



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

TEL: (831) 384-6131 FAX: (831) 883-5995

DIRECTORS
WILLIAM Y. LEE
President

DAN BURNS
Vice President

HOWARD GUSTAFSON
KENNETH K. NISHI
JAN SHRINER

Agenda

Regular Board Meeting, Board of Directors Marina Coast Water District

11 Reservation Road, Marina, California

Tuesday, April 12, 2011, 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 54956.9

Conference with Legal Counsel – Existing Litigation
(Subdivision (a) of Section 54956.9)

Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and Complaint for Declaratory Relief)

B. Pursuant to Government Code Section 54957.6

Conference with Labor Negotiators

Agency designated representatives: William Lee and Dan Burns

Unrepresented employee: General Manager

7:00 p.m. Reconvene Open Session

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, April 7, 2011 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the Board Clerk at: 831-883-5910. The next regular meeting of the Board of Directors is scheduled for May 10, 2011.

4. Possible Action on Closed Session Items *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

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. Adopt Resolution No. 2011-25 to Amend the Marina Coast Water District Conflict of Interest Code
- B. Approve the 2010 Consumer Confidence Report for the Marina Coast Water District Water System
- C. Adopt Resolution No. 2011-26 to Approve a Professional Services Agreement with TJC & Associates Inc. for \$26,000 for Consulting Services Related to the District's Supervisory Control and Data Acquisition System
- D. Adopt Resolution No. 2011-27 to Approve the Issuance of a Request for Proposals to Provide Legal Assistance on Personnel and Employment Matters to the Marina Coast Water District
- E. Approve the Expenditures for the Month of March 2011
- F. Approve the Draft Minutes of the Special Board Meeting of February 22, 2011
- G. Approve the Draft Minutes of the Regular Board Meeting of March 8, 2011

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 Appointment to the Water Conservation Commission

Action: The Board of Directors is requested to appoint a public member to the vacant position on the Water Conservation Commission.

- B. Consider Adoption of Resolution No. 2011-28 to Select a Consultant to Facilitate a Board Workshop and Develop a Five-Year Strategic Plan for the Marina Coast Water District

Action: The Board of Directors is requested to consider selecting a consultant to facilitate a workshop and develop five-year Strategic Plan for the Marina Coast Water District Board of Directors.

- C. Consider Adoption of Resolution No. 2011-29 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for Engineering Services Related to the Eastern Distribution Project Watkins Gate Well & Pipeline Installation for a Not-To-Exceed Amount of \$54,680

Action: The Board of Directors is requested to approve a Professional Services Agreement with Schaaf & Wheeler for engineering services related to the Eastern Distribution Project Watkins Gate Well & pipeline installation for a not-to-exceed amount of \$54,680.

- D. Reconsider the Appointment of the Liaisons to the Regional Desalination Project

Action: The Board of Directors is requested to reconsider the appointment of the liaisons to the Regional Desalination Project so both are co-liaisons, not primary and alternate.

- E. Consider Providing Direction to the Board President on the District Vote for the LAFCO Independent Special District Alternate Seat

Action: The Board of Directors is requested to provide direction to the Board President on the District vote for the LAFCO Independent Special District Alternate seat.

- F. Consider Providing Direction to Staff on the Coalition of Toro Area Homeowners' Associations Request to Provide Sanitary Sewer Service

Action: The Board of Directors is requested to provide staff direction on the Coalition of Toro Area Homeowners' Associations request to provide sanitary sewer service.

- G. Consider First Reading of Ordinance 54 Approving New District Rates, Fees & Charges for Marina Water and Wastewater and Approve Prop. 218 Public Notice and Set Date, Time and Location for Public Hearings for Proposed Changes in Rates, Fees, and Charges for Marina and Ord Community Service Areas

Action: The Board of Directors will consider a First Reading of Ordinance 54 approving new District rates, fees & charges for Marina Water and Wastewater and approve Prop. 218 Public Notice and set date, time and location for Public Hearings for proposed changes in rates, fees, and charges for Marina and Ord Community Service Areas.

9. Staff Report

- A. Receive an Update on the 2010 Urban Water Management Plan

10. 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

- D. Committee and Board Liaison Reports

- | | |
|--|-----------------------------------|
| 1. Water Conservation Commission | 7. JPIA Liaison |
| 2. Joint City-District Committee | 8. FORA |
| 3. Budget and Personnel Committee | 9. CalDesal |
| 4. MRWPCA Board Member | 10. Executive Committee |
| 5. Special Districts Association Liaison | 11. Community Outreach |
| 6. LAFCO Liaison | 12. Regional Desalination Reports |

- E. Director's Comments

11. Correspondence

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

*Regular Meeting: Tuesday, May 10, 2011, 6:45 p.m.,
11 Reservation Road, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7

Meeting Date: April 12, 2011

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Carl Niizawa

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2011-25 to Amend the Marina Coast Water District Conflict of Interest Code
- B) Approve the 2010 Consumer Confidence Report for the Marina Coast Water District Water System
- C) Adopt Resolution No. 2011-26 to Approve a Professional Services Agreement with TJC & Associates Inc. for \$26,000 for Consulting Services Related to the District's Supervisory Control and Data Acquisition System
- D) Adopt Resolution No. 2011-27 to Approve the Issuance of a Request for Proposals to Provide Legal Assistance on Personnel and Employment Matters to the Marina Coast Water District
- E) Approve the Expenditures for the Month of March 2011
- F) Approve the Draft Minutes of the Special Board Meeting of February 22, 2011
- G) Approve the Draft Minutes of the Regular Board Meeting of March 8, 2011

Environmental Review Compliance: None required.

Prior Committee or Board Action: See individual transmittals.

Board Goals/Objectives: *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: April 12, 2011

Submitted By: Paula Riso
Reviewed By: Carl Niizawa

Presented By: Lloyd Lowrey

Agenda Title: Adopt Resolution No. 2011-25 to Amend the Marina Coast Water District Conflict of Interest Code

Detailed Description: The Board of Directors is requested to adopt Resolution No. 2011-xx amending the Marina Coast Water District (District) Conflict of Interest Code.

The Political Reform Act of 1974, Government Code Section 81000, et seq., requires state and local government agencies to adopt a Conflict of Interest Code. It is necessary for the District to periodically update its Conflict of Interest Code. The Monterey County Board of Supervisors requires a Local Agency Biennial Report on even numbered years. In August 2010, the District adopted Resolution No. 2010-60 adding two new positions to its Conflict of Interest Code. The Monterey County Board of Supervisors Legal Counsel has requested that the District include consultants in its Conflict of Interest Code.

Staff and District Counsel recommend adding consultants to the District Conflict of Interest Code under Category 1, with the language recommended by the Fair Political Practices Commission as modified by the Monterey County Board of Supervisors, the code reviewing body for the District.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: N/A

Material Included for Information/Consideration: Resolution No. 2011-25; Local Agency Biennial Report; and, Conflict of Interest Code of the Marina Coast Water District.

Recommendation: Update District's Conflict of Interest Code and direct staff to submit same to Monterey County Board of Supervisors.

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_____

April 12, 2011

Resolution No. 2011 - 25
Resolution of the Board of Directors
Marina Coast Water District
Amending the Marina Coast Water District
Conflict of Interest Code

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 12, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Political Reform Act of 1974, Government Code Section 81000, et seq., requires state and local government agencies to adopt a Conflict of Interest Code; and,

WHEREAS, it is necessary for the District to periodically update its Conflict of Interest Code, with the last update in 2010, for review by the District’s code filing body, the Monterey County Board of Supervisors; and,

WHEREAS, a review of said Code by the District’s code filing body and the District’s Counsel has indicated the list of Designated Positions set forth on Exhibit A should be revised; and,

WHEREAS, the Fair Political Practices Commission describes a Designated Employee as an officer, employee, member or consultant of an agency whose position is designated in the code because the position entails the making or participation in the making of governmental decisions that may foreseeably have a material effect on any financial interest; and,

WHEREAS, the District wishes to add “consultants”, as defined by section 18701 of the Regulations of the Fair Political Practices Commission to the list of Designated Positions set forth on Exhibit A to the District’s Conflict of Interest Code.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby amend the Marina Coast Water District Conflict of Interest Code to include consultants, using the language recommended by the Fair Political Practices Commission as modified by the District’s code filing body, in the form attached to this Resolution.

PASSED AND ADOPTED on April 12, 2011, 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 _____

William Y. Lee, 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. 2011-25 adopted April 12, 2011.

Jim Heitzman, Secretary

Clerk of the Board, County of Monterey
P.O. Box 1728
Salinas, California 93902

LOCAL GOVERNMENT AGENCY REPORT

This agency has reviewed its Conflict of Interest Code on April 12, 2011 and has determined that:

An amendment is required. The following amendments are necessary:

 X Include new positions (including consultants) that must be designated

 Delete positions that manage public investments from the list of designated positions

 Revise disclosure categories

 Revise the titles of existing positions

 Delete titles of positions that have been abolished

 Other (*describe*) _____

No amendment is required.

The Agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income which may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.

Contact Person: Paula Riso Phone Number (831) 883-5910
Name of Agency: Marina Coast Water District
Mailing Address: 11 Reservation Road, Marina, California 93933

Dated: _____

Jim Heitzman, General Manager

**CONFLICT OF INTEREST CODE
 OF THE
MARINA COAST WATER DISTRICT
 OF MONTEREY COUNTY**

(a) The Political Reform Act of 1974, Government Code sections 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of standard model Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the political Reform Act after public notice and hearings. Therefore, the terms 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth are hereby incorporated by reference and constitute the Conflict of Interest Code of the Marina Coast Water District.

(b) Pursuant to Government Code section 81008 and 2 Cal. Code of Regs. Section 18730 (b) (4), all designated employees shall file statements of economic interests with their agency. Upon receipt of the statement of the Board of Directors, the agency shall make and retain a copy and forward the original of the statement to the code reviewing body, the Monterey County Board of Supervisors. Statements for all other designated employees shall be retained by the agency, which shall make the statements available for public inspection and reproduction.

(c) APPENDIX

EXHIBIT A:
DESIGNATED POSITIONS

List of Designated Positions	Assigned Disclosure Categories
Members of the Board of Directors	1
General Manager	1
Deputy General Manager/District Engineer	1
District Engineer	1
Director of Administrative Services	1
Operations and Maintenance Superintendent	1
Director of Finance	1
Management Services Administrator	1
Water Quality Manager	1
Conservation Coordinator	1
District Legal Counsel	1
Capital Projects Manager	1
<u>Consultants</u> ¹	1

*Add consultants

EXHIBIT B:

DESIGNATED EMPLOYEES IN CATEGORY 1 MUST REPORT:

1. Investments in any business entity which:
 - (a) has contracted with this district within the last two years, or in the future may foreseeably do so, to provide services of any kind, supplies, materials, machinery, or equipment to the district; or
 - (b) manufactures, produces or processes any of said types of things and sells or leases them to a business entity which sells or leases them to the district, or
 - (c) deals in, or repairs or services any of said types of things which have been, are, or foreseeably may be, used by the district.
2. Income from any of the types of business entities referred to in paragraph 1 above, or from any person or business entity who or which receives the services provided by the district, or in the future may foreseeably do so, except such income as is not reportable under the provisions of subdivision (b) of Section 82030 of the Government Code.
3. His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any of the types of business entity referred to in either paragraph 1 or 2 above.
4. All interests in real property located in the jurisdiction of the district, or not more than two miles outside its boundaries, if the fair market value of the interest is greater than \$1,000.

Amended: _____

¹ *For purposes of this Code, "consultant" has the same meaning as set forth in 2 Cal. Code of Regs. section 18700(a)(1), as follows:

"Consultant" means an individual who, pursuant to a contract with a state or local government agency:

- (A) Makes a governmental decision whether to:
 1. Approve a rate, rule, or regulation;
 2. Adopt or enforce a law;
 3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;

4. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
5. Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
6. Grant agency approval to a plan, design, report, study, or similar item;
7. Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(B) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants to the Marina Coast Water District shall be subject to disclosure under Category 1, subject to the following limitation:

The General Manager may determine in writing that a particular consultant, although a "Designated Employee," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements of Category 1. In such cases, the General Manager may designate a different disclosure requirement. Such designation must be made in writing and shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the consultant's disclosure requirements. The General Manager's designation must be filed, in advance of disclosure by the consultant, with the agency's conflict of interest code and also filed with the code reviewing body and must be delivered to the consultant along with a copy of the conflict of interest code and the manual and forms for disclosure (FPPC Form 700).

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-B

Meeting Date: April 12, 2011

Submitted By: Thomas Barkhurst

Presented By: Thomas Barkhurst

Reviewed By: Carl Niizawa

Agenda Title: Approve the 2010 Consumer Confidence Report for the Marina Coast Water District Water System

Detailed Description: The Safe Drinking Water Act requires water utilities to provide accurate and timely information to consumers about the quality of their drinking water. The US Environmental Protection Agency and the California Department of Public Health (CDPH) adopted regulations known as a Consumer Confidence Report (CCR), to be distributed to water utility customers by July 1st each year. Since 1989, the District has provided CCR's (formerly called Annual Water Quality Report) to District customers.

The 2010 CCR summarizes the results of detected contaminants in District's supply wells and distribution systems conducted in calendar year 2010, or for some constituents, the most recent sampling year. The District's water system did not have a violation in 2010 and is in compliance with State and Federal drinking water regulations.

