



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER

Agenda

**Regular Board Meeting, Board of Directors
Marina Coast Water District**
Marina Council Chambers
211 Hillcrest Avenue, Marina, California
Monday, November 21, 2016, 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

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

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 Thursday, November 17, 2016. 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.

- 3) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
- 4) 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); First Appellate District Court of Appeals Case No. A145604
- 5) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency, and Does 1 through 50, San Francisco Superior Court Case No. CGC-15-547125 (Complaint for Breach of Warranties, etc.)
- 6) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
- 7) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180895 (Petition for Writ of Mandate)
- 8) In the Matter of the Unauthorized Diversion and Use of Water by the California American Water Company, State Water Resources Control Board Cease and Desist Order WR 2009-0060

B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Sewer Infrastructure
Negotiating parties: Howard Gustafson, Thomas Moore
Under Negotiation: Price and Terms

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. Presentations

- A. Consider Adoption of Resolution No. 2016-63 in Recognition of Tamela Hatfield, Accountant II, for 5 Years of Service to the Marina Coast Water District
- B. Consider Adoption of Resolution No. 2016-64 in Recognition of JoAnn Cannon, Public Member, for her Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission
- C. Consider Adoption of Resolution No. 2016-65 in Recognition of the Marina Tree and Garden Club for their Membership's Dedicated Service as Caretakers of the Drought Tolerant Plantings at the Marina Coast Water District Well No. 11

9. 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. Receive and File the Check Register for the Month of October 2016
- B. Approve the Draft Minutes of the Regular Board Meeting of November 7, 2016

10. 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 Accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2016

Action: The Board of Directors will consider accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the fiscal year ended June 30, 2016.

- B. Consider Adoption of Resolution No. 2016-66 to Authorize a Professional Services Agreement with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water

Action: The Board of Directors will consider awarding a Professional Services Agreement with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water.

- C. Consider Adoption of Resolution No. 2016-67 to Approve Amendment No. 1 to the Pure Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District

Action: The Board of Directors will consider approving Amendment No. 1 to the Pure Water Delivery and Supply Agreement between the Monterey Regional Water Pollution Control Agency and Marina Coast Water District.

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

A. General Manager's Report

B. Counsel's Report

C. Committee and Board Liaison Reports

- | | |
|-----------------------------------|-----------------------------------|
| 1. Water Conservation Commission | 7. LAFCO Liaison |
| 2. Joint City-District Committee | 8. FORA |
| 3. Executive Committee | 9. WWOC Report |
| 4. Community Outreach Committee | 10. JPIA Liaison |
| 5. Budget and Personnel Committee | 11. Special Districts Association |
| 6. MRWPCA Board Member Liaison | |

12. Board Member Requests for Future Agenda Items

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

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

*Regular Meeting: Monday, December 5, 2016, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: November 21, 2016

Submitted By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-63 in Recognition of Tamela Hatfield, Accountant II, and Awarding a Plaque and Gift Certificate for 5 Years of Service to the Marina Coast Water District

Staff Recommendation: The Board consider adoption of Resolution No. 2016-63 recognizing Tamela Hatfield, Accountant II, and awarding a plaque and gift certificate for 5 years of service to the Marina Coast Water District.

Background: *May 2016 Strategic Plan, Strategic Element 5.0 – Our objective is to recruit and maintain a highly qualified, diverse and inspired workforce that delivers the essential services of our mission statement to the public while providing outstanding customer service.*

Discussion/Analysis: Ms. Tamela Hatfield joined the District on November 14, 2011. Upon her arrival, Tamela was charged with finishing the closing of Fiscal Year 2010-2011, participating in the financial audit and preparing the District's Comprehensive Annual Financial Report (CAFR). Not only did Tamela complete all the tasks and met every deadline, the CAFR she completed was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). Tamela's high quality of work has continued throughout her tenure with the District and has resulted in four (4) successive District CAFRs receiving certificates from the GFOA.

In addition to the closings and financial reporting of the District, as the Accountant II position supervises the department, Tamela oversees the day-to-day operations of the accounting activities which include accounts payable, accounts receivable and payroll. Tamela ensures that all obligations including invoices, debt service and payroll are processed and paid in a timely manner which is a contributing factor of the District's improved credit rating.

