

Agenda
Regular Board Meeting, Board of Directors
Marina Coast Water District
Dual Locations

211 Hillcrest Avenue, Marina, California
and
Residence Inn
192 Waterfront Street, National Harbor, MD 20745
Monday, June 16, 2014, **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)

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 Friday, June 13, 2014 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 should contact the Board Clerk 48 hours prior to the meeting at: 831-883-5910. The next regular meeting of the Board of Directors is scheduled for July 7, 2014.

1) Ag Land Trust v. Marina Coast Water District, Monterey County Superior Court Case No. M105019; Sixth Appellate District Court of Appeals Case Nos. H038550 and H039559

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 & A.13-05-017 Settlement Agreement

3) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, San Francisco Superior Court Case No. CGC-13-528312 (Complaint for Declaratory Relief)

- B. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation Pursuant to Subdivision (b) of 54956.9
One Potential Case

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.*

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. Adopt Resolution No. 2014-24 Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election Set for November 4, 2014
- B. Receive and File the Check Registrar for the Month of May 2014
- C. Approve the Draft Minutes of the Regular Board Meeting of May 19, 2014
- D. Approve the Draft Minutes of the Regular Board Meeting of June 2, 2014

9. 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 four minutes.*

- A. Consider Motion for Reconsideration of the Election of Director William Y. Lee as Vice President and, if the Motion for Reconsideration Passes, to Vote on Director Lee as Vice President. If Director Lee is not elected Vice President, then to Consider the Election of Another Director as Vice President

Action: The Board of Directors will consider whether to adopt a motion to reconsider the election of Director Bill Lee as Board Vice President; if the motion passes, to vote on Director Lee as Vice President; and if Director Lee is not elected, then to consider the election of another Director as Vice President.

- B. Consider Adoption of Resolution No. 2014-25 Authorizing Intra-District Loan from the Central Marina Water Cost Center to the Ord Community Water Cost Center and Setting the Terms Thereof

Action: The Board of Directors will consider approving an internal loan from the Central Marina cost center to the Ord cost center.

- C. Consider Adoption of Resolution No. 2014-26 to Approve the Marina Coast Water District Budget for FY 2014-2015

Action: The Board of Directors will consider approving the FY 2014-2015 budget.

- D. Consider Adoption of Resolution No. 2014-27 to Approve the District Five-Year Capital Improvement Projects Budget

Action: The Board of Directors will consider approving the District five-year Capital Improvement Projects budget for the Central Marina and Ord Community service areas.

- E. Consider Proposed Letter to the City of Marina on its Draft Initial Study/Mitigated Negative Declaration for Cal-Am's Proposed Slant Test Well Project and Direct Staff to Submit the Comment Letter to the City of Marina

Action: The Board of Directors will discuss, and consider directing staff to submit the proposed comment letter to the City of Marina.

- F. Discuss the CSUMB University-Agency Agreement for Placement of Students

Action: The Board of Directors will discuss the CSUMB University-Agency agreement for placement of students.

- G. Consider Adoption of Resolution No. 2014-28 to Accept the Infrastructure Improvements Installed Under a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and University Village Associates for the University Village Apartments Development

Action: The Board of Directors will consider accepting the infrastructure improvements installed under a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and University Village Associates for the University Village Apartments Development.

- H. Consider Adoption of Resolution No. 2014-29 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Hamstra-Appleton, LLC for their Veterans Administration-Department of Defense Health Care Center Development in Marina, CA

Action: The Board of Directors will consider approve an agreement with Hamstra-Appleton, LLC, for their Veterans Administration-Department of Defense for their Health Care Center development.

- I. Discussion and Possible Action on Acquiring the Chular Wastewater Services

Action: The Board of Directors will discuss whether to consider acquiring the Chular wastewater services.

- J. Receive an Update on the General Manager Recruitment Process and Provide Guidance

Action: The Board of Directors will receive an update on the General Manager recruitment process and provide guidance.

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 four minutes.*

A. General Manager's Report

1. 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 |

11. Board Member Requests for Future Agenda Items

A. Board Member Requests

12. Director's Comments

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

*Regular Meeting: Monday, July 7, 2014, 6:00 p.m.,
Marina Council Chambers
211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2014-24 Ordering an Election, Requesting County Elections to Conduct the Election,, and Requesting Consolidation of the Election Set for November 4, 2014
- B) Receive and File the Check Register for the Month of May 2014
- C) Approve the Draft Minutes of the Regular Board Meeting of May 19, 2014
- D) Approve the Draft Minutes of the Regular Board Meeting of June 2, 1014

Environmental Review Compliance: None required.

Prior Committee or Board Action: See individual transmittals.

Board Goals/Objectives: *2014 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

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.)