New for the 2010 CCR are the following:

- Arsenic – Mandatory language change to first sentence now reads “While your drinking water meets the federal and state standard for arsenic, it does contain low levels of arsenic”
- Federal Ground Water Rule (GWR) – The CDPH implemented the GWR on December 1, 2009. The purpose of the GWR is to reduce the risk of illness caused by microbial contamination in public groundwater systems. Coliforms were not detected in all but one of the 523 required distribution system samples collected in Central Marina and the Ord Community.
- Lead – Mandatory language required as of July 1, 2010, per 40 CFR 141.154(d)(1), as in CCR.

A list of contaminants tested for but not detected will be posted on the District's website at www.mcwd.org/2010ccr-ND.html.

The 2010 CCR will be mailed together with each customer's water bill starting in May 2011. A separate mailing will be conducted for residents in the Ord military housing. Copies will be distributed to Alliance Residential, businesses, apartment managers, and school administrators for further distribution to customers who do not receive a water bill directly from the District. Staff will coordinate with the US Army-BRAC and CSUMB's News and Public Information Officer to establish the website links for access by the military and university communities. The CCR will be available on the District's website at www.mcwd.org.

Environmental Review Compliance: None required.

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-C

Meeting Date: April 12, 2011

Submitted By: Sean Knight

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2011-26 to Approve a Professional Services Agreement with TJC & Associates Inc. for \$26,000 for Consulting Services Related to the District's Supervisory Control and Data Acquisition System

Detailed Description: The Board of Directors is requested to approve a Professional Services Agreement (PSA) with TJC & Associates Inc. (TJC) for \$26,000 for consulting services regarding the Supervisory Control and Data Acquisition (SCADA) System for on-going site communication issues and specifications for SCADA equipment at the new Well 34 site.

The TJC contract addresses two current needs of the District's SCADA system. The first need is to improve the SCADA system's communication performance. The second need is that this PSA will also provide specifications for the SCADA equipment needed for the newly built Well 34. This will allow integration of Well 34 into the District's potable water system by providing control and communication between Well 34 and the Intermediate Tank.

Staff conducted a competitive procurement process for the selection of the SCADA consultant. TJC was among several consultants who provided qualification submittals of merit. From review of the submittals, TJC is recommended for award of this contract based on their outstanding qualifications and their selection as the SCADA/Electrical consultant for the Monterey Bay Regional Desalination Project. Given the need for integration of the Regional and District's SCADA systems, the use of a common consultant would provide the most efficient means for conducting this work.

The proposed PSA with TJC will be performed and invoiced on a time and material basis for the not-to-exceed amount of \$26,000.

Environmental Review Compliance: None required.

Prior Board Actions: On August 10, 2010 the Board of Directors adopted Resolution No. 2010-56 which approved the Central Marina Budget for FY 2010-2011 and included funding for CIP No. OW-0170, and on August 13, 2010 the District Board of Directors adopted Resolution No. 2010-58 which approved the Ord Community Budget for FY 2010-2011. Both budgets included funding for CIP No. WD-0115, SCADA System Improvements.

Board Goals/Objectives: *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 the needs of expanding service areas in an environmentally sensitive way.*

Financial Impact: Yes No

Funding Source/Recap: This project is budgeted in the FY 2010/2011 CIP No. WD-0115, SCADA System Improvements, in a total amount of \$500,000. This amount is distributed between the four District cost centers, Marina Water, Marina Sewer, Ord Water and Ord Sewer. The Well 34 portion is budgeted FY 2010/2011 CIP as OW-0170, Well 34 (deep aquifer at Well 32 site) (Construct), in a total amount of \$1,650,000. Both will be funded from the District General Reserve Fund.

Material Included for Information/Consideration: Resolution No. 2011-26.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2011-26 to approve a Professional Services Agreement with TJC & Associates Inc. for \$26,000 for Consulting Services Related to the District's Supervisory Control and Data Acquisition System.

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_____

April 12, 2011

Resolution No. 2011 - 26
Resolution of the Board of Directors
Marina Coast Water District
Approving a Professional Services Agreement with TJC & Associates Inc.
for \$26,000 for Consulting Services Related to the MCWD
Supervisory Control and Data Acquisition (SCADA) System

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 12, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, operation and maintenance of the existing Supervisory Control and Data Acquisition (SCADA) System is in need of improvement; and,

WHEREAS, a reliable SCADA system is an essential tool for serving the Ord and Central Marina Communities with water and wastewater services which meets or exceeds industry standards; and,

WHEREAS, Well 34 should be integrated into the District’s SCADA System in order to continue providing water efficiently and effectively to its customers; and,

WHEREAS, staff recommends the District contract with TJC & Associates Inc. to provide SCADA System communication performance solution recommendations and specifications for the new Well 34.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or Deputy General Manager to execute a Professional Services Agreement with TJC & Associates Inc. to provide SCADA System services and all documents to support this program and to take all actions and execute all documents as may be necessary or appropriate to give effort to this resolution, the total dollar amount not-to-exceed \$26,000.

PASSED AND ADOPTED on April 12, 2011 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 _____

William Y. Lee, 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. 2011-26 adopted April 12, 2011.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-D

Meeting Date: April 12, 2011

Submitted By: Jean Premutati
Reviewed By: Carl Niizawa

Presented By: Jean Premutati

Agenda Title: Adopt Resolution No. 2011-27 to Approve the Issuance of a Request for Proposals to Provide Legal Assistance on Personnel and Employment Matters of the Marina Coast Water District

Detailed Description: The Board is requested to approve the issuance of a Request for Proposals (RFP) to provide legal assistance on personnel and employment matters on behalf of the District. Previously, Noland, Hamerly, Etienne & Hoss have provided opinion and advice on personnel matters when needed; however, staff would like to consider other firms who specialize in the areas of labor law, wage and hour law, collective bargaining, and employment contracts.

The scope of work will include providing legal opinion, assistance and representation regarding necessary personnel, human resources, and employment issues, as well as, collective bargaining assistance, disciplinary/grievance advice, internal investigations, Department of Fair Employment and Housing (DFEH)/Equal Employment Opportunity Commission (EEOC) complaints, and, as required, attendance at Board meetings, with advance notice.

If approved, staff will distribute RFP's on April 13, 2011 and recipients will be asked to respond with proposals no later than May 2, 2011. The proposals will be evaluated uniformly based on an analysis of the qualifications and proposals. Once the evaluation process is complete, the top three (3) proposals will be submitted to the Board for final selection.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: Expenditures are allocated across the four cost centers for legal services; 01-Marina Water, 02-Marina Sewer, 03-Fort Ord Water, 04-Fort Ord Sewer.

Material Included for Information/Consideration: Resolution No. 2011-27; and, draft RFP.

Staff Recommendation: The Board of Directors approve the Issuance of a Request for Proposals to provide legal assistance on personnel and employment matters of the Marina Coast Water District.

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 _____

April 12, 2011

Resolution No. 2011 - 27
Resolution of the Board of Directors
Marina Coast Water District
Approving the Issuance of a Request for Proposals to
Provide Legal Assistance on Personnel and Employment Matters of the Marina
Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 12, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, previously, Noland, Hamerly, Etienne & Hoss have provided opinion and advice on personnel matters when needed; and,

WHEREAS, staff would like to consider other firms who specialize in the areas of labor law, wage and hour law, collective bargaining, and employment contracts; and,

WHEREAS, it is anticipated the scope of work will include providing legal opinion, assistance and representation regarding necessary personnel, human resources, and employment issues; and,

WHEREAS, if approved, staff will distribute Request for Proposal’s on April 13, 2011 and recipients will be asked to respond with proposals no later than May 2, 2011. Proposals will be evaluated uniformly based on an analysis of the qualifications and proposals; and,

WHEREAS, once the evaluation process is complete, the top three (3) proposals will be submitted to the Board for final selection.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the Issuance of a Request for Proposals to Provide Legal Assistance on Personnel and Employment Matters of the Marina Coast Water District.

PASSED AND ADOPTED on April 12, 2011, 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 _____

William Y. Lee, 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. 2011-27 adopted April 12, 2011.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 7-E

Meeting Date: April 12, 2011

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Approve the Expenditures for the Month of March 2011

Detailed Description: The Board of Directors is requested to approve the attached March 2011 check register for expenditures totaling \$716,368.13.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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 six cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04- Ord Sewer, 05-Recycled Water, 06-Regional Water.

Material Included for Information/Consideration: March 2011 Summary Check Register.

Staff Recommendation: The Board of Directors approve the March 2011 expenditures totaling \$716,368.13.

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
February 22, 2011
6:45 p.m.

Draft Minutes

1. Call to Order:

President Lee called the meeting to order at 6:45 p.m. on February 22, 2011.

2. Roll Call:

Board Members Present:

Bill Lee – President
Dan Burns – Vice President
Howard Gustafson
Jan Shriner

Board Members Absent:

One vacant seat

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Carl Niizawa, Deputy General Manager/District Engineer
Kelly Cadiente, Director of Administrative Services
Suresh Prasad, Director of Finance
Richard Youngblood, Conservation Coordinator
Thomas Barkhurst, Water Quality Chemist
James Derbin, Operations and Maintenance Superintendent
Brian True, Capital Projects Manager
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Bob Holden, MRWPCA
Dave and Robin McCall, Marina Residents
Tom Moore, Marina Resident
Andy Sterbenz, Schaaf & Wheeler
Larry Parsons, Monterey Herald
Wendy Askew, Marina Resident
Luana Conley, Marina Resident
Lyndel Melton, RMC Water & Environment
Amy White, Monterey County LandWatch
Patty Cramer, Marina Resident
Charline Espinoza, Marina Resident

Mike & Candy Owen, Marina Residents
Richard Newhouse, Marina Resident
Candy Ingram, CCVCF
George Riley, Monterey Resident
Dan Amadeo, Marina Resident
Kenneth Nishi, Marina Resident
Janet Parks, CCVCF President
Bob Drake, Marina Resident
Laura Dickey, Marina Resident
Patty Bradshaw, Marina Resident
Derrick Nakanishi, CCVCF

3. Pledge of Allegiance:

President Lee asked Mr. Mike Owen to lead everyone present in the pledge of allegiance.

4. Oral Communications:

Mr. George Riley, Monterey resident, urged the Board to consider televising the Board meetings so everyone on the Peninsula has a chance to see what is going on, especially with the Regional Desalination Project.

5. Action Item:

A. Consider Appointment of Applicant to Fill the Existing Vacated Seat on the Board of Directors through November 2012:

Ms. Luana Conley, Marina resident, recommended the Board appoint Tom Moore to the vacant seat on the Board.

Ms. Patty Cramer, Marina resident, voiced her support of Tom Moore for the vacant seat on the Board.

Mr. Riley stated that when he saw the meeting material the other day, there were only two applicants and questioned how Mr. Ken Nishi's application came to be added. President Lee commented that there was not a cut-off for the submittal of applications and they would be accepted right up to the meeting time. Mr. Nishi's application arrived after the packet was published.

Director Shriner asked what the next step was if there was difficulty making an appointment due to the even number of Board members. Mr. Lloyd Lowrey, Legal Counsel, answered that the Board has sixty days, from the time a written resignation is received, to make an appointment or set an election. If nothing is done within that timeframe, for a District located wholly within a City, the City Council makes the determination, otherwise the Board of Supervisors does. Mr. Lowrey stated that this District has a unique circumstance because its political boundary is located wholly within a City; it owns property located outside the City; and, it serves by an Agreement that was approved by a number of jurisdictions, an area equivalent to the area within the District's jurisdiction. From a conservative view, Mr. Lowrey commented that there is the chance that the Marina City Council would make the appointment. Mr. Lowrey commented that the Board needed to make a decision as they were elected to exercise the judgment for their constituents and urged them to do so.

Director Shriner acknowledged the many letters and emails supporting Tom Moore for the appointment.

Agenda Item 5-A (continued):

Director Shriner made a motion to appoint Tom Moore to the vacant seat on the Board of Directors. The motion died for lack of a second.

Director Gustafson made a motion to appoint Kenneth Nishi to finish off the term. Vice President Burns seconded the motion. The motion was passed with one vacant seat.

Director Gustafson	-	Yes	Vice President Burns	-	Yes
Director Shriner	-	No	President Lee	-	Yes

Mr. Jim Heitzman, General Manager, gave the Oath of Office to Mr. Kenneth Nishi after which Director Nishi assumed his seat at the dais.

B. Consider Adoption of Resolution No. 2011-18 to Amend the Check Signing Policy:

Ms. Kelly Cadiente, Director of Administration, introduced this item stating that the Director of Administration will replace the Director of Finance as a check signer.

Director Shriner asked if there was any consideration for the Director of Finance being the signer with the Director of Administration position as back-up. Ms. Cadiente answered that as the head position in the Accounting Department, the Director of Administration would be the signer and the Director of Finance would be a back-up to process checks. This would ensure a check and balance in the Accounting Department.

Director Shriner asked if this would also amend any other documents or just the separate policy. Ms. Cadiente answered that it was just updating the Check Signing Policy.

Director Gustafson made a motion to adopt Resolution No. 2011-18 to amending the Check Signing Policy. Vice President Burns seconded the motion. The motion was passed.

