PUBLIC DRAFT

DRAFT INITIAL STUDY/NEGATIVE DECLARATION

for the

ORD COMMUNITY SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION

Prepared for:



Marina Coast Water District 11 Reservation Road Marina, CA 93933-2099 Prepared by:



Denise Duffy & Associates 947 Cass Street, Suite 5 Monterey, CA 93940

December 19, 2017

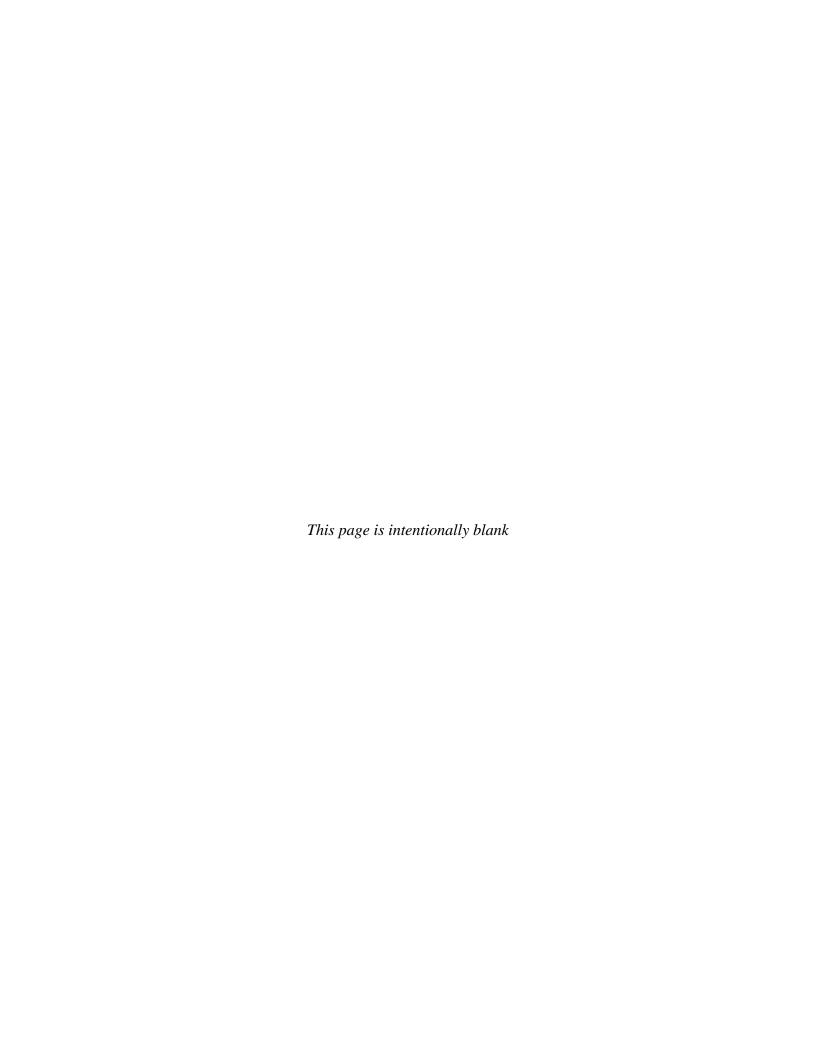


TABLE OF CONTENTS

Project D	ata Summa	ary Sheet	1
Chapter 1	l Introdu	ection	5
1.1	Project Ba	ckground	6
1.2	Project Ob	jectives	9
1.3	Project De	scription	10
1.4	Alternative	es to the Project	18
1.5	Earlier An	alyses	20
1.6	Project Ac	tions	24
Chapter 2	2 Enviro	nmental Factors Potentially Affected	25
Chapter 3		ination	
Chapter 4		Study Environmental Checklist	
4.1.			
4.2.	Agricultur	al Resources	30
4.3.		y	
4.4.	Biological	Resources	34
4.5.	Cultural R	esources	37
4.6.	Geology as	nd Soils	39
4.7.	Greenhous	e Gases	41
4.8.	Hazards ar	nd Hazardous Materials	43
4.9.	Hydrology	and Water Quality	46
4.10.	Land Use	and Planning	56
4.11.	Mineral Re	esources	61
4.12.	Noise		62
4.13.	Population	and Housing	63
4.14.	Public Ser	vices	67
4.15.	Recreation		69
4.16.	Transporta	tion/Traffic	70
4.17.	Tribal Cul	tural Resources	72
4.18.	Utilities ar	nd Service Systems	73
4.19.	Mandatory	Findings of Significance	81
Chapter :	5 Docum	ent Preparation/References	83
APPEN	DICES		
Ap	pendix A.	Assignment of Easements on Former Fort Ord and Ord Military Community, C Monterey, and Quitclaim Deed for Water and Wastewater Systems	ounty of
Ap	pendix B.	Cortese-Knox-Hertzberg and LAFCO of Monterey County Consistency Analys MCWD	is for
Ap	pendix C.	Key MCWD Actions	
Ap	pendix D.	Alternatives to the Project	

FIGURES

1.	Location Map	3
2.	MCWD Proposed Sphere of Influence Amendment and Annexation Area	
3.	Existing MCWD Boundary and SOI Area	13
4.	Land Use Map by Jurisdiction within Former Fort Ord	
5.	Ord Community Major Developments	15
6.	MCWD Wells	
7.	County and City Boundaries within Fort Ord	58
8.	Seaside County Sanitation District Boundary Map	
9.	Groundwater Basins Map	
TABLES 1.	Summary of Proposed Project	11
2.	Areas Proposed for Annexation Major Projects and Developments/Areas	
3.	Ord Community Land Use Planning Documents: Water and Wastewater Service Discussions	
4.	North Central Coast Air Basin Attainment Status – January 2015	32
5.	2015 Water Demand By Jurisdiction (AFY) For Annexation Areas Only	
6.	2015 UWMP Water Demand in the Ord Community by Jurisdiction (AFY) (Revised 2017)	
7.	Historic Populations	
8.	Projected Populations	
9.	Fort Ord Buildout Scenarios	65

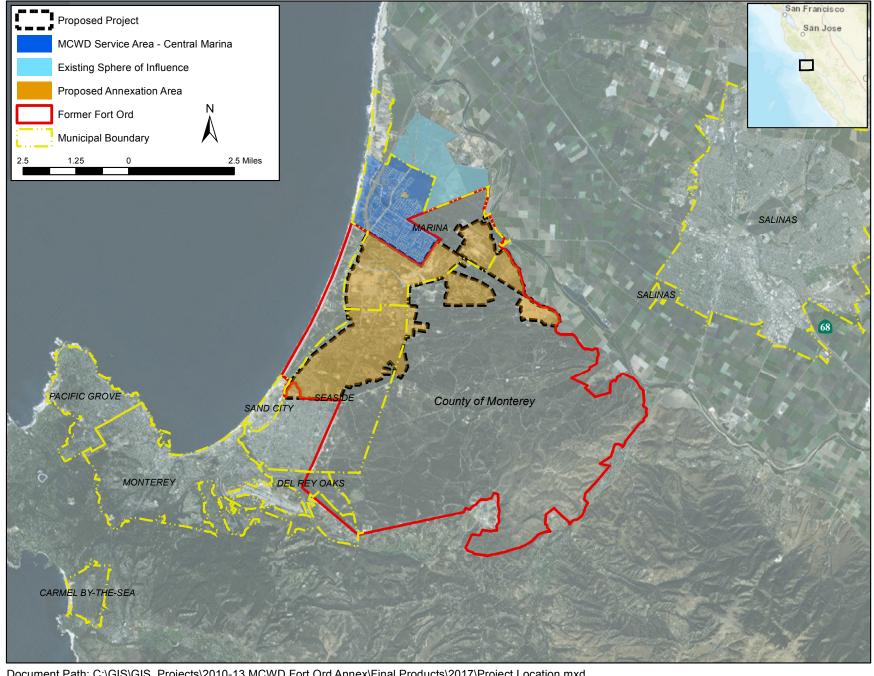
Project Data Summary Sheet

- **1. Project Title:** Marina Coast Water District Ord Community Sphere of Influence Amendment and Annexation (Proposed Project)
- Lead Agency Name and Address: Marina Coast Water District, 11 Reservation Road, Marina, CA 93933
- 3. Contact Person and Phone Number: Mike Wegley, (831) 883-5925
- **4. Project Proponent:** Marina Coast Water District (MCWD or the District)
- **Project Location:** MCWD is situated in the northwest corner of Monterey County, California. The Proposed Project location includes the current service area and Sphere of Influence of MCWD, known as Central Marina and the Ord Community within the former Fort Ord. Refer to **Figure 1.**
- 6. Project Description: The Proposed Project is the MCWD's Ord Community¹ Sphere of Influence (SOI) amendment and annexation of territory into the MCWD's service area in accordance with relevant codes and ordinances of the District and local jurisdictions, and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. MCWD proposes to amend their SOI and expand their service area to include a portion of the former Fort Ord, the development of which is guided by the Fort Ord Reuse Authority (FORA) and the Fort Ord Reuse Plan, and the adopted planning documents of underlying jurisdictions. The District currently provides service to this area as outlined in the Water/Wastewater Facilities Agreement between FORA and MCWD (1998) as further described in the Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems, between FORA and MCWD, dated October 24, 2001 (attached hereto as Appendix A). The Proposed Project will allow water and wastewater service to the identified areas to continue and will provide customers that are registered to vote within the MCWD boundary the ability to vote for the MCWD Board of Directors.

The Proposed Project study area totals approximately 8,869 acres, including 1,658 acres of the existing service area, 3,116 acres of the existing Sphere of Influence (SOI), and 5,753 acres of proposed SOI amendment and annexation territory. Project areas include portions of the Cities of Marina and Seaside and unincorporated Monterey County within the Ord Community, including property under ownership by the U.S. Army (U.S. Department of Defense), California State University Monterey Bay, University of California Monterey Bay Education, Science and Technology Center and Monterey Peninsula Unified School District (MPUSD). In addition, two

¹ Ord Community as used herein refers to all parcels that are designated by the Fort Ord Base Reuse Plan as development parcels within the boundary of former Fort Ord Army Base, and excludes open space areas, owned by the U.S. Bureau of Land Management (BLM), California State Parks, the Fort Ord Natural Reserve (FONR), and the Landfill Parcel habitat management areas. [Note: Ord Community is sometimes used to refer to lands on the former Fort Ord not within the continuing jurisdiction of the U.S. Army for military purposes. This proposed annexation includes lands within the jurisdiction of the U.S. Army.]

smaller properties (Seaside High School and a small church property within Central Marina) are proposed for annexation outside the Ord Community and within the City of Seaside and City of Marina, respectively. Refer to **Figure 2.**



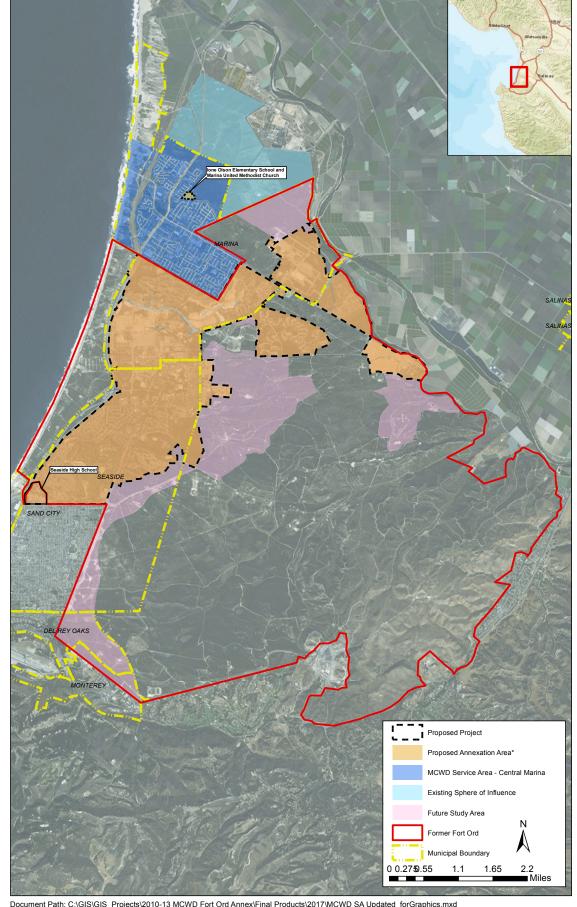
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Location Map



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*Service Area is coterminus with SOI Amendment Area

litle:

MCWD Proposed SOI Amendment and Annexation Area



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Figure

2

Chapter 1 Introduction

This Initial Study/Negative Declaration (IS/ND) has been prepared to evaluate the potential environmental effects associated with the MCWD Ord Community SOI Amendment and Annexation Project (Proposed Project), located in Monterey County, California. This document describes the areas proposed for annexation and the associated SOI amendment; these areas include developed parcels already served by the District as well as parcels approved for development within the Ord Community. The Proposed Project area is limited to specific areas within the former base's development area under the Fort Ord Reuse Plan; the proposal specifically excludes protected open space areas of the former military base. The SOI and Annexation Project also adds two small areas outside the Ord Community currently served by MCWD: Seaside High School within the City of Seaside as well as a small island area within the City of Marina². Refer to **Figure 2**.

The MCWD is acting as the Lead Agency pursuant to CEQA Guidelines \$15050(a). The District is a special district established in 1960 and provides potable water and wastewater treatment services to the entire city of Marina and the Ord Community. MCWD serves approximately 33,000 residents through 8,300 connections. As the Lead Agency, the District prepared an Initial Study pursuant to CEQA Guidelines \$15063, \$15070, and \$15152. The Monterey County Local Agency Formation Commission (LAFCO) will act as a Responsible Agency under CEQA for consideration of the approval of the actions described below.

A SOI is the probable physical boundaries and service area of a local government that is developed by LAFCOs in each county pursuant to state law. As indicated above, the MCWD is proposing that its SOI be amended to include the proposed Annexation Areas which MCWD already serves. Pursuant to state law, the LAFCO of Monterey County is responsible for reviewing and approving proposed jurisdictional boundary changes, including annexations and SOI amendments. LAFCO requirements under the Cortese-Knox-Hertzberg Act and LAFCO of Monterey County requirements are summarized in **Appendix B**.

This document will also serve as a basis for soliciting comments and input from members of the public and public agencies regarding the Proposed Project³. The Draft IS/ND will be circulated for 30 days during which period comments concerning the analysis contained in the IS/ND should be sent to: Mike Wegley, Marina Coast Water District, 11 Reservation Road, Marina, CA 93933; or via email at MWegley@mcwd.org or facsimile at (831) 883-5995.

² In addition to Seaside High School, the proposed annexation includes a small area containing a school and a church that presently receive water from MCWD. This area is within MCWD's Central Marina customer area. This addition will eliminate an island within the District that was inadvertently created during the last annexation of property north of Marina.

³ The District circulated a previous IS/ND on an earlier project for public review in 2011 (State Clearinghouse Number 2011101074). The proposed revisions under this IS/ND significantly reduce the areas proposed for annexation and SOI amendment. Although the proposed changes to the Proposed Project are not significant alterations (e.g., new or expanded project proposal), the District is taking a conservative approach and is recirculating the document for a 30-day period of public review.

1.1 PROJECT BACKGROUND

DISTRICT OVERVIEW

MCWD is a County Water District organized and operating under the County Water District Law, Water Code §30000. The MCWD is located on the coast of Monterey Bay at the northwest end of the Salinas Valley and occupies an area of about 4.5 square miles. The District was formed in 1960 by a vote of the registered voters within the original service area. Under the County Water District Law, MCWD provides potable water, wastewater treatment and collection, and reclaimed water services within the City of Marina⁴. The District is funded only by rates and fees. MCWD has taxing authority, but that authority is not currently being exercised. The District is governed by a five-member Board of Directors who are elected at large from within the District's urban service area. Water and sewer service are provided to several properties within the SOI but outside the service area, as well as to the Ord Community which is outside the current SOI.

WATER & WASTEWATER IN THE ORD COMMUNITY

The District currently provides water, wastewater, and recycled water service to the former Fort Ord (Ord Community) under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), dated March 13, 1998, under contracts with the U.S. Army and as further described in the Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems, between FORA and MCWD, dated October 24, 2001 (attached hereto as **Appendix A**)⁵. The term of the FORA agreement coincides with the legal existence of FORA. FORA is a public corporation of the State of California established by the FORA Act, and will cease to exist in 2020 unless the FORA Act is amended by the California State Legislature.

In 2001, the U.S. Army conveyed ownership of the water and wastewater infrastructure on the former Fort Ord through FORA to MCWD, as further described in the Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems, as and between FORA and MCWD, dated October 24, 2001 (attached hereto as **Appendix A**). This includes, but is not limited to, the following: (1) all of Fort Ord's water and sewer infrastructure; (2) 4,871 AFY of the Army's 6,600 AFY of Monterey County Water Resources Agency (MCWRA) groundwater allocation; and (3) 2.22 MGD of the Army's prepaid wastewater treatment capacity under the Army-Monterey Regional Water Pollution Control Agency (MRWPCA) Agreement, referred to as the Army-MRWPCA Agreement⁶. The most relevant parts of the conveyance from FORA to MCWD are set forth on page 3 of the Army to FORA deed (Exhibit "A") in Sections I.B, I.C, I.D, and I.E on page 3 of that conveyance:

Ord Community SOI Amendment & Annexation Marina Coast Water District

⁴ MCWD has the latent power to provide fire protection, recreational, and sanitation (garbage) services, these latent powers are not exercised because the City of Marina provides these services. Any activation of latent powers by the District would first require approval from LAFCO. No such request is being considered by MCWD.

⁵ These Army contracts have an unlimited term.

⁶ MRWPCA is now known as Monterey One Water due to recent name change. For consistency with previous environmental documents and agreements, this document will use the MRWPCA for reference to Monterey One Water.

- Section I.B conveys specified potable water system facilities.
- Section I.C conveys specified wastewater system facilities.
- Section I.D conveys all of the Army's groundwater allocation under the 1993 MCWRA Fort Ord Annexation Agreement with the Army reserving and retaining rights to 1,729 AFY for the Army's exclusive use.
- Section I.E conveys the Army's prepaid wastewater treatment capacity of 2.22 MGD under the Army-MRWPCA Agreement.

Water supply for MCWD's Central Marina service area and the Ord Community comes from the Salinas Valley Groundwater Basin (SVGB), specifically from wells located generally along Reservation Road in Marina and unincorporated Monterey County, well 12 being the furthest from Reservation Road. When the U.S. Army conveyed the water and wastewater infrastructure through FORA to MCWD, they also conveyed the right to provide up to 6,600 acre-feet per year (AFY) of water from the SVGB, authorized under an agreement between the U.S. Army and the MCWRA. The U.S. Army retained 1,729 AFY of the 6,600 AFY for its use in the Ord Military Community, and the balance has been sub-allocated by FORA to the various jurisdictions within the Ord Community. The SVGB aquifer only extends into the northern and eastern portions of the Ord Community, so MCWD wells cannot be relocated into the cities of Seaside, Del Rey Oaks, or Monterey or into unincorporated areas overlying the Seaside Groundwater Basin. However, under the agreement with MCWRA, the entirety of the former Fort Ord was annexed into Zones 2/2A of the SVGB and may receive groundwater from the SVGB source.

The MPWMD regulates all groundwater and surface water resources within its boundary, which includes area overlying the Seaside Groundwater Basin and portions of Del Rey Oaks, Monterey, and Seaside that are on the former Fort Ord⁷. However, exemptions apply to the portions of Del Rey Oaks, Monterey and Seaside that are on the former Fort Ord from MPWMD water supply regulation⁸ ⁹. The U.S. Army had also contracted for 3.30 million gallons per day (MGD) of average dry-weather wastewater treatment capacity with the MRWPCA. Of that, 1.08 MGD of treatment capacity was retained for the Ord Military Community, and the remaining 2.22 MGD was conveyed to MCWD.

BACKGROUND MCWD REGIONAL PLANNING WITHIN ORD COMMUNITY

The District currently provides potable water delivery and wastewater conveyance services within the boundaries of the former Fort Ord Army Base, known as the Ord Community. The MCWD Board of Directors has taken a series of actions accepting responsibility for the provision of water, wastewater, and recycled water service within their service area and to the Ord Community. Key actions addressing service provision and related governance are summarized below and also outlined in **Appendix C.**

Ord Community SOI Amendment & Annexation
Marina Coast Water District

⁷ The southern portion of the Seaside Sub-Basin was formally adjudicated in 2006 and is managed by the Seaside Basin Watermaster.

⁸ Under MPWMD Rule 20.C.11, Exemptions for Water Distribution System Permit, a MPWMD Water Distribution System Permit is not required for "a Water Distribution System that serves water to Parcels within the Former Fort Ord Lands within MPWMD, but that does not derive water from the Seaside Groundwater Basin..."

⁹ MPWMD has stated that it will continue to exert statutory authority over water resources within the MPWMD boundary (MPWMD letter to MCWD, submitted on earlier draft IS/ND 2011).

Starting in 2002, MCWD in cooperation with FORA, initiated the Regional Urban Water Augmentation Program (RUWAP), to provide an additional 2,400 AFY of water supply to the Ord Community, a portion being potable supply from seawater desalination and a portion from recycled water. In October 2004, the MCWD Board of Directors certified the EIR for the RUWAP. In October 2006, Addendum No. 1 was adopted to address changes in the project's pipeline alignment, and in February 2007, Addendum No. 2 was adopted to address changes to maximize the use of recycled water within MCWD's service areas. Addendum No. 3 to the RUWAP EIR adopted in 2016 addressed shared use of the RUWAP pipeline and storage facilities with MRWPCA as further discussed below.

In 2007, FORA and MCWD adopted a modified Hybrid Alternative for the RUWAP, which would provide 1,427 AFY of recycled water to the Ord Community without the need for seasonal storage. This agreement in turn resulted in the FORA Board adopting Resolution No. 07-10 (May 2007), which allocated 1,427 AFY of RUWAP recycled water to its member agencies having land use jurisdiction. MCWD moved forward on completing 100% of the design work as well as right-of-way acquisition for the RUWAP recycled water transmission pipeline. Portions of the RUWAP recycled pipeline were installed concurrent with road improvement projects. The remaining portions of the main transmission pipeline will be constructed in 2017 and 2018.

On March 30, 2013, the MRWPCA commenced environmental review of its Pure Water Monterey Groundwater Replenishment (PWM/GWR) Project. The PWM/GWR 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 PWM/GWR Project includes the RUWAP pipeline alignment (identified as the Product Water Conveyance Pipeline in the PWM/GWR EIR) 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. On October 8, 2015, the MRWPCA Board unanimously voted to approve the PWM/GWR Project and certify the EIR. 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 PWM/GWR Project as an acceptable option as the recycled component of the RUWAP.

Addendum No. 3 to the RUWAP EIR was prepared in March 2016 addressing shared use of the RUWAP pipeline and storage facilities with the MRWPCA PWM/GWR Project. On April 8, 2016, MCWD adopted the Addendum and also approved a draft agreement with the MRWPCA outlining combined pipeline facilities and delivery of urban irrigation water from the PWM/GWR and use of RUWAP pipeline facilities. Per the Pure Water Delivery and Supply Project Agreement, the RUWAP pipeline would be designed, constructed, owned, and operated by MCWD. Under this 2016 Agreement, MCWD has the right to utilize advance treated water 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. On October 30 2017, MRWPCA Board approved Addendum No 3. to the PWM/GWR EIR addressing

the shared facilities and delivery of advanced purified water to the MCWD customers for urban irrigation subject to final agreements.

There have been preliminary studies for the desalination project component of the RUWAP approved under the Hybrid Alternative, including a 2007 Desalination Facility Basis of Design Report for the RUWAP desalination component. That study analyzed locating the 1,500 AFY plant at the former Fort Ord Main Garrison Wastewater Treatment Plant. MCWD has a seawater desalination plant located at its main office adjacent to Marina State Beach. This facility is not currently in use, but has a design capacity of 300 AFY. Current water augmentation efforts are focused on the RUWAP.

The District Board does not allocate water supply to projects, but instead advises customer land use jurisdictions as to the current and historic water use within their boundaries and the estimated remaining supply available for new developments. The 2015 Urban Water Management Plan (UWMP) was adopted by the MCWD Board of Directors on June 6, 2016 and provides an overview of the jurisdictions allocations, as well as current and projected water supply and demand.

In 2007, the LAFCO of Monterey County published the Municipal Services Review (MSR) of the Monterey Peninsula Area, and described MCWD potential desire to pursue annexation of the Ord Community. LAFCO staff will be preparing a new update to the 2007 MSR study, as a companion piece to the District's proposal, prior to LAFCO consideration of the Proposed Project.

This 2017 Initial Study/Negative Declaration (IS/ND) evaluates the MCWD's proposed annexation of the portions of the former Fort Ord into the District as further described below. Regardless of regional planning structure selected for the Ord Community, current and future water supply for the Ord Community will originate on the northern boundary of the former Fort Ord and the revised boundaries of MCWD territory and governance structure proposed herein would not affect planning, permitting, or design of future water supply projects.

1.2 Project Objectives

The SOI amendment and annexation of developed parcels already served by MCWD in the Ord Community into the District's LAFCO SOI and service area is proposed to allow existing MCWD customers direct access to the Board and provide a government structure. The annexation of those areas within the Ord Community already served by MCWD is proposed to add all customers currently served under the service agreements with FORA and the U.S. Army, and as further described in the Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems, between FORA and MCWD, dated October 24, 2001 (attached hereto as **Appendix A**), into the District's service area to provide an acceptable and fair governance structure for those receiving water and wastewater service from the District. Outside of the Ord Community, the area of Seaside High School in the City of Seaside is proposed for annexation. Additionally, within MCWD's Central Marina customer area, a small area containing a school and a

church that presently receive water from MCWD is also proposed for annexation; this is to eliminate "islands" within the MCWD's service area in accordance with LAFCO policies. ¹⁰

1.3 PROJECT DESCRIPTION

The proposed SOI amendment and annexation is shown on **Figure 2** and includes:

- 1. Annexation of areas within the Ord Community currently served by MCWD into their service area and SOI,
- 2. Annexation of parcels within the existing MCWD SOI, located in Marina, containing Ione Olson Elementary School and Marina United Methodist Church, into the MCWD's service area,
- 3. Annexation of one parcel located in Seaside, containing Seaside High School which is currently served by MCWD, into their service area and SOI, and,
- 4. Annexation of specified undeveloped parcels limited to property within the Ord Community already approved for development.

The proposal excludes the protected open space areas of the former military base. Additionally, areas that are not currently approved for development or anticipated for development in the near term are not included in the proposed SOI and annexation. The proposal also designates a "Future Study Area" including future development parcels located in the Cities of Del Rey Oaks, Monterey and Seaside, unincorporated Monterey County, and in the Ord Community. While the Future Study Area includes areas identified for future development under the Fort Ord Base Reuse Plan, development of these areas is not anticipated in the near term. Other areas in the Future Study Area are included because there may be uncertainty regarding service providers or overlapping service jurisdictions in portions of these areas. Specifically, the former Fort Ord area within the City of Del Rey Oaks is within the Seaside County Sanitation District (SCSD) service area for wastewater collection service. MCWD does not anticipate providing wastewater service; this SCSD service area is included for future study in anticipation of potential future water service provision. Under the Future Study Area designation, these areas would be outside the District's SOI, but may warrant inclusion in the SOI in future years for water services should development occur and/or agreement be reached on wastewater service providers. Further study would need to be completed prior to changing existing or proposed service providers under approved LAFCO designations and thus this designation provides for review and agreement by MCWD, SCSD, affected jurisdictions and LAFCO. As the Future Study Area has no official designation under LAFCO, these areas are identified in this IS/ND, but not analyzed as within the proposed areas for boundary adjustments. Please note, the SCSD has also expressed interest in annexing specified portions of the City of Seaside within MCWD's current service area in the former Fort Ord for wastewater service. This area includes lands between Military Avenue to the south and Divarty Street and Inter-Garrison Road to the north. This area is included in the proposed SOI amendment and annexation area and not as a Future Study Area, and is discussed in more detail below in Section 4.10 Land Use and Planning, Checklist Item a).

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¹⁰ MCWD has two cost centers, Central Marina and Ord Community, so that rate payers from one area do not have to pay for infrastructure/capital improvements required for to serve the other area. This division of costs/rates would not be affected by the Proposed Project.

The District's existing service area and SOI, as well as the proposed boundary changes are shown in **Figure 2**. **Figure 3** shows the Monterey County LAFCO Map of the existing adopted SOI and MCWD service area. **Figure 4** shows underlying land use by jurisdiction within the Former Fort Ord. The Proposed Project includes an SOI amendment and annexation to include parcels that cover approximately 8,869 acres, as shown in **Table 1**. The proposed SOI amendment and annexation would increase the total acreage within the District from the existing service area of 1,658 acres to approximately 7,410 acres. In addition, a Future Study Area of approximately 3,562 acres is included on **Figure 3**. This area is not proposed for annexation or SOI boundary adjustment, but will be the focus a separate study for inclusion at a later date.

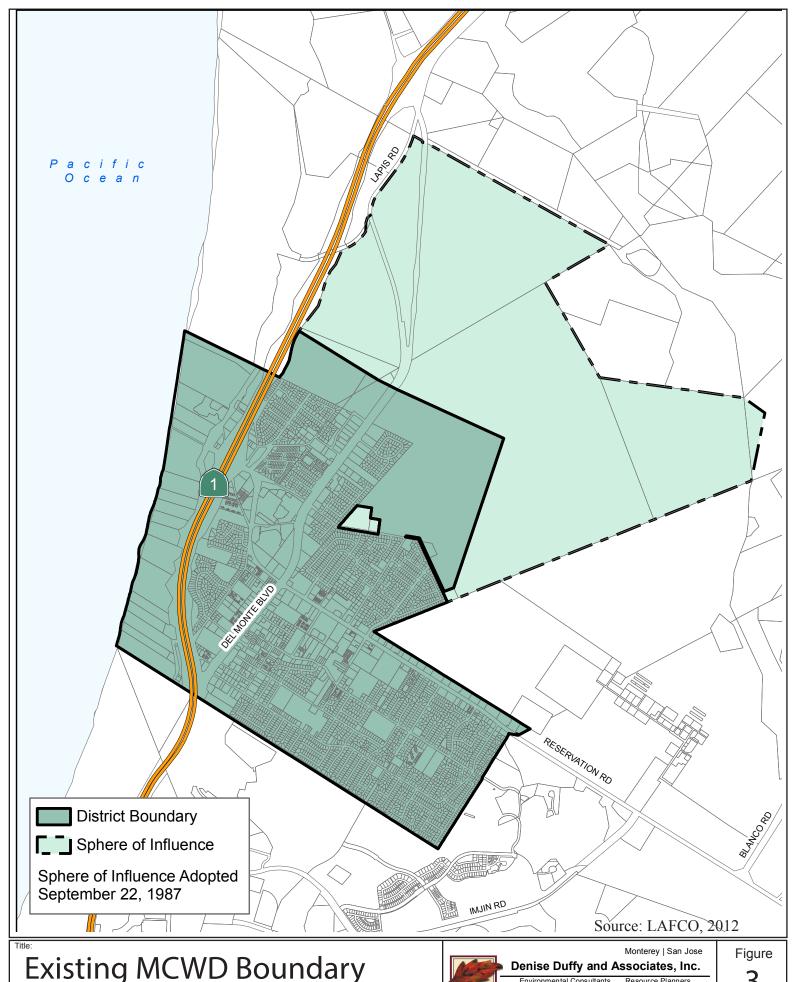
TABLE 1 SUMMARY OF PROPOSED PROJECT					
Category	Area (Acres)				
Existing MCWD Service Area	1,658				
Existing MCWD SOI	3,116				
Proposed Added SOI Amendment and annexation	5,753				
Total Area (Existing plus Proposed for SOI/Annexation)	8,869				

The proposed SOI amendment and annexation will result in inclusion of additional lands within the District's SOI and annexation of these areas into the MCWD. However, these areas are already served by MCWD and therefore no service area extension or development is proposed at this time as part of the Proposed Project. The subareas within the District's proposal located in the Ord Community are more specifically described below in **Table 2** and major properties identified in **Figure 5**. In addition to the subareas described in **Table 2** located in the Ord Community, the proposal also includes annexation of area already served by the District located in the cities of Marina and Seaside, these subareas are further described below and identified in **Figure 2**.

- Ione Olson Elementary School and Marina United Methodist Church: This area is located in the City of Marina off of Beach Road. Both the Ione Olson Elementary School and Marina United Methodist Church receive sewer and water service from the District but are outside of the District's jurisdictional boundaries. This addition will eliminate an island within the District that was inadvertently created during the last annexation of property north of Marina.
- Seaside High School: This area is located in the City of Seaside, off of Ord Avenue, adjacent to the Ord Community. LAFCO and the City of Seaside requested Seaside High School be included in the proposed area for annexation, since MCWD currently provides water and wastewater service to Seaside High School.

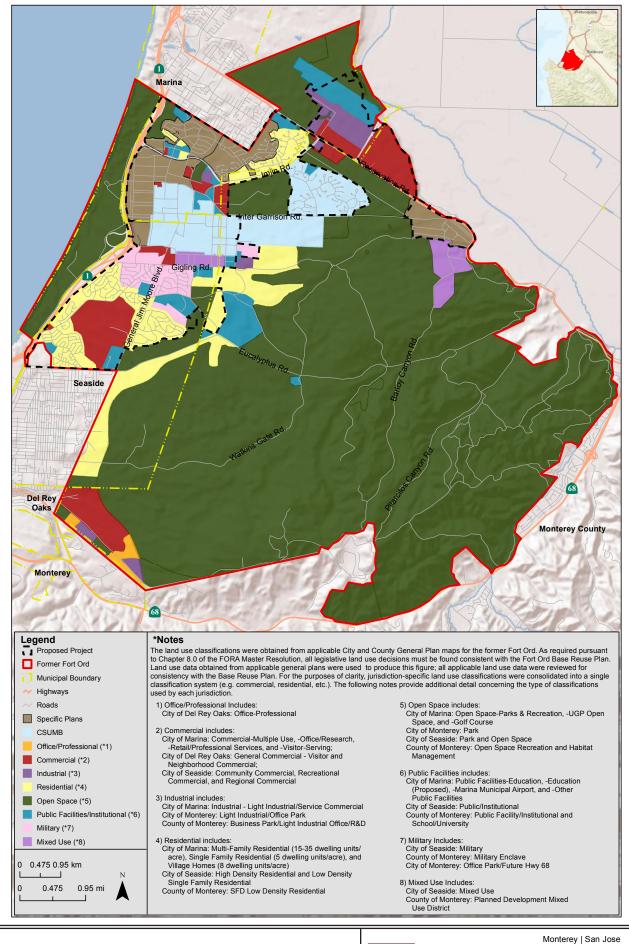
The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment, as described herein. The annexation involves no direct changes to the existing water and wastewater system and the associated system permits. Existing operations and future plans for additional infrastructure and water service to the District's service areas, including the proposed service area expansion areas, are described and considered in the following documents:

- Fort Ord Reuse Plan (Reuse Plan) Environmental Impact Report (EIR) (FORA, 1997), and 2012 Reuse Plan Reassessment
- Wastewater Master Plans: Ord Wastewater System Master Plan and Marina Wastewater System Master Plan (February 2005), MCWD Sewer System Management Plan (SSMP) (February 2017)
- Water Master Plans: Marina Water Systems Master Plan (February 2007) and Ord Water System Master Plan (June 2004)
- RUWAP EIR (MCWD, 2004, as amended in 2006, 2007 and 2016)
- PWM/GWR Project EIR (MRWPCA 2015)
- 2015 Urban Water Management Plan (MCWD, June 2016)
- MCWD Five Year Capital Improvement Plan (CIP) (June2016) and FORA CIP (2016)
- Water Supply Assessments prepared for Ord Community Projects and adopted by the MCWD Board in compliance with the Water Code.