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: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Adopt Resolution No. 2014-24 Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election Set for November 4, 2014

Detailed Description: Pursuant to Section 10002 et seq. of the Elections Code, the Governing Body of the District must call the election to be held on November 4, 2014 for the purpose of electing successors to the terms of office which will expire in 2014. The Board must adopt a resolution calling for the election no later than July 2, 2014. The District has staggered terms and therefore must meet this requirement every two years.

Following the statute of previous years, the District will limit the Candidate's Statement to 200 words or less and the candidate is responsible for paying the cost of publishing the Candidate's Statement of Qualifications in the Voter's Information Pamphlet at the time of filing his/her statement.

The terms of Mr. William Y. Lee, Mr. Howard Gustafson, and Ms. Janet Shriner will expire this November 2014.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *Strategic Plan, 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.*

Financial Impact: Yes No

Funding Source/Recap: The approximate cost is \$36,000 to \$40,000, which depends on the number of registered voters in the District's jurisdiction and how many pamphlets are printed and mailed. This cost will be allocated to both Marina cost centers; 01-Marina Water and 02-Marina Sewer.

Material Included for Information/Consideration: Resolution No. 2014-24; Correspondence from Monterey County Election Department; and, Election Calendar.

Staff Recommendation: The Board of Directors adopt Resolution No. 2014-24 ordering an election, requesting County Elections to conduct the election, and requesting consolidation of the election set for November 4, 2014. The Board is also asked to limit the Candidate's Statement to

June 16, 2014

Resolution No. 2014-24
Resolution of the Board of Directors
Marina Coast Water District
Resolution Ordering An Election, Requesting County Elections to Conduct the Election,
and Requesting Consolidation of the Election Set for November 4, 2014

RESOLVED by the Board of Directors ("Board"), of the Marina Coast Water District ("District"), at a regular meeting duly called and held on June 16, 2014, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and,

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and,

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and,

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and,

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and,

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision of the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections office, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and,

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and,

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 4, 2014.

NOW THEREFORE BE IT RESOLVED AND ORDERED, that the Board of Directors of the Marina Coast Water District hereby orders an election be called and consolidated with any and all elections also called to be held on November 4, 2014 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the Marina Coast Water District requests the Board of Supervisors of the County of Monterey to order such consolidation under Elections Code Section 10401 and 10403; and,

BE IT FURTHER RESOLVED AND ORDERED, that said governing body hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting the election and per Elections Code Section 10002 agrees to pay for said services; and,

BE IT FURTHER RESOLVED AND ORDERED, that the Monterey County Elections Department conduct the election for the following offices on the November 4, 2014 ballot:

<u>Seats Open</u>	<u>Office</u>	<u>Term</u>	<u>District</u>
William Y. Lee	Director	4 Year	Marina Coast Water District
Howard Gustafson	Director	4 Year	Marina Coast Water District
Janet Shriner	Director	4 Year	Marina Coast Water District

BE IT FURTHER RESOLVED, per Election Code Section 13307 the District will limit the Candidate's Statement to 200 words or less; and, the candidates shall submit payment to the Elections Department upon submission of the candidate's statement.

PASSED AND ADOPTED on June 16, 2014, by the Board of Directors of the Marina Coast Water District by the following vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-24 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of May 19, 2014

Detailed Description: The Board of Directors is requested to approve the draft minutes of May 19, 2014.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2014 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

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

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of May 19, 2014.

Staff Recommendation: The Board of Directors approve the draft minutes of the May 19, 2014 regular Board meeting.

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

Board Action

___ Resolution No ___ Motion By ___ Seconded By ___

Ayes ___ Abstained ___

Noes ___ Absent ___

Reagendized ___ Date ___ No Action Taken ___

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-D

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of June 2, 2014

Detailed Description: The Board of Directors is requested to approve the draft minutes of June 2, 2014.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2014 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

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

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of June 2, 2014.

Staff Recommendation: The Board of Directors approve the draft minutes of the June 2, 2014 regular Board meeting.

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

Board Action

___ Resolution No ___ Motion By ___ Seconded By ___

Ayes ___ Abstained ___

Noes ___ Absent ___

Reagendized ___ Date ___ No Action Taken ___

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consider Motion for Reconsideration of the Election of Director William Y. Lee as Vice President and, if the Motion for Reconsideration Passes, to Vote on Director Lee as Vice President. If Director Lee is not elected Vice President, then to Consider the Election of Another Director as Vice President

Detailed Description: Director Gustafson, who voted on the prevailing side on June 2, 2014, requested that this item be reconsidered.

Resolution No. 98-1, as amended, states that the Board will annually elect a President and Vice President.

On February 18, 2014, Director Moore was elected President and following a no majority vote for the election of Vice President, that election was tabled.

