



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

TEL: (831) 384-6131 FAX: (831) 883-5995

DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER
HERBERT CORTEZ

Agenda

Regular Board Meeting, Board of Directors

Marina Coast Water District

Marina Council Chambers

211 Hillcrest Avenue, Marina, California

Monday, December 19, 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 Wednesday, December 14, 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)

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

C. Pursuant to Government Code 54956.9(d)(4)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation: Two potential cases

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. Presentation

A. Consider Adoption of Resolution No. 2016-70 to Recognize Audie Robinson, Public Member, for his Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

- 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. Adopt Resolution No. 2016-71 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program
 - B. Adopt Resolution No. 2016-72 to Authorize a Notice of Completion for the Reservation Road Siphon Remediation Project be Filed with the Monterey County Recorder
 - C. Receive the Quarterly Financial Statements for July 1, 2016 to September 30, 2016
 - D. Receive and File the Check Register for the Month of November 2016
 - E. Approve the Draft Minutes of the Regular Board Meeting of December 5, 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 Adoption of Resolution No. 2016-73 to Approve an Updated District Debt Management Policy

Action: The Board of Directors will consider approving an update to the District's Debt Management Policy.
 - B. Receive the Draft District FY 2017-2018 Budget Schedule and Set Date for the 2017-2018 Budget Workshop

Action: The Board of Directors will consider receiving the draft District FY 2017-2018 budget schedule and set date for the budget workshop.
 - C. Consider Adoption of Resolution No. 2016-74 to Amend the On-Call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services for the East Garrison Phase 2 Development Project

Action: The Board of Directors will consider amending the On-Call Professional Services Agreement with Harris & Associates for inspection and construction support services for the East Garrison Phase 2 Development Project.
 - D. Consider Approving the Revised Regular Board Meeting and Workshop Meeting Dates for 2017

Action: The Board of Directors will consider approving a schedule of regular Board meeting and workshop meeting dates for 2017.

- E. Consider Director Appointments to Standing Committees of the Board and to Outside Agencies for 2017, and as negotiators to any Ad Hoc Committees of the Board

Action: The Board of Directors will consider appointing Directors to Standing Committees of the Board and to Outside Agencies for 2017, and as negotiators to any Ad Hoc Committees of the Board.

- 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

- 1. Monterey County's Notice of Public Hearing for Formation of a Groundwater Sustainability Agency

- 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. Correspondence**

- 13. Board Member Requests for Future Agenda Items**

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

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

*Regular Meeting: Monday, January 9, 2017, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: December 19, 2016

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-70 to Recognize Audie Robinson, Public Member, for his 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 Mr. Audie Robinson for his service on the Water Conservation Commission.

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

Discussion/Analysis: Mr. Audie Robinson was appointed as a public member to the Water Conservation Commission in January of 2015. He served as a commissioner from January 15th, 2015 to November 3, 2016.

As a member of the Commission, Mr. Robinson provided valuable insight and guidance on many undertakings, and was regarded as a representative and voice for the commercial/retail sector.

Mr. Robinson's dedication and commitment to public service has been recognized by his fellow Commission members and all those who have come into contact with him. For his unselfish dedication and commitment, the Board of Directors wishes to recognize Mr. Robinson for his service, and wishes him 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. 2016-70.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

December 19, 2016

Resolution No. 2016 - 70
Resolution of the Board of Directors
Marina Coast Water District
Recognition of Audie Robinson, Public Member,
for his Dedicated Service to the Marina Coast Water District as a 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 December 19, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Mr. Audie Robinson was appointed in January 2015 to serve as a member on the Water Conservation Commission of the Marina Coast Water District; and,

WHEREAS, during his tenure, Audie 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 Audie Robinson for outstanding and dedicated service to the District and the Committees of the Board.

