



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS
KENNETH K. NISHI
President

WILLIAM LEE
Vice President

THOMAS P. MOORE
HOWARD GUSTAFSON
DAN BURNS

Agenda

Regular Board Meeting, Board of Directors Marina Coast Water District

11 Reservation Road, Marina, California
Tuesday, February 9, 2010, 6:45 p.m. PST

This meeting has been noticed according to the Brown Act rules. The Board of Directors now meets regularly on the second Tuesday of each month. The meetings normally begin at 6:45 p.m. at the District offices at 11 Reservation Road, Marina, California.

Mission: Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.

Vision: The Marina Coast Water District will be the leading public supplier of integrated water and wastewater services in the Monterey Bay Region.

1. Call to Order

2. Roll Call

3. Closed Session

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator (General Manager, Legal Counsel)
Property: Water Rights
Negotiating Parties: MCWD and Clark Colony Water Company
Under Negotiation: Price and Terms

- B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator (General Manager, Legal Counsel)
Property: Desalination Plant, 11 Reservation Road
Negotiating Parties: MCWD and Marina Community Partners
Under Negotiation: Renovation and Use of Existing Real Property Facilities

7:00 p.m. Reconvene Open Session

4. Possible Action on Closed Session Item *The Board will report out on any action taken during Closed Session, and may take additional action in Open Session, as appropriate. Any closed session items not completed will be discussed at the end of the meeting.*

5. Pledge of Allegiance

This agenda is subject to revision and may be amended prior to the scheduled meeting. A final agenda will be posted at the District office at 11 Reservation Road, Marina, 72 hours prior to the meeting. Copies will also be available at the Board meeting. A complete Board packet containing all enclosures and staff materials will be available for public review on Thursday, February 4, 2010 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. The next regular meeting of the Board of Directors is scheduled for March 9, 2010.

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

7. Consent Calendar *Board approval can be taken with a single motion and vote. A Board member or member of the public may request that any item be pulled from the Consent Calendar for separate consideration at this meeting or a subsequent meeting. The public may address the Board on any Consent Calendar item. Please limit your comment to three minutes.*

- A. Receive the Quarterly Financial Statements for October 1, 2009 to December 31, 2009
- B. Approve the Expenditures for the Month of January 2010
- C. Approve the Draft Minutes of the Regular Board Meeting of January 12, 2010
- D. Approve the Draft Minutes of the Special Board Meeting of January 20, 2010

8. Action Items *The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board on these Items as each item is reviewed by the Board. Please limit your comment to three minutes.*

- A. Consider Adoption of Resolution No. 2010-09 to Approve a Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Regional Water Supply Project

Action: The Board of Directors is requested to consider Resolution No. 2010-09 approving a Professional Services Agreement with RMC Water and Environment for program management and engineering services for the Regional Water Supply Project.

- B. Consider Adoption of Resolution No. 2010-10 to approve a Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Recycled Water Project (RUWAP) and Amend the FY 2009/2010 Budget

Action: The Board of Directors is requested to consider Resolution No. 2010-10 approving a Professional Services Agreement with RMC Water and Environment for program management and engineering services for the Recycled Water Project and amend the FY 2009/2010 budget.

- C. Consider Adoption of Resolution No. 2010-11 to Approve a Reimbursement Resolution to the State Water Resources Control Board Clean Water State Revolving Fund for the Recycled Water Facility Component of the Regional Urban Water Augmentation Project

Action: The Board of Directors is requested to approve a Reimbursement Resolution to the State Water Resources Control Board Clean Water State Revolving Fund for the Recycled Water Facility Component of the Regional Urban Water Augmentation Project.

- D. Consider Appointing a District Negotiation Team to Discuss the Process Regarding the General Manager's Evaluation and Contract

Action: The Board of Directors is requested to appoint a District negotiation team to discuss the General Manager's evaluation and contract.

9. Staff Reports

- A. Receive 4th Quarter 2009 Ord Community Water Consumption and Sewer Flows Report
- B. Receive Update on the Regional Urban Water Augmentation Project/Regional Plan
- C. Receive Draft Employee Handbook for Review

10. Workshop

- A. Ord Community Ad Hoc Recommendation Discussion – Part IV

11. Informational Items *Informational items are normally provided in the form of a written report or verbal update and may not require Board action. The public may address the Board on Informational Items as they are considered by the Board. Please limit your comments to three minutes.*

- A. General Manager's Report
- B. District Engineer's Report
- C. Counsel's Report
 - Update on Desalination Plant Contract
- D. Committee and Board Liaison Reports
 - 1. Water Conservation Commission
 - 2. Joint City-District Committee
 - 3. MRWPCA Board Member
 - 4. LAFCO Liaison
 - 5. JPIA Liaison
 - 6. FORA
 - 7. Executive Committee
 - 8. Community Outreach
 - 9. Special Districts Association Liaison
- E. Director's Comments

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

*Regular Meeting: Tuesday, March 9, 2010, 6:45 p.m.,
11 Reservation Road, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7

Meeting Date: February 9, 2010

Submitted By: Paula Riso
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of: A) Receive the Quarterly Financial Statements for October 1, 2009 to December 31, 2009; B) Approve the Expenditures for the Month of January 2010; C) Approve the Draft Minutes of the Regular Board Meeting of January 12, 2010; and, D) Approve the Draft Minutes of the Special Board Meeting of January 20, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: See individual transmittals.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement - Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: _____ Yes _____ No

Funding Source/Recap: See individual transmittals.

Material Included for Information/Consideration: See individual transmittals.

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

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

Board Action

_____ Resolution No _____ Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: February 9, 2010

Submitted By: Suresh Prasad
Reviewed By: Carl Niizawa

Presented By: Suresh Prasad

Agenda Title: Receive the Quarterly Financial Statements for October 1, 2009 to December 31, 2009

Detailed Description: All figures reported for the quarter are based on accrual basis accounting. The District's consolidated financial statement for the quarter includes revenues of \$2.486 million and expenses of \$1.729 million, resulting in operating reserves of \$0.757 million. The District budget projected an operating reserve of \$0.610 million for the same period. The operating reserve was higher than the budget expectation by \$0.147 million due to reduction in expenditures for the current quarter.