On March 10, 2014, Director Lee asked that the election of Vice President be revisited. On March 17, 2014 the Board tabled this item until a full Board was present. On April 21, 2014, the Board tabled this item until a full Board was present. On May 5, 2014, the Board tabled this item until a full Board was present. On May 19, 2014, the Board tabled this item until a full Board was present. On June 2, 2014, Director Lee was elected as the Vice President.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On February 18, 2014, after not getting a majority vote for the Vice President seat, the Board tabled the election of Vice President. On June 2, 2014, Director Lee was elected as the Vice President.

Board Goals/Objectives: *2014 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Financial Impact: Yes No

Funding Source/Recap: N/A

Material Included for Information/Consideration: None.

Staff Recommendation: None.

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: 9-B

Meeting Date: June 16, 2014

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Brian C. Lee

Agenda Title: Consider Adoption of Resolution No. 2014-25 Authorizing Intra-District Loan from the Central Marina Water Cost Center to the Ord Community Water Cost Center and Setting the Terms Thereof

Detailed Description: The Board is requested to consider adoption of Resolution No. 2014-25 authorizing an intra-district loan from the Central Marina Water Cost Center to the Ord Community Water Cost Center. This loan would be set up similar to the existing intra-district loan between the Central Marina Cost Centers and the Ord Community Cost Centers.

After the District acquired the Ord Community water and wastewater systems in October 2001, which necessitated the District to fund certain capital projects and the funding for which came from an intra-District internal loan from the Central Marina cost centers to the Ord Community cost centers at 6% interest, on April 28, 2004, the Board approved the terms for the loan repayment which formally recognized the principal and accrued interest of the loan which will be paid off in full during FY 2014-2015. The following are the terms and conditions:

- The total principal and interest for the loan would be amortized over ten (10) years.
- The interest rate will be set at 1/4% below the interest for the Ord Community loan by the City National Bank, adjusted quarterly; however, at no time would the interest rate be less than the then Local Agency Investment Fund interest rate.
- The loan would be callable anytime by the District.

The Ord Community Water Cost Center is in need of a new loan up to and including \$1,000,000 to pay for the Ord Community Water Cost Center's share of Fiscal Year 2014-2015 operating costs. The proposed terms and conditions are as follows:

- The total principal and interest for the loan would be amortized over ten (10) years beginning July 1, 2015.
- The interest rate to be charged on the outstanding loan balance shall be a variable rate based on the 5-year US Treasury rate (1.70% as of June 12, 2014); however, at no time shall the interest rate be less than the then Local Agency Investment Fund interest rate.
- The interest rate shall be adjusted quarterly based upon the applicable interest rate in effect at the end of each quarter.
- The loan would not be callable, but there shall be no prepayment penalty.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On April 28, 2004, the Board passed a motion to approve the terms of for a \$1,182,177 loan by Central Marina Cost Centers to Ord Community Cost Centers.

On March 17, 2014, the Board held a Budget Workshop for FY 2014-2015 in which the proposed draft budget included an Intra-District loan from Central Marina Water Cost Center to Ord Community Water Cost Center.

Board Goals: *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: Loan Source – Central Marina Operating Reserves; Repayment Source – Ord Community Water Cost Center

Material Included for Information/Consideration: Resolution No. 2014-25, and 10-year amortization schedule.

Recommendation: Consider adoption of Resolution No. 2014-25 authorizing an intra-district loan from the Central Marina Water Cost Center to the Ord Community Water Cost Center.

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 _____

June 16, 2014

Resolution No. 2014-25
Resolution of the Board of Directors
Marina Coast Water District
Authorizing Intra-District Loan from the Central Marina Water Cost Center to
the Ord Community Water Cost Center
and Setting the Terms Thereof

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 16, 2014 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, after the District acquired the Ord Community water and wastewater systems in October 2001, which necessitated the District to fund certain capital projects and the funding for which came from an intra-District internal loan from the Central Marina cost centers to the Ord Community cost centers at 6% interest; and,

WHEREAS, by motion passed at the April 28, 2004 regular Board meeting, the Directors approved the terms for a \$1,182,177 loan by the Central Marina cost centers to the Ord Community cost centers, which action formally recognized the principal and accrued interest on that loan on the following terms and conditions:

- The total principal and interest for the loan would be amortized over ten (10) years.
- The interest rate will be set at 1/4% below the interest for the Ord Community loan by the City National Bank, adjusted quarterly; however, at no time would the interest rate be less than the then Local Agency Investment Fund interest rate.
- The loan would be callable anytime by the District. and,

WHEREAS, the 2004 loan is projected to be paid off in full during the 2014-2015 Fiscal Year; and,

WHEREAS, the Ord Community water cost center is in need of a new loan of up and including \$1,000,000 to pay for the Ord Community water cost center’s share of Fiscal Year 2014-2015 operating costs; and,