PASSED AND ADOPTED on December 19, 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. 2016-70 adopted December 19, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9

Meeting Date: December 19, 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) Adopt Resolution No. 2016-71 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program
- B) Adopt Resolution No. 2016-72 to Authorize a Notice of Completion for the Reservation Road Siphon Remediation Project be Filed with the Monterey County Recorder
- C) Receive the Quarterly Financial Statements for July 1, 2016 to September 30, 2016
- D) Receive and File the Check Register for the Month of November 2016
- E) Approve the Draft Minutes of the Regular Board Meeting of December 5, 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: Resolution No. 2016-71; Memorandum of Understanding for the In-School Education Program; Resolution No. 2016-72; Quarterly Financial Statements for July 1, 2016 to September 30, 2016; Check Register for November 2016; and, draft minutes of December 5, 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: December 19, 2016

Prepared By: Paul Lord
Reviewed By: Jean Premutati

Approved By: Keith Van Der Maaten

Agenda Title: Adopt Resolution No. 2016-71 to Approve a Memorandum of Understanding between Marina Coast Water District and the Monterey Peninsula Unified School District Regarding the In-School Water Conservation Education Program

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-71 approving a Memorandum of Understanding (MOU) between the Marina Coast Water District (MCWD) and the Monterey Peninsula Unified School District (MPUSD) regarding the In-School Water Conservation Education Program for the 2016-2017 school year.

Background: *2016 Strategic Plan, Goal 1.7 - Review and update our water conservation program - We recognize that drinking water is one of the most precious resources on earth. We will assign this to the Water Conservation committee to review and update our water conservation program to ensure we are appropriately managing our water sources.*

The MPUSD and MCWD have worked together for more than fourteen years to bring water conservation education to students in the District's service area. This agreement continues this long-standing relationship between the two partners and provides the means to plan and integrate water conservation instruction into the curriculum at local schools for the 2016-2017 school year.

Teacher surveys, and feedback from school administrators, students, and their families, indicate that the unique, professional classroom instruction provided is desired, appreciated, and very effective. The program is tremendously valued by staff, school faculty, and the community because it is successful in achieving the most important goal; getting the local children to understand more about earth science, the properties of water, and the importance of practicing water conservation every day. Results of a 2008 study of the program's effectiveness were positive, showing students were able to make more valid points about water conservation after receiving classroom instruction.

Discussion/Analysis: MCWD will reimburse MPUSD for hourly classroom instruction and program development work at a minimum hourly rate plus statutory benefits, not to exceed \$25,800 in the remaining school year. This maximum expenditure amount is based upon reimbursements paid during previous years when as many as 160 classroom presentations were performed. A certified, experienced, MPUSD Teacher will be hired and tasked with completing as many classroom presentations as possible in the remaining school year available, providing targeted instruction to students, and the school staff. Simultaneously, the teacher will help the District develop water conservation related curricula designed to meet the state academic curriculum standards. All instruction and educational material presented will be age appropriate for the children taught.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: This item is funded through the FY 2016/2017 Conservation Budget of the Central Marina and Ord Community cost centers.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2016-71; and, MOU between MCWD and Monterey Peninsula Unified School District signed by the MPUSD Superintendent.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

December 19, 2016

Resolution No. 2016 - 71
Resolution of the Board of Directors
Marina Coast Water District
Approving a Memorandum of Understanding
Between Marina Coast Water District and the Monterey Peninsula Unified School District
Regarding the In-School Water Conservation Education Program With Wage and Benefit
Reimbursements

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“MCWD”), at a regular meeting duly called and held on December 19, 2016, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, MCWD has developed a Memorandum of Understanding (MOU) with the Monterey Peninsula Unified School District regarding the In-School Water Conservation Education Program that will facilitate program development and the teaching of water conservation education; and,

WHEREAS, the MOU is an agreement to formalize planning and execution of the In-School Water Conservation Education Program; and,

WHEREAS, water conservation is within the District’s Mission and the funding for this MOU is included in the District’s budget for FY 2016-2017 under Conservation Education with a not to exceed amount of \$25,800.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the proposed Memorandum of Understanding regarding the In-School Water Conservation Education Program.

