



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

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President

PETER LE
Vice President

THOMAS P. MOORE
WILLIAM Y. LEE
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Agenda

Regular Board Meeting, Board of Directors Marina Coast Water District

Marina Council Chambers
211 Hillcrest Avenue, Marina, California
Monday, April 6, 2015, 6:30 p.m. PST

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 6:30 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, Marina, California.

Our Mission: 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.

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 Nos. H038550 and H039559

This agenda is subject to revision and may be amended prior to the scheduled meeting. Pursuant to Government Code section 54954.2(a)(1), the agenda for each meeting of the Board shall be posted at the City of Marina Council Chambers. The agenda shall also be posted at the following locations but those locations are not official agenda posting locations for purposes of section 54954.2(a)(1): District offices at 11 Reservation Road, Seaside City Hall, the City of Marina Library, and the City of Seaside Library. A complete Board packet containing all enclosures and staff materials will be available for public review on Wednesday, April 1, 2015. Copies will also be available at the Board meeting. 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.

- 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)
- 4) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CGC-13-528312 (Petition for Writ of Mandate).

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

C. Pursuant to Government Code 54957
Public Employee Appointment
Title: General Manager

7:00 p.m. Reconvene Open Session

5. **Reportable Actions Taken during Closed Session** *The Board will announce any reportable action taken during closed session and the vote or abstention on that action of every director present, and may take additional action in open session as appropriate. Any closed session items not completed may be continued to after the end of all open session items.*
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 2014 Consumer Confidence Report for the Marina Coast Water District Water System, Central Marina and Ord Community
 - B. Approve the Draft Minutes of the Regular Board Meeting of March 16, 2015
 - C. Approve the Draft Minutes of the Special Board Meeting of March 25, 2015

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. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-15 to Clarify the Fire Service Fee Policy Approval Process with Regard to the Effective Date

Action: The Board of Directors will consider clarifying the District's fire service policy approval process effective date.

- B. Discussion and Possible Action to Adopt Resolution No. 2015-16 to Approve a Request for Proposals for Independent Audit Services

Action: The Board of Directors will consider approving a Request for Proposals to perform the annual audit for the District.

- C. Discussion and Possible Action to Consider Adoption of Resolution No. 2015-17 to Readopt the Existing State Water Resource Control Board's Emergency Mandatory Water Conservation Regulations with Updates for an Additional 270 Days

Action: The Board of Directors will consider readopting the State Water Resources Control Board's Emergency Mandatory Water Conservation Regulations with updates for an additional 270 days.

- D. Discussion and Possible Action to Consider a Request by Bay View Mobile Home Park for Marina Coast Water District to Take Over the Private Water System Within the Park

Action: The Board of Directors will consider a request by Bay View Mobile Home Park for Marina Coast Water District to take over the private water system within the park.

- E. Discussion and Possible Action to Appoint Board Representatives to Participate in the Formation of a Groundwater Sustainability Agency and Notify the Monterey County Water Resources Agency of the District's Interest in Participating in the Process

Action: The Board of Directors will consider appointing Board representatives to participate in the Groundwater Sustainability Act.

10. Staff Report

- A. Receive 4th Quarter 2014 Ord Community Water Consumption and Sewer Flow Report

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.*

1. General Manager's Report

2. Counsel's Report

3. Committee and Board Liaison Reports

1. Water Conservation Commission

2. Joint City-District Committee

3. Executive Committee

4. Community Outreach

5. MRWPCA Board Member Liaison

6. LAFCO Liaison

7. FORA

8. WWOC Report

9. JPIA Liaison

10. Special Districts Association

12. Correspondence

13. Director's Comments *Director reports on meetings with other agencies, organizations and individuals on behalf of the District and on official District matters.*

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

*Regular Meeting: Monday, April 20, 2015, 6:00 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8

Meeting Date: April 6, 2015

Prepared By: Bill Kocher

Approved By: Bill Kocher

Agenda Title: Consent Calendar

Staff Recommendation: The Board of Directors approve the Consent Calendar as presented.

Background: *“2014 Strategic Plan Mission Statement – To 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.”*

Consent calendar consisting of:

- A) Approve the 2014 Consumer Confidence Report for the Marina Coast Water District Water System, Central Marina and Ord Community
- B) Approve the Draft Minutes of the Regular Board Meeting of March 16, 2015
- C) Approve the Draft Minutes of the Special Board Meeting of March 25, 2015

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or the Board can pull these items and discuss each one individually.