WHEREAS, the Directors are willing to provide this intra-District loan on specified terms and conditions; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Marina Coast Water District as follows:

1. The Directors make the following findings:
 - a. Even with the new Ord Community water rates for Fiscal Year 2014-2015, it is projected that those rates and charges will be insufficient to cover the Ord Community water cost center’s share of operating costs and that up to and including \$1,000,000 in additional funds will be needed.

b. The Central Marina water cost center has budgeted reserves, which may be used in part to loan up to and including \$1,000,000 to the Ord Community water cost center.

c. It is in the best interests of the overall District for the Directors to authorize this intra-District loan.

d. Fair and reasonable terms of such an intra-District loan are as follows:

(1) The loan shall be amortized over a 10-year period ending on June 30, 2025.

(2) The interest rate to be charged on the outstanding loan balance shall be a variable rate based on the 5-year US Treasury rate; however, at no time shall the interest rate be less than the then Local Agency Investment Fund interest rate.

(3) The interest rate shall be adjusted quarterly based upon the applicable interest rate in effect at the end of each quarter.

(4) The loan shall not be callable, but there shall be no prepayment penalty.

2. The General Manager, the Deputy General Manager/District Engineer, and Director of Administrative Services shall be, and each of them hereby is, authorized to give or take all approvals, consents, directions, instructions, notices, orders, requests, and other actions permitted, required or authorized by this Resolution, and to take any such action that such authorized representative, with the advice of District's Legal Counsel, may deem necessary or desirable to further the purposes of this Resolution.

3. All actions heretofore taken by the officers, employees and agents of the District in connection with the matters authorized by this Resolution are hereby ratified, approved and confirmed.

4. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED on June 16, 2014, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-25 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: June 16, 2014

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Brian C. Lee

Agenda Title: Consider Adoption of Resolution No. 2014-26 to Approve the Marina Coast Water District Budget for FY 2014-2015

Detailed Description: The Board is requested to receive and adopt the Marina Coast Water District (District) FY 2014-2015 budget.

Each year, the District follows a budget development process that results in the MCWD Board approval of the annual budget by June 30. On March 3, 2014, the draft budget and budget schedule were presented to the Board at its regular board meeting. On March 17, 2014, the Board held its budget workshop and discussed the budget in detail. On April 21, 2014 and June 2, 2014, the Board received revised drafts of the FY 2014-2015 budget and provided staff direction on preparation of the final document.

During the budget workshop on March 17, 2014, the Board approved the Proposition 218 rate increase process and scheduled a public hearing on May 19, 2014. On April 21, 2014, the Board conducted a public hearing on the Ord Community capacity charges. On May 5, 2014, the Board adopted Ordinance 57 approving the Central Marina capacity charges and Resolution No. 2014-18 approving the Ord Community capacity charges. Capacity charges are not subject to Proposition 218. The Board conducted the public hearing on May 19, 2014 and declared the results of the Proposition 218 protest count for the proposed rate increases. In addition, the Board adopted Ordinance 56 to approve the noticed rate increases for Central Marina and Resolution No. 2014-20 to approve the noticed rate increases for the Ord Community. Under the 1998 Facilities Agreement between the Fort Ord Reuse Authority (FORA) and the District, the District is required to submit by March 30 of each year the District's Ord Community annual budget to the FORA Water/Wastewater Oversight Committee (WWOC). Pursuant to Section 7.2.1 of the Agreement, the FORA Board is required to review the District's Ord Community annual budget or provide written response to the District listing each item of dispute, stating detailed reasons for the dispute, and specifying a resolution acceptable to FORA and, if the FORA Board does not respond to the District within three months from the date of the submittal to the WWOC, then the budget is deemed adopted by FORA.

On February 27, 2014, the Ord Community budget was submitted to the WWOC. District staff met with the WWOC several times over the course of March 2014 through May 2014 to discuss and answer questions about the Ord Community budget. The Ord Community budget was then presented to the FORA Board on May 30, 2014, for adoption; however, the FORA Board voted to table approval of the budget. In accordance with Section 7.2.1, the FY 2014-2015 Ord Community budget is deemed adopted by FORA.

The new Ord Community water and sewer rates will go into effect on July 1, 2014, and the new Ord Community water and sewer capacity charges will go into effect on July 5, 2014.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board received the Draft FY 2014-2015 Budget and Budget Schedule on March 3, 2014. On March 17, 2014, the Board conducted a budget workshop and discussed the budget in detail. On April 21, 2014 and May 19, 2014, the Board provided additional direction to staff in preparation of the final document.

Board Goals/Objectives: *Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Financial Impact: Yes No

Funding Source/Recap: All Accounts

Material Included for Information/Consideration: Resolution No. 2014-26 and FY 2014-2015 Draft Budget Document.