BE IT FURTHER RESOLVED, that the Board of Directors does hereby authorize the General Manager to sign the MOU.

PASSED AND ADOPTED on December 19, 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. 2016-71 adopted December 19, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: December 19, 2016

Prepared By: Patrick Breen

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Adopt Resolution No. 2016-72 to Authorize a Notice of Completion for the Reservation Road Siphon Remediation Project be Filed with the Monterey County Recorder

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-72 to authorize filing a Notice of Completion for the Reservation Road Siphon Remediation Project be filed with the Monterey County Recorder.

Background: *Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

On August 27, 2015, District Staff conducted a bid opening for the "Reservation Road Siphon Remediation Project". The project was for the construction of an 8" ductile iron sanitary sewer force main from MCWD Lift Station #2, construction of an 8" PVC sanitary sewer force main in Dunes Road and Reservation Road, the construction of a 6" PVC sanitary sewer main from the District Office in Reservation Road to Lift Station #2, and modifications to Lift Station #2 including piping, wet well access, fencing paving and electrical work.

On September 21, 2015 the Board adopted Resolution No. 2015-46 authorizing a construction contract with Anderson Pacific Engineering Construction Inc. in the amount of \$853,853 and authorized a ten percent contingency amount for a total Board authorized project budget dollar amount not-to-exceed \$939,238.

Discussion/Analysis: Work on the Reservation Road Siphon Remediation Project began in January 2016 and was completed in October 2016.

During the project \$55,860.22 of the authorized contingency amount was utilized to address construction field conditions that required increased depth of excavations, additional shoring to protect workers, and the installation of controlled density slurry to stabilize the trench.

Also during the project additional paving around the Lift Station #2 was installed and an additional manhole within lift station access road was constructed utilizing contingency funding.

And finally, contingency funding was utilized for additional steel casing required by Caltrans. Caltrans requires wet utilities be encased in casing within their right of way in order to protect the roadway from failing in case of a leak. The Caltrans right of way extends from under the Highway 1 overpass past the on and off ramps. The steel casing was an item that was bid as a unit price with an anticipated length. During construction the Caltrans inspector required additional casing beyond the amount included in the bid item.

The table below represents the authorized amount compared to the contracted amount.

Reservation Road Siphon Project Cost		
Item	Board Authorized Amount	Actual Amount
Bid Price (APEC)	\$853,853	\$864,003
Contingency (10%)	\$85,385	\$55,860
Total	\$939,238	\$919,863

The total cost of the construction amounted to \$919,863 which is within the Board authorized amount (Resolution No. 2016-46).

Staff is recommending a Notice of Completion be filed with the Monterey County Recorder as the work was completed pursuant to the plans and specification and contract obligations.

Environmental Review Compliance: None required.

Financial Impact: _____ Yes ___X___ No Funding Source/Recap: None

Other considerations: None.

Material Included for Information/Consideration: Resolution No. 2016-72

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

December 19, 2016

Resolution No. 2016-72
Resolution of the Board of Directors
Marina Coast Water District

Authorize a Notice of Completion for the Reservation Road Siphon Remediation Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on December 19, 2016, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the District Capital Improvement Program included the Reservation Road Siphon Remediation Project, to replace facilities which have reached the end of their service life; and,

WHEREAS, the Board approved a contract with Anderson Pacific Engineering Construction, Inc. to provide construction services for the Reservation Road Siphon Remediation Project in the amount of \$853,853 and authorized a total project budget amount of \$939,238 (Resolution No. 2016-46); and,

WHEREAS, Anderson Pacific Engineering Construction, Inc. has completed the Reservation Road Siphon Project according to the contract documents; and,

WHEREAS, staff is recommending a Notice of Completion be filed with the Monterey County Recorder as the work was completed pursuant to the plans and specification and contract obligations.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to file a Notice of Completion for the Reservation Road Siphon Remediation Project with the Monterey County Recorder, and to take all actions and execute all documents as may be necessary or appropriate to give effort to this resolution.