Summary of Cost Centers:

Description	Actual Otr	Budget Otr	Actual FYTD	Budget FYTD
Marina Water				
Revenues	871,455	900,725	2,063,649	2,000,450
Expenses	458,470	571,276	893,776	1,142,551
Op Reserves	412,985	329,449	1,169,873	857,899
Marina Sewer				
Revenues	174,421	183,600	349,698	367,200
Expenses	145,668	128,808	270,912	257,616
Op Reserves	28,754	54,792	78,786	109,584
Ord Community Water				
Revenues	1,047,790	1,232,175	2,305,508	2,629,550
Expenses	821,836	1,037,622	1,804,421	2,075,245
Op Reserves	225,954	194,553	501,087	554,305
Ord Community Sewer				
Revenues	389,639	400,950	806,913	801,900
Expenses	219,474	267,240	435,387	534,481
Op Reserves	170,165	133,709	371,526	267,419
Regional Water Augmentation				
Revenues	2,730	4,000	7,476	8,000
Expenses	83,122	106,193	182,525	212,385
Op Reserves	(80,391)	(102,193)	(175,049)	(204,385)
Consolidated Cost Centers				
Revenues	2,486,036	2,721,450	5,533,245	5,807,100
Expenses	1,728,571	2,111,140	3,587,021	4,222,279
Op Reserves	757,465	610,310	1,946,224	1,584,821

As of December 31, 2009, the District had \$12.029 million in liquid investments, and \$0.595 million of principal as internal loans to the Ord Community Cost Centers payable to the Marina Cost Centers. The District also had \$12.187 million of bond proceeds for construction purposes and \$3.084 of bond proceeds for debt reserve purposes in the bank. The District owed \$40.610 million in debt for the 2006 revenue certificates of participation bond and \$0.550 for CalPERS loan.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact: _____Yes ___X___No

Funding Source/Recap: N/A

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

Staff Recommendation: The Board of Directors receive the Quarterly Financial Statements for October 1, 2009 to December 31, 2009.

Action Required: _____Resolution _____Motion ___X___Review

Board Action

_____Resolution No_____ Motion By_____ Seconded By_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Reagendized_____ Date_____ No Action Taken_____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-B

Meeting Date: February 9, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Approve Expenditures for the Month of January 2010

Detailed Description: The Board of Directors is requested to approve the attached January 2010 check register for expenditures totaling \$1,034,481.01.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact: ___ Yes ___ **X** ___ No

Funding Source/Recap: Expenditures are allocated across the five cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04- Ord Sewer, 05-New Water.

Material Included for Information/Consideration: January 2010 Summary Check Register.

Staff Recommendation: The Board of Directors approve the January 2010 expenditures totaling \$1,034,481.01.

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

Board Action

___ Resolution No ___ Motion By ___ Seconded By ___

Ayes ___ Abstained ___

Noes ___ Absent ___

Reagendized ___ Date ___ No Action Taken ___

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-C

Meeting Date: February 9, 2010

Submitted By: Paula Riso
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of January 12, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of January 12, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: _____Yes X No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of January 12, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the January 12, 2010 regular Board meeting.

Action Required: _____Resolution X Motion _____Review

Board Action

_____Resolution No_____ Motion By_____ Seconded By_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Reagendized_____ Date_____ No Action Taken_____

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
January 12, 2010
6:45 p.m.

Draft Minutes

1. Call to Order:

President Nishi called the meeting to order at 6:45 p.m. on January 12, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi – President
Bill Lee – Vice President
Howard Gustafson
Dan Burns
Tom Moore

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Carl Niizawa, Deputy General Manager/District Engineer
Suresh Prasad, Director of Finance
Jean Premutati, Management Services Administrator
Evelina Adlawan, Water Quality Manager
Rich Youngblood, Conservation Coordinator
Paul Lord, Water Conservation Specialist
Paula Riso, Executive Assistant

Audience Members:

Tom Buell, MRWPCA
Jan Shriner, Marina Resident
Vienna Merritt Moore, Marina Resident
Andy Sterbenz, Schaaf & Wheeler
Kurt Gonzalez, Marina Resident
Dan Amadeo, Marina Resident

Cheiko Nozaki, Army BRAC Office
Derek Lieberman, BRAC Consultant
David Eisen, Army Corps of Engineers
Bill Collins, Army BRAC Office
Roy Evans, Hydro Geologic

The Board entered into closed session at 6:45 p.m.

3. Closed Session:

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator (General Manager, Legal Counsel)
Property: Outfall capacity, regional wastewater outfall, Marina, California
Agency Negotiators: (General Manager, Legal Counsel)
Negotiating Parties: MCWD, Monterey Regional Water Pollution Control Agency
Under Negotiation: Price and Terms of Payment

The Board ended closed session at 7:04 p.m.

President Nishi reconvened the meeting to open session at 7:05 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, stated that no decisions were made in closed session and the Board would return to closed session at the end of the open meeting after which any action will be reported out.

5. Pledge of Allegiance:

President Nishi asked Mr. Paul Lord to lead everyone present in the pledge of allegiance.

6. Oral Communications:

Mr. Lowrey commented that a letter addressed to the Board was received and would be received under correspondence at the end of the meeting.

7. Presentations:

- A. Consider Adoption of Resolution No. 2010-01 to Recognize Paul Lord, Water Conservation Specialist, and Awarding a Plaque and Gift Certificate for 5 Years of Service to the Marina Coast Water District:

Mr. Jim Heitzman, General Manager, introduced this item and read the narration on the resolution.

Agenda Item 7-A (continued):

Director Moore made a motion to adopt Resolution No. 2010-01 recognizing Paul Lord, Water Conservation Specialist, and awarding a plaque and gift certificate for 5 years of service to the Marina Coast Water District. Director Gustafson seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

President Nishi awarded a plaque and gift certificate to Mr. Lord. Director Gustafson thanked Mr. Lord for his help with the Landscape Model Ordinance.

- B. Consider Adoption of Resolution No. 2010-02 in Recognition and Appreciation of Director Howard Gustafson's Service as Board President from January 2007 through December 2009:

President Nishi read the narration.

Director Moore made a motion to adopt Resolution No. 2010-02 recognizing and appreciating Director Howard Gustafson's service as Board President from January 2007 through December 2009. Vice President Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

President Nishi presented Director Gustafson with a plaque and resolution for his service as Board President from January 2007 through December 2009.

