



# MARINA COAST WATER DISTRICT & GROUNDWATER SUSTAINABILITY AGENCY

920 SECOND AVENUE, SUITE A, MARINA, CA 93933-6009

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## DIRECTORS

GAIL MORTON  
President

JAN SHRINER  
Vice President

BRAD IMAMURA  
THOMAS P. MOORE  
STACEY SMITH

## 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**

920 2<sup>nd</sup> Avenue, Suite B, Marina, California

Monday, August 18, 2025, 6:00 p.m. PST

Members of the public may attend the Board meeting in person or can attend remotely via Zoom conference.

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. Persons who are participating via telephone will need to press \*9 to be acknowledged for comments. Public comment on the action item can also be submitted in writing to Paula Riso at [priso@mcwd.org](mailto:priso@mcwd.org) by 9:00 am on Monday, August 18, 2025; 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/87487042262?pwd=Vl6QMlYMeiJnoSCqB3hTdnQ88bu1bS.1>

Passcode: 708876

To participate via phone: 1-669-900-9128; Meeting ID: 874 8704 2262 Passcode: 708876

***Our Mission:*** Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Introduction of New District Customer Service Administrator**

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 920 2nd Avenue, Suite A and Suite B, Marina. A complete Board packet containing all enclosures and staff materials will be available for public review on the District website, Wednesday, August 13, 2025. 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: 831-883-5931.

**5. Public Comment on Closed Session Items** *Anyone wishing to address the Board on matters appearing in 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. Disruptive behavior may result in the removal of the individual responsible.*

**6. Closed Session**

- A. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
Name of Case/Claimant – Peter Le - 1 claim
- B. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
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

**Reconvene to Open Session Estimated to be at 7:00 p.m.**

**7. 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.*

**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. Disruptive behavior may result in the removal of the individual responsible.*

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**9. Marina Coast Water District Groundwater Sustainability Agency Matters**

**A. Action Item**

- 1. [Adopt Resolution No. 2025-GSA01 to Approve a Professional Services Agreement with EKI Environment & Water, Inc. for the Monterey Subbasin Groundwater Sustainability Plan Implementation for Fiscal Year 2025-2026](#)  
(Page 1)

**10. Return to Marina Coast Water District Matters**

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**11. [Consent Calendar](#)**

- A. [Receive and File the Check Register for the Month of July 2025](#)  
(Page 33)
- B. [Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of July 14, 2025](#)  
(Page 41)

- C. [Receive the Second Quarter Investment Report for Calendar Year 2025](#)  
(Page 47)
- D. [Adopt Resolution No. 2025-42 to Adopt the FY 2025-2026 District Investment Policy](#)  
(Page 51)
- E. [Adopt Resolution No. 2025-43 to Amend the FY 2025-2026 Capital Improvement Program Budget](#)  
(Page 59)

## **12. Action Items**

- A. [Receive an End of Year Engineering Report](#)  
(Page 66)
- B. [Adopt Resolution No. 2025-44 to Approve an Inspection Services Contract between MCWD and Wallace Group for inspection of the Tate Park Lift Station Capital Improvement Project \(MS-2401\)](#)  
(Page 71)
- C. [Adopt Resolution No. 2025-45 to Award a Professional Service Agreement to Wallace Group for Engineering Services for the Design of the Reservation Road Desalination Plant Renovation Capital Improvement Program Project \(OW-2404\)](#)  
(Page 103)
- D. [Adopt Resolution No. 2025-46 to Award a Construction Contract to Monterey Peninsula Engineering for General Construction Services for the Construction of the Imjin Lift Station Odor Control Project \(OS-0348\)](#)  
(Page 133)

**13. 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. Budget and Engineering Committee
  - 2. Community Outreach and Personnel Committee
  - 3. Resource and Groundwater Sustainability Committee
  - 4. Special Districts Association of Monterey County
  - 5. M1W Board Member Liaison

## **14. Board Member Requests for Future Agenda Items**

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

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

*Regular Meeting: Monday, September 22, 2025, 6:00 p.m.*

**Marina Coast Water District  
Groundwater Sustainability Agency  
Agenda Transmittal**

**Agenda Item:** 9-A

**Meeting Date:** August 18, 2025

**Prepared By:** Patrick Breen

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Adoption of Resolution No. 2025-GSA01 to Approve a Professional Services Agreement with EKI Environment & Water, Inc. for the Monterey Subbasin Groundwater Sustainability Plan Implementation for Fiscal Year 2025-2026

**Staff Recommendation:** The Board of Directors adopt Resolution 2025-GSA01 to approve a Professional Services Agreement with EKI Environment & Water, Inc. (EKI) for a total not-to-exceed amount of \$563,000 for the Monterey Subbasin Groundwater Sustainability Plan Implementation for Fiscal Year 2025-2026; and, authorize the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

**Background:** *Strategic Plan Element 1.0 Water Sources, Goal No. 1.6 – Establish goals and objectives that promote protecting our current groundwater source from seawater intrusion and other forms of contamination.*

The Board of Directors awarded a Professional Services Agreement to EKI Environment & Water, Inc. (EKI) for Groundwater Sustainability Plan (GSP) preparation on August 7, 2017. The agreement was subsequently augmented via an amendment(s) by the Board on April 16, 2018, May 18, 2020, and on July 19, 2021, to continue GSP development efforts, develop Basin Setting Information, and Program Management and Grant Administration amongst other activities.

The Monterey Subbasin Groundwater Sustainability Plan was completed and submitted to the Department of Water Resources (DWR) by the January 31, 2022 deadline. Subsequently, the Monterey Subbasin GSP was approved by DWR on April 27, 2023.

EKI has been previously contracted and has been acting in the capacity of the Marina Coast Water District Groundwater Sustainability Agency (MCWDGSA) technical advisor, coordinator, and developer of the Monterey Subbasin Groundwater Sustainability Plan.

**Discussion/Analysis:** The proposed scope of work addresses GSP implementation tasks that are anticipated to occur between July 2025 and June 2026, including supporting the MCWDGSA with (1) supporting the required data collection, monitoring, reporting, and coordination activities through 30 June 2026, (2) evaluating and planning of local and regional projects, and (3) conducting further numerical model refinements to assess basin conditions and impacts of local and regional projects.

The MCWDGSA applied for and has been awarded a DWR Sustainable Groundwater Management Implementation Grant in collaboration with SVBGSA, which was executed on 25 January 2024. The grant award includes a total of \$6,447,910 for the Monterey Subbasin of which \$2,587,300 is associated with MCWDGSA efforts. The grant allows reimbursement for efforts conducted after December 2021. Tasks 1 through 4, in the scope of work below, are consistent with the work plan identified in MCWD's Grant Agreement with DWR and, as such, are projected to be fully reimbursable under MCWD's Grant Agreement.



The proposed scope and schedule are further described in the attached draft Professional Services Agreement (PSA). The PSA is an unmodified MCWD Master From of Agreement.

**Environmental Review Compliance:** None required.

**Legal Counsel Review:** Legal counsel has reviewed the PSA.

**Climate Adaptation:** Climate change is implicitly present in the definition of groundwater sustainability in the SGMA legislation, which requires groundwater management to be sustainable over a 50-year planning and implementation horizon (California Water Code (CWC) § 10727.2(c)).

**Financial Impact:** ☒ Yes ☐ No **Funding Source/Recap:** Funding for this Professional Services Agreement is included in the FY 2025/2026 Water Resources Consultant budget and \$435,200 of the \$563,200 proposed is anticipated to be reimbursed by the DWR SGMA Implementation Grant Agreement #460001624.

Tasks	Budget	Reimbursement by Round 2 Grant
<i>Grant Reimbursable Tasks 1 through 4</i>		
Task 1 – Grant Administration	\$86,300	\$86,300
Task 2 – Administration of Grant Component 2	\$13,800	\$13,800
Task 3 – Data Expansion and SGMA Compliance	\$158,100	\$158,100
Task 4 – Project and Management Actions Update	\$177,000	\$177,000
<i>Subtotal Grant Tasks</i>	<i>\$435,200</i>	<i>\$435,200</i>
<i>Non-Grant Reimbursable Tasks 5 through 8</i>		
Task 5 – SGMA Monitoring, Data Management, and Data Upload to DWR	\$23,000	\$0
Task 6 – Annual Reporting	\$50,000	\$0
Task 7 – Continued Intra- and Inter Subbasin Coordination	\$10,000	\$0
Task 8 – GSP Periodic Evaluation	\$45,000	\$0
<i>Subtotal Non-Grant Tasks</i>	<i>\$128,000</i>	<i>\$0</i>
<b>TOTAL</b>	<b>\$563,200</b>	<b>\$435,200</b>

**Other Considerations:** The Board can choose not to authorize the Professional Services Agreement.

**Materials Included for Information/Consideration:** Resolution No. 2025-GSA01; and, Draft Professional Services Agreement.

**Action Required:** ☒ Resolution ☐ Motion ☐ Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

August 18, 2025

Resolution No. 2025-GSA01  
Resolution of the Board of Directors  
Marina Coast Water District Groundwater Sustainability Agency  
Approving a Professional Services Agreement with EKI Environment & Water, Inc.  
for the Monterey Subbasin Groundwater Sustainability Plan Implementation  
for Fiscal Year 2025-2026

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District Groundwater Sustainability Agency (“MCWDGSA”), at a regular meeting duly called and held on August 18, 2025 at 920 Second Avenue, Marina, California as follows:

WHEREAS, the Sustainable Groundwater Management Act (SGMA) of 2014, Water Code Sections 10720-10736.6 was signed into law September 16, 2014; and,

WHEREAS, the District formed Groundwater Sustainability Agencies for the Marina and Ord Community Service Areas in portions of the Monterey Subbasin and the 180/400 Subbasin in conformance with the SGMA; and,

WHEREAS, SGMA gives local agencies, such as the District, additional authorities and powers to manage groundwater; and,

WHEREAS, SGMA required a coordinated Groundwater Sustainability Plan (GSP) or GSPs among or between adjacent GSAs and adjacent subbasins be submitted by January 31, 2022; and,

WHEREAS, the MCWD GSA submitted a GSP for the Monterey Sub-basin on January 28, 2022; and,

WHEREAS, the Monterey Sub-basin GSP was approved by DWR on April 27, 2023; and,

WHEREAS, the Monterey Sub-basin GSP now needs to be continually implemented until 2042; and,

WHEREAS, EKI Environment & Water, Inc. staff is familiar with the Marina Coast Water District, with District staff developed the Monterey Sub-basin GSP, has been providing consulting services to the District since 2014, has demonstrated extensive knowledge related to Groundwater Resources, Planning & Implementation; and District staff believes that the monetary resource proposed herein is reasonable given the complexities of the work.

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

1. adopt Resolution No. 2025-GSA01 approving a Professional Services Agreement with EKI Environment & Water, Inc.
2. authorize the General Manager to execute the Professional Services Agreement with EKI Environment & Water, Inc. for the Monterey Subbasin Groundwater Sustainability Plan Implementation for Fiscal Year 2025-2026 and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025, by the Board of Directors of the Marina Coast Water District Groundwater Sustainability Agency by the following roll call vote:

Ayes: Directors \_\_\_\_\_

Noes: Directors \_\_\_\_\_

Absent: Directors \_\_\_\_\_

Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Gail Morton, 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. 2025-GSA01 adopted August 18, 2025.

\_\_\_\_\_  
Remleh Scherzinger, Secretary

**AGREEMENT FOR PROFESSIONAL SERVICES**  
**BETWEEN MARINA COAST WATER DISTRICT GROUNDWATER**  
**SUSTAINABILITY AGENCY (GSA) AND EKI ENVIROMENT & WATER, INC.**  
**THE MONTEREY SUBBASIN GROUNDWATER SUSTAINABILITY PLAN**  
**IMPLEMENTATION FOR FISCAL YEAR 2025-2026**

**Funding: DWR Grant #460001624**

**Task No. TBD**

THIS AGREEMENT, made and entered into this \_\_\_\_\_, by and between Marina Coast Water District Groundwater Sustainability Agency, 920 Second Avenue, Marina, CA, 93933, hereinafter called "DISTRICT" or "MCWD" or "MCWDGSA", and EKI ENVIROMENT & WATER, INC., with its principal offices at 2001 JUNIPERO SERRA BLVD, SUITE 300, DALY CITY, CA 94014, hereinafter called the "CONSULTANT":

WHEREAS, the DISTRICT, desires to receive the professional services related to GROUNDWATER SUSTAINABILITY PLAN IMPEMETATION FOR 2025-26 with a scope generally defined by SCOPE in Appendix A; and,

WHEREAS, DISTRICT is desirous of engaging the services of said CONSULTANT to perform or furnish said services; and,

WHEREAS, CONSULTANT has available and offers to provide personnel and facilities necessary to accomplish said services in a timely manner.

NOW, THEREFORE, said DISTRICT and said CONSULTANT, for the considerations hereinafter set forth, mutually agree as follows:

**ARTICLE I - PROFESSIONAL ENGAGEMENT**

DISTRICT hereby engages EKI ENVIROMENT & WATER, INC. as an independent contractor, to perform or furnish the services hereinafter more particularly described in Appendix A, commencing on the date of this Agreement.

CONSULTANT hereby agrees to perform or furnish as an independent contractor professional engineering and related services as set forth herein. CONSULTANT may retain qualified subconsultants to assist in the performance of professional services. DISTRICT shall be notified prior to CONSULTANT sub-contracting such services and sufficient time shall be provided to allow DISTRICT to review the subconsultant's qualification. Should DISTRICT, based upon reasonable cause, not accept any such subcontractor or subconsultant for use on the Project, DISTRICT shall so notify CONSULTANT within five (5) days following DISTRICT's receipt of such notice from CONSULTANT, and CONSULTANT shall not subcontract with any such subcontractor or subconsultant for the Project. DISTRICT shall have the right at any time to revoke its acceptance (whether given affirmatively or by its failure to object within said five (5) day period) of any subcontractor or subconsultant on the basis of reasonable cause, in which case CONSULTANT shall submit an acceptable substitute and a Task Order equitably adjusting

CONSULTANT's compensation will be issued. No acceptance of any subcontractor or subconsultant shall waive: (1) DISTRICT's right not to accept defective services performed or furnished for CONSULTANT by said subcontractor or subconsultant; or (2) any other right or remedy DISTRICT has under this Agreement, including but not limited to its rights to suspend or terminate services under this Agreement.

CONSULTANT is an independent contractor and is not and shall not be deemed to be an employee, agent, servant, partner or joint venturer of DISTRICT. CONSULTANT shall have the exclusive supervision, direction and control of all employees, subconsultants, subcontractors, suppliers, materials, equipment and facilities employed, contracted with or used by, CONSULTANT in performing or furnishing services under this Agreement.

## ARTICLE II - SCOPE OF SERVICES

The scope of services performed or furnished by CONSULTANT under the terms of this Agreement is defined in Appendix A and in the executed Amendment(s) pursuant hereto which will authorize CONSULTANT to perform specific services related to the project. Unless modified in writing by both parties through a Amendment, duties of CONSULTANT shall not be construed to exceed those services specifically established in Appendix A. (**NOTE: ANY ADDITIONAL FEES ASSOCIATED WITH SERVICES NOT INCLUDED IN APPENDIX A MUST BE DEFINED AND AGREED TO BY DISTRICT IN WRITING PRIOR TO INITIATION OF THESE SERVICES.**)

## ARTICLE III – GENERAL PROVISIONS

- A. The CONSULTANT shall perform its Services consistent with and limited to the professional skill and care ordinarily provided by engineers practicing in the same or similar locality under the same or similar circumstances.
- B. The CONSULTANT hereby represents that all work described herein shall be performed only by persons under the supervision of a person who is currently licensed to perform such work and that to the best of its professional ability, all work shall be performed in accordance with applicable Federal, State, and local laws and regulations.
- C. The CONSULTANT shall not discriminate in employment practices, in the performance of the terms of this Agreement, either directly or indirectly, on the grounds of race, color, religion, sex, age, or national origin, and shall take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age or national origin.
- D. The General Manager of the DISTRICT shall forward an executed copy of this Agreement to the CONSULTANT within ten (10) days of execution of this Agreement by the DISTRICT.

## ARTICLE IV: COOPERATION BY DISTRICT

DISTRICT shall, to the extent reasonable and practicable, cooperate with CONSULTANT in the performance of CONSULTANT's services hereunder. Such cooperation shall include, but not

necessarily be limited to: providing right of access to work sites as required for CONSULTANT to perform or furnish services under this Agreement; providing relevant material available from DISTRICT 's files such as maps, drawings as available (WHETHER OR NOT AS-BUILT DRAWINGS), records, and operation and maintenance information; serving all notices; attending all hearings; payment of all permit and other required fees associated with the Project; and rendering assistance in determining the location of existing facilities and improvements which may be affected by the Project. The CONSULTANT will be entitled to rely on the accuracy and completeness of the information furnished by the DISTRICT. However, CONSULTANT will immediately advise DISTRICT in writing if CONSULTANT becomes aware of any errors or omissions in information provided to CONSULTANT.

DISTRICT shall be responsible for providing legal services which it deems necessary for the Project including review of contract documents, public advertising and contract letting. DISTRICT shall pay fees for utility services to the Project.

DISTRICT shall appoint PATRICK BREEN as DISTRICT's REPRESENTATIVE with respect to the services to be performed under this Agreement. DISTRICT'S REPRESENTATIVE shall have complete authority to transmit instructions, receive information, and interpret and define DISTRICT's policies. CONSULTANT shall be entitled to rely on representations made by DISTRICT's REPRESENTATIVE unless otherwise specified in writing by DISTRICT.

#### Article V – SCHEDULE

A schedule for carrying out services performed by CONSULTANT under the terms of this Agreement is set forth in Appendix A. CONSULTANT will exert all reasonable efforts to perform or furnish all services under this Agreement in accordance with said schedule.

DISTRICT will be kept informed as to the progress of the services under this Agreement under the terms presented in Appendix A. Neither party shall hold the other responsible for damages caused by, arising out of or resulting from delays in performance caused by acts of God, strikes, lockouts, or events beyond the control of the other party.

#### Article VI – LITIGATION

The Agreement does not require CONSULTANT to prepare for or appear as a witness in any litigation or alternative dispute resolution proceeding on behalf of DISTRICT, other than as specified in Appendix A, except in consideration of additional reasonable compensation negotiated as part of an Amendment specifically issued for such purpose. Notwithstanding the preceding, CONSULTANT shall participate without additional compensation in any litigation or alternative dispute resolution proceeding in which CONSULTANT is a party or in which a claim is made against DISTRICT based in whole or in part on CONSULTANT's negligence, professional errors or omissions, breach of contract or deficiencies in CONSULTANT's design or performance hereunder.

#### ARTICLE VII: COMPENSATION

Payment for the engineering services set forth in Appendix A and specific executed Amendment(s) shall be made by DISTRICT to CONSULTANT and shall be considered as full

compensation for such services and all personnel, materials, supplies, and equipment used and costs incurred in carrying out such services. In no event shall the amount of compensation exceed the total fee specified in Appendix A without approval from the DISTRICT.

A. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a lump sum basis, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a lump sum basis.
2. Compensation to CONSULTANT shall be a lump sum amount specified in Appendix A and Amendment(s).
3. Payments shall be monthly, based on percent completion. As each payment is due, a statement describing the services which have been performed or furnished and listing the percentage of completion and the total amount of prior payments paid by DISTRICT shall be submitted to DISTRICT. Payment shall be made for the balance due under such statement, without retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.

B. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a time and expense reimbursable basis, with a total cost not-to-exceed, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a time and expenses basis with a total cost not-to-exceed.
2. Compensation to CONSULTANT shall be on a time and expense reimbursement basis in accordance with CONSULTANT's Schedule of Charges. A current copy of the Schedule of Charges will be included with each Amendment.
3. Payments for services provided by CONSULTANT on a time and expense basis shall be made monthly by the DISTRICT based on an itemized invoice from CONSULTANT which lists actual costs and expenses or units of work performed on the Project in the immediately preceding month. Such payments shall be for the invoice amount, without retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.
4. A budget for compensation for services provided by CONSULTANT on a time and expense basis will be established in the Compensation section of Appendix A and/or the Amendment. The budget established shall not be exceeded without DISTRICT's written authorization.
5. The budget may be increased by Amendment if necessary to complete the scope of work. If appropriate, CONSULTANT will advise DISTRICT of the anticipated expenditure over the budgeted amount at the fifty (50) percent completion point of the



Amendment work and request additional budget authorization.

6. Amendments using a time and expense reimbursement should be limited in scope. The product of these Amendment(s) should adequately define the specific scope and effort necessary to achieve the necessary addition/modification and develop a lump sum proposal for the required engineering services.

C. CONSULTANT's final statement or invoice for any services which include construction, or the final statement or invoice for the Project, whichever occurs earlier in time, shall include properly completed and executed Releases of Liens and Claims (see Appendix C). Payment of any invoice not satisfying these requirements may be withheld until the requirements has been satisfied.

D. The CONSULTANT shall submit itemized statement or invoice of costs to the DISTRICT for each month that work is performed. The DISTRICT shall pay the CONSULTANT by the 25<sup>th</sup> of the month for invoices and itemized statements submitted by the first day of the same month. Payments are due upon receipt of a statement or invoice prepared in a manner acceptable to DISTRICT and approved by DISTRICT.

#### ARTICLE VIII: RECORDS

The CONSULTANT shall keep and maintain accurate records of costs incurred, and the time expended relating to all services to be compensated hereunder. All records shall be available to the DISTRICT for review thereof upon request by the DISTRICT or its authorized representative. All fiscal and accounting records and other supporting papers of the CONSULTANT shall be maintained for a minimum of three (3) years following the close of the DISTRICT fiscal year of expenditures.

#### ARTICLE IX: TITLE TO DOCUMENTS

All reports, drawings, specifications, submittals and other materials collected or produced by the CONSULTANT hereunder shall after completion and acceptance, become the property of the DISTRICT, provided that, except for any disputed amounts of less than \$15,000, DISTRICT has paid CONSULTANT all amounts owed under this Agreement.

The CONSULTANT may utilize existing materials developed by the CONSULTANT prior to the commencement of this engagement including, but not limited to, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives. These materials shall remain the property of the CONSULTANT.

CONSULTANT shall be entitled to a reproducible copy of all material furnished to DISTRICT, the costs of which is included on the compensation amounts specified in Appendix A and/or the Amendment(s). Any uncompleted work of CONSULTANT delivered to DISTRICT due to cancellation of all or portions of the work or contract termination, which utilized by DISTRICT in any way, shall have CONSULTANT name removed.

#### ARTICLE X: KEY PERSONNEL

The CONSULTANT shall specifically assign a project manager and necessary staff to complete

the Scope of Work.

The CONSULTANT hereby agrees that the assigned personnel directly responsible for conducting the Scope of Work in Appendix A shall not be changed during the course of the work without prior written consent of the DISTRICT, which consent shall not be unreasonably withheld.

#### ARTICLE XI: ASSIGNMENT AND SUBCONTRACTING

Neither party shall assign, sell, mortgage, hypothecate, or otherwise transfer its interest or obligations in this agreement without written consent of the other party. Further, none of the services covered by this agreement shall be subcontracted beyond that which is specifically noted in the CONSULTANT'S proposal unless approved by the DISTRICT in writing.

#### ARTICLE XII: INSURANCE AND LIABILITY

The CONSULTANT agrees to indemnify, defend, and hold harmless the DISTRICT, its officers, agents, and employees as provided in Appendix B, attached hereto and hereby incorporated by reference to the fullest extent permitted by law.

Coverages described in Appendix B shall be maintained through the term of this Agreement, and the CONSULTANT shall file with the DISTRICT prior to the execution of this Agreement, and as policy renewals occur, a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Insurance policies shall provide that such insurance is primary insurance.

A. CONSULTANT and its subcontractors shall maintain worker's compensation and employers' liability insurance in accordance with the amount(s) and coverage(s) in the attached Appendix B.

B. CONSULTANT and its subcontractors shall maintain commercial general liability and automobile liability insurance protecting it against claims arising from bodily or personal injury or damage to property, including loss of use thereof, resulting from operations of CONSULTANT pursuant to this AGREEMENT or from the use of automobiles and equipment of or by CONSULTANT. The amount(s) and coverage(s) shall be in accordance with Appendix B.

C. CONSULTANT shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions for which it is legally liable in the performance or furnishing of professional services pursuant to this AGREEMENT. (Such insurance shall be maintained for one (1) year after final completion of construction. The amount(s) and coverage(s) shall be in accordance with Appendix B.

D. CONSULTANT shall submit to the DISTRICT a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Upon written request from DISTRICT CONSULTANT is required to provide DISTRICT with complete copies of such policies or certified evidence of coverage. Approval or acceptance of said insurance by DISTRICT shall not relieve or decrease the liability of CONSULTANT hereunder.

E. To the extent applicable, DISTRICT agrees to endeavor to include a provision in the DISTRICT'S contract with the Construction Contractor engaged on the Project which requires that CONSULTANT be listed as an additional insured on such Construction Contractor(s) liability insurance policy and property insurance (Builder's Risk) policy, if any.

#### Article XIII - Suspension of Work

DISTRICT may, at DISTRICT'S discretion, suspend, in writing, all or a portion of the services under this Agreement. CONSULTANT may suspend the services under this Agreement in the event DISTRICT does not make payment in accordance with the payment terms in Article VII. The services under this AGREEMENT will only be suspended for non-payment after written notice is received by DISTRICT from CONSULTANT of its intention intending to suspend performance and a cure period of seven (7) days after receipt of this notification by DISTRICT. The time for completion of the services under this AGREEMENT shall be extended by the number of days the services under this AGREEMENT is suspended. If the period of suspension exceeds ninety (90) days, the terms of this AGREEMENT are subject to renegotiations, and both parties shall have the option to terminate the services under this AGREEMENT on the suspended portion of Project in accordance with Article XII.

#### ARTICLE XIV: TERMINATION

Either party may terminate this Agreement upon substantial breach of the terms thereof by the other party. The DISTRICT may terminate this agreement at any time upon giving thirty (30) days written notice to CONSULTANT. Such notice shall set forth the effective date of such termination.