PASSED AND ADOPTED on December 19, 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. 2016-72 adopted December 19, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: December 19, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive the Quarterly Financial Statements for July 1, 2016 to September 30, 2016

Staff Recommendation: The Board receives the Quarterly Financial Statements for July 1, 2016 to September 30, 2016.

Background: *2016 Strategic Plan, Strategic Element No. 3.2 – Regular Financial Updates to Policymakers and Managers.*

Discussion/Analysis: All figures reported for the quarter are based on accrual basis accounting. The District's consolidated financial statement for the quarter includes operating revenues of \$3.498 million and expenses of \$2.103 million, resulting in net gain from operations of \$1.395 million. The District budget projected net gain from operations of \$0.398 million for the same period.

The net gain from operations for the quarter was higher than the budget expectation by \$0.997 million due to the timing of when revenues are earned and expenses are accrued producing different results than those in which the annual budget amounts are divided evenly by quarter.

Summary of Cost Centers:

<u>Description</u>	<u>Actual Qtr</u>	<u>Budget Qtr</u>	<u>Actual FYTD</u>	<u>Budget FYTD</u>
Marina Water				
Revenue	976,973	950,681	976,973	3,802,719
Expenses	<u>539,516</u>	<u>676,313</u>	<u>539,516</u>	<u>2,705,250</u>
Net Gain/(Loss)	437,457	274,368	437,457	1,097,469
Marina Sewer				
Revenue	271,227	258,857	271,227	1,035,426
Expenses	<u>145,651</u>	<u>192,047</u>	<u>145,651</u>	<u>768,186</u>
Net Gain/(Loss)	125,576	66,810	125,576	267,240
Ord Community Water				
Revenue	1,680,144	1,452,717	1,680,144	5,810,866
Expenses	<u>1,127,032</u>	<u>1,481,595</u>	<u>1,127,032</u>	<u>5,926,381</u>
Net Gain/(Loss)	553,112	(28,878)	553,112	(115,515)

Ord Community Sewer				
Revenue	569,397	538,339	569,397	2,153,356
Expenses	<u>290,629</u>	<u>375,444</u>	<u>290,629</u>	<u>1,501,770</u>
Net Gain/(Loss)	278,768	162,895	278,768	651,586
Recycled Water Project				
Revenue	-	1	-	2
Expenses	<u>-</u>	<u>77,487</u>	<u>-</u>	<u>309,948</u>
Net Gain/(Loss)	-	(77,486)	-	(309,946)
Regional Project				
Revenue	-	-	-	-
Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Gain/(Loss)	-	-	-	-
Consolidated Cost Centers				
Revenue	3,497,741	3,200,595	3,497,741	12,802,369
Expenses	<u>2,102,828</u>	<u>2,802,886</u>	<u>2,102,828</u>	<u>11,211,535</u>
Net Gain/(Loss)	1,394,913	397,709	1,394,913	1,590,834

As of September 30, 2016, the District had \$17.705 million in liquid investments. The District also had \$0.850 million of 2010 refunding bond proceeds for debt reserve purposes in the bank. The remaining 2006 COPS bond proceeds were expended for construction purposes by quarter end June 30, 2016 as per the District's commitment under the refinancing agreement of the COPS.

The District owed \$29.840 million for the 2015 Senior Revenue Refunding Bonds Series A as well as \$4.190 million for the 2010 Subordinate Revenue Refunding Bonds, and \$3.430 million in aggregate for the BLM building financing at September 30, 2016. The 2015 Senior Revenue Refunding Bonds Series B were paid off in full on June 1, 2016.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: None

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

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: 9-D

Meeting Date: December 19, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

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

Staff Recommendation: The Board of Directors receive and file the November 2016 expenditures totaling \$1,913,621.55.