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

C. Request for Board Direction to Staff on Working with the Central Coast Veterans Cemetery Foundation:

Mr. Heitzman introduced this item explaining that staff has been talking with various parties regarding horse trails, historical buildings and property, as well as the Central Coast Veterans Cemetery Foundation. The Central Coast Veterans Cemetery Foundation has requested assistance with building their cemetery.

Agenda Item 5-C (continued):

Mr. Heitzman asked the Board if they would like staff to continue talking with the Central Coast Veterans Cemetery Foundation in a more formal manner and asked the Board to provide direction.

Ms. Janet Parks, Central Coast Veterans Cemetery Foundation President, commented that the Central Coast Veterans Cemetery Foundation needs to raise \$800,000 by April 30, 2011 to remain on the State's budget and for them to ask the Federal Government for a grant to build the cemetery at Fort Ord. Ms. Parks stated that the Central Coast Veterans Cemetery Foundation is asking the District's help in funding the \$800,000 although they do not have any collateral as the land belongs to the City of Seaside who will turn it over to the State when the cemetery is built.

Mr. Derrick Nakanishi, Central Coast Veterans Cemetery Foundation volunteer, clarified that the Central Coast Veterans Cemetery Foundation is looking for a loan of \$800,000. Once the cemetery is built, the funds will be paid back with interest. Mr. Nakanishi added that they are expecting the funds to be paid back in two to three years.

Vice President Burns commented that he was in favor of the cemetery, but asked how the District would become the funding mechanism for the cemetery. Mr. Heitzman commented that staff is asking for direction from the Board to explore possibilities on how to fund this. There will be many restrictions on the District loaning funds but staff would like to opportunity to look at options.

Director Gustafson explained that the original maintenance cost for the project was \$3.5 million, but by raising the burial rates from \$350 to \$700, the amount now needed is \$1.25 million. Phase I of the project requires \$800,000 to be secured and \$425,000 will be remaining for the rest of the project. Director Gustafson stated that the funds would be paid back through burial rates. He added that negotiations with the Foundation need to be started so they can secure the deed and that will help in getting the public more involved.

President Lee asked for clarification that if 1,000 plots were sold, \$700,000 would be raised. Mr. Heitzman commented that the deal is not to be decided this evening. Director Nishi clarified that staff is only asking for approval to talk with the Central Coast Veterans Cemetery Foundation. It would be brought back to the Board when and if a decision regarding a loan is required.

Mr. Nakanishi clarified that the \$800,000 would not be reimbursed through burial fees, it would come from the Federal Government to the State in one lump sum within two to three years.

Mr. Heitzman commented that there may be some costs incurred through staff investigating the ability to do this loan and it may include some legal services.

Agenda Item 5-C (continued):

President Lee asked if the District would be reimbursed for those costs. Mr. Heitzman answered that the Board could ask to be compensated for those costs.

Director Shriner voiced her concern over the appearance of propriety and questioned if the District could make the explorations in good conscience that the funds will be coming from the Marina ratepayers and not from the Line of Credit with California American Water Company for the desalination project. Mr. Heitzman asked for clarification. Director Shriner asked for a guarantee that the funds for staff and legal services to explore the possibility of a loan to the Central Coast Veterans Cemetery Foundation will not come from the Peninsula but from the Marina ratepayers. Mr. Heitzman answered affirmatively.

Director Shriner made a motion for staff to explore the concept in hopes that it might serve as community outreach for the Marina Coast Water District. Director Gustafson seconded the motion. The motion was passed.

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

D. Direct Staff to Respond to the City of Marina Regarding the Coastal Development Permit for the Regional Desalination Project:

Mr. Heitzman introduced this item explaining that the Regional Project asked the City of Marina to send out comfort letters regarding the Consolidated Coastal Develop Permit. Marina City Council members had questions and requested, 1) a letter from the District Board, 2) a response to several letters written to the Council, and, 3) a letter requesting a local meeting. The Board, staff and public were given copies of the draft letters.

Ms. Amy White, Monterey County LandWatch, commented that the Marina City Council was concerned by the letters received from LandWatch, the Sierra Club, and the law offices of Michael Stamp. Ms. White explained that the reason for the letters was because the documentation presented to the City Council was different than what the PUC approved, i.e. differences in well locations and pipeline configurations. Ms. White asked if the District was going to pursue a consolidated permit with the Coastal Commission as the lead agency, would those hearings take place in Monterey County. LandWatch has talked with Coastal Commission staff and it is hard for them to assure that the hearings would be held locally which would limit public participation.

Ms. White added that LandWatch is covering the cost of filming and broadcasting this meeting.

Agenda Item 5-D (continued):

Mr. Dan Amadeo, Marina resident, commented that he was at the City Council meeting and part of the concern was that the letters were received by the City Council very late and the members did not have time to read them and digest what was in the letters. Mr. Amadeo said he thought the concern with the City Council is with the Public Utilities Commission being the lead agency. There is concern if Marina, being most impacted by the construction of the project, would have an opportunity to voice any concerns, opinions or recommendations as the project moves forward. Mr. Amadeo stated that Mr. Lyndel Melton, RMC Water and Environment, answered that they would. He supported the letter requesting local public hearings and hoped the City of Marina approved the Coastal Commission permits as that is the right thing to do.

Vice President Burns asked for clarification on the permit consolidation. Mr. Heitzman answered that it included all three parties as the project goes from the south to the north of the Peninsula. The Coastal Commission is involved because the wells and a large part of the pipeline are in their area of jurisdiction and they would like a word on the project. The Coastal Commission also indicated that there would be a local meeting.

Mr. Heitzman commented that the first time the City of Marina was asked for a “comfort letter” was in 2009 and other jurisdictions have provided those letters upon the District’s request. The Coastal Commission prefers a consolidated permit and the City of Marina will still have a say when the encroachment permits comes through.

Director Gustafson commented that these letters were a typical late hour document dump. If they were truly concerned with the subject matter of those letters, they would have produced those documents in a timely manner for true transparency. Director Gustafson reiterated that in 2009 the District made the request to the City and they are costing the ratepayers money with their delay. He commented that the well location was a past desalination plant with a well that was on it already. Director Gustafson stated that he would recommend no response to any of the letters because the District has gone through a number of discourses through the public at the REPOG meetings.

Director Shriner commented that she was on the Public Works in May 2009 and had the approved minutes showing that the Public Works approved the revised recycled water pipeline route through the City of Marina, an allocation of 300 acre-feet to the City of Marina, and to hold a public outreach workshop. Director Shriner commented that to her knowledge there has not been a public outreach workshop.

Director Nishi questioned what the Public Works recycled water recommendation has to do with this item. Director Shriner commented that it was because several questions that came forward at the Marina City Council were regarding public participation.

Agenda Item 5-D (continued):

Director Nishi asked what that has to do with the Public Works agenda item referring to the recycled water. Director Shriner answered that two years ago the District was asked to hold a public outreach workshop and then it was to go the City Council for reassurance. President Lee explained that Director Shriner was talking about Regional Urban Water Augmentation Project (RUWAP) which was the recycled water project and that is different than the desalination project.

Director Shriner commented that on page 94 of the January 11, 2011 Board meeting, it says that the General Manager and staff will take action for a conditional project approval, but it does not specify that consultants will carryout that request for consolidation. On page 124 of the Water Purchase Agreement, it specifies monthly reports, and Director Shriner questioned where the reports are, and, on page 135 of the Water Purchase Agreement, it specifies a Community Involvement Forum. Director Shriner asked when the Community Involvement Forum is scheduled and when the date is for the workshop on the recycled water pipeline.

Director Shriner stated that the information in this packet is the information she was looking for in her email to staff on January 30, 2011. On February 8, she was told it was being worked on, on February 11th some of it was distributed through the Marina City Council packets, and on February 15th some of it, including these letters, was discussed at the City Council meeting. Director Shriner commented that it would only be fair if the Directors of this Board would have the information in a public meeting before their public forums. Director Shriner commented that on page 79 of this packet, specifies the local coastal program as an entity for requesting consolidation, is this the City of Marina? Is this the step RMC Water and Environment is on as a part of the next item on the agenda?

Director Nishi asked what the point Director Shriner is trying to convey. Director Shriner answered that there hasn't been the public participation that they have been promised. Director Nishi stated that he isn't sure what Director Shriner is trying to convey and referring to pages in past packets is making it difficult to follow. Director Shriner passed Director Nishi copies of the documents she referred to. Director Nishi said he still doesn't understand what point she is trying to make. Vice President Burns agreed. He said that the Board is talking about desalination and Director Shriner is talking about RUWAP. Vice President Burns stated that he isn't sure what Director Shriner is talking about other than her doing a bunch of research on something she thinks is relevant and he doesn't. Director Shriner said that she and the letters think the public deserves more participation in RUWAP and desalination. Director Nishi commented that it has been the intent of this Board to have that. Director Nishi stated that Director Shriner has only been on the Board less than three months and in time will see that the Board tries to be as transparent as any other agency. He wishes they can all work together and move forward to give the ratepayers the best product.

Agenda Item 5-D (continued):

Director Nishi voiced his concern that people come to these meeting and make false statements and the District doesn't correct them. For instance, that LandWatch is saying that the project is different than what was approved by the PUC and the District doesn't say it is or isn't true. Director Nishi said the District needs to clear the minds of the people on what the truth is and if the wells are substantially different. Mr. Lowrey commented that the answers to those questions are contained in the administrative drafts and responses. Director Nishi commented that the people at home don't have the letters and he would like to see a response to the statements made. He agreed with Director Gustafson that games are being played and it is costing the ratepayers money.

Mr. Lyndel Melton, RMC Water and Environment (RMC), commented that fundamentally, the wells are exactly as defined by the PUC. As within the PUC order, a test slant well on the District property will be constructed. The other test well on the drawings is shown within the zone, identified within the EIR, which is currently proposed to be located at the CEMEX property. Mr. Melton stated that the only possible change that someone might construe is the pipeline down Dunes Road. If you look at the appendix of the EIR you will see it is included because that entire reach was identified as a reach for project facilities wells to be located. Mr. Melton stated it goes from the District's property to the CEMEX property and that is exactly where the wells are located, nothing has changed in that regard. Director Nishi commented that it was his understanding on the pipeline that wasn't included, it might be economically feasible to go another route which is why it was in there. Mr. Melton clarified that in an effort to be transparent to the public, it was identified on the drawing that they might want to put a pipeline down that road, although it was very clearly identified in the EIR that the alternative pipeline would be run from the District offices up Reservation Road following TAMC right-of-way to the plant. Another pipeline route was going down Dunes Road and up to the plant. Mr. Melton stated that the alternative would be to put in two pipelines. By putting in this little piece of pipe, millions of dollars in capital costs could be saved. Director Nishi said that he wished this information could have been given at the City Council meeting.

President Lee said he was surprised to hear a comment that this had never been before the Board before and asked Mr. Melton to clarify how it was brought several times before this Board and the County Supervisors for approval. Mr. Melton answered that the entire project has been approved by this Board, the Board of Supervisors, and California American Water Company. All three have executed the Water Purchase Agreement which lays out very clearly the processes that are going to be utilized, how things are going to be done on a day-to-day basis, and how they will come back to this Board for various types of decisions. Mr. Melton stated that the fact they are pursuing a consolidated permit process is completely consistent with all the communications they have with the Board.

Agenda Item 5-D (continued):

Director Nishi commented that all the Directors have been given a copy of the Water Purchase Agreement and they should know that was the process that was approved. Director Nishi stated that to go before the City Council as a member of the Board of Directors and say that the Board did not approve it is blatantly false.

Director Shriner commented that page 124 specifies a monthly report and questioned when it would be given to the Board. Mr. Heitzman answered that a monthly report would be provided once a Project Management Agreement is in place. A monthly report is already given to the Advisory Committee. Director Shriner asked if the Board can receive that report. Mr. Heitzman answered that once the Project Management Agreement is signed there will be a consultant to provide the report. Director Shriner questioned the Community Involvement Forum on page 135 of the Water Purchase Agreement, and asked who was in charge of scheduling that. Mr. Heitzman answered that the scheduling is up to the Community Involvement Forum facilitator that RMC has already selected. Director Shriner questioned if a date has been scheduled. Mr. Melton answered that the first meeting is tentatively scheduled for March 31st.

Director Shriner stated that on January 11th, the Board approved the General Manager and staff to take action for the conditional project approval. She questioned how it switched to RMC. Mr. Lowrey answered that the Board previously authorized agreements with RMC to authorize engineering services in support of the staff's efforts with funding coming from the source previously approved, the Line of Credit. When the General Manager is directed by the Board to do something, there are a number of resources to draw on. The General Manager can draw on in-house staff or consultants for the assistance he needs. Mr. Lowrey explained that for several months if not years, the Board has had in place a series of agreements with RMC to provide support for the General Manager on this project. Director Shriner stated the approval given in January "directed the General Manager and staff to take all other actions that may be necessary to effectuate and implement the resolution and Conditional Project Approval" and questioned if the ball was passed to the consultant. Mr. Lowrey answered that "passed the ball" isn't appropriate as the General Manager has an additional resource available to him to implement this.