DISTRICT, by notifying CONSULTANT in writing, may terminate any or all of the services covered by this AGREEMENT. In the event of such termination, CONSULTANT shall have the right to expend a reasonable amount of additional time to assemble work in progress for the purpose of proper filing and closing of the job. Such additional time shall not exceed five percent (5%) of the total time expended to the date of notice of termination or a designated total time agreed upon in an Amendment. All charges thus incurred, together with associated expenses reasonably incurred by CONSULTANT and reasonable charges for any other commitments outstanding at the time of termination (such as for termination of subconsultants, rental agreements, orders for printing, etc.), shall be payable by DISTRICT within forty-five (45) days following submission of a final statement by CONSULTANT. However, in the event that termination of said AGREEMENT with CONSULTANT occurs at the completion of a specific phase of the design, the aforesaid provision for the proper filing and closing will not apply unless agreed to by DISTRICT under a specific Amendment. The payment provided for under this Article XII shall constitute full satisfaction of any obligation DISTRICT has, may have or could be found to have to pay for services performed or furnished and expenses or charges incurred by CONSULTANT pursuant to this AGREEMENT and any and all liabilities or damages arising out of or resulting from the termination of this AGREEMENT.

#### ARTICLE XV: NOTICE

Any notice to be given hereunder shall be delivered to the party to be noticed by either personal delivery or by first class mail, postage prepaid, and addressed as follows:

TO: Marina Coast Water District GSA  
920 Second Avenue  
Marina, CA 93933

TO: EKI Environment & Water, Inc.  
2001 Junipero Serra Blvd., Suite 300  
Daly City, CA 94014

Attention: General Manager

Attention: Vera Nelson

ARTICLE XVI: BINDING EFFECT; AMENDMENTS; COUNTERPART EXECUTION;  
CONSTRUCTION

This Agreement supersedes and integrates all prior writings and understandings between the parties concerning, is binding on the parties and their successors, and may be amended only by written agreement signed by the DISTRICT and the CONSULTANT. This Agreement may be signed in counterparts, each of which when fully executed shall be considered a duplicate original document. Both parties have participated fully in the review and revision of this Agreement, and neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654.

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the DISTRICT or the CONSULTANT. CONSULTANT's Services hereunder are being performed solely for the benefit of the DISTRICT.

ARTICLE XVII: DISPUTES

The parties must submit any disputes arising under this Agreement to non-binding mediation before filing suit to enforce or interpret this Agreement. Upon request by either party, the parties will within ten (10) days select a single mediator, or if the parties cannot agree, they shall ask the then presiding Judge of the Monterey County Superior Court to select a mediator to mediate the dispute within fifteen (15) days of such selection.

In the event of legal proceedings to interpret or enforce this agreement, the prevailing party shall be awarded reasonable attorney fees and costs, including reasonable costs of experts reasonably engaged by the attorney.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions and provisions above stated the day and the year first above written.

Marina Coast Water District GSA

EKI Environment & Water, Inc.

\_\_\_\_\_  
Remleh Scherzinger, P.E.  
General Manager

\_\_\_\_\_  
Print Name:  
Title:

## Appendix A

### SCOPE OF WORK & FEES

AS PER ARTICLE VII, SECTION B, THIS WORK IS TO BE PERFORMED ON A TIME AND EXPENSES BASIS WITH A TOTAL COST NOT-TO-EXCEED \$563,200.

This scope of work covers Groundwater Sustainability Plan (GSP) implementation tasks that are anticipated to occur between August 2025 and June 2026 (fiscal year [FY] 2025-26).

#### **SECTION 1: SCOPE OF WORK for Grant Reimbursable Tasks 1 through 4**

The corresponding grant component and category are noted in parenthesis in each task's name.

##### **Task 1 – Grant Administration (Component 1)**

This task includes grant administration efforts scheduled to occur throughout FY 2025-26. As part of this task, EKI will support Round 2 Implementation Grant administration tasks, including:

- Support MCWDGSA staff with the preparation of up to four (4) quarterly invoices and associated backup materials;
- Coordinate with SVBGSA regarding the collection of SVBGSA backup materials and tracking of GSA-specific budgets;
- Participate in bi-weekly check-ins with MCWDGSA staff;
- Participate in staff and technical consultant meetings between MCWDGSA and SVBGSA;
- Assist MCWDGSA staff in communications with DWR grant project manager and/or staff; and
- Prepare the grant completion report and component completion reports and support grant close-out by April 2026.

##### **Task 2 – Administration of Grant Component 2 (Component 2, Category (a))**

As part of Task 2, EKI will conduct project management of MCWDGSA's efforts under grant Component 2 (described under Tasks 2 through 4 herein) throughout FY 2025-26. Activities that will be performed under this task include:

- Planning, coordination, and oversight of work efforts;
- Monitoring of project budget and conducting process check-ins;
- Periodic refinement of implementation schedule and process; and
- Preparation of monthly progress and budget summary reports included with invoices.

##### **Task 3 – Data Expansion and SGMA Compliance (Component 2, Category (d))**

###### **Task 3.1 – Assess Groundwater Conditions and Refine Hydrogeological Conceptual Model**

*Assess Groundwater Conditions at FO-11 to be completed by January 2026.*

As part of this task, EKI will continue to assist the District in investigating groundwater elevation and water quality conditions at the FO-11 cluster, which are

anticipated to include:

- Additional more frequent groundwater quality sampling at FO-11S and FO-11D;
- Induction logging of FO-11D;
- Installation of transducers to allow assessment of daily groundwater level fluctuations;
- Further evaluation of the source of groundwater level declines at FO-11S; and
- Hydraulic testing to evaluate the potential for leakage between FO-11S and FO-11D.

#### *Refine Subbasin Hydrogeological Conceptual Model*

- Refine the HCM based on hydraulic testing at FO-11 and new information that will become available during FY 2025-26 after completion of MCWD's new monitoring wells at the 4<sup>th</sup> Avenue and the F Tank site;
- Summarize the updated HCM and other new information in the Periodic Evaluation (Task 8) with associated tables, figures, cross-sections, and descriptions; and
- Update the current methodology for calculating changes in storage for future Annual Reports consistent with the updated HCM, which (1) reassigned many Paso Robles wells located in the Marina-Ord Area from the 400-Foot Aquifer to the Deep Aquifer and (2) separated the Deep Aquifer into an upper and lower zone.

### Task 3.2 – Regional Modeling Updates

#### *Seawater Intrusion Model Update*

EKI will perform additional refinements to the SWI model to improve upon its representation of and calibration to groundwater conditions within the MCWD service area and greater Monterey Subbasin. These efforts may include, but are not necessarily limited to:

- Integrate newly available hydrogeologic data and information into the model as is relevant to the conceptualization and representation of the Marina-Ord Area;
- Revise model parameterization, boundary conditions, and stress inputs as necessary to improve model calibration to historical water level and chloride monitoring data;
- Revise baseline (no-project) predictive SWI model scenario runs to reflect the refinements made to the historical model;
- Coordinate with SVBGSA's technical consultant to align efforts and ensure consistency between model revisions and associated outputs;
- Participate in meetings with the District and SVBGSA to discuss model results; and
- Assist in preparation of updated documentation for the SWI model.

### *USGS Salinas Valley Integrated Hydrologic Model Updates*

- Assess and improving the SVIHM groundwater level calibration and pumping datasets in the Marina-Ord area;
  - Update SVIHM aquifer properties, boundary conditions, and stress input to better align with SWI model outputs and improve calibration within the Monterey Subbasin;
  - Refine SVIHM “Farm Process” inputs to better align with land use assumptions and associated recharge rates assigned within the SWI model;
  - Collaborate with the Seaside Watermaster to align assumptions between the SVIHM and Seaside Model along the shared Marina-Ord Area/Seaside Subbasin boundary to the extent practicable;
  - Coordinate with SBGSA’s technical consultant to align efforts and ensure consistency between model revisions and associated outputs;
  - Participate in meetings with the District and SVBGSA to discuss model results; and
  - Assist in preparation of updated documentation for the SVIHM.

### *Water Budget Calculations*

- EKI will prepare and conduct a comparative analysis of historical model calibration from the SWI model and SVIHM and will coordinate with District and SVBGSA staff to decide which model(s) will be suitable to support preparation of the upcoming 5-Year Periodic Evaluation for the Monterey Subbasin (described in Task 8). EKI will subsequently develop historical and predictive water budgets for inclusion in the Periodic Evaluation using the selected model(s) of choice.
- 

## **Task 4 – Project and Management Actions Update (Component 3, Category (d))**

### **Task 4.1 – Deep Aquifers Management Options**

EKI will continue to support MCWDGSA’s participation in the Deep Aquifers agency working group through April 2026. Such activities may include:

- Participate in or supporting the MCWDGSA’s participation in Deep Aquifers working group meetings;
- Perform technical reviews of information provided to working group members regarding the Deep Aquifers Study and conditions in the Monterey Subbasin;
- Prepare a technical memorandum summarizing EKI’s review of proposed management actions on the Monterey Subbasin.

### **Task 4.2 – Modeling Assessment of Multi-Project Scenarios and Impacts on the Monterey Subbasin**

- EKI will continue to support MCWDGSA's engagement in the development and assessment of regional P&MAs. EKI's anticipated activities during FY 2025-2026 in support of this task include the following:
- Develop combinations of regional P&MAs that may be beneficial to the Marina-Ord Area, and involve local projects proposed by MCWD such as indirect potable reuse;
- Perform groundwater modeling of multi-project scenarios using the updated version of the SWI model and/or SVIHM (see Task 3.2) to assess impacts on the Monterey Subbasin and increase understanding of P&MAs;
- Identify projected benefits and/or impacts of each scenario with respect to groundwater levels and seawater intrusion within the Marina-Ord Area and the greater Monterey Subbasin;
- Model alternative alignment(s) and/or impacts of various hydrogeologic conditions and/or future land uses on the proposed projects and management actions, if appropriate; and
- Participate in meetings with the District and SVBGSA to discuss model results.

#### Task 4.3 – Project Update Report

The Project Update Report will serve as an update to the 2025 preliminary feasibility studies, compare study results and options, help solicit feedback from interested parties, and refine the options for reaching sustainability across all Salinas Valley subbasins. It is assumed that SVBGSA will prepare the Project Update Report with MCWDGSA's input. EKI's anticipated activities during FY 2025-2026 in support of this task include the following:

- Produce graphics, tables, and descriptions for the Monterey Subbasin in support of the Project Update Report;
- Prepare formal comments on the scenarios and the draft Project Update Report; and
- Build upon the Project Update Report and concurrent efforts, summarize P&MA modeling and updates in the Periodic Evaluation (Task 8).

### **Section 2: SCOPE OF WORK for Non-Grant Reimbursable Tasks 5 through 8**

#### Task 5 – SGMA Monitoring, Data Management, and Data Upload to DWR

##### Task 5.1 – SGMA Monitoring

- Provide technical guidance to District staff in implementing the groundwater elevation and seawater intrusion monitoring programs;
- Assist the District in selecting monitoring equipment, developing monitoring protocols and best practices, and troubleshooting;
- Coordinate with the U.S. Army and its contract to perform annual seawater intrusion sampling at the former Fort Ord;
- Conduct project management of sampling efforts;



- Conduct QA/QC and review of monitoring data; and
- Review the monitoring network and make revisions.

#### Task 5.2 – Maintenance of MCWDGSA’s Data Management System and Upload Data to DWR Portal

- Water level data at groundwater elevation RMS wells and other potential additional monitoring well site(s);
- Water quality and conductivity data at seawater intrusion RMS wells and other potential additional monitoring well site(s); and
- Water quality data from the SWRCB’s GeoTracker GAMA groundwater information system for DDW and ILRP wells.

#### Task 6 – Annual Reporting

EKI will support MCWDGSA in the development, preparation, and submittal of the Monterey Subbasin WY 2025 Annual Report in April 2026, including:

- Compile newly available data from WY 2025 and updating the DMS;
- Produce necessary graphics, tables, and descriptions required under 23-CCR § 356.2 for the Marina-Ord Area;
- Coordinate and obtain data, graphics, tables, and descriptions for the Corral de Tierra Area;
- Estimate potential changes in groundwater storage within the Subbasin;
- Draft the WY 2025 Annual Report,
- Submit the Annual Report to DWR, and
- Present the Annual Report at up to three (3) public meetings.

#### Task 7 – Continued Intra- and Inter- Subbasin Coordination

Task 7 includes inter- and intra-basin coordination with SVBGSA, Seaside Watermaster, MPWMD, and MCWRA on data collection, monitoring, and reporting; groundwater model refinements and updates; as well as SGMA compliance in adjacent basins.

- Coordination with Seaside Watermaster, MPWMD, and MCWRA on data collection, monitoring, and updates; and
- Providing Marina-Ord Area-related updates to the MCWDGSA/SVBGSA Steering Committee and the Monterey Subbasin Implementation Committee;

#### Task 8 – GSP Periodic Evaluation

##### *Section 1 – Status of Data Gaps and New Information*

- Description of significant new information that has been made available since GSP adoption and evaluate whether information warrants any changes to the GSP. These changes may include the “Basin Setting” (HCM, Groundwater Conditions, Water Budgets or any sustainable management criteria (SMC).

*Section 2 – Water Use and Groundwater Conditions Compared to SMC*

- Description of current groundwater conditions for each sustainability indicator relative to the SMCs (utilizing data from the Annual Reports and publicly available data) and whether GSP implementation has affected beneficial uses and users.

*Section 3 – Status of P&MAs*

- Description of the implementation of regional and local P&MAs and the effect on groundwater conditions resulting from the P&MAs.
- Identify elements of the GSP that need to be reconsidered and/or revised and a description of any proposed P&MAs.

*Section 4 – Basin Setting Based on New Information*

- Evaluate the “Basin Setting” (HCM, Groundwater Conditions, Water Budgets) considering significant new information, changes in water use, or other relevant changes.

*Section 5 – Monitoring Networks*

- Description of the Subbasin monitoring network and identified data gaps. Based on DWR’s GSP Implementation Guide, the description shall include the following.

*Section 6 – GSA Administration, Funding, and Authorities*

- Provide a summary of regulations or ordinances taken by MCWDGSA and SVBGSA as part of GSP implementation.
- Summarize enforcement or legal actions taken by MCWDGSA and SVBGSA in furtherance of the sustainability goal for the Subbasin.

*Section 7 – Outreach, Engagement, and Coordination with Other Agencies*

- Summarize intra-basin coordination between the GSAs and the general public.
- Other information the Agency deems appropriate, which may include inter-basin coordination and challenges not previously discussed.

Under Task 7, EKI will initiate preparation of the Monterey Subbasin Periodic Evaluation according to the schedule included in Attachment A.

- The Periodic Evaluation will be built upon and summarize the work conducted as part of the grant-funded efforts described above in Tasks 1 through 4;
- The Periodic Evaluation will be prepared in collaboration with SVBGSA where MCWDGSA will prepare the information relevant to MCWDGSA and the Marina-Ord Area.

## **PROJECT SCHEDULE**

Efforts under the proposed scope of work of this PSA will occur between August 2025 and June 2026.

DRAFT

**PURSUANT TO ARTICLE VII, SECTION B: This Is A Time And Expense Project Budget:**

<b>Tasks</b>	<b>Budget</b>	<b>Reimbursement by Round 2 Grant</b>
<i>Grant Reimbursable Tasks 1 through 4</i>		
Task 1 – Grant Administration	\$86,300	\$86,300
Task 2 – Administration of Grant Component 2	\$13,800	\$13,800
Task 3 – Data Expansion and SGMA Compliance	\$158,100	\$158,100
Task 4 – Project and Management Actions Update	\$177,000	\$177,000
<i>Subtotal Grant Tasks</i>	<i>\$435,200</i>	<i>\$435,200</i>
<i>Non-Grant Reimbursable Tasks 5 through 8</i>		
Task 5 – SGMA Monitoring, Data Management, and Data Upload to DWR	\$23,000	\$0
Task 6 – Annual Reporting	\$50,000	\$0
Task 7 – Continued Intra- and Inter Subbasin Coordination	\$10,000	\$0
Task 8 – GSP Periodic Evaluation	\$45,000	\$0
<i>Subtotal Non-Grant Tasks</i>	<i>\$128,000</i>	<i>\$0</i>
<b>TOTAL</b>	<b>\$563,200</b>	<b>\$435,200</b>

**Client/Address: Marina Coast Water District**  
920 2nd Ave, Ste. A  
Marina, CA 93933-6009



**Proposal/Agreement Date: 7 August 2025**

**EKI Proposal/Project # B60094.xx**

**SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC.**

**2 January 2025**

<b><u>Personnel Classification</u></b>	<b><u>Hourly Rate</u></b>
Officer and Chief Engineer-Scientist	351
Principal Engineer-Scientist	339
Supervising I, Engineer-Scientist	329
Supervising II, Engineer-Scientist	315
Senior I, Engineer-Scientist	302
Senior II, Engineer-Scientist	291
Associate I, Engineer-Scientist	280
Associate II, Engineer-Scientist	264
Engineer-Scientist, Grade 1	245
Engineer-Scientist, Grade 2	231
Engineer-Scientist, Grade 3	212
Engineer-Scientist, Grade 4	191
Engineer-Scientist, Grade 5	168
Engineer-Scientist, Grade 6	146
Project Assistant	137
Technician	131
Senior GIS / Database Analyst	173
CADD Operator / GIS Analyst	150
Senior Administrative Assistant	165
Administrative Assistant	130
Secretary	110

**Direct Expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- c. Rented vehicles, local public transportation and taxis, travel, and subsistence.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile.

In-house material and equipment charges will be in accordance with the current rate schedule or special quotation.

Rate for professional staff for expert witness testimony will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

## **Appendix B**

### **INSURANCE REQUIREMENTS**

**Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is 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 the work of this contract.

#### **Design Professional** (Including Architects, Engineers)

**Indemnification-** To the extent permitted by law, Design Professional agrees to indemnify, including the cost to defend, MCWD and its officers, officials, employees, and authorized volunteers from and against any and all claims, demands, costs, or liability that arise out of, or pertain to, or relate to the extent arising from the negligence, recklessness, or willful misconduct of Design Professional and its employees or agents in the performance of services under this contract, but this indemnity does not apply to proportionate liability for damages arising from the negligence, active negligence, or willful acts of the MCWD; and does not apply to any passive negligence of the MCWD unless caused at least in part by the Design Professional. In no event shall the cost to defend charged to the Consultant exceed that Consultant's proportionate percentage of fault.

**Minimum Insurance Requirements:** Design Professional shall procure and maintain for the duration of the contract insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Design Professional, his agents, representatives, employees or subcontractors.

**Coverage** - Coverage shall be at least as broad as the following:

1. **Commercial General Liability (CGL)** - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars (\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to MCWD) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability** - (If necessary) Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto) or if Design Professional has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit

of one million dollars (\$1,000,000) for bodily injury and property damage each accident.

3. **Workers' Compensation Insurance** - as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. **Waiver of Subrogation:** The insurer(s) named above agree to waive all rights of subrogation against the MCWD, its directors, officers, employees, and authorized volunteers for losses paid under the terms of this policy which arise from work performed by the Named Insured for the Agency; but this provision applies regardless of whether or not the MCWD has received a waiver of subrogation from the insurer.
4. **Professional Liability** - (also known as Errors & Omission) Insurance appropriate to the Design Professional profession, with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

**If Claims Made Policies:**

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work**, if such insurance is available at commercially reasonable rates.
3. If coverage is canceled or non-renewed, and not **replaced with another claims-made policy form with a Retroactive Date** prior to the contract effective date, the Design Professional must purchase "extended reporting" coverage for a minimum of **five (5) years after completion of contract work**, if such insurance is available at commercially reasonable rates.

If the Design Professional maintains broader coverage and/or higher limits than the minimums shown above, the MCWD requires and shall be entitled to the broader coverage and/or higher limits maintained by the Design Professional. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the MCWD.

**Other Required Provisions** - The Commercial General Liability policy must contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status:** MCWD, its directors, officers, employees, and authorized volunteers are to be given insured status insurance (at least as broad as ISO Form CG 20 10 10 01) with respect to liability arising out of work or operations performed by or on behalf of the Design Professional including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Design Professional's insurance.

- 2     **Primary Coverage:** For any claims related to this project, the Design Professional's insurance coverage shall be primary at least as broad as ISO CG 20 01 04 13 as respects to the MCWD, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by the MCWD, its directors, officers, employees, and authorized volunteers shall be excess of the Design Professional's insurance and shall not contribute with it.

**Notice of Cancellation:** Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the MCWD.

**Self-Insured Retentions** - Self-insured retentions must be declared to and approved by the MCWD. The MCWD may require the Design Professional to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or MCWD.

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

**Verification of Coverage** – Design Professional shall furnish the MCWD with certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the MCWD before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Design Professional's obligation to provide them. The MCWD reserves the right to require complete, certified copies of all required insurance policies, including policy Declaration and Endorsements pages listing all policy endorsements.

**Subcontractors** - Design Professional shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Design Professional shall ensure that MCWD is an additional insured on insurance required from subcontractors.



## **Appendix C**

### Appendix C includes:

Release of Liens and Claims (CONSULTANT)

Release of Liens and Claims (Subconsultants and Subcontractors)

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CONSULTANT'S RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated \_\_\_\_\_, 20\_\_, between the undersigned, as CONSULTANT, and \_\_\_\_\_

\_\_\_\_\_ having an office at \_\_\_\_\_, hereinafter called DISTRICT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, we, the undersigned, have agreed to release any and all claims and liens which the undersigned has, or might have, against the DISTRICT, or said Facilities by reason of services, labor, materials and equipment performed or furnished by us in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, the receipt and sufficiency of which are hereby acknowledged, remises, releases and forever quitclaims, and by these presents does remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns, shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have, against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the day of \_\_\_\_\_, 20\_\_ written.

(SEAL)

\_\_\_\_\_  
CONSULTANT

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Duly Authorized

STATE OF CALIFORNIA )  
COUNTY OF MONTEREY ) ss.

WITNESS my hand and official seal.

Page 22 of 22  
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SUBCONTRACTOR's OR SUBCONSULTANT's RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials, and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated, 19\_\_\_\_, between the \_\_\_\_\_, Havingan office at \_\_\_\_\_, hereinafter called DISTRICT and, having an office at \_\_\_\_\_, hereinafter called CONSULTANT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, the undersigned, has agreed to release any and all claims and liens which the undersigned has, or might have, against DISTRICT or Facilities by reason of the services, labor, materials and equipment performed or furnished by the undersigned in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, (the receipt and sufficiency of which are hereby acknowledged), remises, releases and forever quitclaims and by these \_\_\_\_\_ presents do remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ written.

(SEAL)

\_\_\_\_\_  
(Company Name)

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN MARINA COAST WATER  
DISTRICT GROUNDWATER  
SUSTAINABILITY AGENCY AND [CONSULTANT] FOR [PROJECT NAME]**

**AMENDMENT NO. [ ]**

Article II - Scope of Services shall be [DESCRIPTION OF ADDITIONAL OR MODIFIED SCOPE OF SERVICES].

Article IV - Schedule shall be amended by a [ ] week extension.

Article IX - Payment shall be amended by a lump sum (or not-to-exceed if time and expense contract) amount of [\$ ]. *(NOTE: IF TIME AND EXPENSE CONTRACT, TASK ORDER MUST BE ACCOMPANIED BY ENGINEER'S MOST CURRENT SCHEDULE OF CHARGES.)*

All other articles of the [DATE] AGREEMENT FOR ENGINEERING SERVICES remain the same.

DISTRICT and ENGINEER have caused this Agreement to be amended by representatives duly authorized to act, all as of the effective date of [ ].

Prepared by: \_\_\_\_\_ Date \_\_\_\_\_  
(DISTRICT REPRESENTATIVE)

CONSULTANT  
EKI ENVIROMENT & WATER, INC.

DISTRICT  
MARINA COAST WATER DISTRICT  
GSA

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title: General Manager

Date \_\_\_\_\_

Date \_\_\_\_\_

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 11

**Meeting Date:** August 18, 2025

**Prepared By:** Paula Riso

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Consent Calendar

**Staff Recommendation:** Approve the Consent Calendar as presented.

**Background:** *Strategic Plan, Mission Statement – Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of July 2025
- B) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of July 14, 2025
- C) Receive the Second Quarter Investment Report for Calendar Year 2025
- D) Adopt Resolution No. 2025-42 to Adopt the FY 2025-2026 District Investment Policy
- E) Adopt Resolution No. 2026-43 to Amend the FY 2025-2026 Capital Improvement Program Budget

**Discussion/Analysis:** See individual transmittals.

**Environmental Review Compliance:** None required.

**Legal Counsel Review:** See individual transmittals.

**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 July 2025; draft minutes of July 14, 2025; second quarter investment report for 2025; Resolution No. 2025-42; Redlined Investment Policy; and, Resolution No. 2025-43.