- C. Receive a Presentation by the US Army on the Groundwater Remediation Program on the Former Fort Ord:

Mr. Bill Collins, Army Base Realignment Closure Office (BRAC), introduced this item and the members of the remediation team that were present for the presentation. Mr. Derek Lieberman, BRAC Consultant, gave a presentation on the efforts made by the US Army in the Groundwater Remediation Program. Several questions were raised regarding how long it would take to capture 100% of the plume, how the soil was being cleaned, and how long the landfill cover would last.

8. Consent Calendar:

Director Moore noted that several corrections were distributed before the meeting and asked that the motion included accepting those corrections. Those corrections include: 1) name correction on page 7 of the November 17, 2009 minutes; 2) two words inserted into page 7 of the December 8, 2009 minutes; and, 3) Legal Counsel's name inserted into page 1, and a word change to page 3 of the December 22, 2009 minutes.

Ms. Jan Shriner, Marina resident, requested to pull item C.

Director Gustafson made a motion to approve the Consent Calendar consisting of items; A) Adopt Resolution No 2010-03 to Extend and Amend the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for General Engineering Services for As-Needed General Planning, Design, and Hydraulic Model Maintenance Tasks; B) Adopt Resolution No. 2010-04 to Authorize the General Manager or Deputy General Manager to Accept an Easement from PG&E for the Proposed Recycled Water Facilities; D) Approve Expenditures for the Month of December 2009; E) Approve the Draft Minutes of the Regular Board Meeting of November 17, 2009; F) Approve the Draft Minutes of the Regular Board Meeting of December 8, 2009; and, G) Approve the Draft Minutes of the Special Board Meeting of December 22, 2009; with the corrections mentioned above. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

C. Adopt Resolution No. 2010-05 to Approve the Signing Authority for the Deputy General Manager/District Engineer:

Ms. Shriner voiced her concern over the check writing policy asking why the authorized amount was so high and why so many staff members were allowed to sign checks. President Nishi explained that the policy was not changing; the only change was adding the Deputy General Manager/District Engineer as a signatory to the checks.

Director Moore made a motion to adopt Resolution No. 2010-05 approving the signing authority for the Deputy General Manager/District Engineer with the caveat that the policy language is clarified to show that one signature on checks over \$25,000 will be that of a staff member and the other will be that of a Board member. Vice President Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

9. Action Items:

- A. Consider Adoption of Resolution No. 2010-06 to Authorize the General Manager and/or the Deputy General Manager/District Engineer to Sign a License Agreement with the Regents of the University of California for Well No. 32 Replacement/Eastern Distribution System Project:

Mr. Heitzman introduced this item. Mr. Carl Niizawa, Deputy General Manager/District Engineer, briefly explained the reason for the agreement.

Director Moore made a motion to adopt Resolution No. 2010-06 authorizing the General Manager and/or the Deputy General Manager/District Engineer to sign a License Agreement with the Regents of the University of California for Well No. 32 Replacement/Eastern Distribution System Project, with “Initial Study/Mitigated Negative Declaration” spelled out in the fourth WHEREAS of the resolution. Director Gustafson seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

- B. Consider Adoption of Resolution No. 2010-07 to Authorize the General Manager and/or the Deputy General Manager/District Engineer to Sign a Memorandum of Understanding and License Agreement with the County of Monterey and UCP-East Garrison, LLC for Temporary Use of North Drainage Basin for Well No. 32 Replacement/Eastern Distribution System Project:

Mr. Niizawa introduced this item.

Director Gustafson made a motion to adopt Resolution No. 2010-07 authorizing the General Manager and/or the Deputy General Manager/District Engineer to sign a Memorandum of Understanding and License Agreement with the County of Monterey and UCP-East Garrison, LLC for temporary use of North Drainage Basin for Well No. 32 Replacement/Eastern Distribution System Project. Vice President Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

C. Consider Director Appointments to Standing Committees of the Board and to Outside Agencies for 2010:

President Nishi handed out a list of his recommendations which are as follows:

Water Conservation Commission:	Bill Lee, Dan Burns – Alternate
Joint City – District Committee:	Ken Nishi, Bill Lee, Dan Burns – Alternate
MRWPCA Board of Directors:	Ken Nishi, Dan Burns – Alternate
FORA Board of Directors:	Ken Nishi, Dan Burns – Alternate
LAFCO:	Tom Moore, Ken Nishi – Alternate
JPIA Liaison:	Dan Burns, Bill Lee – Alternate
Executive Committee:	Ken Nishi, Bill Lee
Community Outreach Committee:	Howard Gustafson, Bill Lee
Special District’s Association	Howard Gustafson, Bill Lee – Alternate

Director Moore made a motion to approve the recommendations with a change to the MRWPCA appointment. He would like Director Burns as the primary and President Nishi as the alternate. The motion failed for a lack of a second.

Director Gustafson made a motion to approve the recommendations to Standing Committees and outside agencies as presented. Vice President Lee seconded the motion. Director Moore commented that he made his motion because Director Burns has great experience with the MRWPCA. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

10. Staff Reports:

A. Receive a Report on the Current Public Outreach Efforts:

Mr. Niizawa introduced this item explaining the District has several programs in place that reach out to customers, and those include: the District website, the annual Consumer Confidence Report, newsletters, and a Water Report.

Agenda Item 10-A (continued):

Mr. Niizawa added that the District is continuing to look for additional ways to inform the public on the continuing accomplishments of the District. Ms. Shriner asked if she could get contact information for the District's Public Outreach consultant.

B. Receive a Report on the Landscapes Incentives Program:

Mr. Richard Youngblood, Conservation Coordinator, gave a brief update on the Landscapes Incentive Program and reviewed the additional information the Board had requested at the last meeting. President Nishi asked staff to find out how many of the landscape projects were completed by landscape contractors.

President Nishi commented that the City of Marina is one of the largest water wasters with the irrigation they use on their median landscaping. Director Moore agreed.

11. Workshop:

A. Ord Community Ad Hoc Recommendation Discussion – Part III

Mr. Heitzman gave a brief recap of the Ord Community Ad Hoc's (OCAC) mission and recommendation that had been discussed at the previous workshops. Mr. Heitzman stated that the next workshop would discuss the District annexing the entire Ord Community. After that meeting, a workshop to discuss the Local Agency Formation Commission process will be held. Mr. Heitzman added that following those meetings, a final question/answer workshop will be held. Once the workshops are completed, final action will be requested of the Board.

Ms. Shriner asked to be included in the notification of the OCAC workshops. Mr. Heitzman answered that the workshops are held during regular board meetings and the OCAC group did not meet any more and had not met in over a year.