Existing MCWD Boundary and SOI Area

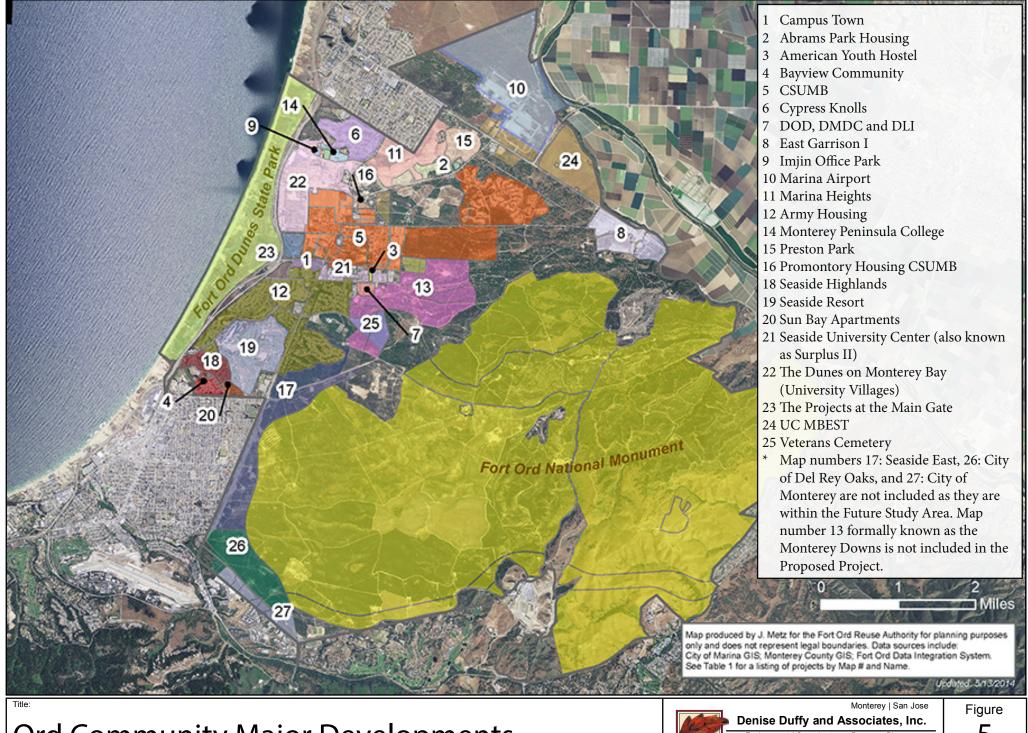
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Title:



DD&A



Ord Community Major Developments



Environmental Consultants Resource Planners

947 Cass Street, Suite 5 Monterey, CA 93940

	TABLE 2 AREAS PROPOSED FOR ANNEXATION MAJOR PROJECTS AND DEVELOPMENTS/ AREAS					
#	PROJECT NAME	ACRES	JURISDICTION	CURRENT STATUS	SERVICE AND INFRASTRUCTURE	
1	Campus Town (22-acres South of Lightfighter Drive)	22	Seaside	Specific planning initiated in 2017	Currently unoccupied. MCWD owned water and sewer trunk mains exist.	
2	Abrams Park Housing	42	Marina	Rehabilitated and occupied	Existing MCWD water/sewer service and infrastructure.	
3	American Youth Hostel	4.1	Seaside	Entitled	Currently unoccupied. MCWD owned water and sewer trunk mains exist.	
4	Bayview Community	52	Seaside	Built and occupied	Existing MCWD water/sewer service and infrastructure.	
5	California State University Monterey Bay (CSUMB)	1377	Marina, Seaside & Monterey County	Occupied, partially rehabilitated	Existing MCWD water/sewer service and infrastructure.	
6	Cypress Knolls	190	Marina	Entitled/approved	Currently unoccupied. MCWD owned water and sewer trunk mains exist.	
7	Department of Defense DMDC and DLI	24	Army	Rehabilitated and occupied	Existing MCWD water/sewer service and infrastructure.	
8	East Garrison I	244	County	Occupied, partially built	Partially occupied. Existing MCWD water/sewer service and infrastructure.	
9	Imjin Office Park	5	Marina	Built and occupied	Existing MCWD water/sewer service and infrastructure.	
10	Marina Airport	400	Marina	Rehabilitated and occupied	Existing MCWD water/sewer service and infrastructure.	
11	Marina Heights	248	Marina	Entitled and under construction	Partially occupied. Existing MCWD water/sewer service and infrastructure.	
12	Army Replacement Housing	827	Army	Original housing units being replaced in phases as part of the Army's Residential Communities Initiative	Existing MCWD water/sewer service and infrastructure.	
14	Monterey Peninsula College	23.4	Marina	Built and occupied	Existing MCWD water/sewer service and infrastructure.	
15	Preston Park	98	Marina	Rehabilitated and occupied	Existing MCWD water/sewer service and infrastructure.	

Promontory Housing CSUMB	8.5	Marina		Existing MCWD water/sewer service
			Built and occupied	and infrastructure.
Seaside Highlands	110	Seaside		Existing MCWD water/sewer service
			Built and occupied	and infrastructure.
Seaside Resort	373	Seaside		Partially occupied and existing MCWD
			Entitled, few homes built	water/sewer service and infrastructure.
Sun Bay Apartments	24	Seaside		Existing MCWD water/sewer service
			Built and occupied	and infrastructure.
Seaside University Center (also known	78	Seaside	Redevelopment (building removal has	Partially occupied. Existing MCWD
as Surplus II)			begun) Specific plan process underway	water/sewer service and infrastructure.
The Dunes on Monterey Bay	291	Marina		Partially occupied. Existing MCWD
(previously known as University				water/sewer service and infrastructure.
Villages)			Partially built and occupied	
The Projects at the Main Gate	50	Seaside		Currently unoccupied. MCWD owned
			Specific plan adopted 2010	water and sewer trunk mains exist.
University of California, Monterey Bay	70 (1100)*	Marina		Partially occupied. Existing MCWD
Education, Science, and Technology				water/sewer service and infrastructure.
(UC MBEST)*				UC MBEST East Side Campus
				infrastructure is undeveloped and
				would need to be extended to that area
			Adopted Master Plan and partially built	by developer.
Veterans Cemetery	26	Seaside/County	Opening ceremony held in October	Existing MCWD water/sewer service
			2016	and infrastructure.
	Seaside Resort Sun Bay Apartments Seaside University Center (also known as Surplus II) The Dunes on Monterey Bay (previously known as University Villages) The Projects at the Main Gate University of California, Monterey Bay Education, Science, and Technology (UC MBEST)* Veterans Cemetery	Seaside Highlands Seaside Resort 373 Sun Bay Apartments 24 Seaside University Center (also known as Surplus II) The Dunes on Monterey Bay (previously known as University Villages) The Projects at the Main Gate 50 University of California, Monterey Bay Education, Science, and Technology (UC MBEST)* Veterans Cemetery 26	Seaside Highlands 110 Seaside Seaside Resort 373 Seaside Sun Bay Apartments 24 Seaside Seaside Seaside Seaside Seaside Seaside Seaside Seaside Seaside Marina The Dunes on Monterey Bay (previously known as University Villages) The Projects at the Main Gate University of California, Monterey Bay Education, Science, and Technology (UC MBEST)* Marina Seaside Seaside Seaside Seaside Seaside Seaside	Seaside Highlands 110 Seaside Seaside Resort Sour Bay Apartments Seaside University Center (also known as Surplus II) The Dunes on Monterey Bay (previously known as University Villages) The Projects at the Main Gate The Projects at the Main Gate The Projects at the Main Gate The Projects at the Main Gate The Projects at the Main Gate The Projects at the Main Gate The Villages The Outer (also known as University Villages) The Projects at the Main Gate The Projects at the Main occupied The Projects at the Main occupied The Built and occupied The Entitle, few homes built Built and occupied The Entitle, few homes built The House Acceptance The Built and occupied The Built and occupied The Built and occupied The Accept

Notes: Map numbers 17: Seaside East, 26: City of Del Rey Oaks, and 27: City of Monterey are not included as they are within the Future Study Area. Map number 13 formally known as the Monterey Downs is not included in the Proposed Project annexation.

*Please note: Eleven hundred acres of the former Fort Ord located in Marina and the County were conveyed to UC MBEST in 1994 for the purpose of developing 4.4 million square feet for research and development on 500 acres, with 600 acres to be managed as open space habitat. Two single-story buildings were developed and the university is now contemplating reducing the footprint of R&D development to the 70 acres currently served with infrastructure. Although this area proposed for development and not currently developed UC MBEST approached MCWD requesting annexation, MCWD Board voted to annex the property in June 2017 and therefore it is included in this proposal.

Source: FORA, 2016

Furthermore, any development that may be proposed in the future would be subject to review and permit approvals from the appropriate jurisdictions at which time the appropriate level of environmental review would be conducted. Each relevant local jurisdiction has adopted their own General Plan amendments/updates, redevelopment/specific plans, and/or project EIRs that are consistent with the Reuse Plan EIR. MCWD's SOI Amendment and annexation would not increase development potential beyond that envisioned in the adopted planning documents, and more importantly, impacts related to such development would be anticipated to occur with or without the Proposed Project.

In addition to development projects described in all adopted Water Supply Assessments (WSAs) and EIRs at the former Fort Ord, any future development within the former Fort Ord planning area must comply with CEQA Statute and Guidelines. This applies to all development even if such development is consistent with the Reuse Plan and relevant local General and Redevelopment Plans adopted for the former Fort Ord. During the review, the lead agency must assess the proposed development to ensure that no new significant impacts would occur and/or no worsening in impacts would occur due to the development, compared to the overarching programmatic, planning-level environmental documents. In addition, that review must analyze whether the proposed development will comply with and implement feasible mitigation measures from the planning-level environmental documents that would reduce the significant impacts. In this way, there is an additional level of assurance that impacts will be reduced to a less than significant level if feasible, or alternatively, that findings of overriding consideration are adopted for any development-related impacts that remain significant and unavoidable. See also **Section 1.5**, **Earlier Analysis**, below, for a discussion of earlier environmental analysis conducted for the project area.

1.4 ALTERNATIVES TO THE PROJECT

In developing the preferred SOI amendment and annexation Project herein, the following alternatives to the Proposed Project were developed and evaluated; however, they are currently not being proposed by MCWD. Please see **Appendix D** for more detailed information.

- Alternative 1. Annexation of all FORA Development Parcels
- Alternative 2. Projected Five-Year Development Area Annexation
- Alternative 3. Annexation to the Marina City Limit
- Alternative 4. The No Project Alternative

Additionally, the MCWD Board also considered an alternative to annex all of the former Fort Ord into the MCWD, which was addressed in a Draft Initial Study circulated for public review in 2011. The 2011 Ord Community SOI Amendment and Annexation Project considered amending the MCWD SOI and annexation area to request annexation of all former Fort Ord lands into the District's service area boundary. That review process identified significant public concerns. A CEQA Determination was not made on that study, and annexation of the full installation was never further pursued by the Board. The current proposal significantly differs from the 2011 Project. The 2017 SOI and annexation proposal now under review addresses these concerns by reducing the proposed annexation areas and identifying areas for future study. A comparison of the current Proposed Project and the 2011 proposal is presented below.

During the 2011 proposal review, LAFCO and other commenters stated that the annexation of dedicated open space areas into the District service area would result in inconsistencies with LAFCO policy. Others noted that the District did not need to annex the entirety of the former Fort Ord and requested deletion of those areas that were within the California Department of Parks and Recreation (State Parks) and Bureau Land Management (BLM) areas. These areas were included as they were currently serviced by the District; however, LAFCO pointed out that special districts are not required to have contiguous boundaries and therefore the isolated offices and visitor-serving facilities within dedicated open space areas may be served by "island" annexation, government-to-government contract, or other agreements. The Board directed staff to reinitiate the Ord Community Annexation and Sphere of Influence amendment process with a smaller area of proposed annexation, as shown on **Figure 2.** All areas within the BLM property and State Parks lands are now excluded from this proposal. Further, the development areas are reduced from those in the 2011 proposal.

Also, LAFCO and the Seaside County Sanitation District (SCSD) noted the SCSD had previously annexed all of Del Rey Oaks into its service area for wastewater collection service. The Cortese-Know-Hertzberg Local Government Reorganization Act of 2000 (as amended, Government Code Section 56668 d.), discourages (but does not prohibit) more than one agency to provide municipal services (in this case, wastewater collection) within a given service area. If overlapping services providers are supported, a logical rationale as to why creating such an overlap would be in the public interest, must be provided. The City of Del Rey Oaks also submitted a comment on the 2011 proposal stating the City's position that former Fort Ord areas of Del Rey Oaks should be served by the SCSD based upon previous decisions between the City and the City of Seaside and the SCSD. Per the citation above, this area is no longer included in the current proposal but is included in a Future Study Area (see Figure 2). For the City of Del Rey Oaks, the designation allows for the jurisdictions and Districts to maintain the current service boundaries, or in the future agree upon a revised boundary for one or both, or other provision to provide future water service by MCWD within the SCSD service area boundary consistent with LAFCO policies. In addition to the areas currently within SCSD service area, SCSD submitted a letter expressing their interest in providing wastewater service to all of the development parcels south of Eucalyptus Road in the Ord Community¹¹. This area is also included in the Future Study Area (see areas within the City of Seaside on Figure 2). Please note, SCSD has expressed interest in annexing Ord Community areas that are within the City of Seaside for wastewater service only. This topic is addressed in Section 4.10 Land Use and Planning and Section 4.18, Utilities and Service Systems.

Additionally, LAFCO and the City of Seaside requested Seaside High School be included in the proposed area for annexation, since MCWD currently provides water and wastewater service to Seaside High School. The High School has been part of the Fort Ord water and wastewater system since its construction, but the school property is located outside the boundary of the former Fort Ord as of the date of the base closure. This property is now included in the proposed sphere of influence and annexation area.

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¹¹ SCSD has stated that they would not include areas within CSUMB in their future request for SOI amendment and annexation to LAFCO.

1.5 EARLIER ANALYSES

The proposed SOI amendment and annexation would not have any direct environmental impacts because it would only result in a reorganization of jurisdictional boundaries with no direct physical changes to the environment. The Fort Ord Reuse Plan EIR describes and evaluates redevelopment of the former Fort Ord, including all infrastructure required for provision of service up to the groundwater allocation of 6,600 AFY from the SVGB and collection of wastewater from planned land uses. The required CEQA analysis of future infrastructure for water service above the 6,600 AFY and up to 9,000 AFY is provided in other environmental reviews of future redevelopment plans and projects, in addition to the EIRs prepared for those required water and wastewater facilities (such as MCWD RUWAP EIR) as needed; therefore, no additional analysis is presented or required herein. Specifically, whether or not the District amends its SOI and expands its service area to include the Ord Community, these projects may be built. For this reason, these future redevelopment, development, and infrastructure projects may independently cause direct significant impacts; however, they would occur with or without implementation of the Proposed Project or alternatives described above and have already been considered in previous environmental documentation as further addressed below.

The following summarizes the content and conclusions of previous relevant environmental documents governing development at the Ord Community.

FORT ORD REUSE PLAN ENVIRONMENTAL IMPACT REPORT (FORA, 1997)

In 1991, the closure of the Fort Ord military base was announced. The Fort Ord military base was a part of the Monterey Peninsula since 1917, and closure of the over 28,000-acre facility was significant to Monterey County. In order to minimize the impact on Monterey County of the base closure, the FORA was formed, and a base reuse plan was developed and adopted. Future development planned as part of the FORA's *Fort Ord Reuse Plan* (Reuse Plan) adopted in 1997 has undergone environmental review. The Draft EIR (dated May 1996) evaluated impacts of full buildout of Fort Ord as envisioned in the Reuse Plan, which is estimated to occur over the next 40-60 years. Portions of the Draft EIR (e.g., traffic, noise) evaluated impacts resulting from estimated development to the year 2015. The FEIR was certified by FORA in 1997 with the intent that it would serve as a program EIR and provide a "first-tier" analysis for future development within the former Fort Ord. The Draft EIR text also indicates that it would serve as a program EIR for subsequent redevelopment plans prepared in conformance with the Reuse Plan.

The Reuse Plan EIR identified less than significant environmental impacts with implementation of policies and programs included in the Reuse Plan. Potentially significant impacts were identified, and additional mitigation measures were included in the Reuse Plan EIR. There have been no changes in the conditions that would result in additional significant impacts as evidenced in this Initial Study. Reuse Plan policies and programs were incorporated into each local jurisdiction's General Plan and the District's water supply and wastewater planning and services have been consistent with those policies and programs.

Significant impacts that were found in the Reuse Plan are outlined below. The following significant impacts can be mitigated to a less than significant level:

- Need for new and upgraded utility systems and services, including wastewater, water distribution, storm drainage, and solid waste;
- Need for new local water supplies;
- Public health and safety impacts relating to the exposure to hazardous and toxic materials; and,
- Water quality degradation from urban runoff.

The following are significant unavoidable impacts for which findings of overriding consideration were adopted:

- Increased traffic on the regional transportation system;
- Increased demand for law enforcement, fire protection and emergency response services; and,
- Cumulative impacts due to the Reuse Plan in conjunction with other past, present and reasonably foreseeable future projects, including off-site traffic and circulation, need for local water supplies, increased demand for law enforcement services and the increased demand for fire protection/emergency services, exposure to hazardous materials, and visual resource impacts associated with landscape changes along the State Route 1 corridor.

The Reuse Plan EIR identified policies and programs contained in the Reuse Plan and other mitigation measures that avoid/reduce these significant impacts. The Reuse Plan EIR also evaluated several alternatives regarding development and land use intensity.

In adopting the Reuse Plan, FORA adopted "Findings of Overriding Consideration" due to identification of significant unavoidable impacts. In approving the Reuse Plan, FORA adopted a "Constrained Development" plan, in which overall land use intensity was reduced from 22,232 total residential units to 10,816 total residential units, and from 45,457 new jobs to 18,342 new jobs based on a limitation on total water use. In addition, in adopting the Reuse Plan, FORA adopted a limitation on water use for each jurisdiction. As part of the proceedings to adopt the Reuse Plan, FORA adopted the "Development and Resource Management Plan" (DRMP) to ensure that reuse of the former Fort Ord will restrain development to available resources and service constraints, including water and transportation. Per FORA Resolution 98-1, local jurisdictions must include policies and programs consistent with the DRMP.

Development intensity for the former Fort Ord was reduced with the final adoption of the Reuse Plan, and as currently planned is less than the level evaluated in the Reuse Plan EIR. The environmental documentation and the corresponding records of decisions on FORA's Reuse Plan approvals and implementation are available for review at the FORA website (http://www.basereuse.org/reuseplan/HomePage/HomePage.htm) and office at 920 2nd Ave. Suite A Marina, CA 93933 (831) 883-3672.

LOCAL GENERAL PLANS AND REDEVELOPMENT ENVIRONMENTAL REVIEWS

In addition to the above EIR, each jurisdiction and government land owner with land in the former Fort Ord has updated their General Plan or prepared a Master Plan to plan for development of their land. **Table 3** summarizes the planning documents of the Ord Community land use jurisdictions and property owners. As shown in the table, these documents were reviewed to verify that MCWD is recognized as the

water and/or wastewater service provider for the Ord Community. In all documents, either MCWD was understood as the service provider or a service provider for the Ord Community was not stated.

TABLE 3 ORD COMMUNITY LAND USE PLANNING DOCUMENTS: WATER AND WASTEWATER SERVICE DISCUSSIONS						
Planning Document Year MCWD Relevant Page 1986						
		H ₂ O	WW	Numbers		
City of Seaside General Plan	2003	X	NS	H ₂ 0-Page LU-42 WW-Page LU-42		
City of Del Rey Oaks General Plan Update	1997	NS	NS	H ₂ 0-Page 47 WW-Page 48		
City of Monterey General Plan	2005	X	NS	H ₂ 0-EIR Page 2-134 WW- EIR Page 2-131		
City of Marina General Plan	2010	X	X	H ₂ 0-Page 99 WW-Page 105		
County of Monterey General Plan	2010	X	NS	H ₂ 0-EIR Page 4.3-31 WW- EIR Page 4.3-77		
University of California Monterey Bay Education, Science and Technology Master Plan	1996	X	NS	H ₂ 0-Page 7-2 WW-Page 7-4		
California State University Monterey Bay Master Plan	2017 (Ongoing)	X	X	H ₂ 0-Page 8-2 WW-Page 8-6		
California Department of Parks and Recreation, Fort Ord Dunes State Park General Plan	2004	X	X	H ₂ O and WW - Page 2- 59, 2-89, 3-40		
Key: $X = The water and wastewater service provider for the Ord Community stated to be MCWD.$ $NS = The water and wastewater service provider for the Ord Community Area is not specified.$						

In addition, many development planning and environmental documents at the project-level have been prepared, some of which included WSAs by MCWD, which identified MCWD as the water purveyor/supplier for the former Fort Ord (City of Del Rey Oaks 2005, City of Del Rey Oaks 2008, City of Seaside 2002, City of Seaside 2007, City of Marina 2006, City of Marina 2007, City of Marina 2003, Monterey County 2004, Monterey County 2010).

USE OF PREVIOUSLY PREPARED EIR

Pursuant to State CEQA Guidelines §15153, a lead agency may use an EIR prepared for an earlier project where the Proposed Project is essentially the same as the project previously analyzed in the former EIR. The potential for additional development to occur at the former Fort Ord (i.e., within the Ord Community proposed for inclusion in the District's SOI and service area) due to the provision of new water and wastewater systems is consistent with the assumptions of growth and development in the 1997 Reuse Plan EIR, which reviewed the land uses, development intensities and policies contained in the Reuse Plan. In addition, proposed plans to construct and operate new water supply and wastewater facilities are addressed in the RUWAP EIR, consistent with the descriptions in MCWD's 2015 Urban Water

Management Plan (UWMP), the Master Plans for Water and Wastewater, and the Capital Improvement Plan (CIPs) and these projects would occur with or without approval of the currently Proposed Project.

In using an EIR from an earlier project, CEQA requires that the lead agency shall review the Proposed Project with an initial study, to determine whether the EIR adequately describes:

- The general environmental setting of the project: The above EIRs adequately describe the environmental setting of the former Fort Ord military base and more specifically, the Ord Community. Except for the construction and operation of various land development and supporting infrastructure projects, there have been no substantial changes in the environmental setting of the proposed area that would warrant new analyses.
- The significant environmental impacts of the project: The Reuse Plan EIR adequately evaluated potential significant impacts of planned growth/development in the former Fort Ord and the region as whole, presented policies, programs, and mitigation measures that reduce impacts to a less than significant level. The District's 2015 UWMP, Master Plans, and the RUWAP EIR, including Addenda, described future water and wastewater infrastructure improvements required to serve the Ord Community. The RUWAP EIR and Addenda both found that their water supply planning quantities were consistent with and constrained by the Reuse Plan in terms of quantity of water. These EIRs were certified as complying with CEQA requirements and are not discussed further herein because whether or not the District amends its SOI and expands its service area to include the Ord Community, these projects may be built. For this reason, these future redevelopment, development, and infrastructure projects may independently cause direct significant impacts; however, they would occur with or without implementation of the Proposed Project or alternatives described above.
- Alternatives and mitigation measures related to each significant impact: As stated above, the Reuse Plan infrastructure projects and local redevelopment plans and projects evaluated (or will evaluate in the future) the environmental impacts of both: (1) build-out growth within the Ord Community and the region as a whole (in the cumulative analyses), and (2) the infrastructure required to provide water and wastewater service for the Ord Community. These EIRs also presented (or will present) mitigation to avoid or reduce significant impacts, if adopted in their respective Mitigation Monitoring and Reporting Programs. In addition, for those requiring EIRs, evaluation of alternatives shall be conducted prior to approval of a preferred alternative.

The CEQA Guidelines set forth additional methods that may be used to incorporate information from other source documents that are not physically included in an EIR or IS/MND including incorporation by reference (CEQA Guidelines §15150).

As permitted by CEQA Guidelines §15150, the following certified environmental documents were used in the preparation of this Initial Study and are incorporated herein by reference:

• Fort Ord Reuse Authority, 1997. Fort Ord Reuse Plan and EIR (State Clearing House Number 96013022).

- Draft and Final Environmental Impact Report Regional Urban Water Augmentation Project, (State Clearinghouse Number 2003081142) (MCWD 2004) and Addendum No. 1 (2006), Addendum No. 2 (2007) and Addendum No. 3 (2016) to the RUWAP EIR.
- Pure Water Monterey Groundwater Replenishment Project EIR (State Clearing House Number 2013051094) and Addendum No. 3 (2017)

The 1997 Reuse Plan and EIR are available online for review at http://www.fora.org/BRP.html. RUWAP documents are available online at mcwd.org and offices of the MCWD at 11 Reservation Road, Marina, CA. Pure Water Monterey EIR documents are available at purewatermonterey.org.

1.6 PROJECT ACTIONS

The Proposed Project includes the following approvals and permits; the Initial Study covers all project actions:

- Marina Coast Water District: Board approval of SOI Amendment and annexation, and Resolution to LAFCO for Application for the above.
- Local Agency Formation Commission of Monterey County: Processing a SOI amendment and annexation to the MCWD. Approval of an amendment of the SOI and approval of annexation proposed.

LAFCO is the agency empowered to incorporate, annex to, or dissolve cities and special districts. The objectives of LAFCO law (Government Code Section 56000 et seq.) require LAFCO to discourage urban sprawl, encourage the orderly formation and development of local government agencies, ensure the provision of adequate urban services, and preserve agricultural land resources on a countywide basis.

Chapter 2 Environmental Factors Potentially Affected

The environmental factors identified below are discussed within **Chapter 4. Initial Study/Environmental Checklist.** Sources used for analysis of environmental effects are cited in parenthesis after each discussion, and are listed in **Chapter 5. Document Preparation/References.**

⊠ A	esthetics		Agricultural Resources	\boxtimes	Air Quality
⊠ Bi	iological Resources	\boxtimes	Cultural Resources		Geology/Soils
⊠ G	reenhouse Gas Emissions		Hazards/Hazardous Materials		Hydrology/Water Quality
⊠ La	and Use/Planning	\boxtimes	Mineral Resources		Noise
⊠ Po	opulation/Housing	\boxtimes	Public Services		Recreation
⊠ Tı	ransportation/Traffic	\boxtimes	Tribal Cultural Resources		Utilities/Service Systems
× N	Mandatory Findings of Significan	ce			

Chapter 3 Determination

On the basis of this initial evaluation: \boxtimes I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared. I find that although the proposed project could have a significant effect on the environment there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared. П I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required. П I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed. I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required. for Mila Wegley

Mike Wegley, District Engineer

Printed Name

Marina Coast Water District

for

Chapter 4 Initial Study Environmental Checklist

The following chapter assesses the environmental consequences associated with the Proposed Project. Mitigation measures, where appropriate, are identified to address potential impacts.

EVALUATION OF ENVIRONMENTAL IMPACTS

- 1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on project-specific screening analysis).
- 2. All answers must take into account the whole action involved, including offsite as well as onsite, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level mitigation measures from Section 1.5, "Earlier Analyses," may be cross-referenced).
- 5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures, which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside

document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

- 7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9. The explanation of each issue should identify:
 - a) The significance criteria or threshold, if any, used to evaluate each question; and
 - b) The mitigation measure identified, if any, to reduce the impact to less than significance.

4.1. Aesthetics

Wor	uld the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse effect on a scenic vista?				
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?				
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				

Setting: Prominent visual resources in the Project vicinity include the Monterey Peninsula, Monterey Bay, the ridgelines and canyons of the Santa Lucia Range, Bureau Land Management and California State Park lands, and agricultural fields of the Salinas Valley. Expansive views of the coastline adjacent to the former Fort Ord can be seen from Monterey Bay and the Monterey Peninsula. The majority of the project area is developed with residential and urban structures and roadways; undeveloped areas outside of the project area in the former Fort Ord area are predominantly hilly and covered by grassy and forested landscape.

The Reuse Plan EIR identifies potential changes to the existing visual character within the former Fort Ord. Additionally, the Reuse Plan EIR also indicates that future development will enhance some areas of the former Fort Ord, considering existing deteriorating buildings and conditions. Future development in the Ord Community will be subject to review under guidelines to protect scenic vistas that may be impacted by future development within each jurisdiction.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in Figure 2. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in Table 2, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in Section 1.5 Earlier Analysis. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following address specific CEQA checklist items for the Proposed Project.

a) - c) The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area, no new infrastructure, construction activities, operational activities, or access routes are proposed, as shown in **Figure 2.** The Proposed Project would not alter the existing character, aesthetics, and views of the area. Therefore, the Proposed Project would not result in a substantial adverse effect on a scenic vista, substantially damage scenic resources, or substantially degrade existing visual characteristics of the Project site or its surroundings. Accordingly, the Proposed Project would have no direct impact on aesthetic resources.

Indirect impacts associated with future implementation of development plans and projects, and water supply and wastewater facilities may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. All future projects would be subject to CEQA and will evaluate, and if feasible, mitigate significant impacts to visual resources. Furthermore, there will not be development of above-ground structures due to the boundary adjustments and any future service area that will required placement of wastewater or water lines will be an indirect impact. By nature of the connections, future extension of pipelines will be placed underground and, therefore, will not permanently affect any scenic vistas or resources. Therefore, the Proposed Project would not necessarily promote or foster development within the Ord Community and would not have any indirect impacts on aesthetic resources.

d) Since there are no new facilities or alterations to existing structures, no new glare or light sources would be produced. Therefore, there would be no impact to either day or night time visual aesthetics resulting from increased glare or light.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.2. Agricultural Resources

In California, agricultural land is given consideration under CEQA. According to Public Resources Code §21060.1, "agricultural land" is identified as prime farmland, farmland of statewide importance, or unique farmland as defined by the U.S. Department of Agriculture land inventory and monitoring criteria, as modified for California. CEQA also requires consideration of lands that are under Williamson Act contract.

Woi	ıld the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?				
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 1220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				•
d)	Result in the loss of forest land or conversion of forest land to non-forest use?				
e)	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				

Discussion/Conclusion/Mitigation: The project would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use. As a former military base, there are no existing agricultural uses or operations within the project boundaries.

The following address CEQA checklist items for the Proposed Project.

a) - b) There are lands zoned for agricultural use or operations within Fort Ord, and no land designated under a Williamson Act contract. Neither the Reuse Plan EIR nor other redevelopment plan and project environmental documents identified any agricultural resources or impacts to agricultural resources. While a small amount of grazing land is located within UC MBEST which is proposed for annexation, this area is currently vacant or used for research and would not conflict with grazing activities. Therefore, the Proposed Project would not result in the conversion of

important farmlands to non-agricultural uses nor would the Project conflict with agricultural zoning, or Williamson Act contracts.

- c) d) No designated forest land or timberland is located within the Project boundaries. Therefore the Proposed Project will not conflict with existing zoning for, or cause rezoning of, forest or timber lands.
- e) The proposed annexation would not conflict with zoning to protect forest resources, result in direct conversion of forest land or involve other changes that could indirectly lead to such conversion.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10

4.3. Air Quality

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Wo	ould the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Conflict with or obstruct implementation of the applicable air quality plan?				
b)	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				
c)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				
e)	Expose sensitive receptors to substantial pollutant concentrations?				
f)	Create objectionable odors affecting a substantial number of people?				

Setting: The federal Clean Air Act and the California Clean Air Act mandate the control and reduction of certain air pollutants. Under these Acts, the United States Environmental Protection Agency and the California Air Resources Board have established ambient air quality standards for specific "criteria" pollutants. These pollutants are carbon monoxide ("CO"), ozone ("O₃"), sulfur dioxide ("SO₂"), nitrogen oxides ("NO_X"), particulate matter less than 10 microns in diameter ("PM10"), lead, and particulate matter less than 2.5 microns in diameter ("PM_{2.5}"). The Project site is located within the North Central Coast Air Basin ("NCCAB"), which is comprised of Santa Cruz, San Benito, and Monterey Counties, and

is regulated by the Monterey Bay Air Resources District ("MBARD", formally known as Monterey Bay Unified Air Pollution Control District).

The NCCAB is in attainment for all National Ambient Air Quality Standards ("NAAQS") and for all California Ambient Air Quality Standards ("CAAQS") except O₃ and PM₁₀. The primary sources of O₃ and PM₁₀ in the NCAAB are from automobile engine combustion. To address exceedance of these CAAQS, the MBARD has developed and implemented several plans including the 2005 Particulate Matter Plan, the 2007 Federal Maintenance Plan, and the 2012-2015 Air Quality Management Plan ("AQMP"), a revision to the 2012 Triennial Plan. Monterey Attainment Status to National and California Ambient Air Quality can be found in **Table 4**, below.

TABLE 4. NORTH CENTRAL COAST AIR BASIN ATTAINMENT STATUS – JANUARY 2015							
Pollutant	State Standards ¹	National Standards					
Ozone ("O ₃ ")	Nonattainment ²	Attainment/Unclassified ³					
Inhalable Particulates ("PM ₁₀ ")	Nonattainment	Attainment					
Fine Particulates ("PM _{2.5} ")	Attainment	Attainment/Unclassified ⁴					
Carbon Monoxide ("CO")	Monterey Co. – Attainment San Benito Co. – Unclassified Santa Cruz Co. – Unclassified	Attainment/Unclassified					
Nitrogen Dioxide ("NO ₂ ")	Attainment	Attainment/Unclassified ⁵					
Sulfur Dioxide ("SO ₂ ")	Attainment	Attainment ⁶					
Lead	Attainment	Attainment/Unclassified ⁷					

Notes:

- 1) State designations based on 2010 to 2012 air monitoring data.
- 2) Effective July 26, 2007, the ARB designated the NCCAB a nonattainment area for the State ozone standard, which was revised in 2006 to include an 8-hour standard of 0.070 ppm.
- 3) On March 12, 2008, EPA adopted a new 8-hour ozone standard of 0.075 ppm. In April 2012, EPA designated the NCCAB attainment/unclassified based on 2009-2011 data.
- 4) This includes the 2006 24-hour standard of 35 μ g/m³ and the 2012 annual standard of 12 μ g/m³.
- 5) In 2012, EPA designated the entire state as attainment/unclassified for the 2010 NO2 standard.
- 6) In June 2011, the ARB recommended to EPA that the entire state be designated as attainment for the 2010 primary SO2 standard. Final designations to be addressed in future EPA actions.
- 7) On October 15, 2008 EPA substantially strengthened the national ambient air quality standard for lead by lowering the level of the primary standard from $1.5 \,\mu\text{g/m}^3$ to $0.15 \,\mu\text{g/m}^3$. Final designations were made by EPA in November 2011.
- 8) Nonattainment designations are highlighted in **Bold**.

Source: MBUACD, 2008.

The Reuse Plan EIR identified potential violations to ambient air quality standards as being a less than significant impact with implementation of measures to control land uses and transportation links and minimize future air quality impacts. These policies are contained in the Reuse Plan, have been incorporated into local jurisdiction planning documents, and include preparation and implementation of design guidelines and best management practice standards.

The MBARD adopted an updated Air Quality Management Plan that accounts for future development at the former Fort Ord based on the amount of development in the plan adopted by FORA. Local jurisdiction planning documents incorporate policies and programs that avoid/minimize air emissions and air quality impacts as analyzed in the Reuse Plan EIR. Implementation of Best Management Practices (as identified in MBARD plans) during construction of future development projects will ensure that ozone and PM₁₀ air quality standards are not exceeded. Such measures would be incorporated as part of future site-specific environmental review for development projects.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following address CEQA checklist items for the Proposed Project.