**Action Required:**      X   Resolution           Motion           Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 11-A

**Meeting Date:** August 18, 2025

**Prepared By:** Mary Lagasca, CPA

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Receive and File the Check Register for the Month of July 2025

**Staff Recommendation:** Receive and file the July 2025 expenditures totaling \$3,166,792.47.

**Background:** *Strategic Plan, Objective No. 3.2: Finances are well managed to provide adequate revenue and avoid volatile rates.*

**Discussion/Analysis:** These expenditures were paid in June 2025, and the Board is requested to receive and file the check register. The June check register was larger than normal due to the fiscal year end payment process, including the following payments:

1. Check No. 77334 – Calcon Systems, Inc. in the amount of \$126,304.38 for Programmable Logic Controller Replacement Project Phase 2
2. Check No. 77347 – EKI Environment & Water Inc. in the amount of \$102,875.10 for Monterey Subbasin GSP Implementation
3. Check No. 77356 – J.A. Fencing in the amount of \$98,950.00 for Beach Office Fence Replacement
4. Check No. 77357 – First Alarm in the amount of \$99,775.00 for security/fire alarm upgrade MCWD Offices
5. Wire Payment – Santa Cruz County Bank in the amount of \$118,694.06 for BLM Construction Loan Payment
6. Check No. 77365 – Schaaf & Wheeler in the amount of \$82,668.32 for various engineering projects
7. Check No. 77384 – National Auto Fleet Group in the amount of \$88,999.08 for two 2025 F150 Trucks
8. Check No. 77387 – Ausonio Incorporated in the amount of \$186,138.20 for Construction Phase – IOP B Side Improvements Draw #6
9. Check No. 77409 – Qovo Solutions Inc. in the amounts of \$230,852.69 for Security Access Improvements Phase 1
10. ACH Payment – CalPERS in the amount of \$470,826.00 for the unfunded liability

**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:** July 2025 Summary Check Register.

**Action Required:**     \_\_\_\_\_Resolution       X   Motion     \_\_\_\_\_Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

## JULY 2025 SUMMARY CHECK REGISTER

DATE	CHECK #	CHECK DESCRIPTION	AMOUNT
07/02/2025	ACH	Griffith, Masuda & Hobbs	42,143.61
07/09/2025	77301 - 77315	Check Register	35,082.32
07/14/2025	77316 - 77358	Check Register	627,652.90
07/17/2025	Wire	Santa Cruz County Bank	118,694.06
07/22/2025	77359 - 77409	Check Register	969,087.10
07/03/2025	ACH	Payroll Direct Deposits	151,279.77
07/03/2025	ACH	CalPERS	41,179.82
07/03/2025	ACH	Empower Retirement	19,704.82
07/03/2025	ACH	Internal Revenue Service	68,642.12
07/03/2025	ACH	State of California - EDD	15,227.42
07/03/2025	ACH	WageWorks, Inc.	2,170.53
07/03/2025	501967	Check Register	1,041.00
07/08/2025	501968	Check Register	200.00
07/09/2025	501969 - 501974	Check Register	3,999.66
07/14/2025	501975 - 501976	Check Register	211,912.12
07/18/2025	ACH	Payroll Direct Deposits	155,103.92
07/18/2025	ACH	CalPERS	42,874.66
07/18/2025	ACH	Empower Retirement	19,649.25
07/18/2025	ACH	Internal Revenue Service	67,769.07
07/18/2025	ACH	State of California - EDD	15,298.96
07/18/2025	ACH	WageWorks, Inc.	2,170.53
07/31/2025	ACH	CalPERS	470,826.00
07/31/2025	ACH	Internal Revenue Service	85,082.83
<b>TOTAL DISBURSEMENTS</b>			<b><u>3,166,792.47</u></b>

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
ACH	05/06/2025	07/02/2025	Griffith, Masuda & Hobbs	Legal Services 04/2025 (Re-Issue)	42,143.61
77301	06/20/2025	07/09/2025	Pitney Bowes Global Financial Services LLC	Postage Machine Lease 05/09 - 08/08	1,089.75
77302	06/30/2025	07/09/2025	Peninsula Welding & Medical Supply, Inc.	Gas Cylinder Tank Rental Fees	64.50
77303	06/10/2025	07/09/2025	Valley Saw and Garden Equipment	Weed Eater Repair	325.59
77304	06/25/2025	07/09/2025	Monterey Bay Analytical Services	Laboratory Testing	44.00
77305	06/29/2025	07/09/2025	McGrath Rent Corp.	Locker Room Trailer Rental - Ord Office 07/2025	7,286.98
77306	06/11/2025	07/09/2025	Sherwin-Williams Co.	Paint - Beach Office	299.07
77307	06/25/2025	07/09/2025	U.S. Bank National Association	IOP A Side Office Copier Lease 06/20 - 07/19	287.34
77308	07/01/2025	07/09/2025	U.S. Bank National Association	Ord Office Copier Lease 06/26 - 07/25	221.77
77309	04/17/2025	07/09/2025	POSM Software, LLC	Annual Software Subscription 09/2025 - 08/2026	6,500.00
77310	06/20/2025	07/09/2025	ALK Services, Inc.	General Operations/ Maintenance Supplies	158.42
77311	06/25/2025	07/09/2025	WEX Bank	Fleet Gasoline 06/2025	5,905.35
77312	06/22/2025	07/09/2025	T-Mobile	GPS Service - (39) Fleet Vehicles 06/2025	824.85
77313	06/20/2025	07/09/2025	T-Mobile	Cellular Services 04/19 - 05/18	1,418.20
77314	06/25/2025	07/09/2025	Chavan & Associates, LLP	2025 Audit Services - Interim Audit 06/2025	10,000.00
77315	06/26/2025	07/09/2025	First Alarm	Security, Fire Alarm Monitoring - MCWD Offices 07/2025	656.50
77316	06/30/2025	07/14/2025	Ace Hardware of Watsonville, Inc.	General Operations/ Maintenance, Water Resources, Meter Reader Supplies	465.72
77317	06/20/2025	07/14/2025	Quinn Company	Block Heater Hose, Air Filter Replacement - Ord Village LS; Radiator Replacement - Dunes LS	4,674.42
77318	06/25/2025	07/14/2025	Jane's Answering Service	Answering Service 05/28 - 06/24	412.67
77319	04/30/2025	07/14/2025	Schaaf & Wheeler	Specs Update - Fire Hydrant Replacement Project; QC Review - Gigling Rd Water Pipeline; Update LAFCO Sewer System Report 04/2025	2,976.00
77320	06/26/2025	07/14/2025	Owen Equipment	Bluetooth Module Replacement - Vehicle #2001; (2) Tank Vent Stands	3,326.63
77321	06/17/2025	07/14/2025	Monterey Bay Analytical Services	Laboratory Testing	880.00
77322	06/11/2025	07/14/2025	Monterey One Water	FY 2024/ 2025 Grease Disposal Education Program	1,815.95
77323	06/02/2025	07/14/2025	Monterey County Auditor-Controller	LAFCO Administrative Charges FY 2026	30,375.95
77324	06/26/2025	07/14/2025	Orkin Pest Control	BLM/ IOP Pest Control 06/2025	227.00
77325	04/30/2025	07/14/2025	Maggiora Bros Drilling	Well Pump Equipment Rental - Well 12 04/2025	1,500.00
77326	07/01/2025	07/14/2025	Maynard Group	Network Support 07/2025	4,329.47
77327	07/02/2025	07/14/2025	Special District Association	SDA Quarterly Meeting	200.00
77328	07/01/2025	07/14/2025	Conservation Rebate Program	3104 Bradley Cir - Washer Rebate	150.00
77329	06/13/2025	07/14/2025	American Supply Company	Janitorial Supplies	261.82
77330	06/27/2025	07/14/2025	M&M Backflow & Meter Maintenance	Bench Testing - (61) Small Water Meters	1,375.00
77331	06/24/2025	07/14/2025	Fastenal Industrial & Construction Supplies	Stainless Steel Mesh, General Operations/ Maintenance Supplies	2,847.42
77332	06/16/2025	07/14/2025	Val's Plumbing & Heating, Inc.	Heater Maintenance - IOP Office	1,636.91
77333	06/13/2025	07/14/2025	Don Chapin Co., Inc	Concrete Disposal - Beach Office	105.00

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
77334	06/30/2025	07/14/2025	Calcon Systems, Inc.	PLC Replacement Project Phase 2 - Ord WWTP Flume Station, Fritzsche, Hodges, Schoonover LS; Portable MCC Control Panel - Sewer Lift Stations; (4) Pressure Gauge Transmitters	126,304.38
77335	06/30/2025	07/14/2025	ECAM Secure	Monthly Security Fees - Ord Wastewater Treatment Facility	1,218.50
77336	06/06/2025	07/14/2025	U.S. Bank Corporate Payment Systems	Budget Award Application Review Fee FYB 2025; (3) Smart TVs - IOP B Side; (175) Retractable Badge Holders - District Wide; Folding Truck Bed Cover; (3) Shelving Units - Water Resources Shop; IT/ Computer Supplies; Monthly/ Annual Software Subscriptions; General Supplies	10,069.64
77337	06/24/2025	07/14/2025	HALO Branded Solutions, Inc.	(1,000) Ground Water (Protecting Our Supplies) Booklets	1,777.78
77338	07/07/2025	07/14/2025	Remy Moose Manley, LLP	Legal Services 06/2025	40,536.50
77339	06/11/2025	07/14/2025	ICONIX Waterworks (US), Inc.	General Operations/ Maintenance Supplies	139.05
77340	06/30/2025	07/14/2025	Peninsula Messenger LLC	Courier Service 07/2025	272.00
77341	06/26/2025	07/14/2025	Western Exterminator Company	Pest Control - Beach Office 06/2025	126.78
77342	06/30/2025	07/14/2025	Iron Mountain, Inc.	Shredding Service 06/2025	489.09
77343	06/22/2025	07/14/2025	AT&T	Phone and Alarm Line Services 06/2025	31.58
77344	07/01/2025	07/14/2025	Simpler Systems, Inc.	UB/ Finance Datapp Maintenance 07/2025	500.00
77345	06/26/2025	07/14/2025	Marina Coast Water District (BLM)	BLM Water, Sewer, Fire Service 06/2025	417.45
77346	07/01/2025	07/14/2025	Pure Janitorial, LLC	Janitorial Service - MCWD, BLM Offices 06/2025	5,920.00
77347	06/27/2025	07/14/2025	EKI Environment & Water, Inc.	Monterey Subbasin GSP Implementation; Feasibility Assessment - ASR at Armstrong Ranch; Regional Seawater Intrusion Model Updates; Groundwater Data Management System Development 05/2025	102,875.10
77348	06/03/2025	07/14/2025	Ferguson Enterprises, Inc.	General Operations/ Maintenance Supplies	689.48
77349	07/01/2025	07/14/2025	Conservation Rebate Program	732 Ready Ct - Washer Rebate	150.00
77350	05/31/2025	07/14/2025	Regional Government Services Authority	CS/ UB Consulting Services - Reimbursable Expenses 04/2025 - 05/2025	1,904.63
77351	06/23/2025	07/14/2025	T-Mobile	Cell Phone Service 06/2025	2,078.22
77352	06/27/2025	07/14/2025	Staples, Inc.	Office/ General Administration Supplies	96.05
77353	06/12/2025	07/14/2025	Amazon Capital Services, Inc.	Toner, Fire-Safe File Cabinet - Ord Office	2,312.70
77354	07/01/2025	07/14/2025	DCSE, Inc.	Landscape Classification/ Area Measurement 06/2025	29,208.00
77355	05/30/2025	07/14/2025	Kundel Direct, Inc.	Shoring Equipment	44,101.01
77356	06/27/2025	07/14/2025	J.A. Fencing	Fence Replacement - Beach Office	98,950.00
77357	06/26/2025	07/14/2025	First Alarm	Security/ Fire Alarm Upgrade - MCWD Offices	99,775.00
77358	07/01/2025	07/14/2025	Conservation Rebate Program	3065 Arroyo Dr - Washer Rebate	150.00
Wire	06/05/2025	07/17/2025	Santa Cruz County Bank	BLM Construction Loan Payment	118,694.06
77359	07/08/2025	07/22/2025	Quinn Company	General Operations/ Maintenance Supplies	569.36
77360	07/01/2025	07/22/2025	Insight Planners	Web Development/ Maintenance and Hosting 06/2025	2,004.00
77361	06/30/2025	07/22/2025	PG&E	Gas and Electric Service 06/2025	122,180.93
77362	07/10/2025	07/22/2025	PG&E	Electric Service 06/2025	2,128.16
77363	07/10/2025	07/22/2025	PG&E	Electric Service 06/2025	16,346.47

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
77364	06/27/2025	07/22/2025	Home Depot Credit Services	Wood, Concrete Stain, Painting/ Fence Supplies - Ord Wastewater Treatment Plant; Refrigerator - IOP Office; Wire Molding - Beach Office; General Operations/ Maintenance Supplies	7,410.42
77365	05/31/2025	07/22/2025	Schaaf & Wheeler	Bid/ Construction Phase Support - Odor Control Program 02/2025, ATW Irrigation Connections at Armstrong Ranch; Construction Phase On-Call Engineering Services - A1/A2 Tanks B/C Booster; Design, Engineering Services - Bayer St, Patton Pkwy Water Mains; Design Phase - B2 Zone Tank, Tate Park Lift Station; Peer Review - NE Sewer Reroute to Interceptor Report; Prepare Plans/ Specs, Engineering Services - CA Ave Water Main 05/2025; Developer (Dunes 2N Gas Station & Hotels)	82,668.32
77366	06/30/2025	07/22/2025	Monterey Regional Waste Management District	Plant, Construction Debris Disposal - O&M Yard, Beach Office	263.62
77367	06/19/2025	07/22/2025	MBS Business Systems	Copier Maintenance 06/20 - 09/19	312.43
77368	07/10/2025	07/22/2025	Monterey Bay Analytical Services	Laboratory Testing	1,596.00
77369	07/06/2025	07/22/2025	Water Awareness Comm Mtry	Zun Zun Performances - (2) Crumpton Elementary School	1,000.00
77370	06/04/2025	07/22/2025	Harris & Associates	Developer (Enclave Phase 4)	10,357.40
77371	07/11/2025	07/22/2025	Federal Express	Lab Sample Shipping	128.50
77372	06/24/2025	07/22/2025	One Workplace L. Ferrari LLC	Furniture/ Workstations - IOP B Side Improvements	1,803.81
77373	07/08/2025	07/22/2025	Fastenal Industrial & Construction Supplies	General Operations/ Maintenance Supplies	409.27
77374	05/31/2025	07/22/2025	The Paul Davis Partnership, LLP	Bidding/ Construction Phase - IOP B Side Improvements	3,328.50
77375	07/02/2025	07/22/2025	Wallace Group	Bid/ Engineering Support - Rehab/ Lining of (6) Lift Station Wet Wells, Safety Grate Installation at (9) Lift Stations 06/2025; Feasibility/ Preliminary Study - NE Sewer Reroute to Interceptor 04/2025 - 05/2025	27,721.25
77376	06/30/2025	07/22/2025	Complete Paperless Solutions	Annual Software Subscription 08/2025 - 07/2026	9,639.00
77377	06/28/2025	07/22/2025	O'Reilly Automotive Stores, Inc.	Auto/ General Supplies	54.08
77378	06/30/2025	07/22/2025	Don Chapin Co., Inc	Concrete Disposal - Beach Office	106.31
77379	06/29/2025	07/22/2025	Calcon Systems, Inc.	Chlorine Dosing Troubleshooting - Intermediate Reservoir; Telemetry Configuration	3,610.00
77380	06/25/2025	07/22/2025	Univar Solutions USA, Inc.	(1,675) gals Chlorine - Intermediate Reservoir, Wells 10, 11	5,947.01
77381	06/09/2025	07/22/2025	Sturdy Oil Company	(21) 5-gallon Pails Clarion FM AW32	3,408.26
77382	06/30/2025	07/22/2025	Pacific Ag Rentals LLC	Mobile Restroom Rental - Beach Office 06/2025	94.31
77383	06/10/2025	07/22/2025	East Bay Tire Co.	Tires - Vehicles 2001, 2101	6,176.51
77384	07/10/2025	07/22/2025	National Auto Fleet Group	(2) 2025 Ford F-150's	88,999.08
77385	06/05/2025	07/22/2025	Edges Electrical Group, LLC	General Operations/ Maintenance Supplies	109.18
77386	07/16/2025	07/22/2025	U.S. Bank National Association	IOP B Side Office Copier Lease 07/10 - 08/09	275.32
77387	06/10/2025	07/22/2025	Ausonio Incorporated	Construction Phase - IOP B Side Improvements Draw #6	186,138.20
77388	06/30/2025	07/22/2025	Monterey Bay Technologies, Inc.	Annual Software Subscription 06/2025 - 05/2026; IT Support Services 06/2025; Computer/ IT Supplies	6,778.15
77389	07/08/2025	07/22/2025	ICONIX Waterworks (US), Inc.	(9) Couplers, (2) Repair Clamps, Backflow Device, (20) ft DI Pipe, General Operations/ Maintenance Supplies	20,446.98

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
77390	06/30/2025	07/22/2025	Evoqua Water Technologies, LLC	Chemical Pump Maintenance - East Garrison LS	1,838.69
77391	06/28/2025	07/22/2025	AT&T	Phone and Alarm Line Services 06/2025	139.52
77392	06/27/2025	07/22/2025	Ferguson Enterprises, Inc.	ARV, (4) Repair Couplers, (14) Brass Fittings	2,016.63
77393	03/03/2025	07/22/2025	Ritter GIS, Inc.	Springbrook UB Integration Development/ Maintenance; GIS/ Cityworks AMS - IT Support Services 10/2024 - 12/2024	15,405.00
77394	07/10/2025	07/22/2025	The Ferguson Group, LLC	FY 2024/ 2025 WaterSMART Water and Energy Efficiency Grant Writing	12,375.00
77395	06/25/2025	07/22/2025	SBRK Finance Holdings, Inc.	Springbrook Project Management Module - Professional Services	675.00
77396	07/08/2025	07/22/2025	Interstate Battery of San Jose	General Operations/ Maintenance Supplies	494.42
77397	07/15/2025	07/22/2025	City of Seaside	City Utility Tax 04/2025 - 06/2025	37,299.84
77398	06/30/2025	07/22/2025	La Sirenita Tree Service	Tree Maintenance - Ord Office	10,785.00
77399	07/08/2025	07/22/2025	Todd Groundwater	Investigation/ Development of Rehab Requirements - Well 12	778.75
77400	07/10/2025	07/22/2025	BSK Associates	Laboratory Testing	1,679.02
77401	07/14/2025	07/22/2025	Kysmet Security & Patrol, Inc.	Security Patrol Services - MCWD Offices 06/2025	300.00
77402	07/08/2025	07/22/2025	Parra Environmental Training	Asbestos Cement Pipe Refresher Training	2,200.00
77403	06/20/2025	07/22/2025	SmartCover Systems	(3) SmartCover Dual Sensors, Annual Software Subscription	14,962.70
77404	06/30/2025	07/22/2025	Quick Quack Car Wash Holdings, LLC	Car Washes - (5) Fleet Vehicles 06/2025	40.00
77405	07/10/2025	07/22/2025	Vortex Industries, LLC	Gate Repair - BLM	1,747.00
77406	07/11/2025	07/22/2025	InfoSend, Inc.	Maintenance/ IVR Transaction Fees; Customer Billing Statements; Additional Inserts - Customer Service Moving 06/2025	9,827.85
77407	07/02/2025	07/22/2025	Bluebeam, Inc.	Annual Software Subscription 08/2025 - 07/2026	1,650.00
77408	07/07/2025	07/22/2025	PACE Supply Corp	Couplers, Fittings, Flux Paste, Supplies - CSUMB Meter Relocation; (3) Gate Valves; General Operations/ Maintenance Supplies	12,009.16
77409	06/30/2025	07/22/2025	QOVO Solutions, Inc.	Security Access Improvements - Ph 1	230,852.69
ACH	07/03/2025	07/03/2025	Payroll Direct Deposits	Payroll Ending 06/27/25	151,279.77
ACH	07/03/2025	07/03/2025	CalPERS	Payroll Ending 06/27/25	41,179.82
ACH	07/03/2025	07/03/2025	Empower Retirement	Payroll Ending 06/27/25	19,704.82
ACH	07/03/2025	07/03/2025	Internal Revenue Service	Payroll Ending 06/27/25	68,642.12
ACH	07/03/2025	07/03/2025	State of California - EDD	Payroll Ending 06/27/25	15,227.42
ACH	07/03/2025	07/03/2025	WageWorks, Inc.	Payroll Ending 06/27/25	2,170.53
501967	07/03/2025	07/03/2025	Teamsters Local Union No. 856	Payroll Ending 06/27/25	1,041.00
501968	07/02/2025	07/08/2025	MBWWA	Water Reuse/ Groundwater Storage Projects - Conservation, (3) Water Resources Staff	200.00
501969	06/27/2025	07/09/2025	SWRCB - DWOCF	Grade III Water Distribution Operator Certification Renewal	90.00
501970	07/04/2025	07/09/2025	Employnet, Inc.	Temporary Customer Service Representative 06/23 - 06/27	1,798.81
501971	06/17/2025	07/09/2025	Principal Life	Employee Paid Benefits 07/2025	342.24
501972	06/17/2025	07/09/2025	Transamerica Life Insurance Company	Employee Paid Benefits 06/2025	313.96
501973	06/30/2025	07/09/2025	Cintas Corporation No. 630	Uniforms, Towels, Rugs 06/2025	1,243.65
501974	07/09/2025	07/09/2025	Employee Reimbursement	2025 General Manager Summit Per Diem Meals	211.00
501975	07/01/2025	07/14/2025	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 07/2025 - 08/2025	211,738.38
501976	06/17/2025	07/14/2025	Federico Embroidery	Uniform Benefit - Customer Service	173.74

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
ACH	07/18/2025	07/18/2025	Payroll Direct Deposits	Payroll Ending 07/11/25	155,103.92
ACH	07/18/2025	07/18/2025	CalPERS	Payroll Ending 07/11/25	42,874.66
ACH	07/18/2025	07/18/2025	Empower Retirement	Payroll Ending 07/11/25	19,649.25
ACH	07/18/2025	07/18/2025	Internal Revenue Service	Payroll Ending 07/11/25	67,769.07
ACH	07/18/2025	07/18/2025	State of California - EDD	Payroll Ending 07/11/25	15,298.96
ACH	07/18/2025	07/18/2025	WageWorks, Inc.	Payroll Ending 07/11/25	2,170.53
ACH	07/01/2025	07/31/2025	CalPERS	Unfunded Liability - Classic/ PERS62 Plan	470,826.00
ACH	07/31/2025	07/31/2025	Internal Revenue Service	FICA/ MEDI Tax 2022-2024, 1st Qtr 2025 PERS Adjustment	85,082.83
<b>Total Disbursements for July 2025</b>					<b>3,166,792.47</b>

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 11-B

**Meeting Date:** August 18, 2025

**Prepared By:** Paula Riso

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of July 14, 2025

**Staff Recommendation:** Approve the draft minutes of the July 14, 2025 regular joint Board/GSA meeting.

**Background:** *Strategic Plan, Mission Statement – Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.*

**Discussion/Analysis:** The draft minutes of July 14, 2025 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    ☒ No    **Funding Source/Recap:** None

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

**Material Included for Information/Consideration:** Draft minutes of July 14, 2025.

**Action Required:**    ☐ Resolution    ☒ Motion    ☐ Review

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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  
July 14, 2025

### Draft Minutes

#### 1. Call to Order:

President Morton called the meeting to order at 6:01 p.m. on July 14, 2025 at 920 2nd Avenue, Marina, California.

#### 2. Roll Call:

##### Board Members Present:

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

##### Board Members Absent:

None.

##### Staff Members Present:

Remleh Scherzinger, General Manager  
Roger Masuda, District Counsel  
Derek Cray, Operations and Maintenance Manager  
Mary Lagasca, Director of Administrative Services  
Garrett Haertel, District Engineer  
Patrick Breen, Water Resources Manager  
Teo Espero, Information Technology Administrator  
Paula Riso, Executive Assistant/Clerk to the Board

##### Audience Members:

Andreas Baer, City of Seaside  
Andy Sterbenz, Schaaf & Wheeler Consulting Civil Engineers  
Reinel Lagman, MCWD  
Derrell Parker, MCWD  
Rachel Gaudoin, Monterey One Water

#### 3. Pledge of Allegiance:

Director Smith led everyone present in the pledge of allegiance.

4. Public Comment on Closed Session Items:

There were no comments made.

The Board entered into closed session at 6:08 p.m. to discuss the following items:

5. Closed Session:

- A. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
Name of Case/Claimant – Peter Le - 1 claim
- B. Pursuant to Government Code 54956.9(d)(2)  
Conference with Legal Counsel – Threat of Potential Litigation  
One Potential Case
- C. Pursuant to Government Code 54957  
Public Employee Performance Evaluation  
Title: General Manager

The Board ended closed session at 6:53 p.m. President Morton reconvened the meeting to open session at 7:03 p.m.

6. Reportable Actions Taken During Closed Session:

President Morton stated that with regards to Agenda Item 5-A, the Board voted unanimously to reject the claim. She stated that with regards to Agenda Item 5-B, the Board gave direction but took no action.

7. Oral Communications:

No comments were made.

8. Consent Calendar:

Director Imamura requested to pull Agenda Item 8-A.

President Morton made a motion to approve the Consent Calendar consisting of items: B) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of May 19, 2025; C) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of June 16, 2025; D) Receive the 2nd Quarter 2025 MCWD Water Consumption and Wastewater Flow Report; and, E) Adopt Resolution No. 2025-40 to Amend FY 2025-2026 Capital Improvement Program (CIP) Budget for the Construction of CIP Project Pure Water Monterey (PWM) Turnouts at Armstrong Ranch Project (RW-2401). Director Smith seconded the motion.

Agenda Item 8 (continued):

The motion was passed by the following vote:

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

A. Receive and File the Check Register for the Month of June 2025:

Director Imamura inquired on Check Nos. 77149 and 77238 and asked for clarification.

Director Imamura made a motion to Receive and File the Check Register for the Month of June 2025. Director Moore seconded the motion. The motion was passed by the following vote:

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

9. Action Item:

A. Adopt Resolution No. 2025-41 Authorizing the Submission of Delinquent Water and Wastewater Charges to the County of Monterey for Collection on the FY 2025-2026 Property Tax Roll:

Ms. Mary Lagasca, Director of Administrative Services, introduced this item, noting that there were 702 delinquent accounts that were identified for exceeding 60 days past due and over \$25. Letters were sent to these account holders and payments were received or payment plans were created for a majority of the accounts. Ms. Lagasca stated that as of July there were 13 verified owner accounts that are scheduled to be sent to Monterey County to be placed on the Property Tax Roll. She added that there were also 148 accounts still unpaid that are held by tenants and those will be sent to collections. The Board asked clarifying questions.