12. Informational Items:

A. General Manager's Report:

Mr. Heitzman commented that the rubber dam on the Salinas River is in place and operable. He added that the Monterey Peninsula Water Management District's aquifer storage and recovery is online with help by the District. Mr. Heitzman stated that the California State University Monterey Bay is now fully metered. He also commented that the new Deputy General Manager/District Engineer, Carl Niizawa, was doing a fine job.

B. District Engineer's Report:

Mr. Niizawa commented that the General Jim Moore Boulevard Phase V work has commenced.

C. Counsel's Report:

Mr. Lowery stated he had nothing to report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Vice President Lee commented that the Water Conservation Commission has a full Commission with nine members. Director Burns asked that a letter be sent to the applicant that did not get selected to the Commission.

2. Joint City-District Committee:

Director Gustafson stated there was no meeting held.

3. MRWPCA Board Member:

President Nishi commented that there was no meeting held in December and the next meeting will be held on the last Monday of January.

4. LAFCO Liaison:

Director Moore stated there was no meeting held in December and the next meeting is the 25th of January.

5. JPIA Liaison:

No comments.

6. FORA:

President Nishi stated the meeting was boiler-plate.

7. Executive Committee:

No comments.

8. Community Outreach:

Director Gustafson commented that REPOG was continued until just a few months ago.

9. Special Districts Association Liaison:

Director Gustafson commented that the meeting was scheduled for next week.

A. Director's Comments:

Director Burns asked for an update on the District's desalination plant and the contract currently in place.

Director Moore requested to have a closed session regarding negotiating the General Manager's contract.

President Nishi asked Board members to contact their alternates as soon as possible if they are unable to attend a Committee meeting. He added that he was glad the Board was working together.

13. Correspondence:

President Nishi asked that the correspondence received from Ms. Jan Shriner be included under correspondence.

President Nishi recessed the meeting from 8:42 p.m. until 8:50 p.m.

The Board re-entered closed session at 8:50 p.m.

3. Closed Session:

A. Pursuant to Government Code 54956.8

Conference with Real Property Negotiator (General Manager, Legal Counsel)

Property: Outfall capacity, regional wastewater outfall, Marina, California

Agency Negotiators: (General Manager, Legal Counsel)

Negotiating Parties: MCWD, Monterey Regional Water Pollution Control Agency

Under Negotiation: Price and Terms of Payment

President Nishi reconvened the meeting to open session at 9:14 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, stated that no decisions were made in closed session and direction was given to the negotiators.

14. Adjournment:

The meeting was adjourned at 9:16 p.m.

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Jim Heitzman, General Manager

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-D

Meeting Date: February 9, 2010

Submitted By: Paula Riso
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of January 20, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of January 20, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: _____ Yes X No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of January 20, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the January 20, 2010 special Board meeting.

Action Required: _____ Resolution X Motion _____ Review

Board Action

_____ Resolution No _____ Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Special Board Meeting
January 20, 2010
5:45 p.m.

Draft Minutes

1. Call to Order:

President Nishi called the meeting to order at 5:45 p.m. on January 20, 2010.

2. Roll Call:

Board Members Present:

Howard Gustafson – President
Bill Lee – Vice President
Ken Nishi
Dan Burns
Tom Moore

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Christine Kemp, Legal Counsel
Paula Riso, Executive Assistant

Audience Members:

Derrick Hansen, Friedman Dumas & Springwater
Bob Holden, MRWPCA – arrived at 5:50 p.m.
Jan Shriner, Marina Resident – arrived at 6:21 p.m.

3. Pledge of Allegiance:

Vice President Lee led everyone present in the pledge of allegiance.

4. Closed Session:

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator (General Manager, Legal Counsel)
Property: Outfall capacity, regional wastewater outfall, Marina, California
Agency negotiators: (General Manager, Legal Counsel)
Negotiating parties: MCWD, Monterey Regional Water Pollution Control Agency
Under negotiation: Price and terms of payment

The Board elected to forgo closed session and moved directly to open session.

5. Oral Communications:

None.

6. Action Item:

- A. Consider Adoption of Resolution No. 2010-08 to Approve an Agreement between Marina Coast Water District and the Monterey Regional Water Pollution Control Agency for the Use of the Regional Treatment Plant's Outfall for Brine Disposal:

Mr. Jim Heitzman, General Manager, introduced this item.

Director Moore questioned the changes made to Exhibit C and the decrease in grant funds. Mr. Derrick Hansen, Friedman Dumas & Springwater, explained that incorrect numbers were entered into the formula the first time, and that has since been corrected.

President Nishi asked what escalators were used in figuring out the numbers. Mr. Hansen answered that the December 2009 ENRI CCI numbers were used.

Director Burns questioned the modifications made to the outfall diffuser ports and asked about the 65 million gallon capacity of the outfall. Mr. Hansen answered that the 65 million gallons is not a set number and will not be known until after the report is completed in April 2010. Director Burns questioned what would be the Operations and Maintenance (O&M) costs. Mr. Hansen stated that the District would pay the difference of the increase of costs related to the outfall. There were several clarifying questions on O&M costs.

President Nishi asked why the formulas in the agreement were changed. Mr. Heitzman stated that Mr. Hansen met with Municipal Financial Services and together they came to conclusions on the formula. Mr. Hansen also noted that he worked with the District's consultant, RMC Water and Environment, and they agreed with the way the calculations were made.

President Nishi asked why the Board of Directors did not receive a redlined version of the agreement showing the changes that were made since the last time it was viewed. Mr. Hansen stated that he could provide one, if needed. Director Burns commented that he was satisfied with staff going over the changes that were made.

Director Moore asked what the Board was being asked to do this evening. Mr. Heitzman stated that the Board was being asked to approve the agreement and the formula, with the final numbers to be inserted in the formula after the report was completed in April; and, documentation on the life expectancy of the infrastructure would be viewed and that agreed upon number will be inserted as well.

Mr. Heitzman recommended that the Board of Directors approve this agreement.

Vice President Lee made a motion to adopt Resolution No. 2010-08 approving an Agreement between Marina Coast Water District and the Monterey Regional Water Pollution Control Agency for the use of the Regional Treatment Plant's Outfall for Brine Disposal. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	No
Director Burns	-	Yes			

7. Director's Comments:

Director Moore thanked staff for their hard work on this agreement.

