



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: [www.mcwd.org](http://www.mcwd.org)

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## DIRECTORS

DAN BURNS  
*President*

HOWARD GUSTAFSON  
*Vice President*

KENNETH K. NISHI  
JAN SHRINER  
WILLIAM Y. LEE

## Agenda

### Regular Board Meeting, Board of Directors Marina Coast Water District

11 Reservation Road, Marina, California  
Tuesday, May 8, 2012, 6:45 p.m. PST

*This meeting has been noticed according to the Brown Act rules. The Board of Directors 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)

- 1) 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)

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, May 3, 2012 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 June 12, 2012.

2) In the Matter of the Application of California-American Water Company (U 210 W) for a Certificate of Public Convenience and Necessity to Construct and Operate its Coastal Water Project to Resolve the Long-Term Water Supply Deficit in its Monterey District and to Recover All Present and Future Costs in Connection Therewith in Rates, California Public Utilities Commission No. A.04-09-019

- B. Pursuant to Government Code Section 54956.9  
Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation Pursuant to Subdivision (b)  
One Case
- C. Pursuant to Government Code Section 54959.9  
Conference with Legal Counsel – Anticipated Litigation  
Potential Initiation of Litigation (c)  
One Case
- D. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator  
Agency Negotiator (General Manager)  
Employee Organization: Marina Coast Water District Employees Association
- E. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator  
Agency Negotiator (General Manager)  
Employee Organization: Teamsters Local 890

**7:00 p.m. Reconvene Open Session**

**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. 2012-27 to Approve a Request for Proposals for Independent Audit Services
- B. Receive the Quarterly Financial Statements for January 1, 2012 to March 31, 2012

- C. Approve the Expenditures for the Month of April 2012
- D. Approve the Draft Minutes of the Special Board Meeting of March 29, 2012
- E. Approve the Draft Minutes of the Regular Board Meeting of April 10, 2012
- F. Approve the Draft Minutes of the Special Board Meeting of April 18, 2012

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

- A. Consider Adoption of Resolution No. 2012-28 to Approve the Purchase of a Pipeline Inspection Camera and Necessary Associated Equipment

*Action: The Board of Directors will consider approving the purchase of a pipeline inspection camera and necessary associated equipment.*

- B. Consider Adoption of Resolution No. 2012-29 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for On-Call Engineering Services

*Action: The Board of Directors will consider approving a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for on-call engineering services.*

- C. Consider Adoption of Resolution No. 2012-30 to Approve a Professional Services Agreement with RMC Water and Environment for On-Call Engineering Services

*Action: The Board of Directors will consider approving a Professional Services Agreement with RMC Water and Environment for on-call engineering services.*

- D. Receive Revised Draft District FY 2012-2013 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents

*Action: Following the Budget Workshop on March 29, 2012, there have been minor modifications to the draft FY 2012-2013 budget. The Board is requested to receive the revised budget and provide direction to staff regarding the budget documents.*

- E. Consider Providing Direction to the Board President on Nomination to the LAFCO Independent Special District Primary Seat

*Action: The Independent Special District primary seat at LAFCO is up for election. The Board of Directors is requested to provide direction to the Board President on nomination to the LAFCO seat. The deadline for returning the ballot is May 31, 2012.*

**9. Staff Reports**

- A. Receive a Staff Report on the East Garrison Water Transmission Pipeline
- B. Receive a Staff Report on Development Plan Check and Jurisdictional Overlap

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

**11. Director's Comments**

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

*Regular Meeting: Tuesday, June 12, 2012, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7

Meeting Date: May 8, 2012

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2012-27 to Approve a Request for Proposals for Independent Audit Services
- B) Receive the Quarterly Financial Statements for January 1, 2012 to March 31, 2012
- C) Approve the Expenditures for the Month of April 2012
- D) Approve the Draft Minutes of the Special Board Meeting of March 29, 2012
- E) Approve the Draft Minutes of the Regular Board Meeting of April 10, 2012
- F) Approve the Draft Minutes of the Special Board Meeting of April 18, 2012

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: See individual transmittals.

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.)