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 November 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: November 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-E

Meeting Date: December 19, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of December 5, 2016

Staff Recommendation: The Board of Directors approve the draft minutes of the December 5, 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 December 5, 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 December 5, 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: December 19, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-73 to Approve an Updated District Debt Management Policy

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-73 to approve an updated District Debt Management Policy:

Background: *2016 Strategic Plan, Strategic Element 3.3 – Fiscal Planning – Best Accounting Practices.*

On December 7, 2015, the Board adopted Resolution No. 2015-60 approving a Debt Management Policy which is in line with the District's Strategic Plan, Strategic Element 3.3.

The purpose of a debt management policy is to demonstrate to potential lenders, ratings agencies and the public the District's commitment to long-term capital financial planning using a formal set of written guidelines. Having and adhering to a formal debt management policy helps to ensure the District maintains a diversified debt portfolio that supports the District's financing needs and minimizes the District's cost of funds.

Discussion/Analysis: Beginning on January 21, 2017, all California municipal entities will be required under Senate Bill 1029 (SB 1029) to certify as part of any debt issuance to the California Debt & Investment Advisory Committee that it has an adopted management policy that provides for, among other things, the following:

1. Purposes for which debt may be issued
2. Types of debt
3. Relationship between debt and capital plan and/or budget
4. Goals related to issuer's planning goals and objectives debt
5. Internal control procedures to ensure debt issuance proceeds are spent on intended use

Our municipal advisor Robert Porr, Senior Vice President of Fieldman, Rolapp & Associates will provide a brief presentation detailing the changes to the District's Debt Management Policy to comply with SB 1029 and other updates and revisions.

Environmental Review Compliance: None.

Financial Impact: ___Yes XNo Funding Source/Recap: None

Material Included for Information/Consideration: Resolution No. 2016-73; Redlined Version of the Current District Debt Management Policy; Proposed Updated District Debt Reserve Policy

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

December 19, 2016

Resolution No. 2016-73
Resolution of the Board of Directors
Marina Coast Water District
Approving the Updated District Debt Management Policy

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on December 19, 2016 at the 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on December 7, 2015, the Board adopted Resolution No. 2015-60 approving a Debt Management Policy which is in line with the District’s Strategic Plan, Strategic Element 3.3; and,

WHEREAS, the purpose of a debt management policy is to demonstrate to potential lenders, ratings agencies and the public the District’s commitment to long-term capital financial planning using a formal set of written guidelines; and,

WHEREAS, beginning on January 21, 2017, all California municipal entities will be required under Senate Bill 1029 to certify as part of any debt issuance to the California Debt & Investment Advisory Committee that it has an adopted management policy that provides for, among other things, the following:

1. Purposes for which debt may be issued
2. Types of debt
3. Relationship between debt and capital plan and/or budget
4. Goals related to issuer’s planning goals and objectives debt
5. Internal control procedures to ensure debt issuance proceeds are spent on intended use

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-73 to approve the Updated District Debt Management Policy.

PASSED AND ADOPTED on December 19, 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. 2016-73 adopted December 19, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B

Meeting Date: December 19, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive the Draft District FY 2017-2018 Budget Schedule and Set Date for the 2017-2018 Budget Workshop.

Staff Recommendation: The Board of Directors receive the Draft FY 2017-2018 Budget Schedule and set the date for the Budget Workshop for March 20, 2017.

Background: *2016 Strategic Plan, Element No. 3 – Fiscal Planning.*

Discussion/Analysis: Staff has begun the budget process for FY 2017-2018. Attached is the draft schedule for the FY 2017-2018 Budget. In order to get the budget approved by both the District Board and by FORA by June 30, 2017, staff requests the Board set the date for the Budget Workshop for March 20, 2017.

Environmental Review Compliance: None.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: The Board can suggest an alternate date for the workshop.