It is with great pleasure that we recognize Tamela Hatfield's 5 years of service to the Marina Coast Water District. We collectively thank her for her years of outstanding service, and wish her well in her continued service to the District.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Hospitality & Awards account numbers of all four cost centers.

Material Included for Information/Consideration: Resolution No. 2016-63.

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 _____

November 21, 2016

Resolution No. 2016-63
Resolution of the Board of Directors
Marina Coast Water District
In Recognition of Tamela Hatfield for 5 Years
of Service to the Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on November 21, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Tamela Hatfield joined the District on November 14, 2011 as Accountant II; and,

WHEREAS, upon her arrival, Tamela was charged with finishing the closing of Fiscal Year 2010-2011, participating in the financial audit and preparing the District’s Comprehensive Annual Financial Report (CAFR) which was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA); and,

WHEREAS, Tamela’s high quality of work has continued throughout her tenure with the District and has resulted in four (4) successive District CAFRs receiving certificates from the GFOA; and,

WHEREAS, Tamela oversees the day-to-day operations of the accounting activities which include accounts payable, accounts receivable and payroll; and,

WHEREAS, Tamela ensures that all obligations including invoices, debt service and payroll are processed and paid in a timely manner which is a contributing factor of the District’s improved credit rating.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and awards a plaque and gift certificate in recognition of Tamela Hatfield’s five years of service to the Marina Coast Water District and wishes her well in her continued service with the District.

PASSED AND ADOPTED on November 21, 2016 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:

Keith Van Der Maaten, 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. 2016-63 adopted November 21, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: November 21, 2016

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-64 in Recognition of JoAnn Cannon, Public Member, for her Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

Staff Recommendation: The Board of Directors consider adopting a resolution recognizing Ms. JoAnn Cannon for her service on the Water Conservation Commission.

Background: *2016 Strategic Plan – We will review and update our water conservation program.*

Ms. Cannon was appointed as a public member to the Water Conservation Commission in July 2013. She served as a commissioner from September 5, 2013 to November 3, 2016. On November 3rd, Ms. Cannon notified staff that due to a scheduling conflict, she must regrettably resign from her seat on the Commission.

Discussion/Analysis: As a member of the Commission, Ms. Cannon provided valuable insight and guidance on many undertakings, and helped support the efforts towards establishing the MOU with the CSUMB Student Learning Program. To date, three CSUMB students have worked with the Water Conservation Department staff to serve their local community by means of this MOU.

Ms. Cannon's dedication and commitment to public service has been recognized by her fellow Commission members and all those who have come into contact with her. For her unselfish dedication and commitment, the District wishes to recognize Ms. JoAnn Cannon for her service, and wishes her well in the future.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes ___ X ___ No Funding Source/Recap: None

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2016-64.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

November 21, 2016

Resolution No. 2016 - 64
Resolution of the Board of Directors
Marina Coast Water District
Recognizing JoAnn Cannon for her Dedicated Service to the
Marina Coast Water District as a Public Member
on the Water Conservation Commission

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on November 21, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, JoAnn Cannon was appointed in July 2013 to serve as a member on the Water Conservation Commission of the Marina Coast Water District; and,

WHEREAS, during her tenure, JoAnn rendered superior service to the District by providing invaluable participation and insights, and by contributing significant personal time.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and commends JoAnn Cannon for outstanding and dedicated service to the District and the Committee's of the Board.

PASSED AND ADOPTED on November 21, 2016, 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:

Keith Van Der Maaten, 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. 2016-64 adopted November 21, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: November 21, 2016

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-65 in Recognition of the Marina Tree and Garden Club for their Membership's Dedicated Service as Caretakers of the Drought Tolerant Plantings at the Marina Coast Water District Well No. 11

Staff Recommendation: The Board of Directors consider adopting a resolution recognizing the Marina Tree and Garden Club for their service as Caretakers of the Drought Tolerant Plantings at Well No. 11.