- a b) The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area. The Project would not directly result in any physical development or construction of infrastructure improvements that would result in direct impacts to air quality. Further, the Proposed Project does not conflict with the air quality plan or violate or contribute to any air quality standard. The adopted Air Quality Management Plan accounts for the adopted Reuse Plan.
- c f) Any indirect impacts associated with future residential or commercial development or implementation of approved development plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may result in air quality impacts, the assumption of annexation or future development resulting in significant impacts to air quality is considered speculative. Furthermore, all future projects would be subject to CEQA review and documentation which would include the evaluation of potential impacts to air quality per MBARD standards and regulations, and if feasible, mitigate significant impacts to air quality. Moreover, potential indirect effects would be addressed on a project-specific basis through standard construction best management practices (i.e., MBARD CEQA Guidelines), applicable conditions of approval, and project-specific mitigation (if applicable) identified during the development review process. The 2008 AQMP addresses attainment of the State ozone standard and federal air quality standard. The AQMP accommodates growth by projecting growth in emissions based on population forecasts prepared by the Association of Monterey Bay Area

Governments (AMBAG) and other indicators. Consistency determinations are issued for commercial, industrial, residential, and infrastructure related projects that have the potential to induce population growth. A project is considered inconsistent with the AQMP if it has not been accommodated in the forecast projections considered in the AQMP. The Proposed Project would not result in any direct air pollutant emissions. Therefore, implementation of the Proposed Project would not have any direct or indirect adverse impacts on air quality that would result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is in nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors, expose sensitive receptors to substantial pollutant concentrations or create objectionable odors affecting a substantial number of people).

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, and 12

4.4. Biological Resources

			Less Than Significant		
		Potentially	With	Less Than	
		Significant	Mitigation	Significant	No
W	ould the project:	Impact	Incorporated	Impact	Impact
a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				
b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				
c)	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				
d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				
e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
f) Conflict with the provisions of an adopted Habitat				
Conservation Plan, Natural Community Conservation				
Plan, or other approved local, regional, or state habitat		Ш	ш	
conservation plan?				

Setting: The Reuse Plan EIR identified potential impacts to special status species and sensitive habitat areas with future development at the former Fort Ord. Numerous policies are included in the Reuse Plan, which protect and manage sensitive species and habitat areas and relate to protection of habitat and other biological resources. Implementations of these policies were found to result in less than significant impacts.

The Final Installation-Wide Multispecies Habitat Management Plan for Former Fort Ord (U.S. Army Corps of Engineers, April 1997), known as the HMP was prepared to comply with U.S. Fish and Wildlife Service (USFWS) requirements for the disposal and reuse of former Fort Ord lands. The Fort Ord Reuse Plan EIR states that the HMP was developed as a mitigation measure in the EIS prepared by the U.S. Army regarding closure and reuse of the former Fort Ord (DEIR, page 3-8). The HMP addresses impacts to biological resources associated with reuse of the former Fort Ord and establishes guidelines for the conservation and management of species and habitats on former Fort Ord lands. The HMP identifies lands that are available for development, lands that have some restrictions with development, and habitat reserve areas. The intent of the plan is to establish large, contiguous habitat conservation areas and corridors to compensate for future development in other areas of the former base. The HMP identifies what type of activities can occur on each parcel at former Fort Ord and parcels are designated either for development with no restrictions, for habitat reserves with management guidelines, or for habitat reserves with some development allowed.

On March 30, 1999, the U.S. Fish and Wildlife Service issued a non-jeopardy biological and conference opinion to the Department of the Army addressing the effects that the closure and reuse of the former Fort Ord would have on federally listed plant and animal species based on the HMP. The HMP establishes specific conservation areas and habitat corridors to protect and preserve a broad range of sensitive species and habitats throughout the former Fort Ord and assigns management responsibilities for these areas as well as for parcels designated for partial or conditional development. The HMP sets the standards to assure the long-term viability of former Fort Ord's biological resources in the context of base reuse so that no further mitigation for impacts to species and habitats considered in the HMP should be necessary.

The HMP anticipates some losses to special-status species and sensitive habitats as a result of redevelopment of the former Fort Ord. With the designated reserves and corridors and habitat management requirements in place, the losses of individuals of species and sensitive habitats considered in the HMP are not expected to jeopardize the long-term viability of those species, their populations, or sensitive habitats on former Fort Ord. Recipients of disposed land with restrictions or management

guidelines designated by the HMP will be obligated to implement those specific measures through the HMP and through deed covenants.

However, the HMP does not provide specific authorization for incidental take of federal or State Listed species to existing or future non-federal land recipients under the ESA or CESA. In compliance with the ESA and CESA, the Fort Ord Reuse Authority (FORA) is currently in the process of obtaining a Section 10(a)(1)(B) Incidental Take Permit from the Service and Section 2081 Incidental Take Permit from the DFG, which will provide base-wide coverage for take of federal and State listed wildlife and plant species to all non-federal entities receiving land on the former Fort Ord. This process involves the preparation of a Habitat Conservation Plan (HCP) and Implementing Agreement (IA). The HCP and IA are currently in draft form and being reviewed by the resource agencies. The base-wide Incidental Take Permits are expected to be issued by the USFWS and DFG in 2018.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following address CEQA checklist items for the Proposed Project.

a) - d) As outlined above, the Reuse Plan EIR identified less than significant potential impacts to special status species and sensitive habitat areas with future development at the former Fort Ord. The Proposed Project would provide for revised boundaries of service areas for the MCWD only and would not directly result in any physical development or construction of infrastructure improvements. Furthermore, areas designated in the HMP as habitat reserves are not currently proposed for annexation. No direct impact on species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the USFWS or California Department of Fish and Wildlife (CDFW) are anticipated through the boundary adjustment. No direct impacts to riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations or by the USFWS or CDFW or wetlands are anticipated under the Proposed Project. In addition, no direct impacts to the movement of native resident or migratory fish or wildlife species, wildlife corridors, or wildlife nursery sites would result from the Proposed Project.

Any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may potentially result in indirect biological impacts, the assumption of annexation or future development resulting in significant impacts to biological resources is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to the policies and regulations outlined in the Reuse Plan, HCP, IA, and associated Take Permits. Therefore, implementation of the Proposed Project would not have any direct or indirect adverse impacts on biological resources.

- e) The Proposed Project would not result in conflicts with local policies or ordinances. Several Reuse Plan policies encourage the preservation of small areas of habitat or oaks within developed areas. The HMP classifies each polygon within the former Fort Ord as to whether lands allow for development or preservation of habitat. Further, areas designated as habitat reserve areas by the HMP were directly considered and removed from this annexation proposal. Only areas currently developed and served by MCWD or designated for development and planned for services by MCWD are included in the annexation proposal. There is no impact.
- f.) As described above, an HMP for lands within the Fort Ord has been developed and a HCP is underway (expected 2018). The Proposed Project would not conflict with the HMP as it will provide service to areas already developed, currently served or approved for service by the District; therefore, there is no impact.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, 13, and 14

4.5. Cultural Resources

			Less Than Significant		
W	ould the project:	Potentially Significant Impact	With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5?				
b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?				
c)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				
d)	Disturb any human remains, including those interred outside of formal cemeteries?				

Setting: The former Fort Ord is located within lands historically occupied by a group of Native Americans known as the Rumsen, a branch of the Costanoan family. European settlement of the area occurred in the 1700s, and a number of ranchos and missions were established in the Monterey area. Urban development of the Monterey Peninsula occurred after World War II.

Several studies investigating the archaeological and historical resources of former Fort Ord have been completed, including A Cultural Resources Survey of 783 Hectares, Fort Ord (Waite, March 1995) and information in the FORA Reuse Plan and EIR. Based on this data, the areas of greatest archaeological sensitivity at former Fort Ord include the terraces and benches adjacent to the Salinas River and El Toro Creek, the areas surrounding the wet cycle lakes, and areas adjacent to streams and coastal beaches.

The Reuse Plan EIR identified impacts to cultural and historical resources as being a less than significant impact with implementation of policies and programs contained in the Reuse Plan. These policies have been incorporated into local jurisdiction planning documents and include requirements to protect cultural resources, pre-construction survey requirements, and measures to implement with future site development.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following address CEQA checklist items for the Proposed Project.

a) – d) The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area. The Proposed Project would not directly result in any physical development or construction of infrastructure improvements that would directly affect the environment. Since the Proposed Project would not entail the construction of physical improvements or otherwise result in ground-disturbing activities, the Proposed Project would not directly affect cultural resources. The Proposed Project would not cause any substantial adverse change in the significance of a historical resource or archaeological resource, adversely affect a unique paleontological resource or geologic feature, or disturb human remains.

Any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may potentially result in indirect cultural impacts, the assumption of annexation or future development resulting in significant

impacts to cultural resources is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements to protect cultural resources, pre-construction survey requirements, and measures to implement with future site development. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on historical, archaeological or paleontological resources or otherwise directly or indirect impact cultural resources.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.6. Geology and Soils

Would the project: a) Expose people or structures to potential substantial	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?				
ii) Strong seismic ground shaking?				
iii) Seismic-related ground failure, including liquefaction?				
iv) Landslides?				
b) Result in substantial soil erosion or the loss of topsoil?				
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				

Setting: The entire Monterey Bay area is located in a seismically active region and is subject to strong ground shaking during an earthquake on any of the regional fault systems. Three fault zones are located in the vicinity of the former Fort Ord which are considered active. The San Andreas Fault is located within 25 miles of former Fort Ord; the Palo Colorado-San Gregorio fault is located 14 miles southwest;

and the Monterey Bay fault zone is located directly offshore from former Fort Ord. The maximum credible earthquake magnitude is greater than 6.0 for the Monterey Bay fault zone, greater than 7.0 for the Palo Colorado-San Gregorio fault, and greater than 8.0 for the San Andreas Fault. There are several inferred or concealed earthquake faults (i.e., Reliz or Gabilan, Chupines, Ord Terrace, and Seaside faults) that either cross or are adjacent to the former Fort Ord. Due to their lack of geologically recent activity, it is highly unlikely that inferred or concealed faults will produce a damaging earthquake.

The potential for earthquake damage from ground shaking is moderate to high in the Project vicinity; liquefaction potential in the area is generally considered low. The Reuse Plan EIR identified exposure to seismic and geological hazards as being a less than significant impact with implementation of the policies and programs contained in the Reuse Plan. These policies outline measures and standards for review and siting of future developments to minimize exposure to seismic and geological hazards. All of the Reuse Plan policies and programs have been incorporated into local jurisdiction planning documents and would also serve to avoid/reduce potential impacts.

Soils at the former Fort Ord are susceptible to erosion, and the Reuse Plan EIR identified soil constraints and increased erosion/sedimentation as being a less than significant impact with implementation of the policies and programs contained in the Reuse Plan. These policies outline measures and standards to avoid or minimize potential increased erosion or site development in areas with significant soils constraints. All of the Reuse Plan policies and programs have been incorporated into local jurisdiction planning documents and would serve to avoid/reduce potential impacts.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following address specific CEQA checklist items for the Proposed Project.

 a) – e) The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area. The Project would not directly result in any physical development or construction of infrastructure improvements that would directly affect geology or soils. As a result, the Proposed Project would not expose people or structures to potential seismically induced hazards (i.e., fault ruptures, ground failure, liquefactions, landslides, etc.), result in substantial soil erosion or the loss of topsoil, be located on a geologic unit that is unstable, or be located on expansive soils. The Proposed Project would not result in any potential adverse effects due to soils being incapable of supporting septic disposal since the Proposed Project would not involve the construction of any septic systems. The Proposed Project would not have a direct impact on geology or soil resources.

Any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may potentially result in indirect geology and soils impacts, the assumption of annexation or future development resulting in significant impacts to geology and soils is considered speculative. Furthermore, the Base Reuse Plan identified potential geology and soils impacts as less than significant. Any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements. Moreover, potential indirect effects would be addressed on a project-specific basis through standard construction best management practices, applicable conditions of approval, and project-specific mitigation (if applicable) identified during the development review process. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on geology and soils or otherwise directly or indirectly impact geology and soils.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.7. Greenhouse Gases

Various gases in the earth's atmosphere, classified as atmospheric greenhouse gases (GHGs), play a critical role in determining the earth's surface temperature. Solar radiation enters the atmosphere from space and a portion of the radiation is absorbed by the earth's surface. The earth emits this radiation back toward space, but the properties of the radiation change from high-frequency solar radiation to lower-frequency infrared radiation. Greenhouse gases, which are transparent to solar radiation, are effective in absorbing infrared radiation. As a result, the radiation that otherwise would have escaped back into space is retained, resulting in a warming of the atmosphere known as the greenhouse effect. Among the prominent GHGs contributing to the greenhouse effect, or climate change, are carbon dioxide (CO₂), methane (CH₄), ozone (O₃), water vapor, nitrous oxide (N₂O), and chlorofluorocarbons (CFCs). Humancaused emissions of these GHGs in excess of natural ambient concentrations are responsible for enhancing the greenhouse effect. In California, the transportation sector is the largest emitter of GHGs.

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				

Setting: See **Section 4.3 Air Quality** above.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct and indirect impacts of the Proposed Project.

a) The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area. The Project would not directly result in any construction or operation, and thus no emissions of GHGs.

Any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may result in GHG impacts, the assumption of annexation or future development resulting in significant impacts to GHG is considered speculative. Furthermore, all future projects would be subject to CEQA review and documentation which would include the evaluation of potential impacts to GHG per MBARD policies, and if feasible, mitigate significant impacts to GHG. Moreover, potential indirect effects would be addressed on a project-specific basis through standard construction best management practices, applicable conditions of approval, and project-specific mitigation (if applicable) identified during the development review process. Therefore, implementation of the Proposed Project would not have any direct or indirect adverse impacts on air quality.

b) The proposed SOI amendment and annexation will not conflict with any applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases as described above and in **Section 4.3 Air Quality**.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, and 12.

4.8. Hazards and Hazardous Materials

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				•
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				
h) Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				

Setting: The entire former Fort Ord installation was placed on the National Priorities List of Hazardous Waste Sites (i.e., Superfund List) in 1990. Since then, numerous contaminated properties have been remediated and approved for transfer by the Environmental Protection Agency (EPA). Due to its former uses, ordnance and explosives (OE) may still exist at locations throughout the former military base.

Extensive surveys have been and continue to be conducted by the Army to investigate suspect areas of OE, and removal activities are ongoing.

The Reuse Plan, its EIR, and FORA Resolution 98-1 contain policies and measures to ensure cooperative efforts with the Army in remediation efforts to ensure compliance with all applicable regulations for hazardous materials. Local jurisdiction planning documents also incorporate policies contained in the Reuse Plan, mitigation measures included in the Reuse Plan EIR, and other required measures as set forth in FORA's Resolution 98-1 that avoid/minimize hazardous materials impacts as analyzed in the Reuse Plan EIR.

The demolition of buildings containing asbestos was not addressed in the Reuse Plan EIR. According to the U.S. Occupational Safety and Health Administration, the removal of asbestos associated with demolition of buildings is a regulated health hazard with the greatest exposure and risk to workers during the removal-demolition process (see website at http://www.osha.slc.gov/SLTC/asbestos). The future demolition of buildings containing asbestos and lead paint would be required to comply with the MBARD's Rule 306 that requires reporting and investigation of certain buildings with asbestos as established under federal law, MBARD's Rule 424 containing the investigation and reporting requirements for asbestos, and Rule 439 which applies to all building removals. The National Emissions Standards for Hazardous Air Pollutants (NESHAPS) as set forth in the Code of Federal Regulations—40CFR61--is designed to prevent "visible emissions" of asbestos when buildings are renovated or demolished. Under federal law, a building must be inspected for asbestos prior to demolition or renovation, and federal and state agencies must be notified prior to demolition. According to the State Air Resources Control board, removal and disposal of asbestos procedures and controls must be specified in the notification form (http://www.arb.ca.gov/cd/asbestosform.htm). Compliance with these procedures will avoid significant impacts related to demolition of buildings containing asbestos.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. As a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct and indirect impacts of the Proposed Project.

a) – d) The Proposed Project would not use, transport, or store hazardous materials, nor would it expose persons or the environment to risks associated with hazardous materials above current (i.e., baseline) uses. The proposed annexation consists of the extension of boundaries for wastewater service to existing developed areas. The Project does not include infrastructure improvements. The Project does not involve the transport, use, or disposal of hazardous materials or wastes and would not result in creation of a public health hazard. Therefore, the Project would not result in impacts related to hazardous material use or hazardous emissions or wastes. Without any construction activity, no heavy equipment, worker vehicles, or construction-grade materials (e.g., sealants, dust abatement oils, etc.) would be necessary. Accordingly, the Proposed Project would have no direct impact regarding the use, storage, transport, or exposure to hazardous materials.

There are many schools within one-quarter of a mile of the Proposed Project annexation area, however the Project only includes a boundary adjustment and would not have the potential to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or wastes within one-quarter mile of a school.

The Project area is included on the list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.5, as explained above. However, the Proposed Project only includes the extension of boundaries for wastewater and water service to existing developed areas therefore, implementation of the Proposed Project would have no direct impact on the public or the environment.

Any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the project area would cause changes that may potentially result in indirect hazards and hazardous materials impacts, the assumption of annexation or future development resulting in significant impacts to hazards and hazardous materials is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements, including FORA's Resolution 98-1 and MBARD's Rule 306, Rule 424, and Rule 439. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on the public or environment in relation to hazards and hazardous materials.

- e) f) The Marina Municipal Airport is included in the proposed annexation area, however this area is already served by MCWD, therefore the Proposed Project would have no impact to any airport facility, their staff, or passengers.
- g) The major evacuation route in the vicinity of the Proposed Project is State Highway 1. The Proposed Project would not alter the design or geometrics of State Highway 1 or, any public roads with ingress or egress to State Highway 1. The Proposed Project, from a vehicular traffic perspective, is benign; no new facilities, roads, or activities are proposed that would alter, impede, or otherwise impair vehicle movement. Therefore, implementation of the Proposed

Project would not interfere with an adopted emergency response plan or emergency evacuation plan and would have no impact in this regard.

h) The Proposed Project would not develop new structures, change existing operations, nor would it result in attracting additional people to the area. No additional risks of or, exposure of people to wildland fire hazards would result from the Project. Accordingly, the Proposed Project would have no impact on existing wildland fire risks or conditions.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.9. Hydrology and Water Quality

Wo	uld the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Violate any water quality standards or waste discharge requirements?				
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				•
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				
e)	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?				
f)	Otherwise substantially degrade water quality?				
g)	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				
h)	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
i) Expose people or structures to a significant risk of loss,				
injury or death involving flooding, including flooding				
as a result of the failure of a levee or dam?				
j) Inundation by seiche, tsunami, or mudflow?				

Setting: Two regional water management agencies have jurisdiction over groundwater production in the vicinity of the Proposed Project area. The MCWRA is responsible for regulation and supply of water from the SVBG. The MPWMD is responsible for regulation and supply of water from the Seaside groundwater basin¹²¹³.

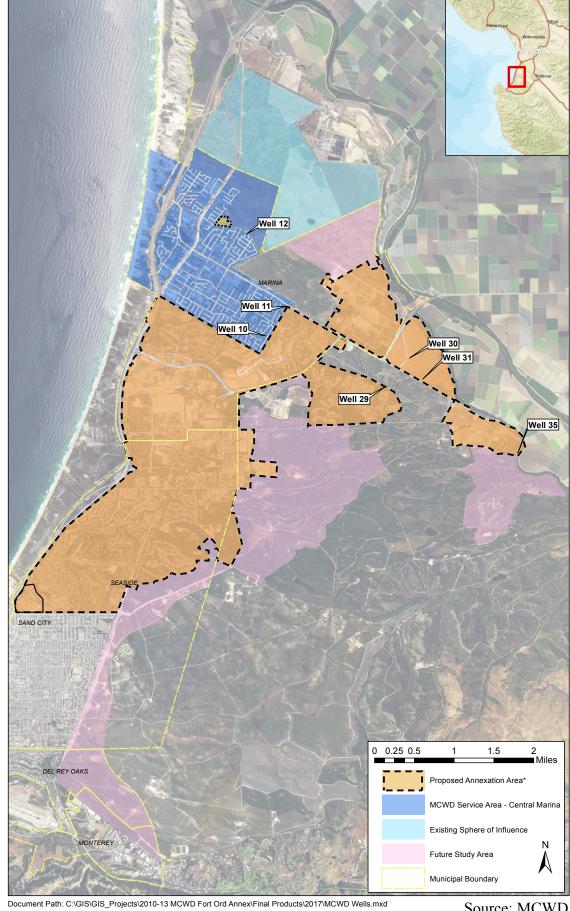
Potable water for MCWD's Marina and Ord Community service areas comes primarily from wells developed in the SVGB (see **Figure 6**). This groundwater basin underlies the Salinas Valley from San Ardo to the coast of Monterey Bay and is divided into five hydrologically linked subareas: Pressure, East Side, Forebay, Arroyo Seco and Upper Valley. The basin is further divided in the Pressure subarea by distinct aquifers, commonly referred to as the 180-foot, 400-foot and deep aquifer. Additionally, the deep, or 900-foot, aquifer is in reality a series of aquifers, not all of which are hydraulically connected.

The MCWRA is responsible for the regulation of water from the SVGB and also manages release flows from San Antonio and Nacimiento reservoirs to provide groundwater recharge throughout the year. It is estimated that the SVGB has an average annual non-drought overdraft of approximately 50,000 AFY (Cal Water, 2010). As a result of this consistent overdraft, groundwater levels in the SVGB have dropped below sea level, allowing seawater to intrude from Monterey Bay into aquifers located 180 and 400 feet below ground surface.

As previously mentioned, the District currently provides water, wastewater, and recycled water service to the Ord Community under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), dated March 13, 1998, and under contracts with the U.S. Army. The term of the FORA agreement coincides with the legal existence of FORA, which is expected to cease in 2020. In 2001, the U.S. Army conveyed ownership of the water and wastewater infrastructure on the former Fort Ord through FORA to MCWD.

¹² Under MPWMD rules, a MPWMD Water Distribution System Permit is not required for "a Water Distribution System that serves water to Parcels within the Former Fort Ord Lands within MPWMD, but that does not derive water from the Seaside Groundwater Basin...." Essentially, this covers the area within the MCWD SVGB. MPWMD has stated that it will continue to exert statutory authority over water resources within the MPWMD boundary (MPWMD letter to MCWD, submitted on earlier draft IS/ND, 2011).

¹³ The southern portion of the Seaside Sub-Basin was formally adjudicated in 2006 and is managed by the Seaside Basin Watermaster.



Source: MCWD UWMP, 2015

Title:

MCWD Wells



Monterey | San Jose

Denise Duffy and Associates, Inc.

Environmental Consultants Resource Planners 947 Cass Street, Suite 5 Monterey, CA 93940 (831) 373-4341 Figure

6

When the U.S. Army conveyed the water and wastewater infrastructure through FORA to MCWD, they also conveyed the right to provide up to 6,600 AFY of water from the SVGB, authorized under an agreement between the U.S. Army and the MCWRA. This amount is about equal to the peak historic water use on Fort Ord. Of this, MCWRA requires that not more than 5,200 AFY may be pumped from the 180-foot and 400-foot aquifers, to reduce the risk of seawater intrusion. The U.S. Army retained 1,729 AFY of the 6,600 AFY for its use in the Ord Military Community, and the balance has been sub-allocated by FORA to the various jurisdictions within the Ord Community. The SVGB aquifer only extends into the northern and eastern portions of the Ord Community, so MCWD wells cannot be relocated into the cities of Seaside, Del Rey Oaks, or Monterey (Seaside Groundwater Basin). However, under the agreement with MCWRA, the entirety of the former Fort Ord was annexed into Zones 2/2A of the SVGB and may receive groundwater from that source.

MCWD's groundwater withdrawals, including the Ord Community lands, are about 4,200 AFY, or less than 1.0 percent of total annual basin withdrawals of about 524,500 AFY (MCWD 2015 UWMP). The SVGB has been in an overdraft condition with seawater intruding at an estimated rate of 11,000 to 18,000 AFY into the 180-foot and 400-foot aquifers. Other than MCWD, only a small number of wells tap the deep aquifer, some of which also draw from the middle aquifer. Prior to receiving recycled water for crop irrigation, there were agricultural lands in the Castroville area that pumped water from the deep aquifer. These agricultural wells are currently used to meet supplemental needs during peak summer demands periods and also part of the monitoring network overseen by the MCWRA. Delivery of recycled water to this area has contributed to a recent recovery in groundwater levels in this area (MCWRA 2005, Brown and Caldwell 2015).

Table 5 depicts the past water use demand numbers (years 2012 and 2015) and projected total water demands through year 2035 for the proposed SOI and annexation areas. The proposed SOI amendment and annexation area current groundwater allocation for the Project area is sufficient to meet projected demands through 2035, including for the Ord Community. Per the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (as amended, Government Code Section 56668 d.), specifically Sections 56425(e) and 56668, factors that shall be considered by LAFCO in determining a SOI include the present and probable need for public facilities and adequacy of public services provided by an agency. As shown in **Table 5** below the Proposed Project is consistent with these polices as water allocation is sufficient to meet water demand in the Proposed Project area. Additionally, **Table 6** provides the UWMP Water Demand by Jurisdiction for former Fort Ord buildout through year 2035.

TABLE 5 2015 WATER DEMAND BY JURISDICTION (AFY) FOR ANNEXATION AREAS ONLY													
	Jurisdiction	2012*	2015**	2020	2025	2030	2035	Allocation					
Community	U.S. Army	620	633	663	825	825	825	1,577					
	CSUMB	404	404	442	632	755	779	1,035					
	Del Rey Oaks ⁶	0	0	0	0	0	0	243					
Ord (City of Monterey ⁶	0	0	0	0	0	0	65					

	County of Monterey ⁷	8	52	326	453	453	453	720
	UC MBEST	3	3	94	299	515	515	230 ³
	City of Seaside ⁷	657 ¹	657 ¹	722	924	924	924	1,012
	State Parks and Rec. ⁵	0	0	12	18	20	25	45
	Marina Ord Comm.	264	285	901	1,572	1,702	1,704	1,625 ²
	Assumed Line Loss	395	348	348	348	348	348	348
ina	Armstrong Ranch	0	0	0	680	680	680	920
Marina	Marina Central	1,823	1,823	2,184	2,491	2,606	2,725	3,020
Sub	ototal - Ord	2,351	2,382	3,508	5,072	5,543	5,574	$6,900^4$
	ubtotal - Marina	1,823	1,823	2,184	3,171	3,286	3,905	3,940
	Total	4,174	4,204	5,693	8,242	8,829	9,479	10,840

Notes:

- 1. Seaside includes Seaside Resort Golf Course (250 AFY temp use) in years 2012 and 2015.
- 2. Allocation includes 1325 AFY groundwater and 300 AFY existing pilot desalination plant
- 3. UC MBEST has commented that they are willing to build out to their full water allocation (230 AFY) as soon as the market allows it.
- 4. Allocation includes 6600 AFY groundwater and 300 AFY existing pilot desalination plant.
- 5. Although State Parks and recreational/open space lands are not included in the Proposed Project, MCWD and State Parks have an agreement for MCWD to serve the Fort Ord Dunes State Park, therefore these water demand numbers were included in the analysis.
- 6. Water demand for City of Monterey and City of Del Rey Oaks Future Study Area are included in Table 6.
- 7. Water demand for those portions of City of Seaside and Monterey County in Future Study Area are shown in Table 6. Source: Schaaf and Wheeler 2017

Water demands on the former Fort Ord are projected to increase with development envisioned in the Fort Ord Base Reuse Plan and local plans. The MCWD 2015 UWMP projected 20-year water demands. **Table 6** (as updated from the MCWD 2015 UWMP) depicts the total expected growth in demands from all currently expected development and population growth through 2035. As discussed above, the 6,600 AFY of existing groundwater pumping rights for the Ord Community have been allocated among the land use jurisdictions, authorized under an agreement between the U.S. Army and the MCWRA. **Table 6** shows that the current groundwater allocation for Central Marina is sufficient to meet projected demands through 2035.

^{*}Actual demands from calendar year 2012 used to represent a non-drought year.

^{**} Projected 2015 demands. Actual use was lower due to mandatory drought restrictions

	TABLE 6 2015 UWMP WATER DEMAND BY JURISDICTION (AFY) (REVISED 2017)											
	Jurisdiction	2012*	2015**	2020	2025	2030	2035	Allocation				
	U.S. Army	620	633	663	825	825	825	1,577				
	CSUMB	404	404	442	632	755	779	1,035				
	Del Rey Oaks	0	0	186	551	551	551	243				
	City of Monterey	0	0	0	130	130	130	65				
Ord Community	County of Monterey	8	52	377	539	539	539	720				
mc	UC MBEST	3	3	94	299	515	515	230^{3}				
Ord Co	City of Seaside	657 ¹	657 ¹	732	958	1,900 ⁵	2,611 ⁵	1,012				
	State Parks and Rec. ⁶	0	0	12	18	20	25	45				
	Marina Ord Comm.	264	285	901	1,572	1,702	1,704	1,625 ²				
	Assumed Line Loss	395	348	348	348	348	348	348				
Marina	Armstrong Ranch	0	0	0	680	680	680	920				
Ma	Marina Central	1,823	1,823	2,184	2,491	2,606	2,725	3,020				
Su	btotal - Ord	2,351	2,382	3,756	5,872	7,286	8,028	6,900 ⁴				
	Subtotal - Marina	1,823	1,823	2,184	3,171	3,286	3,905	3,940				
	Total	4,174	4,204	5,940	9,042	10,572	11,932	10,840				

^{*}Actual demands from calendar year 2012 used to represent a non-drought year.

Source: Schaaf and Wheeler 2017

To address the need for additional water supply, Marina Coast Water District is developing the RUWAP that would provide an additional 2,400 AFY of potable and/or recycled water. The RUWAP distribution system has been designed and partially constructed, but is not yet in operation.

^{**} Projected 2015 demands. Actual use was lower due to mandatory drought restrictions

¹ Seaside includes Seaside Resort Golf Course (250 AFY temp use) in 2012 and 2015 only.

^{2.} Allocation includes 1325 AFY groundwater and 300 AFY existing pilot desalination plant

 $^{3. \} UC \ MBEST$ water allocation includes $230 \ AFY$, they have commented that they are willing to build out to their full water allocation as soon as the market allows it.

^{4.} Allocation includes 6600 AFY groundwater and 300 AFY existing pilot desalination plant.

^{5.} Includes water allocation for location of the former Monterey Downs project potentially starting in year 2026 (to be conservative for water planning purposes; estimated demand is for UWMP planning assumptions only).

^{6.} Although State Parks and recreational/open space lands are not included in the Proposed Project, MCWD and State Parks have an agreement for MCWD to serve the Fort Ord Dunes State Park, therefore these water demand numbers were included in the analysis.

The MCWRA and its agency partners, including the MRWPCA, have two major capital projects that are managed to provide improvements to groundwater quality and address the long-term trend of seawater intrusion and groundwater level declines in the SVGB. They include the Castroville Seawater Intrusion Project (CSIP) and the Salinas Valley Water Project. The Salinas Valley Water Project included reoperation of the Nacimiento and San Antonio reservoirs and construction and operation of a new seasonal diversion facility called the Salinas River Diversion Facility (or rubber dam) has been providing river water for irrigation since 2010. The Castroville Seawater Intrusion Project provides treated (recycled) wastewater from the Regional Treatment Plant to agricultural growers in the unincorporated Castroville area of Monterey County. Additionally, the PWM/GWR Project once implemented will provide approximately 4,000 – 5,000 AFY of recycled water for irrigation in the CSIP area, reducing the need for pumping in this area of the SVGB.

The MCWD Board does not allocate water supply to projects, but instead advises customer land use jurisdictions as to the current and historic water use within their boundaries and the estimated remaining supply available for new developments. Within the Ord Community, the FORA Board has managed the allocation of Salinas Valley groundwater supplies among the seven land use jurisdictions, and they, in turn, sub-allocate water supply to specific projects.

The Reuse Plan EIR identified potential impacts related to increased runoff, drainage, and water quality impacts. However, with implementation of the policies contained in the Reuse Plan, impacts were found to be less than significant. Reuse Plan policies have been incorporated in local jurisdiction planning documents.

Flood hazards within the former Fort Ord area are localized north along the Salinas River Bluff within unincorporated Monterey County. This area is considered to be susceptible to 100-year floods and storms in 1995 flooded portions of these areas impacting both agricultural land and some residential properties. Flood danger from reservoir ruptures within the Salinas Valley watershed (San Antonio or Nacimiento Reservoirs) could cause swelling of the Salinas River and could create a flood condition in the area described above.

In adopting the Reuse Plan, FORA also adopted a reduced development scenario and water allocation program to restrict water use and development in accordance with available water supplies (See Chapter 1.5 Earlier Analysis above). The Reuse Plan EIR includes mitigation for implementing stormwater detention systems to aid groundwater recharge, and Reuse Plan EIR mitigation measures have been incorporated into local jurisdiction planning documents.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no

additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

Regardless of the reorganization of boundaries under this proposed service area, current and future water supply within the Ord Community will continue to be provided by the District. Thus, the reorganization or governance structure proposed under the service area would not affect planning, permitting, or design for those areas or projects such as to create any physical impacts to hydrology and water quality.

The following address specific CEQA checklist items for the Proposed Project.

a) The Proposed Project would not result in discharges that would potentially violate water quality standards or waste discharge requirements. The District collects wastewater and conveys it to the MRWPCA treatment facilities. The District owns and operates 20 lift stations, more than 140 miles of gravity sewer pipeline and 7 miles of forced main to convey wastewater to the MRWPCA Regional Wastewater Treatment Facility. Sewage is conveyed to an interceptor and measured at the MRWPCA pump station for the Marina collection system and at the Flume structure for the Ord Community collection system.

The Proposed Project consists of a SOI amendment and annexation extending service areas to area already with water/wastewater service by the District. There would be no discharges or wastewater system improvements through this boundary adjustment. No change is proposed in wastewater treatment that would impact water quality standards. Therefore, the Project would have no effect on water quality standards or wastewater discharge requirements and would result in no impact.

b) The District's Central Marina and Ord Community water service areas overlie portions of the Monterey Subbasin, the 180/400 foot Aquifer Subbasin, and part of the Seaside Adjudicated Basin. The District's municipal water system extracts water from the underground aquifers via a series of groundwater wells distributed along the Salinas Valley floor and supplying five major pressure zones. Water is pumped up to service the higher pressure zones via booster stations. Historically, MCWD supplied its Marina service area with water from wells screened in the 180-foot and 400-foot aquifers. Between 1960 and 1992, some of those wells indicated varying degrees of seawater intrusion and were replaced, first moving from the 180-foot aquifer to the 400-foot aquifer, and later moving to the Deep Aquifer. The District currently operates 4 wells in the Deep Aquifer-- Wells 10, 11, 12 and 34. MCWD also operates 4 wells that draw from the 180-Foot and 400-Foot Aquifers - Wells 29, 30, 31, and 35. The MCWD also has a desalination plant with a capacity of 300 acre-feet per year; the plant is capable of providing up to 13 percent of the annual water demand, but has not operated in recent years (MCWD 2013).

MCWD also has an existing agreement in place with MRWPCA that entitles it to purchase tertiary treated recycled water from the Regional Wastewater Treatment Plant up to the volume of wastewater it conveys to the treatment plant as well as an agreement with the MCWRA that sets the terms and conditions for purchasing recycled water from the Salinas Valley Reclamation Plant at the Regional Wastewater Treatment Plant (MCWD 1989, and MCWRA, et al. 1996).

The District's water system facilities also include potable water storage tanks, booster stations, and over 280 miles of pressured pipes ranging from 2 to 24-inches in diameter. Gate and pressure reducing valves are used to isolate or regulate flow between pressure zones. Historically, the District operated their distribution and supply facilities as two independent systems. One system served users in Central Marina. The second system served the Ord community. In 2005, the District completed a project that connected the two systems, maintaining the ability to preserve a balance of flows between the two systems through Supervisory Control and Automated Data Acquisition (SCADA) controls.

The Proposed Project consists of a SOI amendment and annexation of areas that already receive water and wastewater service from the District. There would be no expansion of water system or capacity increases through this boundary adjustment. No change is proposed in existing or proposed area water system improvements. Therefore, the Proposed Project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table.