Director Burns commented that the duck-bills only are beneficial to a specific agency and they shouldn't be included in the formula.

Director Gustafson voiced his appreciation as well.

President Nishi stated that staff did a good job.

8. Adjournment:

The meeting was adjourned at 6:27 p.m.

Special Board Meeting
January 20, 2010
Page 4 of 4

APPROVED:

Kenneth K. Nishi, President

ATTEST:

Jim Heitzman, General Manager

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: February 9, 2010

Submitted By: Carl Niizawa
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-09 to Approve a Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Regional Water Supply Project

Detailed Description: The Board of Directors is requested to authorize a Professional Services Agreement (PSA) with RMC Water and Environment (RMC) for \$341,000 for Program Management and Engineering Services currently needed for the Regional Water Supply Project. These tasks include project meetings with the multiple agencies with agreements and coordination of the project, support of the continuing CPUC process, continuing pursuit of project funding support, and needed engineering review of agreement issues such as water transfer meters and needed conveyance facilities to the MRWPCA Outfall.

On June 10, 2005, the FORA and MCWD Boards of Directors directed staff to initiate scoping of the Hybrid Alternative of the Regional Urban Water Augmentation Project (RUWAP). The Hybrid Alternative as described in the MCWD certified *Environmental Impact Report -- Regional Urban Water Augmentation Project* includes two components: a 1,500 AFY recycled water project (commonly called the RUWAP project), and a 1,500 AFY desalination project (commonly called the Regional (Water Supply) project).

In August 2005, MCWD contracted with RMC to serve as Program Manager and initiated both components of the RUWAP project. The Recycled Water project preliminary design was started in early January 2006, and preliminary design of the Regional Water Supply project was initiated in October 2008 and amended in March 2009. The amended RMC contract totaled \$980,000 for this initial phase of the RUWAP program.

In May 2009, RMC was contracted to take on time critical tasks to continue to provide RUWAP program management and project activities focused on funding support, permitting, development of desalination facilities, recycled water extension evaluation, project outreach, and additional work as directed by MCWD for the Regional Water Supply and Recycled Water projects. This included the following major tasks:

1. Project Management
2. Project Implementation
3. Funding Support
4. Permitting Process
5. RUWAP Coordination
6. Water Quality Sampling
7. Intake Well Design
8. Armstrong Ranch Acquisition
9. Institutional Coordination
10. Recycled Water Extension
11. Project Outreach and Coordination

This RMC contract incorporates the cost of other District-required consultants to perform ancillary work for this portion of the RUWAP including, but not limited to specialty engineering analysis/design, hydrology, economic analysis and architectural (structural) design. \$1,000,000 was budgeted for this contract.

Since the May 2009 RMC contract was implemented, significant additional efforts were needed by RMC for the Regional Water Supply Project to support needed inter-agency agreements - those between MCWD and Monterey Regional Water Pollution Control Agency (MRWPCA), Monterey County Water Resource Agency (MCWRA), and California American Water (CAW). RMC, at the request of MCWD, re-focused most of its efforts on technical support of development of the program implementation plan, permitting, funding, and institutional coordination/agreements and de-emphasized the intake well design and recycled water extension evaluation. This effort resulted in technical support of the Regional Water Supply Project through the CPUC process, development of the Outfall Agreement with MRWPCA, input to the drafting of a potential three-way agreement among MCWD, MCWRA and CAW, development of draft permits with long lead-time agencies such as the California Coastal Commission, and initiation of funding efforts for potential federal appropriations, grant funding, and low interest loans. With the original scope of work and the additional needed duties, the budgeted contract funds have been fully utilized.

Currently it is expected that full implementation of the Regional Water Supply Project will: a) begin after completion of the CPUC process scheduled for late April 2010; b) begin after any approvals needed by the MCWD board; and, c) be implemented in accordance with the conditions of a three-way agreement among MCWD, MCWRA, and CAW. This new professional services agreement basically continues the previous work for approximately three months until the potential initiation of full implementation of the Regional Water Supply Project. This contract focuses on the following activities that are critical to the schedule and are related to MCWD-owned facilities and coordination with the Monterey County Water Resources Agency (MCWRA)-owned or California-American Water Company (CAW)-owned Project Facilities: continued pursuit of State and Federal funding opportunities, permitting processes, finalizing acquisition of the Armstrong Ranch lands, and engineering support to the next steps in the CPUC process and relationships with MCWRA, CAW and other parties.

This proposed Professional Services Agreement for Program Management and Engineering Services of the Regional Water Supply Project of the RUWAP with RMC will be performed and invoiced on a time and material basis for the not-to-exceed amount of \$341,000. Augmentation for the recycled water portion of the RUWAP is the subject of another MCWD staff agenda transmittal.

Environmental Review Compliance: None required.

Prior Board Action: In October 2004, the District Board of Directors certified the Environmental Impact Report for the Regional Urban Water Augmentation Project. The Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, 2009-16, and 2009-30 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project.

Board Goals/Objectives: 2007/2008 Strategic Plan, Goal No. 2. To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.

Financial Impact: Yes No

Funding Source/Recap: The \$341,000 project cost will be assigned to two District Cost Centers. 90% the project cost will be assigned to Cost Center 5, New Water Projects, within budgeted CIP Number GW-0157 RUWAP Desalination – Detailed Design which is budgeted for \$2,643,416. 10% share of the project costs will be assigned to Cost Center 1, Marina Water, within budgeted CIP Number GW-0157 RUWAP Desalination – Detailed Design which is budgeted for \$228,039. To date in FY 09/10, the total (from both Cost Centers) expended resources accounted against GW-0157 is \$476,045.38; the budget balance remaining in FY 09/10 - \$2,395,409.70 – is sufficient to resource the project work proposed herein. This project will be funded from District Reserves as the 2006-series Bond resources have been exhausted.

Material Included for Information/Consideration: Resolution No. 2010-09.