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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: May 8, 2012

Submitted By: Kelly Cadiente  
Reviewed By: Carl Niizawa

Presented By: Kelly Cadiente

Agenda Title: Adopt Resolution No. 2012-27 to Approve a Request for Proposals for Independent Audit Services

Detailed Description: Staff is requesting the Board consider adoption of Resolution No. 2012-27 to approve a Request for Proposals (RFP) for independent audit services to the District. It is the practice of the District to contract with an Independent Certified Public Accounting Firm for no more than three years. J.R. Ricciardi, Inc. completed their third audit year with the District during the FY 2010-2011 audit.

The RFP indicates a three-year audit services agreement, subject to annual review by the District. The audit period will be for the fiscal year beginning July 1, 2011 and ending June 30, 2012 with options to renew for annual audits for the fiscal years ending June 30, 2013 and 2014.

The scope of services in the RFP will include:

- Perform an audit of the District's financial statements in accordance with Generally Accepted Auditing Standards
- Prepare an audit report of the District's financial statements which will be prepared by the District with assistance and recommendations from the selected external auditor
- Prepare a management letter that includes a statement of audit
- If required, prepare and forward to the State Controller's Office the Annual Report of Financial Transactions of Special Districts pursuant to Government Code Section 53891
- If required, prepare Single Audit Report
- Attend District Board of Directors meeting when the audited financial statements are presented to the Board

The tentative schedule of the RFP process is as follows:

- May 8, 2012 – Board approve RFP for independent audit services
- May 10, 2012 – Distribute RFP's
- June 4, 2012 – Proposals due
- June 22, 2012 – Budget & Personnel Committee review proposals
- July 10, 2012 – Board select audit firm and award contract

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.



May 8, 2012

Resolution No. 2012-27  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving a Request for Proposals for Independent Audit Services to the District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on May 8, 2012 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, it is the practice of the District to contract with an Independent Certified Public Accounting Firm for audit services to the District for no more than three years and J.R. Ricciardi, Inc. has completed their third consecutive audit of the District during the FY 2010-2011 audit; and,

WHEREAS, the Request for Proposals indicates a three-year audit services agreement, subject to annual review by the District; and,

WHEREAS, the audit period will be for the fiscal year beginning July 1, 2011 and ending June 30, 2012 with options to renew for annual audits for the fiscal years ending June 30, 2013 and 2014.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2012-27, approving a request for proposals to provide independent audit services to the District.

PASSED AND ADOPTED on May 8, 2012, 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 \_\_\_\_\_

\_\_\_\_\_  
Dan Burns, President



ATTEST:

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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. 2012-27 adopted May 8, 2012.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-B

Meeting Date: May 8, 2012

Submitted By: Kelly Cadiente  
Reviewed By: Carl Niizawa

Presented By: Kelly Cadiente

Agenda Title: Receive the Quarterly Financial Statements for January 1, 2012 to March 31, 2012

Detailed Description: All figures reported for the quarter are based on accrual basis accounting. The District's consolidated financial statement for the quarter includes revenues of \$2.664 million and expenses of \$1.457 million, resulting in net gain from operations of \$1.207 million. The District budget projected net gain from operations of \$0.434 million for the same period. The net gain from operations was higher than the budget expectation by \$0.773 million due to the timing of actual expenses incurred.

Summary of Cost Centers:

<b>Description</b>	<b>Actual Qtr</b>	<b>Budget Qtr</b>	<b>Actual FYTD</b>	<b>Budget FYTD</b>
<b>Marina Water</b>				
Revenue	946,498	961,100	2,953,508	2,883,300
Expenses	<u>387,726</u>	<u>601,187</u>	<u>1,411,867</u>	<u>1,803,562</u>
Net Gain	558,772	359,913	1,541,640	1,079,738
<b>Marina Sewer</b>				
Revenue	194,045	192,575	582,945	577,725
Expenses	<u>141,201</u>	<u>129,863</u>	<u>403,798</u>	<u>389,588</u>
Net Gain	52,844	62,712	179,147	188,137
<b>Ord Community Water</b>				
Revenue	1,089,861	1,373,750	3,896,245	4,121,250
Expenses	<u>792,060</u>	<u>1,288,894</u>	<u>3,002,409</u>	<u>3,866,681</u>
Net Gain	297,801	84,856	893,836	254,569
<b>Ord Community Sewer</b>				
Revenue	433,408	441,950	1,306,031	1,325,850
Expenses	<u>116,462</u>	<u>290,048</u>	<u>677,126</u>	<u>870,143</u>
Net Gain	316,946	151,902	628,906	455,707
<b>Recycled Water Project</b>				
Revenue	-	2,000	5,042	6,000
Expenses	<u>19,331</u>	<u>105,237</u>	<u>184,454</u>	<u>315,712</u>
Net Gain	(19,331)	(103,237)	(179,412)	(309,712)