Background: *2016 Strategic Plan – We will review and update our water conservation program.*

Discussion/Analysis: The membership of the Marina Tree and Garden Club was instrumental in the development and maintenance of the District's drought tolerant planting located on Reservation Road in Marina. The garden was developed and planted in 2002, and since that time, the Marina Tree and Garden Club membership has volunteered many hours of their time in maintaining the demonstration garden site. Special recognition goes to club member Mr. Richard Boynton, for his guidance, plant knowledge, and leadership in maintaining the native plant species established in the garden today.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes ___ No Funding Source/Recap: None

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2016-65.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

November 21, 2016

Resolution No. 2016 - 65
Resolution of the Board of Directors
Marina Coast Water District
Recognizing the Marina Tree and Garden Club
for their Membership's Dedicated Service as Caretakers of the Drought Tolerant Plantings
at the Marina Coast Water District Well No. 11

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on November 21, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the Marina Tree and Garden Club membership helped establish the native plant species established in the demonstration garden today; and,

WHEREAS, since the development of the garden in 2002, the club members have rendered superior service to the District by providing many hours of their time in maintaining the demonstration garden site.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and recognizes the Marina Tree and Garden Club for its membership's outstanding and dedicated service to the District.

PASSED AND ADOPTED on November 21, 2016, 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:

Keith Van Der Maaten, 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. 2016-65 adopted November 21, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9

Meeting Date: November 21, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consent Calendar

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

Background: *2016 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.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of October 2016
- B) Approve the Draft Minutes of the Regular Board Meeting of November 7, 2016

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or they can pull them separately for discussion.

Material Included for Information/Consideration: Check register for October 2016; and, draft minutes of November 7, 2016.

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: 9-A

Meeting Date: November 21, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of October 2016

Staff Recommendation: The Board of Directors receive and file the October 2016 expenditures totaling \$1,316,602.58.

Background: *2016 Strategic Plan, Objective No. 3 – Our objective is to manage public funds to assure financial stability, prudent rate management and demonstrate responsible stewardship. Our fiscal strategy is to forecast, control and optimize income and expenditures in an open and transparent manner. We will efficiently use our financial resources to assure availability to fund current and future demands.*

Discussion/Analysis: These expenditures were paid in October 2016 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Expenditures are allocated across the six cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04-Ord Sewer, 05-Recycled Water, 06-Regional Water.

Other Consideration: None.

Material Included for Information/Consideration: October 2016 Summary Check Register.

Action Required: Resolution 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: 9-B

Meeting Date: November 21, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of November 7, 2016

Staff Recommendation: The Board of Directors approve the draft minutes of the November 7, 2016 regular Board meeting.

Background: *2016 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 November 7, 2016 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 November 7, 2016.

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: 10-A

Meeting Date: November 21, 2016

Submitted By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the Fiscal Year ended June 30, 2016

Staff Recommendation: Consider Accepting the Comprehensive Annual Financial Report and the Independent Auditor's Report for the fiscal year ended June 30, 2016.

Background: *Strategic Plan, Objective 4B - Meet generally accepted accounting principles.*

The Board is requested to review and accept the Comprehensive Annual Financial Report (CAFR) and the Independent Auditor's Report for the fiscal year ended June 30, 2016. This is the ninth consecutive year that staff has prepared a CAFR report for the District.

On June 15, 2015, the District approved a three-year Audit Contract with the Pun Group, LLP, Certified Public Accountants (Auditors), as the District's external auditors. This is year 2 of the contract. The Auditors provided an Independent Auditor's Report (included in the CAFR report) stating that the financial statements present fairly, in all material respects, the financial position of the District for fiscal year 2015-2016.

Discussion/Analysis: The CAFR is an extensive report summarizing the financial activities of the District that occurred from July 1, 2015 through June 30, 2016 and is divided into three sections: Introductory, Financial and Statistical Sections.

The introductory section contains a Letter of Transmittal, awards and achievements, organizational chart and directory of officials. The letter of transmittal includes a brief overview of the District, its policies and how the District controls its finances.

The financial section contains the Management's Discussion and Analysis report. This analysis illustrates the basic financial operations of the District in a more detailed manner than is found in the Letter of Transmittal. Also included in this section are the Independent Auditor's Report and the Basic Financial Statements and Notes to the Financial Statements.