Further, the Sustainable Groundwater Management Act (SGMA) of 2014 established a framework for sustainable, local groundwater management. Upon passage of SGMA, California Department of Water Resources (DWR) launched the Sustainable Groundwater Management (SGM) Program to implement the law and provide ongoing support to local agencies around the state. Under the SGM Program the DWR granted the District exclusive Groundwater Sustainability Agency (GSA) status within its jurisdictional boundaries within the Monterey Subbasin and the 180/400 Subbasin. Since the District has been determined to be an exclusive GSA in both the Monterey Subbasin and the 180/400 Subbasin, the MCWD GSA will be engaged in the development of Groundwater Sustainability Plans (GS Plans) for the entirety of these two Subbasins, in coordination with other GSA's within these Subbasins. Portions of the Ord Community water system in both the Monterey Subbasin and the 180/400 are currently in an "overlap state" as both the District and the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) have filed notifications with DWR to be the exclusive GSA over these areas. To promote collaboration, the MCWD has signed a Coordination Agreement with the SVBGSA to facilitate a positive working relationship and streamline efforts and resources moving forward. As part of the agreement, both agencies will join forces to apply for grant funds with MCWD being the responsible party for submitting proposals and applications for the Monterey Subbasin and the SVBGSA responsible for submitting the application for the 180/400 Subbasin. The agencies will also form a new coordination committee including representatives from MCWD and SVBGSA, and will share data and resources. This SOI and annexation proposal for the Ord Community is consistent with the SGMA and the District will be required to implement the GS

Plans to ensure groundwater supplies are maintained. Therefore, the Proposed Project would result in no impact.

The Seaside Groundwater Basin has been adjudicated by the State and is managed by the Seaside Groundwater Basin Watermaster. As mentioned earlier, although MCWD serves customers overlying the Seaside Basin, MCWD does not supply water from the Seaside Groundwater Basin, only from the Monterey Subbasin and the 180/400 Subbasin. Therefore, the Proposed Project will not affect the Seaside Groundwater Basin.

c) – f) Most of the District is on relatively flat land, with elevation increasing to the southeast, away from Monterey Bay and the Salinas River. Serviced elevations range from approximately sea level at the coast to approximately 500 feet. The redevelopment area of the former Fort Ord overlies a relic dune formation that slopes gradually westward towards Monterey Bay and to the north and east towards the Salinas Valley. The average annual rainfall of about 13.5 inches falls almost entirely from October to April. Essentially most of the Project area has been impacted in some way by facilities from the former military facility or from redevelopment occurring on the property. The impervious area associated with buildings, parking lots, other development and the roads that connect them currently covers approximately the majority of the project area. The Proposed Project is a boundary change and would not result in new development or impervious surfacing. The proposed boundary adjustments would have no effect on streams or watercourses in the vicinity. Therefore, the Proposed Project would result in no impact regarding alteration of drainage patterns and watercourses and potential subsequent erosion, siltation, or flooding. Furthermore, the proposed boundary adjustments would have no effect on or increase in runoff. The annexation would not substantially increase the rate or amount of surface runoff in a manner that would result in flooding and would not substantially alter the existing drainage pattern of the site.

Each of the local jurisdictions of the City of Marina, Seaside, the County of Monterey and CSUMB have each adopted their own General Plans, Master Plans, Ordinances and development standards that govern the planning and future development of the Proposed Project area. Individual jurisdictions are responsible for performing a number of permit-related activities that collectively are intended to reduce pollutants that enter and are discharged from the storm drain systems within the area. Additionally, the Central Coast Regional Water Quality Control Board (RWQCB) relies on its adopted "Water Quality Control Plan for the Central Coast Basin Plan" (Basin Plan) to manage surface and groundwater in order to provide water quality standards (CCRWQCB, 2009). The Central Coast RWQCB implements the Basin Plan by issuing and enforcing pollution standards: 1) waste discharge requirements (non-water body discharges); 2) National Pollutant Discharge Elimination System permits (surface water body discharges) for point source discharges, water-quality based effluent limitations, prohibitions of discharge, and the review and establishment of Total Maximum Daily Loads. Monitoring for compliance is accomplished through various programs and agencies: discharger self-monitoring is required under WDRs and NPDES permits; the Central Coast Ambient Monitoring Program (CCAMP), Surface Water Ambient Monitoring Program (SWAMP), and the Groundwater Ambient Monitoring and Assessment (GAMA) Program are used by the RWQCB.

Any indirect impacts associated with future residential or commercial development, or implementation of development plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the project area would cause changes that may potentially result in indirect hydrology and water quality impacts, the assumption of annexation or future development resulting in significant impacts to hydrology and water quality is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on the public or environment in relation to hydrology and water quality.

- g) h) None of the Project elements would result in construction of housing or other structures within a floodplain or expose people to flood hazards. Therefore, the Project would have no impact related to placement of housing or structures within a flood hazard area.
- i) j) None of the Project elements would result in construction of new facilities that would expose
 people or structures to a significant risk of loss, injury or death involving flooding, including
 flooding as a result of the failure of a levee or dam or inundation by seiche, tsunami, or mudflow.
 Therefore, there is no impact.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, and, 15.

4.10. Land Use and Planning

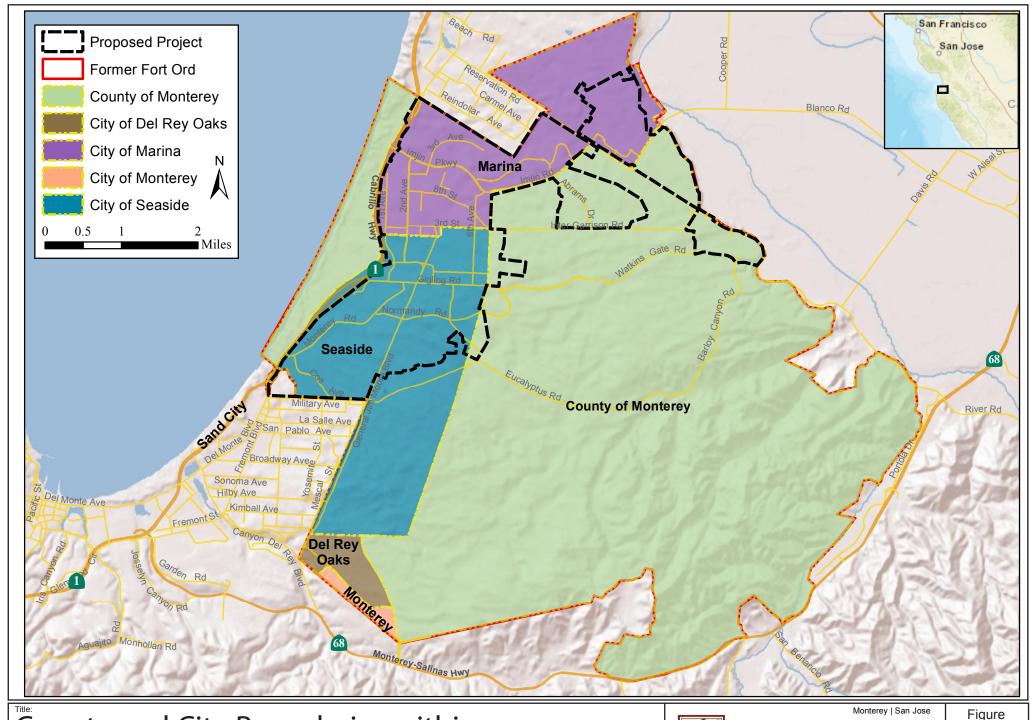
The State Cortese-Knox Act, which was revised by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (AB 2838), grants the Local Agency Formation Commission (LAFCO) the power and duty to review proposals for changes of organization or reorganization, including adjustments and/or expansions to service district boundaries. Monterey County LAFCO would be responsible for approval of the proposed Sphere of Influence amendment and annexation to the MCWD service boundaries. Among the purposes of the LAFCO review are the organized and efficient extension of governmental services, protection of open space and prime agricultural lands, and consideration of adequate affordable housing.

Table 1, above, summarizes the areas of the Proposed Project; the existing area of the MCWD area is 1,658 acres with a SOI of 3,116 acres. The proposed annexation area totals 5,753. The parcels within the proposed SOI and annexation sites area are designated primarily as mixed use or public/quasi-public well as other land use designations as shown on **Figure 3**, above.

		Less Than Significant		
W 114	Potentially Significant	With Mitigation	Less Than Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
a) Physically divide an established community?				
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				

Setting: The 1997 Reuse Plan governs the redevelopment of the former Fort Ord. Five local jurisdictions govern territory at the former Fort Ord: County of Monterey (2,830.6 acres), and the cities of Del Rey Oaks (362.1 acres), Marina (3,022.1 acres), Monterey (135.2 acres), and Seaside (1,470.5 acres). Most of the 1997 Reuse Plan elements are arranged with a set of policies for each of the three jurisdictions – Monterey County, Marina, and Seaside -- with large territories within the former Fort Ord (Circulation and Air Quality policies are the exception). The Reuse Plan assigns land use designations, as well as goals, policies, and objectives related to base reuse. The Reuse Plan also identifies a range of land use categories, density standards, and permitted uses for land within the boundaries of the former Fort Ord. Applicable land use designations include residential use designations, mixed use and commercial designations, retail uses, visitor serving/open space/recreation/ habitat management, institutional and public facilities, and community right-of-ways.

As noted above, former Fort Ord is located within the boundaries of multiple jurisdictions (refer to Figure 7). As a result, numerous goals, policies, and objectives of each of the municipalities' General Plans are applicable to portions of the former Fort Ord. While these General Plans are applicable to development activities undertaken within these municipalities, the overarching planning document affecting the redevelopment of the former Fort Ord is the Reuse Plan. For this reason, an exhaustive discussion of each of the applicable General Plans is not provided. Further, Chapter 8.0 of the FORA Master Resolution, which was adopted in March 1997, requires that each land use agency submit all legislative land use decisions affecting property in the former Fort Ord to FORA for review. Figure 4 contains an updated land use map per the 1997 Reuse Plan. Figure 5 provides a graphical depiction of major developments within the former Fort Ord. Table 2 summarizes the acreage, jurisdiction, and current status of these projects. FORA's role in these projects is assurance of consistency with the Reuse Plan including reviewing legislative land use actions to determine consistency with the Reuse Plan. This process is not undertaken until after the projects have been approved by the jurisdiction with land use approval authority. CEQA and processing for individual projects is undertaken by jurisdictions, unless the project is an infrastructure project of a regional nature. Most individual projects have undergone CEQA review with the local land use jurisdiction prior to FORA review for consistency.



County and City Boundaries within Fort Ord



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Figure

The Reuse Plan EIR identified potential significant impacts related to incompatible land uses and/or potential land use conflicts. However, with implementation of the policies contained in the adopted "resource constrained" Reuse Plan, land use and planning impacts were found to be less than significant.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

Regardless of the reorganization of boundaries under this proposed service area, current and future water supply within the Ord Community will continue to be provided by the District. Thus, the reorganization or governance structure proposed under the service area would not affect planning, permitting, or design for those areas or projects such as to create any physical impacts to mineral resources.

The following address specific CEQA checklist items for the Proposed Project.

- a) The local jurisdictions of the City of Marina, Seaside and the County of Monterey have each adopted their own General Plans and Land Use Plans that govern the planning and development of the MCWD area and Proposed Project area. The action of changing the District's LAFCO boundaries and service area extensions will not divide an established community. Thus, no impact would result with implementation of the Proposed Project.
- b) The project is a proposal for a boundary adjustment for an existing service provider and would not conflict with any applicable land use plans, policies or regulations. **Table 3** in **Section 1.5 Earlier Analysis** contains a list of the local plans and state land planning documents governing development within the Ord Community. MCWD does not possess land use authority. As shown in **Table 3**, the provision of water and wastewater service to the Ord Community including the Proposed Project area was assumed to be the responsibility of MCWD; the MCWD annexation does not change those conclusions.

Two regional water management agencies have jurisdiction over groundwater production in the vicinity of the MCWD. The MCWRA is responsible for regulation and supply of water from the SVBG. The MPWMD is responsible for regulation and supply of water from the Seaside

groundwater basin¹⁴. Water supply for the Ord Community is provided by the SVGB, therefore, the overlap in service area represents a less than significant impact. Future water supply to the Ord Community will also include a combination of desalinated and recycled water, as explained above. As outlined in the RUWAP EIR as well as the MCWD UWMP extensive cooperation and coordination will be required between MCWD and MPWMD regarding water deliveries for the Monterey Peninsula.

Additionally, the SCSD has expressed interest in annexing Ord Community areas that are within the City of Seaside for wastewater only. Specifically this area includes lands between Military Avenue to the south and Divarty Street and Inter-Garrison Road to the north. This area is included in the current Proposed Project as the area is already served by MCWD and MCWD owns and maintains the water and wastewater infrastructure in this area. It is the intent of MCWD to continue serving their current customers and providing them with a proper governance structure, while developing a mutually agreeable approach to wastewater service in this area between SCSD and MCWD. However, ultimately it will be the decision of LAFCO to determine the appropriate wastewater service provider. Below outlines an analysis of the Project's consistency with relevant LAFCO policies pertaining to overlapping service area. The Project is consistent with all other LAFCO policies, as shown in **Appendix B**.

LAFCO Policy D.III.1: "Proposals, where feasible, should minimize the number of local agencies and promote the use of multi-purpose agencies. (Sections 56668 b and c.)"

LAFCO Policy D.III.2: "The effect of the approval of a proposal which would result in two or more districts or a city and a district possessing any common territory, the authority to perform the same or similar functions shall be considered by LAFCO. The views of the governing body of the city or special district possessing authority to perform the same or similar function in the subject territory should be made known to LAFCO. Proponents must justify the need for boundary change proposals which result in duplication of authority to perform similar functions. (Section 56668 b and c.)."

Consistent. This SOI amendment and annexation proposes for a single provider for water and wastewater service to the Ord Community, including those areas currently served by MCWD for wastewater service within the City of Seaside. The District's objectives for the Proposed Project is to enable MCWD to maintain service to their current customers and provide a government structure for these customers to be properly represented.

c) As described above in **Section 4.4 Biological Resources**, an HMP for lands within the Fort Ord has been developed and a HCP is underway. The Proposed Project would not conflict with the HCP as it will provide service to areas already developed and being served by the district; therefore, there is no impact.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

¹⁴ The southern portion of the Seaside Sub-Basin was formally adjudicated in 2006 and is managed by the Seaside Basin Watermaster.

4.11. Mineral Resources

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				

Setting: No significant mineral resources have been identified in the annexation area, according to the Reuse Plan, its EIR, and the other EIRs and IS/NDs prepared for projects within the former Fort Ord, and there are no large mines or mining operation currently occurring in the Project area.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) – b) As described above, there are no known significant mineral resources within the Proposed Project area. Furthermore, the Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area, no new infrastructure, construction activities, or operational activities are proposed. Therefore, the Project would not result in the loss of availability of a known mineral resource that would be of value to the region and residents of the state or result in the loss of availability of a locally important mineral resources recovery site delineated on a local general plan, specific plan or other land use plan. The Proposed Project would not have an adverse impact mineral resources.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.12. Noise

W	ould the project result in:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				
b)	Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				
c)	A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				
d)	A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				
e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				
f)	For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				

Setting: The Reuse Plan EIR identified noise impacts on future development related to exposure to noise, including airport and construction noise. However, with implementation of the policies contained in the Reuse Plan, impacts were found to be less than significant. Reuse Plan policies have been incorporated in local jurisdiction planning documents.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) – d) The Project would not directly result in any physical development or construction of infrastructure improvements that would directly expose people to excessive noise levels, or groundborne vibrations/noise. Furthermore, most of the Project area is already served by MCWD or is planned for service therefore the Proposed Project would not result in an permanent or temporary increase in noise levels. Therefore, the Proposed Project would not have any direct impacts in relation to noise on people.

Any indirect impacts associated with future residential or commercial development, or implementation of development plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on exposure of people to noise.

e) – f) The Marina Municipal Airport is included in the proposed annexation area, however this area is already served by MCWD, therefore the Proposed Project would have no impact exposing people residing or working in the Project area to excessive noise levels.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.13. Population and Housing

		Less Than Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project:	Impact	Incorporated	Impact	Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				

Setting: The District was founded in 1960 to provide water services to residential, commercial, industrial and environmental uses for the unincorporated community of Marina. Currently, the MCWD provides potable water and wastewater conveyance services to Central Marina and within Ord Community. The Ord Community service area encompasses 44 square miles while the Central Marina service area covers 3.2 square miles. The approximate population of the MCWD service area is 33,000 with approximately 8.300 service connections.

MCWD historically served only the City of Marina, which incorporated in 1975. In 1997, the District began providing service to the Ord Community under agreement with FORA. **Table 7** depicts MCWD's growth from 1960 to 2010. Between 1920 and 1970, population increases for Marina were quite steady. From 1970 to 1980 the population nearly tripled. Growth rates moderated in the 1980s, with the population reaching a near-term peak in 1990. With the closure of Fort Ord as a military base in 1994, the City and MCWD experienced a decline in population (the on-base population was estimated at 31,000 in 1990) (MCWD/Schaaf & Wheeler 2016)

	Ţ.	TABLE 7 HSTORIC POPUL	ATIONS			
Service Area	1960	1970	1980	1990	2000	2010
City of Marina*	3,310	8,343	20,647	26,436	18,927	19,718
Ord Community**					14,886	10,762
Total	3,310	8,343	20,647	26,436	33,813	30,480

NOTES:

With redevelopment of the Fort Ord lands, population growth is expected to return, with population projections shown in **Table 8**. These projections include redevelopment of the Ord Community, including portions of the cities of Seaside, Del Rey Oaks, and Monterey, campuses for the University of California and California State University, and lands remaining under the jurisdiction of the County of Monterey within the boundaries of the former Fort Ord (MCWD/Schaaf & Wheeler, 2016).

TABLE 8 PROJECTED POPULATIONS						
Service Area	2010*	2015	2020	2025	2030	2035
City of Marina*	13,646	17,703	18,770	24,504	25,620	26,736
Ord Community**	16,834	14,672	21,694	32,144	39,015	43,425
Total	30,480	32,375	40,464	56,648	64,635	70,161

Notes:

With or without LAFCO approval of the SOI amendment and annexation, the former Fort Ord is planned for accommodating new development consistent with the land uses, intensities, and constraints adopted in the Fort Ord Reuse Plan. The Reuse Plan EIR reviews growth inducement resulting from the Plan for both the year 2015 and ultimate buildout. The Year 2015 development scenario was found to be consistent with regional population projections for the former Fort Ord, and population and employment numbers were used in developing the constrained development scenario that was a part of the adopted

^{*}City of Marina totals include the portion of the city within the Ord Community

^{**}Ord Community totals excludes the City of Marina portion. Ord population shown only for period served by MCWD. Source: MCWD /Schaaf and Wheeler, 2016. 2015 UWMP.

^{*}City of Marina totals include the portion of the city within the Ord Community

^{**}Ord Community totals excludes the City of Marina portion. Ord population shown only for period served by MCWD. [4] Source: MCWD /Schaaf and Wheeler, 2016. 2015 UWMP.

Reuse Plan. In approving the Reuse Plan, FORA adopted "Constrained Development" plan in which overall land use intensity was reduced from 22,232 total residential units to 10,816 total residential units, and from 45,457 new jobs to 18,342 new jobs. **Table 9** compares ultimate buildout at Fort Ord under the Reuse Plan, estimated development in the year 2015, and the level of development adopted by FORA as part of the Reuse Plan.

Additionally, FORA adopted a limitation on water use for each jurisdiction. As part of the proceedings to adopt the Reuse Plan, FORA adopted the "Development and Resource Management Plan" (DRMP) to ensure that reuse of the former Fort Ord will restrain development to available resources and service constraints, including water and transportation. Under the DRMP which governs redevelopment of the former Fort Ord lands to civilian uses, FORA agreed to constrain redevelopment on former Fort Ord lands by limiting the number of new residential housing units to 6,000 until the Reuse Plan is reassessed, and additional water supplies identified. FORA further recognized that the supply of Salinas Basin groundwater available to serve redevelopment, or reuse, projects is limited by a 1993 agreement with the MCWRA. Under that 1993 Agreement, 6,600 AFY of Salinas Basin groundwater is available for use on Ord Community lands. Since the closure of Fort Ord, that total quantity of water has been allocated between FORA and the U.S. Army, with FORA sub-allocating its share of this Salinas Basin groundwater supply to its member land-use jurisdictions to support redevelopment projects within the Ord Community. Further, per FORA Resolution 98-1, local jurisdictions must include policies and programs consistent with the DRMP related to water and development constraints.

TABLE 9 FORT ORD BUILDOUT SCENARIOS						
Scenario	Projected Population	Projected Number of Housing Units	Projected Number of Jobs			
Reuse Plan Ultimate Buildout [1]	51,773 + 20,000 CSUMB on- campus students	22,232 dwelling units (including 5,100 on the CSUMB campus)	45,457 new jobs			
Reuse Plan to the Year 2015 [2]	38,859 (including 10,000 CSUMB students)	13,366 units (including 2,500 dorm units)	18,342 new jobs			
"Constrained Development" Scenario adopted as part of Reuse Plan [3]	37,340	10,816 units	18,342 jobs			

SOURCES:

- [1] Fort Ord Reuse Plan Draft EIR, May 1996
- [2] Fort Ord Reuse Plan Draft EIR, May 1996, Table 5.2-1, page 5-11.
- [3] FORA Board Report, Agenda Item 3a, June 13, 1997 Meeting, Exhibit 3—"Summary of Reuse Plan".

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future

annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) The Proposed Project would not involve any construction activities, such as new homes, businesses or, the modification of existing infrastructure at the Project site. No new streets/roads would be constructed, widened or extended as a result of the Proposed Project. Furthermore, the Proposed Project would not result in the conversion of land use designations under the Fort Ord Reuse Plan or, be applicable to a zoning change.

Currently, the majority of the area proposed for boundary adjustments are developed with residential and commercial existing land uses and either served by the District or planned for services. Water and wastewater provision under the District would not necessarily promote or foster development of existing lots of record, expansion of existing uses, residential and commercial remodels, and similar purposes. As described above, there is currently a major constraint for water available for new residential or commercial subdivisions, new large-scale commercial development, or projects that are inconsistent with the FORA DRMP and/or existing site zoning and general plan designations within the each local jurisdiction. Further, see the specific bullets below addressing indirect impacts of growth inducement.

- The Proposed Project would not "extend infrastructure" (per the CEQA checklist criteria) as the proposed areas for annexation are already served by the District, refer to **Table 2**.
- The proposal, on its own, would not enable new development that is otherwise unable to proceed. Infrastructure already exists in the area and is not an existing constraint on new development being able to occur (availability of potable water is the primary physical constraint).
- Any future development of the areas to be annexed would still require individual County and CEQA clearance, permitting, and any other required approvals.

As a direct population growth or growth inducement Project, the Proposed Project has none of the traditional features or elements that would promote or encourage such urban development. There is no housing, development of buildings and no permanent jobs would be added to the area. Therefore, the Project would not induce substantial population growth. The Project would expand the service area for District which is a boundary adjustment. Future applications to the District would require wastewater distribution upgrades to provide reliable service, but does not

- represent a major expansion in use or services overall compared to existing conditions that would directly or indirectly facilitate growth. This represents a less than significant impact.
- b) c) The Proposed Project would not displace existing people or housing, or require the construction of replacement housing elsewhere. The Proposed Project does not involve any new housing or infrastructure, nor does it propose any activities that would change, or otherwise affect regional communities, populations, or residences.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, 9, and 15

4.14. Public Services

		Less Than		
		Significant		
	Potentially	With	Less Than	
	Significant	Mitigation	Significant	No
Would the project result in:	Impact	Incorporated	Impact	Impact
Substantial adverse physical impacts associated with the				
provision of new or physically altered governmental				
facilities, need for new or physically altered governmental				
facilities, the construction of which could cause significant				
environmental impacts, in order to maintain acceptable				
service ratios, response times or other performance				
objectives for any of the public services:				
a) Fire protection?				
b) Police protection?				
c) Schools?				
d) Parks?				
e) Other public facilities?				

Setting: The Reuse Plan EIR identifies public service impacts related to fire protection and law enforcement, which were identified as potentially significant unavoidable impacts. Significant unavoidable impacts were evaluated in the Reuse Plan EIR and FORA adopted "Findings of Overriding Consideration" in relation to these issues. Local jurisdiction planning documents incorporate land uses, land use intensities, and policies, consistent with the Reuse Plan. Mitigation measures included in the Reuse Plan EIR address public service impacts, including working with FORA and local law enforcement and fire protection agencies to develop a regional program and funding for these services. Additionally, in approving the Reuse Plan, FORA adopted a "Constrained Development" Scenario that significantly reduced development potential from what was identified in the 1996 "Public Draft" Reuse Plan, thus further reducing these impacts.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by

itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) – e) The Project would not directly result in any physical development or construction of infrastructure improvements that would directly involve new development or habitable structures that would result in new population growth or demands for public services. The Project does not involve new habitable structures and will bring no new students to the area, require no new school facilities, or impact parks/recreation facilities or other governmental services. Therefore, the Proposed Project would not have any direct impacts on public services.

As described above, the Base Reuse Plan EIR identified potentially significant and unavoidable impacts to public services associated with the development of Fort Ord. However, any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the Project area would cause changes that may potentially result in indirect impacts to public services, the assumption of annexation or future development resulting in significant impacts to public services is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on public services.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.15. Recreation

		Less Than Significant		
Would the project:	Potentially Significant Impact	With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				

SettingDiscussion/Conclusion/Mitigation: Regional and community park and open space uses are included in the Reuse Plan; however, the Reuse Plan EIR, and other environmental documents for redevelopment of the Ord Community did not identify any significant impacts related to recreational uses.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) – b) The Proposed Project would not impact any recreational resources, since no development or construction is proposed by the Project. Increase in the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would not occur. There is no construction or expansion of recreational facilities as part of this Project. Furthermore, the annexation area does not include any areas designated for open space, only areas that are currently developed and serviced by MCWD or planned for development. Therefore, the Proposed Project would not have any direct impacts on recreational resources.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.16. Transportation/Traffic

W	Would the project:		Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?					
b)	Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measure, or other standards established by the county congestion management agency for designated roads or highways?				•
c)	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				•
d)	Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				
e)	Result in inadequate emergency access?				
f)	Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				

Setting: The Reuse Plan EIR identifies potential significant impacts related to increased traffic on the regional road system, and future needed improvements. Local jurisdiction planning documents incorporate policies contained in the Reuse Plan to insure timely implementation of traffic improvements and coordination between land use development and transportation improvements.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and

other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

a) – f) The Proposed Project would not result in any significant transportation/traffic related impacts. The Project does not involve the construction of any new facilities and no new uses would be associated with the implementation of the Proposed Project. No new facilities would be constructed as part of the Proposed Project. As a result, the Proposed Project would not conflict with the Reuse Plan EIR or any other applicable local jurisdiction traffic standards, conflict with applicable congestion management requirements, cause a change in air traffic patterns, substantially increase potential hazards due to a design feature (e.g., dangerous intersections), result in inadequate emergency access, result in an unacceptable level of service (LOS), or otherwise result in a traffic-related impact. There would be no direct traffic-related effects in connection with the implementation of the Proposed Project.

As described above, the Base Reuse Plan EIR identified less than significant traffic/transportation impacts associated with the development of Fort Ord. However, any indirect impacts associated with future residential or commercial development, or implementation of redevelopment plans and projects may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. While the eventual development of the project area would cause changes that may potentially result in indirect impacts to traffic/transportation, the assumption of annexation or future development resulting in significant impacts to traffic/transportation is considered speculative. Furthermore, any development within annexation areas would require further CEQA review and be subject to Reuse Plan and local policies and requirements. Therefore, implementation of the Proposed Project would not have any adverse direct or indirect impacts on traffic/transportation.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.17. Tribal Cultural Resources

Would the project cause a substantial adverse change in the				
significance of a tribal cultural resource, define in Public				
Resources Code section 21074 as either a site, feature,		Less Than		
place, cultural landscape that is geographically defined in		Significant		
terms of the size and scope of the landscape, sacred place, or	Potentially	With	Less Than	
object with cultural value to a California Native American	Significant	Mitigation	Significant	No
tribe, and that is::	Impact	Incorporated	Impact	Impact
a) Listed or eligible for listing in the California Register of				
Historical Resources, or in a local register of historical				
resources as defined in Public Resources Code section				
5020.1 (k), or (Source: 1, 2, 3, 4, 5, 7, 15)				
b) A resource determined by the lead agency, in its				
discretion and supported by substantial evidence, to be				
significant pursuant to criteria set forth in subdivision				
(c) of Public Resources Code Section 5024.1. In				
applying the criteria set forth in subdivision (c) of Public				
Resources Code Section 5024.1, the lead agency shall				
consider the significance of the resource to a California				
Native American tribe. (Source: 1, 2, 3, 4, 5, 7, 15)				

Setting: See Section 4.5 Cultural Resources, above.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided.

The following addressed checklist items for direct impacts of the Proposed Project.

- a) As indicated above in **Section 4.5 Cultural Resources** the Proposed Project would not result in any adverse impacts to historical resources within the Project area.
- b) The Proposed Project would not directly result in any physical development or construction of infrastructure improvements that would directly affect the environment. Since the Proposed

Project would not entail the construction of physical improvements or otherwise result in ground-disturbing activities, the Proposed Project would not directly affect tribal cultural resources. Furthermore, no tribal cultural resources or Native American resources have been identified to date, and findings of these resources are unlikely. In addition, pursuant Public Resources Code Section 21080.3.1, the District shall provide formal written notification in accordance with to the California Native American tribe or tribes that are traditionally and culturally affiliated with the Project area if that tribe(s) has requested notification from the District of Proposed Projects, the tribe has 30 days of the notification to request consultation, to determine if the Project may have a significant effect on a tribal cultural resources. The results of this consultation process are pending.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.18. Utilities and Service Systems

Would the project: a) Exceed wastewater treatment requirements of the		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
	applicable Regional Water Quality Control Board?				
	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				
	Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				
1	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				
]	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				
1	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				
	Comply with federal, state, and local statutes and regulations related to solid waste?				

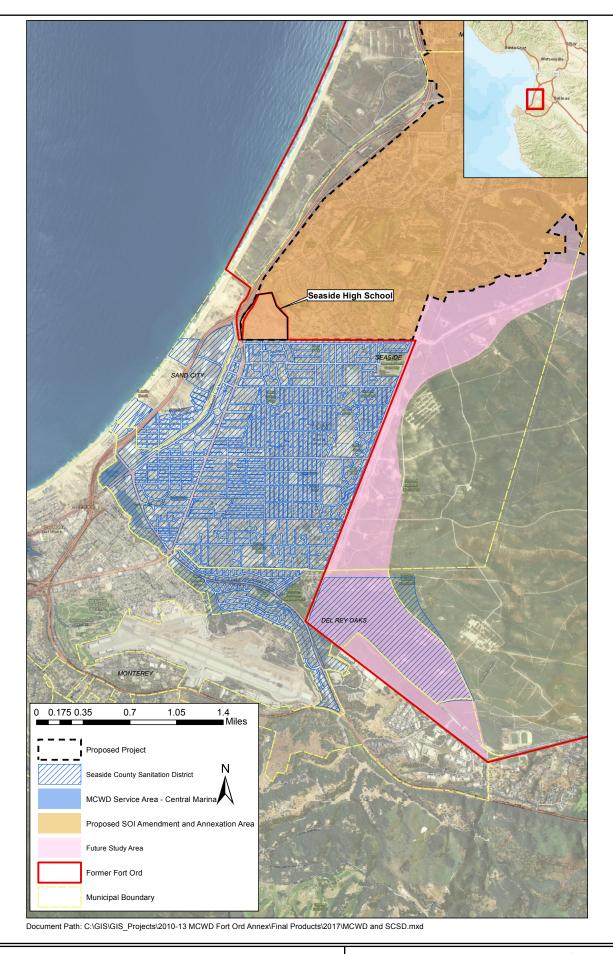
Setting: The Proposed Project area is governed by a number of jurisdictions and service providers.

- MCWD is a County water district formed and authorized by Division 12 of the California Water Code. In 1996, Marina Coast Water District was selected by the Fort Ord Reuse Authority (FORA) to take over conveyance of the water supply and wastewater systems at the former Ford Ord community, consisting of approximately 28,000 acres, including federal and state land, and portions of the cities of Seaside, Monterey, Del Rey Oaks, Marina and portions of unincorporated Monterey County. In November of 2001, water supply and wastewater systems were conveyed through a Public Benefit Conveyance to MCWD; the District is responsible for providing water supply and wastewater collection service throughout the former Fort Ord military base..
- The MPWMD manages groundwater and surface water resources and water provision for approximately 100,000 people in the Monterey Peninsula. MPWMD's jurisdictional area includes: Carmel-by-the-Sea, Del-Rey Oaks, Monterey, Pacific Grove, Seaside, Sand City, Monterey Peninsula Airport District and portions of Unincorporated Monterey County including Pebble Beach and Carmel Valley¹⁵. State Legislature created MPWMD on June 6, 1978.
- The Seaside Municipal Water System, which is operated and maintained by the City of Seaside, provides water service to a limited number of residents on the east side of the city along the west side of General Jim Moore Boulevard. The system includes one groundwater production well and two 500,000-gallon water tanks (City of Seaside, 2013).
- Seaside Basin Watermaster governing the Seaside Basin. The Seaside Basin has experienced chronic overdraft conditions with declining water levels in both of the Basin's primary aquifers that are used for water supply (the deeper, confined Santa Margarita aquifer and the shallower, unconfined Paso Robles aquifer). In 2006, an adjudication process (Californai American Water v. City of Seaside et al., Case No. M66343) led to the issuance of a court decision that created the Seaside Groundwater Basin Watermaster (Watermaster). The Watermaster consists of nine representatives: one representative from each of California American Water, City of Seaside, Sand City, City of Monterey, City of Del Rey Oaks, Water Management District and Monterey County Water Resources Agency; and two representatives from landowner groups.
- The Seaside County Sanitation District (SCSD) is a special district responsible for the maintenance and operation of the sanitary sewer collection system serving the Cities of Del Rey Oaks, Sand City and Seaside. SCSD's sanitary sewer collection system serves an area of approximately 2,400 acres with a population of about 30,000. The sewer system consists of approximately 70 miles of pipeline with 930 manholes, 475 rod holes, and 4 lift stations. The wastewater is ultimately pumped to the MRWPCA Regional Wastewater Treatment Plant.

SCSD: The SCSD has annexed a portion of lands within the Former Fort Ord in the City of Del Rey Oaks into its service area for wastewater collection service, see **Figure 8**. The current SCSD SOI encompasses all of Sand City and Del Rey Oaks, and those portions of Seaside outside the former Fort Ord. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (as amended, Government Code Section 56668 d.), discourages more than one agency to provide municipal services (in this case, wastewater collection) within a given service area. Therefore, under the Proposed Project, the SCSD service areas are not included in the proposed SOI ammendment and annexation area. Additionally, areas

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¹⁵ The MPWMD manages groundwater and surface water resources of the Seaside, but exempts the portions of Del Rey Oaks, Monterey and Seaside that are on the former Fort Ord from MPWMD water supply regulation requiring Water Distribution System Permits.



Title:

Seaside County Sanitation District Service Boundary Map



Monterey | San Jose

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8

within the City of Seaside boundary of the Ord Community east of General Jim Moore not currently developed are not included in the MCWD SOI and Annexation Project area or proposal, the area has been assigned a designation of Future Study Area as shown on **Figure 2**. In addition to the Future Study Area east of General Jim Moore, SCSD has expressed interest in annexation of areas between Military Avenue to the south and Divarty Street and Inter-Garrison Road to the north for potential SCSD annexation and future wastewater service provision¹⁶. This includes areas which are currently developed and served by MCWD for water and wastewater. Engineering studies have been performed on these areas by both SCSD and MCWD, and future agreements on the service provision within the areas currently served by MCWD and the Future Study Area will be determined by the affected agencies as well as LAFCO action on the requested MCWD SOI and annexation proposal.