Director Nishi voiced his concern that Director Shriner is wasting their time with her lack of knowledge of how things work. The Board makes policy and hires a General Manager who implements that policy. Director Nishi commented that in his twenty years, this is the first time they have gone from Directors asking these specific questions. Director Nishi commented that what he is seeing is the same flow that is occurring at the City of Marina. There is a group of people that hire professionals and the layman, who has no expertise, takes up everyone's time to be brought up to speed. Director Nishi hopes staff hurries up and gets a Board workshop together to initiate educating everyone about the rules of the Directors, staff, attorney, consultants, etc. and the most efficient way to implement that.

Agenda Item 5-D (continued):

Mr. Lowrey stated that the City Council made some specific requests from this Board and it is appropriate to give them courteous and thoughtful responses. He added that staff has done their best to put together those responses and even if tweaked slightly, the substance to be in those letters is before the Board.

Director Nishi questioned what staff was recommending. Mr. Heitzman stated that staff recommends the Board give direction on the draft letters and staff finalize and send the three letters in response to the City Council request.

Director Nishi made a motion to direct staff to finalize the draft letters and send them in response to the City of Marina regarding the Coastal Development Permit for the Regional Desalination Project. Director Gustafson seconded the motion. Director Shriner commented that the public outreach has not been addressed in these letters. The outreach workshop that was mentioned in 2009, and the March 31st workshop are not mentioned in the letters. Director Shriner stated she cannot support this action. The motion was passed.

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

E. Consider Adoption of Resolution No. 2011-19 to Authorize a Project Management Agreement with RMC Water and Environment for Program Management of the Regional Desalination Project:

Mr. Heitzman introduced this item explaining that this is a request to formalize a Project Management Agreement (PMA) that exists between the Monterey County Water Resources Agency, California American Water Company, Marina Coast Water District, and RMC. This Agreement will take the project from where it is now to when it is producing water and the final acceptance. Mr. Heitzman stated that RMC was picked by the Advisory Committee as it was determined that their knowledge of the technical issues and the institutional settings was important, as well as their intimate knowledge of the project partners, and RMC has proven their ability to keep the project on schedule and they have dedicated key personnel to this project. Mr. Lowrey commented that Task Order 1 was distributed shortly after the packet was sent out and it would be the kind of action and document that the General Manager will sign and act on if the Board approves the Resolution authorizing the General Manager to execute the PMA substantially in the form presented to the Directors, and to take all other actions and execute all other documents as may be necessary or appropriate to give effect to this resolution and the PMA.

Agenda Item 5-E (continued):

Mr. Riley stated that he continues to congratulate the District for taking the lead, the risk and the political rations they get for taking the leadership on this. He also congratulated Lyndel Melton and the rest of the RMC staff. Mr. Riley commented that he has the utmost respect for Mr. Melton as he is always thorough, always a gentlemen, always accessible, always clear, and you can depend on him in many ways.

Mr. Tom Moore, Marina resident, questioned who would be the lead agency should an addendum need to be made to the project or Environmental Impact Report and would it have to go back to the Public Utilities Commission. Mr. Moore also stated that he would have liked this item to be presented at a regular Board meeting to allow more time for everyone to review the lengthy document as this is the second largest amount the District has ever approved.

Vice President Burns asked where the funds will come from for this Agreement. Mr. Heitzman answered that the funds would come from the Line of Credit with California American Water Company until the bonds are sold this summer. If the Line of Credit runs out of available funds, the project will be stalled. Mr. Heitzman commented that all three agencies are aware of the critical timeframe of the Peninsula's water source as 2016 and they are working on keeping to a rigid schedule to ensure that the timeframe is met with the next step in moving this project along; bonding.

Director Shriner questioned that of the \$28 million, the District's share is \$20 million and California American Water's share is \$1.2 million. Mr. Heitzman stated that was correct. Director Shriner asked if the permit and mitigation fees were included in this amount. Mr. Heitzman answered that this fee was just to get to the permit stage and the District has to pay for its permitting fees, just as the Monterey County Water Resources Agency, and California American Water has to pay for theirs. Director Shriner asked if it included right-of-way or easement costs. Mr. Heitzman stated that each agency has to pay those fees themselves. Director Shriner questioned other costs and Mr. Melton answered that those costs are not included in the Agreement, but local contractors will be used when the time comes.

Director Shriner questioned the word "shall" on page 106 of the packet, Section 12.1.3, last sentence of the first paragraph, and asked if the word meant that the District has to approve all contract change orders. Mr. Lowrey clarified that the way the resolution is written and intended to be interpreted, is that the General Manager is authorized and directed to take the actions and execute the document to implement this, subject to the financial restraints that have been placed on it. The General Manager would be able to come back at any time to seek guidance from the Board, but is not intended that the Board would be involved in all the technical details of implementing the agreements. Mr. Lowrey stated that it is intended that the District's General Manager, by virtue of the authority given in the resolution, would take those actions and report back to the Board.

Agenda Item 5-E (continued):

Mr. Heitzman commented that if there are small change orders, the person in the authority seat for the District would make those decisions. If it is a large issue that affects all three parties, the change order would go to the Advisory Committee and if all three agree, it moves forward. Mr. Heitzman added that if they don't agree, it goes back to the respective Boards for a decision. Award of a substantial contract would come before the Board to be formalized.

Director Shriner suggested striking the phrase "MCWD shall approve all contract change orders prior to issuance by Project Manager." Mr. Lowrey answered that the phrase should be kept in place because the Board delegates authority to the General Manager who oversees the work of the Project Manager in the process previously discussed by Mr. Heitzman.

Director Nishi made a motion to adopt Resolution No. 2011-19 authoring a Project Management Agreement with RMC Water and Environment for Program Management of the Regional Desalination Project. Director Gustafson seconded the motion. Director Shriner asked if the permitting matrix, as shown on page 78 of the packet, could be added to the motion. Director Nishi stated that he made a motion to approve Resolution No. 2011-19. The motion was passed.

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

6. Director's Comments:

Director Shriner asked to have added to the agendas in the future, possibly in place of the old committees, the construction schedules, the permitting matrix, the construction costs, the master project schedule, and the processing changes. Mr. Heitzman commented that if the consultant is required to put together a report for every agenda, there could be added costs for the extra work. President Lee suggested that when the reports are provided to the General Manager, he could provide those to the Board for informational purposes.

Vice President Burns asked to put Director Shriner's request on the next agenda for the Board to vote on whether they want it or not.

Director Gustafson voiced his disappointment that a Director made a comment at a Council meeting, saying that the Council should "go get them".

Director Nishi wanted to reinforce the idea that the District hold a Strategic Plan to work on teambuilding and goals. In the meantime, he suggested adding to the agenda, excerpts from the Board Procedures Manual for discussion on the roles of the Board.

Agenda Item 5-E (continued):

Director Nishi commented that the Board is still going back down into the minutia and asking questions that shouldn't be asked.

Director Nishi made a comment to Mr. Riley that the District hired the General Manager and there were concerns by a councilmember in Monterey about the District's expertise in being able to do a project this size. As a prime example; a question was asked and the General Manager asked the consultant to answer the question. Director Nishi stated that he hopes this reinforces that the District is going to produce this project at the best cost that it can, and if costs escalate, it is not because the District failed, it is because of the people that want to stall this out. Every time it is stalled it will cost people a lot more money. Director Nishi stated that he hopes that people on the Monterey Peninsula understand they are hurting themselves. The sooner this thing gets going, the sooner it will be a better life for people.

7. Adjournment:

The meeting was adjourned at 8:10 p.m.

APPROVED:

William Y. Lee, President

ATTEST:

Jim Heitzman, General Manager

Marina Coast Water District

District Offices
11 Reservation Road
Marina, California

Regular Board Meeting
March 8, 2011
6:45 p.m.

Draft Minutes

1. Call to Order:

President Lee called the meeting to order at 6:45 p.m. on March 8, 2011.

2. Roll Call:

Board Members Present:

Bill Lee – President
Dan Burns – Vice President
Howard Gustafson
Jan Shriner
Kenneth K. Nishi

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager
Lloyd Lowrey, Legal Counsel
Carl Niizawa, Deputy General Manager/District Engineer
Jean Premutati, Management Services Administrator
Kelly Cadiente, Director of Administrative Services
Thomas Barkhurst, Water Quality Chemist
Rich Youngblood, Conservation Coordinator
Brian True, Capital Projects Manager
James Derbin, Interim Operations and Maintenance Superintendent
Patrick Breen, Capital Projects Manager
Joe Correa, Interim Assistant Operations and Maintenance Superintendent
Joe Pineda, Systems Operator
Paula Riso, Executive Assistant/Board Clerk

Audience Members:

Bob Holden, MRWPCA
Andy Sterbenz, Schaaf & Wheeler
Delores Dannemello, Marina Resident

Brian McCarthy, Marina Resident
Will Franks, MRWPCA
George Riley, Monterey Resident

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

3. Closed Session:

- A. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Existing Litigation
(Subdivision (a) of Section 54956.9)
Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County
Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and
Complaint for Declaratory Relief)

- B. Pursuant to Government Code 54957.6
Conference with Labor Negotiators
Agency designated representatives: William Lee and Dan Burns
Unrepresented Employee: General Manager

The Board ended closed session at 6:50 p.m.

President Lee reconvened the meeting to open session at 7:00 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, reported the following:

- 3-A – the Board of Directors conferred with Legal Counsel, and no action was taken.
- 3-B – there was no conference or action taken.

5. Pledge of Allegiance:

President Lee asked Mr. James Derbin, Interim Operations and Maintenance Superintendent, to lead everyone present in the pledge of allegiance.

6. Oral Communications:

Mr. Brian McCarthy, Marina resident, commented that he has provided staff with a letter and documentation regarding fire sprinklers. The letter also has his contact information if any Board member would like to reach him. Mr. McCarthy read an article regarding sprinkler service in several other cities.

7. Presentations:

- A. Consider Adoption of Resolution No. 2011-20 in Recognition of Community Member, Mr. Nathan Chaney, for his Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission:

Director Nishi made a motion to adopt Resolution No. 2011-20 in recognition of Community Member, Mr. Nathan Chaney, for his dedicated service to the Marina Coast Water District as a member on the Water Conservation Commission. Vice President Burns seconded the motion. The motion was passed.

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

President Lee noted that Mr. Chaney was not present and a staff member would deliver the resolution to him. Director Nishi asked that the Board of Director's thanks be conveyed to Mr. Chaney.

- B. Consider Adoption of Resolution No. 2011-21 in Recognition of Mr. Joe Pineda, System Operator II, and Awarding a Plaque and Gift Certificate for 5 Years of Service to the Marina Coast Water District:

Vice President Burns made a motion to adopt Resolution No. 2011-21 in recognition of Mr. Joe Pineda, System Operator II, 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 Gustafson	-	Yes	Vice President Burns	-	Yes
Director Shriner	-	Yes	President Lee	-	Yes
Director Nishi	-	Yes			

President Lee read aloud the narration and presented Mr. Pineda with his plaque and gift certificate. Mr. Jim Heitzman, General Manager, added his appreciation and thanks to Mr. Pineda.

8. Consent Calendar:

Director Nishi asked to pull items C and D from the Consent Calendar.

Director Shriner commented that she had several questions on some of the items. President Lee allowed Director Shriner to ask for clarification on those items.

Agenda Item 8 (continued):

With regards to agenda item 8-A, Receive the Quarterly Financial Statements for October 1, 2010 to December 31, 2010, Director Shriner asked if when the District stays within its budget, is it a measurable management criterion? Ms. Kelly Cadiente, Director of Administrative Services, answered that it was. Director Shriner asked several other clarifying questions regarding budgeted revenues and expenses versus actual revenues and expenses.

On agenda item 8-B, Approve the Expenditures for the Month of February 2011, Director Shriner asked for clarification of check numbers 51201 and 51349. Staff clarified the expenditures for Director Shriner.

Vice President Burns made a motion to approve Consent Calendar consisting of items:

- A. Receive the Quarterly Financial Statements for October 1, 2010 to December 31, 2010
- B. Approve the Expenditures for the Month of February 2011

Director Gustafson seconded the motion. The motion was passed.

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

- C. Approve the Draft Minutes of the Special Board Meeting of January 31, 2011
- D. Approve the Draft Minutes of the Regular Board Meeting of February 8, 2011

Director Nishi commented that he pulled the minutes so that he could abstain from the vote.

Director Gustafson made a motion to approve Consent Calendar items:

- C. Approve the Draft Minutes of the Special Board Meeting of January 31, 2011
- D. Approve the Draft Minutes of the Regular Board Meeting of February 8, 2011

Director Shriner seconded the motion. The motion was passed.

Director Gustafson	-	Yes	Vice President Burns	-	Yes
Director Shriner	-	Yes	President Lee	-	Yes
Director Nishi	-	Abstain			

9. Action Items:

D. Receive Draft Budget for FY 2011-2012 and Schedule a Budget Workshop:

Mr. Heitzman introduced this item commenting that the schedule allows for the Board of Directors to adopt the FY 2011-2012 budget on June 14, 2011 and a workshop needs to be scheduled before that time. Director Nishi asked if the schedule was driven by the Prop. 218 notices and what was the drop date for those notices. Mr. Heitzman answered that the drop dead date is April 29th. Director Nishi also questioned the schedule with regards to the Ord Community. Mr. Heitzman answered that staff would review the comments made and will email some suggested workshop dates to the Directors.