Director Moore made a motion to adopt Resolution No. 2025-41 to authorize the submission of delinquent water and wastewater charges to the County of Monterey for collection on the FY 2025-2026 Property Tax Roll. Vice President Shriner seconded the motion. The motion was passed by the following vote:

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

10. Informational Items:

A. General Manager's Report:

Mr. Scherzinger reported the following:

1. we are starting the new fiscal year;
2. with regards to the CPUC Phase 2, the pending decision from the Administrative Law Judge is on the July consent calendar;
3. will be meeting on Wednesday with Supervisor Lopez to discuss San Lucas;
4. he attended the CSDA General Manager Summit in Lake Tahoe and it went well;
5. the Easements and Agreements with Monterey One Water are completed;
6. had a brief interaction with Col. Artino, Presidio of Monterey, who has the understanding the 38 acre-feet for Bay View is in transition, and he is supporting the water requests of the Veterans Transition Center and the Veterans Administration; and,
7. Monterey Peninsula Water Management District and the District are engaged in agreement talks with regards to the Aquifer Storage Recovery system to deliver water when the system is not being utilized by CalAm.

B. Committee and Board Liaison Reports:

1. Executive Committee:

Vice President Shriner gave a brief update.

2. Community Outreach and Personnel Committee:

Director Imamura and Director Smith gave a brief update.

3. M1W Board Member Liaison:

Director Moore gave a brief update.

11. Board Member Requests for Future Agenda Items:

There were no requests made.

12. Director's Comments:

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

13. Adjournment:

President Morton adjourned the meeting at 7:57 p.m. in honor of Ken Nishi.

APPROVED:

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Gail Morton, President

ATTEST:

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Paula Riso, Deputy Secretary

## **Marina Coast Water District Agenda Transmittal**

**Agenda Item:** 11-C

**Meeting Date:** August 18, 2025

**Prepared By:** Mary Lagasca, CPA

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Receive the Second Quarter Investment Report for Calendar Year 2025

**Staff Recommendation:** The Board receives the Marina Coast Water District Quarterly Investment Report for 2025.

**Background:** *Strategic Plan, Objective 3.2 – Finances are well managed to provide adequate revenue and avoid volatile rates.*

In accordance with California Government Code Section 53646 and the District's Investment Policy, staff are required to provide a quarterly investment report to the Board of Directors. The report is intended to provide transparency and assurance that the District's funds are invested safely, prudently, and in compliance with applicable State laws and the District's adopted investment guidelines.

**Discussion/Analysis:** As of June 30, 2025, the District's total investment portfolio had a book value of \$46,792,166 with interest earnings totaling \$988,497 for the second quarter of the calendar year. The District's portfolio remains well-diversified, balancing liquidity, safety, and yield. The current investment composition is as follows:

- Certificates of Deposit (CDs) – 18% of the portfolio is held in CDs with Mechanics Bank, yielding an average interest rate of 4.25%. In May 2025, one of our CD's, worth \$2 million has matured and was closed. The full amount was transferred then to our Money Market (MMK) Savings account in June, which provides a higher interest rate.
- Local Agency Investment Fund (LAIF) – 16% of the portfolio is invested in LAIF, which earned an interest rate of 4.40% during the quarter.
- California Cooperative Liquid Assets Securities System (CA CLASS) – 19% of funds are placed in CA CLASS, a pooled investment program managed under a Joint Powers Authority, with a quarterly return of 4.34%.
- General Checking, Savings, and Money Market Accounts – 47% of funds are held in a combination of operational checking accounts (non-interest bearing) and interest-bearing savings and money market accounts, the latter yielding an average of 4.52%.

The District's investments continue to perform well, even as interest rates have begun to decline over the past year. Despite this trend, returns remain strong across all investment vehicles. During Calendar Year 2024, the District realized a \$7.2 million increase in total investments and a 66% increase in interest earnings compared to the prior year. As of the second quarter of 2025, the principal balance has slightly decreased by \$13,725 due to various Capital Improvement Projects that requires funding from Capacity Charge and Bldg. Removal Fund (FORA).

**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:** Historical Investment Summary for Second Quarter Calendar Year 2025.

**Action Required:**    \_\_\_\_\_Resolution    \_\_\_\_\_Motion    \_\_\_X\_\_\_Review

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Board Action

Motion By \_\_\_\_\_    Seconded By \_\_\_\_\_    No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_    Abstained \_\_\_\_\_

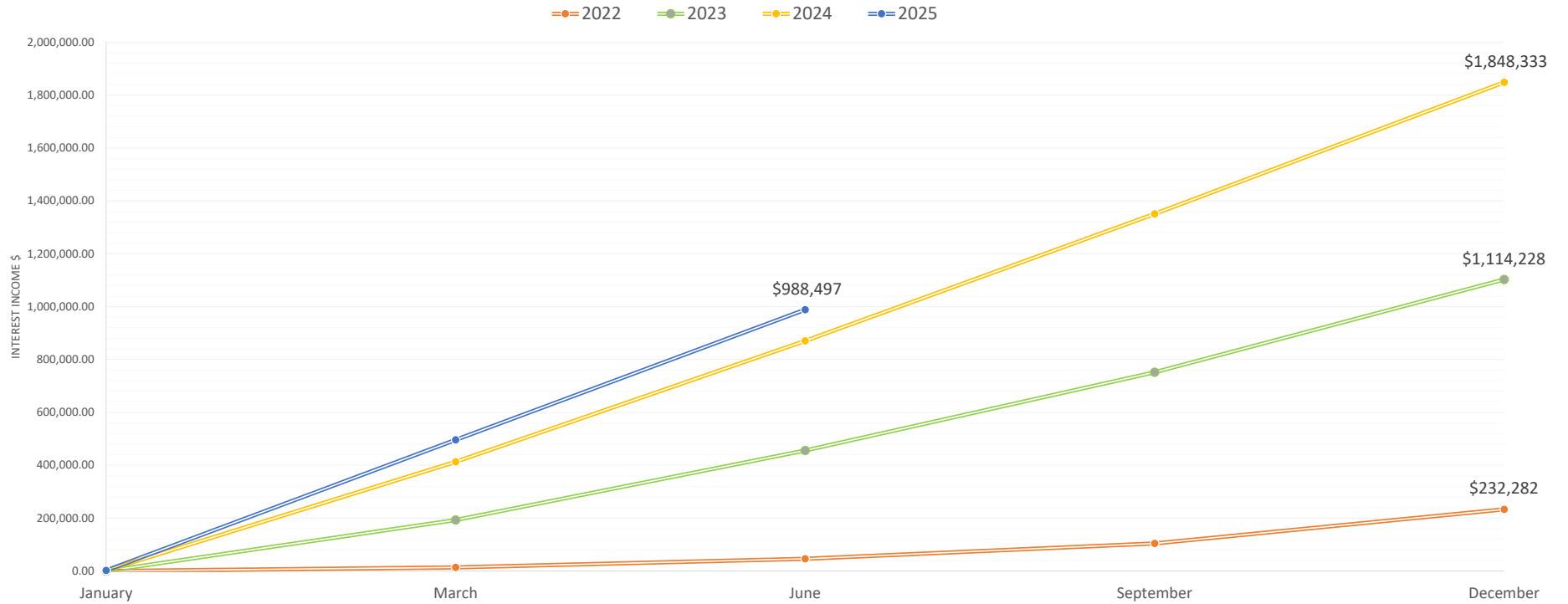
Noes \_\_\_\_\_    Absent \_\_\_\_\_

**MARINA COAST WATER DISTRICT  
HISTORICAL INVESTMENT SUMMARY  
AS OF 06/30/2025**

DEPOSITORY	BALANCE AS OF 12/31/23	YTD INTEREST 12/31/23	RATE	BALANCE AS OF 12/31/24	YTD INTEREST 12/31/24	RATE	BALANCE AS OF 06/30/25	YTD INTEREST 06/30/25	MATURITY DATE	RATE
Mechanics Bank										
General Checking	2,638,565	-		2,143,583	-		1,959,042	-		
Savings/MMK	12,352,434	326,547	4.86%	15,974,863	550,594	4.67%	17,982,877	360,369		4.52%
Restricted Money Market (MMK)	1,132,302	44,870	4.86%	1,187,356	55,054	4.67%	1,213,859	26,502		4.52%
Savings - Bldg. Removal Fund	1,019,059	37,392	4.86%	1,068,608	49,548	4.67%	729,324	25,495		4.52%
Certificate of Deposit	-	8,822	3.50%	-	-		-	-		
Certificate of Deposit	-	17,644	3.50%	-	-		-	-		
Certificate of Deposit	5,000,000	145,397	4.35%	5,124,658	256,755	5.25%	5,260,285	113,978	7/26/25	4.25%
Certificate of Deposit	3,000,000	59,342	4.75%	3,074,795	154,512	5.25%	3,156,171	68,910	8/2/25	4.25%
Certificate of Deposit	2,000,000	9,041	5.00%	2,101,531	100,565	4.25%	-	36,215	5/29/25	4.25%
PNC Bank										
General Checking	2,047,516	-		-	-		-	-		
Certificate of Deposit	-	34,032	4.55%	-	-		-	-		
Certificate of Deposit	-	45,123	4.50%	-	-		-	-		
Chase Bank										
Savings	-	16	0.00%	-	-		-	-		
State Local Agency Investment Fund (LAIF)	10,381,957	386,001	4.00%	7,258,828	356,995	4.71%	7,424,172	162,261		4.40%
California CLASS				8,871,669	324,308	4.64%	9,066,436	194,767		4.34%
<b>Total Investment</b>	<b>39,571,833</b>	<b>1,114,227</b>	<b>4.06%</b>	<b>46,805,891</b>	<b>1,848,331</b>	<b>4.76%</b>	<b>46,792,166</b>	<b>988,497</b>		<b>4.38%</b>
<b>YTD Change in Ending Balance</b>				<b>7,234,058</b>	<b>66%</b>		<b>(13,725)</b>			



### YTD INTEREST INCOME BY QUARTER



<u>Interest Income</u>	<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>
Q1	\$	13,903	\$	193,290	\$	412,849	\$ 496,075
Q2	\$	32,268	\$	262,412	\$	457,270	\$ 492,422
Q3	\$	58,380	\$	295,927	\$	480,512	-
Q4	\$	128,731	\$	362,599	\$	497,700	-
<b>Total Interest</b>	<b>\$</b>	<b>233,282</b>	<b>\$</b>	<b>1,114,228</b>	<b>\$</b>	<b>1,848,331</b>	<b>\$ 988,497</b>

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 11-D

**Meeting Date:** August 18, 2025

**Prepared By:** Mary Lagasca, CPA

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Adoption of Resolution No. 2025-42 to Adopt the FY 2025-2026 District Investment Policy

**Staff Recommendation:** The Board of Directors adopt Resolution No. 2025-42 to adopt the FY 2025-2026 District Investment Policy

**Background:** *Strategic Plan, Objective No. 3.4 – A full set of financial policies are in place, reviewed, and updated on a scheduled basis.*

California Government Code Section 53646(a) requires the governing body of a local agency to review and approve the agency's investment policy at a public meeting each year. The District's Investment Policy (Policy No. 3040) was last reviewed and adopted on October 21, 2024, and provides the framework for the prudent investment of public funds.

The primary objectives of the District's investment program, as defined in Government Code Section 53600.5, remain unchanged:

1. Safety – Preservation of capital;
2. Liquidity – Availability of funds to meet operational needs;
3. Return – Earning a reasonable rate of return consistent with the first two objectives.

**Discussion/Analysis:** For FY 2025–2026, staff reviewed Policy 3040 and recommend minor revisions to clarify statutory references, update fiscal year references, and improve formatting and readability. The revisions do not materially change the scope or intent of the policy. Key clarifications include:

- Updating fiscal year references from 2023–2024 to 2025–2026;
- Clarifying citations to applicable Government Code sections, including Sections 53600 et seq., 53635, and 16429.1;
- Refining language related to authorized investments to better align with the specific provisions of Section 53601.

**Environmental Review Compliance:** None required.

**Legal Counsel Review:** Legal Counsel has reviewed the FY 2025-2026 Investment Policy

**Climate Adaptation:** Not applicable.

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

**Other Considerations:** None.

**Material Included for Information/Consideration:** Resolution No. 2025-42; FY 2025-2026  
Proposed Draft District Investment Policy.

**Action Required:**       X   Resolution            Motion            Review

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Board Action  
Motion By                    Seconded By                    No Action Taken                     
Ayes                    Abstained                     
Noes                    Absent

August 18, 2025

Resolution No. 2025-42  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving the FY 2025-2026 District Investment Policy

RESOLVED by the Board of Directors (“Board”) of the Marina Coast Water District (“District”) at a regular meeting duly called and held on August 18, 2025, at 920 Second Avenue, Suite B, Marina, California as follows:

WHEREAS, the District’s current investment policy is in compliance with the State Government Code; and,

WHEREAS, there have been no applicable changes to California Government Section 53600, *et seq.*; and,

WHEREAS, staff recommends adopting the updated Investment Policy with minor changes.

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

1. adopt Resolution No. 2025-42 to adopt the FY 2025-2026 District Investment Policy; and,
2. authorize the General Manager to execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025, 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 \_\_\_\_\_

\_\_\_\_\_  
Gail Morton, 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. 2025-42 adopted August 18, 2025.

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Remleh Scherzinger, Secretary

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# MARINA COAST WATER DISTRICT

## POLICY MANUAL

**POLICY TITLE:** Investment Policy

**POLICY NUMBER:** 3040

**3040.1 Purpose.** The purpose of this policy is that all investments and deposits of District funds for ~~2023-2024~~2025-2026 shall be made only as set forth in this Annual Statement of Investment Policy in accordance with the Government Code.

**3040.2 Applicable Law.** The District's Investment Policy is based on provisions ~~of the Government Code~~ set forth in Title 2, Division 4, Part 2, Chapter 2, Article 11 (commencing at Section 16429.1) and Title 5, Division 2, Part 1, Chapter 4, Articles 1 and 2 (commencing at Section 53600) of the California Government Code governing the investment of local agency funds and deposits of public monies. All references to code sections in this Statement, unless otherwise specified, are from the California Government Code. ~~The District adopted this Policy at the December 7, 2015, meeting of the Board of Directors.~~

As set forth in Government Code Section 53600.5, the primary objective of the District's investment program shall be to safeguard the principal of funds (safety). The secondary objective shall be to meet the liquidity needs (liquidity). The third objective shall be to achieve a return on the funds invested (return).

Investments shall be made as if by a prudent person using the same discretion and intelligence a person would use in managing personal affairs and certainly not for speculation. As far as possible, all money belonging to or in the custody of the District, including money paid to the treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in an institution as described in Section 53635.2, observing the limitations specified in Sections 16429.1, 53601 et seq., and 53635.

### **3040.3 Investment Procedures.**

**3040.3.1** The Director of Administrative Services may invest monies not required for expenditure during the terms of the investment without first securing further Board approval if the investment is one of the following types:

- Local Agency Investment Fund of the State of California.
- Time certificates of deposits issued by a nationally or state-chartered bank or a state or federal association located within the State of California if fully secured by federal insurance or approved collateral at the required percentage of market value.
- United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- Investments through Joint Powers Authorities meeting the requirements of Government Code Section 53601(p).
- Collateralized bank deposits pursuant to Government Code Section 53601(n)

**3040.3.2** The Director of Administrative Services may invest monies not required for expenditure during the term of the investment only after securing further Board approval if the investment is one of the following types:

- Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- Bonds, notes, warrants, or other evidence of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- Investments in repurchase agreements may be made, on an investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.
- Time certificates of deposit issued by a nationally or state-chartered bank or a state or federal association located outside of the State of California if secured by federal insurance.

**3040.3.3** No investment shall be purchased:

- On margin.
- "Forward" or "in the future."
- Based on foreign currency.
- Which are specified in Government Code Section 53601.6.

**3040.3.4** unless (a) required to be of shorter maturity by law, (b) specifically authorized by the Board, or (c) as a part of a program no less than three months prior to the date of purchase, no investment shall be made with a maturity date greater than five years from the date of purchase unless specifically authorized by the Board or as a part of a program no less than three months prior to the date of purchase.

**3040.4** Use of Securities Dealers and Brokers. When not purchasing an investment directly from the issuer, the District shall purchase it from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporation Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from

savings association or a federal association, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, as required by Section 53601.5.

**3040.5 Investment Authority and Reporting Requirements.**

**3040.5.1 Director of Administrative Services:** To the extent consistent with law, the Director of Administrative Services ("DAS") shall perform the duties of "treasurer" under Sections 53630 through Sections 53686. District funds deposited in any account are deemed to be in the treasury of the District, pursuant to Section 53636. The DAS is responsible for the safekeeping of money in his or her custody and shall enter into any contract with a depository relating to any deposit, which in his or her judgment is to the public advantage, as provided by Section 53649. The DAS is responsible for compliance with all state laws governing the day-to-day management of deposits as set forth in Sections 53630 through 53686.

**3040.5.2 Borrowing Funds:** In making any decision that involves borrowing in the amount of one hundred thousand (\$100,000) or more, the Board shall discuss, consider, and deliberate each decision as a separate item of business on the agenda of its meeting as prescribed in the Government Code, commencing at Section 54950.

**3040.5.3 Director of Administrative Services' Quarterly Report:** The DAS shall present quarterly reports on investments to the General Manager and Board. The report shall show the type of investment, how title is held, institution, date of maturity, amount of deposit, current market value for all securities with a maturity of more than 12 months, rate of interest, the relationship of each investment to this investment policy, information showing that expenditure requirements can be met in the following quarter and specify investments made pursuant to Government Code Section 53601(i), and 53601.1. The quarterly reports shall also show whatever additional information the Board may require.

**3040.5.4 In Lieu Statements:** For District investments placed in the Local Agency Investment Fund, created by Section 16429.1, in FDIC-Insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the DAS may supply the most recent statement or statements received by the District from these institutions in lieu of the information required by **3040.5.3**.

**3040.5.5 Investment Committee:** The Budget & Engineering Committee shall periodically review the investments held by the District, the cash flow requirements of the District, and the compliance of its investments with this Statement. The Committee shall make an annual report and recommendation to the Board concerning implementation or changes in this policy. If there is no Budget & Engineering Committee, the Board shall perform the review.

**3040.5.6 Annual Board Review:** The Board shall meet annually to review the District Investment Policy portfolio, quarterly reports prepared pursuant to Section 53646 of the Government Code, and any other relevant information regarding anticipated cash requirements for the purpose of selecting investment instruments for District funds. This investment policy shall be reviewed annually or more often, as necessary.



**3040.5.7** The District may commingle unrestricted funds for the purpose of investing amounts on hand, so long as the investments meet the requirements of this Policy.

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Adopted: June 9, 1992 via Resolution No. 92-11-A  
Revised: February 25, 1993 via Resolution No. 93-6  
Revised: July 28, 1999 via Resolution No. 99-11  
Revised: August 28, 2002 via Resolution No. 2002-37  
Revised: November 8, 2011 via Resolution No. 2011-81  
Revised: November 13, 2012 via Resolution No. 2012-71  
Revised: April 7, 2014 via Resolution No. 2014-15  
Revised: December 7, 2015 via Resolution No. 2015-58  
Revised: June 20, 2022 via Resolution No. 2022-28  
Revised: January 22, 2024 via Resolution No. 2024-02

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 11-E

**Meeting Date:** August 18, 2025

**Prepared By:** Jack Gao, EIT, PMP

**Approved By:** Remleh Scherzinger, PE

**Reviewed By:** Garrett Haertel, PE

**Agenda Title:** Adopt Resolution No. 2026-43 to Amend the FY 2025-2026 Capital Improvement Program Budget

**Staff Recommendation:** The Board of Directors approve Resolution No. 2025-43 to amend the FY 2025-2026 Capital Improvement Program (CIP) budget.

**Background:** *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*

*OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.*

*OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.*

The Fiscal Year (FY) 2025-2026 Budget approved by the Board of Directors included improvements and expansion plans for existing water, recycled water, and wastewater collection systems. The budget development included assumptions of project schedules and budgets developed early in the budgeting process. Upon ending FY 2024-2025, the actual project progress and financial requirements for FY 2025-2026 are now known. The following CIP update report identifies the project updates requested for the FY 2025-2026 budget for Board review and to amend the budget.

**Discussion/Analysis:** The attached CIP Project Budget Amendment lists the projects that were approved by the board during FY 2024 -2025 and would need budget roll over to bring projects to completion, requested FY 2025-2026 budget as follows:

- 1. WD-2401 IOP B Side Improvements;** The Board approved Resolution No.2024-33 to Amend the FY 2024-2025 CIP Budget to fund IOP B Side Improvement Project in June 2024. This amendment request will roll over \$250,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget to complete all remaining items.
- 2. WD-2404 Security Access Improvements;** The Board approved Resolution No.2024-52 in September 2024 to award the construction contract. This amendment will roll over \$29,000 of the unspent FY 2024-2025 budget into FY 2025-2026.
- 3. WD-2405 Solar Energy and Battery Storage IOP;** The Board approved Resolution No.2025-17 in March 2025 to award a Construction Contract to Scudder Solar Electrical Energy Systems to install solar panels, battery storage, and electric car charging stations at IOP. This amendment request will roll over \$532,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget for this project.
- 4. GW-0112 Zone A Tank and Improvements;** The Board approved Resolution No. 2024-09 to amend The A1/A2 Tanks and B/C Booster Station project's budget. This amendment

will roll over \$5,421,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget to close the project out.

5. **GW-2504 Eastern Wellfield Study;** This amendment request will roll over \$45,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget to complete the design and planning efforts.
6. **OW-0340 McClure Road Water Pipeline;** The Board approved Resolution No.2024-47 for a developer reimbursement agreement for the Seaside Resort development. This amendment request will add \$42,000 from the 2024 Bond to the FY 2025-2026 budget to cover the final costs and close out the project.
7. **OW-2502 Patton Pkwy Loop Connector Pipeline;** The board approved Resolution No. 2024-64 in December. The design was not completed in FY 2025-2026 due to scope revisions. This amendment request will roll over \$23,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget and add \$7,000 from the 2024 bond for a total FY 2025/2026 budget of \$30,000 to complete the design.
8. **MW-2515 Bayer Pipeline;** The board approved Resolution No. 2025-06 for this project. This amendment request will roll over \$50,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget to complete the design efforts.
9. **GS-2531 Lift Station Wet Well Lining;** The Board approved Resolution No. 2025-34 in June to award a construction contract. This amendment will roll over \$79,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget to complete construction.
10. **GS-2532 Lift Station Improvement - Safety Grates;** The Board approved Resolution No. 2025-36 in June. This amendment will roll over \$64,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget and add \$11,000 from OS-0218 for a total FY 2025/2026 amendment of \$75,000.
11. **OS-0218. Gigling Lift Station Replacement;** This project was budgeted for design and construction in FY 2025-2026 but will only be designed in FY 2025-2026. Construction is to be completed at a later date in coordination with future Ord Military Community development. This amendment request will deduct \$432,000 from the FY 2025-2026 budget for use for GS-2532, OS-0350, and OS-2305 within this amendment.
12. **OS-0350 Imjin Parkway Sewer Manhole Rehab;** The Board approved Resolution No. 2025-25 in April. This amendment request will roll over \$141,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget and add \$291,000 from OS-0218 for a total FY 2025-2026 amendment of \$432,000.
13. **OS-2305 Lightfighter Sewer Manhole Rehab;** The Board approved Resolution No. 2025-256 in April. This amendment request will roll over \$119,000 of the unspent FY 2024-2025 budget into the FY 2025-2026 budget and add \$130,000 from OS-0218 for a total FY 2025-2026 amendment of \$249,000.

**Environmental Review Compliance:** Most of the projects already have or will be submitting a California Environmental Quality Act (CEQA) Notice of Exemption (NOE); Existing CIP projects have been cleared for Environmental Review.

**Climate Adaptation:** The District's goal is to provide projects that address climate change and improve the District's footprint on the environment. Water and wastewater system improvement projects identified here provide overall system reliability and reduce the potential liability of impacts to the sensitive local environment and inefficient operation and overconsumption of resources.

**Financial Impact:**      X   Yes           No

**Funding Source/Recap:** See Below:

The proposed FY 2025-2026 CIP Budget amendments are:

<b>CIP Budget Amendment</b>	<b>Current FY 25/26 Budget</b>	<b>Change</b>	<b>New FY 25/26 Budget</b>	<b>Funding Source</b>
WD-2401 IOP B Side Improvements	\$0	\$250,000	\$250,000	Cap. Fee, GSA
WD-2404 Security Access Improvements	\$0	\$29,000	\$29,000	Cap. Fee
WD-2405 Solar Energy and Battery Storage IOP	\$2,000,000	\$532,000	\$2,532,000	Cap. Fee, GSA
GW-0112 Zone A Tank and Improvements	\$0	\$5,421,000	\$5,421,000	'24 Bond, Cap. Fee
GW-2504 Eastern Wellfield Study	\$0	\$45,000	\$45,000	Cap. Fee
OW-0340 McClure Road Water Pipeline	\$0	\$42,000	\$42,000	'24 Bond
OW-2502 Patton Pkwy Loop Connector Pipeline	\$0	\$30,000	\$30,000	'24 Bond
MW-2515 Bayer Pipeline	\$0	\$50,000	\$50,000	Cap. Fee
GS-2531 Lift Station Wet Well Lining	\$512,000	\$79,000	\$591,000	'24 Bond, Op. Res.
GS-2532 Lift Station Improvement - Safety Grates	\$174,000	\$75,000 (OS Only)	\$249,000	Op. Res.
OS-0218. Gigling Lift Station Replacement	\$900,000	(\$432,000)	\$468,000	Op. Res.
OS-0350 Imjin Parkway Sewer Manhole Rehab	\$68,000	\$432,000	\$500,000	Op. Res.
OS-2305 Lightfighter Sewer Manhole Rehab	\$60,000	\$249,000	\$309,000	Op. Res.