The final section of the report is a compilation of statistical schedules for the last ten years that depict various trends and general information of the District.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2015. This is the eighth consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Staff believes that Districts current CAFR continues to meet the Certificate of Achievement Program's requirements and is submitting it to GFOA to determine its eligibility for another certificate.

Kenneth Pun, Managing Partner of the Pun Group, LLP will be available at the Board meeting to answer any questions on their audit report and the District's CAFR.

Environmental Review Compliance: None required.

Financial Impact: _____Yes X No Funding Source/Recap: None.

Other Considerations: None

Material Included for Information/Consideration: The Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016 provided separately.

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: 10-B

Meeting Date: November 21, 2016

Prepared By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-66 to Authorize a Professional Services Agreement with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water

Staff Recommendation: The Board of Directors is requested to consider:

1. Adoption of Resolution No. 2016-66 to authorize the Professional Services Agreement for General Engineering Services with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water; and,
2. Authorize the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

Background: *2015 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.*

On October 19, 2016, District staff received proposals from qualified individual(s) or organizations for the “Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water” suitable for:

- Ensuring adequate sewer collection and pumping systems available to meet wastewater demands,
- Ensuring adequate water extraction, disinfection, storage and distribution systems available to meet municipal potable water demands,
- Ensuring adequate recycled water conveyance, storage and distribution systems available to meet municipal nonpotable demands,
- Minimizing the negative effects of potential peaks, shortages, and district expansion,
- Use in determining rates within the planning horizon for the Districts Central Marina and Ord Community cost centers, and
- Ensuring adequate capacity fees to meet the different growth and redevelopment demands of Central Marina and Ord Community.

The master plan essentially addresses recommended schedule of facility improvements needed to meet the projected sewer, water and recycled water demands in the District for the planning horizon, usually 20 years, and the capacity fees necessary for system expansion in the near term, usually 5 years. Development of a master plan results in a proposed capital improvement program including engineering estimates of probable project cost for the proposed sewer, water and recycled water infrastructure improvements.

Impacts and changes in the projected rate of development and planned growth are documented in the 2015 Urban Water Management Plan. In addition, the Districts sewer and water master plans are 10 years or more old and in need of updating. The two sewer system master plans previously prepared for MCWD are:

- Marina Wastewater Collection System Master Plan, Winzler & Kelly, February 2005.
- Ord Community Wastewater System Master Plan, RBF Consulting, July 19, 2005.

The new sewer master plan study will reevaluate the hydraulic capacity to identify and update system improvement needs based on current and latest wastewater projections. This will provide a basis for updating capital improvements for the wastewater collection system pipeline, lift stations and force mains due system deficiencies and anticipated future growth.

The last water system master plan was prepared by Carollo Engineers in November 2006. The new water master plan study will reevaluate the water distribution system using computer hydraulic modeling and analyze demand, supply capacity and perform system-wide storage analysis.

The District has several recycled water studies that need to be compiled into a master plan.

Discussion/Analysis: The District contacted nine firms with a request for proposals and received three proposals for this project. A panel of District staff was convened to review the proposals. Based on review of the proposals, the panel selected two firms to interview for selection, Schaaf & Wheeler and Akel Engineering Group. The third firm, Carollo, was not interviewed.

Akel Engineering presented the superior interview presentation. The cost proposals were then opened. The Akel Engineering Group proposal was \$463,715, Schaaf & Wheeler was \$504,200, and Carollo was \$604,400.

The scope of services proposed by Akel Engineering is consistent with those contemplated with the request for proposals, and the proposed contract will be performed for the not-to-exceed total fee of \$463,715.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Funding for this project comes from the Engineering Professional Services Budget.

Other Considerations: The Board can decide to award the project to Akel Engineering Group, Inc., or reject all proposals and re-advertise.

Material Included for Information/Consideration: Resolution No. 2016-66; and summary proposal evaluation.