Staff Recommendation: The Board of Directors adopt Resolution No. 2014-26 approving the Marina Coast Water District Budget for FY 2014-2015.

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 _____

June 16, 2014

Resolution No. 2014 - 26
Resolution of the Board of Directors
Marina Coast Water District
Adopting the Marina Coast Water District Budget for FY 2014-2014

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 16, 2014 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, staff prepared and presented the draft FY 2014-2015 Budget that includes projected revenues, expenditures and capital improvement projects for the six cost centers of the District’s Water and Wastewater systems, including the area within the jurisdiction of the Fort Ord Reuse Authority (“FORA”) and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, the District Board reviewed the proposed FY 2014-2015 Budget on March 17, 2014, April 21, 2014 and June 2, 2014; and,

WHEREAS, rates, fees, charges and capacity charges for Central Marina service area were adopted by the Board in Ordinances 56 and 57; and,

WHEREAS, rates, fees, charges and capacity charges for the Ord Community service area were adopted by the Board in Resolution No. 2014-18 and 2014-20; and,

WHEREAS, on February 27, 2014, the District submitted the Ord Community budget to the Water/Wastewater Oversight Committee (WWOC) of the Fort Ord Reuse Authority (FORA) in accordance with the 1998 MCWD-FORA Water/Wastewater Facilities Agreement;

WHEREAS, since more than three months have elapsed since submittal of the budget to the WWOC without the FORA Board taking any action as specified in Section 7.2.1 of the 1998 Agreement, the budget is deemed adopted by FORA; and,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Marina Coast Water District does hereby approve and adopt the FY 2014-2015 Budget of the Marina Coast Water District.

PASSED AND ADOPTED on June 16, 2014, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-26 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consider Adoption of Resolution No. 2014-27 to Approve the District Five-year Capital Improvement Projects Budget

Detailed Description: The Board is requested to approve the draft Five-Year Capital Improvement Projects (CIP) budget.

Each year, the District follows a budget development process that results in Board approval of the annual budget. Annual update of the District's CIP program follows the same schedule. Each project has been reviewed based on estimated schedule of need. Those projects that are not scheduled for immediate need have been pushed farther into the future.

Additional scrutiny is being given to the annual CIP budget with an effort to balance individual yearly CIP spending across the five year schedule. The intent is to smooth capital spending across the multiple years, avoiding yearly spikes or dips.

Individual project sheets are included in the proposed 2014/2015 projects. Costs for projects which start in the five-year budget period but finish later are also shown in this draft planning budget.

The District's practice for allocation of costs for Capital Improvement Projects (CIP) that are not specific to a cost center is the expense ratio method. This method allocates these shared expenses the fiscal year the project is initiated based on the previous fiscal year's actual expenses (CIP costs that are not dedicated to a specific cost center are shared among four primary cost centers – Marina Water, Marina Sewer, Ord Community Water, and Ord Community Sewer).

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board reviewed the draft CIP Budget on March 17, 2014 and June 2, 2014.

Board Goals/Objectives: 2014 *Strategic Plan, Goal No. 2.1 - Improvements and expansion plans for existing water delivery and wastewater collection systems.*

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

Funding Source/Recap: None

Materials Included for Information/Consideration: Resolution No. 2014-27; and, Draft Five-Year CIP Budget.

Staff Recommendation: The Board of Directors adopt Resolution No. 2014-27 to Approve the District Five-year Capital Improvement Projects Budget for the Central Marina and Ord Community Service Areas.

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 _____

June 16, 2014

Resolution No. 2014-26
Resolution of the Board of Directors
Marina Coast Water District
Approving the District Five-Year Capital Improvement Projects Budget
for the Central Marina and Ord Community Service Areas

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 16, 2013 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Marina Coast Water District (“District”) staff prepared and presented the draft FY 2014-2015 Budget which includes projected revenues, expenditures and capital improvement projects for Central Marina and the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and,

WHEREAS, the District and FORA, entered into a “Water/Wastewater Facilities Agreement” (“the Agreement”) on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, short-term and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Five-Year Capital Improvement Projects Budget for the Central Marina and Ord Community for 2014-2015 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable the District to provide continued water, recycled water and sewer services within the existing service areas in Central Marina and on the former Fort Ord; and,

WHEREAS, a financing study prepared by Citigroup Global Markets Inc. in 2005 for the District recommended the adoption of capacity charges as an element of financing capital facilities for water and wastewater services to the Ord Community; and,

WHEREAS, the Directors approved changes in Capacity Charges for Water and Wastewater Services for the Ord Community Service Area on May 5, 2014; and,