**Material Included for Information/Consideration:** Resolution No. 2025-43.

**Action Required:**       X   Resolution            Motion            Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

August 18, 2025

Resolution No. 2025-43  
Resolution of the Board of Directors  
Marina Coast Water District  
Amend the FY 2025-2026 Capital Improvement Program Budget

RESOLVED by the Board of Directors (“Board”) of the Marina Coast Water District (“MCWD” or “District”) at a regular meeting duly called and held on August 18, 2025 at 920 Second Avenue, Marina, California as follows:

WHEREAS, the MCWD is a County Water District and political subdivision of the State of California, organized under Division 12, Sections 3000 and following for the California Water Codes, established in 1960; and,

WHEREAS, the District owns and operates facilities and property for the supply, treatment and distribution of water, including recycled wastewater (the “Water System”), and the collection, treatment and disposal of wastewater (the “Wastewater System”) and the District wishes to provide funds for the acquisition, construction and installation of improvements to the Water System and the Wastewater System, consisting generally of infrastructure improvements to pipelines, pumping stations, storage, groundwater wells, other water supply sources, facilities, and District operational systems to modernize the District’s water, wastewater and recycled water systems(the “Projects”); and,

WHEREAS, on May 18, 2020, the Board accepted the Water, Sewer and Recycled Water Master Plans; and,

WHEREAS, the District Engineering staff created a Capital Improvement Program (CIP) that was included in the District Budget for FY 2025-2026, and included programmatic projects for the purpose of funding projects not yet identified or realized in the Master Plans; and,

WHEREAS, the Board passed and adopted Resolution No. 2025-31 adopting the District Budget for FY 2025-2026; and,

WHEREAS, the Board authorized the Delivery and Sale of Enterprise Revenue Certificates of Participation, Series 2024 in the Principal Amount of Not to Exceed \$23,000,000 to Finance Water System and Wastewater System Improvements, and Approving Preliminary Official Statement, Official Notice of Sale and Related Documents and Official Actions by Resolution No. 2024-34 on July 15, 2024; and,

WHEREAS, District Engineering and Finance staff identified thirteen projects in need of budget amendments and calculated the funding necessary; and,

WHEREAS, the District Engineering and Finance staff identified appropriate and available funding sources; and,

WHEREAS, a FY 2025-2026 CIP Budget amendment is required to resource these projects 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:

1. Adopt Resolution No. 2025-43 to Amend the FY2025-2026 Capital Improvement Program Budget as follows:

CIP NO.	PROJECT NAME	FUNDING SOURCE	MW	MS	OR	OS	RW	GSA	TOTAL
WD-2401	IOP B SIDE IMPRV PROJ	Capacity Fee	46,000	28,000	100,000	25,000	32,000		231,000
		GSA Fund						19,000	19,000
WD-2404	SECURITY ACCESS IMPROV	Capacity Fee	7,500	1,600	16,600	3,300			29,000
WD-2405	SOLAR ARRAY	Capacity Fee	105,000	25,000	230,000	56,000	73,000		489,000
		GSA Fund						43,000	43,000
GW-0112	A1/A2 TANK B/C BSTR	2024 Bond	1,490,000		3,160,000				4,650,000
		Capacity Fee	247,000		524,000				771,000
GW-2504	EASTERN WELL FIELD SUP	Capacity Fee	14,000		31,000				45,000
OW-0340	MCCLURE RD WATER PIPEL	2024 Bond			42,000				42,000
OW-2502	PATTON PKWY LOOP CONNECTOR PIPELINE	2024 Bond			30,000				30,000
MW-2515	BAYER ST PIPELINE	Capacity Fee	50,000						50,000
GS-2531	LS WET WELL LINING PRJ	2024 Bond		24,000					24,000
		Operating Reserves				55,000			55,000
GS-2532	LS IMPRV SAFETY GRATES	2024 Bond							0
		Operating Reserves				75,000			75,000
OS-0218	GIGLING FORCE MN	Operating Reserves				(432,000)			(432,000)
OS-0350	IMJIN MANHOLE REHAB	Operating Reserves				432,000			432,000
OS-2305	MANHOLE REHAB LGHTFTR	Operating Reserves				249,000			249,000
TOTAL			1,959,500	78,600	4,133,600	463,300	105,000	62,000	6,802,000

2. Authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025, 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 \_\_\_\_\_

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Gail Morton, President

ATTEST:

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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. 2025-43 adopted August 18, 2025.

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Remleh Scherzinger, Secretary



**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 12-A

**Meeting Date:** August 18, 2025

**Prepared By:** Garrett Haertel, PE

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** End of Year Engineering Report

**Staff Recommendation:** Receive End of Year Engineering Update

**Background:** *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*

*OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.*

*OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.*

The Marina Coast Water District Engineering Department serves as the in-house technical resource for the District. In that role, engineering staff review, design and manage Capital Improvement Program (CIP) and development (DEV) projects. This annual update will look at various industry key performance indicators (KPIs) to assess department performance. These include percentage of projects completed, cost to budgeted amount (CIPs), and staff hours/utilization.

The Fiscal Year (FY) 2024-2025 Budget approved by the Board of Directors included improvements and expansion plans for existing water, recycled water, and wastewater collection systems. The following end of year update provides project updates for those CIP projects identified in the approved budget, renewal and replacement projects not previously identified, and DEV projects.

**Discussion/Analysis:** This end of year engineering update will focus on the three main areas of workload within the department; CIP Projects, Development Review and workforce utilization.

**CIP Projects:**

Within the FY 2024-2025 approved budget there were 38 projects originally identified in the CIP. An additional 17 projects were identified and added and funded in the CIP throughout the fiscal year. Throughout the year, project scoping activities were conducted and preliminary design completed that resulted in 55 separate projects addressed through the comprehensive CIP. Of these projects budgeted, 7 were programmatic, 14 were renewal and replacement, 21 engineering improvement, 4 for current development, 2 projects pending grant funding opportunities, and 7 projects were evaluated and either postponed or deemed unnecessary at this time. Projects were identified and selected for the CIP based on recommendations within the Water, Sewer and Recycled Water Master Plans prepared by Akel Engineering Group, Inc. dated May 2020 and observed deficiencies and condition assessments.

End of year program breakdown as of July 1, 2025 is as follows:

- 4 projects are within the planning/permitting/environmental phase – These projects include:
  - RDP Res Rd Desal Plant Renovation
  - RDP Comprehensive Desal Improvements Project
  - ASP Booster Pump Station Project
  - Install Monitoring Well
- 11 projects are in design – They include:
  - B2 Reservoir
  - Gigling Transmission Main
  - Well 12 Rehab
  - NE Sewer Reroute to Interceptor
  - 4-inch Pipeline Upsize Project
  - California Ave Pipeline
  - Patton Parkway Loop Connector Pipeline
  - Gigiling Lift Station Replacement
  - Eastern Well Field Supply
  - RUWAP Isolation and Metering Facility
  - Bayer St Pipeline
- 13 projects are under construction – The list includes:
  - Paint Reservoir 2 Exterior
  - Inter-Garrison Road Pipeline Upsizing
  - Tate Park Lift Station
  - Manhole Rehab Lightfighter
  - ATW Irrigation Connection
  - Imjin Manhole Rehab
  - OWTP Building & Blight Removal
  - Lift Station Wetwell Lining
  - Lift Station Improvement – Safety Grates
  - Solar Array at IOP
  - Armstrong Ranch Pipeline
  - 1<sup>st</sup> Ave. Gravity Main
  - Odor Control Program – Imjin Lift Station
- 11 projects are at or near completion; (near completion \*\*) – They are:
  - Security and Access Improvements
  - McClure Road Water Pipeline
  - Coe Ave Water Pipeline Upsizing
  - Del Monte Sewer Pipeline Upsizing
  - PLC Replacement Project Phase 2
  - Corp Yard Blight Removal
  - Imjin Parkway Widening – Water System Improvements
  - Imjin Parkway Widening – Sewer System Improvements
  - IOP B Side Improvements \*\*
  - Monitoring Equipment \*\*
  - A1/A2 Reservoirs and B/C Booster Station \*\*
- 2 projects were delayed due Grant funding opportunities not being realized:
  - Castroville Water Pipeline Intertie
  - Indirect Potable Reuse Program

- A total of \$2.8M was budgeted as programmatic type projects funding other project work throughout the year. Odor Control Programmatic; Lift Station Wet Well Lining Programmatic; Hydrant Replacement FY 2024-2025; Booster Station Improvement FY 2024-2025; Water Pipeline Renewal and Replacement FY 2024-2025; Well Rehab FY 2024-2025; Misc Lift Station Improvements FY 2024-2025; and Sewer Pipeline Renewal and Replacement FY 2024-2025. This funding allocated to these projects supported the following 12 identified projects:
  - Well 12 Rehabilitation
  - Lift Station Wetwell Lining Project
  - Lift Station Improvement – Safety Grates
  - ASP Booster Pump Station
  - Imjin Lift Station Odor Control Program
  - Manhole Rehab - Lightfighter
  - Imjin Manhole Rehab
  - Pipeline - Seaside Ct
  - Pipeline - Lillian Pl
  - Lakewood Dr Pipeline
  - Ardennes Cir Pipeline
  - 4” Pipeline Upsizing Project

Of the \$50.4 million (M) total budgeted for the CIP program, \$14.4M was identified as 2024 bond funded and \$15.2M was identified as future-grant funded. Removing the unrealized grant funded projects, the remaining \$35.2M, as of June 30, 2025, had \$9.2M or 26% spent and an additional \$1.4M encumbered in FY 2024-2025. Management expectations are for 80% completed project spend. This percentage represents accurate project scoping and budgeting and accounts for any potential project changes.

#### DEV Projects:

MCWD is currently working with developers on 5 major master-planned projects: Dunes, Sea Haven, Marina Station, Campus Town and the Enclave. Other significant single-parcel projects worth noting are the Seaside Resort hotel project, the Fort Ord Dunes State Park campground, and affordable apartment projects at Terracina and Lightfighter Village.

New assets accepted into MCWD ownership in FY 2024-2025 include: Sea Haven Phase 4A, approximately 2 miles of water main and 1.5 miles of sewer main valued at nearly \$2.6M. Also completed and brought into service in FY 2024-2025 but still pending final acceptance are new assets located in Sea Haven Phase 4B, Dunes Phase 1B Promenade, Dunes Phase 2 West, and Enclave Phase 4 that includes more than 3 miles of water main, 2 miles of sewer main, and 1 mile of RW main.

Over 300 new residential units were completed and brought into water/sewer service within the master-planned developments in FY 2024-2025. Of these, just over 100 are designated affordable units.

Small Plan Reviews: These include all ADUs, existing residential modifications such as bathroom additions, kitchen remodels, pool installations, etc., new residential building that is not associated with a master-planned development (i.e. apartment complexes), commercial renovations, and commercial new builds (ex: new businesses and restaurants in the Dunes development are subject to a small plan review). For this summary, a project is considered complete when the capacity fees

have been paid. The project may still need to finalize additional steps for full completion, such as having a new meter installed, but no additional funds will be collected by MCWD.

For comparison:

FY 2023-2024 – 15 completed projects

FY 2024-2025 – 34 completed projects

FY 2024-2025 Project Breakdown:

Marina Cost Center	
ADU	12
Residential Renovations	7
Commercial New Build	0
Commercial Renovations	4
Total:	23
Ord Cost Center	
ADU	2
Residential Renovations	5
Commercial New Build	3
Commercial Renovations	1
Total:	11

Total new meters installed - 422

- Q3 2024 – 125 meters
- Q4 2024 - 168 meters
- Q1 2025 – 73 meters
- Q2 2025 – 56 meters

#### Workforce Utilization:

The Engineering Department had 7 full-time equivalent (FTE) staff positions budgeted and available for project work, however, the department continued to battle vacancies within the fiscal year. The Engineering Department was fully staffed for just 7 months, with 1 Engineering Technician FTE being unfilled for the remainder of the year. Staffed hours can be tracked and billed to specific tasks or projects. These include managing internal program project work and CIP and DEV projects. 5,112 hours were spent on initiating and completing various phases of CIP projects and 1,277 hours were spent on DEV project activities that includes plan review, infrastructure agreement preparation and completion, project inspections, and project closeouts.

**Environmental Review Compliance:** None required.

**Legal Counsel Review:** None required.

**Climate Adaptation:** An efficient engineering program supports climate adaptation by providing an institutional compartment that is focused on relocating, repairing, and replacing aging and inadequate infrastructure while minimizing overall impacts to the environment. In addition, proper planning and engineering are the catalyst for developing a symbiotic relationship between the placement of necessary systems and the natural environment. Properly planned improvements, including development projects, is an opportunity for the District to take full advantage of its

regional leadership role and to demonstrate strong organizational practice at reducing the overall organizational footprint on the environment.

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

**Material Included for Information/Consideration:** None.

**Action Required:**    ☐ Resolution    ☐ Motion    ☒ Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 12-B

**Meeting Date:** August 18, 2025

**Prepared By:** Andrew Racz, PE  
**Reviewed By:** Garrett Haertel, PE

**Approved By:** Remleh Scherzinger, PE

**Agenda Title:** Adopt Resolution No. 2025-44 to Approve an Inspection Services Contract between MCWD and Wallace Group for Inspection of the Tate Park Lift Station Capital Improvement Project (MS-2401)

**Staff Recommendation:** Adopt Resolution No. 2025-44 to Approve an Inspection Services Contract between MCWD and Wallace Group for inspection of the Tate Park Lift Station Capital Improvement Project (MS-2401).

**Background:** *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*

*OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.*

*OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.*

On March 17, 2025, MCWD approved a Reimbursement Agreement (RA) with Marina Station, LLC (Developer) for construction of the new Tate Park sanitary sewer lift station (Project). This out-of-tract improvement is being constructed by the Developer concurrently with the Marina Station development, an arrangement designed to save the District time and resources and ensure Project completion before the lift station must be operational to serve newly built homes. MCWD and the City of Marina have agreed upon easements for the lift station site, and the Developer has entered into a construction contract with Monterey Peninsula Engineering (MPE) for construction of the new lift station and associated sanitary sewer main. Construction is scheduled to begin before the end of August. Under MCWD's existing on-call inspection services contract with Wallace Group, the District wishes to retain Wallace Group to perform inspection tasks for the duration of the construction phase (approximately 2 years).

**Discussion/Analysis:** MCWD staff solicited inspection services proposals from qualified on-call consultants. Upon reviewing the proposals, staff deemed the proposal submitted by Wallace Group (attached, July 17 revision) to be both the most cost-effective as well as thorough. Wallace Group brings considerable experience managing the construction of similar water and sewer pump station projects. As Wallace Group previously worked with MCWD as design engineer for the 2020 Booker Lift Station reconstruction, they are familiar with the District's design standards and needs. Wallace Group's scope of services includes weekly meetings, construction observation, site documentation, and final inspections and punch list. Construction management tasks such as Request for Information (RFI) and change order management will be primarily assumed by the Developer, but reviewed by Wallace Group to ensure the District's interests are represented. Wallace Group estimates a level of effort of 1,048 hours, with a total proposed cost of inspection services not-to-exceed \$204,266.

**Environmental Review Compliance:** On March 4, 2008, the City of Marina adopted Resolution No. 2008-41 which found: i) that the Final Environmental Impact Report (EIR) for the Marina Station Specific Plan was completed in compliance with California Environmental Quality Act (CEQA); and ii) the CEQA Guidelines and significant impacts identified in the Final EIR were required in or incorporated into the Project to avoid or substantially lessen the impacts identified; and iii) recognized that the approval of the Project would nonetheless result in certain unavoidable and potentially irreversible effects, both project-related and cumulative.

In addition, the Tate Park Lift Station project will require a Notice of Exemption under CEQA. The Project is exempt under California Code of Regulations, Title 14, Section 15282 – Other Statutory Exemptions, (k) which allows for “the installation of new pipeline or maintenance, repair, restoration, removal, or demolition of an existing pipeline as set forth in Section 21080.21 of the Public Resources Code, as long as the project does not exceed one mile in length.”

**Legal Counsel Review:** Legal Counsel reviewed the Board Transmittal and Resolution.

**Climate Adaptation:** The construction of the new Tate Park Lift Station to the east of Highway 1 eliminates two locations where sewer flow currently passes to the west of the freeway and beneath coastal dunes. The proposed flow reconfiguration will both protect sensitive ecological resources from possible sanitary sewer overflows, as well as MCWD infrastructure against coastal erosion and sea level rise.

**Financial Impact:**   X   Yes        No **Funding Source/Recap:** The terms of relative cost split and reimbursement between MCWD and the Developer are laid out in the March 17, 2025 Reimbursement Agreement. Similar to other project costs, expenses incurred for inspection services will be tracked by MCWD and divided between the two parties accordingly. The Tate Park Lift Station Project (MS-2401) is fully funded in the FY 2025-2026 budget, with \$3,252,000 allocated.

**Material Included for Information/Consideration:** Resolution No. 2025-44; and, Professional Services Agreement.

**Action Required:**   X   Resolution        Motion        Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

August 18, 2025

Resolution No. 2025-44  
Resolution of the Board of Directors  
Marina Coast Water District

Approving an Inspection Services Contract between MCWD and Wallace Group for  
Inspection of the Tate Park Lift Station Capital Improvement Project (MS-2401)

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 18, 2025, at 920 Second Avenue, Marina, California as follows:

WHEREAS, the MCWD is a County Water District and political subdivision of the State of California, organized under Division 12, sections 3000 and following, of the California Water Code, established in 1960: and,

WHEREAS, the District acknowledges the City of Marina has fully entitled the Marina Station Development Project through their adoption of City Resolution Nos. 2008-41, 2008-42, 2008-43, and 2008-45 on March 4, 2008 and their ordaining of City Ordinances 2008-03 and 2008-04 on March 20, 2008; and,

WHEREAS, the District and Marina Station, LLC; entered into an Infrastructure Agreement on August 19, 2024, relating to water allocation and infrastructure for water service at the Marina Station – Phase 1 & 2; and,

WHEREAS, the District and Marina Station, LLC; entered into a Reimbursement Agreement on March 17, 2025, for construction of the Tate Park Lift Station Project; and,

WHEREAS, District staff recommends having Wallace Group provide Inspection Services, including construction observation, site documentation, and project closeout services, for duration of the Project; and,

WHEREAS, a not-to-exceed cost of \$204,266 for inspection services will be split between MCWD and Marina Station, LLC, per the terms of the March 17, 2025, Reimbursement Agreement.

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

1. adopt Resolution 2025-44 to approve an inspection services contract between MCWD and Wallace Group for inspection of the Tate Park Lift Station Project, and,
2. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025 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 \_\_\_\_\_

\_\_\_\_\_  
Gail Morton, 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. 2025-44 adopted August 18, 2025.

\_\_\_\_\_  
Remleh Scherzinger, Secretary

**AGREEMENT FOR PROFESSIONAL SERVICES**  
**BETWEEN MARINA COAST WATER DISTRICT**  
**AND WALLACE GROUP**  
**FOR TATE SANITARY LIFT STATION**

**Funding: 02-00-160-432**  
**Task No. CIPxMS-2401GN**

THIS AGREEMENT, made and entered into this \_\_\_\_\_, by and between Marina Coast Water District, 920 2<sup>nd</sup> Ave., Ste. A, Marina, CA, 93933, hereinafter called "DISTRICT", and WALLACE GROUP, with its principal offices at 612 Clarion Court, San Luis Obispo, CA 93401 hereinafter called the "CONSULTANT":

WHEREAS, the DISTRICT, desires to receive the professional services related to Tate Sanitary Lift Station, Inspection Services with a scope generally defined by DISTRICT's Request for Proposal presented in Appendix A; and

WHEREAS, DISTRICT is desirous of engaging the services of said CONSULTANT to perform or furnish said services.

WHEREAS, CONSULTANT has available and offers to provide personnel and facilities necessary to accomplish said services in a timely manner.

NOW, THEREFORE, said DISTRICT and said CONSULTANT, for the considerations hereinafter set forth, mutually agree as follows:

**ARTICLE I - PROFESSIONAL ENGAGEMENT**

DISTRICT hereby engages Wallace Group as an independent contractor, to perform or furnish the services hereinafter more particularly described in Appendix A, commencing on the date of this Agreement.

CONSULTANT hereby agrees to perform or furnish as an independent contractor professional construction inspection and related services as set forth herein. CONSULTANT may retain qualified subconsultants to assist in the performance of professional services. DISTRICT shall be notified prior to CONSULTANT subcontracting such services and sufficient time shall be provided to allow DISTRICT to review the subconsultant's qualification. Should DISTRICT, based upon reasonable cause, not accept any such subcontractor or subconsultant for use on the Project, DISTRICT shall so notify CONSULTANT within five (5) days following DISTRICT's receipt of such notice from CONSULTANT, and CONSULTANT shall not subcontract with any such subcontractor or subconsultant for the Project. DISTRICT shall have the right at any time to revoke its acceptance (whether given affirmatively or by its failure to object within said

five (5) day period) of any subcontractor or subconsultant on the basis of reasonable cause, in which case CONSULTANT shall submit an acceptable substitute and a Task Order equitably adjusting CONSULTANT's compensation will be issued. No acceptance of any subcontractor or subconsultant shall waive: (1) DISTRICT's right not to accept defective services performed or furnished for CONSULTANT by said subcontractor or subconsultant; or (2) any other right or remedy DISTRICT has under this Agreement, including but not limited to its rights to suspend or terminate services under this Agreement.

CONSULTANT is an independent contractor and is not and shall not be deemed to be an employee, agent, servant, partner or joint venturer of DISTRICT. CONSULTANT shall have the exclusive supervision, direction and control of all employees, subconsultants, subcontractors, suppliers, materials, equipment and facilities employed, contracted with or used by, CONSULTANT in performing or furnishing services under this Agreement.

## ARTICLE II - SCOPE OF SERVICES

The scope of services performed or furnished by CONSULTANT under the terms of this Agreement is defined in Appendix A and in the executed Amendment(s) pursuant hereto which will authorize CONSULTANT to perform professional construction inspection services related to the project. Unless modified in writing by both parties through a Amendment, duties of CONSULTANT shall not be construed to exceed those services specifically established in Appendix A. (**NOTE: ANY ADDITIONAL PROFESSIONAL CONSTRUCTION INSPECTION FEES ASSOCIATED WITH SERVICES NOT INCLUDED IN APPENDIX A MUST BE DEFINED AND AGREED TO BY DISTRICT IN WRITING PRIOR TO INITIATION OF THESE SERVICES.**)

## ARTICLE III – GENERAL PROVISIONS

A. The CONSULTANT hereby represents that all work described herein shall be performed only by persons under the supervision of a person who is currently licensed to perform such work and that to the best of its professional ability, all work shall be performed in accordance with applicable Federal, State, and local laws and regulations.

B. The CONSULTANT shall not discriminate in employment practices, in the performance of the terms of this Agreement, either directly or indirectly, on the grounds of race, color, religion, sex, age, or national origin, and shall take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age or national origin.

A. The General Manager of the DISTRICT shall forward an executed copy of this Agreement to the CONSULTANT within ten (10) days of execution of this Agreement by the DISTRICT.

#### ARTICLE IV: COOPERATION BY DISTRICT

DISTRICT shall, to the extent reasonable and practicable, cooperate with CONSULTANT in the performance of CONSULTANT's services hereunder. Such cooperation shall include, but not necessarily be limited to: providing right of access to work sites as required for CONSULTANT to perform or furnish services under this Agreement; providing relevant material available from DISTRICT 's files such as maps, drawings as available, records, and operation and maintenance information; serving all notices; attending all hearings; payment of all permit and other required fees associated with the Project; and rendering assistance in determining the location of existing facilities and improvements which may be affected by the Project.

DISTRICT shall be responsible for providing legal services which it deems necessary for the Project including review of contract documents, public advertising and contract letting. DISTRICT shall pay fees for utility services to the Project.

DISTRICT shall appoint Garrett Haertel as DISTRICT's REPRESENTATIVE with respect to the services to be performed under this Agreement. DISTRICT'S REPRESENTATIVE shall have complete authority to transmit instructions, receive information, and interpret and define DISTRICT's policies. CONSULTANT shall be entitled to rely on representations made by DISTRICT's REPRESENTATIVE unless otherwise specified in writing by DISTRICT.

#### Article V – SCHEDULE

A schedule for carrying out services performed by CONSULTANT under the terms of this Agreement is set forth in Appendix A. CONSULTANT will exert all reasonable efforts to perform or furnish all services under this Agreement in accordance with said schedule.

DISTRICT will be kept informed as to the progress of the services under this Agreement under the terms presented in Appendix A. Neither party shall hold the other responsible for damages caused by, arising out of or resulting from delays in performance caused by acts of God, strikes, lockouts, or events beyond the control of the other party.

#### Article VI – LITIGATION

The Agreement does not require CONSULTANT to prepare for or appear as a witness in any litigation or alternative dispute resolution proceeding on behalf of DISTRICT, other than as specified in Appendix A, except in consideration of additional reasonable compensation negotiated as part of a Amendment specifically issued for such purpose. Notwithstanding the preceding, CONSULTANT shall participate without additional compensation in any litigation or alternative dispute resolution proceeding in which CONSULTANT is a party or in which a claim is made against DISTRICT based in whole or in part on CONSULTANT's negligence, professional errors or omissions, breach of contract or deficiencies in CONSULTANT's design or performance hereunder.

## ARTICLE VII: COMPENSATION

Payment for the engineering services set forth in Appendix A and specific executed Amendment(s) shall be made by DISTRICT to CONSULTANT and shall be considered as full compensation for such services and all personnel, materials, supplies, and equipment used and costs incurred in carrying out such services. In no event shall the amount of compensation exceed the total fee specified in Appendix A without approval from the DISTRICT.

A. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a lump sum basis, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a lump sum basis.
2. Compensation to CONSULTANT shall be a lump sum amount specified in Appendix A and Amendment(s).
3. Payments shall be monthly, based on percent completion. As each payment is due, a statement describing the services which have been performed or furnished and listing the percentage of completion and the total amount of prior payments paid by DISTRICT shall be submitted to DISTRICT. Payment shall be made for the balance due under such statement, without retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.

B. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a time and expense reimbursable basis, with a total cost not-to-exceed, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a time and expenses basis with a total cost not-to-exceed.
2. Compensation to CONSULTANT shall be on a time and expense reimbursement basis in accordance with CONSULTANT's Schedule of Charges. A current copy of the Schedule of Charges will be included with each Amendment.
3. Payments for services provided by CONSULTANT on a time and expense basis shall be made monthly by the DISTRICT based on an itemized invoice from CONSULTANT which lists actual costs and expenses or units of work performed on the Project in the immediately preceding month. Such payments shall be for the invoice amount, without

retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.

4. A budget for compensation for services provided by CONSULTANT on a time and expense basis will be established in the Compensation section of Appendix A and/or the Amendment. The budget established shall not be exceeded without DISTRICT's written authorization.