Materials Included for Information/Consideration: Draft FY 2017-2018 Budget Schedule

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: 10-C

Meeting Date: December 19, 2016

Prepared By: Brian True

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Consider Adoption of Resolution No. 2016-74 to Amend the On-Call Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services for the East Garrison Phase 2 Development Project

Staff Recommendation: The Board adopt Resolution No. 2016-74 amending the On-Call Professional Services Agreement with Harris & Associates for inspection and construction support services for the East Garrison Phase 2 development project.

Background: *Strategic Element No. 2 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District standards.*

The East Garrison development began (the construction work) in 2006 with much of the activity placed “on-hold” in 2008. The first phase of the development was re-started in 2011 and the infrastructure accepted for ownership by MCWD in 2012. The Phase 2 work in East Garrison began (the construction work) in 2015 and the infrastructure was accepted for ownership by MCWD on February 1, 2016 (Resolution No. 2016-05). Since that time, all East Garrison development phases have seen on-going inspection and support work because the homes/structures within all the phases have not been completed. This contract amendment allows the continuation of the work to install potable water meters (among other things) for each of the reviewed/inspected homes within the East Garrison Phase 2 development area.

The Board of Directors adopted Resolution No. 2010-22 on April 13, 2010 authorizing a Professional Services Agreement with Harris & Associates (Harris, termed the base contract) to provide engineering consulting services, construction management support and on-call inspections. The resources for Harris’ services have been consumed prompting this current request for an amendment that is anticipated to see East Garrison Phase 2 projects through to completion of the last home/structure.

Evaluating the amendments to the Harris & Associates base contract, staff notes that the East Garrison development work (Phases 1 and 2) and the VA-DoD Health Care Center project are the only projects remaining (of the projects for which amendments to the base contract have been provided) that might require additional amendments to complete. These projects are all nearing completion and this Amendment request likely will be the last. Staff’s intent is to have the base contract expire, to be replaced with a new, competitively bid development service on-call contract that will be brought to the Board for approval.

Discussion/Analysis: The Board of Directors is requested to authorize an amendment to the base contract with Harris & Associates for On-Call Services. The not-to-exceed amount of the Amendment would be \$90,000 and is to be paid for entirely by the Developer (Union Community Partners/Benchmark). The Developer provided the full amount of the first amendment (for \$246,052) generated to serve their East Garrison Phase 2 project and MCWD has additional Developer resources in-hand to continue the work; in other words, the East Garrison development project is a development whose account is in good standing with MCWD.

The Developer and MCWD staff agree that contract inspection and construction support labor is warranted due to the large but temporary work-load needed to support the on-going construction work. Further, the Developer and staff agree that maintaining the relationship with Harris & Associates will be the most cost-effective way in which to proceed due to the costs and time associated with incorporating a new organization into the current process.

Specific scope elements with this amendment include: inspection of any new sanitary sewer infrastructure installed or repaired; inspection of any new water system infrastructure installed or repaired; verifying the landscape and conservation process compliance; and reviewing meter requests and conducting walk-throughs of all structures to receive potable water meters.

Harris & Associates has provided excellent on-going inspection and construction support services for MCWD. They maintain a local office in the City of Salinas with assigned project personnel present locally. District staff has reviewed the proposed scope of work and fee estimate for this planned amendment and finds that the scope is reasonable and that the labor-rates are comparable and competitive with other engineering firms providing services to MCWD based on general industry standards.

This proposed PSA amendment will be paid for entirely by the Developer through the existing well-established large development accounting procedure. The contract amendment is on a time and materials expense basis. Prior to Harris & Associates performing any work under this amendment, the Developer will be required to have the amendment amount or a substantial percentage thereof on deposit with MCWD and held in the East Garrison development account. At no time will payments be made to Harris without corresponding resources in-hand from the Developer to cover the expense.

Environmental Review Compliance: Not Applicable; this action amending a Professional Services Agreement is not a "project" under the California Environmental Quality Act (CEQA).