Material Included for Information/Consideration: The draft 2014 Consumer Confidence Report; the draft minutes of March 16, 2015; and, the draft minutes of March 25, 2015.

Action Required: _____Resolution X Motion _____Review
(Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: April 6, 2015

Prepared By: Thomas Barkhurst
Reviewed By: James Derbin

Approved By: Bill Kocher

Agenda Title: Approve the 2014 Consumer Confidence Report for the Marina Coast Water District Water System, Central Marina and Ord Community

Staff Recommendation: Staff recommends approval of the 2014 Consumer Confidence Report for the Marina Coast Water District Water System, Central Marina and Ord Community.

Background: *2014 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.*

The Water Conservation Commission recommends approval of the 2014 Consumer Confidence Report for the Marina Coast Water District Water System, Central Marina and Ord Community.

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

The 2014 CCR summarizes the results of detected contaminants in District's supply wells and distribution systems conducted in calendar year 2014, or for some constituents, the most recent sampling year. The District's water system did not have any violation in 2014 and is in compliance with State and Federal drinking water regulations.

New for the 2014 CCR are the following:

- UCMR3 Federal Unregulated Contaminants Monitoring Rule 3 List 1 Detects at Entry Points to the Distribution and Distribution Points of Maximum Residence Time.

A list of contaminants tested for but not detected will be posted in the District's website at www.mcwd.org/2014ccr-ND.html

The 2014 CCR will be mailed together with each customer's water bill starting May 2015 or sooner. A separate mailing will be conducted for residents in the Ord military housing at or about the same time. Copies will be distributed to Alliance Residential, businesses, apartment managers, and school administrators for further distribution to customers who do not receive a water bill directly from the District. Staff will coordinate with the US Army-BRAC and CSUMB's News and Public Information Officer to establish the website links for access by the

military and university communities. The CCR will be available at the District's website at www.mcwd.org

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Printing Expense, Laboratory Budget, Marina Water Fund and Ord Water Fund estimated \$7,630: MW \$2747 (\$2,385 / \$362), OW \$4,883 (\$4,240 / \$643).

Other Considerations: This is a regulatory requirement.

Material Included for Information/Consideration: Draft 2014 Consumer Confidence Report

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: April 6, 2015

Prepared By: Paula Riso

Approved By: Bill Kocher

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of March 16, 2015

Staff Recommendation: The Board of Directors approve the draft minutes of the March 16, 2015 regular Board meeting.

Background: *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.*

Discussion/Analysis: The draft minutes of March 16, 2015 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: _____Yes ___X___No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of March 16, 2015.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: April 6, 2015

Prepared By: Paula Riso

Approved By: Bill Kocher

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of March 25, 2015

Staff Recommendation: The Board of Directors approve the draft minutes of the March 25, 2015 special Board meeting.

Background: *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.*

Discussion/Analysis: The draft minutes of March 25, 2015 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: _____Yes ___X___No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of March 25, 2015.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: April 6, 2015

Prepared By: Bill Kocher

Approved By: Bill Kocher

Agenda Title: Discussion and Possible Action to Consider Adoption of Resolution No. 2015-15 to Clarify the Fire Service Fee Policy Approval Process with Regard to the Effective Date

Staff Recommendation: Staff recommends that the Board, by resolution, establish the effective date for the reduction in the fire service fee once it is determined the applicant is eligible for a fee reduction.

Background: In May 2014, the Board approved new water rates that included a new fire service fee and those rates took effect on July 1, 2014. In response to a request for relief from that fee, in December 2014, the Board approved Resolution No. 2014-50 to establish a Fire Service Policy that used the fire service size rather than the water service lateral size to define the fire service rates and charges. During the Board discussion on this item, staff recalls discussion of the matter of an effective date defining when the applicant would be eligible for relief, including discussion about retroactivity, but the action taken by the Board did not speak to the effective date.

Discussion/Analysis: The District has received several applications for consideration of a reduction in fire service fees based on Resolution No. 2014-50. In those instances, staff inspected and approved the reduction indicating that the next water bill received would reflect the reduced rate. One of those applicants appealed to staff that the reduction in fee should be retroactive to the time the fire service charge first appeared on the bill which would have been the first bill after July 2014. Staff responded that the Resolution offering the process by which one could apply for the fire service fee reduction did not indicate an effective date meaning that the reduction would be applied at the time the applicant was determined to have qualified for the reduction.