Two regional water management agencies have jurisdiction over groundwater production in the vicinity of the MCWD. The MCWRA is responsible for regulation and supply of water from the SVBG the source supply for the MCWD. The MPWMD is responsible for regulation and supply of water from the Seaside groundwater basin, see **Figure 9**¹⁷. Areas within the MPWMD jurisdictional boundary are within the areas proposed for annexation by MCWD. However, the SVGB aquifer only extends into the northern and eastern portions of the Ord Community, so MCWD wells cannot be relocated into the cities of Seaside, Del Rey Oaks, or Monterey within the area governed by the MPWMD and in the Seaside Groundwater Basin.

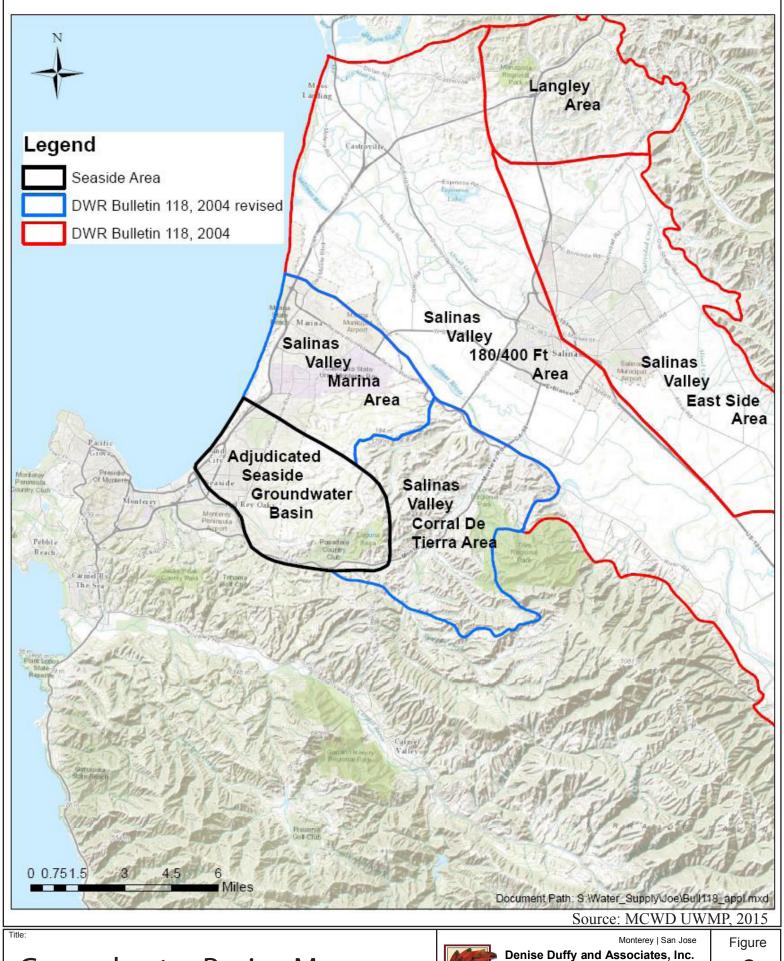
The Reuse Plan identified potentially significant impacts related to water systems and supplies, wastewater generation, storm drainage, and solid waste disposal. With implementation of the policies contained in the Reuse Plan and additional mitigation measures outlined in the Reuse Plan EIR, impacts were found to be less than significant, except for cumulative impacts to water systems and supplies. Reuse Plan policies and mitigation measures have been incorporated into local jurisdiction planning documents.

Water and Wastewater: In approving the Reuse Plan, FORA adopted a "Constrained Development" Scenario that significantly reduced development potential from what was identified in the 1996 "Public Draft" Reuse Plan, and which includes utilization of a maximum of 6,600 AFY throughout the entire former Fort Ord base, including all jurisdictions as established per Agreement No. A-06404 between the U.S. Army and the Monterey County Water Resources Agency. The Reuse Plan adopted by FORA limits development throughout Fort Ord to a total of 10,816 housing units, 18,342 jobs, and 37,340 people, as discussed further above. This total was not distributed among the various jurisdictions, but each jurisdiction was allocated a water supply that could be used for development and that cannot be exceeded. As reported earlier, in adopting this limitation, FORA included a water allocation to the member jurisdictions. FORA Resolution 98-1 also requires jurisdictions to include policies consistent with this "constrained scenario" as outlined in the DRMP. Future development within the Ord Community area of the former Fort Ord military base will be constrained by this existing water allocation.

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¹⁶ Per SCSD communication to MCWD and LAFCO, SCSD has stated its intent to proceed with an application to expand its SOI and request annexation of all areas of the Ord Community within the City of Seaside for sanitary sewer services except those lands belonging to the CSUMB within the former Fort Ord.

¹⁷ The southern portion of the Seaside Sub-Basin was formally adjudicated in 2006 and is managed by the Seaside Basin Watermaster.



Groundwater Basins Map

DD&A

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The Reuse Plan EIR also indicates that with implementation of policies included in the Reuse Plan, that are also included in local jurisdiction planning documents, water demand and wastewater generation and treatment capacity would be reviewed as part of subsequent development plans, and all development would be conditioned on verification of adequate water supply and wastewater treatment capacity at the time development plans are being processed.

MCWD provides wastewater collection services only, with treatment performed at the MRPWCA Regional Wastewater Treatment Plant. MCWD's wastewater collection facilities in the project area include ownership and operation of 20 lift stations, more than 140 miles of gravity sewer pipeline and 7 miles of forced main to convey wastewater to the MRWPCA Regional Wastewater Treatment Facility. According to the UWMP, MCWD has the right to obtain treated wastewater from MRWPCA's regional treatment plant equal in volume to the volume of MCWD wastewater treated by MRWPCA and additional quantities not otherwise committed to other users. As a result, the Ord Community areas that are contributing wastewater through MCWD's collection system have a right to recycled water return flow. The Reuse Plan EIR indicates that the former Fort Ord purchased 3.3 MGD of capacity from the regional wastewater treatment plant, of which it consumed an average of approximately 2.4 MGD. The regional plant has a design capacity of 29.6 MGD, a permitted capacity of 29.6 MGD, and existing flows of varying between 17-18 MGD reduced from previous years when flows averaged 19-21 MGD and from the flows reported in the Reuse Plan EIR which reported average existing flows of 20 MGD. Thus, future development within the Ord Community area would not be constrained by wastewater system capacity; water supply would be reviewed as part of the environmental review process when specific projects are proposed.

As discussed above, SCSD also provides wastewater services to portions of the City of Seaside and Del Rey Oaks within the Ord Community. Consistent with the SCSD LAFCO service area, this includes land within the former Fort Ord within the Del Rey Oaks City limits. This area is proposed as a Future Study Area, allowing for future consideration of provision of wastewater service to the SCSD service area (not currently proposed for MCWD annexation or SOI). **Figure 4** identifies land uses planned by jurisdiction within Former Fort Ord, this includes the Future Study Area. The area has yet to be developed however, the City of Del Rey Oaks has approved an RV resort project on a portion of the site, and the Cities of Seaside and Del Rey Oaks have each adopted plans for future visitor serving, residential and commercial development.

Discussion/Conclusion/Mitigation: The Proposed Project would result in an expanded SOI and annexation of the area shown in **Figure 2**. The action of changing the District's LAFCO boundaries, by itself, will not result in physical impacts on the environment as the Proposed Project action involves no direct changes to the existing water and wastewater system, system requirements, or planning for future operations. Water demands on the former Fort Ord are projected to increase with development envisioned in the Fort Ord Base Reuse Plan and local plans, the RUWAP would provide an additional 2,400 AFY of potable and/or recycled water. The RUWAP recycled water distribution system has been fully designed and partially constructed, and construction for the additional 600 AFY recycled water for irrigation is planned to commence at the end of 2017. As noted above, and outlined in **Table 2**, inclusion into the District's SOI and future annexation into the District would not change the provision of water and wastewater services, as the areas are currently receiving these services under existing agreements. Additionally, as a boundary change, no additional infrastructure or services would be extended to the

Project area as part of the Proposed Project. For those limited areas where there is no existing operations or current service provision, approved plans for service include the District's adopted CIP, MCWD UWMP as well as the infrastructure service and other agreements for service provision identified in **Section 1.5 Earlier Analysis**. Additionally, the FORA Reuse Plan, City and County General Plans, Specific Plans, project-level certified environmental documents, and approved WSAs address service extension and provisions under MCWD if services are not currently provided. The District Board does not allocate water supply to projects, but instead advises customer land use jurisdictions as to the current and historic water use within their boundaries and the estimated remaining supply available for new developments. Within the Ord Community, the FORA Board has managed the allocation of Salinas Valley groundwater supplies among the seven land use jurisdictions, and they, in turn, sub-allocate water supply to specific projects¹⁸.

An UWMP is a long-term planning tool required to ensure adequate water supplies to serve existing customers and future demands for water, and which, in this case, assumed the Project's water demand in assessing supply needs (Water Code, §§ 10620–10631). MCWD's UWMP concluded that MCWD will have sufficient water supplies to meet all of its near- and long-term demands, even during multiple dry years for the Proposed Project area¹⁹.

Regardless of the reorganization of boundaries under this proposed service area, current and future water supply within the Ord Community will continue to be provided by the District. Thus, the reorganization or governance structure proposed under the service area would not affect planning, permitting, or design for those areas or projects such as to create any utilities and service systems impacts.

The following addressed checklist items for direct impacts of the Proposed Project.

- a) The Proposed Project includes a service area expansion to areas already serviced by the District and thus would not exceed applicable wastewater treatment requirements of the Regional Board; there is no impact.
- b) c) The UWMP, CIP and applicable MCWD improvements will occur as needed for service provision under current MCWD authority and responsibility. The Proposed Project would revise the boundaries of the MCWD and annex areas already served by MCWD into their service area. The Project would not directly result in any physical development or construction of infrastructure improvements, including construction or expansion of new water or wastewater treatment facilities, or construction of new storm water drainage facilities. Furthermore, indirect

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¹⁸ Pursuant to Government Code 67700, FORA will sunset on June 30, 2020. The water and wastewater facilities and rights were deeded from FORA to MCWD in 2001, so no change in ownership of those facilities and rights will occur when FORA sunsets.

¹⁹ Additionally, a number of EIRs for projects have been concluded with resultant water supply assessments (WSAs) prepared as part of the EIR. Both the Legislature and the California Supreme Court recognize that an EIR, in assessing the water supply impacts of a proposed project, may rely heavily on conclusions reached in a WSA prepared pursuant to the Water Code, particularly where the WSA shows that the water demand for the Proposed Project has already been assumed in the planning projections of the operative UWMP. (Pub. Resources Code, § 21151.9; Wat. Code, § 10910, subd. (c)(2); CEQA Guidelines1, § 15155, subd. (b); Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova (2007) 40 Cal.4th 412, 434–435 (Vineyard).)

impacts associated with development of new water supply and wastewater facilities, or storm drainage facilities may occur regardless of the implementation of the Proposed Project; therefore, these projects are not evaluated herein. All future projects would be subject to CEQA and will evaluate, and if feasible, mitigate significant impacts. Therefore, the Proposed Project would not necessarily promote or foster development within the Ord Community and there would be no impact.

- d) The Proposed Project includes a service area expansion to areas already serviced by the District. FORA manages its groundwater allocation and sub-allocations through their DRMP that annually tracks water use. MCWD Board does not allocate water supply to projects, but provides land use jurisdictions as to the current and historic water use within their boundaries and the estimated remaining supply available for new developments. As discussed above, however the Proposed Project does not include annexation of areas that are not already served or approved or planned for development and thus included in the Reuse Plan EIR water allocation projections, approved Water Supply Assessments and Verification of Water Supply Reports. As documented in the UWMP, sufficient water supplies are currently available to serve the Proposed Project from existing entitlements and resources. Per the UWMP (Section 4), MCWD included recycled water in RUWAP with completed project design and CEQA documentation. On April 8, 2016, MCWD and MRWPCA entered into the Pure Water Delivery and Supply Project Agreement, wherein the District will receive up to 1,427 AFY of advanced treated recycled water from the Pure Water Monterey Project. The project is expected to provide 600 AFY in 2020, and increase to 1,359 AFY in 2025 (2015 UWMP). The demand and supply reported in the 2015 MCWD UWMP identifies demand projections through 2035. However, regardless of implementation of the Proposed Project, future development within the Ord Community area of the former Fort Ord military base will be constrained by water allocation.
- e) The Proposed Project includes a service area expansion to areas already serviced by the District and thus would not result in inadequate wastewater treatment capacity.
- f) g) The Project will not generate solid waste; any future development in the project area must comply with all federal, state, and local statutes and regulations related to solid waste where applicable; there is no impact. The project site area is served by the Monterey Regional Waste Management District, which operates a landfill, recycling, and energy recovery facility north of Marina. The Monterey Regional Waste Management District is currently installing a new landfill module that will provide adequate capacity through 2028; the landfill has adequate capacity to serve the existing and future planned development in the region.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

4.19. Mandatory Findings of Significance

	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No
Does the project:	Impact	Incorporated	Impact	Impact
a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				

Discussion/Conclusion/Mitigation:

- a), c) The Proposed Project would not 1) degrade the quality of environment, 2) substantially reduce the habitat of a fish or wildlife species, 3) cause a fish or wildlife population to drop below self-sustaining levels, 4) threaten to eliminate a plant or animal community, 5) reduce the number or restrict the range of a rare or endangered plant or animal, 6) eliminate important examples of major periods of California history or prehistory, or 7) result in environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly. As discussed in the preceding sections, with the incorporation of the Reuse Plan policies, mitigation measures and other FORA-implementation documents into local jurisdiction planning documents, impacts to biological and cultural resources are less than significant, and the annexation will not result in substantial adverse effects on human beings.
- b) The Reuse Plan EIR identified significant unavoidable cumulative impacts associated with traffic and circulation; need for local water supplies; regional transportation system demand; increased demand for law enforcement services and the increased demand for fire protection/emergency services; exposure to hazardous materials; public health and safety transit services demand; and visual resource impacts associated with landscape change along the State Route 1 corridor. Significant unavoidable cumulative impacts were evaluated in the Reuse Plan EIR and FORA adopted "Findings of Overriding Consideration" in relation to these issues. Local jurisdiction planning documents incorporate land uses, land use intensities, and policies, consistent with the Reuse Plan. Mitigation measures address cumulative impacts, including development and

81

enforcement of stormwater detention plan, working with FORA and local law enforcement and fire protection agencies to develop a regional program and funding for these services, and implementation of design guidelines for development along the Highway 1 corridor.

As discussed in the preceding sections, in adopting the Reuse Plan, FORA adopted a "Constrained Development" scenario in which overall land use intensity was significantly reduced from what was evaluated in the Reuse Plan EIR to ensure that the reuse of the former Fort Ord will restrain development to available resources and services. This also serves to minimize cumulative impacts identified in the Reuse Plan EIR. Future proposed development activities and projects will be required to be consistent with the local jurisdiction General Plans and Zoning Ordinances in order to be consistent with the land uses and policies contained in the adopted *Fort Ord Reuse Plan*. The proposed annexation does not change land uses or policies as previously analyzed in the Reuse Plan EIR. The adoption of the proposed annexation will not result in direct development. Additionally, future development projects will be subject to site-specific environmental review as discussed in each section above. Further, the majority of the areas proposed for annexation and SOI amendment are already currently served or approved for planned and entitled development projects. Cumulative as well as project-level, indirect as well as direct, impacts of these approved projects have been adequately analyzed in an earlier EIR or negative declaration.

Sources: 1, 2, 3, 4, 5, 6, 7, 8, and 9

Chapter 5 Document Preparation/References

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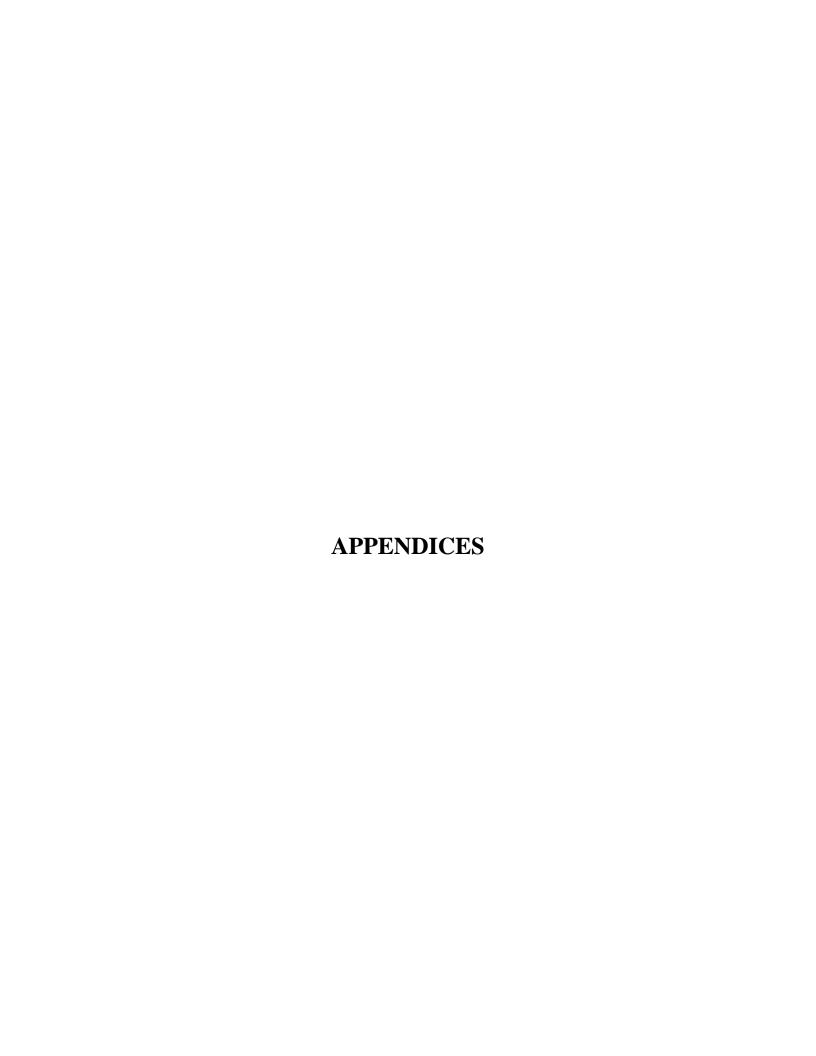
- 11. Monterey Bay Unified Air Pollution Control District (MBUAPCD), CEQA Air Quality Guidelines, February 2008
- 12. MBUAPCD, 2008 Air Quality Management Plan, June 2008
- 13. U.S. Army Corps of Engineers, 2007. Installation-Wide Multispecies Habitat Management Plan for the Former Fort Ord, California.
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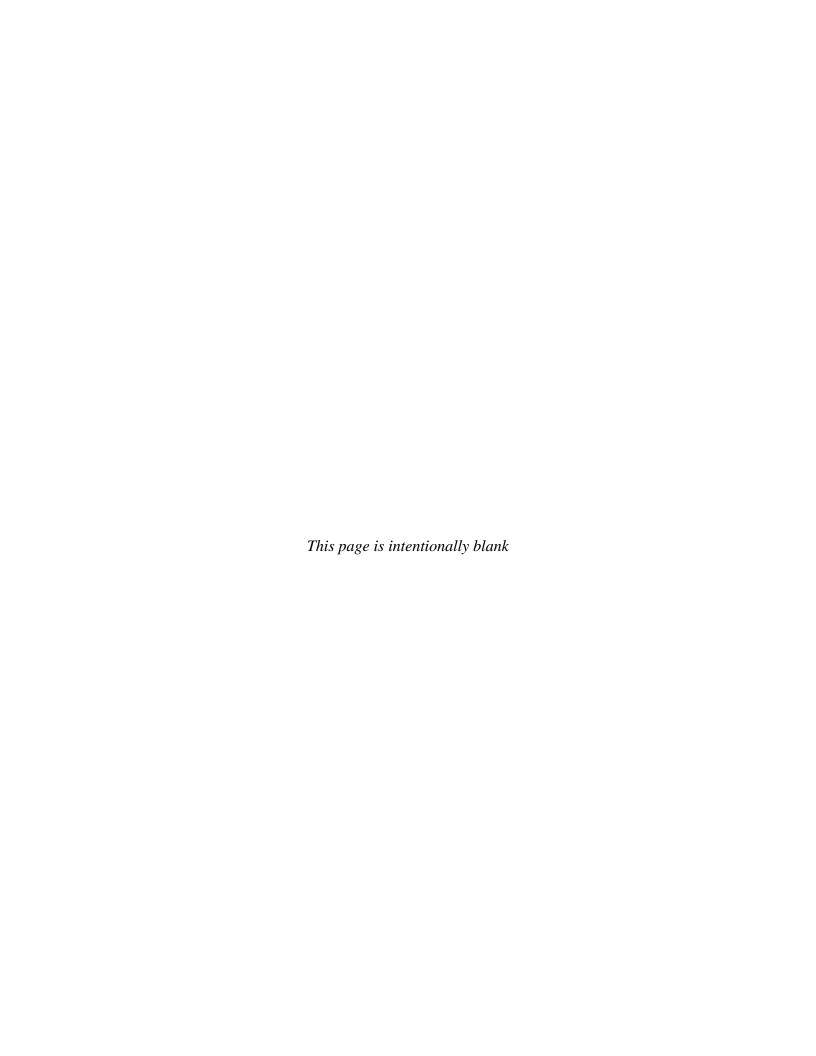
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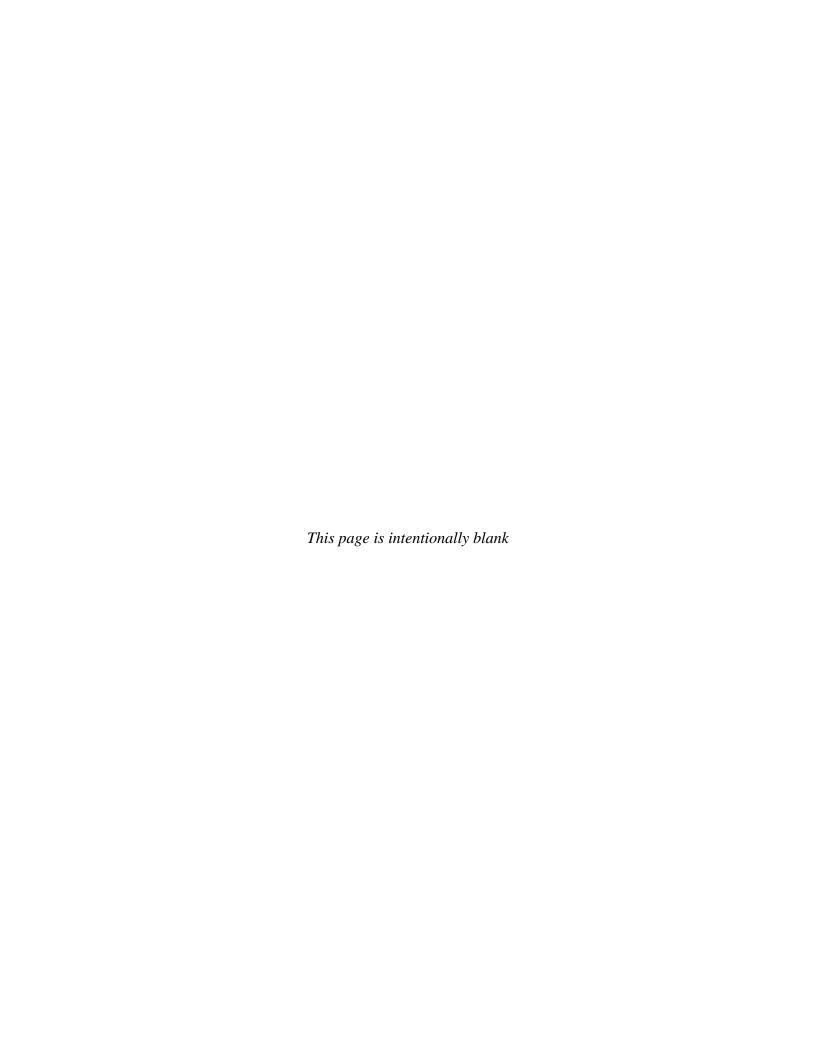
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Appendix A - Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems



WHEN RECORDED MAIL TO:

MARINA COAST WATER DISTRICT

11 RESERVATION ROAD MARINA, CA 93933

ATTN: MICHAEL ARMSTRONG

CERTIFIED COPY OF ORIGINAL DOCUMENT STEWART TITLE

NOV 0 7 2001

Time: 3'.15 P.M.

Series # 2001094583

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

ASSIGNMENT OF EASEMENTS ON FORMER FORT ORD AND ORD MILITARY COMMUNITY, COUNTY OF MONTEREY, AND QUITCLAIM DEED FOR WATER AND WASTEWATER SYSTEMS.

THIS DOCUMENT IS BEING RERECORDED TO ATTACH THE CORRECT EXHIBIT C ENTITLED "DEPARTMENT OF THE ARMY - EASEMENT FOR WATER AND WASTE-WATER DISTRIBUTION SYSTEMS LOCATED ON THE ORD MILITARY COMMUNITY - MONTEREY COUNTY, CALIFORNIA."

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WHEN RECORDED MAIL TO:

MARINA COAST WATER DISTRICT	
11 RESERVATION ROAD	
MARINA, CA 93933	
ATTN: MICHAEL ARMSTRONG	
i	

Joseph F. Pitta Monterey County Recorder 10/26/2001 Recorded at the request of

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Stewart Title

DOCUMENT: 2001090793 Titles: 1/ Pages: 99



Fees... Taxes... Other... AMT PAID

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

ASSIGNMENT OF EASEMENTS ON FORMER FORT ORD AND ORD MILITARY COMMUNITY, COUNTY OF MONTEREY, AND QUITCLAIM DEED FOR WATER AND WASTE WATER SYSTEMS.

WHEN RECORDED RETURN TO:

NOLAND, HAMERLY, ETIENNE & HOSS A Professional Corporation P.O. Box 2510 SALINAS, CA 93902 ATTN: LLOYD W. LOWREY, JR., ESQ.

RECORDER STAMP

ASSIGNMENT OF EASEMENTS ON FORMER FORT ORD AND ORD MILITARY COMMUNITY, COUNTY OF MONTEREY, AND QUITCLAIM DEED FOR WATER AND WASTEWATER SYSTEMS

THIS DEED AND ASSIGNMENT OF EASEMENTS, made and entered into between the FORT ORD REUSE AUTHORITY ("Grantor") created under Title 7.85 of the California Government Code, Chapters 1 through 7, inclusive, commencing with Section 67650, et seq., and selected provisions of the California Redevelopment Law, including Division 24 of the California Health and Safety Code, Part 1, Chapter 4.5, Article 1, commencing with Section 33492, et seq., and Article 4, commencing with Section 33492.70, et seq., and the MARINA COAST WATER DISTRICT ("Grantee"), a County Water District and political subdivision of the State of California, organized under Division 12, sections 30000 and following, of the California Water Code, in accordance with a no-cost economic development conveyance from the UNITED STATES OF AMERICA, acting by and through the SECRETARY OF THE ARMY ("United States") to the Grantor, under and pursuant to the power and authority contained in the Defense Base Closure and Realignment Act of 1990, as amended (Public Law No. 101-510, hereinafter "DBCRA"), and further in accordance with the Memorandum of Agreement Between the United States of America Acting By and Through the Secretary of the Army, United States Department of the Army and the Fort Ord Reuse Authority For the Sale of Portions of the former Fort Ord, California, dated the 20th day of June, 2000, as amended ("MOA") which sets forth the specific terms and conditions of the federal disposal of portions of the former Fort Ord located in Monterey County, California, and further in accordance with that certain Water/Wastewater Facilities Agreement dated March 13, 1998 between Grantor and Grantee, as amended ("Water/wastewater Facilities Agreement").

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WITNESSETH THAT:

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WHEREAS, the Secretary of the Army may convey surplus property to the Local Redevelopment Authority at a closing military installation for economic development purposes

pursuant to the power and authority provided by Section 2905(b)(4) of the DBCRA and the implementing regulations of the Department of Defense (32 CFR Part 91);

WHEREAS, Grantee, by application, requested an economic development conveyance of portions of the former Fort Ord, California consistent with the redevelopment plan prepared by the Grantee:

WHEREAS, Grantor and the United States of America have entered into a Memorandum of Agreement Between the United States of America Acting By and Through the Secretary of the Army, United States Department of the Army and the Fort Ord Reuse Authority For the Sale of Portions of the former Fort Ord, California, dated the 20th day of June, 2000, as amended by amendment No. 1 dated October 23, 2001 (hereinafter referred to as the "MOA"), which sets forth the specific terms and conditions of the sale of portions of the former Fort Ord located in Monterey County, California:

WHEREAS, the Grantor and Grantee did enter into that certain Water/Wastewater Facilities Agreement dated March 13, 1998, as amended; and

WHEREAS, under the Water/Wastewater Facilities Agreement, Grantor agreed to transfer the subject water and wastewater systems and rights to Grantee and Grantee agreed to accept the systems and rights to further the economic redevelopment of Fort Ord;

WHEREAS, Grantor has received conveyance of the subject water and wastewater systems and rights from the United States of America, and it was agreed as part of that conveyance that Grantor would transfer the subject water and wastewater systems and rights and easements to Grantee; and

WHEREAS, in its use of the property and rights granted and assigned, Grantee agrees to comply with and be bound by the terms and conditions of the conveyance from the United States to Grantor, by the terms of the Water/Wastewater Facilities Agreement, and by the terms of Title 7.85 of the California Government Code, Chapters 1 through 7, inclusive, commencing with Section 67650, et seq.

NOW, THEREFORE, the Grantor, for good and valuable consideration, pursuant to the MOA and the Water/Wastewater Facilities Agreement:

does hereby grant, assign, remise, release, and forever quitclaim unto the Grantee, its successors and assigns, that certain parcel of land, together with certain water and wastewater improvements, related personal property, and other Grantor-owned rights that were conveyed to Grantor by the United States (hereinafter "Property"; all as more fully described in Exhibit A, attached hereto and made a part hereof),

does hereby assign, transfer and convey unto the Grantee all of Grantor's rights, interests and obligations in the Easement for Water and Wastewater Distribution Systems located on the Former Fort Ord that was granted by the United States to Grantor (hereinafter "Surplus Property Easement"), all as more fully described in Exhibit B, attached hereto and made a part hereof, and

does hereby assign, transfer and convey unto the Grantee all of Grantor's rights, interests and obligations in the Easement for Water and Wastewater Distribution Systems located on the Ord Military Community that were granted by the United States to Grantor (hereinafter Ord Military Community Easement"), all as more fully described in Exhibit C, attached hereto and made a part hereof.

TO HAVE AND TO HOLD the Property, the Surplus Property Easement and the Ord Military Community Easement unto the Grantee and its successors and assigns forever, provided that this Deed and Assignment of Easements is made and accepted upon each of the following notices, covenants, restrictions, and conditions which shall be binding upon and enforceable against the Grantee, its successors and assigns, in perpetuity, as follows:

I. GRANTEE OBLIGATIONS UNDER CONVEYANCE DOCUMENTS OF THE UNITED STATES

Grantee does accept title and ownership to the Property and does accept assignment of the Surplus Property Easement and the Ord Military Community Easement with the express agreement and understanding that it shall comply with all of the terms and conditions of the instruments conveying and granting such Property and Easements from the United States to the Grantor (hereinafter "Federal Instruments"; Exhibits A, B, and C) as if it were the original grantor under such Federal Instruments.

II. "AS IS, WHERE IS"

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 The Property is conveyed and the Surplus Property Easement and the Ord Military Community Easement are assigned in an "As Is, Where Is" condition without any representation, warranty or guarantee, except as required pursuant to applicable law or as otherwise stated herein, by the Grantor as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and no claim for allowance or deduction upon such grounds will be considered. There is no obligation on the part of the Grantor to make any alterations, repairs, or additions, and said Grantor shall not be liable for any latent or patent defects in the Property. This section shall not affect the responsibility of the United States under CERCLA, Federal Law or under the Federal Instruments.

03-67192.02

III. NOTICE OF NON-DISCRIMINATION

With respect to activities related to the Property, the Surplus Property Easement or the Ord Military Community Easement, the Grantee hereby agrees that it will comply with the requirements of Title VI of the Civil Rights Act of 1964 (Public Law No. 88-352) and all requirements imposed by or pursuant to the regulations issued pursuant to the Act and now in effect, to the end that, in accordance with said Act and regulations, no person in the United States shall, on the ground of race, color, national origin, sex, or handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity related to the Property of the Grantee, its successors or assigns.

IV. GENERAL PROVISIONS

A. LIBERAL CONSTRUCTION. Any general rule of construction to the contrary notwithstanding, this Deed and Assignment of Easements shall be liberally construed to effectuate the purpose of this Deed and Assignment of Easements and the policy and purpose of CERCLA. If any provision of this Deed and Assignment of Easements is found to be ambiguous, an interpretation consistent with the purpose of this Deed and Assignment of Easements that would render the provision valid shall be favored over any interpretation that would render it invalid.

B. SEVERABILITY. If any provision of this Deed and Assignment of Easement, or the application of it to any person or circumstance, is found to be invalid, the remainder of the provisions of this Deed and Assignment of Easement, or the application of such provisions to persons or circumstances other than those to which it is found to be invalid, as the case may be, shall not be affected thereby.

C. NO FORFEITURE. Nothing contained herein will result in a forfeiture or reversion of title in any respect.

D. CAPTIONS. The captions in this Deed and Assignment of Easement have been inserted solely for convenience of reference and are not a part of this Deed and Assignment of Easement and shall have no effect upon construction or interpretation.

E. RIGHT TO PERFORM. Any right which is exercisable by the Grantee, and its successors and assigns, to perform under this Deed and Assignment of Easement may also be performed, in the event of default by the Grantee, or its successors and assigns, by a lender of the Grantee and its successors and assigns.

V. THE CONDITIONS, RESTRICTIONS, AND COVENANTS

The conditions, restrictions, and covenants set forth in this Deed and Assignment of Easement are a binding servitude on the herein conveyed Property and Surplus Property Easement

03-67192.02

and Ord Military Community Easement and will be deemed to run with the land in perpetuity. Restrictions, stipulations and covenants contained herein will be inserted by the Grantee verbatim or by express reference in any deed or other legal instrument by which it divests itself of either the fee simple title or any other lesser estate in the Property or the Surplus Property Easement or the Ord Military Community Easement or any portions thereof. All rights and powers reserved to the Grantor, and all references in this deed to Grantor shall include its successor in interest.					
VI. LIST	OF EXHIBITS				
The f	following listed Exhibits are made a part of this Deed and Assignment of Easements:				
Exhibit A:	United States of America Quitclaim Deed for Water and Wastewater Systems to the Fort Ord Reuse Authority at the Former Fort Ord,, County of Monterey				
Exhibit B:	United States of America Easement to Fort Ord Reuse Authority for Water and Wastewater Distribution Systems Located on the Former Fort Ord, Monterey County, California				
Exhibit C:	United States of America Easement to Fort Ord Reuse Authority for Water and Wastewater Distribution Systems Located on the Ord, Military Community, Monterey County, California				
[Signature Pages Follow]					

03-67192.02

1 2 3 4 5 6	IN WITNESS WHEREOF, the Grantor, the FORT ORD REUSE AUTHORITY, acting by and through Michael Houlemard, its Executive Officer, has caused these presents to be executed this 24 th day of October, 2001.
7	FORT ORD REUSE AUTHORITY
8	LOCAL REDEVELOPMENT AUTHORITY
9 10 11 12 13	by: huhar Houleman,
14 15	Michael A. Houlemard, Jr. Executive Officer
16	Executive Officer
17	
18	STATE OF CALIFORNIA)
19) ss
20	COUNTY OF MONTEREY)
21	
22	halata (94 April)
23	On Golder 34, 2001 before me, the undersigned, a Notary Public in and for
24	said state, personally appeared Michael A. Houlemard, Jr. personally known to me (or proved to me
25 26	on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that
27	by his signature on the instrument the person, or the entity upon behalf of which the person acted,
28	executed the instrument.
29	executed the listitument.
30	WITNESS my hand and official seal.
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32	
33	SHARON Y. STRICKLAND COMM. #1236441 M Sheellond () Sheellond
34	III THE TOUR COUNTY
35	My Comm. Exp. Oct. 4, 2003 Notary Public, State of California
36	

ACCEPTANCE:

In Testimony Whereof, the Grantee, the Marina Coast Water District, hereby accepts and approves this Deed and Assignment of Easements for itself, its successors and assigns, and agrees to all the covenants, conditions, reservations, restrictions, and terms contained herein.