Financial Impact: _____Yes No Funding Source/Recap: There is no financial impact to the MCWD from this action; the Developer will be required to resource the entire amendment amount through deposited funds with MCWD in advance of payment to Harris & Associates.

Other Considerations: None – this amendment is a continuation of on-going work.

Material Included for Information/Consideration: Resolution No. 2016-74; and Harris & Associates Amendment.

Action Required: Resolution _____Motion _____Review
(Roll call vote is required.)

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____

Abstained_____

Noes_____

Absent_____

December 19, 2016

Resolution No. 2016 – 74
Resolution of the Board of Directors
Marina Coast Water District
Amending the Professional Services Agreement with
Harris & Associates for Inspection and Construction Support Services for the
East Garrison Phase 2 Development Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on December 19, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Marina Community Partners and UCP/Benchmark (“Developer”) have coordinated with MCWD on their East Garrison Phase 2 development project consisting of new home construction and related infrastructure on the Former Fort Ord lands within Monterey County, CA; and,

WHEREAS, the District and the Developer entered into an Infrastructure Agreement for the East Garrison Phase 1 and Phase 2 development projects and are working cooperatively regarding water, recycled water and sewer system improvements and new home construction; and,

WHEREAS, the District and the Developer agree that outside assistance for inspection and construction support labor is warranted to achieve the objective of having new homes built and those homes being served by MCWD and that the Developer will pay for the inspection services as required by the Infrastructure Agreements; and,

WHEREAS, the MCWD Board of Directors authorized the On-Call Services Contract with Harris & Associates for providing inspection and construction support services through the adoption of Resolution No. 2010-22 on April 13, 2010; and,

WHEREAS, the resources for Harris’s services for the East Garrison Phase 2 have been consumed prompting this request for an amendment; and,

WHEREAS, Harris & Associates has an existing contractual relationship with MCWD, they have long association with this particular development project, and Harris & Associates maintains a local office; and,

WHEREAS, District staff finds that the Harris & Associates current scope and fee proposal to conduct the work is reasonable, their charge rates are comparable to other engineering firms providing services to the District and their charge rates are competitive based on general industry-wide standards.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute an amendment to the On-Call Professional Services Agreement with Harris & Associates for inspection and construction support services for the East Garrison Phase 2 development project, 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 \$90,000.

PASSED AND ADOPTED on December 19, 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. 2016-74 adopted December 19, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-D

Meeting Date: December 19, 2016

Submitted By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Approving the Revised Regular Board Meeting and Workshop Meeting Dates for 2017

Staff Recommendation: The Board of Directors is requested approve the proposed regular Board meeting and workshop schedule for 2017.

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.*

At the December 5th Board meeting, staff proposed a one meeting per month schedule with the Board meeting to be held on the third Monday of the month, and several workshops to be held within the year. The Board approved a one meeting per month schedule and asked staff to provide an updated meeting schedule showing proposed workshops.

Discussion/Analysis: Staff is providing a revised Board meeting schedule that includes proposed workshops. The Board meetings will be held on the third Monday of the month and any proposed workshops will be the first Monday of the month.

Board Meeting Schedule A with Workshops

3rd Monday of Each Month
6:30 p.m.

January 9, 2017*

February 6, 2017 – Sexual Harassment Training

February 21, 2017**

March 6, 2017 – Strategic Plan Workshop/Annual Report

March 20, 2017

April 3, 2017 – Sustainable Groundwater Management Act

April 17, 2017

May 15, 2017

June 19, 2017

July 17, 2017

August 21, 2017

September 18, 2017

October 2, 2017 – Rate Workshop

October 16, 2017

November 20, 2017

December 18, 2017

* January 9th is due to the holiday season.

** Monday is a holiday so the meeting is scheduled for Tuesday.

Environmental Review Compliance: None required.

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

Other Considerations: The Board can suggest alternate meeting dates.