<b>Description</b>	<b>Actual Qtr</b>	<b>Budget Qtr</b>	<b>Actual FYTD</b>	<b>Budget FYTD</b>
<b>Regional Project</b>				
Revenue	-	-	-	-
Expenses	-	122,527	-	367,582
Net Gain	-	(122,527)	-	(367,582)
<b>Consolidated Cost Centers</b>				
Revenue	2,663,812	2,971,375	8,743,771	8,914,125
Expenses	1,456,780	2,537,756	5,679,655	7,613,268
Net Gain	1,207,032	433,619	3,064,116	1,300,857

As of March 31, 2012, the District had \$16.504 million in liquid investments, and \$0.401 million of principal as internal loans to the Ord Community Cost Centers payable to the Marina Cost Centers. The District also had \$2.350 million of bond proceeds for construction purposes, \$3.084 million of 2006 bond proceeds and \$0.849 million of 2010 refunding bond proceeds for debt reserve purposes in the bank. The District owed \$38.925 million in debt for the 2006 revenue certificates of participation bond, \$7.690 million for the 2010 Refunding Bond, \$0.056 in FORA Promissory Note and \$2.228 for IOP Construction Loan.

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  No

Funding Source/Recap: N/A

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

Staff Recommendation: The Board receive the Quarterly Financial Statements for January 1, 2012 to March 31, 2012.

Action Required:  Resolution  Motion  Review

Board Action

Resolution No  Motion By  Seconded By

Ayes  Abstained

Noes

Reagendized  Date  No Action Taken

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-C

Meeting Date: May 8, 2012

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Jim Heitzman

Agenda Title: Approve the Expenditures for the Month of April 2012

Detailed Description: The Board of Directors is requested to approve the attached April 2012 check register for expenditures totaling \$1,149,894.91.

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: April 2012 Summary Check Register.

Staff Recommendation: The Board of Directors approve the April 2012 expenditures totaling \$1,149,894.91.

Action Required:     \_\_\_ Resolution     \_\_\_ **X** \_\_\_ Motion     \_\_\_ Review

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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-D

Meeting Date: May 8, 2012

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of March 29, 2012

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of March 29, 2012.

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: Draft minutes of March 29, 2012.

Staff Recommendation: The Board of Directors approve the draft minutes of the March 29, 2012 special Board meeting.

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

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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-E

Meeting Date: May 8, 2012

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of April 10, 2012

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of April 10, 2012.

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: Draft minutes of April 10, 2012.

Staff Recommendation: The Board of Directors approve the draft minutes of the April 10, 2012 regular Board meeting.

Action Required:     \_\_\_ Resolution     \_\_\_ **X** \_\_\_ Motion     \_\_\_ Review

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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-F

Meeting Date: May 8, 2012

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of April 18, 2012

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of April 18, 2012.

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: Draft minutes of April 18, 2012.

Staff Recommendation: The Board of Directors approve the draft minutes of the April 18, 2012 special Board meeting.

Action Required:     \_\_\_ Resolution     \_\_\_ **X** \_\_\_ Motion     \_\_\_ Review

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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-A

Meeting Date: May 8, 2012

Submitted By: James Derbin

Presented By: James Derbin

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2012-28 to Approve the Purchase of a Pipeline Inspection Camera and Necessary Associated Equipment

Detailed Description: The Board of Directors is requested to approve the purchase of a pipeline inspection camera system and associated equipment, to implement a Closed Circuit Television (CCTV) pipeline inspection program at MCWD, in the amount of \$62,700.

The MCWD operations and maintenance of the wastewater collection system is regulated under State Water Resources Control Board Statewide General Discharge Requirements Order No. 2006-0003-DWQ. Under this order, MCWD along with other municipalities in the state, are required to have a Sanitary Sewer Management Plan (SSMP). One of the elements of an SSMP is to conduct regular sewer pipeline camera inspections and to have a system in place for ranking the condition of sewer pipes and scheduling repairs and rehabilitation. MCWD does not currently have such a program in place. In addition, the CCTV system would be used for annual inspection of MCWD non-potable drainage pipes at various water tank and well sites on an annual basis. The camera equipment would be pressure washed and disinfected prior to use in these facilities. Staff is in support of starting a CCTV pipeline inspection program to further comply with the current SSMP requirements and to support the District's Asset Management Program.

