\$ 26,882
SUB-TOTAL:	\$ 929,797	\$ 232,449	\$ 697,348
Marina HS gravity sewer (Change Order #8)	\$ 70,322	\$ 0	\$ 70,322
TOTAL:	\$ 1,000,119	\$ 232,449	\$ 767,670

In order to fully fund the Booker Lift Station Replacement, staff recommends amending the Ord Community project capital improvement budget. The Booker Lift Station is budgeted as an Ord Sewer project with 100% bond funding. The proposed budget amendment is as follows:

CIP Budget Amendment	Budget	Change	Balance
From: OS-0153 Misc. Lift Station Improvements	\$ 1,066,000	\$ (158,000)	\$ 908,000
To: OS-0152 Booker Lift Station Replacement	\$ 610,500	\$ 158,000	\$ 768,500

The Miscellaneous Lift Station Improvements CIP sets aside funding to conduct programmatic improvements as issues at lift stations are identified. Of the \$1,066,000 budgeted for FY2022-2023, approximately \$400,000 remained unspent as of the close of the second quarter.

Capital improvement funding for the Intermediate Reservoir projects included \$190,000 for Recoating/Reconditioning (GW-0311) and \$130,000 for Repair/Replacement of Valves (GW-0312) in the FY2021-2022 CIP budget. Project benefit to the Marina/Ord service areas was determined to occur at a 32%/68% split, respectively. No additional funding was budgeted for FY2022-2023. Both projects were completed successfully and timely in 2022, and additional funding is now needed for each project in order to balance final invoices and close project books. The proposed budget amendment is as follows:

CIP Budget Amendment	Budget	Change	Balance
From: WD-2309 Water/Sewer Pipeline R/R (MW)	\$ 71,500	\$ (14,136)	\$ 57,364
From: WD-2309 Water/Sewer Pipeline R/R (OW)	\$ 156,750	\$ (30,038)	\$ 126,712
To: GW-0311 Int. Reservoir Recoat (MW)	\$ 0	\$ 3,695	\$ 3,695
To: GW-0311 Int. Reservoir Recoat (OW)	\$ 0	\$ 7,850	\$ 7,850
To: GW-0312 Int. Reservoir Replacement (MW)	\$ 0	\$ 10,441	\$ 10,441
To: GW-0312 Int. Reservoir Replacement (OW)	\$ 0	\$ 22,188	\$ 22,188

The Water/Sewer Pipeline Replacement Program (WD-2309) CIP sets aside funding to identify and conduct programmatic pipeline replacements as needed, in order to prevent systematic failures over time. The intermediate reservoir represents a critical node in MCWD's potable water pipeline network.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not Applicable.

Financial Impact: X Yes No
FY 2022-2023 Capital Improvements Budget

Funding Source/Recap: Ord Sewer

Material Included for Information/Consideration: Resolution No. 2023-05.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

January 23, 2023

Resolution No. 2023-05
Resolution of the Board of Directors
Marina Coast Water District
Booker Lift Station Replacement Project
Amend the FY 2022-2023 Capital Improvement Budget

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on January 23, 2023, via a video conference pursuant to Governor Newsom’s Executive Order N-29-20, as follows:

WHEREAS, the District is in need of a new sanitary sewer lift station at Booker Road in Marina, CA to replace an aging and unsafe structure; and,

WHEREAS, the new lift station was necessary to support development of Sea Haven Phases 3A and 3B, comprising approximately one-quarter of sewer flows to the lift station; and,

WHEREAS, the District and Marina Developers, Inc. entered into Infrastructure and Reimbursement Agreements on September 16, 2019 detailing respective construction and funding responsibilities for the lift station’s replacement; and,

WHEREAS, in September 2022, the completed infrastructure improvements were accepted by MCWD, and the Developer submitted a reimbursement request in the amount of \$767,080.08; and,

WHEREAS, an additional \$157,170.08 in resources is necessary for the project to cover the full amount of the request; and,

WHEREAS, emergency repair work to recoat the interior of and replace valves at the Intermediate Reservoir was successfully completed in 2022; and,