The resolution attached to this agenda transmittal asks the Board to establish a date upon which the reduction in the fire service fee is effective for applicants who qualify. There are three dates that the Board could establish as the effective date:

1. The date when the fee was originally adopted in the rate increases approved in July 2014 (the first time it appeared on a bill).
2. The December 2014 date when the Board approved Resolution No. 2014-50 establishing the process by which a customer could apply for a fire service fee reduction.
3. The next water bill after the date on which staff has determined an applicant is eligible for a reduced fire service fee.

If the Board chooses to establish either July 2014 or December 2014 as the retroactive effective date for qualified applicants, staff would recommend it should consider a date by which

applications for the reduced fee will not be eligible for retroactive credit to limit future liability to the District.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: The rates approved in July 2014 anticipated a revenue stream based on the rates and charges as stated. To the extent that those rates and charges vary, it will have some impact on revenues, albeit very small in this case. It is not possible to know at this time how many fire services would qualify for the reduction, it is believed to be a relatively small number.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2015-15; and, Fire Service Policy.

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

April 6, 2014

Resolution No. 2015-15
Resolution of the Board of Directors
Marina Coast Water District
Clarifying the Fire Service Policy Effective Date

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on April 6, 2015, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, in 2014, the District adopted a rate schedule that charges fire service customers a monthly fee based upon the size of the fire service connection, replacing a flat fee applied to all service sizes; and,

WHEREAS, the District adopted Ordinance No. 58, defining that the fire service size is determined as the size of the backflow prevention valve on the fire service lateral, and allowing the customer to request billing for a smaller connection if the customer can demonstrate to the District Engineer that the on-site fire system piping is smaller than the backflow prevention valve; and,

WHEREAS, on December 1, 2014, the District approved a Fire Service Policy (Exhibit A) but that policy did not establish a date upon which the reduction in the fire service fee is effective for applicants who qualify; and,

WHEREAS, there are three dates that the Board could consider establishing as the effective date:

1. The date when the fee was originally adopted in the rate increases approved in July 2014 (the first time it appeared on a bill).
2. The December 2014 date when the Board approved Resolution No. 2014-50 establishing the process by which a customer could apply for a fire service fee reduction.
3. The next water bill after the date on which staff has determined an applicant is eligible for a reduced fire service fee; and,

WHEREAS, staff recommends the Board of Directors consider a date by which applications for the reduced fee will not be eligible for retroactive credit to limit future liability to the District.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2015-15 establishing the Fire Service Policy effective date as _____; and,

BE IT FURTHER RESOLVED, the date by which applications for the reduced fee will not be eligible for retroactive credit would be _____.

PASSED AND ADOPTED on April 6, 2015, 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 _____

Howard Gustafson, President

ATTEST:

Bill Kocher, 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. 2015-15 adopted April 6, 2015.

Bill Kocher, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: April 6, 2015

Submitted By: Kelly Cadiente

Approved By: Bill Kocher

Agenda Title: Discussion and Possible Action to Adopt Resolution No. 2015-16 to Approve a Request for Proposals for Independent Audit Services

Staff Recommendation: The Board of Directors adopt Resolution No. 2015-16 to approve a Request for Proposals (RFP) for independent audit services.

Background: *2014 5-Year Strategic Plan Strategic Element 3.4 – Close and audit financial statements in a timely manner.*

Discussion/Analysis: Staff is requesting the Board consider adoption of Resolution No. 2015-16 to approve an RFP for independent audit services to the District. It is the practice of the District to issue an RFP for independent audit services every three years. Pun & McGeady, LLP completed their third audit year with the District during the FY 2013-2014 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, 2014 and ending June 30, 2015 with options to renew for annual audits for the fiscal years ending June 30, 2016 and 2017.

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 RFP process is as follows:

- April 6, 2015 – Board approve RFP for independent audit services
- April 7, 2015 – Distribute RFP's
- May 8, 2015 – Proposals due
- June 1, 2015 – Board reviews proposals, selects audit firm and awards contract

Environmental Review Compliance: None required.