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 _____

November 21, 2016

Resolution No. 2016-66
Resolution of the Board of Directors
Marina Coast Water District

Authorizing a Professional Services Agreement with Akel Engineering Group, Inc.
for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on November 21, 2016, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the District seeks to update the existing Sewer and Water Master Plans and that doing so is consistent with the goals and objectives stated in the District’s 2015/2016 Strategic Plan; and,

WHEREAS, the District seeks to prepare a Recycled Water Master Plan and that doing so is consistent with the goals and objectives stated in the District’s 2015/2016 Strategic Plan; and,

WHEREAS, the District seeks to update Capacity Fees based on the sewer, Water and Recycled Water Master Plans and that doing so is consistent with the goals and objectives stated in the District’s 2015/2016 Strategic Plan; and,

WHEREAS, the District Board adopted the FY 2016/2017 Budget that includes Engineering Consultant Services and is resourced with a total of \$463,715 split between the Marina Water and the Ord Community Water Cost Centers; and,

WHEREAS, Akel Engineering Group, Inc. staff is familiar with the Central Marina and Ord Community’s water system, current Master Plans for the water system, on-going changes to the system and has demonstrated extensive knowledge related to Master Planning for Sewer, Water and Recycled Water; and District staff believes that the monetary resource proposed herein is reasonable given the complexities of the work.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute Professional Services Agreement with Akel Engineering Group, Inc. for preparing the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$463,715. The project will be split among all of the District’s Cost Centers and the requested amount is within the budgeted resource.

PASSED AND ADOPTED on November 21, 2016 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:

Keith Van Der Maaten, 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. 2016-66 adopted November 21, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-C

Meeting Date: November 21, 2016

Prepared By: Keith Van Der Maaten

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-67 to Approve Amendment No. 1 to the Pure Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-67 to Approve Amendment No. 1 to the Pure Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District.

Background: *2015 5-Year Strategic 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.*

In 2002, MCWD, in cooperation with FORA, initiated the Regional Urban Water Augmentation Project (RUWAP) to explore water supply alternatives to provide an additional 2,400 AFY of water supply needed under the 1997 Fort Ord Base Reuse Plan.

As a result of an extensive environmental review, FORA and MCWD agreed to adopt a modified Hybrid Alternative, which would provide 1,427 AFY of recycled water to the Ord Community without the need for seasonal storage, and this in turn resulted in the FORA Board adopting Resolution No. 07-10 (May 2007), which allocated that 1,427 AFY of RUWAP recycled water to its member agencies having land use jurisdiction. Following, the district moved forward on completing the CEQA, 90% of the design work, and 90% of the right-of-way acquisition for the RUWAP recycled water pipeline. Additionally, a small portion of the RUWAP recycled pipeline was installed.

On March 30, 2013, the Monterey Regional Water Pollution Control Agency (MRWPCA) commenced environmental review of its Pure Water Monterey Groundwater Replenishment Project (“Pure Water Monterey Project”). The Pure Water Monterey Project is a water supply project that would serve northern Monterey County by providing: (1) purified recycled water for recharge of a groundwater basin that serves as drinking water supply; and (2) recycled water to augment the existing Castroville Seawater Intrusion Project’s agricultural irrigation supply. The Pure Water Monterey Project includes a pipeline to transport purified recycled water from a new Advanced Water Treatment Plant (“AWT”) at MRWPCA’s Regional Treatment Plant to new Injection Well Facilities overlying the Seaside Groundwater Basin (“Product Water Conveyance Pipeline”).

The Environmental Impact Report (“EIR”) for the Pure Water Monterey Project evaluated two alternative alignments for the Product Water Conveyance Pipeline, a Coastal Alignment and an alignment that follows the right-of-way for the existing and future RUWAP pipeline (“RUWAP Alignment”). On October 8, 2015, the MRWPCA Board unanimously voted to certify the EIR

for the Pure Water Monterey Project and to approve the Pure Water Monterey Project. The MRWPCA Board selected the RUWAP Alignment for the Product Water Conveyance Pipeline.

MRWPCA and MCWD entered into negotiations on a potential collaborative project utilizing the RUWAP alignment. The collaborative project was brought before FORA on October 9, 2015, and the FORA Board unanimously voted to adopt a resolution to endorse the Pure Water Monterey Project as an acceptable option as the recycled component of the RUWAP.