Staff Recommendation: The Board of Directors authorize a Professional Services Agreement with RMC Water & Environment not to exceed amount of \$341,000 for continued Program Management and Design within the Regional Urban Water Augmentation Project

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

Board Action

_____ Resolution No _____ Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

Resolution No. 2010-09
Resolution of the Board of Directors
Marina Coast Water District
Approving a Professional Services Agreement with
RMC Water and Environment for
Program Management and Engineering Services for the Regional Water Supply Project

February 9, 2010

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on February 9, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, in October 2004, the District Board of Directors certified its *Environmental Impact Report - Regional Urban Water Augmentation Project* (Water Augmentation Project EIR); and,

WHEREAS, The Board of Directors approved Resolution No. 2009-39 and 2009-40 on June 9, 2009 adopting the Ord Community Budget and Compensation Plan for FY 2009/2010 which includes funding for this phase of the Regional Urban Water Augmentation Project; and,

WHEREAS, District staff and RMC staff have identified time critical tasks to continue a schedule that provides incremental potable water supply, the Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, and 2009-16 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project, RMC has been in a leading role in the Regional Water Supply project work since inception, and RMC’s staff is exceptionally familiar with all of the progressive phases of the RUWAP due to their continuing role as overall RUWAP Program Managers; and,

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

1. The General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution and for which the total authorized value shall not exceed \$341,000.

PASSED AND ADOPTED on February 9, 2010 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 _____

Kenneth K. Nishi, President

ATTEST:

Jim Heitzman, 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. 2010-09 adopted February 9, 2010.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: February 9, 2010

Submitted By: Carl Niizawa
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-10 to approve a Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Recycled Water Project (RUWAP) and Amend the FY 2009/2010 Budget

Detailed Description: The Board of Directors is requested to authorize a Professional Services Agreement (PSA) with RMC Water and Environment (RMC) for \$53,000 for Program Management and Engineering Services currently needed for the Recycled Water Project. These tasks include project management, continuing pursuit of project funding support, permitting coordination and needed additional engineering analysis.

On June 10, 2005, the FORA and MCWD Boards of Directors directed staff to initiate scoping of the Hybrid Alternative of the Regional Urban Water Augmentation Project (RUWAP). The Hybrid Alternative as described in the MCWD certified *Environmental Impact Report -- Regional Urban Water Augmentation Project* includes two components: a 1,500 AFY recycled water project (commonly called the RUWAP project), and a 1,500 AFY desalination project (commonly called the Regional (Water Supply) project).

In August 2005, MCWD contracted with RMC to serve as Program Manager and initiated both components of the RUWAP project. The Recycled Water project preliminary design was started in early January 2006, and preliminary design of the Regional Water Supply project was initiated in October 2008 and amended in March 2009. The amended RMC contract totaled \$980,000 for this initial phase of the entire RUWAP program.

In May 2009, RMC was contracted to take on time critical tasks to continue to provide RUWAP program management and project activities focused on funding support, permitting, development of desalination facilities, recycled water extension evaluation, project outreach, and additional work as directed by MCWD for the Regional Water Supply and Recycled Water projects. This included the following major tasks:

1. Project Management
2. Project Implementation
3. Funding Support
4. Permitting Process
5. RUWAP Coordination
6. Water Quality Sampling
7. Intake Well Design
8. Armstrong Ranch Acquisition
9. Institutional Coordination
10. Recycled Water Extension
11. Project Outreach and Coordination

This RMC contract incorporates the cost of other District-required consultants to perform ancillary work for this portion of the RUWAP including, but not limited to specialty engineering analysis/design, hydrology, economic analysis and architectural (structural) design. \$1,000,000 was budgeted for this contract.

Since this RMC contract was implemented, significant additional efforts were needed by RMC for the Regional Water Supply Project to support needed inter-agency agreements - those between MCWD and Monterey Regional Water Pollution Control Agency (MRWPCA), Monterey County Water Resource Agency (MCWRA), and California American Water (CAW). RMC, at the request of MCWD, re-focused most of its efforts on technical support of development of the program implementation plan, permitting, funding, and institutional coordination/agreements and de-emphasized the intake well design and recycled water extension evaluation. This effort resulted in technical support of the Regional Water Supply Project through the CPUC process, development of the Outfall Agreement with MRWPCA, input to the drafting of a potential three-way agreement among MCWD, MCWRA and CAW, development of draft permits with long lead-time agencies such as the California Coastal Commission, and initiation of funding efforts for potential federal appropriations, grant funding, and low interest loans. With the original scope of work and the additional needed duties, the budgeted contract funds have been fully utilized.

Currently, the design phase of the Recycled Water project of the RUWAP program is near complete. Carollo Engineers, under separate contract approved by the Board Resolution No. 2009-31 has completed over 95% of the MCWD design and is currently completing the process of procuring pipeline easements. System control system design (contracted to others) and analysis are tasks to be completed in the design. RMC focus is primarily permitting and funding for project implementation. .

This proposed Professional Services Agreement for Program Management and Engineering Services of the Regional Water Supply Project of the RUWAP with RMC will be performed and invoiced on a time and material basis for the not-to-exceed amount of \$53,000. Augmentation for the Regional Water Supply portion of the RUWAP program is the subject of another MCWD staff agenda transmittal.

Environmental Review Compliance: None required.

Prior Board Action: In October 2004, the District Board of Directors certified the Environmental Impact Report for the Regional Urban Water Augmentation Project. The Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, 2009-16, and 2009-30 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2. To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact: ___X___ Yes _____ No

Funding Source/Recap: As the 2006 bond proceeds have been exhausted, the funding for this project will come from District reserves. It was funded in the District FY 2009/2010 budget in the amount of \$832,000. A budget amendment as described below is proposed to fund the herein proposed contract amendment with the costs assigned to the appropriate project within Cost Center 5 (RUWAP Project). The FORA Board has committed to pay a portion of the District's debt service undertaken for this particular project when the funds become available from the developers. This will take several years to fully recover as it is based on the speed at which development occurs. The current financing vision on the District's part is to pay for initial project activities and receive from FORA funds to pay a portion of the District's debt service as they become available from development at the Ord Community.

	Beginning Balance	Change	Ending Balance
From: RW0156 – Recycled Trunk Main and Booster	\$23,812,152	- \$53,000	\$23,759,152
To: RW0155 – RUWAP Program Management	\$832,000	+ \$53,000	\$885,000

Material Included for Information/Consideration: Resolution No. 2010-10.

Staff Recommendation: The Board of Directors authorize a Professional Services Agreement with RMC Water & Environment not to exceed amount of \$53,000 for continued Program Management and Design within the Regional Urban Water Augmentation Project and Amend the FY 2009/2010 Budget.