Financial Impact: X Yes No Funding Source/Recap: Funded through FY 2015/2016 Operating Budget of the Central Marina and Ord Community cost centers – MW 27%, MS 7%, OW 54%, OS 12%.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2015-16; and, Draft RFP for Audit Services.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

April 6, 2015

Resolution No. 2015-16
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 April 6, 2015 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, it is the practice of the District to issue an RFP for independent audit services every three years and Pun & McGeady, LLP completed their third consecutive audit of the District during the FY 2013-2014 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, 2014 and ending June 30, 2015 with options to renew for annual audits for the fiscal years ending June 30, 2016 and 2017.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2015-16, approving a Request for Proposals to provide independent audit services to the District.

PASSED AND ADOPTED on April 6, 2015, 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 _____

Howard Gustafson, President

ATTEST:

Bill Kocher, 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. 2015-16 adopted April 6, 2015.

Bill Kocher, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: April 6, 2015

Prepared By: Bill Kocher

Approved By: Bill Kocher

Agenda Title: Discussion and Possible Action to Consider Adoption of Resolution No. 2015-17 to Readopt the Existing State Water Resource Control Board's Emergency Mandatory Water Conservation Regulations With Updates for an Additional 270 Days

Staff Recommendation: Staff recommends the Board readopt the existing State Water Resource Control Board's Emergency Water Conservation Regulations with some updates.

Background: On November 3, 2014, the Board adopted Resolution No. 2014-34 to declare Water Conservation Stage 3 as required by the State Water Resource Control Board's Emergency Mandatory Water Conservation Regulations. Since MCWD supplies more than 3,000 acre-feet of water annually or 3,000 service connections, it is classified as an "urban water supplier" and, pursuant to Water Code Section 10617 it is required to adopt the mandatory conservation measures included in the legislation establishing this drought emergency.

Discussion/Analysis: The resolution adopted last November included mandatory conservation measures that generally fall into four categories:

1. No washing down of sidewalks and driveways;
2. No watering of outdoor landscapes in a manner that causes excessive runoff;
3. No car washing without a positive shutoff on the hose;
4. No operating a fountain or decorative water feature unless it has a recirculating system;

Those regulations have been expanded with the addition of these new categories:

1. No irrigation of turf during and 48 hours following measurable rainfall;
2. Restaurants and food establishments serve water only on request;
3. Hotels and motels must give guests the option not to have towels and linens laundered daily and must prominently display notice of this option.

Other than the "no watering after rainfall" provision, the District's updated Water Shortage Contingency Plan complies with these categories of actions. The Board's action on this item will provide adequate direction to staff to enforce that provision.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: As a water supplier in the State of California that supplies more than 3,000 acre-feet of water annually or 3,000 service connections, we are obligated to comply with the State's Emergency Mandatory Water Conservation Regulations.

Material Included for Information/Consideration: Resolution No. 2015-17; and, the March 17, 2015 SWRCB Media Release.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

April 6, 2015

Resolution No. 2015-17
Resolution of the Board of Directors
Marina Coast Water District
Readopting the State Water Resource Control Board's Emergency Mandatory Water Conservation
Regulations with Updates for an Additional 270 Days

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("MCWD"), at a regular meeting duly called and held on April 6, 2015, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the State Water Resources Control Board (SWRCB) adopted Mandatory Water Conservation Regulations (Emergency Regulations), which went into effect on July 29, 2014; and,

WHEREAS, the District supplies more than 3,000 acre-feet of water annually and, therefore, the District is classified as an "urban water supplier" pursuant to Water Code Section 10617; and,

WHEREAS, the Emergency Regulations specifically require the following:

To promote water conservation, each urban water supplier shall implement all requirements and actions of the stage of its water shortage contingency plan that imposes mandatory restrictions on outdoor irrigation of ornamental landscapes or turf with potable water.

WHEREAS, on November 3, 2014, the District adopted a Water Shortage Contingency Plan (District Plan) pursuant to Water Code Section 10632; and,

WHEREAS, under the District Plan, mandatory restrictions on outdoor irrigation of ornamental landscapes or turf with potable water are not required until Stage 3; and,

WHEREAS, the District's water supply is not actually experiencing a severe water shortage; and,

WHEREAS, the Emergency Regulations required the Board of Directors to declare a Water Conservation Stage 3 even though the District is not actually experiencing a severe water shortage; and,

WHEREAS, effective March 17, 2015, the new SWRCB regulations have been expanded to include:

1. No irrigation of turf during and 48 hours following measurable rainfall;
2. Restaurants and food establishments serve water only on request;
3. Hotels and motels must give guests the option not to have towels and linens laundered daily and must prominently display notice of this option.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby readopt the SWRCB's Emergency Regulations for an additional 270 days with the following updates:

1. Continue to Declare a Water Conservation Stage 3 under the District Plan as mandated by the SWRCB with the following updates:

- a. No irrigation of turf during and 48 hours following measurable rainfall;
- b. Restaurants and food establishments serve water only on request;
- c. Hotels and motels must give guests the option not to have towels and linens laundered daily and must prominently display notice of this option.