5. The budget may be increased by Amendment if necessary to complete the scope of work. If appropriate, CONSULTANT will advise DISTRICT of the anticipated expenditure over the budgeted amount at the fifty (50) percent completion point of the Amendment work and request additional budget authorization.

6. Amendments using a time and expense reimbursement should be limited in scope. The product of these Amendment(s) should adequately define the specific scope and effort necessary to achieve the necessary addition/modification and develop a lump sum proposal for the required engineering services.

C. CONSULTANT's final statement or invoice for any services which include construction, or the final statement or invoice for the Project, whichever occurs earlier in time, shall include properly completed and executed Releases of Liens and Claims (see Appendix C). Payment of any invoice not satisfying these requirements may be withheld until the requirements has been satisfied.

D. The CONSULTANT shall submit itemized statement or invoice of costs to the DISTRICT for each month that work is performed. The DISTRICT shall pay the CONSULTANT by the 25<sup>th</sup> of the month for invoices and itemized statements submitted by the first day of the same month. Payments are due upon receipt of a statement or invoice prepared in a manner acceptable to DISTRICT and approved by DISTRICT.

#### ARTICLE VIII: RECORDS

The CONSULTANT shall keep and maintain accurate records of costs incurred, and the time expended relating to all services to be compensated hereunder. All records shall be available to the DISTRICT for review thereof upon request by the DISTRICT or its authorized representative. All fiscal and accounting records and other supporting papers of the CONSULTANT shall be maintained for a minimum of three (3) years following the close of the DISTRICT fiscal year of expenditures.

#### ARTICLE IX: TITLE TO DOCUMENTS

All reports, drawings, specifications, submittals and other materials collected or produced by the CONSULTANT hereunder shall, after completion and acceptance, become the property of the DISTRICT.

The CONSULTANT may utilize existing materials developed by the CONSULTANT prior to the commencement of this engagement including, but not limited to, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives. These materials shall remain the property of the CONSULTANT.

CONSULTANT shall be entitled to a reproducible copy of all material furnished to DISTRICT, the costs of which is included on the compensation amounts specified in Appendix A and/or the Amendment(s). Any uncompleted work of CONSULTANT delivered to DISTRICT due to cancellation of all or portions of the work or contract termination, which utilized by DISTRICT in any way , shall have CONSULTANT name removed.

#### ARTICLE X: KEY PERSONNEL

The CONSULTANT shall specifically assign a project manager and necessary staff to complete the Scope of Work.

The CONSULTANT hereby agrees that the assigned personnel directly responsible for conducting the Scope of Work in Appendix A shall not be changed during the course of the work without prior written consent of the DISTRICT, which consent shall not be unreasonably withheld.

#### ARTICLE XI: ASSIGNMENT AND SUBCONTRACTING

The CONSULTANT shall not assign, sell, mortgage, hypothecate, or otherwise transfer its interest or obligations in this agreement without written consent of the DISTRICT. Further, none of the services covered by this agreement shall be subcontracted beyond that which is specifically noted in the CONSULTANT'S proposal unless approved by the DISTRICT in writing.

#### ARTICLE XII: INSURANCE AND LIABILITY

The CONSULTANT agrees to indemnify, defend, and hold harmless the DISTRICT, its officers, agents, and employees as provided in Appendix B, attached hereto and hereby incorporated by reference to the fullest extent permitted by law.

Coverages described in Appendix B shall be maintained through the term of this Agreement, and the CONSULTANT shall file with the DISTRICT prior to the execution of this Agreement, and as policy renewals occur, a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Insurance policies shall provide that such insurance is primary insurance.

A. CONSULTANT and its subcontractors shall maintain worker's compensation and employers' liability insurance in accordance with the amount(s) and coverage(s) in the attached Appendix B.

B. CONSULTANT and its subcontractors shall maintain commercial general liability and automobile liability insurance protecting it against claims arising from bodily or personal injury or damage to property, including loss of use thereof, resulting from operations of CONSULTANT pursuant to this AGREEMENT or from the use of automobiles and equipment of or by CONSULTANT. The amount(s) and coverage(s) shall be in accordance with Appendix B.

C. CONSULTANT shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions for which it is legally liable in the performance or furnishing of professional services pursuant to this AGREEMENT. (Such insurance shall be maintained for one (1) year after final completion of construction. The amount(s) and coverage(s) shall be in accordance with Appendix B.

D. CONSULTANT shall submit to the DISTRICT a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Upon written request from DISTRICT CONSULTANT is required to provide DISTRICT with complete copies of such policies or certified evidence of coverage. Approval or acceptance of said insurance by DISTRICT shall not relieve or decrease the liability of CONSULTANT hereunder.

E. To the extent applicable, DISTRICT agrees to endeavor to include a provision in the DISTRICT'S contract with the Construction Contractor engaged on the Project which requires that CONSULTANT be listed as an additional insured on such Construction Contractor(s) liability insurance policy and property insurance (Builder's Risk) policy, if any.

#### Article XIII - Suspension of Work

DISTRICT may, at DISTRICT'S discretion, suspend, in writing, all or a portion of the services under this Agreement. CONSULTANT may suspend the services under this Agreement in the event DISTRICT does not make payment in accordance with the payment terms in Article VII. The services under this AGREEMENT will only be suspended for non-payment after written notice is received by DISTRICT from CONSULTANT of its intention intending to suspend performance and a cure period of seven (7) days after receipt of this notification by DISTRICT. The time for completion of the services under this AGREEMENT shall be extended by the number of days the services under this AGREEMENT is suspended. If the period of suspension exceeds ninety (90) days, the terms of this AGREEMENT are subject to renegotiations, and both parties shall have the option to terminate the services under this AGREEMENT on the suspended portion of Project in accordance with Article XII.

#### ARTICLE XIV: TERMINATION



Either party may terminate this Agreement upon substantial breach of the terms thereof by the other party. The DISTRICT may terminate this agreement at any time upon giving thirty (30) days written notice to CONSULTANT. Such notice shall set forth the effective date of such termination.

DISTRICT, by notifying CONSULTANT in writing, may terminate any or all of the services covered by this AGREEMENT. In the event of such termination, CONSULTANT shall have the right to expend a reasonable amount of additional time to assemble work in progress for the purpose of proper filing and closing of the job. Such additional time shall not exceed five percent (5%) of the total time expended to the date of notice of termination or a designated total time agreed upon in an Amendment. All charges thus incurred, together with associated expenses reasonably incurred by CONSULTANT and reasonable charges for any other commitments outstanding at the time of termination (such as for termination of subconsultants, rental agreements, orders for printing, etc.), shall be payable by DISTRICT within forty-five (45) days following submission of a final statement by CONSULTANT. However, in the event that termination of said AGREEMENT with CONSULTANT occurs at the completion of a specific phase of the design, the aforesaid provision for the proper filing and closing will not apply unless agreed to by DISTRICT under a specific Amendment. The payment provided for under this Article XII shall constitute full satisfaction of any obligation DISTRICT has, may have or could be found to have to pay for services performed or furnished and expenses or charges incurred by CONSULTANT pursuant to this AGREEMENT and any and all liabilities or damages arising out of or resulting from the termination of this AGREEMENT.

#### ARTICLE XV: NOTICE

Any notice to be given hereunder shall be delivered to the party to be noticed by either personal delivery or by first class mail, postage prepaid, and addressed as follows:

TO: Marina Coast Water District  
920 2<sup>nd</sup> Avenue, Suite A  
Marina, CA 93933  
Attention: General Manager

TO: Wallace Group  
612 Clarion Court  
San Luis Obispo, CA 93401  
Attention: Kari Wagner

ARTICLE XVI: BINDING EFFECT; AMENDMENTS; COUNTERPART EXECUTION; CONSTRUCTION

This Agreement supersedes and integrates all prior writings and understandings between the parties concerning, is binding on the parties and their successors, and may be amended only by written agreement signed by the DISTRICT and the CONSULTANT. This Agreement may be signed in counterparts, each of which when fully executed shall be considered a duplicate original document. Both parties have participated fully in the review and revision of this Agreement, and neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654.

ARTICLE XVII: DISPUTES

The parties must submit any disputes arising under this Agreement to non-binding mediation before filing suit to enforce or interpret this Agreement. Upon request by either party, the parties will within ten (10) days select a single mediator, or if the parties cannot agree, they shall ask the then presiding Judge of the Monterey County Superior Court to select a mediator to mediate the dispute within fifteen (15) days of such selection.

In the event of legal proceedings to interpret or enforce this agreement, the prevailing party shall be awarded reasonable attorney fees and costs, including reasonable costs of experts reasonably engaged by the attorney.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions and provisions above stated the day and the year first above written.

Marina Coast Water District

Wallace Group

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Remleh Scherzinger  
General Manager

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Kari Wagner, PE  
Principal

## **Appendix A**

PURSUANT TO SECTION VII B: This is a Time and Expense Reimbursable Basis with a total not-to-exceed amount of \$204,266.

### Appendix A includes:

Scope of Services  
Fee Schedule

### **SCOPE OF SERVICES**

#### **Task 1: Pre-Construction Phase**

We have budgeted 28 hours for reviewing the project plans, specifications, and approved submittals, and attending the contractors hosted pre-construction meeting.

#### **Project Communication and Coordination**

- Facilitate project communication and coordination with the District, the design team, and the Contractor
- Attend kick off meeting with the District to introduce project team members, establish working relationships, and discuss key project components

#### **Procore: Construction Management Software**

- Utilize Procore software for the project to handle all project documentation (RFIs, Submittals, Inspector Logs, Progress Payments, Photos, etc.) in a single, easy to use location
- Provide introduction to District staff if unfamiliar with the software
- Distribute project information via Procore to the Project Team

#### **Pre-Construction Meeting**

- Thoroughly review plans, specifications, environmental documents, Engineer's Estimate, and the Contractor's completed bid form
- Pre-Construction Conference – Attend pre-construction meeting on behalf of the District to review project with Developer and Contractors
- Review Contractor's baseline project schedule
- Review existing conditions and site constraints

#### **Pre-Construction Photo and Video Documentation**

- Collect pre-construction photos and videos of project site and adjacent areas just prior to the start of construction
- Each photo will record the date and time
- Photos will be collected and maintained in Procore, available to the project team throughout construction, and included in the project close out documentation

### **Submittal and Request for Information (RFI) Management**

- Utilize Procore to track and review submittals and RFI's from Contractor in coordination with the District and the Engineer of Record
- Assist contractor and design engineer in establishment of list of required submittals based on the plans and specifications
- Process RFIs and submittals in a timely manner and make available to project team
- Develop and maintain Submittal and RFI logs for easy reference and tracking to assure
- Maintain electronic copies within Procore

#### **Deliverables:**

- Pre-Construction Photos
- Submittals/RFI Log

### **Task 2: Construction Phase**

Based on direction provided by the District, we have assumed approximately 200 working days for the construction period. We have assumed an average of 4 hours/day of field construction inspection time including travel time. We have budgeted for 4 hours/week for our project manager to attend the Weekly Construction Meeting and assist with submittal reviews/RFIs and other coordination items.

Note, our construction phase support is highly dependent on the contractor's approach to the work and overall work duration. If a construction schedule exists from the contractor, we can revise our proposal to reflect accordingly and any unused budget will be returned to the District.

### **Project Schedule & Weekly Construction Meeting**

- Review Contractors 3-Week Look Ahead Schedule and assist with forecasting and coordinate scheduling inspections
- Attend Weekly Progress Meetings as scheduled by Developer, Contractor, Design Team, and other necessary entities

### **Change Order Management**

- Provide change orders for District's review and acceptance prior to work taking place
- Establish and maintain files and documentation for use in change negotiations or potential claims

### **Quantity Calculations and Progress Estimates**

- Maintain quantity calculations throughout the project
- Collect delivery and materials tickets for project record

### **Construction Observation**

- Provide onsite observation and oversight during construction, hours/level of inspection to depend on construction activity phase
- Prepare inspection reports, including tracking labor, equipment, weather, observations/notes, quantities, and photos.
- Daily reports will be available to the District's Designated Representative via Procore or in PDF format
- Assist with coordination of the following:
  - Developer's material testing consultant
  - District Staff for select inspection items and tie ins
  - District's submittal review of materials and work plans
- Report to the District when work is performed that is unsatisfactory, faulty, or does not conform to the Contract documents and advise on how the work should be remedied
- Inspector will help to coordinate notification of local agencies or other District Departments
- Review compliance with contract documents
- Record and report design modifications
- Review Contractor's survey work and layout for general conformance

### **Site Documentation**

- Maintain photographic and written documentation throughout the project in Procore and available to the entire team at all times

### **Final Inspection and Punch List**

- Observe complete and near complete work for deficiencies
- Establish and maintain punch list and track items to resolution
- Prepare Recommendation to Accept Work and send to District's Designated Representative

### **Deliverables:**

- Inspector Daily Log and Photos
- Submittal and RFIs

### **Task 3: Post-Construction Phase Services**

#### **As-Built Drawings**

- Review as-built drawings with the Contractor throughout the project
- Assist District and Design Engineer in review and completion of final certified record drawings

#### **Project Closeout**

- Assemble and deliver all records, reports, certificates, pictures upon project completion

- Files can be delivered in hard copy and/or electronic format (PDF), as requested
- Close out letter indicating recommendation that the District accept the completed work

**Deliverables:**

- Comments and review of Contractors As-Built Drawings
- Project Close Out Documentation (Daily Logs, Photos, etc.)

**SCHEDULE**

The project is currently out to bid and is expected to start construction in late summer 2025. However, due to long lead electrical and pump items, this project may not start until some time in 2026. We have budgeted for a total of 200 working days and 40 weeks of project management.

**BUDGET**

Wallace Group will perform the services denoted in the proposed Scope of Services in accordance with the attached Standard Billing Rates (Exhibit A). These services will be invoiced monthly on an accrued cost basis, and our total budget, including reimbursables will not exceed our estimated budget of \$204,266 without receiving written authorization from the Client.

The detailed breakdown of our estimate budget is attached to this proposal.

**ITEMS NOT INCLUDED IN SCOPE OF SERVICES**

The following services are not included in this Scope of Services or estimate of fees:

- Labor Compliance
- Full Construction Management services
- Materials Testing will be performed by the Contractor
- SCADA integration to be performed by CalCon under separate contract with MCWD

**TO BE PROVIDED BY THE CLIENT**

Client shall provide the DIR Project Number for this project. To do so, the Client will need to complete the PWC-100 form and submit to the DIR prior to the commencement of the field survey. This is required to be in compliance with State of California Prevailing Wage laws.

# Wallace Group Team Resource Estimate for the PP25-8503 - Marina Coast Water District - Glorya Jean Tate Lift Station CM (Rev 1)

PHASE/TASK	TASK DESCRIPTION	Director of Construction Management (Zach Teske, PE)	Senior Construction Manager I (Marcus Jackson)	Assistant Resident Engineer (Sonil Kim)	Construction Inspector - Prevailing Wage (Sonil Kim)	Misc. Direct Costs	TOTAL LABOR HOURS		TOTAL
		HRS	HRS	HRS	HRS	Cost	HRS	LABOR \$	COST \$
		<b>RATE</b>	<b>\$228</b>	<b>\$195</b>	<b>\$180</b>	<b>\$185</b>			
1	Pre-Construction	4	16	8		\$105	28	\$5,472	\$5,577
2	Construction (200 working days)	24	160		800	\$7,000	984	\$184,672	\$191,672
3	Post-Construction	4	16	16		\$105	36	\$6,912	\$7,017
	<b>SUB-TOTALS</b>	32	192	24	800	\$7,210	<b>1,048</b>		
	<b>WALLACE GROUP LABOR COSTS</b>	\$7,296	\$37,440	\$4,320	\$148,000				<b>\$197,056</b>
	<b>WALLACE GROUP DIRECT COSTS</b>								<b>\$7,210</b>
	<b>SUBCONSULTANT DIRECT COSTS</b>								
	<b>DIRECT COSTS OVERHEAD @</b>							10%	
	<b>TOTAL</b>								<b>\$204,266</b>

Task Budgets may fluctuate within Overall Budget

**Exhibit B**  
**Standard Billing Rates**



**Construction/Program Management and Inspection Services:**

Construction Office Tech I-III .....	\$125/\$135/\$145
Construction Inspector I-IV .....	\$150/\$155/\$160/\$165
Senior Construction Inspector .....	\$170
Construction Inspector (*Prevailing Wage) .....	\$185
Assistant Construction/ Program Manager I - II .....	\$165/\$170
Construction/ Program Manager I-III .....	\$175/\$180/\$185
Senior Construction/ Program Manager I - II .....	\$195/\$200
Assistant Resident Engineer I - II.....	\$175/\$180
Resident Engineer I-III .....	\$185/\$190/\$195
Senior Resident Engineer I-II .....	\$205/\$210
Director .....	\$228
Principal Construction Manager .....	\$253
Principal.....	\$280

**Public Works Administration Services:**

Project Analyst I - IV .....	\$125/\$135/\$145/\$155
Senior Project Analyst I - III .....	\$160/\$165/\$170
Senior Environmental Compliance Specialist I - III .....	\$175/\$180/\$185

**Support Services:**

Office Assistant .....	\$120
Project Assistant I - III.....	\$130/\$135/\$145

**\*Prevailing Wage:**

State established prevailing wage rates will apply to some services based on state law, prevailing wage rates are subject to change over time and geographic location.

**Right to Revisions:**

Wallace Group reserves the right to revise our standard billing rates on an annual basis, personnel classifications may be added as necessary.

**Additional Professional Services:**

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of \$400 an hour. If required to meet schedule requests, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

**Direct Expenses:**

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- delivery/copy services
- sub-consultant services
- mileage (per IRS rates)
- agency fees
- other direct expenses

**Invoicing and Interest Charges:**

Invoices are submitted monthly on an accrued cost basis. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.



**Appendix B**  
**Insurance Requirements**

## **INDEMNIFICATION AGREEMENTS**

### **INSURANCE REQUIREMENTS**

#### **AGREEMENTS**

**Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is 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 the work of this contract.

**Indemnification** - To the fullest extent permitted by law, Consultant, at Consultant's own cost, shall defend and indemnify and hold harmless the Marina Coast Water District (District), its directors, officers, employees, authorized employees and each of them from and against:

- a. When the law establishes a professional standard of care for Consultant's services, all claims and demands of all persons that arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's performance or non-performance of the work hereunder, and shall not tender such claims to the District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Other than in the performance of professional services, all claims and demands of all persons arising out of the performance of the work or the furnishing of materials; including but not limited to, claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or, with respect to construction, the active negligence of the District, its directors, officers, employees, or authorized volunteers.
- c. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.
- d. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to faithfully perform the work and all of the Consultant's obligations under the agreement. Such

costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

- e. Consultant 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 Consultant under this Agreement shall specifically include claims and demands involving, arising out of or related to MEC. [Include this paragraph only for work on the former Fort Ord outside the cantonment area.]

Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District or any of its directors, officers, employees, or authorized volunteers.

Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the District or any of its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings.

Consultant shall reimburse District and its directors, officers, employees or authorized volunteers, for any reasonable legal expenses and costs incurred by each of them in connection with, in any way, all such aforesaid suits, actions or other legal proceedings or in enforcing the indemnity herein provided, to the extent that they are covered by the above obligations to indemnify.

Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, or its directors, officers, employees or authorized volunteers.

## **GENERAL CONDITIONS**

**Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.

**Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving

equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

**Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this agreement, the following commercial general liability, professional liability and automobile liability insurance:

**Coverage** - Coverage shall be at least as broad as the following:

1. Coverage for **Professional Liability** appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the contract work. Consultant shall purchase a one-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.
2. Insurance Services Office Commercial **General Liability** Coverage (Occurrence Form CG 0001)
3. Insurance Services Office **Automobile Liability** Coverage (Form CA 0001), covering Symbol 1 (any auto) Symbol 8 (hired) and 9 (non-owned)

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

1. **Professional Liability** – Limits no less than One million dollars (\$1,000,000) per occurrence or claim, and Two million dollars (\$2,000,000) policy aggregate.
2. **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.

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

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the Member Water Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

**Required Provisions** - The general liability policy is to contain, or be endorsed to contain the following provisions:

1. The District, its directors, officers, employees, or authorized volunteers are to be given additional insured status (via ISO endorsement CG 2010 10 01, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. 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 Consultant's insurance shall be primary insurance at least as broad as ISO CG 20 01 04 13 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 the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the District, its directors, officers, employees, or authorized volunteers.
4. The Consultant'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.

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

The policies specified above shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, 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.

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

In the event any change is made in the insurance carrier, scope of coverage or retroactive date of professional liability coverage required under this agreement, Consultant shall notify the District prior to any changes.

1. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all 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. The Consultant shall provide employer's liability insurance with limits no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee. **Waiver of Subrogation:** The insurer(s) named above agree to waive all rights of subrogation against the District, its directors, officers, employees, and authorized volunteers for losses paid under the terms of this policy which arise from work performed by the Named Insured for the Agency; but this provision applies regardless of whether or not the District has received a waiver of subrogation from the insurer.

**Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention exceeding \$50,000 must be declared to and approved by the District. At the option of the District, the insurer shall either reduce or eliminate such deductibles or self-insured retention.

**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.

**MEC Coverage** – For work involving portions of the former Fort Ord outside the cantonment area, all insurance maintained by Consultant shall include coverage for services, 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 Consultant related in any way to work performed by it on behalf of the Marina Coast Water District.

**Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the District a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include the additional insured endorsements. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them.

The Consultant shall, upon demand of the District, 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  
920 2<sup>nd</sup> Avenue, Suite A  
Marina, CA 93933  
Attn: Stephenie Verduzco

**Continuation of Coverage** – If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the District at least ten (10) days prior to the expiration date.

**Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

## **Appendix C**

### Appendix C includes:

Release of Liens and Claims (CONSULTANT)

Release of Liens and Claims (Subconsultants and Subcontractors)



CONSULTANT'S RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated \_\_\_\_\_, 20\_\_\_\_, between the undersigned, as CONSULTANT, and \_\_\_\_\_ having an office at \_\_\_\_\_, hereinafter called DISTRICT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, we, the undersigned, have agreed to release any and all claims and liens which the undersigned has, or might have, against the DISTRICT, or said Facilities by reason of services, labor, materials and equipment performed or furnished by us in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, the receipt and sufficiency of which are hereby acknowledged, remises, releases and forever quitclaims, and by these presents does remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns, shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have, against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ written.

(SEAL)

\_\_\_\_\_  
CONSULTANT

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

I, \_\_\_\_\_, duly authorized representative of \_\_\_\_\_, designated as CONSULTANT in the above-referenced Agreement, do hereby state that the parties whose names are signed to the attached releases, Documents 1 through \_\_\_\_\_, are all of the parties who have performed or furnished labor, services, materials, or equipment in connection with the construction of the Facilities mentioned above, excepting only such materials as may have been furnished by DISTRICT.

Dated: \_\_\_\_\_

Duly Authorized

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 the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
   ) ss.  
COUNTY OF MONTEREY                  )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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 capacity(ies), 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.

Notary Public in and for said State

SUBCONTRACTOR's OR SUBCONSULTANT's  
RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials, and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated \_\_\_\_\_, 19\_\_\_\_, between the \_\_\_\_\_, having an office at \_\_\_\_\_, hereinafter called DISTRICT and, \_\_\_\_\_, having an office at \_\_\_\_\_, hereinafter called CONSULTANT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, the undersigned, has agreed to release any and all claims and liens which the undersigned has, or might have, against DISTRICT or Facilities by reason of the services, labor, materials and equipment performed or furnished by the undersigned in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, (the receipt and sufficiency of which are hereby acknowledged), remises, releases and forever quitclaims and by these \_\_\_\_\_ presents do remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials \_\_\_\_\_ furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ written.

(SEAL)

\_\_\_\_\_  
(Company Name)

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_



**AGREEMENT FOR PROFESSIONAL SERVICES**  
**BETWEEN MARINA COAST WATER DISTRICT**  
**AND [CONSULTANT]**  
**FOR [PROJECT NAME]**

AMENDMENT NO. [    ]

Article II - Scope of Services shall be [DESCRIPTION OF ADDITIONAL OR MODIFIED SCOPE OF SERVICES].

Article IV - Schedule shall be amended by a [    ] week extension.

Article IX - Payment shall be amended by a lump sum (or not-to-exceed if time and expense contract) amount of [\$            ]. (***NOTE: IF TIME AND EXPENSE CONTRACT, TASK ORDER MUST BE ACCOMPANIED BY ENGINEER'S MOST CURRENT SCHEDULE OF CHARGES.***)

All other articles of the [DATE] AGREEMENT FOR ENGINEERING SERVICES remain the same.

DISTRICT and ENGINEER have caused this Agreement to be amended by representatives duly authorized to act, all as of the effective date of [            ].

Prepared by: \_\_\_\_\_ Date \_\_\_\_\_  
(DISTRICT REPRESENTATIVE)

ENGINEER  
[Name of consulting firm]

DISTRICT  
Marina Coast Water District

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title: General Manager

Date \_\_\_\_\_

Date \_\_\_\_\_

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 12-C

**Meeting Date:** August 18, 2025

**Prepared By:** Jack Gao, EIT, PMP

**Approved By:** Remleh Scherzinger, PE

**Reviewed By:** Garrett Haertel, PE

**Agenda Title:** Adopt Resolution No. 2025-45 to Award a Professional Service Agreement to Wallace Group for Engineering Services for the Design of the Reservation Road Desalination Plant Renovation Capital Improvement Program Project (OW-2404)

**Staff Recommendation:** Adopt Resolution No. 2025-45 to award a Professional Service Agreement to Wallace Group for Engineering Services for the design of the Reservation Road Desalination Plant Renovation Capital Improvement Program (CIP) Project (OW-2404).

**Background:** *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*

*OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.*

*OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.*

The Fiscal Year (FY) 2025-2026 Budget approved by the Board of Directors included the Reservation Road Desalination (Desal) Plant Renovation CIP Project.

The Marina Coast Water District (MCWD or District) owns and maintains the Reservation Road Desalination Plant located at 11 Reservation Rd, Marina, CA. MCWD intends to improve the District's service supply, reliability, and resiliency through the renovation of this site and surrounding infrastructure. Upgrades to the site's treatment equipment, intake and discharge wells, and appurtenance are necessary to bring the plant back to fully operational status and a beneficial asset to the District and its customers.