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

Board Action

Resolution No. _____ Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

Resolution No. 2010-10
Resolution of the Board of Directors
Marina Coast Water District
Approving a Professional Services Agreement with
RMC Water and Environment for
Program Management and Engineering Services for the Recycled Water Project
and Amend the FY 2009/2010 Budget

February 9, 2010

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on February 9, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, in October 2004, the District Board of Directors certified its *Environmental Impact Report -- Regional Urban Water Augmentation Project* (Water Augmentation Project EIR); and,

WHEREAS, The Board of Directors approved Resolution No. 2009-39 & 2009-40 on June 9, 2009 adopting the Ord Community Budget and Compensation Plan for FY 2009/2010 which includes funding for this phase of the Regional Urban Water Augmentation Project; and,

WHEREAS, District staff and RMC staff have identified time critical tasks to continue a schedule that provides incremental potable water supply, the Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, and 2009-16 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project, RMC has been in a leading role in the Recycled Water project work since inception, and RMC’s staff is exceptionally familiar with all of the progressive phases of the RUWAP due to their continuing role as overall RUWAP Program Managers; and,

WHEREAS, the FORA Board of Directors took action to approve a FY 2009/2010 Capital Improvement Program and supporting financial programs to pay for the water augmentation project; and,

WHEREAS, a FY 2009/2010 Capital Improvements Budget amendment is required to resource a portion of this Professional Services Agreement (PSA) to conduct the tasks within Phase III, Final Design and Permitting.

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

12. The General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution and for which the total authorized value shall not exceed \$53,000
13. An amendment to the FY 2009/2010 Capital Improvements Program Budget as follows:

	Beginning Balance	Change	Ending Balance
From: RW0156 – Recycled Trunk Main and Booster	\$23,812,152	- \$53,000	\$23,759,152
To: RW0155 – RUWAP Program Management	\$832,000	+ \$53,000	\$885,000

PASSED AND ADOPTED on February 9, 2010 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 _____

Kenneth K. Nishi, President

ATTEST:

Jim Heitzman, 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. 2010-10 adopted February 9, 2010.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: February 9, 2010

Submitted By: Carl Niizawa
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-11 to Approve a Reimbursement Resolution to the State Water Resources Control Board Clean Water State Revolving Fund for the Recycled Water Facility Component of the Regional Urban Water Augmentation Project

Detailed Description: The Marina Coast Water District (MCWD) is pursuing financing/funding from the Clean Water State Revolving Fund (CWSRF) for the recycled water facility component of the Regional Urban Water Augmentation Project (RUWAP). The CWSRF funding resources are managed through the State Water Resources Control Board (SWRCB). Funding is requested by the completion and submittal of a Financial Assistance Application (FAA). RMC Water and Environment is preparing the FAA for this task with assistance from MCWD staff. The subject resolution will approve the requested finance amount and declare that MCWD will repay the received project funds to the State Water Resources Control Board from proceeds from recycled water sales.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board of Directors adopted Resolution No. 2009-21 on April 14, 2009 to approve the submittal of the CWSRF application to the SWRCB for the RUWAP and to authorize a District representative. In addition, the Board of Directors adopted Resolution No. 2009-69 on September 22, 2009 to approve a dedicated source of revenue for repayment to the CWSRF for funding the RUWAP's recycled water facilities.

Board Goals: *2007/2008 Strategic Plan, Mission Statement - Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: Yes No

Funding Source/Recap: If the District is awarded funds from CWSRF, proceeds from recycled water sales will be used to pay for debt service.

Material Included for Information/Consideration: Resolution No. 2010-11.

Staff Recommendation: The Board adopt Resolution No. 2010-11 to approve Reimbursement Resolution to the SWRCB - CWSRF for the recycled water facility component of the Regional Urban Water Augmentation.

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

Board Action

 Resolution No Motion By Seconded By

Ayes Abstained

Noes Absent

Reagendized Date No Action Taken

Resolution No. 2010-11
Resolution of the Board of Directors
Marina Coast Water District
Approve Reimbursement Resolution to the
State Water Resources Control Board
Clean Water State Revolving Fund for the Recycled Water Facility Component
of the Regional Urban Water Augmentation

February 9, 2010

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on February 9, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS the District desires to finance the costs of construction of the recycled water facility component of the RUWAP (the “Project”); and,

WHEREAS, the District intends to finance the construction of the Project or portions of the Project with moneys (“Project Funds”) provided by the State of California, acting by and through the State Water Resources Control Board (SWRCB); and,

WHEREAS, the SWRCB may fund the Project Funds with proceeds from the sale of obligations, the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and,

WHEREAS, prior to either the issuance of the Obligations or approval by the SWRCB of the Project Funds the District desires to incur certain capital expenditures (the “Expenditures”) with respect to the Project from available moneys of the District; and,

WHEREAS, the District has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the District for the Expenditures from the proceeds of the Obligations.

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

Section 1. The District hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

Section 2. The reasonably expected maximum principal amount of the Project Funds is \$32,530,000.

Section 3. This resolution is being adopted no later than 60 days after the date on which the District will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.

Section 4. Each District expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

Section 5. To the best of our knowledge, this District is not aware of the previous adoption of official intents by the District that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

Section 6. This resolution is adopted as official intent of the District in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

Section 7. All the recitals in this Resolution are true and correct and this District so finds, determines and represents.

PASSED AND ADOPTED on February 9, 2010, 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 _____

Kenneth K. Nishi, President

ATTEST:

Jim Heitzman, 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. 2010-11 adopted February 9, 2010.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-D

Meeting Date: February 9, 2010

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Consider Appointing a District Negotiating Team to Discuss the Process Regarding the General Manager's Evaluation and Contract

Detailed Description: The Board of Directors is requested to appoint a negotiating team to discuss the process regarding the General Manager's evaluation and contract.

The Brown Act requires that named negotiator(s) be identified in a public session before a closed session is held by the Board with the negotiators. A negotiating team will need to be appointed to discuss the General Manager's evaluation and contract that expires on September 9, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: Yes No

Funding Source/Recap: None.

Material Included for Information/Consideration: None.

Staff Recommendation: The Board of Directors appoint a negotiating team to discuss the process regarding the General Manager's evaluation and contract.