B. Consider Adoption of Resolution No. 2011-22 to Authorize a Professional Services Agreement with Luhdorff & Scalmanini Consulting Engineers for the Eastern Distribution System Watkins Gate Well installation for a Not-to-Exceed Amount of \$195,960:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced Mr. Patrick Breen, Capital Projects Manager. Mr. Breen introduced this item. Mr. Lowrey commented that the transmittal states that further CEQA analysis will be done, and because further CEQA analysis is required, this project hasn't been approved as a project and is still in the planning stage. Mr. Lowrey added that the District is only able to approve items 1-3 on the proposed scope of services from Luhdorff & Scalmanini. He stated that items 4-6 would not be able to be completed until after the appropriate CEQA is completed. Mr. Lowrey suggested the Resolution be modified under the "NOW, THEREFORE, BE IT RESOLVED" to read, "...for engineering services related to the planning for the design and construction." Mr. Breen added that the revised amount for the three items is \$151,685.

Director Shriner inquired if this Well was a replacement or to expand the District's service. Mr. Niizawa commented that the Eastern Distribution Project is a State-funded Prop. 50 Grant that replaces wells. Mr. Heitzman added that the District is looking long-term in reducing coastal pumping and moving the wells east.

Vice President Burns inquired if the District is looking at design/build to save money. Mr. Heitzman answered that the District does sometimes look at design/build but this consultant doesn't build, they only do the design. The District makes a point of hiring locally whenever possible, but in this case, a hydrogeologist is needed and required someone from outside the local area.

Director Nishi questioned the travel costs for the meetings as noted in the scope-of-work and asked if \$151,685 included those travel costs. Mr. Breen answered that the ground travel is included in the amount.

Agenda Item 9-B (continued):

Director Nishi asked if there are more meetings than the number included in the scope-of-work, who would pay for the travel. Mr. Heitzman answered that it depended on the reason for the additional meetings. If the District is requiring the additional meetings, the District will pay. Mr. Heitzman added that if there is an unanticipated complication that would require additional meetings, and the funding, including contingency, were depleted, a change order would be required and it would be brought back to the Board.

Director Nishi made a motion to adopt Resolution No. 2011-22 to authorize a Professional Services Agreement with Luhdorff & Scalmanini Consulting Engineers for the Eastern Distribution System Watkins Gate Well installation. Mr. Lowrey asked if the motion included the suggested changes to the resolution under the “NOW, THEREFORE, BE IT RESOLVED” to read, “...for engineering services related to the planning for the design and construction.”, and revise the amount for the scope-of-work items 1-3 to \$151,685. Director Nishi answered that his motion did include those changes. Director Gustafson seconded the motion. The motion was passed.

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

C. Consider Adding Regional Desalination Reports to the Agenda Under Informational Items:

Mr. Heitzman introduced this item.

Director Shriner commented that these reports are already in the contract and wanted to know how the Board would receive the reports.

Vice President Burns commented that he was okay with the reports in the contract and thought Director Shriner wanted other reports not included in the contract.

Vice President Burns made a motion to add Regional Desalination Reports to the agenda under Informational Items. Mr. Heitzman commented that some of these reports will just be blank because there won't be anything to report for a while. Director Shriner commented that it would be helpful to receive the reports once there is information to report and have them provided in the packet. Director Shriner seconded the motion. Mr. Heitzman commented that the reports will be provided to the Advisory Committee and he will give the Board an update at a subsequent Board meeting. Mr. Heitzman added that at this time the only report with any information is the Permitting Matrix. Director Shriner commented that she would like to see a copy of the Permitting Matrix.

Agenda Item 9-C (continued):

Mr. Heitzman commented that he will provide reports as they are generated until they are complete and no longer being updated.

Vice President Burns withdrew his motion.

D. Consider Appointing a Liaison to the Regional Desalination Project:

Mr. Heitzman introduced this item stating that it there is a considerable amount of work and that having an elected official as a liaison to help attend meetings will be of great assistance. There are meetings where there are other elected officials present and it would be prudent to have an elected official representing the District. Mr. Heitzman commented that there could be weeks with 20-30 hours of meetings and weeks where there are no meetings at all.

Vice President Burns volunteered to be a liaison to the Regional Desalination Project. President Lee commented that he was intending to nominate Director Nishi to be the liaison. Mr. Heitzman stated that he could use two liaisons to attend the meetings.

President Lee made a motion to appoint Vice President Burns and Director Nishi as liaisons to the Regional Desalination Project. Director Gustafson seconded the motion. Director Shriner made a motion to modify the previous motion for Vice President Burns to be the primary and Director Nishi the alternate liaison. Director Gustafson seconded the modified motion. The motion was passed.

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

10. Staff Report:

A. Receive a Report Regarding the Status of the Wharf Hydrant Replacements:

Mr. Brian True, Capital Projects Manager, introduced this item explaining that there are twelve wharf hydrants to be replaced and District staff will replace eleven of the twelve hydrants. The twelfth hydrant will need to be contracted out for replacement due to the upgrade from a 4-inch mainline to an 8-inch mainline.

Vice President Burns clarified that by District staff performing these replacements, it is saving the District money. He congratulated the Operations and Maintenance staff for taking on this project and saving the District money.

Agenda Item 10-A (continued):

President Lee questioned if these hydrant replacements are going to impact the street or if they are off on the side. Mr. True answered that there may be a few that impact the street, but generally they are off to the side.

Director Nishi questioned the process of replacing the hydrants and how long staff is estimating it will take to replace the hydrants. Mr. James Derbin, Interim Operations and Maintenance Superintendent, answered it will take about a full day to replace the hydrant if everything goes smoothly. Director Nishi suggested the District put in temporary hydrants while waiting for the cement to cure and the replacement hydrant to be ready for use. Mr. Derbin commented that putting in temporary hydrants would greatly exceed the Department's budget and that the wharf hydrants are not considered usable by the Marina's Fire Department. Mr. Carl Niizawa, Deputy General Manager/District Engineer, commented that the District was working with the Marina Fire Department on the hydrant replacements.

B. Update on the Monterey Regional Water Pollution Control Agency Outfall Capacity Analysis:

Mr. Niizawa introduced this item explaining that the determination by CH2MHill in August 2010 stated the outfall capacity exceeds that of the default value in the Outfall Agreement. The issue with regards to increased corrosion has not been resolved and will be done in the future.

Vice President Burns questioned whether the outfall had been inspected on the outside. Mr. Bob Holden, Monterey Regional Water Pollution Control Agency, answered that it is inspected every four years and there has not been any corrosion noticed.

Director Shriner commented that this should be a negotiation item and asked if waiting for the uncertainty of the impact in any way delays the negotiation overall. Mr. Heitzman answered that it is already a signed agreement.

Director Nishi commented that the Peninsula Cities have paid a portion of the costs of the outfall and they could be receiving a benefit from the desalination plant increasing the flow in the outfall. If there is damage to the outfall, it should be borne by all. Mr. Heitzman answered that if there is damage to the outfall from the brine, the cost would be borne by everyone receiving the desalination water.

C. Receive an Update on the Progress of the FORA Building:

Mr. Breen introduced this item and gave a brief update on the progress of the FORA building.

Agenda Item 10-C (continued):

Vice President Burns asked how many change orders there were. Mr. Breen answered that there have been two change orders and they remain within the budget.

President Lee inquired on the sky lights that were recently installed. Mr. Breen answered that there were 27 sky lights installed in the building.

D. Receive a Report on the Duties of Directors, the General Manager, and Legal Counsel, and Code of Ethics for the Directors.

Mr. Lowrey reviewed the duties and authority of the Board of Directors. He reviewed Sections 30520-30579.5 of the Water Code which is the primary authority over the Board. Mr. Lowrey reviewed several items from the Board Procedures Manual on the Duties of the Directors. Mr. Lowrey also explained the duties of the General Manager under the Water Code Sections 30580 and 30581, the duties as described in Resolution No. 98-01, and the duties and functions listed in the General Manager's contract. Mr. Lowrey reviewed the authority and duties of District Legal Counsel pursuant to Resolution No. 98-01.

Director Shriner asked for clarification on items 5 (Harassment-Free Work Environment), and 14 (Code of Ethics) of the Board Procedures Manual. She asked if harassment was in regards to diversity or something else. Mr. Lowrey answered that it relates to any protected class or category, i.e. race or religion. Director Shriner asked the difference between harassment and a hostile work environment. Mr. Lowrey answered that harassment can cause a hostile work environment. Ms. Jean Premutati, Management Services Administrator, added that there are definitions in the Board Procedures Manual as well as the Employee Handbook. Director Shriner commented that the City of Marina has sections to protect staff and City volunteers so they are not suffering at the hands of staff or public and questioned if the District has something similar. Ms. Premutati answered that the District has a waiver form for volunteers to sign when they are representing the District.

Director Nishi questioned the one-hour limit for legal counsel. He commented that he understood it as a one-hour time limit per subject. Mr. Lowrey answered that there would be some interpretation and reason involved to the one-hour time limit. If a Director were to call Legal Counsel and talk to him for 50 minutes, four times in a day on different subjects, that would not be within the spirit or the intent of this policy.

Director Nishi expressed his concern that the Director's did not receive this information before the meeting and it was not what he was expecting. He expected to see more information, for instance, under the Code of Ethics, it states that Directors should function as part of the whole and issues should be brought to the attention of the Board as a whole, rather than to individual members selectively.

Agenda Item 10-D (continued):

Director Nishi commented that even if they all don't agree, as long as a quorum of the Board votes to do something, they need to work together and support that decision.

Vice President Burns commented that they can address this more fully at the strategic workshop when it is scheduled.

11. Informational Items:

A. General Manager's Report:

No report.

B. District Engineer's Report:

Mr. Niizawa commented that the Fire Department is appreciative of the District's efforts with changing out the wharf hydrants. Mr. Niizawa thanked Director Nishi for his help with this item.

C. Counsel's Report:

Mr. Lowrey reported that there will be some changes to the Districts Conflict of Interest Code now that the Project Management Agreement with RMC Water and Environment has been signed. Consultants will be added to the Code to be included in the reporting of Form 700. This change will be coming before the Board soon.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

President Lee commented that the minutes were included in the packet.

2. Joint City-District Committee:

No meeting was held.

3. Budget and Personnel Committee:

No meeting was held.

4. MRWPCA Board Member:

Vice President Burns commented that Ron Stefani was nominated as Chair and is taking over for Lou Calcagno. At the last Board meeting they looked into the option of paying your bill for a year in advance and getting a discount. Pursuant to that discussion, the pre-pay discount was discontinued.

5. Special Districts Association Liaison:

Director Gustafson commented that the next meeting is in April.

6. LAFCO Liaison:

Mr. Niizawa commented that there was no discussion relevant to the District.

7. JPIA Liaison:

Director Shriner commented that there are some nominations for officers going on and there is a meeting in Sacramento for several days with the election of officers on May 9th.

8. FORA:

Vice President Burns commented that FORA is still looking at special taxes and fees charged to developers and has yet to know how it will affect the District. Mr. Niizawa suggested it be discussed at the Water/Wastewater Oversight Committee.

9. CalDesal:

Vice President Burns stated that there is a Strategic Planning Workshop on April 7 and 8. He added that the regulatory agencies are starting to take a look at desalinated water and permits and have made it their highest priority to work on. CalDesal has an Executive Director that will be making a presentation to the regulatory agencies regarding those issues. Mr. Heitzman commented that the District wrote a letter last year and sent it to the State Water Resources Control Board. It is an issue on the desalination in California as it is starting to become something that is real and they are looking at how they are going to regulate that.

10. Executive Committee:

No meeting was held.

11. Community Outreach:

Director Gustafson commented that there was nothing to report.

E. Director's Comments:

Director Shriner commented that the Sanctuary Currents is going on April 9th and what they are focusing on is innovative monitoring of the Monterey Bay.

Director Shriner inquired on the timeline for the Grand Jury Report and what the deadline was for responding. Director Nishi commented that the comments needed to be returned in a timely manner. Director Shriner stated that she did ask by email what the date was and it was not supplied. She wanted to know if she needed to contact the Grand Jury for that information. Director Nishi stated it needed to be in by March 10th.

Vice President Burns commented that it seemed like every other month someone was leaving the Water Conservation Commission. He suggested looking into what direction the Board should provide the Water Conservation Commission, what the structure is, how long someone should serve on the Water Conservation Commission, and how the Board should select a new candidate for the Water Conservation Commission.

Director Nishi commented that the Board needs to have both the Operations and Maintenance Committee and the Projects and Planning Committee reinstated. That would eliminate the need for any Ad Hoc Committees to look at things like 1-inch meters and mobile home parks. Director Nishi commented that if it is too much of a load on staff, the Board needs to make a decision on whether they should hire someone to pick up the slack. That is the only place you are going to learn about the Marina Coast Water District...you just have to put your time in.

President Lee offered his thanks to staff and the Board. He stated that some interesting things have been brought up and would like to see those reflected on. President Lee also thanked the public for attending.

12. Adjournment:

The meeting was adjourned at 8:47 p.m.