Staff has evaluated several camera systems based on price, ease of use, references, and in state support for repairs and technical issues. The quoted prices of various systems evaluated ranged from \$60,000 – \$110,000. Of the five camera systems evaluated, the system of choice is the TrackSTARII sold by RSTechnical Services Inc. in Petaluma, CA. RSTechnical Services Inc. is the same company the District purchased the Sewer Jetter from in 2008. The support the District has received from RSTechnical Services Inc. has been outstanding. Staff has negotiated a 12% discount off of the list price, free shipping and two days of free training for staff with this purchase.

After evaluating various types of portable systems, staff requests the District purchase a fully self contained "Cube" system. This system has all the components enclosed in a 1/4" powder coated aluminum container with forklift access for safe and easy loading and storage. The system includes a small on board generator, water tank, wash-down system, controller, camera and reel, and a flat panel computer monitor for operator interface. With this type of "Cube" setup, the equipment can be safely loaded in and out of the bed of a District truck while protecting the equipment from damage and the elements. The ability to move this equipment in the bed of a truck will enable staff to access any manhole that can be reached by vehicle and allow us to utilize a variety of District trucks to use this equipment.



An ongoing sewer CCTV program is listed as an EPA and WEF recommended Best Management Practice as a useful tool to locate specific sources of infiltration, leakage, and determine the structural condition of the sewer system. This information is necessary for the design of sewer replacement and rehabilitation projects. If the District chooses to start a CCTV program, the information gained from such a program will help the Operations and Maintenance and Engineering Departments maintain the high level of service to our ratepayers and reduce the frequency of occurrence of sanitary sewer overflows.

Board Goals/Objectives: *Strategic Plan, Goal No. 2 – 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.*

Financial Impact:      Yes      No

Funding Source/Recap: The amount of \$62,700 approved in the FY 2011/2012 Budget and will be funded from the Ord and Marina Sewer and Water General CIP Budget.

Material Included for Information/Consideration: Resolution No. 2012-28.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2012-28 approving the purchase of a Pipeline Inspection Camera and necessary associated equipment.

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

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

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

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

May 8, 2012

Resolution No. 2012 - 28  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorize Staff to Purchase a Pipeline  
Inspection Camera and the Necessary Associated Equipment.

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on May 8, 2012 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, District operation and maintenance of the wastewater collection system is regulated under State Water Resources Control Board Statewide General Discharge Requirements Order No. 2006-0003-DWQ; and,

WHEREAS, State Water Resources Control Board Statewide General Discharge Requirements Order No. 2006-0003-DWQ requires Marina Coast Water District to maintain a Sewer System Management Plan (SSMP); and,

WHEREAS, one of the elements of a Sewer System Management Plan is to conduct regular sewer pipeline camera inspections and to have a system in place for ranking the condition of sewer pipes and scheduling rehabilitation and repair; and,

WHEREAS, Staff has determined that a CCTV program is an important element of running an effective SSMP; and,

WHEREAS, staff has evaluated and ranked several pipeline inspection camera systems based on the performance of the system, reputation, price and the availability of in state technical and repair support resources; and,

WHEREAS, staff recommends the District purchase a portable TrakSTAR II camera “Cube” system from RSTechnical Services in the amount of \$62,700; and,

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Marina Coast Water District does hereby Authorize the General Manager and/or Deputy General Manger/District Engineer to purchase the pipeline camera system from RSTechnical Services Inc.; and, 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 of \$62,700.

PASSED AND ADOPTED on May 8, 2012 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 \_\_\_\_\_

\_\_\_\_\_  
Dan Burns, 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. 2012-28 adopted May 8, 2012.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: May 8, 2012

Submitted By: Carl Niizawa

Presented By: Carl Niizawa

Reviewed By: Jim Heitzman

Agenda Title: Consider Adoption of Resolution No. 2012-29 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for On-Call Engineering Services

Detailed Description: The Board of Directors is requested to approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for On-Call Engineering Services for a not-to-exceed amount of \$75,000 for a contract period ending June 30, 2013.