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
Agenda Transmittal

Agenda Item: 10-E

Meeting Date: December 19, 2016

Prepared By: Paula Riso

Presented By: Keith Van Der Maaten

Agenda Title: Consider Director Appointments to Committees of the Board and to Outside Agencies for 2017, and as Negotiators to any Ad Hoc Committees of the Board

Staff Recommendation: The Board of Directors consider making Director appointments to Board of Director's Committees and outside agencies for 2017.

Background: *Strategic Plan, Mission Statement - Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Discussion/Analysis: The Board is asked to consider Director appointments to committees and outside agencies for 2017. The Joint City/District, Executive, Budget and Personnel, and Community Outreach Committees shall have two appointed directors and such other persons as the Board may appoint; the Water Conservation Commission shall have one director appointed. The Board President also has the authority to appoint members to Ad Hoc Committees and negotiators to those Committees.

The Board also appoints directors to the following: Monterey Regional Water Pollution Control Agency (MRWPCA) Board of Director's, Fort Ord Reuse Agency (FORA) Board of Directors, liaison to the Monterey County Local Agency Formation Commission (LAFCO), ACWA Joint Powers Insurance Authority (JPIA), and the Special Districts Association of Monterey County (SDA).

The Board appoints representatives to the following District Standing Committees:

- | | | |
|----|-------------------------------|-------------------------------|
| 1. | Water Conservation Commission | 1 Board member & 1 Alternate |
| 2. | Joint City/District Committee | 2 Board members & 1 Alternate |
| 3. | Executive Committee | 2 Board members |
| 4. | Budget and Personnel | 2 Board members & 1 Alternate |
| 5. | Community Outreach | 2 Board members & 1 Alternate |

The Board appoints representatives to the following outside agencies or committees:

- | | | |
|----|-----------|------------------------------------|
| 1. | MRWPCA | 1 Board member & 2 Alternates |
| 2. | FORA | 1 Board member & 4 Alternates |
| 3. | LAFCO | 1 Board member & 1 Alternate |
| 4. | JPIA | 1 Board member & 1 Alternate |
| 5. | SDA | 1 Board member & 4 Alternates |
| 6. | FORA WWOC | 1 Board/Staff member & 1 Alternate |

The Board appoints representatives to the following Ad Hoc committees:

- | | | |
|----|---------------|-----------------|
| 1. | MRWPCA Ad Hoc | 2 Board members |
| 2. | SCSD Ad Hoc | 2 Board members |

Current Committee Assignments are:

- | | |
|----------------------------------|---|
| 1. Water Conservation Commission | Shriner - Lee as Alternate |
| 2. Joint City/District Committee | Gustafson, Moore – Lee as Alternate |
| 3. Executive Committee | Gustafson, Moore |
| 4. Budget and Personnel | Gustafson, Moore – Lee as Alternate |
| 5. Community Outreach | Gustafson, Moore – Shriner as Alternate |

Current appointments to outside agencies:

- | | |
|--------------|---|
| 1. MRWPCA | Moore – Shriner and Lee as Alternates |
| 2. FORA | Gustafson – Moore, Lee, Shriner, GM as Alternates |
| 3. LAFCO | Gustafson – Moore as Alternate |
| 4. JPIA | Shriner – Lee as Alternate |
| 5. SDA | Shriner – Moore, Lee and Gustafson as Alternates |
| 6. FORA WWOC | GM – District Engineer as Alternate |

Current appointments to Ad Hoc Committees:

- | | |
|---|--------------------------------------|
| 1. MRWPCA / MCWD Ad Hoc Committee | – Gustafson and Moore as negotiators |
| 2. MCWD / Seaside County Sanitation District Ad Hoc Committee | – Gustafson and Moore as negotiators |

Environmental Review Compliance: None required.

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

Other Considerations: The Director appointed to serve on the MRWPCA Board will receive a stipend of \$100 per meeting and that an updated FPPC Form 806 will be completed and posted on the District’s website following the appointment.

Material Included for Information/Consideration: None.

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____