WHEREAS, the Directors approved changes in Capacity Charges for Water and Wastewater Services for the Central Marina Service Area on May 19, 2014; and,

WHEREAS, the Water/Wastewater Oversight Committee of FORA and the District's full Board have reviewed the proposed Five-Year Capital Improvement Projects Budget; and,

WHEREAS, pursuant to the Agreement, FORA and the District have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and the District have cooperated in the conveyance to the District of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA's jurisdiction; and,

WHEREAS, the District has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, capacity charges are imposed as a condition of service to customers. The charges are not imposed upon real property or upon persons as an incident of real property ownership; and,

WHEREAS, estimated revenues from the capacity charges will not exceed the estimated reasonable costs of providing the facilities and services for which the charges are imposed; and,

WHEREAS, the capacity charges have not been calculated nor developed on the basis of any parcel map, including any assessor's parcel map; and,

WHEREAS, 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; and,

WHEREAS, after a public meeting and based upon staff's recommendations, the Board has determined that the capital elements of the Budget and Compensation Plan, including the capacity charges therein, should be adopted; and,

WHEREAS, Government Code Section 54999.3 requires that before imposing certain capital facilities fees on certain educational and state entities, any public agency providing public utility service must negotiate with the entities receiving the service; and,

WHEREAS, FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community under FORA's jurisdiction, and that in adopting rates and charges for that area, the District is acting as a responsible agency and relying on FORA's compliance with the requirements of the California Environmental Quality Act ("CEQA"); that the District has previously adopted rates, fees and charges for its jurisdictional service area; and that, in approving rates, fees and charges for the area of Ord Community within the jurisdiction of the U.S. Army, the District is acting to provide continued water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS,

1. The Board of Directors of the Marina Coast Water District does hereby approve and adopt the Five-Year Capital Improvement Projects budget for Central Marina and the Ord Community.
2. The charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the charges are imposed.
3. The District will comply with the requirements of Government Code section 54999.3 before imposing a capital facilities fee (as defined in Government Code section 54999.1) on any school district, county office of education, community college district, the California State University, the University of California or state agency.

PASSED AND ADOPTED on June 16, 2014, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-25 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Consider Proposed Letter to the City of Marina on its Draft Initial Study/Mitigated Negative Declaration for Cal-Am's Proposed Slant Test Well Project and Direct Staff to Submit the Comment Letter to the City of Marina

Detailed Description: The City of Marina has prepared a Draft Initial Study/Mitigated Negative Declaration (IS/MND) for the project titled, "California American Water Slant Test Well Project". Any District comments must be submitted to the City's San Luis Obispo environmental consultant by 5 PM, June 17, 2014.

The construction and operation of the proposed slant test well has the potential to impact the District.

District Legal Counsel has reviewed the Draft IS/MND and prepared a draft letter of District comments and concerns. Upon approval by the Board a signed comment letter will be submitted to the City's environmental consults on June 17th.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board provided direction on June 2, 2014 and requested staff to prepare a draft comment letter.

Board Goals/Objectives: *2014 Strategic Plan Strategic Elements No's:*

- *1.5 - Develop an alternative water sources work plan that will carry us from conception to development.*
- *1.6 - Establish Goals and Objectives that promote protecting our current groundwater sources from seawater intrusion and other forms of contamination.*
- *4.1 - Communicate with our strategic partners.*

Financial Impact: _____Yes No

Funding Source/Recap: None

Material Included for Information/Consideration: Draft MCWD Comment Letter dated June 17, 2014, The Draft IS/MND is available at http://www.ci.marina.ca.us/documents/14/16/459/Slant%20Test%20Well%20Draft%20IS-MND_051614_201405191103365137.pdf.

Staff Recommendation: None.

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: 9-F

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee

Presented By: Brian C. Lee

Agenda Title: Discuss the CSUMB University-Agency Agreement for Placement of Students and Provide Direction to Staff

Detailed Description: The Board is requested to discuss and provide direction to staff regarding the CSUMB University-Agency Agreement for Placement of Students. Staff provided to the Board a draft copy of the agreement during General Managers comments at the regularly scheduled Board Meeting on June 2, 2013. The District's HR attorney, Counsel DeBacker, is currently working with the University to adjust the contract and better address issues directly important to the District. Staff intends to bring back a staff recommended draft at the regularly scheduled July 7th meeting for final consideration by the Board.

Having time since the last Board Meeting to review the provided agreement, staff is seeking Board input and direction.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board received the CSUMB University-Agency agreement on June 2, 2014.

Board Goals/Objectives: *To Be Determined. Utilization of student interns may have positive impacts on a variety of the District's 2014 Strategic Plan Elements. Individual candidate strengths will determine which Plan Elements will benefit.*

Financial Impact: Yes No

Funding Source/Recap: None

Materials Included for Information/Consideration: CSUMB University-Agency agreement.