APPROVED:

William Y. Lee, President

ATTEST:

Jim Heitzman, General Manager

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: April 12, 2011

Submitted By: Rich Youngblood

Presented By: Rich Youngblood

Reviewed By: Carl Niizawa

Agenda Title: Consider Appointment to the Water Conservation Commission

Detailed Description: The Water Conservation Commission is authorized nine positions, eight are presently filled. The vacant position is a public member position. The public positions are appointed for a term of two years. The non-public positions are renewed yearly. The Board appointment date for each of public member has been included after each member.

Board of Directors Member (1):	Bill Lee, Dan Burns (alternate)
City of Marina Council Member (1):	Jim Ford
Army Member (1):	Jay Tulley
CSUMB Member (1)	Bob Brown
Public Members (5):	Dan Amadeo (Dec 2009)
	Ruth Krotzer (Dec 2010)
	Richard Newhouse (Sep 2009)
	Steven Reeves (Apr 2010)
	Vacant (1)

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Water Conservation Commission reviewed the application at its April 7, 2011 meeting.

Board Goals/Objectives: *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: Application for appointment to the Water Conservation Commission for Harold Krotzer.

Staff Recommendation: The Board of Directors consider making an appointment to the Water Conservation Commission.

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
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: April 12, 2011

Submitted By: Jean Premutati
Reviewed By: Carl Niizawa

Presented By: Jean Premutati

Agenda Title: Consider Adoption of Resolution No. 2011-28 to Select a Consultant to Facilitate a Board Workshop and Develop a Five-Year Strategic Plan for the Marina Coast Water District

Detailed Description: The Board of Directors consider selecting a consultant to facilitate a Board workshop and develop a Five-Year Strategic Plan for the Marina Coast Water District.

At a regular meeting on February 8, 2011, the Board approved a Request for Proposal (RFP) seeking a consultant to facilitate a Board workshop and develop a five-year strategic plan that would outline the goals and objectives for the District.

Staff sent out nine (9) RFP's to a list of consultants that were compiled through referrals. Eight (8) proposals were received by the deadline of March 1, 2011. The Management Services Administrator and the Vice President of the Board have reviewed and evaluated each submission based on the criteria and maximum point system below:

Relevant background of consulting team	35
Methodology complete/appropriate	20
Quality of communication/presentation	20
Cost	25

The top four (4) firms and their proposals are attached for your review. They include in no particular order:

BHI Management Consulting
Applied Development
Olson Communications
The Ingram Group

Staff requests the Board make a selection from the list of these top four (4) firms. Once a selection has been made, the Management Services Administrator will notify the selected consultant and coordinate a schedule and timeline with Board and staff members participating in the process.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On February 8, 2011, the Board approved an RFP to find a facilitator for a five-year strategic plan.

Board Goals/Objectives: *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: Expenditures are allocated across the five cost centers; 01-Marina Water, 02-Marina Sewer, 03-Fort Ord Water, 04-Fort Ord Sewer, 05-Recycled Water

Material Included for Information/Consideration: Resolution No. 2011-28; and, Proposals for Development of a Five-Year Strategic Plan from BHI Management Consulting, Olson Communications, Applied Development, and The Ingram Group

Staff Recommendation: The Board of Directors select a consultant to facilitate a Board workshop and develop a Five-Year Strategic Plan for the Marina Coast Water District.

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 _____

April 12, 2011

Resolution No. 2011 - 28
Resolution of the Board of Directors
Marina Coast Water District
Selecting a Consultant to Facilitate a Board Workshop and
Develop a Five-Year Strategic Plan for the Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 12, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, at its meeting on February 8, 2011, the Board approved a Request for Proposal (RFP) for distribution to seek a facilitator to facilitate a Board workshop and help develop a five-year strategic plan that outlines goals and objectives for the District in addition to benchmarking results; and,

WHEREAS, RFP’s were distributed on February 9, 2011 and the District received eight (8) proposals by the March 1, 2011 deadline; and,

WHEREAS, each proposal was evaluated according to set criteria and a point system noted in the RFP and the top four (4) firms have been included for review; and,

WHEREAS, staff now requests the Board of Directors to select a facilitator from the four (4) firms listed below:

BHI Management Consulting
Applied Development Economics
Olson Communications
The Ingram Group

and,

WHEREAS, once a selection has been made, the scope of work will begin immediately and Management Services Administrator will coordinate a schedule and timeline with the Board and participating staff members.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby select _____ to facilitate the Board workshop and development of a Five-Year Strategic Plan.

PASSED AND ADOPTED on April 12, 2011, 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 _____

William Y. Lee, 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. 2011-28 adopted April 12, 2011.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: April 12, 2011

Submitted By: Gary Rogers
Reviewed By: Carl Niizawa

Presented By: Gary Rogers

Agenda Title: Consider Adoption of Resolution No. 2011-29 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for Engineering Services Related to the Eastern Distribution Project Watkins Gate Well & Pipeline Installation for a Not-To-Exceed Amount of \$54,680

Detailed Description: The Board of Directors is requested to approve the execution of a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers to provide professional engineering services related to planning for a water well near the intersection of former Ft. Ord road "Watkins Gate Road" and Reservation Road and associated pipeline in furtherance of the Proposition 50 Grant funded Eastern Distribution Project.

The Schaaf & Wheeler scope will include: 1) Survey and Base mapping 2) Soil Investigation and Geotechnical Engineering 3) Preliminary Design & Report 4) Associated Project Management, Meetings, & Coordination.

In January of this year, District staff issued a Request for Qualification(s) for Water & Waste Water Engineering Services. Fifteen firms responded to the solicitation, and based on the perceived quality of the submittals, three were requested to provide proposals for engineering services related to the Eastern Distribution Project Watkins Gate Well & Pipeline.

Staff review of the proposals received has found that based on qualifications, work plans, and approaches, staff recommends Schaaf & Wheeler for award of this contract.

Environmental Review Compliance: Further CEQA analysis will be done for the Eastern Distribution System Watkins Gate Well installation including a Draft Initial Study, Negative Declaration or Mitigated Negative Declaration due to environmental consultant recommendation that the original CEQA Draft IS/Negative Declaration (Resolution No. 2009-11) for the Eastern Distribution Project did not consider the well location. Once CEQA has been completed for this work, design can be initiated and bid documents will be produced under a separate agreement with Schaaf & Wheeler.

Prior Committee or Board Action: Resolution No. 2009-11, the Board adopted the Initial Study/Mitigated Negative Declaration (IS/MND) for the Well 32 Replacement/Eastern Distribution System Project and Approved the Mitigated Monitoring and Reporting Program; Resolution No. 2010-21 the Board authorized signature of a Professional Services Agreement with Denise Duffy and Associates for biological/environmental services of the Eastern Distribution System; Resolution No. 2010-56 the Board adopted the Central Marina/Ord Budget for FY 2010-2011.

Board Goals/Objectives: *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 approved FY 2010/2011 Budget includes CIP No. OW-116.

Material Included for Information/Consideration: Resolution No. 2011-29.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2011-29 that authorizes the General Manager and/or Deputy General Manager/District Engineer to enter into a Professional Services Agreement with Schaaf & Wheeler Consulting Engineers for engineering services related to the planning of the Eastern Distribution System Watkins Gate Well and associated Pipeline in the amount of \$54,680.

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 _____

April 12, 2011

Resolution No. 2011 - 29
Resolution of the Board of Directors
Marina Coast Water District
Approving a Professional Services Agreement with
Schaaf & Wheeler Consulting Civil Engineers for Engineering Services
Related to the Eastern Distribution Project Watkins Gate Well & Pipeline Installation
for a Not-To-Exceed Amount of \$54,680

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 12, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the 1993 Agreement with Monterey County Water Resources Agency Zones 2 and 2A allows for a combined annual withdrawal in the Ord Community of up to 6,600 acre feet per year of groundwater about equal to the historic demand from Army uses at Fort Ord; and,

WHEREAS, the proposed Watkins Gate Well/Eastern Distribution System Project contains components that are part of the MCWD CIP and within the framework of the 2006 Master Plan; and,

WHEREAS, the Salinas Valley Integrated Water Management Plan was approved on March 20, 2007 to receive Proposition 50 funds from the State Water Resources Control Board and is expected to reimburse a portion of the District costs for replacement wells from the pressure zone; and,

WHEREAS, in Resolution No. 2009-11, the Board adopted the Initial Study/Mitigated Negative Declaration (IS/MND) for the Well 32 Replacement/Eastern Distribution System Project and Approved the Mitigated Monitoring and Reporting Program; and,

WHEREAS, in Resolution No. 2010-21 the Board authorized signature of a Professional Services Agreement with Denise Duffy and Associates for biological/environmental services of the Eastern Distribution System; and,

WHEREAS, in Resolution No. 2010-56 the Board adopted the Central Marina/Ord Budget for FY 2010-2011 which includes funding for the Watkins Gate Well & Pipeline; and,

WHEREAS, Schaaf & Wheeler Consulting Engineers has been found to be qualified in performing engineering services related to the water wells and pipelines;

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

- 1) Authorize the General Manager and/or Deputy General Manager/District Engineer to execute a Professional Services Agreement with Schaaf & Wheeler

Consulting Engineers for engineering services related to the planning of a well and pipeline near the intersection of former Ft. Ord road "Watkins Gate Road" and Reservation Road.

- 2) To take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, for a total dollar amount not-to-exceed \$54,680.

PASSED AND ADOPTED on April 12, 2011 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 _____

William Y. Lee, 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. 2011-29 adopted April 12, 2011.

Jim Heitzman, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-D

Meeting Date: April 12, 2011

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Reviewed By: Carl Niizawa

Agenda Title: Reconsider the Appointment of the Liaisons to the Regional Desalination Project

Detailed Description: The Board of Directors is requested to reconsider the appointment of the liaisons to the Regional Desalination Project.

On March 8, 2011, President Lee appointed Vice President Burns and Director Nishi as liaisons to the Regional Desalination Project. Vice President Burns was appointed as the primary liaison and Director Nishi as the alternate liaison. Upon further consideration, President Lee has concluded that both Directors offer valuable insight and professional expertise and would like to reconsider the appointment made at the March 8th meeting. The liaisons would be required to attend Regional Desalination Project meetings with the General Manager, meet with legislative bodies, attend public meetings on an as-needed basis, and provide the Board with monthly updates.

President Lee would like to recommend the appointment of both Vice President Burns and Director Nishi as co-liaisons to the Regional Desalination Project.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On March 8, 2011, the Board of Directors approved the appointment of Vice President Burns as primary and Director Nishi as alternate liaisons to the Regional Desalination Project.

Board Goals/Objectives: *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: This is a Board requested item.

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
Agenda Transmittal

Agenda Item: 8-E

Meeting Date: April 12, 2011

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Consider Providing Direction to the Board President on the District Vote for the LAFCO Independent Special District Alternate Seat

Detailed Description: The Board of Directors is requested to provide direction to the Board President in choosing a candidate to receive a vote to the LAFCO Independent Special District alternate seat.

On February 16, 2011, LAFCO sent an election ballot asking for Members of the Independent Special District Selection Committee to vote for one candidate to fill the Alternate Member seat for the remainder of a four-year term that will expire in May 2012.

There are three candidates for the Alternate Member seat: Paul Ingram, Carmel Valley Recreation and Park District; Mary Ann Leffel, Monterey Peninsula Airport District; and, Stephen Snodgrass, Parajo/Sunny Mesa Community Services District.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: LAFCO letter dated February 16, 2011 and Election Ballot with criteria and candidate statements.

Staff Recommendation: The Board of Directors provide direction to the Board President on which candidate to vote for the Special District Alternate Member seat to LAFCO.

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
Agenda Transmittal

Agenda Item: 8-F

Meeting Date: April 12, 2011

Prepared By: Brian True

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Providing Direction to Staff on the Coalition of Toro Area Homeowners' Associations Request to Provide Sanitary Sewer Service

Detailed Description: The Board is requested to provide direction to staff regarding a response to a request received from the Coalition of Toro Area Homeowners' Associations (Coalition). In the attached letter from the Coalition dated March 24, 2011, the Coalition specifically requests the MCWD Board of Director's to authorize staff to meet with Coalition representatives to:

- A) confirm MCWD's expertise and capabilities in operating wastewater treatment plants and collection systems; and,
- B) develop preliminary cost figures for MCWD to either
 - operate the existing sanitary sewer system from collection through discharge of treated effluent, or
 - operate and maintain the sanitary sewer collection system alone, with treatment provided by MRWPCA's regional facility.

The Coalition is researching options for acquiring their existing sanitary sewer service provider, California Utility Service. California Utility Service owns and operates both the sanitary sewer collection system and a wastewater treatment plant serving the Toro area. The El Toro area consists of approximately 1,100 households, a church, and an elementary school. If the Coalition is successful in acquiring the collection system and treatment plant, they will be left with determining how to operate and maintain a sanitary sewer collection system as well as determining whether to continue owning and operating a wastewater treatment plant or conveying the sewer flow to MRWPCA's regional treatment facility.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *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: Coalition of Toro Area Homeowners' Associations letter dated March 24, 2011.

Staff Recommendation: The Board of Directors direct District staff to respond to the request made by the Coalition of Toro Area Homeowner's Associations.