Action Required: Resolution Motion Review

Board Action

Resolution No Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____

Marina Coast Water District
Staff Report

Agenda Item: 9-A

Meeting Date: February 9, 2010

Prepared By: Suresh Prasad, Rich Youngblood

Reviewed By: Carl Niizawa

Subject: Receive 4th Quarter 2009 Ord Community Water Consumption and Sewer Flows Report

Summary: The Board of Directors is requested to receive the 4th Quarter 2009 Ord Community Water Consumption and Sewer Flows Report. Quarterly water consumption reports have been submitted to the Board since 2006. This staff report also includes Ord Community sewer flows so that sewer capacity can be tracked. This report assists District staff in complying with several objectives from the Board's 2007/2008 Strategic Plan including:

Objective 1D – *Reduce “Unaccounted for Water” each Fiscal Year by 1% from the system average of 14.5% or about 6.7 AFY (FY 07/08 and FY 08/09).* The attached report helps track the number of meters installed at those properties that were previously unmetered and therefore assists with tracking unaccounted for water.

Objective 1E – *Reduce overall water usage each Fiscal Year by 0.5% from current amount of 4,300 AFY or about 21.5 AFY (FY 07/08 and FY 08/09).* The report tracks water use.

Objective 1G – *Annually review Urban Water Management Plan (UWMP) and amend as necessary.* The report assists in tracking water use that will be used in the annual update of the UWMP.

Objective No. 2 – *To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmental sensitive way.* The sewer flow is measured at the Ord Community flume. The flume went into operation in April 2007. This report will track available sewer capacity that was dedicated by the US Army for use in the development of the Ord Community. The Army had sewer treatment capacity rights of 3.3 million gallons per day (mgd) of which it retained 1.1 mgd with 2.2 mgd for use by the Ord Community.

Below are informational notes for the data reported:

- The rainfall for the 4th quarter of 2009 (October, November, December), was 2 inches, below the historical quarterly average of 8.13 inches. The average evapotranspiration for this period is 6.07 inches compared to the average quarterly figure of 5.64 inches.
- The number of customers in each category is defined as the number of active accounts within that land use jurisdiction.
- “Army Facilities & Businesses - Ord” captures all uses not listed in the other Army categories.

Ord Community Sewer flows as measured at the old Main Garrison Wastewater Treatment Plant for the 4th Quarter of 2009 was 85 million gallons or 1.37 mgd. This leaves an available balance of 1.92 mgd.

The 1st Quarter 2010, Ord Community Water Consumption and Sewer Flow Report (January, February, March) will be presented to the Board in May 2010.

Marina Coast Water District
Staff Report

Agenda Item: 9-B

Meeting Date: February 9, 2010

Prepared By: Jim Heitzman

Subject: Receive Update on the Regional Urban Water Augmentation Project/Regional Plan

Summary: The Marina Coast Water District (District) has been discussing the process for issuing revenue bonds, or other debt obligations, with the California Pollution Control Financing Authority (CPCFA). The CPCFA would act as a conduit financing entity on behalf of the District for purposes of issuing tax-exempt Private Activity Bonds (“PAB’s”). The issuance of PAB’s through CPCFA is necessary for several reasons relating to federal tax law and the use of bond proceeds. To begin memorializing this process the District will make a brief presentation to the CPCFA at its March 24th meeting at which time the CPCFA Board will consider an Inducement Resolution to place the District’s financing needs on record and in line for PAB allocation.

The Inducement Resolution does not commit or obligate the District to the Regional Urban Water Augmentation Project nor does it subject the District to any financial responsibility. This process simply puts the District “in line” for financing and possible PAB allocation at some future point of time.

Marina Coast Water District
Staff Report

Agenda Item: 9-C

Meeting Date: February 9, 2010

Prepared By: Jean Premutati

Reviewed By: Carl Niizawa

Subject: Receive Draft Employee Handbook for Review

Summary: Request the Board of Directors accept the draft Marina Coast Water District Employee Handbook (Handbook) for review and provide any suggested changes or modifications to the Management Services Administrator by February 26, 2010.

The Handbook is designed to be a user-friendly source of general information about the District, compensation, benefits, policies, and state and federal laws. The Handbook contains a wide variety of information that should be especially useful to new hires as well as current staff. It serves as reinforcement to all employees of the importance of the District's mission and goals and as a reminder to employees of the vital role they play at the District.

The Handbook is not a replacement for the 2009-2010 MOU with the Teamsters or the Marina Coast Water District Employees Association or the Personnel Policy Manual (adopted February 26, 1997). However, once the Handbook revisions have been finalized, the Personnel Policy Manual will require modifications in order to comply with the most current state and federal laws.

There are sections of the Handbook that refer to new programs and procedures or areas that require re-emphasis. These new or enhanced policies would be implemented if the Board approves the Handbook. New policies are:

1. Section 5.1 – Performance Improvement Plans (PIP). This policy establishes a mechanism for performance correction when employees' job performance falls below satisfactory standards.
2. Section 7.11 – Meal Allowance. This policy provides a paid meal to employees who receive a call out two (2) hours preceding the end of the work shift and due to the nature of the call-out, the employee cannot go home for a meal. The cost is subject to the conditions of the MCWD Expense Reimbursement and Travel Policy.
3. Section 8.6 – Certification Pay. This policy establishes a one-time, ongoing pay incentive for employees who obtain certification in his/her classification beyond what is required for employment.
4. Section 11.8 – School Activity Leave. Recommended, as the leave is covered under state law.
5. Section 11.12- - Domestic Violence and Sexual Assault Leave. Recommended, as the leave is subject to California law.
6. Section 11.13 – Victims of Crime Leave. Recommended, as the leave is subject to California law.
7. Section 11.17 – Volunteer Firefighter and Peace Officer Leave. – Recommended.

8. Section 11.18 – Terminal Leave. This policy allows employees to remain on the payroll beyond his/her last working date until all accrued leave is exhausted. At the end of Terminal Leave, employment with the District ends. The benefit of this is that it provides the District with a means to reallocate positions and other resources from low demand to high demand programs.
9. Section 18 – Request for Reasonable Accommodation – Interactive Process. Recommended, as the process is required by federal law.
10. Section 19.1 – Lactation Accommodation. Required by federal law.
11. Section 19.2 – Anti-Fraud. Recommended, by auditors.

The enhanced policies are:

1. Section 8.5 – Certification Incentive Bonus. This policy increases the one-time bonus for employees who obtain certification in job-related areas.
2. Section 14 – Employee Service Awards. This policy increases the dollar amount awarded to employees at five (5) year increments.

Staff is committed to more frequent reviews of the Handbook and will ensure amendments and revisions will occur in a timely manner.