**Discussion/Analysis:** The District distributed a Request for Qualifications (RFQ) to potential firms capable of designing the required Desal Treatment Plant renovations. One firm, Wallace Group (Wallace), with Water Works Engineers, LLC (WW) as a treatment technology expert sub-consultant, submitted a proposal. The combined experience of Wallace and WW met the requirements of the request and project scope.

Wallace Group has proposed a novel approach to this project and its design. They are proposing a Construction Manager / General Contractor (CM/GC) design. CM/GC is a collaborative project delivery approach for construction projects that brings the construction manager (CM) into the process early. This collaboration begins during the design phase for the CM to work closely with the owner and design team. This early involvement helps align project goals, refine designs, and identify potential risks before construction even begins. The CM involvement during design provides preconstruction services and assists in developing a guaranteed maximum price (GMP) for the project construction. Other advantages include early contractor input and reduced change orders as the risk is mitigated in the GMP. However, this delivery method creates more complex contracting and may reduce bidding competition.

Currently, CM/GC is not an approved delivery method for any public entity other than the Metropolitan Water District of Southern California. However, the proposed legislation (SB 598) will allow this delivery method by all public water districts throughout the state. It is anticipated that this will be signed into law before the end of the calendar year, allowing CM/GC to be an approved delivery method for the District.

As CM/GC is not currently permitted, staff recommends proceeding with a design contract with Wallace Group for the desalination plant renovation using the traditional Design, Bid, Build (DBB) method. The contract is structured to allow a transition from DBB to CM/GC delivery if it becomes approved, to improve overall project costs and efficiencies. Regardless of whether DBB or CM/GC project delivery is ultimately selected, the project includes several key decision points – referred to as “off-ramps” – where Board approval is required to proceed. These off-ramps would allow for the project to continue, be postponed, or modified to satisfy the will of the Board. The proposed design contract with Wallace Group would be for a not-to-exceed amount of \$648,000 and would allow for either DBB or CM/GC delivery.

**Environmental Review Compliance:** Staff will file a California Quality Act (CEQA) notice of Exemption (NOE).

**Legal Counsel Review:** Legal Counsel reviewed and provided language to this agenda item.

**Climate Adaptation:** The District’s goal is to provide projects that address climate change and improve the District’s footprint on the environment. This project will replace aging infrastructure, improving the District’s overall resilience to climate change and supporting the long-term sustainability of the District’s water supply portfolio.

**Financial Impact:**      X   Yes           No                      **Funding Source/Recap:** \$3,585,000 approved CIP Project Budget for the Reservation Road Desal Plant Renovation (OW-2404) for FY 2025-2026.

Approved Budget:	\$3,585,000
Design Contract Cost:	\$(648,000)
Budget Remaining:	\$2,937,000

The total design cost of **\$648,000** represents approximately **18%** of the overall project budget, which is below the industry-standard benchmark of **20%** for design services. This reflects a cost-effective approach to project planning and design.

**Material Included for Information/Consideration:** Resolution No. 2025-45; and Professional Services Agreement.

**Action Required:**          X       Resolution           Motion           Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

August 18, 2025

Resolution No. 2025-45  
Resolution of the Board of Directors  
Marina Coast Water District

Award a Professional Service Agreement to Wallace Group for Engineering Services for the  
Design of the Reservation Road Desalination Plant Renovation  
Capital Improvement Program Project (OW-2404)

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD” or “District”) at a regular meeting duly called and held on August 18, 2025 at 920 Second Avenue, Marina, California as follows:

WHEREAS, the MCWD is a County Water District and political subdivision of the State of California, organized under Division 12, Sections 3000 and following for the California Water Codes, established in 1960; and,

WHEREAS, the District owns and operates facilities and property for the supply, treatment and distribution of water, including recycled wastewater (the “Water System”), and the collection, treatment and disposal of wastewater (the “Wastewater System”) and the District wishes to allocate funds for the acquisition, construction and installation of improvements to the Water System and the Wastewater System, consisting generally of infrastructure improvements to pipelines, pumping stations, storage, groundwater wells, other water supply sources, facilities, and District operational systems to modernize the District’s water, wastewater and recycled water systems(the “Projects”); and,

WHEREAS, On May 18, 2020, the Directors of the District accepted the Water, Sewer and Recycled Water Master Plans; and,

WHEREAS, the Directors of the District passed and adopted Resolution No. 2025-31 adopting the District Budget for FY 2025-2026; and,

WHEREAS, the District Engineering and Finance staff identified appropriate and available funding sources; and,

WHEREAS, the District owns and maintains the Reservation Road Desalination Plant located at 11 Reservation Rd, Marina, CA; and,

WHEREAS, the District Board of Directors approved the Capital Improvement Program (CIP) Project Budget for the Reservation Road Desal Plant Renovation Project (OW-2404) in the amount of \$3,585,000; and,

WHEREAS, designing the Desalination Plant Renovations is a necessary foundational component to complete the scope of CIP Project OW-2404 and allow the plant to be brought back to fully operational status and act as a beneficial asset to the District and its customers; and,

WHEREAS, the District requested qualifications from various engineering firms with expertise in Desalination Plant Design; and,



WHEREAS, the District received one proposal in response; and,

WHEREAS, the Wallace Group proposal was in the not-to-exceed amount of \$648,000; and,

WHEREAS, the Wallace Group proposal allows for either traditional Design, Bid, Build delivery or Construction Manager / General Contractor delivery; and,

WHEREAS, allocating \$648,000 of the overall CIP Budget of \$3,585,000 leaves a remaining \$2,937,000 of which can be used for the renovation construction activities of the Reservation Road Desalination Plant.

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

1. adopt Resolution No. 2025-45 to award a Professional Service Agreement to Wallace Group for Engineering Services for the design of the Reservation Road Desalination Plant Renovation Capital Improvement Program Project (OW-2404).
2. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025, 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 \_\_\_\_\_

\_\_\_\_\_  
Gail Morton, 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. 2025-45 adopted August 18, 2025.

\_\_\_\_\_  
Remleh Scherzinger, Secretary

**AGREEMENT FOR PROFESSIONAL SERVICES**  
**BETWEEN MARINA COAST WATER DISTRICT**  
**AND WALLACE GROUP**  
**FOR RDP RESERVATION ROAD**  
**DESAL PLANT RENOVATION PROJECT**

**Funding: 03-00-160-427 (100%)**

**Task No. TBD**

THIS AGREEMENT, made and entered into this \_\_\_\_\_, by and between Marina Coast Water District, 920 2<sup>nd</sup> Ave., Ste., Marina, CA, 93933, hereinafter called "DISTRICT", and Wallace Group, with its principal offices at 612 Clarion Court, San Luis Obispo, CA 93401 hereinafter called the "CONSULTANT":

WHEREAS, the DISTRICT, desires to receive the professional services related to RDP Reservation Road Desal Plant Renovation Project with a scope generally defined by DISTRICT's Request for Proposal presented in Appendix A; and

WHEREAS, DISTRICT is desirous of engaging the services of said CONSULTANT to perform or furnish said services.

WHEREAS, CONSULTANT has available and offers to provide personnel and facilities necessary to accomplish said services in a timely manner.

NOW, THEREFORE, said DISTRICT and said CONSULTANT, for the considerations hereinafter set forth, mutually agree as follows:

**ARTICLE I - PROFESSIONAL ENGAGEMENT**

DISTRICT hereby engages WALLACE GROUP as an independent contractor, to perform or furnish the services hereinafter more particularly described in Appendix A, commencing on the date of this Agreement.

CONSULTANT hereby agrees to perform or furnish as an independent contractor professional engineering and related services as set forth herein. CONSULTANT may retain qualified subconsultants to assist in the performance of professional services. DISTRICT shall be notified prior to CONSULTANT sub-contracting such services and sufficient time shall be provided to allow DISTRICT to review the subconsultant's qualification. Should DISTRICT, based upon reasonable cause, not accept any such subcontractor or subconsultant for use on the Project, DISTRICT shall so notify CONSULTANT within five (5) days following DISTRICT's receipt of such notice from CONSULTANT, and CONSULTANT shall not subcontract with any such subcontractor or subconsultant for the Project. DISTRICT shall have the right at any time to revoke its

acceptance (whether given affirmatively or by its failure to object within said five (5) day period) of any subcontractor or subconsultant on the basis of reasonable cause, in which case CONSULTANT shall submit an acceptable substitute and a Task Order equitably adjusting CONSULTANT's compensation will be issued. No acceptance of any subcontractor or subconsultant shall waive: (1) DISTRICT's right not to accept defective services performed or furnished for CONSULTANT by said subcontractor or subconsultant; or (2) any other right or remedy DISTRICT has under this Agreement, including but not limited to its rights to suspend or terminate services under this Agreement.

CONSULTANT is an independent contractor and is not and shall not be deemed to be an employee, agent, servant, partner or joint venturer of DISTRICT. CONSULTANT shall have the exclusive supervision, direction and control of all employees, subconsultants, subcontractors, suppliers, materials, equipment and facilities employed, contracted with or used by, CONSULTANT in performing or furnishing services under this Agreement.

## ARTICLE II - SCOPE OF SERVICES

The scope of services performed or furnished by CONSULTANT under the terms of this Agreement is defined in Appendix A and in the executed Amendment(s) pursuant hereto which will authorize CONSULTANT to perform specific engineering services related to the project. Unless modified in writing by both parties through a Amendment, duties of CONSULTANT shall not be construed to exceed those services specifically established in Appendix A. (**NOTE:** ANY ADDITIONAL ENGINEERING FEES ASSOCIATED WITH SERVICES NOT INCLUDED IN APPENDIX A MUST BE DEFINED AND AGREED TO BY DISTRICT IN WRITING PRIOR TO INITIATION OF THESE SERVICES.)

## ARTICLE III – GENERAL PROVISIONS

A. The CONSULTANT hereby represents that all work described herein shall be performed only by persons under the supervision of a person who is currently licensed to perform such work and that to the best of its professional ability, all work shall be performed in accordance with applicable Federal, State, and local laws and regulations.

B. The CONSULTANT shall not discriminate in employment practices, in the performance of the terms of this Agreement, either directly or indirectly, on the grounds of race, color, religion, sex, age, or national origin, and shall take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age or national origin.

A. The General Manager of the DISTRICT shall forward an executed copy of this Agreement to the CONSULTANT within ten (10) days of execution of this Agreement by the DISTRICT.

#### ARTICLE IV: COOPERATION BY DISTRICT

DISTRICT shall, to the extent reasonable and practicable, cooperate with CONSULTANT in the performance of CONSULTANT's services hereunder. Such cooperation shall include, but not necessarily be limited to: providing right of access to work sites as required for CONSULTANT to perform or furnish services under this Agreement; providing relevant material available from DISTRICT 's files such as maps, drawings as available (WHETHER OR NOT AS-BUILT DRAWINGS), records, and operation and maintenance information; serving all notices; attending all hearings; payment of all permit and other required fees associated with the Project; and rendering assistance in determining the location of existing facilities and improvements which may be affected by the Project.

DISTRICT shall be responsible for providing legal services which it deems necessary for the Project including review of contract documents, public advertising and contract letting. DISTRICT shall pay fees for utility services to the Project.

DISTRICT shall appoint Garrett Haertel as DISTRICT's REPRESENTATIVE with respect to the services to be performed under this Agreement. DISTRICT'S REPRESENTATIVE shall have complete authority to transmit instructions, receive information, and interpret and define DISTRICT's policies. CONSULTANT shall be entitled to rely on representations made by DISTRICT's REPRESENTATIVE unless otherwise specified in writing by DISTRICT.

#### Article V – SCHEDULE

A schedule for carrying out services performed by CONSULTANT under the terms of this Agreement is set forth in Appendix A. CONSULTANT will exert all reasonable efforts to perform or furnish all services under this Agreement in accordance with said schedule.

DISTRICT will be kept informed as to the progress of the services under this Agreement under the terms presented in Appendix A. Neither party shall hold the other responsible for damages caused by, arising out of or resulting from delays in performance caused by acts of God, strikes, lockouts, or events beyond the control of the other party.

#### Article VI – LITIGATION

The Agreement does not require CONSULTANT to prepare for or appear as a witness in any litigation or alternative dispute resolution proceeding on behalf of DISTRICT, other than as specified in Appendix A, except in consideration of additional reasonable compensation negotiated as part of a Amendment specifically issued for such purpose. Notwithstanding the preceding, CONSULTANT shall participate without additional compensation in any litigation or alternative dispute resolution proceeding in which CONSULTANT is a party or in which a claim is made against DISTRICT based in whole or in part on CONSULTANT's negligence, professional errors or omissions, breach of contract or deficiencies in CONSULTANT's design or performance hereunder.

ARTICLE VII: COMPENSATION

Payment for the engineering services set forth in Appendix A and specific executed Amendment(s) shall be made by DISTRICT to CONSULTANT and shall be considered as full compensation for such services and all personnel, materials, supplies, and equipment used and costs incurred in carrying out such services. In no event shall the amount of compensation exceed the total fee specified in Appendix A without approval from the DISTRICT.

A. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a lump sum basis, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a lump sum basis.
2. Compensation to CONSULTANT shall be a lump sum amount specified in Appendix A and Amendment(s).
3. Payments shall be monthly, based on percent completion. As each payment is due, a statement describing the services which have been performed or furnished and listing the percentage of completion and the total amount of prior payments paid by DISTRICT shall be submitted to DISTRICT. Payment shall be made for the balance due under such statement, without retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.

B. If payment for services performed or furnished under terms of Appendix A and/or Amendment(s) is to be on a time and expense reimbursable basis, with a total cost not-to-exceed, compensation shall be as described below:

1. Appendix A and/or Amendments must specify that the work is to be performed on a time and expenses basis with a total cost not-to-exceed.
2. Compensation to CONSULTANT shall be on a time and expense reimbursement basis in accordance with CONSULTANT's Schedule of Charges. A current copy of the Schedule of Charges will be included with each Amendment.
3. Payments for services provided by CONSULTANT on a time and expense basis shall be made monthly by the DISTRICT based on an itemized invoice from CONSULTANT which lists actual costs and expenses or units of work performed on the Project in the immediately preceding month. Such payments shall be for the invoice amount, without

retention unless DISTRICT contests all or part of said billing in which event only that portion so contested will be retained by DISTRICT pending resolution of the dispute and any uncontested portion will be paid.

4. A budget for compensation for services provided by CONSULTANT on a time and expense basis will be established in the Compensation section of Appendix A and/or the Amendment. The budget established shall not be exceeded without DISTRICT's written authorization.

5. The budget may be increased by Amendment if necessary to complete the scope of work. If appropriate, CONSULTANT will advise DISTRICT of the anticipated expenditure over the budgeted amount at the fifty (50) percent completion point of the Amendment work and request additional budget authorization.

6. Amendments using a time and expense reimbursement should be limited in scope. The product of these Amendment(s) should adequately define the specific scope and effort necessary to achieve the necessary addition/modification and develop a lump sum proposal for the required engineering services.

C. CONSULTANT's final statement or invoice for any services which include construction, or the final statement or invoice for the Project, whichever occurs earlier in time, shall include properly completed and executed Releases of Liens and Claims (see Appendix C). Payment of any invoice not satisfying these requirements may be withheld until the requirements has been satisfied.

D. The CONSULTANT shall submit itemized statement or invoice of costs to the DISTRICT for each month that work is performed. The DISTRICT shall pay the CONSULTANT by the 25<sup>th</sup> of the month for invoices and itemized statements submitted by the first day of the same month. Payments are due upon receipt of a statement or invoice prepared in a manner acceptable to DISTRICT and approved by DISTRICT.

#### ARTICLE VIII: RECORDS

The CONSULTANT shall keep and maintain accurate records of costs incurred, and the time expended relating to all services to be compensated hereunder. All records shall be available to the DISTRICT for review thereof upon request by the DISTRICT or its authorized representative. All fiscal and accounting records and other supporting papers of the CONSULTANT shall be maintained for a minimum of three (3) years following the close of the DISTRICT fiscal year of expenditures.

#### ARTICLE IX: TITLE TO DOCUMENTS

All reports, drawings, specifications, submittals and other materials collected or produced by the CONSULTANT hereunder shall, after completion and acceptance, become the property of the DISTRICT.

The CONSULTANT may utilize existing materials developed by the CONSULTANT prior to the commencement of this engagement including, but not limited to, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives. These materials shall remain the property of the CONSULTANT.

CONSULTANT shall be entitled to a reproducible copy of all material furnished to DISTRICT, the costs of which is included on the compensation amounts specified in Appendix A and/or the Amendment(s). Any uncompleted work of CONSULTANT delivered to DISTRICT due to cancellation of all or portions of the work or contract termination, which utilized by DISTRICT in any way, shall have CONSULTANT name removed.

#### ARTICLE X: KEY PERSONNEL

The CONSULTANT shall specifically assign a project manager and necessary staff to complete the Scope of Work.

The CONSULTANT hereby agrees that the assigned personnel directly responsible for conducting the Scope of Work in Appendix A shall not be changed during the course of the work without prior written consent of the DISTRICT, which consent shall not be unreasonably withheld.

#### ARTICLE XI: ASSIGNMENT AND SUBCONTRACTING

The CONSULTANT shall not assign, sell, mortgage, hypothecate, or otherwise transfer its interest or obligations in this agreement without written consent of the DISTRICT. Further, none of the services covered by this agreement shall be subcontracted beyond that which is specifically noted in the CONSULTANT'S proposal unless approved by the DISTRICT in writing.

#### ARTICLE XII: INSURANCE AND LIABILITY

The CONSULTANT agrees to indemnify, defend, and hold harmless the DISTRICT, its officers, agents, and employees as provided in Appendix B, attached hereto and hereby incorporated by reference to the fullest extent permitted by law.

Coverages described in Appendix B shall be maintained through the term of this Agreement, and the CONSULTANT shall file with the DISTRICT prior to the execution of this Agreement, and as policy renewals occur, a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Insurance policies shall provide that such insurance is primary insurance.

A. CONSULTANT and its subcontractors shall maintain worker's compensation and employers' liability insurance in accordance with the amount(s) and coverage(s) in the attached Appendix B.

B. CONSULTANT and its subcontractors shall maintain commercial general liability and automobile liability insurance protecting it against claims arising from bodily or personal injury or damage to property, including loss of use thereof, resulting from operations of CONSULTANT pursuant to this AGREEMENT or from the use of automobiles and equipment of or by CONSULTANT. The amount(s) and coverage(s) shall be in accordance with Appendix B.

C. CONSULTANT shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions for which it is legally liable in the performance or furnishing of professional services pursuant to this AGREEMENT. (Such insurance shall be maintained for one (1) year after final completion of construction. The amount(s) and coverage(s) shall be in accordance with Appendix B.

D. CONSULTANT shall submit to the DISTRICT a Certificate of Insurance evidencing that the insurance coverages required herein have been obtained and are currently in effect. Upon written request from DISTRICT CONSULTANT is required to provide DISTRICT with complete copies of such policies or certified evidence of coverage. Approval or acceptance of said insurance by DISTRICT shall not relieve or decrease the liability of CONSULTANT hereunder.

E. To the extent applicable, DISTRICT agrees to endeavor to include a provision in the DISTRICT'S contract with the Construction Contractor engaged on the Project which requires that CONSULTANT be listed as an additional insured on such Construction Contractor(s) liability insurance policy and property insurance (Builder's Risk) policy, if any.

#### Article XIII - Suspension of Work

DISTRICT may, at DISTRICT'S discretion, suspend, in writing, all or a portion of the services under this Agreement. CONSULTANT may suspend the services under this Agreement in the event DISTRICT does not make payment in accordance with the payment terms in Article VII. The services under this AGREEMENT will only be suspended for non-payment after written notice is received by DISTRICT from CONSULTANT of its intention intending to suspend performance and a cure period of seven (7) days after receipt of this notification by DISTRICT. The time for completion of the services under this AGREEMENT shall be extended by the number of days the services under this AGREEMENT is suspended. If the period of suspension exceeds ninety (90) days, the terms of this AGREEMENT are subject to renegotiations, and both parties shall have the option to terminate the services under this AGREEMENT on the suspended portion of Project in accordance with Article XII.

#### ARTICLE XIV: TERMINATION



Either party may terminate this Agreement upon substantial breach of the terms thereof by the other party. The DISTRICT may terminate this agreement at any time upon giving thirty (30) days written notice to CONSULTANT. Such notice shall set forth the effective date of such termination.

DISTRICT, by notifying CONSULTANT in writing, may terminate any or all of the services covered by this AGREEMENT. In the event of such termination, CONSULTANT shall have the right to expend a reasonable amount of additional time to assemble work in progress for the purpose of proper filing and closing of the job. Such additional time shall not exceed five percent (5%) of the total time expended to the date of notice of termination or a designated total time agreed upon in an Amendment. All charges thus incurred, together with associated expenses reasonably incurred by CONSULTANT and reasonable charges for any other commitments outstanding at the time of termination (such as for termination of subconsultants, rental agreements, orders for printing, etc.), shall be payable by DISTRICT within forty-five (45) days following submission of a final statement by CONSULTANT. However, in the event that termination of said AGREEMENT with CONSULTANT occurs at the completion of a specific phase of the design, the aforesaid provision for the proper filing and closing will not apply unless agreed to by DISTRICT under a specific Amendment. The payment provided for under this Article XII shall constitute full satisfaction of any obligation DISTRICT has, may have or could be found to have to pay for services performed or furnished and expenses or charges incurred by CONSULTANT pursuant to this AGREEMENT and any and all liabilities or damages arising out of or resulting from the termination of this AGREEMENT.

#### ARTICLE XV: NOTICE

Any notice to be given hereunder shall be delivered to the party to be noticed by either personal delivery or by first class mail, postage prepaid, and addressed as follows:

TO: Marina Coast Water District  
920 2<sup>nd</sup> Avenue, Suite A  
Marina, CA 93933  
Attention: General Manager

TO: Wallace Group  
612 Clarion Court  
San Luis Obispo, CA 93401  
Attention: Bryan Childress, PE, ME

ARTICLE XVI: BINDING EFFECT; AMENDMENTS; COUNTERPART EXECUTION; CONSTRUCTION

This Agreement supersedes and integrates all prior writings and understandings between the parties concerning, is binding on the parties and their successors, and may be amended only by written agreement signed by the DISTRICT and the CONSULTANT. This Agreement may be signed in counterparts, each of which when fully executed shall be considered a duplicate original document. Both parties have participated fully in the review and revision of this Agreement, and neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code section 1654.

ARTICLE XVII: DISPUTES

The parties must submit any disputes arising under this Agreement to non-binding mediation before filing suit to enforce or interpret this Agreement. Upon request by either party, the parties will within ten (10) days select a single mediator, or if the parties cannot agree, they shall ask the then presiding Judge of the Monterey County Superior Court to select a mediator to mediate the dispute within fifteen (15) days of such selection.

In the event of legal proceedings to interpret or enforce this agreement, the prevailing party shall be awarded reasonable attorney fees and costs, including reasonable costs of experts reasonably engaged by the attorney.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions and provisions above stated the day and the year first above written.

Marina Coast Water District

Wallace Group

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Remleh Scherzinger  
General Manager

---

Bryan Childress, PE, ME  
Principal & Director of Mechanical  
Engineering

## **Appendix A**

PURSUANT TO SECTION VII B: This is a Time and Expense Reimbursable Basis with a total not-to-exceed amount of \$647,819.

### Appendix A includes:

Scope of Work

Fee Schedule

### **SCOPE OF WORK**

#### **Project Management and Quality Assurance**

Wallace Group and Water Works will coordinate the work with all the project stakeholders, to ensure critical milestones that may impact the project budget and schedule are met. In addition, the management team will ensure deliverables meet the expected quality control measures by providing QA/QC with every project milestone. This task includes day-to-day coordination of project activities, including scheduling and budget controls, staffing needs and coordination, District coordination, monthly update status and reporting, and other related project management activities. This effort is based on the assumed project design duration of approximately 8-10 months, including conditioning of the intake well upon completion of Phase 1 construction.

#### **Permitting Services**

We will coordinate an initial permitting status and strategy kickoff meeting to confirm what water quality and preliminary design information is needed to proactively stay in parallel with any of the District's permitting steps. We have included in the scope monthly meetings specific to permitting and will include permitting as a standing agenda item during the progress and development review meetings.

#### **Planning Services**

**Project Definition** – we will work with the project stakeholders involved to identify and develop project objectives, including but not limited to effluent quality requirements, site limitation, compliance, etc. These efforts include a kickoff meeting, site visits, data gathering, and developing a list of potential constraints prior to commence of the work. This will include the review of relevant documents including but not limited to record drawings, geotechnical reports, topographic survey maps/CAD files, and other documents available and pertinent. At this time, we are not proposing any utility potholing. If determined following the review of the existing utilities that potholing is warranted, we will work with the District to amend the contract.

**Water Quality Testing** – Upon identifying the potential constraints, we will develop and deliver to the District a list of key water quality constituents and test methods. The District will lead execution and selection of the water quality sampling company and data production. Once completed, we will evaluate the results to narrow down the most appropriate RO system to achieve the desired effluent objectives.

**Basis of Design Report** – a Basis of Design Report (BODR) will be developed to summarize project design criteria, including intake well rehabilitation, treatment system improvements, and discharge well modifications. In addition, this document will outline engineering recommendations with respect to unit process arrangement,

efficiency, pre- and post- chemical conditioning, site layout, as well as building renovation. In addition, the BODR will include the criteria for various components of the facility including pretreatment filters, RO skids, tanks, pumps, and other appurtenances. This report will also include a preliminary Process Flow Diagram, Opinion of Probable Construction Cost (OPCC), and an identification of long lead items that could benefit from pre-purchasing to maintain schedule compliance, i.e., membrane skids, electrical switch gear, power distribution panels, etc. During this phase of design, preliminary electrical load calculations for the new treatment system, intake well, and booster pumps will be performed. A draft single line diagram showing connections to existing equipment to remain, as well as new equipment will be included as part of the BODR task. Upon submittal of the DRAFT BODR, we will coordinate a review workshop with the District to finalize design directions and findings prior to the final design phase.