Schaaf & Wheeler has a long-standing relationship with the MCWD. Its engineers have served as the District's Engineering staff in the past, and as a result, possess detailed knowledge of the District's water and wastewater infrastructure, and engineering standards. This allows Schaaf & Wheeler to be able to perform engineering tasks with fewer expended labor hours. As a local firm, Schaaf & Wheeler is also familiar with local development.

This Professional Services Agreement (PSA) is for engineering support as needed through fiscal year end June 30, 2013 on a time and material basis for a not-to-exceed amount of \$75,000. The on-call consultant will be asked to undertake tasks within this proposed PSA under certain the following guidelines:

- for small tasks when it would not be cost effective to undertake the standard RFP process for engaging engineering services; and,
- for tasks that in-house staff is unable to perform; and,
- when there is an urgent need for supplemental engineering support

As noted and discussed during the April 10th Board of Directors meeting, this action would update and revise this long-standing arrangement with Schaaf & Wheeler. This new contract will replace the current as-needed contract with Schaaf & Wheeler which includes more than 20 amendments.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board adopted Resolution No. 2007-04 on January 10, 2007 approving a Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers. The Board adopted multiple Resolutions since 2007 that extended the Agreement with more than 20 amendments.

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: This Agreement will be funded through the Engineering Department’s budget (the line-item termed “Engineering Consultants”) and/or District Reserves if the task is related to a Capital Improvement Project.

Materials Included for Information/Consideration: Resolution No. 2012-29.

Staff Recommendation: The Board of Directors adopt Resolution No. 2012-29 to approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for On-Call Engineering Services for a not-to-exceed amount of \$75,000 for a contract period ending June 30 2013.

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

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

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

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

May 8, 2012

Resolution No. 2012-29  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving a Professional Services Agreement with  
Schaaf & Wheeler Consulting Civil Engineers for  
On-Call Engineering Services

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on May 8, 2012 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, on January 10, 2007, the District Board adopted Resolution No. 2007-04 approving a Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers and to date, has approved multiple resolutions for over 20 amendments which extended the Agreement; and,

WHEREAS, Schaaf & Wheeler has comprehensive knowledge of MCWD’s water and sewer infrastructure systems and has consistently provided beneficial engineering services to the District in the past.

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 execute a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for On-Call Engineering Services through June 30, 2013 on a time-and-material basis for a not to exceed amount of \$75,000; and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on May 8, 2012 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 \_\_\_\_\_

\_\_\_\_\_  
Dan Burns, President

ATTEST:

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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. 2012-29 adopted May 8, 2012.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: May 8, 2012

Submitted By: Carl Niizawa  
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2012-30 to Approve a Professional Services Agreement with RMC Water and Environment for On-Call Engineering Services

Detailed Description: The Board of Directors is requested to approve a Professional Services Agreement with RMC Water and Environment for On-Call Engineering Services for a not-to-exceed amount of \$75,000 for a contract period ending June 30, 2013.

RMC Water and Environment has been the District's consultant on the District's Regional Urban Water Augmentation Program and subsequent Regional Project for the last several years. RMC is uniquely qualified to provide on-call engineering services because of their detailed knowledge of the District and their expertise in the water and wastewater fields. Given these qualities, RMC will be able to perform assigned engineering tasks related to MCWD in an efficient manner.

This Professional Services Agreement (PSA) is needed for engineering support as needed through fiscal year end June 30, 2013 on a time and material basis for a not to exceed amount of \$75,000. The on-call consultant will be asked to undertake tasks within this proposed PSA according to the following guidelines:

- For small tasks that would not be cost effective to complete through the standard RFP process for engaging consultants; and,
- For tasks that in-house staff does not have the resources or is unable to perform; and,
- When there is an urgent need for engineering work requiring a certain type of expertise.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

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: This PSA will be funded by the Engineering Department's budget (the line-item termed "Engineering Consultants") and/or District Reserves if the task is related to a Capital Improvement Project.

Material Included for Information/Consideration: Resolution No. 2012-30.





May 8, 2012

Resolution No. 2012-30  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving a Professional Services Agreement with  
RMC Water and Environment for  
On-Call Engineering Services

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on May 8, 2012 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, The District has a need for on-call engineering services for urgent and small tasks which would not be efficiently accomplished through a request for proposals process; and,

WHEREAS, RMC Water and Environment provides cost-effective services with a strong knowledge of MCWD’s water plans and projects.

