



# 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

THOMAS P. MOORE  
*President*

JAN SHRINER  
*Vice President*

HOWARD GUSTAFSON  
WILLIAM Y. LEE  
PETER LE

## Agenda

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

211 Hillcrest Avenue, Marina, California

Monday, August 5, 2013, 6:00 p.m. PST

(Please note the earlier start time)

*This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the first and third Monday of each month. The meetings normally begin at 6:45 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, 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. Public Comment on Closed Session Items** *Anyone wishing to address the Board on matters appearing on Closed Session may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

#### 4. 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, Monterey County Superior Court Case No. M105019; Sixth Appellate District Court of Appeals Case No. H038550

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, August 1, 2013 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 August 19, 2013.

2) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission No. A.12-04-019

3) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, Monterey County Superior Court Case No. M120053 (Complaint for Declaratory Relief)

- B. Pursuant to Government Code 54956.9(b)(1)  
Conference with Legal Counsel – Anticipated Litigation  
Significant Exposure to Litigation: One Potential Case
- C. Pursuant to Government Code 54956.8  
Conference with Real Property Negotiator (General Manager, District Counsel)  
Property: Water Rights  
Negotiating Parties: Clark Colony Water Company and MCWD  
Under Negotiations: Price and Terms
- D. Pursuant to Government Code 54957.6  
Conference with Labor Negotiator (Howard Gustafson)  
Unrepresented Employee (Interim General Manager)

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

**5. 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.*

- D. Consider Adoption of Resolution No. 2013-44 to Approve an Employment Agreement with Brian C. Lee for the Position of Interim General Manager

#### **6. Pledge of Allegiance**

**7. Oral Communications** *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

**8. 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 four minutes.*

- A. Approve the Draft Minutes of the Regular Board Meeting of July 15, 2013

**9. Action Item** *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 four minutes.*

- A. Receive Presentation of Additional Rate Scenarios of the Draft 5-Year Rate Study Financial Plan; Provide Direction to Staff Regarding Preparation of the Final Rate Study; and Schedule a Special Board Meeting for a Budget Workshop

*Action: The Board of Directors will review and consider scenarios from Carollo Engineers and provide direction to staff for preparation of the final Financial Plan and Rate Study and schedule a special Board meeting.*

- B. Consider Providing Direction on the Process to Revise the Board Procedures Manual

*Action: The Board of Directors will provide direction on the process to revise the Board Procedures Manual.*

## **10. Staff Report**

- A. 2<sup>nd</sup> Quarter 2013 Ord Community Water Consumption and Sewer Flow Reports – the entire report is also available on the District website, [www.mcwd.org](http://www.mcwd.org)

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

- A. General Manager's Report
  - Correspondence Received by Board or General Manager

- B. Counsel's Report

- C. Committee and Board Liaison Reports

- |                                  |                                   |
|----------------------------------|-----------------------------------|
| 1. Water Conservation Commission | 6. LAFCO Liaison                  |
| 2. Joint City-District Committee | 7. FORA                           |
| 3. Executive Committee           | 8. WWOC Report                    |
| 4. Community Outreach            | 9. JPIA Liaison                   |
| 5. MRWPCA Board Member Liaison   | 10. Special Districts Association |

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

- A. Board Member Requests

## **13. Director's Comments**

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

*Regular Meeting: Monday, August 19, 2013, 6:45 p.m.,  
211 Hillcrest Avenue, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8

Meeting Date: August 5, 2013

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

A) Approve the Draft Minutes of the Regular Board Meeting of July 15, 2013

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: 8-A

Meeting Date: August 5, 2013

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of July 15, 2013

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of July 15, 2013.

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 July 15, 2013.

Staff Recommendation: The Board of Directors approve the draft minutes of the July 15, 2013 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: 9-A

Meeting Date: August 5, 2013

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Brian C. Lee

Agenda Title: Receive Presentation of Additional Rate Scenarios of the Draft 5-Year Rate Study Financial Plan; Provide Direction to Staff Regarding Preparation of the Final Rate Study; and Schedule a Special Board Meeting for a Budget Workshop

Detailed Description: The Board is requested to: (1) receive a presentation by Carollo Engineers on additional rate scenarios for Central Marina and Ord Community of the draft 5-year rate study and financial plan; (2) provide direction to District staff regarding preparation of the final rate study; (3) schedule a special Board meeting for a budget workshop based on the direction given on the rate study.