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: 8-G

Meeting Date: April 12, 2011

Submitted By: Suresh Prasad

Presented By: Kelly Cadiente

Prepared By: Carl Niizawa

Agenda Title: Consider First Reading of Ordinance No. 54 Approving New District Rates, Fees & Charges for Marina Water and Wastewater and Approve Proposition 218 Public Notice and Set Date, Time and Location for Public Hearings for Proposed Changes in Rates, Fees, and Charges for Marina and Ord Community Service Areas

Detailed Description: The Board is requested to conduct the first reading on Ordinance No. 54 as the first step to approving new water and wastewater rates, fees and charges for the Marina service area. The Board is also requested to approve the Notice of Public Hearing (Prop 218 notice) and to set the date, time and location for such public hearing in accordance with the Proposition 218 rate increase process for both the Marina and Ord Community service areas.

On May 14, 2008, the Board approved the Five-Year Water and Wastewater Financial Plan and Rate Study. The approved Rate Study called for rate increases for FY 2011/2012 and 2012/2013 for both service areas. On March 29, the Board met and discussed the budget at a regular scheduled Budget Workshop meeting and recommended changes to the proposed budget and rate increases. On April 4, 2011, the Board again met at a scheduled Board Workshop meeting and received and reviewed the proposed rate increase. The proposed rate increases are 4.9% for FY 2011/2012 and 5.0% for FY 2012/2013.

The FORA Board must approve the increase in the rates for the Ord Community, before they are adopted by the District. This would include the operating rates and capacity charges for water, wastewater and regional water. Staff has previously met with FORA staff to discuss the schedule and anticipated action by the boards.

The process for any rate change for Central Marina and Ord Community includes a public hearing to receive input from the rate payers before any change in rates is adopted. A Proposition 218 hearing is required in order to increase the rates charged for water and wastewater services for both the Central Marina and Ord Community. The Capacity Charge fee increase for both the Central Marina and Ord Community does not require a Proposition 218 notice or hearing. Rate changes for Central Marina are made by ordinance. Rate changes for the Ord Community are approved by MCWD by resolution and by FORA by either resolution or ordinance. Staff recommends that the Board approve issuance of a two year Prop 218 notice which will give notification of the proposed rate increases for FY 2011/2012 and FY 2012/13.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On February 14, 2007, the District Board adopted Resolution No. 2007-17 approving a Professional Services Agreement with Bartle Wells

Associates (“BWA”) to prepare a Five-Year Water, Wastewater and Recycled Water Financial Plan and Rate Study. On July 11, 2007, the District Board reviewed the rate study progress report. On March 12, 2008, the Board adopted Resolution No. 2008-12 to approve amending the Professional Services Agreement to include an increase in fees to complete the rate study. On April 30, 2008, the Board met and discussed the rate study at a rate study workshop. On May 14, 2008, the Board approved the Five-Year Water and Wastewater Financial Plan and Rate Study.

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

Financial Impact: Yes No

Funding Source/Recap: All revenue accounts for the District.

Material Included for Information/Consideration: Process for Adopting Proposition 218 Rate Increase (Chart); Notice of Public Hearing (Prop 218 Notice); and Ordinance 54.

Staff Recommendation: First Reading of Ordinance 54 Approving New District Rates, Fees & Charges for Marina Water and Wastewater and approve Notice of Public Hearing (Prop 218 Notice) and set date, time and location for Public Hearings for proposed changes in Rates, Fees, and Charges for Marina and Ord Community Service Areas. Staff recommends that the Board hold a joint MCWD/FORA Board meeting to satisfy the Prop 218 requirements with respect to the charges for the Ord Community on June 10, 2011 and that the MCWD Board holds the Prop 218 public hearing on June 14, 2011 for Central Marina rates. Designate District official to prepare summary of Ordinance 54 for publication.

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

PROCESS FOR ADOPTING PROP. 218 RATE INCREASE

STEP	ACTION	WHEN
1.	First reading of the proposed rate increase ordinance by the MCWD Board of Directors. Board sets the second reading date and public hearing date for May 10, 2011.	April 12, 2011
2.	For Prop. 218 compliance, mail notice to the record owner (may include tenants if they pay directly to MCWD) of each parcel upon which the fee or charge is proposed to be imposed. The notice must include: <ol style="list-style-type: none"> a. the amount of the fee on that parcel b. the basis for calculating the fee or charge c. the reason for the fee or charge d. the time, date and location of the protest hearing 	At least 45 days before public protest hearing (By April 25, 2011)
3.	Second reading of the proposed rate increase ordinance by the MCWD Board of Directors.	May 10, 2011
4.	District mails notice of public hearing to interested parties who have filed written request within prior year [At least 14 days before meeting.]	14 days before meeting (By May 31, 2011)
5.	District makes available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which charges are levied and the revenue sources anticipated to provide the service, including General Fund revenues. [At least 10 days before meeting.]	10 days before meeting (By June 3, 2011)
6.	Hold Prop. 218 public hearing on protests. If a majority of owners or tenants of identified parcels present written protests, the district may not impose the increased charges.	Not less than 45 days after notice is mailed (June 10, 2011-Ord; June 14, 2011 Marina)
7.	Propose to MCWD and FORA Board for adoption of 2011/2012 operating and capital budgets, and compensation plan for Ord Community services. Adopt ordinance for Central Marina, resolutions for Ord Community.	June 10, 2011-FORA & June 14, 2011-MCWD
8.	Water Consumption, Sewer Collection and Monthly Charges effective after both Board (MCWD and FORA) take action on adopting the budgets.	July 1, 2011

**NOTICE OF PUBLIC HEARING
ON PROPOSED CHANGES IN RATES, FEES AND CHARGES
FOR MARINA COAST WATER DISTRICT SERVICE AREAS**

Marina and the Ord Service Area

(Proposition 218 Notice)

Public Hearing for Marina Service Area: June 14, 2011, 7:00 p.m., MCWD Office, 11 Reservation Road, Marina, CA

Public Hearing for Ord Service Area: June 10, 2011, 3:00 p.m., Carpenters Union Hall, 933 2nd Avenue, Marina, CA

The Marina Coast Water District (MCWD) proposes to update the water and wastewater rates, fees and charges in order to be able to continue to operate, maintain and improve the District's water and wastewater facilities for the areas MCWD serves in Marina and on the former Fort Ord. The area the District serves on the former Ft. Ord is known as the "Ord Service Area." Except as changed by these updates, other existing rates, fees and charges will remain in effect. Changes to rates, fees and charges for the Ord Service Area require approval by both MCWD and the Fort Ord Reuse Authority (FORA).

PROPOSED INCREASE FOR WATER AND WASTEWATER RATES. The District currently charges customers a monthly fee for water based on the amount of the water consumed. The monthly consumption rate is currently an inclining block with three tiers. The District currently charges a flat rate for wastewater services. The District proposes to increase water and wastewater rates as set forth herein.

PROPOSED INCREASE FOR WATER AND WASTEWATER SERVICE FEES.

The District currently charges monthly service fees as a condition of service, based on the cost of labor and materials necessary to provide the services. The District proposes to increase water and wastewater service fees as set forth herein.

REASON FOR THE INCREASES. Since the last rate increase, the costs of energy, labor, raw materials and all other components necessary to provide water and wastewater services and to maintain and repair the facilities used to provide such services have increased. The proposed 4.9% for FY 2011/2012 and 5.0% for FY 2012/2013 increases are based on information presented by engineering and financial advisors to the Boards of Directors of FORA and MCWD demonstrating the need to increase rates, fees and charges to maintain water and wastewater services within the MCWD's existing service areas. The specific information relating to the need for the rate increase as well as the calculation of the amount of the increase is on file at the MCWD's office.

HOW THE RATES, FEES AND CHARGES WERE CALCULATED. A study has been conducted by an independent consulting firm. That study concluded that rates higher than the proposed rates will provide enough funds for the District to recover the cost of operation & maintenance and administration. The District has determined certain cost areas to reduce in order to propose rates lower than rates recommended in the study. All rates, fees and charges are calculated based on the cost to provide services. The water rates are calculated based on the amount of water used. Wastewater rates are calculated based on the amount of wastewater discharged, measured by equivalent dwelling units (one residence equals one dwelling unit).

PROPOSED CHANGE IN WATER AND WASTEWATER RATES.

CENTRAL MARINA MONTHLY WATER RATES

EXISTING RATE	PROPOSED RATE
Water Consumption Charge \$2.08 per hcf (0-8 hcf) \$2.53 per hcf (9-16 hcf) \$4.62 per hcf (16 + hcf)	Water Consumption Charge Effective July 1, 2011 \$2.18 per hcf (0-8 hcf) \$2.66 per hcf (9-16 hcf) \$4.85 per hcf (16 + hcf) Effective July 1, 2012 \$2.29 per hcf (0-8 hcf) \$2.79 per hcf (9-16 hcf) \$5.09 per hcf (16 + hcf)

One hcf, or hundred cubic feet, is 748 gallons

CENTRAL MARINA MONTHLY WASTEWATER RATES

EXISTING RATE	PROPOSED RATE
\$8.30 per equivalent dwelling unit	Effective July 1, 2011 \$8.71 per equivalent dwelling unit Effective July 1, 2012 \$9.15 per equivalent dwelling unit

CENTRAL MARINA MONTHLY WATER SERVICE FEES

EXISTING FEE	METER SIZE	PROPOSED FEE (Effective July 1, 2011)	PROPOSED FEE (Effective July 1, 2012)
\$17.11	5/8" or 3/4"	\$17.95	\$18.85
\$42.75	1"	\$44.85	\$47.09
\$85.51	1-1/2"	\$89.70	\$94.19
\$136.80	2"	\$143.50	\$150.68
\$256.50	3"	\$269.07	\$282.52
\$427.50	4"	\$448.45	\$470.87
\$855.00	6"	\$896.90	\$941.75
\$1,710.01	8"	\$1,793.80	\$1,883.49
\$78.40	Temporary Water Service	\$82.24	\$86.35

ORD SERVICE AREA MONTHLY WATER RATES

EXISTING RATE	PROPOSED RATE
<p>Water Consumption Charge</p> <p style="padding-left: 40px;">\$2.22 per hcf (0-8 hcf) \$3.12 per hcf (9-16 hcf) \$4.02 per hcf (16 + hcf)</p> <p>Monthly Flat Rate Billing</p> <p style="padding-left: 40px;">\$80.40 per unit without meter</p> <p>Monthly Capital Surcharge Billing (for new connection)</p> <p style="padding-left: 40px;">\$20.00 per edu per month</p>	<p>Water Consumption Charge</p> <p>Effective July 1, 2011</p> <p style="padding-left: 40px;">\$2.33 per hcf (0-8 hcf) \$3.27 per hcf (9-16 hcf) \$4.22 per hcf (16 + hcf)</p> <p>Effective July 1, 2012</p> <p style="padding-left: 40px;">\$2.45 per hcf (0-8 hcf) \$3.43 per hcf (9-16 hcf) \$4.43 per hcf (16 + hcf)</p> <p>Monthly Flat Rate Billing</p> <p>Effective July 1, 2011</p> <p style="padding-left: 40px;">\$84.34 per unit without meter</p> <p>Effective July 1, 2012</p> <p style="padding-left: 40px;">\$88.56 per unit without meter</p> <p>Monthly Capital Surcharge Billing (for new connection)</p> <p>Effective July 1, 2011</p> <p style="padding-left: 40px;">\$20.00 per edu per month</p> <p>Effective July 1, 2012</p> <p style="padding-left: 40px;">\$20.00 per edu per month</p>

One hcf, or hundred cubic feet, is 748 gallons, edu - equivalent dwelling unit

ORD SERVICE AREA MONTHLY WASTEWATER RATES

EXISTING RATE	PROPOSED RATE
<p style="padding-left: 40px;">\$24.36 per equivalent dwelling unit</p> <p>Monthly Capital Surcharge Billing (for new connection)</p> <p style="padding-left: 40px;">\$5.00 per edu per month</p>	<p>Effective July 1, 2011</p> <p style="padding-left: 40px;">\$25.56 per equivalent dwelling unit</p> <p>Effective July 1, 2012</p> <p style="padding-left: 40px;">\$26.84 per equivalent dwelling unit</p> <p>Monthly Capital Surcharge Billing (for new connection)</p> <p>Effective July 1, 2011</p> <p style="padding-left: 40px;">\$5.00 per edu per month</p> <p>Effective July 1, 2012</p> <p style="padding-left: 40px;">\$5.00 per edu per month</p>

ORD SERVICE AREA MONTHLY WATER SERVICE FEES

EXISTING FEE	METER SIZE	PROPOSED FEE (Effective July 1, 2011)	PROPOSED FEE (Effective July 1, 2012)
\$16.31	5/8" or 3/4"	\$17.11	\$17.97
\$40.76	1"	\$42.76	\$44.90
\$81.50	1-1/2"	\$85.49	\$89.76
\$130.39	2"	\$136.78	\$143.62
\$244.49	3"	\$256.47	\$269.29
\$407.48	4"	\$427.45	\$448.82
\$814.96	6"	\$854.89	\$897.63
\$1,629.93	8"	\$1,709.79	\$1,795.28
\$78.40	Temporary Water Service	\$82.24	\$86.35

PUBLIC HEARING – ORD SERVICE AREA. The MCWD Board and the FORA Board will hold a public meeting at 3:00 p.m. on June 10 2011 at the Carpenters Union Hall at 933 2nd Avenue, Marina, California. At the hearing, FORA and the MCWD will consider all protests against the proposed increases in rates, fees and charges. If written protests against any proposed change are presented by a majority of owners and tenants who pay their bills directly to MCWD, FORA and MCWD will not impose the change.