MARINA COAST WATER DISTRICT

DAVID BROWN, PRESIDENT

MICHAEL D. ARMSTRONG, SECRETAR

STATE OF CALIFORNIA)

) ss COUNTY OF MONTEREY)

On October 24, 2001 before me, the undersigned, a Notary Public in and for said state, personally appeared David Brown and Michael D. Armstrong, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by his signature on the instrument the entity upon behalf of which they acted executed the instrument.

PAULA CARINA Commission # 1299995 Notary Public - California Comm. Expires Apr 7, 200 WITNESS my hand and official seal.

Notary Public, State of California

03-67192.02

1 EXHIBIT A

03-67192.02

WHEN RECORDED MAIL TO:

KUTAK ROCK LLP	
1101 CONNECTICUT AVENUE, N	W
10th FLOOR	
WASHINGTON, DC 20036	
ATTN: GEORGE SCHLOSSBERG,	ESQ.

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

QUITCLAIM DEED FOR WATER AND WASTE SYSTEMS FORMER FORT ORD, COUNTY OF MONTEREY

KR EXECUTION VERSION

1	WHEN RECORDED RETURN TO:	
2	WILLIAM CONDED TO TOTAL TO.	
3	KUTAK ROCK LLP	
4	1101 CONNECTICUT AVENUE, NW	
5	10 TH FLOOR	
6	WASHINGTON, DC 20036	
7	ATTN: GEORGE SCHLOSSBERG, ESQ.	
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11		RECORDER STAMP
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15	OUITCLAIN	M DEED FOR
16		TEWATER SYSTEMS

WATER AND WASTEWATER SYSTEMS
FORMER FORT ORD,
COUNTY OF MONTEREY

THIS DEED, made and entered into between the UNITED STATES OF AMERICA, acting by and through the SECRETARY OF THE ARMY, ("Grantor"), under and pursuant to the power and authority contained in the Defense Base Closure and Realignment Act of 1990, as amended (Public Law No. 101-510, 10 U.S.C. §2687 note; hereinafter "DBCRA"), and the FORT ORD REUSE AUTHORITY ("Grantee") created under Title 7.85 of the California Government Code, Chapters 1 through 7, inclusive, commencing with Section 67650, et seq., and selected provisions of the California Redevelopment Law, including Division 24 of the California Health and Safety Code, Part 1, Chapter 4.5, Article 1, commencing with Section 33492, et seq., and Article 4, commencing with Section 33492.70, et seq., and recognized as the Local Redevelopment Authority for the former Fort Ord, California, by the Office of Economic Adjustment on behalf of the Secretary of Defense.

WITNESSETH THAT:

WHEREAS, the Secretary of the Army may convey surplus property to the Local Redevelopment Authority at a closing military installation for economic development purposes pursuant to the power and authority provided by Section 2905(b)(4) of the DBCRA and the implementing regulations of the Department of Defense (32 CFR Part 91);

WHEREAS, Grantee, by application, requested an economic development conveyance of portions of the former Fort Ord, California consistent with the redevelopment plan prepared by the Grantee:

WHEREAS, Grantor and the Grantee have entered into a Memorandum of Agreement Between the United States of America Acting By and Through the Secretary of the Army, United

OUITCLAIM DEED FOR WATER AND WASTEWATER SYSTEMS

States Department of the Army and the Fort Ord Reuse Authority For the Sale of Portions of the former Fort Ord, California, dated the 20th day of June, 2000, AS AMENDED BY amendment No. 1 dated 27 23, 2001 (hereinafter referred to as the "MOA"), which sets forth the specific terms and conditions of the sale of portions of the former Fort Ord located in Monterey County, California;

WHEREAS, the California State Historic Preservation Officer determined on First 5, 1974 that no structures, monuments, or other property within the subject Property, as hereinafter defined, were identified as having any historical significance;

WHEREAS, Fort Ord, California, has been identified as a National Priority List Site under the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended ("CERCLA"), the Grantor has provided the Grantee with a copy of the Fort Ord Base Federal Facility Agreement ("FFA") and all amendments thereto entered into by EPA Region IX, the State of California, and the Department of the Army that were effective on November 19, 1990:

WHEREAS, an Installation-Wide Multi-species Habitat Management Plan for former Fort Ord, California ("HMP") dated December, 1994 as revised and amended by the "Installation-Wide Multi-species Habitat Management Plan for Former Fort Ord, California" dated April 1997, has been developed to assure that disposal and reuse of Fort Ord lands is in compliance with the Endangered Species Act ("ESA"), 16 U.S.C. 1531 et seq. Timely transfer of these lands and subsequent implementation of the HMP is critical to ensure effective protection and conservation of the former Fort Ord lands' wildlife and plant species and habitat values while allowing appropriate economic redevelopment of Fort Ord and the subsequent economic recovery of the local communities; and

WHEREAS, it is understood that Grantee will transfer the subject water and wastewater systems to the Marina Coast Water District ("MCWD"), a County Water District formed and authorized by Division 12 of the California Water Code and a political subdivision of the State.

 NOW, THEREFORE, the Grantor, for good and valuable consideration pursuant to Article 2 of the MOA does hereby grant, remise, release, and forever quitclaim unto the Grantee, its successors and assigns, the land described in Exhibit A, attached hereto and made a part hereof, together with certain water and wastewater improvements, related personal property, and other Grantor-owned rights ("Property"), located at the former Fort Ord for transfer to Grantee.

I. PROPERTY DESCRIPTION:

The Property includes:

A. Real Property: Fee title of approximately 1.3 acres of lands described in Exhibit A, attached hereto and made a part hereof ("hereinafter Real Property").

03-65017.04

QUITCLAIM DEED FOR WATER AND WASTEWATER SYSTEMS

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 B. Personal Property: The potable water system buildings, structures, and facilities listed in Exhibits B and C, attached hereto and made a part hereof, along with the potable water systems utility pipes, and appurtenances as shown on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorders Office (hereinafter "Personal Property"). Ownership of outdoor water sprinkler system pipes and appurtenances and water pipe service laterals shall run with the land and remain with the fee title owner of the property. Water pipe service laterals are defined as generally the smaller diameter pipelines that provide a direct connection between a service location (e.g., a building or other facility or structure) and the upstream potable water distribution system. Where metered, the service lateral would begin immediately downstream of the meter. The potable water system occupies lands located on the former Fort Ord and on the Ord Military Community.

C. The wastewater system structures and facilities listed in Exhibits B and C along with the wastewater system utility pipes, and appurtenances as shown on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorders Office. Ownership of wastewater sewer laterals shall run with the land and remain with the fee title owner of the property. Wastewater sewer laterals are defined as generally that portion of any sewer beginning two feet outside the foundation wall of any building or facility and running to a connection with a sewer main. The wastewater system occupies lands located on the former Fort Ord and on the Ord Military Community.

D. The rights addressed in Monterey County Agreement No. A-06404, between the Army and the County Water Resources Agency, dated September 21, 1993, associated with the potable water system and water sources, and other ancillary rights associated with the ownership of the water rights being transferred herein, excepting and retaining rights to 1729-acre feet per year of potable water for the Grantor's exclusive use.

 E. The Grantor wastewater discharge capacity rights, and other ancillary rights associated with the ownership of the wastewater allocation as defined in an agreement with Monterey Regional Water Pollution Control Agency, Army contract DAKF03-83-C-0527, Dated April 1, 1984, associated with the prepaid wastewater treatment capacity of 2.22 million gallons per day (mgd, average dry weather flow).

F. All appurtenant easements and other rights appurtenant thereto and not otherwise excluded herein; and

G. All hereditaments and tenements therein and reversions, remainders, issues, profits, privileges and other rights belonging or related thereto.

H. The Grantor retained assignable rights on former Fort Ord parcels that had been transferred to others to provide easements for the potable water and wastewater system utility

03-65017.04

pipes, appurtenances, utility parcels, and for access easements to these utility system components and parcels. Simultaneously with the execution and delivery of this Deed, the Grantor is transferring these easements to real property underlying such utility system components as listed in Exhibits B and C and shown on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorders Office.

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II. APPURTENANT EASEMENTS

A. Grantor hereby declares and grants to Grantee, a perpetual and assignable non-exclusive access easement over, across, under, and through all paved roads retained by the Grantor for access purposes, which easements shall run with the land and be perpetually in full force and effect.

B. The Grantee agrees to the following terms and conditions:

1. to comply with all applicable federal, state and local laws and regulations;

2. to pay the Grantor the full value for all damages to the lands or other property of the United States caused by the Grantee or its employees, contractors, or employees of the contractors arising from its use, occupancy, or operations within the easement areas;

3. that the easements granted shall be for the specific use described and may not be construed to include the further right to authorize any other use within the easements unless approved in writing by the fee holder of the land subject to the easement;

4. that any transfer of the easements by assignment, lease, operating agreement, or otherwise must include language that the transferee agrees to comply with and be bound by the terms and conditions of the original grant of easement;

5. that, unless otherwise provided, no interest granted shall give the Grantee any right to remove any material, earth, or stone for consideration or other purpose except as necessary in exercising its rights hereunder;

 6. that a rebuttable presumption of abandonment of any of the easements is raised by the failure of the Grantee to use for any continuous two (2) year period an easement for the purpose for which it was granted hereby; and that, in the event of such abandonment, the Grantor or its successor will notify the Grantee of its intention to terminate the easement for abandonment sixty (60) days from the date of the notice, unless prior to the end of said sixty (60) day period the Grantee either resumes its use of the easement or demonstrates conclusively that said resumption of use will occur within a reasonable amount of time thereafter, not to exceed an additional ninety (90) day period (for purposes of this subparagraph, flow of non-potable water through the piping system shall constitute continuous use of the easement); and

03-65017.04 4

7. to restore any easement area so far as it is reasonably possible to do so upon abandonment or release of any easement as provided herein, unless this requirement is waived in writing by the fee owner.

III. EXCLUSIONS AND RESERVATIONS

This conveyance is made subject to the following EXCLUSIONS and RESERVATIONS:

A. The Property is taken by the Grantee subject to any and all valid and existing recorded outstanding liens, licenses, leases, easements, and any other encumbrances made for the purpose of roads, streets, utility systems, rights-of-way, pipelines, and/or covenants, exceptions, interests, liens, reservations, and agreements of record.

B. The Grantor reserves a perpetual right to enter the Property for the specific purpose of treating or removing any unexploded shells, mines, bombs, or other such devices deposited or caused by the Grantor.

C. The reserved rights and easements set forth in this Section are subject to the following terms and conditions:

1. to comply with all applicable federal law and lawful existing regulations;

2. that the easements granted shall be for the specific use described and may not be construed to include the further right to authorize any other use within the easements unless approved in writing by the fee holder of the land subject to the easement;

3. that any transfer of the easements by assignment, lease, operating agreement, or otherwise must include language that the transferee agrees to comply with and be bound by the terms and conditions of the original grant;

4. that, unless otherwise provided, no interest granted shall give the Grantor any right to remove any material, earth, or stone for consideration or other purpose except as necessary in exercising its rights hereunder; and

5. to restore any easement area so far as it is reasonably possible to do so upon abandonment or release of any easement as provided herein, unless this requirement is waived in writing by the Grantee.

D. Grantor reserves mineral rights that Grantor owns presently or may at a future date be determined to own, with the right of surface entry in a manner that does not unreasonably interfere with Grantee's development and quiet enjoyment of the Property.

E. The Grantor reserves a non-exclusive easement to allow continued access for the Grantor (or its designated contractor) and the appropriate environmental regulatory agencies to permit necessary groundwater monitoring at wells located on the Property. The Grantor also reserves a right of entry and non-exclusive easement for the establishment and use of new groundwater monitoring wells deemed by the Grantor, in cooperation with the Grantee, its successors or assigns, to be necessary for ongoing groundwater remediation. The Grantee, its successors or assigns, or any other person or entity acting for or on behalf of the Grantee, its successors or assigns, shall not tamper with the groundwater monitoring wells on the Property without the written consent of the Grantor. Said groundwater monitoring wells shall remain the property of the Grantor.

TO HAVE AND TO HOLD the Property unto the Grantee and its successors and assigns forever, provided that this deed is made and accepted upon each of the following notices, covenants, restrictions, and conditions which shall be binding upon and enforceable against the Grantee, its successors and assigns, in perpetuity, as follows:

IV. "AS IS, WHERE IS"

The Property is conveyed in an "As Is, Where Is" condition without any representation, warranty or guarantee, except as required pursuant to applicable law or as otherwise stated herein, by the Grantor as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and no claim for allowance or deduction upon such grounds will be considered. There is no obligation on the part of the Grantor to make any alterations, repairs, or additions, and said Grantor shall not be liable for any latent or patent defects in the Property. This section shall not affect the Grantor's responsibility under CERCLA or Section VI herein.

V. FEDERAL FACILITIES AGREEMENT (FFA)

By accepting this deed, the Grantee acknowledges that the Grantee has read the FFA, and recognizes that, should any conflict arise between the terms of the FFA and the terms of this Deed, the FFA will take precedence. Notwithstanding any other provisions of this conveyance, the Grantor assumes no liability to the Grantee should implementation of the FFA interfere with the Grantee's use of the Property. Grantor shall give Grantee reasonable notice of its actions required by the FFA and Grantor shall, consistent with the FFA, and at no additional cost to the Grantor, endeavor to minimize the disruption of the Grantee's, its successors' or assigns' use of the Property. The Grantee shall have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof.

VI. CERCLA COVENANTS, NOTICE, AND ENVIRONMENTAL REMEDIATION

A. Pursuant to Section 120(h)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. Section 9601 et seq. ("CERCLA"),

Finding of Suitability to Transfer (FOST) documents are attached as Exhibit "E" to the Deed: an Environmental Baseline Survey (EBS) report is referenced in the FOST and sets forth the existing environmental condition of the Real Property. The FOST sets forth the basis for the Grantor's determination that the Real Property is suitable for transfer. The Grantee is hereby made aware of the notifications contained in the EBS and the FOST. The Grantor represents that the Real Property is environmentally suitable for transfer to Grantee for the purposes identified in the Final Fort Ord Base Reuse Plan dated December 12, 1994, as amended on June 13, 1997. as approved by the Fort Ord Reuse Authority. If, after conveyance of the Real Property to Grantee, there is an actual or threatened release of a hazardous substance on the Real Property, or in the event that a hazardous substance is discovered on the Real Property after the date of the conveyance, whether or not such substance was set forth in the technical environmental reports. including the EBS, Grantee or its successor or assigns shall be responsible for such release or newly discovered substance unless such release or such newly discovered substance was due to Grantor's activities, ownership, use, presence on, or occupation of the Real Property, or the activities of Grantor's contractors and/or agents. Grantee, its successors and assigns, as consideration for the conveyance, agrees to release Grantor from any liability or responsibility for any claims arising out of or in any way predicated on release of any hazardous substance on the Real Property occurring after the conveyance, where such hazardous substance was placed on the Real Property by the Grantee, or its agents or contractors, after the conveyance.

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B. Based on the FOST, the Real Property has been assigned Department of Defense Environmental Condition Category 1 (areas where no release or disposal of hazardous substances or petroleum products has occurred).

C. Grantor covenants that any remedial action due to the former activity on the Real Property by the Grantor found to be necessary after such date of transfer shall be performed by the United States unless the person or entity to whom the Real Property is transferred is potentially responsible under CERCLA with respect to the contamination that is the basis for the remedial action on the Property.

D. Grantee covenants that the Grantor, its officers, agents, employees, contractors and subcontractors, in accordance with section 120(h) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended, reserves a right of access to any and all portions of the Real Property for purposes of environmental investigation, remediation, or other corrective actions found to be necessary after the date of the conveyance of the Real Property. The Grantor and the Grantee agree to cooperate in good faith to minimize any conflict between necessary environmental investigation and remediation activities and Grantee's or any Sublessee's operations. Any inspection, survey, investigation, or other response or remedial action will to the extent practicable, be coordinated with representatives designated by Grantee. Pursuant to this reservation, the Grantor and its officers, agents, employees, contractors, subcontractors shall have the right (upon reasonable notice to the Grantee or the then owner and any authorized occupant of the Real Property) to enter upon the Real Property, and perform surveys, drillings, test pitting, borings, data and/or record compilation, and other activities

related to environmental investigation, and to carry out remedial or removal actions as required or necessary under applicable authorities, including but not limited to installation of monitoring and extraction wells, and other treatment facility.

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E. The Grantor covenants that upon completion of any removal or remediation action that removes the risk giving rise to any restriction on future use or any limitation of activities contained in a Deed or lease for the Real Property or in any other document relating to the Real Property, the Grantor, without any payment of funds by the United States, agrees to cooperate with the Grantee, its successors or assigns, in any application, permit, easement or effort to obtain approval from appropriate Federal, state or local authorities for the purpose of removing any such restriction or limitation, which the Grantee, its successors or assigns, shall seek to remove or eliminate.

F. The Grantor recognizes its obligation to hold harmless, defend, and indemnify the Grantee and any successor, assignee, transferee, lender, or lessee of the Grantee or its successors and assigns, as required by Section 330 of the National Defense Authorization Act of 1993, as amended (Pub. L. No. 102-484), and to otherwise meet its obligations under Federal law.

G. Without the expressed written consent of the Grantor in each case first obtained, neither the Grantee, its successors or assigns, nor any other person or entity acting for or on behalf of the Grantee, its successors or assigns, shall interfere with any response action being taken on the Real Property by or on behalf of the Grantor, or interrupt, relocate, or otherwise interfere with any remediation system now or in the future located, over, through, or across any portion of the Real Property.

VII. NOTICE OF THE PRESENCE OF ASBESTOS

 A. The Grantee is hereby informed and does acknowledge that non-friable asbestos-containing materials (ACM) have been found on the Personal Property, as described in the EBS and referenced asbestos surveys. The ACM on the properties does not currently pose a threat to human health or the environment. All damaged friable asbestos found during the most recent inspection has been abated or repaired.

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B. The Grantee covenants and agrees that its use and occupancy of the Personal Property will be in compliance with all applicable laws relating to asbestos; and that the Grantor assumes no liability for future remediation of asbestos or damages for personal injury, illness, disability, or death, to the Grantee, its successors or assigns, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Personal Property after the date of this Deed, whether the Grantee, its successors or assigns have properly warned or failed to properly warn the individual(s) injured. The Grantee assumes no liability for damages or remediation for personal injury, illness, disability, death or property damage arising from (i) any exposure to asbestos or ACM that

resulted prior to the Grantor's conveyance of such portion of the Personal Property to the Grantee pursuant to this Deed or any leases entered into between the Grantor and Grantee, or (ii) any disposal of asbestos or ACM, prior to the Grantor's conveyance of the Personal Property to the Grantee.

C. The Grantee acknowledges that it has had the opportunity to inspect the Personal Property as to its asbestos content and condition and any hazardous or environmental conditions relating thereto. The failure of the Grantee to inspect or be fully informed as to the asbestos condition of all or any portion of the Personal Property will not constitute grounds for any claim or demand against the United States.

D. The Grantee, its successors and assigns are hereby informed that unprotected or unregulated exposures to asbestos in product manufacturing, shipyard, building construction workplaces have been associated with asbestos-related diseases. Both the Occupational Safety and Health Administration (OSHA) and the EPA regulate asbestos because of the potential hazards associated with exposure to airborne asbestos fibers. Both OSHA and EPA have determined that such exposure increases the risk of asbestos-related diseases, which include certain cancers and which can result in disability or death.

E. The Grantee further agrees to indemnify and hold harmless the Grantor, its officers, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorneys' fees arising out of, or in any manner predicated upon, exposure to asbestos on any portion of the Personal Property after this conveyance of the Personal Property to the Grantee or any future remediation or abatement of asbestos or the need therefore. The Grantee's obligation hereunder shall apply whenever the United States incurs costs or liabilities for actions giving rise to liability under this section.

VIII. NOTICE OF THE PRESENCE OF LEAD-BASED PAINT

 A. The Personal Property does not contain residential buildings and is not being transferred for residential purposes. The Grantee is hereby informed and does acknowledge that all buildings, which were constructed or rehabilitated prior to 1978, are presumed to contain lead-based paint (LBP). Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Every purchaser of any interest in Residential Real Property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in Residential Real Property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. "Residential Real Property" means any housing

constructed prior to 1978, except housing for the elderly (households reserved for and composed of one or more persons 62 years of age or more at the time of initial occupancy) or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

B. Available information concerning known lead-based paint hazards, the location of lead-based paint and/or lead-based paint hazards, and the condition of painted surfaces is contained in the Environmental Baseline Survey, which has been provided to the Grantee. All purchasers must also receive the federally approved pamphlet on lead poisoning prevention. Buildings constructed after 1977 are assumed to be free of lead-based paint. The Government performed no other surveys or studies assessing the possible presence of lead-based paint in former or existing buildings on the Premises. The Grantee hereby acknowledges receipt of all of the information described in this paragraph.

 C. The Grantee, its successors and assigns, covenants and agrees that they shall not permit the occupancy or use of any buildings or structures located on the Personal Property, which were constructed or rehabilitated prior to 1978, as Residential Real Property without complying with this Paragraph VIII. C. NOTICE OF THE PRESENCE OF LEAD BASED PAINT and all applicable federal, state, and local laws and regulations pertaining to lead-based paint and/or lead-based paint hazards.

 D. The Grantee covenants and agrees that it shall not permit the occupancy or use of any buildings or structures on the Personal Property as Residential Real Property without complying with this section and all applicable federal, state, and local laws and regulations pertaining to lead-based paint and /or lead based paint hazards. Prior to permitting the occupancy of Residential Real Property, if required by law or regulation, the Grantee, its successors and assigns, at its sole expense, will: (i.) inspect for the presence of lead-based paint and/or lead-based paint hazards; (ii.) abate and eliminate lead-based paint hazards in accordance with all applicable laws and regulations; and (iii.) comply with all applicable notice and disclosure requirements under applicable federal and state law. The Grantee agrees to be responsible for all remediation of lead-based paint or lead-based paint hazards found to be necessary on the Property after conveyance to the Grantee.

E. The Grantor assumes no liability for remediation or damages for personal injury, illness, disability, or death, to the Grantee, its successors or assigns, sublessees, or to any other person, including members of the general public, arising from or incident to lead-based paint located on the Property. The Grantee further agrees to indemnify and hold harmless the Grantor, its officers, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorneys' fees arising out of, or in any manner predicated upon, remediation, personal injury, death or property damage resulting from, related to, caused by or arising out of lead-based paint on the Property. The Grantee's obligation hereunder shall apply whenever the United States of America incurs costs or liabilities for actions giving rise to liability under this section. However, the Grantee assumes no liability for (i) remediation or

damages for personal injury, illness, disability or death suffered or incurred by the Grantor, its officers, agents and employees or by any other person, including members of the general public, arising from any exposure of any person to lead-based paint on any portion of the Personal Property occurring prior to the date of conveyance of such portion of the Personal Property to the Grantee, or (ii) any failure of the Grantor to comply with any legal requirements applicable to lead-based paint conditions on any portion of the Property prior to the Grantor's conveyance of such portion of the Personal Property to the Grantee pursuant to the Agreement, or (iii)any lead-based paint or lead-based paint hazards which were located on the Personal Property at any time prior to the date of the Grantor's transfer of the applicable portion of the Personal Property but are no longer located thereon at the time of such lease or transfer, or (iv) any disposal, prior to the Grantor's transfer of the applicable portion of the Personal Property, of any lead-based paint or materials contaminated by lead-based paint.

F. The Grantee's obligation hereunder shall apply whenever the United States of America incurs costs or liabilities for actions giving rise to liability under this section.

G. The covenants, restrictions, and requirements of this Paragraph shall be binding upon the Grantee, its successors and assigns, and shall be deemed to run with the land.

IX. NOTICE OF THE POTENTIAL FOR THE PRESENCE OF POLYCHLORINATED BIPHENYL (PCB)

A. Based upon a review of existing records and available information, there are no PCB containing transformers located on the Personal Property. Some fluorescent light ballasts may contain PCBs in excess of 50 ppm which are subject to TSCA requirements. There is no evidence of unremediated releases from PCB equipment.

B. The Grantee is hereby informed and does acknowledge that equipment containing PCBs may exist on the Personal Property to be used, described as follows: fluorescent light ballasts. The PCB equipment does not currently pose a threat to human health or the environment.

 C. The Grantor assumes no liability for remediation or damages for personal injury, illness, disability, or death, to the Grantee, its successors or assigns, sublessees, or to any other person, including members of the general public, arising from or incident to PCBs located on the Personal Property. The Grantee further agrees to indemnify and hold harmless the Grantor, its officers, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorneys' fees arising out of, or in any manner predicated upon, remediation, personal injury, death or property damage resulting from, related to, caused by or arising out of PCBs on the Personal Property. The Grantee's obligation hereunder shall apply whenever the United States of America incurs costs or liabilities for actions giving rise to liability under this section. However, the Grantee assumes no liability for (i) remediation or damages for personal injury, illness, disability or death suffered or incurred by the Grantor, its

officers, agents and employees or by any other person, including members of the general public, arising from any exposure of any person to PCBs on any portion of the Personal Property occurring prior to the date of conveyance of such portion of the Personal Property to the Grantee, or (ii) any failure of the Grantor to comply with any legal requirements applicable to PCBs on the Personal Property prior to the Grantor's conveyance of the Personal Property to the Grantee pursuant to the MOA, or (iii) any PCBs or PCB hazards which were located on the Personal Property at any time prior to the date of the Grantor's transfer of the applicable portion of the Personal Property but are no longer located thereon at the time of such lease or transfer, or (iv) any disposal, prior to the Grantor's transfer of the applicable portion of the Personal Property, of any PCBs or materials contaminated by PCBs.

D. The Grantee covenants and agrees that its continued use and management of any PCB containing equipment will be in compliance with all applicable laws relating to PCBs and PCB containing equipment.

X. ORDNANCE AND EXPLOSIVES (OE)

A. The former Fort Ord is a former military installation with a history of OE use and, therefore, there is a potential for OE to be present on the Real Property. An archival search conducted during the compilation of the Fort Ord Comprehensive Environmental Response Facilitation Act (CERFA) Report found no evidence of OE on the Real Property. However, OE investigations indicate that portions of the potable water and wastewater systems may be located within OE sites on the former Fort Ord as shown on the Ordnance and Explosives Sites Map, attached hereto as Exhibit F. In the event the Grantee, its successors, and assigns, should discover any ordnance on the Premises, they shall not attempt to remove or destroy it, but shall immediately notify the local Police Department and the Directorate of Law Enforcement at the Presidio of Monterey and competent Grantor or Grantor designated explosive ordnance professional will be dispatched promptly to dispose of such ordnance properly at no expense to the Grantee, whenever OE may be discovered.

B. Entry and excavation within OE Sites will require prior coordination with the Presidio of Monterey's Directorate of Environmental and Natural Resources Management and the U.S. Army Corps of Engineers. A Grantor approved ordnance disposal specialist must be present when access and excavations are necessary in the OE sites. Access requests will be submitted a minimum of 5 working days prior to the date of entry. Information required on the request includes location of entry and location and scope of any planned work to include depth of excavation. Access approval will set forth the conditions and requirements that must be met to work in the OE Sites. In addition, the Grantor will be providing this notice to the Grantee annually as a reminder of this land use control and the hazards associated with unexploded ordnance. As the Grantor's OE removal actions continue and sites are completed, this land use control may be removed.

- All MCWD supervisors and field personnel who will be entering OE sites are required to receive annual OE recognition and safety briefings. The Grantor will provide the OE recognition training to MCWD personnel when requested.
- In the event a water or wastewater system component problem requires immediate corrective action within an OE Site, contact the Directorate of Law Enforcement at the Presidio of Monterey immediately.

XI **ENDANGERED SPECIES**

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The Grantee, its successors or assigns shall comply with the requirements, if any and if applicable, of the Fort Ord Installation-Wide Multi-species Habitat Management Plan ("HMP") for Former Fort Ord, California.

- The Property is within HMP Development Areas. No resource conservation requirements are associated with the HMP for these parcels. However, small pockets of habitat may be preserved within and around the Property.
- The Biological Opinion identifies sensitive biological resources that may be salvaged for use in restoration activities within reserve areas, and allows for development of the Parcels.
- The HMP does not exempt the Grantee from complying with environmental regulations enforced by federal, state, or local agencies. These regulations could include obtaining the Endangered Species Act (ESA) (16 U.S.C. §§ 1531-1544 et seq.) Section 7 or Section 10(a) permits from the U.S. Fish and Wildlife Service (USFWS); complying with prohibitions against take of listed animals under ESA Section 9, complying with prohibitions against the removal of listed plants occurring on federal lands or the destruction of listed plants in violation of any state laws; complying with measures for conservation of state-listed threatened and endangered species and other special-status species recognized by California Department of Fish and Game (DFG) under the California ESA, or California Environmental Quality Act (CEQA); and, complying with local land use regulations and restrictions.
- The HMP serves as a management plan for both listed and candidate species, and is a prelisting agreement between the USFWS and the local jurisdiction for candidate species that may need to be listed because of circumstances occurring outside the area covered by the HMP.
- Implementation of the HMP would be considered suitable mitigation for impacts to HMP species within HMP prevalent areas and would facilitate the USFWS procedures to authorize incidental take of these species by participating entities as required under ESA Section 10. No further mitigation will be required to allow development on the Properties unless species other than the HMP target species are proposed for listing or are listed.

F. The HMP does not authorize incidental take of any species listed as threatened or endangered under the ESA by entities acquiring land at the former Fort Ord. The USFWS has recommended that all non federal entities acquiring land at former Fort Ord apply for ESA Section 10(a)(1)(B) incidental take permits for the species covered in the HMP. The definition of "take" under the ESA includes to harass, harm, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct. Although the USFWS will not require further mitigation from entities that are in conformance with the HMP, those entities without incidental take authorization would be in violation of the ESA if any of their actions resulted in the take of a listed animal species. To apply for a Section 10(a)(1)(B) incidental take permit, an entity must submit an application form (Form 3-200), a complete description of the activity sought to be authorized, the common and scientific names of the species sought to be covered by the permit, and a conservation plan (50 CFR 17.22[b]).

G. The Grantee acknowledges that it has signed the HMP dated April 1997 and will cooperate with adjacent property owners in implementing mitigation requirements identified in the HMP for adjacent sensitive habitat areas.

XII. AIR NAVIGATION RESTRICTION

The Monterey Airport and the former Fritzsche Airfield now known as the Marina Municipal Airport are in close proximity of the subject property. Accordingly, in coordination with the Federal Aviation Administration, the Grantee, covenants and agrees, on behalf of it, its successors and assigns and every successor in interest to the Property herein described, or any part thereof, that, when applicable, there will be no new construction or alteration unless a determination of no hazard to air navigation is issued by the Federal Aviation Administration in accordance with Title 14, Code of Federal Regulations, Part 77, entitled, Objects Affecting Navigable Airspace, or under the authority of the Federal Aviation Act of 1968, as amended.

XIII. COASTAL ZONE MANAGEMENT ACT (CZMA) CONSISTENCY REQUIREMENTS

A. The Negative Determination U.S. Army, Disposal and Reuse of Parcels on Former Fort Ord, Monterey County, dated November 1, 1995 (ND-109-95) and the Army's Coastal Zone Management Act Consistency Determination dated February 1994 (CD-16-94) identifies requirements for the transfer and reuse of lands at the former Fort Ord. By accepting this Deed, the Grantee agrees to comply with the requirements specified by the California Coastal Commission with respect to the Army's Coastal Zone Management Act Consistency Determination.

B. The Grantee recognizes that should any conflict arise between the Army's Coastal Zone Management Act Consistency Determination and the terms of this document, the Consistency Determination will take precedence. Not withstanding any other provisions of this transfer, the Grantor assumes no liability to the Grantee should implementation of the

03-65017.04 1.4

Consistency Determination interfere with the Grantee's use of the Premises. The Grantee shall have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof.

XIV. ENFORCEMENT AND NOTICE REQUIREMENT

A. The provisions of this Deed benefit the governments of the United States of America, the State of California, acting on behalf of the public in general, the local governments, and the lands retained by the Grantor and, therefore, are enforceable, by resort to specific performance or legal process by the United States, the State of California, the local governments, and by the Grantee, and its successors and assigns. Enforcement of this Deed shall be at the discretion of the parties entitled to enforcement hereof, and any forbearance, delay or omission to exercise their rights under this Deed in the event of a breach of any term of this Deed, shall not be deemed to be a waiver by any such party of such term or of any subsequent breach of the same or any other terms, or of any of the rights of said parties under this Deed. All remedies available hereunder shall be in addition to any and ail other remedies at law or in equity, including CERCLA. The enforcement rights set forth in this Deed against the Grantee, or its successors and assigns, shall only apply with respect to the Property conveyed herein and held by such Grantee, its successors or assigns, and only with respect to matters occurring during the period of time such Grantee, its successors or assigns, owned or occupied such Property or any portion thereof.

B. The Grantee, its successors or assigns, shall neither transfer the Property, nor any portion thereof, nor grant any interest, privilege, or license whatsoever in connection with the Property without the inclusion, to the extent applicable to the Property or any portion thereof, of the environmental protection provisions contained in the following Paragraphs: Exclusions and Reservations; Federal Facilities Agreement; CERCLA Covenants, Notices and Environmental Remediation; Notice of Presence of Asbestos; Notice of Presence of Lead-Base Paint; Notice Of The Potential For The Presence Of Polychlorinated Biphenyl (PCB); Ordnance and Explosives; Endangered Species; Air Navigation Restriction; and Coastal Zone Management Act (CZMA) Consistency Requirements; and shall require the inclusion, to the extent applicable, of such environmental protection provisions in all further deeds, transfers, leases, or grant of any interest, privilege, or license.

C. The obligations imposed in this Paragraph upon the successors or assigns of Grantee shall only extend to the property conveyed to any such successor or assign.

XV. NOTICE OF NON-DISCRIMINATION

With respect to activities related to the Property, the Grantee hereby agrees that it will comply with the requirements of Title VI of the Civil Rights Act of 1964 (Public Law No. 88-352) and all requirements imposed by or pursuant to the regulations issued pursuant to the Act and now in effect, to the end that, in accordance with said Act and regulations, no person in the United States shall, on the ground of race, color, national origin, sex, or handicap be excluded from participation

in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity related to the Property of the Grantee, its successors or assigns.

XVI. ANTI-DEFICIENCY ACT STATEMENT

The Grantor's obligation to pay or reimburse any money under this Deed is subject to the availability of appropriated funds to the Department of the Army, and nothing in this Deed shall be interpreted to require obligations or payments by the Grantor in violation of the Anti-Deficiency Act.

XVII. GENERAL PROVISIONS

A. LIBERAL CONSTRUCTION. Any general rule of construction to the contrary notwithstanding, this Deed shall be liberally construed to effectuate the purpose of this Deed and the policy and purpose of CERCLA. If any provision of this Deed is found to be ambiguous, an interpretation consistent with the purpose of this Deed that would render the provision valid shall be favored over any interpretation that would render it invalid.

 B. SEVERABILITY. If any provision of this Deed, or the application of it to any person or circumstance, is found to be invalid, the remainder of the provisions of this Deed, or the application of such provisions to persons or circumstances other than those to which it is found to be invalid, as the case may be, shall not be affected thereby.

