

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: September 13, 2011

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2011-67 to Approve a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and Union Community Partners for Phase I and Phase II of the East Garrison Development

Detailed Description: The Board of Directors is requested to approve a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement (hereafter referred to as the Infrastructure Agreement) between MCWD and Union Community Partners East Garrison (UCPEG) for Phase I and Phase II of the East Garrison Development. The enclosed draft Infrastructure Agreement is based upon the most recent board-approved format used for other development groups within the MCWD service area.

The East Garrison Development is located in Monterey County on approximately 224-acres of the Former Fort Ord. The project is bounded by Reservation Road to the north and east, Watkins Gate Road to the south, and Intergarrison Road (formerly West Camp Road) to the west. The Development will consist of approximately 1470 housing units of the medium to medium-high density varieties and approximately 200,000-SF of commercial space (including an arts facility) and public facilities.

The new infrastructure being transferred to the District will be constructed within public right-of-ways, dedicated public utility easements, or within easements provided to MCWD by UCPEG. The specific infrastructure proposed for transfer once completed includes PVC potable water pipelines, PVC recycled water pipelines, PVC gravity sewer pipelines, and associated appurtenances (e.g. sewer man-holes, potable water valves, etc).

A Water Supply Assessment/Written Verification of Supply was prepared by MCWD for this development in 2004. The entitlement of water allocation by Monterey County to the development and developer is consistent with the Water Supply Assessment/Written Verification of Supply findings. The amount of water allocated to the East Garrison Development is 470.0-AFY; this amount of water is the allocation for all current and future phases of the Development.

A Monterey County entity called the East Garrison Public Financing Authority (Authority) is signatory to this Infrastructure Agreement. Monterey County has established Community Facilities District 2006-1 (CFD) managed by the Authority that will finance a portion of the capital infrastructure expenditure by UCPEG via the Mello-Roos Community Facilities Act of 1982. The Mello-Roos Act requires that the Authority enter into an agreement with UCPEG to insure that all infrastructure funded by the Authority and installed by UCPEG be constructed to applicable standards. Because this Infrastructure Agreement can serve this purpose for water, recycled water, and sanitary sewer infrastructure, the County, UCPEG, and MCWD are agreeing

to have all three parties be signatory to the Infrastructure Agreement. The previous Infrastructure Agreement (Board Resolution No. 2006-36) with the East Garrison developer contained this same understanding and provision. No County funds will come to MCWD and MCWD will have no involvement with or responsibility for UCPEG's request for reimbursement from the Authority if the Board takes this action. The inclusion of this CFD consideration within the Infrastructure Agreement may be seen by reviewing paragraph 1.3, paragraph 10.2, the signature page, and Exhibit F.

Environmental Review Compliance: This Infrastructure Agreement is not a "project" under the California Environmental Quality Act (CEQA). This work is categorically exempt under CEQA. Upon authorization of this proposed action by the Board, a Notice of Exemption will be filed.

Prior Committee or Board Action: Resolution No. 2006-36 on May 24, 2006 Approving the Infrastructure Agreement between the East Garrison Partners I, LLC, the East Garrison Public Financing Authority and MCWD for East Garrison I Development; Resolution No. 2007-11 on January 24, 2007 Approving a Reimbursement Agreement for Water, Sewer and Recycled Water/ Facilities between East Garrison Partners I, LLC and Marina Coast Water District; and Resolution No. 2008-42 on September 9, 2008 Accepting the Off-Site and On-Site Improvements Installed Under the Reimbursement Agreement with East Garrison Partners That Includes a Portion of the Transmission Main Within the Eastern Distribution System Project (MCWD Capital Project OW-116).

Board Goals/Objectives: *Strategic Plan – Objectives Goal No. 1: To manage and sustain the District's groundwater and desalinated water, recycled water and wastewater services, conservation activities, infrastructure and human resources at or above industry standards. 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: There is no financial impact.

Material Included for Information/Consideration: Resolution No. 2011-67; and, draft Infrastructure Agreement.

Staff Recommendation: The Board of Directors adopt Resolution No. 2011-67 approving the Construction and Transfer of Water, Sewer and Recycled Water Infrastructure Agreement between MCWD and Union Community Partners East Garrison for Phase I and Phase II of the East Garrison Development.

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 _____

September 13, 2011

Resolution No. 2011 - 67
Resolution of the Board of Directors
Marina Coast Water District
Approving a Construction and Transfer of
Water, Sewer, and Recycled Water Infrastructure Agreement between
the Marina Coast Water District and Union Community Partners East Garrison
for Phase 1 and Phase 2 of the East Garrison Development

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on September 13, 2011 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, Union Community Partners East Garrison (“Developer”) has coordinated with the District on their East Garrison Development, consisting of the new construction and related infrastructure on the former Fort Ord lands within Monterey County, CA; and,

WHEREAS, the County of Monterey has allocated a portion of its former Fort Ord water supply allocation for the Developer’s use in developing the East Garrison Development, and,

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or the Deputy General Manager/District Engineer to sign the Construction and Transfer of Water, Sewer and Recycled Water Infrastructure Agreement between MCWD and Union Community Partners East Garrison for Phase I and Phase II of the East Garrison Development and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED September 13, 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. 2011-67 adopted September 13, 2011.

Jim Heitzman, Secretary