Staff Recommendation: Provide Board input and direction to staff.

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: 9-G

Meeting Date: June 16, 2012

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Brian C. Lee

Agenda Title: Consider Adoption of Resolution No. 2014-28 to Accept the Infrastructure Improvements Installed Under a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and University Village Associates for the University Village Apartments Development

Detailed Description: The Board of Directors is requested to accept from University Village Associates (UV Associates) the off-site and on-site improvements they have installed on behalf of MCWD. UV Associates is constructing the University Village Apartments development project in the City of Marina portion of the Ord Community. The project is within the Dunes on Monterey Bay master development. The District entered into a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement (Infrastructure Agreement) with UV Associates by adopting Resolution No. 2012-68 on October 26, 2012.

The on-site improvements made by UV Associates for which acceptance of ownership is requested includes potable water pipelines and appurtenances, a recycled water pipeline in the 9th Street alignment, and sanitary sewer pipelines and appurtenances. A more detailed break-down of the infrastructure to be owned by MCWD may be found in the attached Bill of Sale document and Plan Sheet C11. The total value of the infrastructure to be transferred to MCWD for ownership sums to approximately \$380,335.

The construction work was largely inspected and witnessed by Harris & Associates; their letter report – that includes their recommendation that it is appropriate for MCWD to own the installed infrastructure – is attached.

Under the terms of the Infrastructure Agreement, MCWD requires the following items prior to final acceptance:

- Final inspection and walk-through by MCWD to verify completion of all punch-list items
- Completed easements for all pipelines outside of public rights-of-way or easements
- Conveyance of the property to MCWD by means of a bill-of-sale
- Submission of As-Built drawings for the work
- Submission of a One-Year Warranty Bond

The developer and MCWD conducted a punch-list walk-through and the associated corrective work was completed on June 9, 2014 (see attachment to Harris & Associates letter report). The easements appropriate for this transfer-of-ownership transaction were recorded in Monterey County on June 3, 2014; all currently proposed MCWD assets are located within the public right-of-way or easements in MCWD's favor (see attached easement document and associated plat maps). A Bill of Sale signed by the developer and awaiting this Board-action for Acceptance is

attached as noted above. As-built drawings for the improvements described above were received and accepted as of June 10, 2014 (see attached Plan Sheet C11 – that sheet is part of the Record Drawing set). A One-Year Warranty Bond, for approximately 20% of the infrastructure value enumerated above, is attached. In accord with the Infrastructure Agreement, this list fulfills the District’s requirements and conditions for accepting ownership of the installed infrastructure.

Environmental Review Compliance: None required.

Prior Committee or Board Action: Board Resolution No. 2012-68 on October 26, 2012, approved the Infrastructure Agreement for the University Village Apartments development project.

Board Goals/Objectives: *Five-year Strategic Plan, Strategic Element 2.0 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District Standards.*

Financial Impact: Yes No

Funding Source/Recap: There is no direct cost to MCWD in these transactions; however, a near-term future increase in operational and maintenance costs may be reasonably anticipated within the Ord Water and Ord Sewer cost centers as well as in increase in the Recycled Water cost center in the more distant future.

Material Included for Information/Consideration: Resolution No. 2014-28; Harris & Associates letter report; Punch-list; recorded Easement document; Bill of Sale signed by UV Associates; Record Drawing sheet C11; Warranty Bond.

Staff Recommendation: The Board adopt Resolution No. 2014-28 accepting the infrastructure improvements installed under the Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and University Village Associates.

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 _____

June 16, 2014

Resolution No. 2014-28
Resolution of the Board of Directors
Marina Coast Water District
Accepting the Infrastructure Improvements
Installed Under a Construction and Transfer of
Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District and University Village Associates

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 16, 2014 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, University Village Associates, a California limited partnership (“Developer”), has constructed water, sewer and recycled water infrastructure for their University Village Apartments development project in the Ord Community portion of the City of Marina; and,

WHEREAS, the Developer entered into a Construction and Transfer of Water, Sewer and Recycled Water Infrastructure Agreement with the District on October 26, 2012; and,

WHEREAS, construction of the water, sewer and recycled water infrastructure is now complete for the University Village Apartments development project and the Developer has satisfied all of the close-out conditions required in the Infrastructure Agreement; and,

WHEREAS, the Developer requests that MCWD take ownership of the installed infrastructure.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby accept the transfer of ownership of the Water, Sewer, and Recycled Water Infrastructure for the University Village Apartments development project and directs the General Manager and/or Deputy General Manager/District Engineer to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on June 16, 2014, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-28 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-H

Meeting Date: June 16, 2014

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Brian C. Lee

Agenda Title: Consider Adoption of Resolution No. 2014-29 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between MCWD and Hamstra-Appleton, LLC for their Veterans Administration-Department of Defense Health Care Center Development in Marina, CA

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 Hamstra-Appleton, LLC (Hamstra) for their Veterans Administration - Department of Defense Health Care Center (VA-DoD HCC) development project. The attached draft Infrastructure Agreement is based upon the most recent board-approved (June 2013) format used for other development groups within the MCWD service area.