2. Find that since the District's water supply is not actually experiencing a severe water shortage, the following Stage 3 requirements shall **not** be implemented at this time, but shall be subject to periodic review by the Board of Directors:

a. "Each water service connection shall receive an allotted quantity of water, typically specified in hundred cubic feet (hcf) units per billing cycle."

b. "No building permits will be issued or meters installed for new accounts that had not received building permits before the 'Severe Shortage' was declared."

3. The Stage 3 mandatory water use restrictions set forth in the District Plan's restrictions table for Stage 3 shall be implemented effective with the adoption of this Resolution.

4. Direct staff to notify all customers in writing of this decision within 10 days of the date of adoption.

PASSED AND ADOPTED on April 6, 2015 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 _____

Howard Gustafson, President

ATTEST:

Bill Kocher, 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. 2015-17 adopted April 6, 2015.

Bill Kocher, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: April 6, 2015

Prepared By: Bill Kocher

Approved By: Bill Kocher

Agenda Title: Discussion and Possible Action to Consider a Request by Bay View Mobile Home Park for Marina Coast Water District to Take Over the Private Water System Within the Park

Staff Recommendation: The Board of Directors reject the request unless and until the infrastructure within the community is brought up to all District and State standards for water systems and direct staff on the matter of overdue water bill.

Background: Bay View Mobile Home Park (MHP) is an existing mobile home park on the former Fort Ord. Bay View MHP was an exception to the rule on Fort Ord, because a private developer was allowed to build the housing project. The Army did not build or maintain these water and sewer mains, and they did not convey them to MCWD in November of 2001. District records indicate that as early as 2003 the Bay View MPH had appealed to the District to take ownership of all the park's internal water system infrastructure. Records also reflect that the response since then has consistently been that the District won't consider transferring ownership of the infrastructure until that infrastructure complies with District and State of California Public Health Standards.

The most notable deviation from those standards is that the water and sewer mains were installed compliant with the plumbing code but not the health and water code. The water mains are next to the sewer mains, with 1 foot horizontal and 1 foot vertical separation. The standards for public systems is 10-feet of horizontal separation, or increased vertical separation. The mains also run through the back yards where there is not easy access for repair and maintenance. Also of note is that the water mains within the park appear to be leaking significantly.

Discussion/Analysis: Staff is recommending that it is not in the interests of the District to assume ownership of this private system unless and until it is brought up to current State and District standards. Additionally, under the section of this Agenda Transmittal titled, "Other Considerations" staff is requesting any additional direction the Board may wish to recommend on a billing issue that is a by-product of the current billing arrangement.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: There is no fiscal impact to the District with the staff recommendation. Should the Board decide on a different course of action, staff would need to return at a later date with an analysis of potential fiscal impact.

Other Considerations: In October, 2003, the District agreed to a 6-month trial period in which the District would bill the residents individually. They did not remove the 8-inch master meter to the Bay View MHP because the landscape irrigation was served off it, but meters were installed

for each unit and the residents receive individual bills. The property owner was billed for the net use at the 8-inch meter (master meter reading minus the sum of the small meters). In June of 2004, the District reported to the Bay View Mobile Home Park that the difference between use on the master 8" meter and the sum of the reads on the small individual meters was in excess of sum of the small meters by more than 2000 billing units (hcf). In the last few years, the use on the master meter started to rise, but the sum of the small meters stayed the same, indicating likely water losses through the internal distribution system. At that time, the District indicated that it was not interested in assuming ownership of the system in its current condition.

The same billing arrangement, however, continues to this day with the District getting meter reads on the 8" Master meter and each of the 223 private, individual meters. The agreement is that the park management will make payment routinely that makes up for the difference between the sum of the individual meter reads and the master meter read (which reflects the actual total water delivered to the Park).