In continuance of the project, on November 17, 2015, the MCWD Board unanimously voted to submit a Clean Water State Revolving Fund Financial Assistance Application to the State Water Resources Control Board for the RUWAP and on December 1, 2015, MCWD staff completed the submission of the application.

On April 8, 2016, MCWD and MRWPCA entered into the Pure Water Delivery and Supply Project Agreement pursuant to which the Pure Water Monterey's Product Water Conveyance Pipeline would be designed, constructed, owned, and operated by MCWD in accordance with the 1998 MCWD-FORA Water/Wastewater Facilities Agreement. Under this 2016 Agreement, MCWD will have the right to utilize for the Ord Community up to and including a net 600 AFY during Phase 1 and a net 1,427 AFY during Phase 2 to implement FORA Board Resolution No. 07-10.

Discussion/Analysis: Due to a delay in the funding from the State through the State Revolving Fund and other delays in the approvals necessary for the MRWPCA's Pure Water Monterey Project to move forward, the dates in the conditions precedent section of the Agreement need to be changed. Staff is requesting the Board to approve amendments, which would extend those dates from December 31, 2016, to March 31, 2017, and an additional change as set forth in the proposed Resolution in response to those delays, which amendments will be contained within an Amendment No. 1 to the Pure Water Delivery and Supply Project Agreement.

Environmental Review Compliance: None required.

Financial Impact: ___ Yes __X__ No Funding Source/Recap: None.

Material Included for Information/Consideration: Resolution No. 2016-67.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

November 21, 2016

Resolution No. 2016-67
Resolution of the Board of Directors
Marina Coast Water District
Approving Amendment No. 1 to the Pure Water Delivery and
Supply Agreement between the Monterey Regional Water Pollution
Control Agency and Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on November 21, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the 1997 Fort Ord Base Reuse Plan (BRP) identifies the availability of water as a resource constraint and the BRP estimates that an additional 2,400 AFY of water is needed to augment the existing groundwater supply to achieve the permitted development level as reflected in the BRP (Volume 3, figure PFIP 2-7); and,

WHEREAS, the Fort Ord Reuse Authority (“FORA”) agreed under the 1998 Water/Wastewater Facilities Agreement that ownership of all of the then existing Fort Ord water and sewer facilities should be transferred to the Marina Coast Water District (“MCWD”) subject to their conveyance from the Army to FORA; title to the Fort Ord water and sewer facilities and rights to water and sewage treatment capacity, except for those rights reserved by the Army, was transferred to MCWD in October 2001; and,

WHEREAS, under Section 3.2.2 of the 1998 Water/Wastewater Facilities Agreement, FORA has the responsibility to determine, in consultation with MCWD, what additional water and sewer facilities are necessary for MCWD’s Ord Community service area in order to meet the BRP requirements, and that, once FORA determines that additional water supply and/or sewer conveyance capacity is needed, under Section 3.2.1, it is MCWD’s responsibility to plan, design, and construct such additional water and sewer facilities. Section 7.1.2 requires FORA to insure that MCWD recovers all of its costs for the new facilities and their operation; and,

WHEREAS, in 2002, MCWD, in cooperation with FORA, initiated the Regional Urban Water Augmentation Project (RUWAP) to explore water supply alternatives to provide the additional 2,400 AFY of water supply needed under the BRP; and,

WHEREAS, as a result of an extensive environmental review, FORA and MCWD agreed to adopt a modified Hybrid Alternative, which would provide 1,427 AFY of recycled water to the Ord Community without the need for seasonal storage, and this in turn resulted in the FORA Board adopting Resolution 07-10 (May 2007), which allocated that 1,427 AFY of RUWAP recycled water to its member agencies having land use jurisdiction; and,

WHEREAS, in June 2009, the Monterey Regional Water Pollution Control Agency (MRWPCA) and MCWD entered into a 50-year RUWAP Memorandum of Understanding, in which, subject to certain conditions specified therein, (a) MRWPCA committed 650 AFY of summer recycled water to MCWD for the Ord Community; (b) MCWD affirmed its separate commitment of 300 AFY of summer recycled water to the Ord Community; and (c) MRWPCA

and MCWD committed to supply 477 AFY of recycled water during other months to the Ord Community - for a total of 1,427 AFY; and,