The VA-DoD HCC East Garrison Development is located in the City of Marina portion of the Ord Community. The parcel is within the Dunes on Monterey Bay master development and is a conglomeration of approximately 8-parcels totaling 14.31-acres that were originally master-planned as a slightly larger parcel with a different prospective land-use. The project will consist of an approximately 148,000-square-foot health care center structure and a large parking lot.

The new infrastructure being transferred to the District will be constructed within public right-of-ways and private easements in MCWD's favor provided by Hamstra. The easement language mutually agreed upon and executed by Hamstra is attached; the intent is to record the easements in advance of completing the design because the adequacy of the design will hinge on a protective (to MCWD rate-payers) easement understanding. The specific infrastructure proposed for transfer, once completed, includes PVC potable water pipelines, a short segment of PVC recycled water pipelines, PVC gravity sewer pipelines, and associated appurtenances (e.g. sewer man-holes, potable water valves, fire-hydrants, etc).

A Water Supply Assessment/Written Verification of Supply was prepared by MCWD for the master development in January, 2005. The entitlement of water allocation for this project's parcel by the City of Marina is consistent with that Water Supply Assessment/Written Verification of Supply in the sense that the water allocated for this specific project is less than that estimated for the same area of land in the Water Supply Assessment. The amount of water allocated by the City of Marina to the VA-DoD HCC project is 30.0-AFY; the amount of water allocated to the same area of land in the 2005 Water Supply Assessment is 43.1-AFY.

Environmental Review Compliance: This Infrastructure Agreement is not a "project" under the California Environmental Quality Act (CEQA). This work is categorically exempt under CEQA.

Prior Committee or Board Action: None

Board Goals/Objectives: *Five-year Strategic Plan, Strategic Element 2.0 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District Standards.*

Financial Impact: _____ Yes X No

Funding Source/Recap: There is no financial impact.

Material Included for Information/Consideration: Resolution No. 2014-29; draft Infrastructure Agreement; and, Hamstra-executed easement document.

Staff Recommendation: The Board of Directors adopt Resolution No. 2014-29 approving the Water, Sewer and Recycled Water Infrastructure Agreement between MCWD and Hamstra-Appleton, LLC for their VA-DoD Health Care Center Development.

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 _____

June 16, 2014

Resolution No. 2011 - 29
Resolution of the Board of Directors
Marina Coast Water District
Approving a Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District and Hamstra-Appleton, LLC for the
Veterans Administration-Department of Defense Health Care Center Development in Marina, CA

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 16, 2014 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Hamstra-Appleton, LLC (“Developer”) has coordinated with the District on their VA-DoD Health Care Center development project, consisting of the new construction and related infrastructure, within the City of Marina portion of the Ord Community; and,

WHEREAS, the City of Marina has allocated a portion of its former Fort Ord water supply allocation for the Developer’s use in developing the VA-DoD Health Care Center development project, 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 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 Water, Sewer and Recycled Water Infrastructure Agreement between MCWD and Hamstra-Appleton, LLC for their VA-DoD Health Care Center development project and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED June 16, 2014, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, 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. 2014-29 adopted June 16, 2014.

Brian C. Lee, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-I

Meeting Date: June 16, 2014

Submitted By: Brian C. Lee
Requested By: Vice President Lee

Presented By: Brian C. Lee

Agenda Title: Discussion and Possible Action on Acquiring the Chualar Wastewater Services

Detailed Description: The Board is requested to discuss and provide direction to staff regarding the District's possible interest in purchasing the Chualar sewer system. The County has indicated that a sale of the Chualar sewer system may occur. Purchasing the system may provide the District with an additional source of recycled water. At this time staff is seeking Board input.

Board Goals/Objectives: 2014 *Strategic Plan Element 1.4 - Establish a prioritized list of available alternative water sources.*

Financial Impact: Yes No

Funding Source/Recap: *Unknown*

Materials Included for Information/Consideration: 05/10/2014 Monterey Herald Newspaper Article, 05/28/2014 Monterey Herald Newspaper Article, 2013-2014 Monterey County Civil Grand Jury Interim Final Report No. 1 Chualar Sewer System.

Staff Recommendation: Provide Board input and direction to staff.

Action Required: Resolution Motion Review

Board Action

Resolution No Motion By Seconded By

Ayes Abstained

Noes Absent

Reagendized Date No Action Taken