The letter from legal counsel that is attached to this Agenda Transmittal states that "Included in the cost of water delivered to all users on the former Fort Ord is a 14% system loss which is also paid by the residents of Bay View Community included in their individual monthly water bills. Therefore the system loss attributed to the difference between the 8" meter and the total of the 223 individual meters has already been paid by the residents in their water cost." Actually, while staff cannot verify District water rates were ever adjusted for the overall Fort Ord system losses, it would be certain they would not include consideration for losses within the private water system in Bay View Mobile Home Park and the delta between the reading on the master 8" meter and the sum of the 223 individual meters remains the financial responsibility of the Bay View Mobile Home Park. That master meter water bill continues to climb without payment. The amount due to the District as of March 16, 2015 is \$285,010.06. On October 1, 2014, the District filed a lien upon the Bay View Community real property for the amount then owed the District, which at that time was \$232,385.83. Staff is requesting any additional direction the Board may have on how it chooses to address this problem.

Material Included for Information/Consideration: February 25, 2015 letter from Anthony Lombardo & Associates representing Bay View Community.

Action Required: _____Resolution X Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: April 6, 2015

Prepared By: Bill Kocher

Approved By: Bill Kocher

Agenda Title: Discussion and Possible Action to Appoint Board Representatives to Participate in the Formation of a Groundwater Sustainability Agency and Notify the Monterey County Water Resources Agency of the District's Interest in Participating in the Process

Staff Recommendation: That the Board of directors consider the appointment of Board representative(s) to represent the District in the process of forming a coalition of agencies to act as the Groundwater Sustainability Agency for the Salinas groundwater basin.

Background: In 2014, the State of California legislature created a Sustainable Groundwater Management Act (SGMA) that seeks to regulate California's groundwater to achieve sustainable withdrawals over time from basins throughout the State.

For each basin the Act anticipates an agency will step forward and announce its intention to act as the lead agency known as the Groundwater Sustainability Agency (GSA). On January 15, 2015, the Monterey County Water Resources Agency (MCWRA) convened a meeting of area groundwater pumpers and announced its intention to act in the capacity of GSA for this basin. Since that time, several agencies have indicated they question whether the MCWRA as presently constituted can adequately represent urban groundwater interests in the distribution of groundwater throughout the basin.

Discussion/Analysis: MCWRA has agreed to begin a more collaborative process to address the governance model for the GSA. Staff recommends that Marina Coast Water District should notify MCWRA of its interest in participating in that collaborative process keeping open all options for District participation in whatever process best represents the District.

The action requested is that the Board name a representative(s) to the Collaborative Process and notify MCWRA of the District's interest in participating.

However, stating the District's interest in the governance/GSA does not commit the District to joining the MCWRA process. The Board's legal counsel has opined that there could be different ways in which the District can comply with the requirements of the SGMA that would not necessarily require one plan for all interconnected Subbasins with one common groundwater technical database. It could also be one plan for the 180/400 foot aquifer subbasin that would then need to address interaction with other subbasins in the Salinas groundwater basin. Regardless of any action the Board may take on this item, it would be wise to rely on the knowledge of District Counsel as we proceed.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: At this time there is no fiscal impact. The MCWRA process will likely require a facilitator and the cost of that may be shared among agencies in the future should the district ultimately decide to engage with that process. Staff would return to the Board should it be required in the future for funding approval.

Other Considerations: The District could choose to hold a workshop or other meeting to ask District legal counsel for a suite of other options for District compliance with SGMA.

Material Included for Information/Consideration: None.

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Staff Report

Agenda Item: 10-A

Meeting Date: April 6, 2015

Prepared By: Kelly Cadiente and Paul Lord

Approved By: Bill Kocher

Agenda Title: 4th Quarter 2014 Ord Community Water Consumption and Sewer Flow Reports

Summary: The Board of Directors is requested to receive the 4th Quarter 2014 Ord Community Water Consumption and Sewer Flow Reports. Quarterly water consumption reports have been submitted to the Board since 2006. The quarterly consumption reports contain 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 4th quarter of 2014 was 79.975-million-gallons which yield an average daily sewer flow of 0.869-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.
- Unmetered water use under "Army Facilities & Business – Ord" is based on 764 flat rate accounts.
- The rainfall total for the 4th quarter of 2014 (Oct., Nov., Dec.) was 10.88 inches. This amount of rainfall is 6.26 inches higher than the historical quarterly average rainfall of 4.62 inches and it lifts the current Rain Year total 4.58 inches higher than the normal Rain Year amount.
- The measured reference evapotranspiration rate for this period was 5.25 inches, lower than the historical quarterly average of 5.64 inches.