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 execute a Professional Services Agreement with RMC Water and Environment for On-Call Engineering Services on a time and material basis for a not-to-exceed amount of \$75,000 with a contract period ending June 30, 2013, and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on May 8, 2012 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 \_\_\_\_\_

\_\_\_\_\_  
Dan Burns, 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. 2012-30 adopted May 8, 2012.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-D

Meeting Date: May 8, 2012

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Carl Niizawa

Agenda Title: Receive Revised Draft District FY 2012-2013 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents

Detailed Description: The Board is requested to receive the revised draft budget for FY 2012-2013 and provide direction to staff to include preparation of the final budget documents.

Staff has refined the Draft 2012-2013 District Budget and has made edits where needed. The following is a list of revisions of the Draft Budget dated March 29, 2012:

1. 2011-2012 Estimated Actual Capacity Fees increased \$385,250 for Ord Water and \$144,050 for Ord Sewer which results in a corresponding increase to Capital Reserves.
2. 2012-2013 Proposed Conservation Budget decreased \$8,550
3. 2012-2013 Proposed Operations and Maintenance Budget decreased \$16,450
4. 2012-2013 General CIP – Vehicles Budget increased \$20,000
5. 2012-2013 Ord Community Water CIP increased \$230,000 due to the Eastern Distribution System Phase II Project

No other edits are anticipated, however, any further revisions to the Draft Budget will be presented to the Board for final approval at the June 12, 2012 regular Board meeting.

Prior Committee or Board Action: The Board received the Draft FY 2012-2013 Budget and Budget Schedule on March 13, 2012; The Board held a Budget Workshop on March, 29, 2012.

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: None

Materials Included for Information/Consideration: FY 2012–2013 Budget Schedule; Revised Draft FY 2012-2013 Budget Document dated May 8, 2012 (provided separately).

Staff Recommendation: The Board of Directors receive the Revised Draft District FY 2012-2013 Budget documents and associated supporting information for the Marina and Ord Community Service Areas and provide direction to staff to include preparation of the final budget documents.

Action Required:  Resolution  Motion  Review

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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: May 8, 2012

Submitted By: Jim Heitzman

Presented By: Jim Heitzman

Agenda Title: Consider Providing Direction to the Board President on Nomination to the LAFCO Independent Special District Primary Seat

Detailed Description: The Board of Directors is requested to discuss the election of one regular Special District Representative to the Local Agency Formation Commission of Monterey County (LAFCO) and provide direction to the Board President which candidate to vote for.

On April 6, 2012, LAFCO sent an election ballot asking for Members of the Independent Special District Selection Committee to vote for one candidate to fill the Regular Member seat for a four-year term before May 31, 2012. After the Regular Member seat is filled, a second ballot for one Special District Alternate Member will be issued.

There are six candidates for the Regular Member seat: Don Champion, North County Fire Protection District; David T. Bates, Cypress Fire Protection District; Leslie Joel Hill, Greenfield Public Recreation District; Carl M. Miller, Monterey Peninsula Airport District; Warren E. Poitras, Jr, Monterey County Regional Fire Protection District; and, Stephen Snodgrass, Pajaro/Sunny Mesa Community Services District.

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 April 6, 2012 and Election Ballot with criteria and candidate statements.

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

Action Required:  Resolution  Motion  Review

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

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

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

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Marina Coast Water District  
Staff Report

Agenda Item: 9-A

Meeting Date: May 8, 2012

Prepared By: Carl Niizawa  
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Subject: East Garrison Water Transmission Pipeline

Summary: This is a report to inform the Board of Directors about a defect discovered during the Watkins Gate Well & Pipeline Project construction while connecting to an existing 24-inch transmission main built by the original developer William Lyons Homes of the East Garrison in 2007/2008.

On February 9th, it was discovered that the incorrect type of gasket was installed in a joint near the end point of the 24-inch water transmission main built by the former East Garrison Developer. This created uncertainty as to what gaskets were installed in joints throughout this installed line; and as such, the line's structural integrity. A restraining gasket, which locks the pipe joints together rather a sealing gasket which simply prevents leakage, should have been installed at the joint in question. The restraining type gasket is needed in joints at turns, fittings, and terminations. Without the restraining type gaskets in the critical joints, the joints could separate during service.