**Note** – for Phase 1 intake well design, a technical design memorandum will be written to summarize the proposed improvements for the intake well, feed water piping, electrical feed, and communication strategy for the well and provided to the District prior to release of the Phase 1 bid package. This information will then be compiled into the Basis of Design Report for the overall project.

### **Final Design Services**

**Survey Services** – Wallace Group will provide surface mapping services to create a base map for the design work. We will locate the project site to the correct horizontal benchmark and vertical datum and will provide survey control for the project. In addition, Water Works will provide ground base LiDAR scanning services to pick up as-built conditions that may not be shown in the project record drawings tying vertical elements with the surface topography. It is not expected that a boundary survey will be required for this project.

**Geotechnical Services** – we will be teaming up with one of our trusted subconsultants to provide geotechnical services, including a single investigative boring, lab analysis, and geotechnical recommendations in form of a Geotechnical Report. We have included a budget allotment for these services.

**Hydrogeology Services** - we will be teaming up with Cleath-Harris Geologists to develop and implement a rehabilitation program for the desalination plant intake and disposal wells and evaluate other brine disposal options to supplement the existing disposal capacity. We assume the wells are in good enough condition to rehabilitate. If this is not the case, one or both wells may need replacement (not part of this scope of work).

The scope of hydrogeology work for this effort is summarized below:

- Project management and meetings. Assumes three on-line meetings and one on-site meeting.
- Review historical records on intake well and disposal well construction, testing, and operation, along with the results of recently scheduled swabbing and video logging.
- Prepare well rehabilitation Work Plan and scope of work for Contractor. The Work Plan will include appropriate mechanical, chemical, and redevelopment phases at the intake and

disposal wells.

- Assist with design of wellhead improvements at intake well, which had been capped at ground surface after the desalination plant was placed on standby in 2003.
- Evaluate intake and disposal well capacities following the rehabilitation program to inform desalination plant system sizing.
- Identify conceptual alternatives for brine disposal to supplement the existing disposal well capacity. Perform a constraints analysis to select the most feasible option(s) for the desalination plant.
- Provide technical memorandum/Basis of Design Report sections summarizing the results of the rehabilitation program and supplemental brine disposal alternatives evaluation.

**60% Design Services** – our team will develop the following 60% design documents:

- 60% Drawings, including general, site civil (Civil3D), utilities, structural/architectural/ building (Revit), mechanical (Revit), as well as Electrical, Instrumentation, and Controls (E&IC) and Supervisory Control and Data Acquisition (SCADA). Design packages will include a 3D model of the treatment facility to provide an opportunity for operation, spacing, and access feedback.
- 60% specifications – our 60% specifications involve CSI format technical specification sections DIV 01-46, as well as revised front-end bidding and contract documents DIV 00, templates to be provided by the District.
- 60% OPCC – 60% OPCC, with 25% contingency
- 60% design equipment list
- 60% Construction schedule and phasing
- Review Workshop – once the District had a chance to review the material, we will hold a workshop meeting with all stakeholders to hear review feedback prior to the next design phase.

**90% Design Services** – our 90% design documents include:

- 90% Drawings, including general, civil, site plan and utilities, structural/architectural/building, mechanical, as well as E&IC and SCADA. This will be considered a complete set of plans for the project, besides final details. Our 3D model will be updated with more details for this deliverable
- 90% specifications – DIV 00-46
- 90% OPCC, with 10% contingency
- 90% Construction schedule and phasing
- Review Workshop – once the District had a chance to review the material, we will hold a workshop meeting with all stakeholders to hear review feedback prior to the next design phase.

**Final Bid Documents** – we will develop the following final bid documents:

- Final drawings and details. Final 3D model to provide an opportunity for more accurate quantity take offs during bidding procedures.
- Final Basis of Design Report (BODR)
- Final specifications and bid documents – DIV 00-46
- Final OPCC, with 10% contingency
- Construction schedule and phasing

**Bidding Support Services**

Our bidding support will include the following services:

- Attend Pre-Bid meetings with District staff and prospective bidders, including two (2) staff at 10 hours each, assuming travel from San Luis Obispo and/or Roseville to the project site. The District will coordinate time, date, and location of meeting, and will prepare meeting agenda and minutes.
- Assist the District during the bidding process to respond to questions, as needed
- Prepare addendums
- Evaluate bids received and provide engineering opinion

**Appendix B**  
**Insurance Requirements**

## **INDEMNIFICATION AGREEMENTS**

### **INSURANCE REQUIREMENTS**

#### **AGREEMENTS**

**Workers' Compensation Insurance** - By his/her signature hereunder, Consultant certifies that he/she is 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 the work of this contract.

**Indemnification** - To the fullest extent permitted by law, Consultant, at Consultant's own cost, shall defend and indemnify and hold harmless the Marina Coast Water District (District), its directors, officers, employees, authorized employees and each of them from and against:

- a. When the law establishes a professional standard of care for Consultant's services, all claims and demands of all persons that arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. Consultant shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Consultant's performance or non-performance of the work hereunder, and shall not tender such claims to the District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Other than in the performance of professional services, all claims and demands of all persons arising out of the performance of the work or the furnishing of materials; including but not limited to, claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or, with respect to construction, the active negligence of the District, its directors, officers, employees, or authorized volunteers.
- c. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Consultant.
- d. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of Consultant to faithfully perform the work and all of the Consultant's obligations under the agreement. Such



costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

- e. Consultant 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 Consultant under this Agreement shall specifically include claims and demands involving, arising out of or related to MEC. [Include this paragraph only for work on the former Fort Ord outside the cantonment area.]

Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District or any of its directors, officers, employees, or authorized volunteers.

Consultant shall pay and satisfy any judgment, award or decree that may be rendered against the District or any of its directors, officers, employees, or authorized volunteers, in any and all such aforesaid suits, actions, or other legal proceedings.

Consultant shall reimburse District and its directors, officers, employees or authorized volunteers, for any reasonable legal expenses and costs incurred by each of them in connection with, in any way, all such aforesaid suits, actions or other legal proceedings or in enforcing the indemnity herein provided, to the extent that they are covered by the above obligations to indemnify.

Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, or its directors, officers, employees or authorized volunteers.

## **GENERAL CONDITIONS**

**Laws, Regulations and Permits** - The Consultant shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The Consultant shall be liable for all violations of the law in connection with work furnished by the Consultant. If the Consultant performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs arising therefrom.

**Safety** - The Consultant shall execute and maintain his/her work so as to avoid injury or damage to any person or property.

In carrying out his/her work, the Consultant shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and life saving

equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

**Liability Insurance** - The Consultant shall provide and maintain at all times during the performance of the work under this agreement, the following commercial general liability, professional liability and automobile liability insurance:

**Coverage** - Coverage shall be at least as broad as the following:

1. Coverage for **Professional Liability** appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the contract work. Consultant shall purchase a one-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.
2. Insurance Services Office Commercial **General Liability** Coverage (Occurrence Form CG 0001)
3. Insurance Services Office **Automobile Liability** Coverage (Form CA 0001), covering Symbol 1 (any auto) Symbol 8 (hired) and 9 (non-owned)

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

1. **Professional Liability** – Limits no less than Two million dollars (\$2,000,000) per occurrence or claim, and Four million dollars (\$4,000,000) policy aggregate.
2. **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.

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

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the Member Water Agency requires and shall be entitled to the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

**Required Provisions** - The general liability policy is to contain, or be endorsed to contain the following provisions:

1. The District, its directors, officers, employees, or authorized volunteers are to be given additional insured status (via ISO endorsement CG 2010 10 01, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Consultant; and premises owned, occupied or used by the Consultant. 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 Consultant's insurance shall be primary insurance at least as broad as ISO CG 20 01 04 13 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 the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the District, its directors, officers, employees, or authorized volunteers.
4. The Consultant'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.

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

The policies specified above shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the Consultant, 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.

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

In the event any change is made in the insurance carrier, scope of coverage or retroactive date of professional liability coverage required under this agreement, Consultant shall notify the District prior to any changes.

1. **Workers' Compensation and Employer's Liability Insurance** - The Consultant and all sub-consultants shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them or through sub-consultants in carrying out the work contemplated under this contract, all 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. The Consultant shall provide employer's liability insurance with limits no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee. **Waiver of Subrogation:** The insurer(s) named above agree to waive all rights of subrogation against the District, its directors, officers, employees, and authorized volunteers for losses paid under the terms of this policy which arise from work performed by the Named Insured for the Agency; but this provision applies regardless of whether or not the District has received a waiver of subrogation from the insurer.

**Deductibles and Self-Insured Retentions** - Any deductible or self-insured retention exceeding \$50,000 must be declared to and approved by the District. At the option of the District, the insurer shall either reduce or eliminate such deductibles or self-insured retention.

**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.

**MEC Coverage** – For work involving portions of the former Fort Ord outside the cantonment area, all insurance maintained by Consultant shall include coverage for services, 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 Consultant related in any way to work performed by it on behalf of the Marina Coast Water District.

**Evidences of Insurance** - Prior to execution of the Agreement, the Consultant shall file with the District a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include the additional insured endorsements. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them.

The Consultant shall, upon demand of the District, 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  
920 2<sup>nd</sup> Avenue, Suite A  
Marina, CA 93933  
Attn: Stephenie Verduzco

**Continuation of Coverage** – If any of the required coverages expire during the term of this Agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the District at least ten (10) days prior to the expiration date.

**Sub-Consultants** - In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this Agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

## **Appendix C**

### Appendix C includes:

Release of Liens and Claims (CONSULTANT)

Release of Liens and Claims (Subconsultants and Subcontractors)

CONSULTANT'S RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated \_\_\_\_\_, 20\_\_\_\_, between the undersigned, as CONSULTANT, and \_\_\_\_\_ having an office at \_\_\_\_\_, hereinafter called DISTRICT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, we, the undersigned, have agreed to release any and all claims and liens which the undersigned has, or might have, against the DISTRICT, or said Facilities by reason of services, labor, materials and equipment performed or furnished by us in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, the receipt and sufficiency of which are hereby acknowledged, remises, releases and forever quitclaims, and by these presents does remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns, shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have, against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ written.

(SEAL)

\_\_\_\_\_  
CONSULTANT

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

I, \_\_\_\_\_, duly authorized representative of \_\_\_\_\_, designated as CONSULTANT in the above-referenced Agreement, do hereby state that the parties whose names are signed to the attached releases, Documents 1 through \_\_\_\_\_, are all of the parties who have performed or furnished labor, services, materials, or equipment in connection with the construction of the Facilities mentioned above, excepting only such materials as may have been furnished by DISTRICT.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Duly Authorized

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 the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF MONTEREY                )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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 capacity(ies), 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.

\_\_\_\_\_  
Notary Public in and for said State



SUBCONTRACTOR's OR SUBCONSULTANT's  
RELEASE OF LIENS AND CLAIMS

WHEREAS, the undersigned, has installed or performed or furnished labor, services, materials, and/or equipment for the installation of the Project entitled \_\_\_\_\_, (the "Project"), installed pursuant to a written agreement dated \_\_\_\_\_, 19\_\_\_\_, between the \_\_\_\_\_, having an office at \_\_\_\_\_, hereinafter called DISTRICT and, \_\_\_\_\_, having an office at \_\_\_\_\_, hereinafter called CONSULTANT, at or on real estate owned by DISTRICT and described and located as follows:

(the "Facilities"); and,

WHEREAS, the undersigned, has agreed to release any and all claims and liens which the undersigned has, or might have, against DISTRICT or Facilities by reason of the services, labor, materials and equipment performed or furnished by the undersigned in connection with the Project.

NOW THESE PRESENTS WITNESS that the undersigned, in consideration of the premises herein, and of the sum of One Dollar (\$1.00) in hand paid by DISTRICT, at and before the sealing and delivery hereof, (the receipt and sufficiency of which are hereby acknowledged), remises, releases and forever quitclaims and by these \_\_\_\_\_ presents do remise, release and forever quitclaim, unto DISTRICT, its successors and assigns, any and all manner of liens, claims and/or demands whatsoever which the undersigned now has, or might or could have, on or against the Facilities, or DISTRICT for work done, for services performed or furnished or for equipment or materials \_\_\_\_\_ furnished in connection with the Project installation. It is the intent of this Release that DISTRICT, its successors and assigns shall and may hold, have, use and enjoy the Facilities free and discharged from all liens and demands whatsoever which the undersigned now has, or might or could have against the same if these presents had not been made.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand and seal as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ written.

(SEAL)

\_\_\_\_\_  
(Company Name)

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

I, \_\_\_\_\_, duly authorized representative of \_\_\_\_\_, designated as CONSULTANT in the above-referenced Agreement, do hereby state that the parties whose names are signed to the attached releases, Documents 1 through \_\_\_\_\_, are all of the parties who have performed or furnished labor, services, materials, or equipment in connection with the construction of the Facilities mentioned above, excepting only such materials as may have been furnished by DISTRICT.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Duly Authorized

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 the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF MONTEREY                )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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 capacity(ies), 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.

\_\_\_\_\_  
Notary Public in and for said State

**AGREEMENT FOR PROFESSIONAL SERVICES**  
**BETWEEN MARINA COAST WATER DISTRICT**  
**AND [CONSULTANT]**  
**FOR [PROJECT NAME]**

AMENDMENT NO. [   ]

Article II - Scope of Services shall be [DESCRIPTION OF ADDITIONAL OR MODIFIED SCOPE OF SERVICES].

Article IV - Schedule shall be amended by a [   ] week extension.

Article IX - Payment shall be amended by a lump sum (or not-to-exceed if time and expense contract) amount of [\$            ]. (***NOTE: IF TIME AND EXPENSE CONTRACT, TASK ORDER MUST BE ACCOMPANIED BY ENGINEER'S MOST CURRENT SCHEDULE OF CHARGES.***)

All other articles of the [DATE] AGREEMENT FOR ENGINEERING SERVICES remain the same.

DISTRICT and ENGINEER have caused this Agreement to be amended by representatives duly authorized to act, all as of the effective date of [            ].

Prepared by: \_\_\_\_\_ Date \_\_\_\_\_  
(DISTRICT REPRESENTATIVE)

ENGINEER  
[Name of consulting firm]

DISTRICT  
Marina Coast Water District

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title: General Manager

Date \_\_\_\_\_

Date \_\_\_\_\_

**Marina Coast Water District  
Agenda Transmittal**

**Agenda Item:** 12-D

**Meeting Date:** August 18, 2025

**Prepared By:** Mayra Magdaleno

**Approved By:** Remleh Scherzinger, PE

**Reviewed By:** Jack Gao, EIT, PMP

**Reviewed By:** Garrett Haertel, PE

**Agenda Title:** Adopt Resolution No. 2025-46 to Amend the FY 2025-2026 Capital Improvement Program and Award a Construction Contract to Monterey Peninsula Engineering for General Construction Services for the Construction of the Imjin Lift Station Odor Control Project (OS-0348)

**Staff Recommendation:** The Board of Directors approve Resolution No. 2025-46 to amend the Capital Improvement Program and award a Construction Contract to Monterey Peninsula Engineering for General Construction Services for the construction of the Imjin Lift Station Odor Control Project (OS-0348).

**Background:** *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*

*OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.*

*OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.*

The Fiscal Year (FY) 2025-2026 Budget approved by the Board of Directors included upgrades and expansion plans for the existing water, recycled water, and wastewater collection systems. The Imjin Lift Station serves as a vital connection between its northern and eastern wastewater service areas and the force main that transports wastewater for treatment. It receives sewage from several areas, including East Garrison, Marina Airport, Preston Park, and the California State University Monterey Bay (CSUMB) housing area.

**Discussion/Analysis: OS-0348 Imjin Lift Station Odor Control Project;** The scope of the project involves the construction of an odor control system to prevent odor complaints from the surrounding area. The system consists of a storage tank, a Bioxide dosing pump, and a controller. The Imjin Lift Station Odor Control Project opened for bidding on June 30, 2025. Throughout the bidding process, there was one addendum issued to address Request for Information (RFI) and questions from construction firms. A public bid opening was held on July 29, 2025, in which three bids were received. The lowest responsive bidder was Monterey Peninsula Engineering at \$519,000. See the table below for results.

<b>Bid Summary</b>	
<b>Construction Firm</b>	<b>Bid Total</b>
Monterey Peninsula Engineering	\$519,000
Nviro	\$596,606
Corcus Construction Inc.	\$699,000

**Environmental Review Compliance:** Notice of Exemption (NOE).

**Legal Counsel Review:** Legal Counsel reviewed and provided language to this agenda item.

**Climate Adaptation:** The District's goal is to provide projects that address climate change and improve the District's footprint on the environment. Sanitary Sewer System improvement projects provide overall system reliability and reduce the potential liability of impacts to the sensitive local environment and inefficient operation. The addition of the odor control system to the lift station will help control harmful gases like hydrogen sulfide (H<sub>2</sub>S), reduce fats, oils, and grease (FOG), and prevent infrastructure corrosion.

**Financial Impact:**   X   Yes        No      **Funding Source/Recap:** The FY 2025-2026 Capital Improvement Program (CIP) budget for project CIP # OS-0348 was set to \$150,000. The lowest bid submitted by Monterey Peninsula Engineering amounts to \$519,000. Staff recommends a budget update, bringing the total to \$600,000. In order to fund the overall project and commence work, staff recommends amending FY 2025-2026 CIP Budget to add funding to the Imjin Lift Station Odor Control Project (OS-0348). See the table below for the budget amendment summary.

CIP Budget Amendment	Budget	Change	Balance
<b>From:</b> OS-0218 Gigling Lift Station Replacement	\$468,000	(\$341,000)	\$127,000
<b>From:</b> FY 2025-2026 OS Capital Replacement Operating Reserves	\$109,000*	(\$109,000)	\$0*
<b>To:</b> FY 25/26 OS-0348 Imjin Lift Station Odor Control	\$150,000	\$450,000	\$600,000

\* - \$109,000 was returned to Operating Reserves from unspent FY 2024-2025 OS-0348 Approved Project Funding, all other Operating Reserves will remain.

**Material Included for Information/Consideration:** Resolution No. 2025-46; and Construction Contract.

**Action Required:**   X   Resolution        Motion        Review

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Board Action

Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_ No Action Taken \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

August 18, 2025

Resolution No. 2025-46  
Resolution of the Board of Directors  
Marina Coast Water District

Award a Construction Contract to Monterey Peninsula Engineering for General Construction Services for the construction of the Imjin Lift Station Odor Control Project (OS-0348)

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD” or “District”) at a regular meeting duly called and held on August 18, 2025 at 920 Second Avenue, Suite B, Marina, California as follows:

WHEREAS, the District owns and operates facilities and property for the supply, treatment and distribution of water, including recycled wastewater (the “Water System”), and the collection, treatment and disposal of wastewater (the “Wastewater System”) and the District wishes to allocate funds for the acquisition, construction and installation of improvements to the Water System and the Wastewater System, consisting generally of infrastructure improvements to pipelines, pumping stations, storage, groundwater wells, other water supply sources, facilities, and District operational systems to modernize the District’s water, wastewater and recycled water systems(the “Projects”); and,

WHEREAS, on May 18, 2020, the Directors of the District accepted the Water, Sewer and Recycled Water Master Plans; and,

WHEREAS, the Directors of the District passed and adopted Resolution No. 2025-31 adopting the District Budget for FY 2025-2026; and,

WHEREAS, the Imjin Lift Station receives sewage from several areas, including East Garrison, Marina Airport, Preston Park, and the California State University Monterey Bay (CSUMB) housing area; and,

WHEREAS, the project OS-0348 Imjin Lift Station Odor Control involves the construction of an odor control system that consists of a storage tank, a Bioxide dosing pump, and a controller; and,

WHEREAS, a public bid opening was held on July 29, 2025, in which three bids were received; and,

WHEREAS, a responsive bid from Monterey Peninsula Engineering for General Construction Services was received and determined the low bid at \$519,000; and,

WHEREAS, a FY 2025-2026 CIP Budget amendment is required to resource the 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:

1. Adopt Resolution No. 2025-46 to Amend the FY 2025-2026 Capital Improvement Program Budget as follows:

<b>CIP Budget Amendment</b>	<b>Budget</b>	<b>Change</b>	<b>Balance</b>
<b>From:</b> OS-0218 Gigling Lift Station Replacement	\$468,000	(\$341,000)	\$127,000
<b>From:</b> FY 2025-2026 Operating Reserves	\$109,000*	(\$109,000)	\$0*
<b>To:</b> FY 25/26 OS-0348 Imjin Lift Station Odor Control	\$150,000	\$450,000	\$600,000

\* - \$109,000 was returned to Operating Reserves from unspent FY 2024-2025 OS-0348 Approved Project Funding, all other Operating Reserves will remain.

2. Adopt Resolution No. 2025-46 to Award a Construction Contract to Monterey Peninsula Engineering for General Construction Services for the construction of the Imjin Lift Station Odor Control Project (OS-0348).
3. Authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on August 18, 2025, 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 \_\_\_\_\_

\_\_\_\_\_  
Gail Morton, 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. 2025-46 adopted August 18, 2025.

\_\_\_\_\_  
Remleh Scherzinger, Secretary

**AGREEMENT  
BETWEEN MARINA COAST WATER DISTRICT  
AND MONTEREY PENINSULA ENGINEERING  
FOR IMJIN LIFT STATION ODOR CONTROL  
PROGRAM**

THIS AGREEMENT is by and between Marina Coast Water District ("Owner") and  
Monterey Peninsula Engineering ("Contractor").

Owner and Contractor hereby agree as follows:

**ARTICLE 1 – WORK**

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

**ARTICLE 2 – THE PROJECT**

- 2.01 *The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Imjin Lift Station Odor Control Program*

**ARTICLE 3 – ENGINEER**

- 3.01 The part of the Project that pertains to the Work has been designed by Schaaf & Wheeler Consulting Civil Engineers, 3 Quail Run Circle, Suite 101, Salinas, CA 93907.
- 3.02 The Owner has retained Schaaf & Wheeler ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

**ARTICLE 4 – CONTRACT TIMES**

- 4.01 *Time of the Essence*
- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- 4.02 *Contract Times: Days*
- A. The Work will be substantially completed within 180 calendar days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within 210 calendar days after the date when the Contract Times commence to run.
- 4.03 *Liquidated Damages*
- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the



delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner \$1,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$2,000 for each day that expires after such time until the Work is completed and ready for final payment.
3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.

#### 4.04 *Special Damages*

- A. In addition to the amount provided for liquidated damages, Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.
- B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

### ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:
  - A. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work by multiplying the unit price times the actual quantity of that item):

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
1	Mobilization/Demobilization	LS	1		
2	Storm Water Pollution Prevention Plan	LS	1		
3	Odor Control Station	LS	1		
4	Electrical	LS	1		

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
5	Site Work	LS	1		
6	Start-up and Testing	LS	1		
Total of all Extended Prices for Unit Price Work (subject to final adjustment based on actual quantities)					\$

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

## ARTICLE 6 – PAYMENT PROCEDURES

### 6.01 Submittal and Processing of Payments

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

### 6.02 Progress Payments; Retainage

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 30th day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
  1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
    - a. 95 percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
    - b. 0 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 200 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

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6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

**ARTICLE 7 – INTEREST**

- 7.01 All amounts not paid when due shall bear interest at the rate of 5 percent per annum.

**ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS**

- 8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

- J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

## ARTICLE 9 – CONTRACT DOCUMENTS

### 9.01 *Contents*

- A. The Contract Documents consist of the following:
1. This Agreement.
  2. Performance bond.
  3. Payment bond.
  4. General Conditions.
  5. Supplementary Conditions.
  6. Specifications as listed in the table of contents of the Project Manual.
  7. Drawings (not attached but incorporated by reference).
  8. Addenda (numbers 1 to 1, inclusive).
  9. Exhibits to this Agreement (enumerated as follows):
    - a. Contractor's Bid (Document 00 41 00.
    - b. Contractor's Representations (Documents 00 45 12 to 00 45 30, as included in the Bid)
  10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    - a. Notice to Proceed.
    - b. Work Change Directives.
    - c. Change Orders.
    - d. Field Orders.
  11. The Standard Plans and Specifications of the Marina Coast Water District, dated November 2007 (not attached but incorporated by reference).
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

## ARTICLE 10 – MISCELLANEOUS

### 10.01 *Terms*

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

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**10.02 *Assignment of Contract***

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

**10.03 *Successors and Assigns***

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

**10.04 *Severability***

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

**10.05 *Contractor's Certifications***

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
  2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
  3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
  4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

**10.06 *Other Provisions***

- A. Owner stipulates that the General Conditions that are made a part of this Contract are the EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, with modifications made solely in the Supplementary Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on \_\_\_\_\_ (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: General Manager

Title: \_\_\_\_\_

*(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)*

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address for giving notices:

Address for giving notices:

Marina Coast Water District

920 2<sup>nd</sup> Avenue, Suite A

Marina, CA 93933

License No.: \_\_\_\_\_

*(where applicable)*

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

## ARTICLE 5 – BASIS OF BID

- 5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Estimated Quantity	Bid Unit Price	Bid Price
1	Mobilization/Demobilization	LS	1	40,000 -	40,000 -
2	Storm Water Pollution Prevention Plan	LS	1	12,000 -	12,000 -
3	Odor Control System	LS	1	370,000 -	370,000 -
4	Electrical	LS	1	30,000 -	30,000 -
5	Site Work	LS	1	54,500 -	54,500 -
6	Start-up and Testing	LS	1	12,500 -	12,500 -
<b>Total of Lump Sum and Unit Price Bids = Total Bid Price</b>				\$ 519,000.00 -	

ALW=Allowance, CF=Cubic Foot, CY=Cubic Yard, DY=Day, HR=Hour, LF=Linear Foot, LS=Lump Sum, SF=Square Foot, SY=Square Yard

Bidder acknowledges that (1) each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and (2) estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

**Total of Lump Sum and Unit Price Bids = Total Bid Price**      \$ 519,000.00

Five Hundred Nineteen Thousand Dollars  $\frac{00}{100}$  Cents

## ARTICLE 6 – TIME OF COMPLETION

- 6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.