C. NO FORFEITURE. Nothing contained herein will result in a forfeiture or reversion of title in any respect.

D. CAPTIONS. The captions in this Deed have been inserted solely for convenience of reference and are not a part of this Deed and shall have no effect upon construction or interpretation.

E. RIGHT TO PERFORM. Any right which is exercisable by the Grantee, and its successors and assigns, to perform under this Deed may also be performed, in the event of default by the Grantee, or its successors and assigns, by a lender of the Grantee and its successors and assigns.

XIX. THE CONDITIONS, RESTRICTIONS, AND COVENANTS

The conditions, restrictions, and covenants set forth in this deed are a binding servitude on the herein conveyed Property and will be deemed to run with the land in perpetuity. Restrictions, stipulations and covenants contained herein will be inserted by the Grantee verbatim or by express reference in any deed or other legal instrument by which it divests itself of either the fee simple title or any other lesser estate in the Property or any portion thereof. All rights and powers reserved to the Grantor, and all references in this deed to Grantor shall include its successor in interest. The Grantor may agree to waive, eliminate, or reduce the obligations contained in the covenants,

1	PRO	VIDED, HOW	EVER , that the failure of the Grantor or its successor to insist in any one or			
2	more instances upon complete performance of any of the said conditions shall not be construed as a					
3	waiver or a relinquishment of the future performance of any such conditions, but the obligations of					
4	the G	rantee, its succ	essors and assigns, with respect to such future performance shall be continued			
5	in full	force and effect	ct.			
6			•			
7	XX.	LIST OF EX	KHIBITS			
8						
9		The followin	g listed Exhibits are made a part of this Deed:			
10		Tools Halle A.	Taral Description of Deal Description			
11		Exhibit A:	Legal Description of Real Property			
12		Exhibit B:	Water and Wastewater Systems on Ord Military Community			
13		Exhibit C:	Water and Wastewater Systems Outside the Ord Military Community			
14		Exhibit D:	Fort Ord Parcels for Disposal Map			
15		Exhibit E:	Finding of Suitability to Transfer (FOST)			
16		Exhibit F:	Ordnance and Explosives Site Map			
17						
18						
19						
20						
21						
22			[Signature Pages Follow]			
23						

1	IN MUTATERS WHITEDEAE the Country the UNITED STATES OF AMEDICA action
2	IN WITNESS WHEREOF, the Grantor, the UNITED STATES OF AMERICA, acting
3	by and through the SECRETARY OF THE ARMY, has caused these presents to be executed this
4	23-d day of () etoler 2001.
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7	UNITED STATES OF AMERICA
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. 1	(): 1: 1 + 1 = 1
.2	By: Joek W. With
.3	Joseph W. Whitaker
4	Acting Deputy Assistant Secretary of the Army
.5	Installations & Housing
6	-
7	
.8	
9	
20	COMMONWEALTH OF VIRGINIA)
21) ss
22	COUNTY OF ARLINGTON)
23	, and the second of the second
24	
25	
26	On 23 October 2001 before me, the undersigned, a Notary Public in and for
27	said state, personally appeared Joseph W. Whitaker personally known to me (or proved to me on the
28	basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument
29	and acknowledged to me that he executed the same in his authorized capacity, and that by his
	signature on the instrument the person, or the entity upon behalf of which the person acted, executed
30	
31	the instrument.
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33	NUTTATE OF THE A STATE OF THE A STAT
34	WITNESS my hand and official seal.
35	
36	
37	\checkmark
38	laven U. cooper
39	Notary Public, Commonwealth of Virginia
4 0	/
	MY COMMISSION EXPIRES
	November 30, 2002

ACCEPTANCE:

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In Testimony Whereof, witness the signature of the Fort Ord Reuse Authority ("Authority"), an organization organized and existing under the laws of the State of California under the Fort Ord Reuse Authority Act created under Title 7.85 of the California Government Code, Chapters 1 through 7, inclusive, commencing with Section 67650, et seq., and selected provisions of the California Redevelopment Law, including Division 24 of the California Health and Safety Code, Part 1, Chapter 4.5, Article 1, commencing with Section 33492, et sea.. and Article 4, commencing with Section 33492.70, et seq., this 24th day of Ecopher 2001 hereby accepts and approves this Quitclaim Deed for itself, its successors and assigns, and agrees to all the conditions, reservations, restrictions, and terms contained therein.

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FORT ORD REUSE AUTHORITY

LOCAL REDEVELOPMENT AUTHORITY

Michael A. Houlemard, Jr.

Executive Officer

STATE OF CALIFORNIA)

) ss

COUNTY OF MONTEREY)

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On Experience 34 3001 before me, the undersigned, a Notary Public in and for said state, personally appeared Michael A. Houlemard, Jr. personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted. executed the instrument.

36 37

WITNESS my hand and official seal.

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COMM. #1236441 Notary Public-California MONTEREY COUNTY My Comm. Exp. Oct. 4, 2003 collonal

19 03-65017.04

SHARON Y. STRICKLAND

1	EXHIBIT A
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3	LEGAL DESCRIPTION OF PROPERTY
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Legal Description:

A 1.23 ACRE PARCEL OF LAND, BEING A PORTION OF "MARINA I", AS DESIGNATED FOR ECONOMIC DEVELOPMENT CONVEYANCE.

All that certain real property situate in Rancho Las Salinas, Monterey City Lands Tract No. 1, City of Marina, County of Monterey, State of California described as follows:

A portion of Parcel 1, as said Parcel 1 is shown and so designated on the map filed for record in Volume 23 of "Surveys", at Page 91, Records of Monterey County, California, said portion being more particularly described as follows:

COMMENCING at the northernmost point of Parcel 9, as shown and so designated on the map filed for record in Volume 19 of "Surveys", at Page 20, and more particularly described as point 59, being a 1" iron pipe, tagged "RCE 15310"; thence North 17° 57' 34" East, 191.47 feet to a ½" rebar tagged "LS 3304"; thence North 10° 03' 31" West, 557.89 feet to a ½" rebar tagged "LS 3304; thence North 67° 32' 34" East, 402.77 feet to the true point of beginning, being a set 1" iron pipe with brass tag "LS 4974"; thence

- 1) Northeasterly, along the arc of a curve to the left, concave to the northwest, the center of which bears North 22° 20′ 31″ West, 1340.00 feet, through a central angle of 15° 13′ 54″, 356.23 feet to a set mag nail with a 1½″ stainless steel washer stamped "LS 4974"; thence
- 2) North 52° 25' 35" East, 318.71 feet to a set mag nail with a 1½" stainless steel washer stamped "LS 4974"; thence
- 3) Northeasterly, along the arc of a curve to the right, concave to the southeast, the center of which bears South 37° 34′ 25″ East, 2470.00 feet, through a central angle of 3° 22′ 03″, 145.17 feet to a set 1″ iron pipe with brass tag "LS 4974" thence
- 4) North 34° 12' 22" West, 56.85 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 5) South 63° 02' 13" West, 107.63 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 6) South 47° 05' 27" West, 119.26 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 7) South 53° 27' 41" West, 300.53 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 8) South 59° 39' 25" West, 219.54 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 9) North 71° 32' 47" East, 61.39 feet to a set 1" iron pipe with brass tag "LS 4974"; thence
- 10) South 22° 17' 58" East, 69.78 feet to the point of beginning.

Containing 1.23 Acres, more or less

EXHIBIT B

WATER AND WASTEWATER SYSTEMS ON ORD MILITARY COMMUNITY (PRESIDIO OF MONTEREY)

The location of the US Army Ord Military Community (Previously known as the Presidio of Monterey Annex) is shown on the Fort Ord Parcels for Disposal Map [see Exhibit D]. The approximately 782 acres Ord Military Community (Presidio of Monterey) is further described as parcels 1-7, 9 and 11 of the Fort Ord Military Reservation Record of Survey recorded in Book Volume 21, Survey page 83 in the County of Monterey.

Included with this Transfer are the water and wastewater pipelines and appurtenances, and the following buildings and structures located on the Ord Military Community. Ownership of water sprinkler system pipes and appurtenances, water pipe service laterals, and wastewater sewer laterals will remain with the fee title owner of the property. Water pipe service laterals are defined as generally the smaller diameter pipelines that provide a direct connection between a service location (e.g., a building or other facility or structure) and the upstream potable water distribution system. Where metered, the service lateral would begin immediately downstream of the meter. Wastewater sewer laterals are defined as generally that portion of any sewer beginning two feet outside the foundation wall of any building or facility and running to a connection with a sewer main.

WATER SYSTEM BUILDINGS\STRUCTURES

				Exclusive	Non-Exclusive Access	
		Facility Property		Easement	Easement	
Fac #	Sheet	Type	Size	(Acres)	(Acres)	Owner
				(110103)	(2.2020)	<u> </u>

Underground water pipelines and appurtenances on the Ord Military Community (Presidio of Monterev) total 122,460 ft. in length.

WASTEWATER SYSTEM BUILDINGS\STRUCTURES

39	6634	WW22 Hatten Lift Station	-	0.11	0.03	Army
40	7698	WW20 Gigling Lift Station	513 sf	0.31	0.62	Army

Underground wastewater pipelines and appurtenances on the Ord Military Community (Presidio of Monterey) total 97,420 ft. in length.

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Underground recycled water pipelines and appurtenances on the Ord Military Community (Presidio of Monterey) total 8,400 ft. in length.

The utility systems and access easement locations are more fully shown on sheets 48-51, 59-62, 66-69, 76, 77 in the "Fort Ord Military Reservation Water Facilities", sheets 48-51, 59-62, 66-69, 76 and 77 in the "Fort Ord Military Reservation Sanitary Sewer Facilities", and "Marina Coast Water District Public Benefit Conveyance Application Fee Title/Easement Requests" drawings W23, WW20 and WW22 [see Appendix E] filed in the office of the Monterey County Surveyor as SN 23,538 through SN 23,717 inclusive.

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EXHIBIT C

WATER AND WASTEWATER SYSTEMS OUTSIDE THE ORD MILITARY COMMUNITY (FORMERLY THE PRESIDIO OF MONTEREY ANNEX) ON THE FORMER FORT ORD

A description of the former Fort Ord property is provided in the Perimeter Boundary of Fort Ord Record of Survey located in Survey Volume 19, Survey Page 1. Fort Ord contains approximately 27,827 acres.

The former Fort Ord contains approximately 36 different property owners and more than 175 different parcels. The location of these parcels and the location of the Ord Military Community (Presidio of Monterey) are shown on the Fort Ord Parcels for Disposal Map [see Appendix C]. The approximately 800 acres of the Ord Military Community (Presidio of Monterey) are further described as parcels 1-7, 9 and 11 of Bestor Engineering, Inc. Record of Survey recorded in Book Volume 21, Survey page 83 in the County of Monterey.

 Included with transfer are the water and wastewater pipelines and appurtenances, and of the buildings and structures on the former Fort Ord outside the Ord Military Community (Presidio of Monterey). Ownership of water sprinkler system pipes and appurtenances, water pipe service laterals, and wastewater sewer laterals will remain with the fee title owner of the property. Water pipe service laterals are defined as generally the smaller diameter pipelines that provide a direct connection between a service location (e.g., a building or other facility or structure) and the upstream potable water distribution system. Where metered, the service lateral would begin immediately downstream of the meter. Wastewater sewer laterals are defined as generally that portion of any sewer beginning two feet outside the foundation wall of any building or facility and running to a connection with a sewer main.

WATER SYSTEM BUILDINGS\STRUCTURES

32 33 34 35				Facilit		usive ement	Non-l Acces Easen		
36	Fac #	Sheet	Type	Size	(Acı	es)	(Acre	s)	Property Owner
37		31.001					1,1010		<u> </u>
38	122	(W22)	ASP Water Pump Bl	dg	1901 sf	0.37		0.00	EDC
39	147	(W18)	East Garr. Water Tar	ık	0.2 Mgal	0.11		0.06	EDC/PBC
40	230	(W8)	W. Well A #29		510 sf	0.92		0.48	UC
41	232	(W7)	"F" Booster Inter. Re	eser. 0.1	7 Mgal 0.63		2.00		CSUMB
42		(W7)	"F" Booster Station	625 sf	,				
43		(W7)	Chlorination Bldg	320 sf	•				

1	344**	(W21)	Skeetfield Water Tan	k	0.2 M	gal	0.13	0.06	MCWD
2		` ,	Travel Camp Pump		-	0.10		0.00	MCWD
3		` '	Travel Camp Tank	0.06 N	/Igal	0.11	1	.15	MCWD
4	475**	(W20)	"F" Water Tank	2.0 M	[gal	0.92	0	.29	MCWD
5		(W6)	Future Reservoir Site	A	Ū	1.72	1	.23	MCWD
6	506	(W1)	Fritzsche Field Water	Tank	0.3 Mg	al1.91	0	.20	Marina
7	555***	*(W9)	Well B (#30)	578 sf		1.50	0	.35	MCWD
8	560	(W10)	Well C (#31)	510 sf	•	1.22	0	.94	UC
9	565B	(W11)	Well D Surge Tank (#	/ 32) -		0.01	0	.00	UC
10	565	(W16)	Well D (#32)	510 sf		0.21	0	.86	UC
11	875	(W27)	Huffman Reservoir	0.06 N	1gal	0.16	0	.00	BLM
12	3101*	*(W5)	MCWD Corp. Yard	57,104	l sf	10.55	0	.00	MCWD
13		(includ	les 22 buildings of vari	ious siz	es and a	a natural	l gas tank	station with	2 tanks)
14	4371		"D" & "E" Water Tan					.08	EDC
15	4373	(W25)	Transmitter Bldg		200 sf	•			
16	4374	(W25)	Water Pump House		256 sf	•			
17	4375	(W25)	"E" Water Tank		0.25 N	⁄Igal			
18	4424	(W19)	"B" Water Tank	2.0 Mg	gal	1.54	0	.07	CSUMB
19		(W19)	Water Pump Building	4424A	& wat	er equip	ment Vau	ılts	
20	4475	• ,	"C" Water Tank	2.1 Mg		2.17		.25	EDC
21	4976	(W2)	Main Booster Station		-	3.79	1	.02	EDC
22	4974	(W2)	Main Booster Pumpin	ıg Stn	2404 s	sf			
23	4975	(W2)	Water Treatment Bldg	g	221 sf	•			
24	4976	(W2)	Ground Water Tank		1.0 M	gal			
25	4978	(W2)	Water Pump Bldg		225 sf				
26	8269	(W26)	Bayview Water Tank		$0.2 M_{\odot}$	gal	0.32	0.84	Seaside
27	8269A	(W26)	Water Control			_			
28	-	(W12)	HW-1 above ground of	crossing	gΑ		0.68	0.00	Caltrans
29			(W12-1 also depicts s	ewer lii	ne)				
30	-	(W13)	HW-1 above ground of	crossing	gВ		0.21	0.00	Caltrans
31	-	(W14)	HW-1 above ground of	crossing	g C		0.16	0.00	Caltrans
32	-	(W4)	HW 1 above ground of	rossing	D		0.63	0.00	Caltrans
33	-	(W3)	HW-1 under ground c	rossing	,		0.07	0.00	Caltrans
34		` ′	•	_					
35					65,364	l sf	32.47 ac	10.88 ac	
36									
37	*	Refere	nce Water Parcel and A	Access 1	Easeme	nt Maps	3		
38	**		es Future Fee Parcels			•			
39	***	This pa	arcel is being transferre	ed in fee	e by thi	s deed			
			Č		•				

Underground water pipelines and appurtenances outside of the Ord Military Community (Presidio of Monterey) total 557,935 ft. in length.

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Underground recycled water pipelines and appurtenances outside the Ord Military Community (Presidio of Monterey) total 41,340 ft. in length.

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WASTEWATER SYSTEM BUILDINGS\STRUCTURES

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6					Non Evolu	naix /a
6 7				Exclusive	Non-Exclu	isive
		Daville.			Access	Duamanta
8	T# Cl+	Facility	:	Easement	Easement	Property
9	Fac # Sheet	Type S	ize	(Acres)	(Acres)	Owner
10	31** WW18	E.Garrison Lift Station2	24 of	0.14	0.00	EDC/DDC
11			20 sf		0.00	EDC/PBC EDC/PBC
12			43 sf		0.31	
13	145A WW17		45 81	0.77	0.51	EDC
14	505 WW3	Fritzsche Lift Station Fritzsche Lift Station		0.10	0.00	Morino
15	528 WW2		24 -5		0.00	Marina
16	530 WW4	Fritzsche Lift Station 12	24 SI		4.00	Marina
17	1492 WW15	TAC Lift Station	-	0.03	0.00	CSUM
18	2076 WW10	WW Treatment Plant 4		14.63	0.00	CDPR
19	2076A "	Sewer/W. Treat. Bldg 99	93 sf			
20	2076B "	Sewer Pump Stat. Bldg		473 sf		
21	2076C "	Sewer Pump Stat. Bldg		631 sf		
22	2076D "	Sewer/W. Treat. Bldg		588 sf		
23	2076E "	Effluent Contact Facility	y	506 sf		
24	2076F "	Chlorinator Bldg		380 sf		
25	2076G "	General Storehouse		860 sf		
26	2076H "	Sewer/W. Treat Bldg		1,042 sf		•
27	2076I "	Sewer/Treat Plant Sec.				
28	2076J/K "	Grit Tank and Headworl	ks			
29	2076L "	Primary Sediment Tank		7,488 sf		
30	2076M/N "	Bio Trickling Filters				
31	2076O/P "	Digest Tanks				
32	2076Q "	Revolving Drum Screen	l	2,000 sf		
33	2076R "	Chlorine Contact Tank		1,485 s	\mathbf{f}	
34	2076S "	Relocatable Building		320 sf		
35	2720 WW5	11th Street Lift Station		0.15	0.00	EDC
36	4906 WW16			0.04	0.44	Marina
37	5398 WW8	Wittemeyer Lift Station			0.20	3.00
38	EDC	Wittenie jei Ein Station			0.20	2.00
39	5447 WW9	Landrum Lift Station		0.13	0.09	EDC
40		Schoonover Lift Station		0.15	0.02	CSUMB
	5713A WW13				0.02	CSUMB
41	5790 WW14	Hodges Lift Station		0.10		
42	5871 WW12	Imjin Lift Station		0.14		DC/CSUM
43	5990 WW21	Ord Village Lift Station:	514 si	0.91	0.25	CDPR

1	5987	WW21	Lift Station				
2	5988A	. WW21					
3	5989	WW21					
4	6130	WW6	Jefferson Lift Station	-0.13		0.20	EDC
5	6143	WW10	Clark Lift Station	-0.16		0	EDC
6	6225	WW7	San Pablo Lift Station	n -0.30		0.69	EDC
7	8775	WW1	Booker Lift Station	304 sf	0.34	0.04	EDC
8		W12	Above ground crossin	ng	0.68	0.00	CalTrans
9		(Also depicts	water line SN 23,668)				
10				23,197 sf	9.65ac	9.22ac	

^{*} Reference Wastewater Parcel and Access Easement Maps.

Underground wastewater pipelines and appurtenances outside of the Ord Military Community (Presidio of Monterey) total 469,590 ft. in length.

 The utility systems and access easement locations are more fally shown on sheets 2-89 of the "Fort Ord Military Reservation Water Facilities" drawings, sheets 10-77 of the "Fort Ord Military Reservation Sanitary Sewer Facilities" drawings, and "Marina Coast Water District Public Benefit Conveyance Application Fee Title/Easement Requests" drawings W1-W27 and WW1-WW22 [see Appendix E] filed in the office of the Monterey County Surveyor as SN 23,538 through SN 23,717 inclusive.

Included with this transfer are the salvaged well plant and equipment (well casings, shafts, pump motors, etc.) from abandoned or inactive wells 24, 25, 26, 27 and 28 to be used as replacement parts for active wells 29(A), 30(B), and 31(C) and inactive well 32(D). Wells 24, 25, 26, 27, and 28 are to be kept closed at all times to prevent endangerment to human life. Also included are water and wastewater pipes, clamps and other appurtenant equipment and other water/wastewater equipment formerly owned by IT Corporation. This plant and equipment is presently stored in the fenced area adjacent to buildings 2778 and 2790.

Excluded from the transfer are the non-potable golf course irrigation system and its components, the water and sewer systems within the boundaries of (parcel L28) and (parcel L27), and the 12 inch water line that crosses Highway One at about 10th Street.

 Marina Coast Water District may continue occupancy of buildings 2778, 2778A, 2788, 2790 and the fenced in area until these buildings are transferred to others. At that time, Marina Coast Water District is required to make arrangements with the future owner of the buildings for any continued occupancy of the buildings.

Approximately 38% of the acreage of the former Fort Ord have already been transferred to others while the Grantor still maintains ownership of the remainder. On the land already owned by others, the Grantor is transferring the rights for the existing water and wastewater

^{**} Indicates future Fee Parcels.

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system it reserved in transfer documents to provide easements to others. As parcels are environmentally cleared for transfer, additional parcels will be transferred to others.

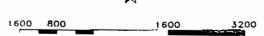
1	EXHIBIT D	
2		
3		FORT ORD PARCELS FOR DISPOSAL MAP
4		

03-65017.03 28

PARCELS FOR DISPOSAL

Presidio of Monterey Annex and Former Fort Ord, California

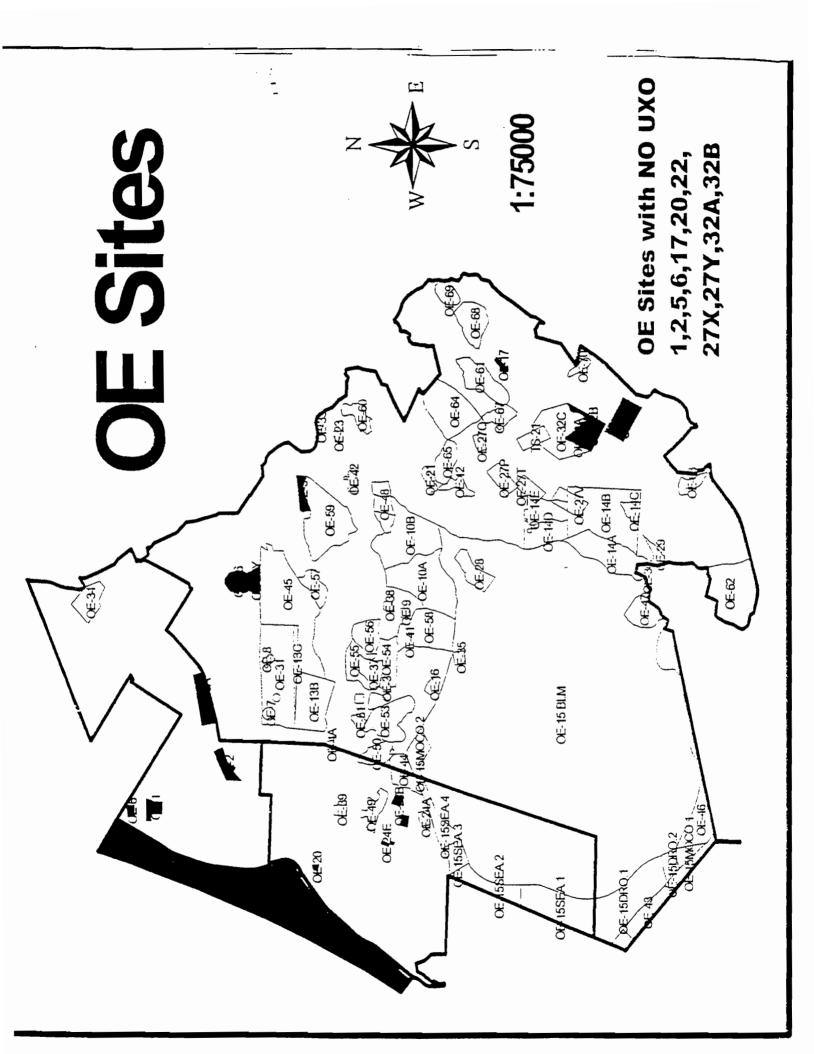
 Boundary of the Former Fort Ord
 Limits of the County of Monterey, the cities of Seaside, Marina, and Del Rey Oaks
 Transferred
Memorandum of Understanding
Pending Public Benefit Conveyance
Not Available (POM Annex)
Negotiated Sale
Easements/Leases
EDC Surplus II Parcels
Union/Southern Pacific Railroad Right of Way
Covenant Deferral Request (CDR), EDC
•



THIS EXHIBIT IS AN OVERSIZED MAP. THE MAP IS A PUBLIC DOCUMENT AND IS AVAILABLE FOR VIEWING AT THE OFFICES OF THE FORT ORD REUSE AUTHORITY AND THE U.S. ARMY CORPS OF ENGINEERS.

FORT ORD REUSE AUTHORITY 100 12th STREET - BUILDING 2880 MARINA, CA

U.S. ARMY CORPS OF ENGINEERS
BASE REALIGNMENT & CLOSURE OFFICE
ORD MILITARY COMMUNITY
GIGLING ROAD - BUILDING 4463
SEASIDE, CA



DEED FOR WATER AND WASTEWATER SYSTEMS AND ASSIGNMENT OF EASEMENTS

1 EXHIBIT B

2

03-67192.02

WHEN RECORDED MAIL TO:

	KUTAK ROCK LLP
	1101 CONNECTICUT AVENUE, NW
	10th FLOOR
•	WASHINGTON, DC 20036
_	ATTN: GEORGE SCHLOSSBERG, ESQ.

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

DEPARTMENT OF THE ARMY

EASEMENT TO FORT ORD REUSE AUTHORITY FOR WATER AND WASTEWATER DISTRIBUTION SYSTEMS LOCATED ON FORMER FORT ORD

MONTEREY COUNTY, CALIFORNIA

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of the mains only and does not include service lines to buildings and structures.

DEPARTMENT OF THE ARMY

EASEMENT TO FORT ORD REUSE AUTHORITY

FOR WATER AND WASTEWATER DISTRIBUTION SYSTEMS LOCATED ON FORMER FORT ORD

MONTEREY COUNTY, CALIFORNIA

THE SECRETARY OF THE ARMY, under and by virtue of the authority vested in the Secretary by Title 10, United States Code, Section 2669, and the Defense Base Closure and Realignment Act of 1990, Public Law 101-510, as amended, having found that the granting of this Easement is not incompatible with the public interest, hereby grants on behalf of the United States of America, hereinafter referred to as "Grantor", to Fort Ord Reuse Authority ("FORA") hereinafter referred to as the "Grantee", a utility easement for constructing, operating, maintaining, repairing and replacing the water and wastewater distribution systems over, across, in and upon lands of the United States, as depicted in the Perimeter Boundary of Fort Ord Record of Survey located in Survey Volume 19, Survey Page 1 and further shown on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorder's Office, hereinafter referred to as the "Premises".

The drawings titled Fee Title and Easement Request Drawings, SN 23,538 through SN 23,717 inclusive, on file at the Monterey County Recorder's Office depicting the approximate locations of these utility easements were prepared by Marina Coast Water District ("MCWD"). As major additions or repairs are performed, Grantee may record corrections to these maps with the office of the Monterey County Surveyor and the maps shall be deemed addenda to this Easement and are incorporated herein by reference.

Approximately 38% of the acreage of the former Fort Ord has already been transferred to others while the Grantor still maintains ownership of the remainder. On the lands owned by others, said owners are listed in Exhibit A, the Grantor is also transferring the easement rights for the existing water and wastewater system it reserved in the transfer documents. The width of said utility line easements is fifteen feet unless otherwise stated. As additional parcels are transferred, the Grantor will make the transfer subject to this Easement.

Transfer of the Grantor's ownership rights associated with the potable water and wastewater systems are being accomplished through an Economic Development Conveyance to the Grantee, to then be passed to MCWD by deed, for public purposes.

where the water meter is or will be installed and the Easement for the wastewater system consists

The Easement for the water system consists of the water mains and laterals to the point

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Included with this Easement is access to acquire salvaged well plant and equipment (well casings, shafts, pump motors, etc.) from abandoned or inactive wells 24, 25, 26, 27 and 28 to be used as replacement parts for active wells 29(A), 30(B) and 31(C) and inactive well 32(D). Wells 24, 25, 26, 27, and 28 are to be kept closed at all times to prevent endangerment to human life.

It is the intent of the parties herein to convey easements supporting all of the Potable Water Distribution System and the Wastewater Collection System ("Facilities") owned by the Grantee on the former Fort Ord. The parties believe and intend that the location of the lines and facilities depicted on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorders Office include easements for the systems in their entirety. If any easement was omitted the parties agree that such omission was inadvertent and such easement, shall be treated as though it were expressly contained in this Easement.

THIS EASEMENT for the conveyance of the interests set forth above is granted subject to the following conditions, reservations, terms, and covenants:

1. TERM

This Easement is hereby granted in perpetuity, effective on the date of execution of this document and the transfer of the water and wastewater systems to Grantee.

2. CONSIDERATION

In consideration for, and effective upon, the transfer of the water and wastewater systems, the easements, and water production rights and wastewater capacity, Grantee assumes the Grantor's obligation to provide water required by the Installation-Wide Multi-species Habitat Management Plan for Former Fort Ord, California for Habitat Management Plan mitigation and other documents. Grantee also assumes the Army's obligation to cooperate and coordinate with parcel recipients, the Monterey County Water Resources Agency (MCWRA), the Fort Ord Reuse Authority (FORA), MCWD, and others to ensure that all owners of property at the former Fort will continue to be provided an equitable supply of the water at equitable rates. Grantee also agrees to cooperate and coordinate with FORA, MCWD, property recipients, the MCWRA, the Monterey Regional Water Pollution Control Agency (MRWPCA) and others to ensure Non-Army Responsibility Mitigations required by the Records of Decision dated December 23, 1993 and June 18, 1997 are met. Grantee will ensure that it meets all requirements of the Army Agreement with MCWRA approved on September 21, 1993. The Grantee agrees to indemnify and hold harmless the Grantor, its officers, agents and employees from and against all suits, claims, demands or actions, liabilities, judgments, penalties, costs and attorneys' fees arising out of, or in any manner predicated upon the violation of any Grantor requirement under the Agreement due to the withdrawal of water from any aquifers located under the former Fort Ord.

3. NOTICES

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All correspondence and notices to be given pursuant to this EASEMENT shall be addressed:

if to the Grantee:

Fort Ord Reuse Authority Attention: Executive Officer 100 12th Street Building 2880 Marina, California 93933

with a copy to.

George R. Schlossberg, Esq. Kutak Rock LLP 1101 Connecticut Avenue, N.W. Washington, D.C. 20036

if to the Grantor:

District Engineer United States Army Corps of Engineers Attention: Chief, Real Estate Division 1325 J Street Sacramento, California, 95814

Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

4. AUTHORIZED REPRESENTATIVE

 Except as otherwise specifically provided, any reference herein to "Secretary", "District Engineer", "Installation Commander", "Commander", "Garrison Commander", or "Said Officer" shall include their duly authorized representatives. Any reference to "Grantee" shall include assignees, transferees and their duly authorized representatives.

5. SUPERVISION BY THE GRANTOR

a. The construction, operation, maintenance, repair, modification, or replacement of said Facilities, located upon the land owned by the Grantor (also referred to as "Premises"), shall be performed at no cost or expense to the Grantor, except as provided for in any utility service

contract and subject to the approval of the Installation Commander, Ord Military Community, (hereinafter referred to as "Said Officer"). The use and occupation of the premises for the purposes herein granted shall be subject to such rules and regulations as Said Officer prescribes in writing from time to time.

b. With respect to fee owners, the above requirement is limited to the Grantee's responsibility to the extent and in the manner provided by California law.

6. APPLICABLE LAWS AND REGULATIONS

The Grantee shall comply with all applicable federal, state, county, and municipal laws, permits, standards, ordinances and regulations wherein the Premises are located, collectively, "Applicable Laws". The Grantee shall also comply with the rules and regulations as set forth by the applicable state water and wastewater regulatory agencies.

7. CONDITION OF PREMISES

The Grantee acknowledges that it has inspected the Premises, knows the condition, and understands that the same is granted without any representation or warranties whatsoever and without any obligation on the part of the Grantor.

8. INSPECTION AND REPAIRS

The Grantee shall inspect the Facilities on the Premises at reasonable intervals and immediately repair any defects found by such inspection in keeping with good business practices or as required by the Applicable Laws.

PROTECTION OF PROPERTY

The Grantee shall be responsible for any damage that may be caused to the property on the former Fort Ord by the activities of the Grantee under this Easement. With respect to fee owners, this requirement is limited to the Grantee's responsibility to the extent and in the manner provided by California law. Any property damaged or destroyed by the Grantee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Grantee to a condition satisfactory to the other property recipients, or at the election of property recipient, reimbursement made therefore by the Grantee in an amount necessary to restore or replace the property to a condition satisfactory to the property recipient responsibility to the extent and in the manner provided by California law.

10. INSURANCE

a. At the commencement of this Easement, the Grantee shall obtain, from a reputable insurance company, or companies, or self-insurance pool, comprehensive liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable, and consistent

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with sound business practices or an amount not less than a combined single limit of \$5,000,000, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons upon the Property or arising from activities conducted under this Easement.

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b. The liability insurance policy shall insure the hazards of the Premises and operations conducted in and on the Premises, independent contractors, contractual liability (covering the indemnity included in this Easement) occurring from and after the date of transfer of the water and wastewater systems from Grantor to the Grantee, and shall name the Grantor as an insured party. Each policy will provide that any losses shall be payable notwithstanding any act or failure to act or negligence of the Grantee or the Grantor or any other person, provided that the insurer will have no right of subrogation against the Grantor, and will be reasonably satisfactory to the Grantor in all respects. Under no circumstances will the Grantee be entitled to assign to any third party rights of action that it may have against the Grantor arising out of this Easement.

c. The Grantee shall require that the insurance company give Said Officer and the District Engineer thirty (30) days written notice of any cancellation or change in such insurance. Said Officer or the District Engineer may require closure of any or all of the Premises during any period for which the Grantee does not have the required insurance coverage. The Grantee shall require its insurance company to furnish to Said Officer and to the District Engineer a copy of the policy or policies, or if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance. The minimum amount of liability insurance coverage is subject to revision by the District Engineer every two (2) years or upon renewal or modification of this Easement.

d. The Grantee may require any agents, assignees, transferees, or successors, as joint and several responsible parties with the Grantee for those portions of the Premises under their control, to maintain and carry at their expense portions of the insurance requirement.

11. HOLD HARMLESS AND INDEMNIFY

a. The Grantee agrees to assume all risks of loss or damage to property and injury or death to persons by reason of or incident attributable or incident to the condition or state of repair of the Premises or to its possession and/or use of the Premises or the activities conducted under this Easement occurring from and after the date of transfer of the water and wastewater systems to the Grantee. The Grantee expressly waives all claims against the Grantor for any such loss, damage, personal injury or death caused by or occurring as a consequence of such condition, possession, and/or use of the Premises by the Grantee, or the conduct of activities or the performance of responsibilities under this easement by the Grantee. The Grantee further agrees to indemnify and hold harmless the Grantor, his officers, agents, and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs, and attorneys' fees arising out of, or in any manner predicated upon, personal injury, death, or property damage resulting from, related to, caused by or arising out of the possession and/or use of the Premises

by the Grantee. The Grantor will give the Grantee notice of any claim against it covered by this indemnity as soon after learning of such claim as practicable.

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b. The Grantee shall indemnify and hold harmless the Grantor from any costs, expenses, liabilities, fines, or penalties resulting from discharges, releases, emissions, spills, storage, disposal, or any other action by the Grantee giving rise to Grantor liability, civil or criminal, or responsibility under federal, state or local environmental laws, excluding, however, any costs, expenses, liabilities, fines, or penalties resulting from conditions existing prior to the date of transfer of the Facilities to the Grantee.

c. Subconditions a. and b. of this Condition and the obligations of the Grantee hereunder shall survive the expiration or termination of the Easement and the conveyance of the Premises. The Grantee's obligation hereunder shall apply whenever the Grantor incurs costs or liabilities for the Grantee's actions giving rise to liability under this Condition.