PUBLIC HEARING – CENTRAL MARINA SERVICE AREA. The MCWD Board will hold a public meeting at 7:00 p.m. on June 14, 2011 at the MCWD Office at 11 Reservation Road, Marina, California. At the hearing, the MCWD will consider all protests against the proposed increases in rates, fees and charges. If written protests against any proposed change are presented by a majority of owners and tenants who pay their bills directly to MCWD, MCWD will not impose the change.

PROTESTS TO PROPOSED CHARGES. If you are the owner of record of a parcel or parcels served by the MCWD or you are a tenant who makes payment directly to the MCWD for rates, fees and charges for water and wastewater services, you may submit a protest against the proposed rates, fees and charges by filing a **written protest** with the District at or before the time set for the public hearing. If written protests are presented by a majority of owners, including tenants who make direct payment to MCWD, MCWD and FORA will not impose the new rates, fees and charges. A protest must contain a description of the parcel or parcels in which the party signing the protest has an interest, sufficient to identify the parcel(s). If the party signing the protest is not shown on the last equalized assessment roll of Monterey County as the owner of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner of the parcel(s) or is a tenant who makes payments directly to the MCWD for water and wastewater rates, fees and charges (a copy of recent MCWD bill would be sufficient evidence). Only one protest per property will be counted. Protests regarding the proposed charges may be mailed or personally delivered to: **Marina Coast Water District, 11 Reservation Road, Marina, CA 93933-2099, and must be received by the time set for the public hearing.**

If you have any questions about this notice, please call MCWD at (831) 384-6131 during regular business hours.

PROTEST FORM

Name: _____

Address of Parcel (Service Address): _____

Assessor's Parcel Number (if known): _____

Reason for Protest: _____

Signature: _____

Date: _____

MARINA COAST WATER DISTRICT
ORDINANCE NO. 54

AN ORDINANCE AMENDING SECTIONS 6.08.030, 6.08.060, 6.08.100, AND 6.12.050
OF THE DISTRICT CODE
CHANGING RATES, FEES AND CHARGES FOR WATER AND SEWER SERVICES

Be it ordained by the Board of Directors of
Marina Coast Water District
as follows:

Section 1. Authority. This Ordinance is enacted pursuant to Sections 30000 and following of the California Water Code, and Sections 66013 and 66016 of the California Government Code, and Section 6 of Article XIII D of the California Constitution.

Section 2. Findings.

- A. This ordinance is considered for action by the Board of Directors at a regularly scheduled and noticed meeting. The agenda was posted in accordance with County Water District law with opportunity for public review in advance of the meeting and public comment during consideration of the ordinance by the Board. The District has complied with publication, notice and hearing requirements of Section 6 of Article XIID of the California Constitution and Section 66016 of the California Government Code and Section 31027 of the California Water Code.
- B. The District Code establishes, among other things, water consumption charges, minimum monthly charges, monthly sewer charges, various service charges, and water and sewer capacity charges for the District's customers. Based on the recommendations of the District's General Manager and engineering and financial advisors, and the 2008 5-Year Water and Wastewater Financial Plan and Rate Study adopted by the Board of Directors on May 14, 2008, revised charges are necessary to meet operating and capital expenses for sound operation of the District and to enable the District to provide continued water and sewer service within existing service areas.
- C. The District's legal counsel advises, and the Board finds, that adoption of this ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.
- D. The rates, fees and charges adopted by this ordinance will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed and will not exceed the proportional cost of the service attributable to the customers on whom the charges are imposed.
- E. No written requests are on file with the District for mailed notice of meetings on new or increased fees or service charges pursuant to Government Code Section 66016. At least 10 days prior to the meeting, the District made available to the

public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service.

F. The amount of the increase in capacity charges exceeds the percentage increase in the Implicit Price Deflator for State and Local Government Purchases, as determined by the Department of Finance. As a result, the District cannot charge the increased capacity fee to any school district, county office of education, community college district, state agency, or the University of California before first negotiating the increases with those entities in accordance with District Code section 6.16.020 and Government Code section 54999.3. Although these sections also apply to California State University at Monterey Bay, the District has complied with its obligation to negotiate with it and can charge the increased amounts to CSUMB as a result of and as limited by a Settlement Agreement and Mutual Release dated June 1, 2006, by which the District and California State University made an agreement regarding the amount of all future capacity charges. Accordingly, the District can charge the increased capacity charges as limited by the Settlement Agreement and Mutual Release immediately to CSUMB. The increased capacity charges to any other school district, state agency, county office of education, community college district or the University of California will be effective only when negotiations are concluded with those entities.

Section 3. Purpose of Ordinance. The purpose of this Ordinance is to revise charges for water and wastewater services. This Ordinance amends Sections 6.08.030, 6.08.060, 6.08.100, and 6.12.050 of the District Code.

Section 4. Temporary Water Service. Section 6.08.030 (F) of the District Code is amended to read in full as follows:

“6.08.030 Temporary water service.

F. The applicant shall be responsible for district equipment utilized for this purpose and the necessary repair or replacement costs shall be deducted from the applicant's deposit. The applicant is responsible for returning the district equipment and closing the account promptly after the job is complete. If a meter is not returned promptly, the district shall deduct the cost of replacing the meter from the applicant’s deposit.

Gate Valve/Meter deposit	\$ 650.00
Water consumption deposit	\$1,100.00 minimum
Set or remove hydrant meter	\$ 140.00
Relocate meter per occurrence	\$ 140.00
Meter set, other than on fire hydrant	Actual Cost
Minimum monthly service charge (Effective July 1, 2011)	\$ 82.24
Minimum monthly service charge (Effective July 1, 2012)	\$ 86.35
<u>Monthly quantity rate for each HCF (see Section 6.08.100 Water Consumption Rates”</u>	

Section 5. Monthly Minimum Water Charges. Section 6.08.060 of the District Code is hereby amended to read in full as follows:

“6.08.060 Monthly minimum water charges.

The monthly minimum charges for water service shall be:

Meter Size	Effective July 1, 2011 Charges	Effective July 1, 2012 Charges
5/8” or 3/4”	\$17.95	\$18.85
1”	\$44.85	\$47.09
1-1/2”	\$89.70	\$94.19
2”	\$143.50	\$150.68
3”	\$269.07	\$282.52
4”	\$448.45	\$470.87
6”	\$896.90	\$941.75
8”	\$1,793.80	\$1,883.49

Section 6. Water Consumption Rates. Section 6.08.100 of the District Code is hereby amended to read in full as follows:

“6.08.100 Water consumption rates.

A. Water consumption by District Customers shall be measured in units of one hundred cubic feet (seven hundred forty-eight gallons). The quantity charge for water consumption per one hundred cubic feet (HCF) shall be as follows:

	Effective July 1, 2011	Effective July 1, 2012
0-8 hcf	\$2.18 per hcf	\$2.29 per hcf
9-16 hcf	\$2.66 per hcf	\$2.79 per hcf
16 + hcf	\$4.85 per hcf	\$5.09 per hcf

Construction Water Depots:

Minimum Monthly Charge (Effective July 1, 2011) \$ 82.24

Minimum Monthly Charge (Effective July 1, 2012) \$ 86.35

Monthly Quantity rate for each HCF

(see above table for Consumption Rates)”

Section 7. Wastewater Collection Rates. Section 6.12.050 of the District Code is amended to read in full as follows:

“6.12.050 Wastewater collection rates.

Wastewater collection rates for all classes of customers within the District shall be as follows per month per equivalent dwelling unit (EDU), calculated using the table of user classifications and wastewater demand factors set forth in Appendix D of this code.

\$8.71 per equivalent dwelling unit (Effective July 1, 2011)

\$9.15 per equivalent dwelling unit (Effective July 1, 2012)

Section 8. Requirements for Rates, Fees and Charges. The rates, fees and charges adopted by this ordinance shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed. Revenues derived, respectively, from water and sewer capacity charges shall not be used for any purpose other than for capital facilities to provide, respectively, water and sewer service. If the capacity charges adopted by this ordinance create revenues in excess of actual cost, those revenues shall be used to reduce the capacity charges creating the excess.

Section 9. Effective Date. All sections of this Ordinance shall take effect upon adoption. The District conducted a public hearing not less than 45 days after the District mailed notice of the proposed increase in rates, fees and charges to the customers directly liable to pay the rates, fees and charges in question (excluding capacity charges). At the public hearing held regarding the rate increases, the District Board considered all protests against the proposed increase in rates, fees and charges (excluding capacity charges). A majority of customers that directly pay bills of the identified service address did not file written protests.

Section 10. Publication and Posting. Within 15 days after adoption, the district shall publish, in a newspaper published in Monterey County and circulated within the district, a summary of this ordinance with the names of those directors voting for and against adoption, and shall post in the district office a certified copy of the full text of this ordinance as adopted along with the names of those directors voting for and against adoption.

Section 11. Notice of Exemption Notice of Determination. The Secretary is authorized and directed to give due notice of exemption of this ordinance from the provisions of CEQA, pursuant to Title 14 California Code of Regulations section 15062.

Section 12. Existing Charges. Existing rates, fees and charges in effect when this ordinance is adopted shall remain in effect unless specifically changed by this ordinance.

Section 13. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional or invalid, or superseded by some other provision of law, such provisions shall be severed from and shall not affect the validity of the remaining provisions of this ordinance. The Board hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any other part thereof be unconstitutional or invalid, or superseded by some other provision of law. The parts of this ordinance which are not unconstitutional, invalid, or superseded shall remain in full force and effect and shall be enforced according to their terms.

Section 14. Interpretation. Words and phrases used in this ordinance shall be read conjunctively with and shall have the same meaning as in prior district ordinances and the district Code, unless specifically changed by this ordinance or unless the context requires some other construction. If there is any inconsistency between this ordinance and prior provisions, this ordinance shall control.

On motion of Director _____, seconded by Director _____, the foregoing Ordinance is enacted and shall take effect on _____ by the following roll call of the Board:

Ayes: _____

Nays: _____

Absent: _____

Abstained: _____

By _____
William Y. Lee, President

ATTEST:

Jim Heitzman, Secretary

CERTIFICATE OF SECRETARY

The undersigned hereby certifies that the foregoing Ordinance was adopted and approved by the Board of Directors at their regular meeting on June 14, 2011.

Jim Heitzman, Secretary

Marina Coast Water District
Staff Report

Agenda Item: 9-A

Meeting Date: April 12, 2011

Prepared By: Gary Rogers

Presented By: Gary Rogers

Reviewed By: Carl Niizawa

Subject: Receive an Update on the 2010 Urban Water Management Plan

Summary: The Board of Directors is requested to receive an update regarding the 2010 Urban Water Management Plan.

The California Urban Water Management Planning Act requires any municipal supplier serving over 3,000 connections or 3,000 acre-feet of water per year to prepare an urban water management plan every five years. The 2010 plan deadline was extended due to changes in the law which required the Department of Water Resources to develop additional procedures and guidelines for completion of Urban Water Management Plans (UWMP). The District must adopt the 2010 UWMP not later than July 1, 2011. Failure to adopt a plan by that date may result in the denial of grants or loans from the State.

The District hired Schaaf & Wheeler (S&W) consulting Civil Engineers to prepare the 2010 UWMP. Staff and S&W have been working with FORA and the land use jurisdictions to compile updated development projections. Based on these projections, future water demands have been projected through the year 2030.

There are several items the Board will wish to note in the 2010 Draft UWMP:

- The Water Conservation Act of 2009 requires each retail urban water supplier to establish baseline daily per capita water demand and water conservation targets, as outlined in California's 20x2020 Water Conservation Plan. The baseline water demand for the District was identified as 118.6 gallons per capita per day (gpcd). This current demand rate is below the Regional water conservation target of 123 gpcd. Therefore, the District may use a reduced target of 110.8 gpcd for its year 2020 water conservation target. This is discussed in section 3.4 of the Draft UWMP.
- The redevelopment projections for the Ord Community reflect the economic downturn of 2007 and the continued slow pace of development. The water demand projections in the 2010 UWMP are correspondingly reduced. In the 2005 UWMP, the water supply shortfall for the Ord Community at the 20-year planning horizon was 5,084 acre-feet/year. In this update to the plan, the water supply shortfall for the Ord Community at the 20-year planning horizon is 2,427 acre-feet/year. Some of the previously projected development may still occur after the year 2030.
- The Coastal Water Project / Regional Desalination Project is now included in the discussion of future water supplies (section 4.4 of the Draft UWMP).
- Concurrent with the UWMP update, the District's Water Shortage Contingency Plan was reviewed. Certain updates are proposed, as shown in Appendices E and G of the draft plan. In the event of a water shortage, the proposed updates would allow staff to

immediately direct customers to reduce water use without first convening the Board to obtain direction.

The plan must be publicly reviewed prior to adoption by the Board. The proposed schedule is as follows:

April 15, 2011	Publish public review draft of the UWMP
May 10, 2011	Conduct public hearing at the regularly scheduled MCWD Board meeting
May 16, 2011	Comment period closes
June 14, 2011	Adopt final UWMP at the regularly scheduled MCWD Board meeting

Attachment: Draft 2010 Urban Water Management Plan (provided as a separate attachment)