The wrong gasket type in the exposed pipe joint was discovered during the connection process for the new Eastern Distribution system connection. As the line was filled with water, the exposed joint, which the contract plans require to be a restrained gasketed joint, failed. The failed joint was discovered to have a regular sealing gasket.

The pipeline was designed and constructed under a reimbursement agreement between the land developer William Lyons Homes and MCWD. Alamar Construction, who no longer is in business, was the District's inspector responsible for overseeing the installation of the pipe system. Alamar did not document the installation of the joints or the pressure test for that section of the line. The District accepted the construction work and reimbursed the land developer for the cost of the work (Resolution No. 2008-42).

The type of gasket within the pipeline joints cannot be easily determined. Field inspection of the joint, internally or externally, will not reveal what type of gasket is present.

Staff has initiated an investigation regarding construction of the line to make a determination regarding resolution. Personnel associated with the construction of East Garrison water pipe infrastructure have been contacted for documentation and discussion. District legal counsel has sent a demand letter to the former Developer to remedy the problem. Also, further review of the design of the pipeline has revealed there may be a need for additional restraining gasketed joints beyond what was required in the contract documents.



Although visual inspection of each joint would not determine the gasket type in the pipe, visual inspection could determine if joint movement has occurred or the joint has failed, both of which would be an indication of the wrong type of gasket in place. The pipeline could be inspected by camera inside the pipe to determine this movement.

One possible solution is the installation of external joint restraints where required. Each joint would need to be uncovered to install the restraints, but the entire pipe would not require excavation. Staff estimates the cost of this solution to be approximately \$250,000.

Sanko, the contractor for the failed joint, has stated that the failed joint was the only location which did not have the proper gasketed joint. They contend that the end of their constructed line was a temporary condition not requiring the restraining gasket. Staff review of the contracted documents indicated that the restraining gasket joint was clearly required.

District is continuing its investigation of the design and the construction of the line.

Marina Coast Water District  
Staff Report

Agenda Item: 9-B

Meeting Date: May 8, 2012

Prepared By: Carl Niizawa  
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Subject: Development Plan Check and Jurisdictional Overlap

Summary: This is a review of the District's involvement in development plan check and jurisdictional overlap.

Historically, new development and significant redevelopment projects in the District's service area have been reviewed through the City of Marina's building department and coordinated with the District for compliance with the District's codes and engineering standards. District staff has been deeply involved in development review as part of the plan check process for building department approval. Even with the present development slowdown, there is currently utilization of an equivalent of one full time staff engineer working on development review. Much of this review time is compensated to the District by the project applicant.

As development proceeds in the Ord Community within the boundaries of the cities of Seaside, Monterey, Del Rey Oaks, and Monterey County; there is a need to work with all the jurisdictions in a consistent manner for development review. As there have been some jurisdictional overlap issues between the City of Marina and the District's code and standards, this overlap can become problematic. This issue is more problematic with the jurisdictions other than Marina, given their lack of familiarity with the District codes and requirements; and also the District's staff lack of familiarity with the other jurisdictions.

For example, the District has landscape requirements developed for water conservation purposes. These landscape requirements may coincide or confuse those who have to also comply with the city's landscape requirements developed for esthetic purposes. This can be complicated to the applicant who could receive two sets of comments for correction to the same plan. This scenario is not unlikely given that the cities (and County) plan checks are typically done at the same time.

Many of the District codes and standards which the jurisdictions may find over-reaching lie in the Water Conservation area. For instance, the District code requires all existing residential buildings to be retrofitted with ultra-low flow toilets or high efficiency toilets, and low flow showerheads at the time of ownership change. To comply with this requirement has required the issuance of a Water Conservation Certificate given by District staff following site inspection. It is unknown if all the jurisdictions are aware of this requirement or would favor such a requirement.

The overlap of codes and standards raises many questions for plan check with the jurisdictions. Whose code or standard applies? Who checks the plans for this compliance? Who and how is the code or standard enforced if not complied with? To ask applicants to comply with both sets of requirements, as is currently done, can lead to public frustration and probable inefficiencies.

District staff is currently in discussion with the jurisdictions to seek a common solution to these issues. Staff may seek changes in the future to build a common interface with the jurisdictions in the District with regards to codes, standards, and how these are applied.