On July 15, 2013 the Board received a presentation by Pierce Rossum, Financial Services Lead, of Carollo Engineers who provided an overview of the methodology and approach taken in preparing the draft rate study, revenues necessary for the District to fund its operations, CIP plan, and meet debt requirements. The Board then requested additional analysis on the rates and directed staff to obtain additional rate scenarios based on certain factors.

Mr. Rossum will present the additional rate scenarios requested by the Board and discuss the calculation of the proposed capacity fees for the District.

Once the Board provides direction on which rate scenario to use, Carollo Engineers will complete the final rate study and financial plan. A special Board meeting will also need to be scheduled so that the Board can review the District's proposed budget based on the selected rates and begin the Prop 218 process.

Prior Committee or Board Action: On September 11, 2012, the Board adopted Resolution No. 2012-55 approving a professional services agreement with Carollo Engineers to prepare a five-year financial plan and rate study. On July 15, 2013, the Board received a presentation by Carollo Engineers on the preliminary findings of the rate study and financial plan, and provided direction to staff for further analysis.

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

Material Included for Information/Consideration: Carollo Engineers memo on additional rate scenarios of draft financial plan and rate study requested by the Board; and, Carollo Engineers Calculation Sheet of the proposed Capacity Fees for the District.

Staff Recommendation: The Board of Directors (1) receive a presentation by Carollo Engineers of additional rate options for the 5-year rate study and financial plan which includes operating rates and capacity charge options; (2) provide direction to District staff regarding preparation of the final rate study; (3) schedule a special Board meeting for a budget workshop based on the direction given on the rate study.

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: 9-B

Meeting Date: August 5, 2013

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consider Providing Direction on the Process to Revise the Board Procedures Manual

Detailed Description: The Board of Directors is requested to discuss the process for revising the Board Procedures Manual (BPM) and provide direction to staff.

The BPM is a resource for directors, staff and the public in defining the roles, responsibilities and procedures of the Board and is in need of revision from time-to-time due to outdated information and policies.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The BPM was first adopted on April 24, 2002 and revised in 2009, 2011, and 2012.

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: Board Procedures Manual - November 2012.

Staff Recommendation: The Board of Directors provide direction on the process to revise the Board Procedures Manual.

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  
Staff Report

Agenda Item: 10-A

Meeting Date: August 5, 2013

Prepared By: Kelly Cadiente and Paul Lord

Reviewed By: Brian Lee

Subject: 2<sup>nd</sup> Quarter 2013 Ord Community Water Consumption and Sewer Flow Reports

Summary: The Board of Directors is requested to receive the 2<sup>nd</sup> Quarter 2013 Ord Community Water Consumption and Sewer Flow Report. Quarterly water consumption reports have been submitted to the Board since 2006. The quarterly consumption report contains the Ord Community water consumption data organized by land-use jurisdiction.

This staff report also includes tracking information on Ord Community sewer flows and available sewer capacity. Ord Community sanitary sewer flow for the 1<sup>st</sup> quarter of 2013 was 79.41-million-gallons which yield an average daily sewer flow of 0.872-million-gallons-per-day (MGD). The Ord Community's sanitary sewer flow to the Monterey Regional Water Pollution Control Agency (MRWPCA) interceptor system is measured by a District flume structure located adjacent to the retired Main Garrison wastewater treatment plant.

The District maintains sewage conveyance capacity within the Ord Community equivalent to 3.3-MGD. The 3.3-MGD capacity managed by the District is further divided into 1.1-MGD for use by the US Army and 2.2-MGD for use by others in the Ord Community.

Below are informational annotations for the data included in the reports:

- The number of customers in each category is defined as the number of active accounts within that land use jurisdiction.
- "Army Facilities & Businesses - Ord" captures all uses not listed in the other Army categories.
- The rainfall total for the quarter (April, May, June), was 0.42 inches. This amount of rainfall is lower than the historical quarterly average rainfall of 1.66 inches.
- The measured reference evapotranspiration rate for this period was 12.65 inches, lower than the historical quarterly average figure of 13.63 inches.