WHEREAS, an additional \$44,174 in resources is necessary to fully fund and close out the Intermediate Reservoir Recoating and Replacement projects; and,

WHEREAS, a FY 2022-2023 Ord Water Capital Improvements Budget amendment is required to resource this project in order to achieve the desired facility objectives.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby amend the FY 2022-2023 Capital Improvement Budget as follows:

CIP Budget Amendment	Budget	Change	Balance
From: OS-0153 Misc. Lift Station Improvements	\$ 1,066,000	\$ (158,000)	\$ 908,000
To: OS-0152 Booker Lift Station Replacement	\$ 610,500	\$ 158,000	\$ 768,500
From: WD-2309 Water/Sewer Pipeline R/R (MW)	\$ 71,500	\$ (14,136)	\$ 57,364
From: WD-2309 Water/Sewer Pipeline R/R (OW)	\$ 156,750	\$ (30,038)	\$ 126,712

To: GW-0311 Int. Reservoir Recoat (MW)	\$ 0	\$ 3,695	\$ 3,695
To: GW-0311 Int. Reservoir Recoat (OW)	\$ 0	\$ 7,850	\$ 7,850
To: GW-0312 Int. Reservoir Replacement (MW)	\$ 0	\$ 10,441	\$ 10,441
To: GW-0312 Int. Reservoir Replacement (OW)	\$ 0	\$ 22,188	\$ 22,188

PASSED AND ADOPTED on January 23, 2023 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 _____

Jan Shriner, President

ATTEST:

Remleh Scherzinger, 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. 2023-05 adopted January 23, 2023.

Remleh Scherzinger, Secretary

**Marina Coast Water District
Agenda Transmittal**

Agenda Item: 10-D

Meeting Date: January 23, 2023

Prepared By: Paula Riso

Presented By: Remleh Scherzinger P.E.

Agenda Title: Make Director Appointments to Committees of the Board and to Outside Agencies for 2023, and as Negotiators to any Ad Hoc Committees of the Board

Staff Recommendation: The Board of Directors discuss the standing committees of the Board.

Background: *Strategic Plan, Mission Statement – We provide our customers with high quality potable and recycled water, wastewater collection and conservation services that are safe, affordable, reliable and sustainable, through planning, management and the development of water resources in an environmentally sensitive manner.*

The Board of Director's Manual, when it was first adopted in 2002, superseded Resolution No. 1993-3 and Resolution No. 1998-1 and memorialized the Standing Committees of the Board where they currently reside, in Section 34 of the Board of Director's Manual. At the December 13, 2022 Board meeting, the Board discussed the Standing Committees and appointments and made several recommend changes to Section 34 that was amended under an earlier agenda item.

Discussion/Analysis: The Board President recommends the following appointments to the Committees:

The Board appoints representatives to the following District Standing Committees:

- | | | |
|----|----------------------------------|------------------------------------|
| 1. | Joint City/District Committee | Morton, Imamura – Cortez Alternate |
| 2. | Executive Committee | Shriner, Cortez |
| 3. | Budget and Engineering | Morton, Shriner – Cortez Alternate |
| 4. | Community Outreach and Personnel | Imamura, Moore – Cortez Alternate |

The Board appoints representatives to the following outside agencies or committees:

- | | | |
|----|-------|--|
| 1. | MIW | Moore – Cortez Alternate |
| 2. | LAFCO | Cortez – Shriner Alternate |
| 3. | JPIA | Morton - Imamura Alternate |
| 4. | SDA | Moore – All other Directors as Alternate |

The Board appoints representatives to the following outside Ad Hoc Committees:

- | | | |
|----|--------------------------------|--------------------------------------|
| 1. | MCWD/SVBGSA Steering Committee | Morton - Shriner Alternate |
| 2. | Climate Action Plan Committee | Moore – Matt Zefferman public member |

Other Committees:

- | | | |
|----|---------------------------------------|-----|
| 1. | Water Conservation Commission Liaison | TBD |
|----|---------------------------------------|-----|

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: _____ Yes X No

Funding Source/Recap: None

Other Considerations: None recommended.

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_____