WHEREAS, MCWD has been and continues to work collaboratively with FORA and with the MRWPCA to carry out MCWD's obligation to provide the 1,427 AFY of recycled water for the Ord Community; and,

WHEREAS, on March 30, 2013, MRWPCA commenced environmental review of its Pure Water Monterey Groundwater Replenishment Project ("Pure Water Monterey Project"). The Pure Water Monterey Project is a water supply project that would serve northern Monterey County by providing: (1) purified recycled water for recharge of a groundwater basin that serves as drinking water supply; and (2) recycled water to augment the existing Castroville Seawater Intrusion Project's agricultural irrigation supply. The Pure Water Monterey Project includes a new pipeline to transport purified recycled water from a new Advanced Water Treatment Plant ("AWT") at MRWPCA's Regional Treatment Plant to new Injection Well Facilities overlying the Seaside Groundwater Basin ("Product Water Conveyance Pipeline"). The Environmental Impact Report ("EIR") for the Pure Water Monterey Project evaluated two alternative alignments for the Product Water Conveyance Pipeline, a Coastal Alignment and an alignment that follows the right-of-way for the existing and future RUWAP pipeline ("RUWAP Alignment"). The Pure Water Monterey Project EIR identified the environmental effects of constructing the Product Water Conveyance Pipeline along the RUWAP Alignment, and operating the Product Water Conveyance Pipeline for the Pure Water Monterey Project; however the EIR recognized that shared use of a single Product Water Conveyance Pipeline for both the Pure Water Monterey Project to supply recycled water to MCWD for the RUWAP would result in project cost savings but would necessitate further review under the California Environmental Quality Act ("CEQA"). Shared use of a single Product Water Conveyance Pipeline would necessitate expansion of the Advanced Water Treatment Plant in order to purify the recycled water destined for the RUWAP because all water flowing in the shared pipeline must be purified; by contrast if water to serve the RUWAP were conveyed in its own separate pipeline only tertiary treatment would be needed ("AWT Expansion"); and,

WHEREAS, on September 8, 2015, MCWD and MRWPCA tentatively agreed to work together on the Pure Water Monterey Project; and,

WHEREAS, on October 8, 2015, the MRWPCA Board unanimously voted to certify the EIR for the Pure Water Monterey Project and to approve the Pure Water Monterey Project. The MRWPCA Board selected the RUWAP Alignment for the Product Water Conveyance Pipeline; and,

WHEREAS, on October 9, 2015, the FORA Board unanimously voted to adopt a resolution to endorse the Pure Water Monterey Project as an acceptable option as the recycled component of the Fort Ord Regional Urban Water Augmentation Program; and,

WHEREAS, on November 17, 2015, the MCWD Board unanimously voted to submit a Clean Water State Revolving Fund Financial Assistance Application to the State Water Resources Control Board for the Regional Urban Water Augmentation Project; and,

WHEREAS, on April 8, 2016, MCWD and MRWPCA entered into the Pure Water Delivery and Supply Project Agreement pursuant to which the Pure Water Monterey's Product Water Conveyance Pipeline will be designed, constructed, owned, and operated by MCWD in

accordance with the 1998 MCWD-FORA Water/Wastewater Facilities Agreement. Under this 2016 Agreement, MCWD will have the right to utilize for the Ord Community up to and including a net 600 AFY during Phase 1 and a net 1,427 AFY during Phase 2 to implement FORA Board Resolution 07-10; and,

WHEREAS, due to delays in project funding for MRWPCA through the State Revolving Fund and other delays in the approval of items necessary for MRWPCA to move forward on the Pure Water Monterey Project, certain dates within Section 1.01 (a) “Conditions Precedent” and Section 1.01 (b) “Key Dates and Conditions for Future Negotiations” of the Pure Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District need to be extended.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District approves the following amendments to the Pure Water Delivery and Supply Project Agreement between the Monterey Regional Water Pollution Control Agency and Marina Coast Water District to be included in an Amendment No. 1:

Replace in its entirety Sections 1.01(a)(ii), 1.01(a)(v), 1.01(b)(i), 1.01(b)(ii), 1.01(b)(ii)(a), and 1.01(b)(ii)(b) of the Pure Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District as follows:

1.01(a)(ii). AWT: PCA must complete any necessary CEQA review for AWT Phase 1 and AWT Phase 2 by March 31, 2017 ~~December 31, 2016~~. In conducting the CEQA review, PCA reserves all of its rights, powers and discretion with regard to the expansion of the AWT. This includes the authority to adopt mitigation measures and/or an alternative project design, configuration, capacity or location in order to reduce any identified significant environmental impacts; the authority to deny the expansion of the AWT based on any significant environmental impact that cannot be mitigated (in which case this Agreement shall not take effect); and the authority to approve the expansion of the AWT notwithstanding any significant environmental impact that cannot be mitigated, if PCA determines that these impacts are outweighed by the project’s social, economic or other benefits. MCWD similarly reserves all of its rights, powers and discretion under CEQA with regard to any decision by MCWD on whether and how to approve any expansion of the AWT.

1.01(a)(v). Funding must be secured by March 31, 2017 ~~December 31, 2016~~ for the Pure Water Monterey Project and the RUWAP Distribution Facilities, including for any change in the location of the New Pipeline Facilities as compared to the location evaluated in the EIR for the Pure Water Monterey Project, for AWT Phase 1, and for the CEQA work for AWT Phase 2; provided, however, that this funding is not required for the completed design and construction of AWT Phase 2 for the provisions of this Agreement to take effect with regard to implementation of Phase 1.

1.01(b)(i). If the Division of Financial Services of the State Water Resource Control Board fails to approve PCA’s SRF loan Initial Funding Agreement by March 31, 2017, ~~December 31, 2016~~ then MCWD and PCA agree to negotiate in good faith alternatives for providing recycled water (tertiary or purified) for potential customers.

1.01(b)(ii). If the Division of Financial Services of the State Water Resource Control Board approves PCA’s initial funding agreement, then if the Division of Financial

Services of the State Water Resource Control Board fails to approve MCWD's State Revolving Fund (SRF) loan Initial Funding Agreement and/or MCWD passes a Board resolution to discontinue work on the project by March 31, 2017 ~~December 31, 2016~~, then MCWD shall transfer all work product (e.g. right-of-way, design, survey, environmental, bid documents, etc.) to PCA so PCA can continue progressing with the project. If the Division of Financial Services of the State Water Resource Control Board approves PCA's State Revolving Fund (SRF) Loan Final Funding Agreement but denies MCWD's State Revolving Fund (SRF) Loan Final Funding Agreement and MCWD does not identify alternate financing by March 31, 2017 ~~December 31, 2016~~, MCWD shall transfer all work product to PCA for financing and constructing the New Pipeline Facilities.

1.01(b)(ii)(a). PCA will pay MCWD for all project expenditures on any work products transferred (e.g. right-of-way, design, survey, environmental, and bid document development).

1.01(b)(ii)(b). In the event that PCA assumes responsibility for the financing and construction of the product water conveyance facilities, MCWD would continue to maintain ownership of the Product Water Conveyance Facilities per 2.06 of this agreement, ~~and MCWD agrees to would assume ownership upon satisfactory mitigate demonstration of no~~ additional financial impact to PCA, for providing the financing to construct the Product Water Conveyance Facilities that can be satisfactorily demonstrated to be the direct result of PCA assuming the responsibility for the financing and construction of the Product Water Conveyance Facilities and MCWD maintaining ownership of those facilities.

BE IT FURTHER RESOLVED that the President of the Board of Director is hereby authorized to execute and deliver after consultation with the District's Legal Counsel the Amendment No. 1 provisions set forth in this Resolution with such non-substantive changes, insertions and deletions as may be approved by the President, the President's signature being conclusive evidence of such approval.

PASSED AND ADOPTED on November 21, 2016, 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:

Keith Van Der Maaten, 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. 2016-67 adopted on November 21, 2016.

Keith Van Der Maaten, Secretary