12. ANTI-DEFICIENCY ACT STATEMENT

The Grantor's obligation to pay or reimburse any money under this Easement is subject to the availability of appropriated funds to the Grantor, and nothing in this Easement shall be interpreted to require obligations or payments by the Grantor in violation of the Anti-Deficiency Act.

13. RIGHT TO ENTER

 a. The right is reserved to the Grantor, its officers, agents, and employees to enter upon the Easement at any time and for any purpose necessary or convenient in connection with government purposes that do not unreasonably interfere with the Grantee's rights herein granted, to make inspections, to conduct environmental and ordnance and explosives (OE) response actions, to remove timber or other material, except property of the Grantee, and/or to make any other use of the lands as may be necessary in connection with government purposes.

b. The Grantee shall have no claim for damages on account thereof against the Grantor or any officer, agent, contractor or employee thereof, not including damages due to the fault or negligence of the Grantor or its officers, employees, agents, or contractors.

14 TRANSFERS AND ASSIGNMENTS

Without prior written approval by said District Engineer, which approval shall not unreasonably be withheld, the Grantee shall neither transfer nor assign this Easement granted herein or any part thereof nor grant any interest, privilege or license whatsoever in connection with this Easement, provided that Grantee may convey the Easement without such consent to MCWD or to any subsidiary, parent or other affiliated entity, to the surviving entity in the event of merger or other corporate restructuring, or to a purchaser of substantially all of Grantee's

assets. The provisions and conditions of this Easement shall extend to and be binding upon and shall inure to the benefit of the representatives, successors and assigns of the Grantee.

15. SUBJECT TO ENCUMBRANCES

a. These Easements are taken by Grantee subject to existing licenses, leases, liens, and other encumbrances made for the purposes of street, utility systems, rights-of-way, railroads, pipelines, and/or covenants, exceptions, interests, reservations and agreements of record and applicable restrictions including building heights and land use. The Easement rights included herein cannot be conveyed or transferred without written consent of the property recipient. Property recipients shall not deny conveyance or transfer except as provided by California Law.

b. Prior to subsequent easements being granted on Government-owned property, the Grantor will determine, through coordination with the Grantee, that the proposed easement or route will not interfere with the Grantee's use of the premises.

16. REQUIRED SERVICES

The Grantee shall furnish through Grantee's Facilities such services as may be required from time to time for governmental purposes, provided that payment for such service will be made by the Grantor at rates that shall be mutually agreeable but that shall never exceed the most favorable rates granted by the Grantee for similar service.

17. RELOCATION OF FACILITIES

a. In the event all or any portion of the Premises occupied by Grantee's Facilities shall be needed by the Grantor, or in the event the existence of said Facilities is determined to be detrimental to governmental activities, the Grantee shall from time to time, upon notice from the Grantor to do so, and as often as so notified, remove said Facilities at the Grantee's expense (with the cost to be agreed upon) to such other location on former Fort Ord or Ord Military Community property, as applicable, as owned by the Grantor and as may be designated by Said Officer. In the event said Facilities shall not be removed or relocated within ninety (90) days after such notice, the Grantor may cause such relocation, and all costs of such relocation shall be paid by Grantee upon demand.

b. Property owners/future recipients, other than the Grantor, shall have the right to require the Grantee, at property owner's/future recipients' expense, to remove and relocate Grantee's facilities located upon said real property, upon determination by the property owner/future recipient that the same interfere with future development of the owner's/future recipients' property. Within 180 days after the property owner's/future recipients' written notice and demand for removal and relocation to a feasible location on the property owner/recipient, as designated by the property owners/recipients and the property owners/recipients shall furnish the Grantee with an easement in such new location, on the same

terms and conditions as herein stated, all without cost to Grantee, and Grantee thereupon shall reconvey to the property owner/recipient the Easement herein granted.

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18. TERMINATION OF EASEMENTS

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A rebuttable presumption of abandonment shall be raised by the failure of the Grantee to use portions of the Easement containing Facilities for a continuous period of 24 months for the purposes herein granted or if Grantee removes or demolishes the Facilities. In the event of such abandonment, the Grantor or its successor will notify the Grantee of its intention to terminate the easement for abandonment sixty (60) days from the date of the notice, unless prior to the end of said sixty (60) day period the Grantee either resumes its use of the easement or facility or demonstrates conclusively that said resumption of use will occur within a reasonable amount of time thereafter, not to exceed an additional ninety (90) day period (for purposes of this subparagraph, flow of water through the piping system shall constituent continuous use of the easement). Upon such termination, Grantee shall forthwith upon service of written demand, deliver to the then property owner a quitclaim deed, to its right, title and interest hereunder, and shall, on the then property owner's request, without cost to the then property owner and within 90 days from written demand by the then property owner, remove all above ground improvements or other property placed by or for Grantee upon the then property owner's property and restore the premises as nearly as possible to the same condition they were in prior to construction of the improvements by the Grantee. In the event the Grantee should fail to restore the premises in accordance with such request, the then property owner may do so at the risk of Grantee, and all costs of such removal and restoration shall be paid by Grantee upon demand.

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19. SOIL AND WATER CONSERVATION

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The Grantee shall not interfere with any soil and water conservation structures that may be in existence upon said Premises at the beginning of the term of this Easement and shall maintain, in accordance with sound engineering standards any of the same that may be constructed by the Grantee during the term of this Easement, and the Grantee shall take appropriate measures to prevent or control soil erosion within the right-of-way herein granted in a manner satisfactory to Said Officer. Any soil erosion occurring outside the Premises resulting from the activities of the Grantee shall be corrected by the Grantee as directed by Said Officer.

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20. ENVIRONMENTAL PROTECTION

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a. Within the limits of their respective legal powers, the parties hereto shall protect the Premises against pollution of its air, ground, and water. The Grantee shall promptly comply with any laws, regulations, conditions or instructions affecting the activity hereby authorized if and when issued by any federal, state, interstate or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is strictly prohibited. Such regulations, conditions, or instructions in effect or prescribed by the said federal, state, interstate or local governmental agency are hereby made a condition of this Easement. The Grantee shall not discharge waste or effluent from the premises in such a manner

that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

b. Current Grantor ground water monitoring wells indicate a trichloroethylene (TCE) groundwater plume approximately one mile west of supply wells 30 (B) and 31 (C) in parcels F7.1 and F7.2 respectively, as depicted on maps previously provided to the Grantee. While there is no substantial evidence indicating that the subject supply wells negatively influence plume migration, it is only prudent to assume that this possibility exists. If well pumping rates were to increase, the possibility of adverse impacts to the plume containment would likely increase. The Grantor is legally required to hydraulically contain the contaminated groundwater for extraction and treatment. Therefore, the Grantor has and will continue to closely monitor the contaminant plume and any interaction nearby water supply wells could have. In areas where groundwater extraction may impact or be impacted by the contaminated plumes on the former Fort Ord (Consultation Zone), well construction shall be subject to special review, evaluation, conditions of construction, and possibly prohibition against drilling.

c. The use of any pesticides or herbicides within the Premises shall be in conformance with all applicable federal, state and local laws and regulations for property not yet transferred from Grantor's control. The Grantee must obtain approval in writing from Said Officer before any pesticides or herbicides are applied within these Premises.

d. The Grantee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from the Grantee's activities, the Grantee shall be liable to restore the damaged resources.

e. The Grantor's rights under this Easement specifically include the right for Grantor officials to inspect, upon reasonable notice, the Premises for compliance with environmental, safety, and occupational health laws and regulations, whether or not the Grantor is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections. The Grantor normally will give the Grantee twenty-four (24) hours prior notice of its intention to enter the Premises unless it determines the entry is required for safety, environmental, operations, or security purposes. The Grantee shall have no claim on account of any entries against the Grantor or any officer, agent, employee, or contractor thereof.

 f. The Grantor acknowledges that the former Fort Ord has been identified as a National Priorities List Site under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). The Grantee acknowledges that the Grantor has provided it with a copy of the former Fort Ord Federal Facility Agreement ("FFA") entered into by the United States Environmental Protection Agency (EPA) Region IX, the State of California, Department of Toxic Substances Control (DTSC), and the Grantor and effective on November 19, 1990, and will provide the Grantee with a copy of any amendments thereto. The Grantee agrees that should any conflict arise between the terms of the FFA, as it presently exists or may be amended, and the provisions of this Easement, the terms of the FFA will take precedence. The Grantee further

agrees that notwithstanding any other provision of the Easement, the Grantor assumes no liability to the Grantee should implementation of the FFA interfere with the Grantee's use of the Premises. The Grantee shall have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof, other than for abatement of rent.

g. The Grantee agrees to comply with the provisions of any health or safety plan in effect under the Installation Restoration Plan ("IRP") or the FFA during the course of the above-described response or remedial actions. Any inspection, survey, investigation, or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by the Grantee. The Grantee shall have no claim on account of such entries against the Granter or any officer, agent, employee, contractor, or subcontractor thereof. In addition, the Grantee shall comply with all applicable federal, state and local occupational safety and health regulations.

h. The Grantee shall comply with the requirements of 10 U.S.C. 2692(b)(9) to obtain the Grantor's approval for the storage, treatment, or disposal on the Premises of toxic or hazardous materials not owned by the Department of Defense.

i. The Grantee shall comply with the hazardous waste permit requirements under the Resource Conservation and Recovery Act (RCRA), or its California equivalent and any other applicable laws, rules or regulations for the Grantee's activities under this Easement. Except as specifically authorized by the Grantor in writing, the Grantee must provide, at its own expense, such hazardous waste management facilities, including storage, treatment, or disposal facilities, complying with all applicable laws and regulations. Hazardous waste management facilities of the Grantor will not be available to the Grantee. Any violation of the requirements of this provision shall be deemed a material breach of this Easement.

j. Any of Grantor's accumulation points for hazardous and other wastes will not be used by the Grantee. The Grantee will not permit its hazardous waste to be commingled with hazardous waste of the Grantor.

k. The Grantee shall have a plan approved by the Grantor for responding to hazardous waste, fuel, and other chemical spills prior to commencement of operations on the Premises, which approval shall not be unreasonably withheld or delayed. Such plan shall be independent of former Fort Ord and, except for initial fire response and/or spill containment, shall not rely on use of installation personnel or equipment. Should the Grantor provide any personnel or equipment, whether for initial fire response and/or spill containment, or otherwise on the request of the Grantee, or because the Grantee was not, in the opinion of the Grantor, conducting timely cleanup actions, the Grantee agrees to reimburse the Grantor for its costs. The plan may be developed in phases as agents, assigns, or contractor's activities are identified. Agents, assigns, or contractors shall provide to the Grantee a plan to cover their activities and portion of the Premises prior to commencement of operations on that portion of the Premises, which will be incorporated by the Grantee into the overall plan.

l. The Grantee shall not construct or make or permit its agents, assigns, or contractors to construct or make any substantial alterations, additions, or improvements to or installations upon or otherwise modify or alter the Premises in any way that may adversely affect the cleanup, human health, or the environment without the prior written consent of the Grantor. Such consent may include a requirement to provide the Grantor with a performance and payment bond satisfactory to it in all respects and other requirements deemed necessary to protect the interests of the United States. For construction or alterations, additions, modifications, improvements, or installations in the proximity of operable units that are part of a National Priorities List (NPL) site, such consent may include a requirement for written approval by the Said Officer's Remedial Project Manager.

21. ENVIRONMENTAL BASELINE SURVEY

 An Environmental Baseline Survey (EBS) dated April 1994, documenting the known history of the Premises with regard to the storage, release, or disposal of hazardous substances thereon, is located in several local libraries. If the Easement is terminated, another EBS shall be prepared at no expense to Grantee, which will document the Environmental Condition of the Premises at that time. A comparison of the two surveys will assist the officer in determining any environmental restoration requirements. Any such requirements will be completed by the Grantee in accordance with the condition specified in the paragraph entitled "RESTORATION".

22. ENDANGERED SPECIES

The Grantee, its successors or assigns, acknowledges and agrees to implement the following provisions, as applicable, relative to endangered species:

a. The Premises contains some areas in Habitat Management Plan (HMP) Development Areas. No resource conservation requirements are associated with the HMP for this conveyance. However, small pockets of habitat may be preserved within and around the Premises. The Premises also contains areas in HMP Habitat Reserves and Habitat Corridors. The requirement to avoid and restore habitat disturbed with the habitat reserve and habitat corridors for operation, maintenance, and replacement of utility systems within utility easement areas will be the same as applied to the fee title grantee of the habitat reserve and habitat corridor area.

b. The Biological Opinion identified sensitive biological resources that may be salvaged for use in restoration activities with reserve areas, and allows for development of the Premises.

c. The HMP does not exempt the Grantee, its successors or assigns, from complying with environmental regulations enforced by federal, state, or local agencies. These regulations could include obtaining the Endangered Species Act (ESA) (16 U.S.C. Section 1531 et seq.) Section 10(a) permits from the U.S. Fish and Wildlife Service (USFWS); complying with prohibitions against take of listed animals under ESA Section 9; complying with prohibitions against the removal of listed plants in violation of any state laws; complying with measures for conservation of state-listed threatened and endangered species and other special-status species recognized by

the California Department of Fish and Game (DFG) under the California ESA, or California Environmental Quality Act (CEQA); and complying with local land use regulations and restrictions.

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d. The HMP serves as a management plan for both listed and candidate species and is a prelisting agreement between the USFWS and the local jurisdiction for candidate species that may need to be listed because of circumstances occurring outside the area covered by the HMP.

e. Implementation of the HMP would be considered suitable mitigation for impacts to HMP species within HMP prevalent areas and would facilitate the USFWS procedures to authorize incidental take of these species by participating entities as required under ESA Section 10.

 f. The HMP does not authorize incidental take of any species listed as threatened or endangered under the ESA by entities acquiring land or real property interests at the former Fort Ord. The USFWS has recommended that all nonfederal entities acquiring land or real property interests at former Fort Ord apply for ESA Section 10(a)(1)(B) incidental take permits for the species covered in the HMP. The definition of "take" under the ESA includes harassing, harm, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct. Although the USFWS will not require further mitigation from entities that are in conformance with the HMP, those entities without incidental take authorization would be in violation of the ESA if any of their actions resulted in the take of a listed animal species. To apply for a Section 10(a)(I)(B) incidental take permit, an entity must submit an application form (Form 3-200), a complete description of the activity sought to be authorized, the common and scientific names of the species sought to be covered by the permit, and a conservation plan (50 CFR 17.22b).

23. PROTECTION OF TREES

The Grantee agrees to take all reasonable precautions to protect trees during maintenance and future operations and to restore the ground surface after completion of maintenance or other operations as near to its former condition as may be possible for protection against erosion.

24. HISTORIC PRESERVATION

a. The former Fort Ord contains one Historical District in the area known as East Garrison, Parcel L23.3.2.1. The Grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectura, or other cultural artifacts, relics, remains, or objects of antiquity. In the event such items are discovered on the premises, the Grantee shall immediately notify the California State Historical Preservation Officer (SHPO) and protect the site and material from further disturbance until Said Officer gives clearance to proceed.

b. The Grantee shall notify the SHPO before finalizing any plans for the construction or maintenance of its water and sewer facilities that will require excavation in proximity to, or

attachments on, said historic sites, and carry out such work in compliance with any reasonable and good faith requirements, conditions, or standards imposed by the SHPO or any other governmental agency having lawful jurisdiction over said historic sites.

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25. NOTICE OF THE POTENTIAL FOR THE PRESENCE OF ORDNANCE AND EXPLOSIVES

a. The former Fort Ord is a former military installation with a history of ordnance and explosives ("OE") use and, therefore, there is a potential for OE to be present. An archival search indicates that OE sites are located on the premises. There is a potential for OE to be present outside the OE sites on the Premises. In the event the Grantee, its successors, and assigns, should discover any ordnance on the Premises, they shall not attempt to remove or destroy it, but shall immediately notify the local Police and the Directorate of Law Enforcement at the Presidio of Monterey. Competent Grantor or Grantor-designated explosive ordnance personnel will be dispatched promptly to dispose of such ordnance properly at no expense to the Grantee.

b. OE Sites are shown on the map in Exhibit B. Entry and excavation within OE Sites 15, 42, 44 EDC, and 49 will require prior coordination with the Installation's Directorate of Environmental and Natural Resources Management and the U.S. Army Corps of Engineers. An Army approved ordnance disposal specialist must be present when access and excavations are necessary in the sites listed above. Access requests will be submitted a minimum of five (5) working days prior to the date of entry. Information required on the request includes location of entry and location and scope of any planned work to include depth of excavation. Access approval will set forth the conditions and requirements that must be met to work in the OE Sites. In addition, the Army will provide this notice to the Grantee annually as a reminder of this land use control and the hazards associated with unexploded ordnance. As the Army's OE removal actions continue and sites are completed, this land use control may be removed.

c. All Grantee supervisors and field personnel who will be entering OE sites are required to receive annual OE recognition and safety briefings. The Grantor will provide the OE recognition training to Grantee personnel when requested.

d. In the event of a Facility problem located in an OE Site that requires immediate corrective action, contact the Directorate of Law Enforcement at the Presidio of Monterey immediately.

26. EXCAVATION

 The Grantee shall not excavate on the Premises still owned by the Grantor or if transferred, classified as former OE sites, except in emergencies, without first obtaining an excavation permit from Said Officer, provided that said permit shall not be unreasonably withheld. A response or permission from the Grantor shall be given within five (5) working days and at no cost to the Grantee. The Grantor and its contractors agree to make every reasonable

effort to contact Grantee prior to performance of any excavation that may interfere with or be inconsistent with the rights herein granted.

27. NOTICE OF THE PRESENCE OF CONTAMINATED GROUNDWATER

 a. Part of the groundwater beneath the Premises may be contaminated with volatile organic compounds (VOCs), primarily trichloroethylene (TCE), at concentrations ranging from 1 to 20 micrograms per liter. This notice is provided pursuant to CERCLA Section 120 (h)(1) and (3). Currently two ground water extraction and treatment systems are in operation. Operations of a third pump and treat system started in April of 1999. In areas overlying or adjacent to the contaminant plumes on the former Fort Ord (Prohibition Zone), water well construction shall be prohibited. The Prohibition Zone is identified on the former Fort Ord, Special Ground Water Protection Zone Map, prepared, and maintained by the Grantor and on file in the County of Monterey, Department of Health. This map will be updated as determined by the Fort Ord Base Realignment and Closure Cleanup Team (BCT). Whether or not the location of a proposed well is within the territory subject to this prohibition shall be determined by the Health Officer in consultation with the BCT in accordance with the map on file in the Department of Health. This prohibition shall not apply to monitoring wells constructed for groundwater quality monitoring.

b. Without the expressed written consent of the Grantor in each case first obtained, neither the Grantee, its successors or assigns, nor any other person or entity acting for or on behalf of the Grantee, its successors or assigns, shall interfere with any response action being taken on the Premises by or on behalf of the Grantor, or interrupt, relocate, or otherwise interfere with any remediation system now or in the future located, over, through, or across any portion of the Premises.

28. COASTAL ZONE MANAGEMENT ACT (CZMA) CONSISTENCY REQUIREMENTS

a. The Negative Determination U.S. Army, Disposal and Reuse of Parcels on Former Fort Ord, Monterey County, dated November 1, 1995 (ND-109-95) and the Army's Coastal Zone Management Act Consistency Determination dated February 1994 (CD-16-94) identifies requirements for the transfer and reuse of lands at the former Fort Ord. By accepting this Easement, the Grantee agrees to comply with the requirements specified by the California Coastal Commission with respect to the Army's Coastal Zone Management Act Consistency Determination. With respect to water supply on the Former Fort Ord, initial priority will be given to coastal zone lands, including coastal-dependent agricultural and visitor-serving areas.

b. The Grantee recognizes that should any conflict arise between the Army's Coastal Zone Management Act Consistency Determination and the terms of this document, the Consistency Determination will take precedence. Not withstanding any other provisions of this transfer, the Grantor assumes no liability to the Grantee should implementation of the Consistency Determination interfere with the Grantee's use of the Premises. The Grantee shall

have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof.

29. AIR NAVIGATION RESTRICTION

The Monterey Airport and Marina Municipal Airport are in close proximity of the subject Property and Premises. Accordingly, in coordination with the Federal Aviation Administration, the Grantee covenants and agrees, on behalf of it, its successors and assigns, and every successor in interest to the Property and Premises wherein described, or any part thereof, that, when applicable, there will be no new construction or alteration unless a determination of no hazard to air navigation is issued by the Federal Aviation Administration in accordance with Title 14, Code of Federal Regulations, Part 77, entitled "Objects Affecting Navigable Airspace", or under the authority of the Federal Aviation Act of 1968, as amended.

30. NON-DISCRIMINATION

With respect to activities related to the Property, the Grantee hereby agrees that it will comply with the requirements of Title VI of the Civil Rights Act of 1964 (Public Law No. 88-352) and all requirements imposed by or pursuant to the regulations issued pursuant to the Act and now in effect, to the end that, in accordance with said Act and regulations, no person in the United States shall, on the grounds of race, color, national origin, sex, or handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity related to the Property of the Grantee, its successors or assigns.

31. RESTORATION

If for some reason termination of this Easement is required, and if requested by the Grantor/land owner, the Grantee shall, without expense to the Grantor/land owner, and within such time as Said Officer/land owner may indicate, restore the Premises to the satisfaction of Said Officer/land owner. In the event the Grantee shall fail to restore the Premises, if requested by the Grantor/land owner, the Grantor/land owner shall have the option to perform the restoration at the expense of the Grantee, and the Grantee shall have no claim for damages against the Grantor/land owner or its officers or agents for such action.

32. DISCLAIMER

This Agreement is effective only insofar as the rights of the Grantor in the property are concerned, and the Grantee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of the Easement does not eliminate the necessity of obtaining any Department of the Army permit that may be required pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (30 Stat. 1151; 33 U.S.C. § 403), Section 404 of the Clean Water Act (33 U.S.C. § 1344) or any other permit or license that may be required by federal, state or local law in connection with use of the Premises.

33. NON-TRANSFERABLE RIGHTS

Conditions 3, 4, 5, 9, 11, 12, 14, 17a, 21, 26, 31, and 34a are non-transferable rights of the Grantor. In the event of disposal of the Grantor' underlying fee, these rights and conditions will not transfer with the land and will thereupon terminate. Condition 13 is not a transferable right, but will not ever be terminated.

34. USE OF PROPERTY

 a. The Grantee agrees that the use of this Easement herein shall be subject to the express condition that the exercise thereof will not unduly interfere with the management and administration by the Grantor of the Premises, and that the Grantee agrees and consents to the occupancy and use by the Grantor, its grantees, permittees, or lessees of any part of the Easement not actually occupied or required by the Facilities, or the full and safe utilization thereof, for necessary operations incident to such management, administration, or disposal.

b. Property recipients (those organizations being transferred property on the former Fort Ord) reserve the right to use said real property in any manner, provided that such use does not unreasonably interfere with Grantee's rights hereunder.

THIS EASEMENT is not subject to Title 10, United States Code Section 2662, as amended.

[SIGNATURE PAGE FOLLOW]

l	IN WITNESS WHEREOF, I have pereunto set my hand by authority of the Secretary of
2	the Army, this, day of, 2001.
3	
4	
5	THE UNITED STATES OF AMERICA
6	SECRETARY OF THE ARMY
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.0	
1	
2	BY: We start with the
	MARVIN D. FISHER
4	Chief, Real Estate Division
5	
6	THE TARREST TO A STATE OF THE S
7	THIS EASEMENT is also executed by FORT ORD REUSE AUTHORITY this
8	24 day of October, 2001
19	
20	FORT ORD REUSE AUTHORITY
21	FORT ORD REUSE AUTHORITT
22 23	
23 24	
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27	BY: hulant of bulement
28	MICHAEL HOULEMARD, JR.
29	Executive Officer
30	//
31	
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	//

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California	1
County of Sacramento	ss.
County of Suzing France	J
On <u>23M <i>Octobu Zool</i></u> , before me,	Landa A. Blue
Date (In/	Name and Title of Officer (e.g., 'Jane Ooe, Notary Public')
personally appeared	Name(s) of Signer(s)
	personally known to me
	proved to me on the basis of satisfactor
	evidence
LINDA A. BLUE	to be the person(s) whose name(s) is/ar
Commission # 12/71856 Notary Public - Colfornia	subscribed to the within instrument an acknowledged to me that he/she/they execute
Socramento County	the same in his/her/their authorize
My Comm. Expires Jul 24, 2004	capacity(ies), and that by his/her/the
	signature(s) on the instrument the person(s), of
	the entity upon behalf of which the person(s acted, executed the instrument.
	Λ
	WITNESS my hand and official seal.
	Toura A. Dlue
Place Notary Seal Above	Signature of Notary Public
	OPTIONAL
	by law, it may prove valuable to persons relying on the document all and reattachment of this form to another document.
Description of Attached Document	4. 4.4.4.
Title or Type of Document:	ent DARAO5-0-00572
Document Date:	Number of Pages:
	·
Signer(s) Other Than Named Above:	
Capacity(ies) Claimed by Signer	
Signer's Name: Individual	OF SIGNER_
narvidual Corporate Officer Title(s):	Top of thumb here
Partner — _ Limited _ General	
☐ Attorney in Fact	
Trustee	
☐ Guardian or Conservator	
Other:	
Signer Is Representing:	
·	

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

0 4	
State of California	
County of Mondeuen	
on Oct. 24, 2001 before	eme Showen V Strickland
personally appeared	Name and Title of Officer (e.g., "Jane Doe, Notary Public") Name(s) of Signer(s)
Personally known to me - OR - □ proved	to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted executed the instrument.
	WITNESS my hand and official seal.
The state of the s	
The second secon	Shara 1 - Sheella
	- OPTIONAL
Title or Type of Document:	
Document Date:	Number of Pages:
Document Date: Signer(s) Other Than Named Above:	•
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Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s	s)
Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s Signer's Name: Individual Corporate Officer	Signer's Name:
Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s Signer's Name: Individual Corporate Officer Title(s): Partner — Limited General	Signer's Name: Individual Corporate Officer Title(s): Partner —
Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s Signer's Name: Individual Corporate Officer Title(s): Partner — Limited General Attorney-in-Fact Trustee	Signer's Name:
Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s Signer's Name: Individual Corporate Officer Title(s): Partner — Limited General Attorney-in-Fact Trustee Guardian or Conservator	Signer's Name:
Signer(s) Other Than Named Above: Capacity(ies) Claimed by Signer(s Signer's Name: Individual Corporate Officer Title(s): Partner — Limited General Attorney-in-Fact Trustee	Signer's Name:

EXHIBIT A

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IDENTIFICATION OF PROPERTY OWNERS FOR WATER AND WASTEWATER FACILITIES OUTSIDE THE ORD MILITARY COMMUNITY

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Included with this Easement are facility parcel exclusive easements, non-exclusive parcel access easements, and non-exclusive fifteen-foot wide easements (unless otherwise elsewhere stated) to the water and wastewater pipelines, on the former Fort Ord outside the Ord Military Community. Ownership of water sprinkler system pipes and appurtenances, water pipe service laterals, and wastewater sewer laterals will remain with the fee title owner of the property. Water pipe service laterals are defined as generally the smaller diameter pipelines that provide a direct connection between a service location (e.g., a building or other facility or structure) and the upstream potable water distribution system. Where metered, the service lateral would begin immediately downstream of the meter. Wastewater sewer laterals are defined as generally that portion of any sewer beginning two feet outside the foundation wall of any building or facility and running to a connection with a sewer main. The easement rights included herein cannot be conveyed or transferred to others without written consent of the District Engineer.

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WATER SYSTEM BUILDINGS\STRUCTURES

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22 23 24 25	F #	Ch	T	Facility	Exclusive Easement	Non-Exclusive Access Easement	Property
25 26	Fac #	Sheet	Type	Size	(Acres)	(Acres)	Owner
27	122	(W22)	ASP Water Pump Bldg	1901 sf	0.37	0.00	EDC
28	147	(W18)	East Garr. Water Tank	0.2 Mgal	0.11	0.06	EDC/PBC
29	230	(W8)	W. Well A #29	510 sf	0.92	0.48	UC
30	232	(W7)	"F" Booster Inter. Res.	0.17 Mgal	0.63	2.00	CSUMB
31		(W7)	"F" Booster Station	625 sf			
32		(W7)	Chlorination Bldg	320 sf			
33	344**	(W21)	Skeetfield Water Tank	0.2 Mgal	0.13	0.06	MCWD
34	449**	(W15)	Travel Camp Pump	-	0.10	0.00	MCWD
35	460**	(W17)	Travel Camp Tank	0.06 Mgal	0.11	1.15	MCWD
36	475**	(W20)	"F" Water Tank	2.0 Mgal	0.92	0.29	MCWD
37		(W6)	Future Reservoir Site A		1.72	1.23	MCWD
38	506	(W1)	Fritzsche Field Water Tk	0.3 Mgal	1.91	0.20	Marina
39	555	(W9)	Well B (#30)	578 sf	1.50	0.35	UC
40	560	(W10)	Well C (#31)	510 sf	1.22	0.94	UC
41	565B	(W11)	Well D Surge Tank (#32)	-	0.01	0.00	UC
42	565	(W16)	Well D (#32)	510 sf	0.21	0.86	UC
43	875	(W27)	Huffman Reservoir	0.06 Mgal	0.16	0.00	BLM
44	3101**	(W5)	MCWD Corp. Yard	57,104 sf	10.55	0.00	MCWD
45	•	es 22 buil	dings of various sizes and a	_		anks)	
46	4371	(W25)	"D" & "E" Water Tanks	2.0 Mgal+	2.33	1.08	EDC
47	4373	(W25)	Transmitter Bldg	200 sf			
48	4374	(W25)	Water Pump House	256 sf			
49	4375	(W25)	"E" Water Tank	0.25 Mgal			

							DACA05-0-00-572
1	4424	(W19)	"B" Water Tank	2.0 Mgal	1.54	0.07	CSUMB
2		(W19)	Water Pump Building 442	24A & water ed	quipment Vaults		
3	4475	(W24)	"C" Water Tank	2.1 Mgal	2.17	0.25	EDC
4	4976	(W2)	Main Booster Station		3.79	1.02	EDC
5	4974	(W2)	Main Booster Pump Stn	2404 sf			
6	4975	(W2)	Water Treatment Bldg	221 sf			
7	4976	(W2)	Ground Water Tank	1.0 Mgal			
8	4978	(W2)	Water Pump Bldg	225 sf			
9	8269	(W26)	Bayview Water Tank	0.2 Mgal	0.32	0.84	Seaside
10	8 269A	(W26)	Water Control				
11	-	(W12)	HW-1 above ground cross	sing A	0.68	0.00	Caltrans
12	12 (W12-1 also depicts sewer line)						
13	-	(W13)	HW-1 above ground cross	sing B	0.21	0.00	Caltrans
14	-	(W14)	HW-1 above ground cross	sing C	0.16	0.00	Caltrans
15	•	(W4)	HW 1 above ground cross	sing D	0.63	0.00	Caltrans
16	-	(W3)	HW-1 under ground cross	sing			
17		. ,	_		<u>0.07</u>	0.00	Caltrans
18							
19				65,364 sf	32.47 ac	10.88 ac	
20							

^{*} Reference Water Parcel and Access Easement Maps

EASEMENTS

Non-exclusive (15 ft.) public utility easements for underground water pipelines and appurtenances outside of the Ord Military Community; Total Length (Ft.) = 556,754 ft.; Easement Area = 191.02 acres. Non-exclusive (40 ft.) public utility easement for underground water pipelines and appurtenances outside of the Ord Military Community; Total Length (Ft.) = 1,181 ft.; Easement Area = 1.08 acres.

Non-exclusive (15 ft.) public utility easements for underground recycled water pipelines and appurtenances outside the Ord Military Community; Total Length (Ft.) = 41,340 ft.; Easement Area = 14.20 acres.

WASTEWATER SYSTEM BUILDINGS\STRUCTURES

38 39					Exclusive	Non-Exclusiv Access	re
40				Facility	Easement	Easement	Property
41 42	Fac #	Sheet	Туре	Size	(Acres)	(Acres)	Owner
43	31**	WW18	E.Garrison Lift Station	224 sf	0.14	0.00	EDC/PBC
44	96**	WW19	EGLift Station	420 sf	0.10	0.00	EDC/PBC
45	145A	WW17	Dotten Tank	43 sf	0.77	0.31	EDC
46	505	WW3	Fritzsche Lift Station		0.10		
47	528	WW2	Fritzsche Lift Station		0.20	0.00	Marina
48	530	WW4	Fritzsche Lift Station	124 sf	0.25	4.00	Marina
49	1492	WW15	TAC Lift Station		0.03	0.00	CSUMB
50	2076	WW10	WW Treatment Plant	4766 sf	4.63	0.00	CDPR

^{**} Indicates Future Fee Parcels

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D_{Δ}		W.)	-1/-	• (/(/•	- 7 / /

1	2076A	44	Sewer/W. Treat. Bldg	993 sf			
2	2076B	44	Sewer Pump Stat. Bldg	473 sf			
2	2076C	"	Sewer Pump Stat. Bldg	631 sf			
4	2076D	46	Sewer/W. Treat. Bldg	588 sf			
5	2076E	44	Effluent Contact Fac	506 sf			
6	2076F	"	Chlorinator Bldg	380 sf			
7	2076G	44	General Storehouse	860 sf			
8	2076H	"	Sewer/W. Treat Bldg	1,042 sf			
9	2076I	"	Sewer/Treat Plant Sec.	•			
10	2076J/F	ζ "	Grit Tank and Headworks	1			
11	2076L	"	Primary Sediment Tk	7,488 sf			
12	2076M	/N "	Bio Trickling Filters	,			
13	20760/		Digest Tanks				
14	2076Q	"	Rev Drum Screen	2,000 sf			
15	2076R	"	Chlorine Contact Tank	1,485 sf			
16	2076S	"	Relocatable Building	320 sf			
17	2720	WW5	11th Street Lift Station		0.15	0.00	EDC
18	4906	WW16	DEH Lift Station	36 sf	0.04	0.44	Marina
19	5398	WW8	Wittemeyer Lift Station		0.20	3.00	EDC
20	5447	WW9	Landrum Lift Station		0.13	0.09	EDC
21	5713A	WW13	Schoonover Lift Station		0.15	0.02	CSUMB
22	5790	WW14	Hodges Lift Station		0.10	0.04	CSUMB
23	5871	WW12	Imjin Lift Station		0.14	0.14	EDC/CSUMB
24	5990	WW21	Ord Vil Lift St	514 sf	0.91	0.25	CDPR
25	5987	WW21	Lift Station				
26	5988A	WW21					
27	5989	WW21					
28	6130	WW6	Jefferson Lift Station	-	0.13	0.20	EDC
29	6143	WW10	Clark Lift Station		0.16	0	EDC
30	6225	WW7	San Pablo Lift Station	-	0.30	0.69	EDC
31	8775	WW1	Booker Lift Station	304 sf	0.34	0.04	EDC
32		W12	Above ground crossing		<u>0.68</u>	<u>0.00</u>	CalTrans
33	(Also depicts water line SN 23,668)			23,197 sf	9.65ac	9.22ac	

^{*} Reference Wastewater Parcel and Access Easement Maps.

EASEMENTS

Non-exclusive (15 ft.) public utility easements for underground wastewater pipelines and appurtenances outside of the Ord Military Community; Total Length (Ft.) = 469,590 ft.; Easement Area = 161.70 acres.

The utility systems and access easement locations are more fully shown on sheets 2-89 of the "Fort Ord Military Reservation Water Facilities" drawings, sheets 10-77 of the "Fort Ord Military Reservation Sanitary Sewer Facilities" drawings, and "Marina Coast Water District Public Benefit Conveyance Application Fee Title/Easement Requests" drawings W1-W27 and WW1-WW22 filed in the office of the Monterey County Surveyor as SN 23,538 through SN 23,717 inclusive.

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^{**} Indicates future Fee Parcels.

If future development is planned over an easement access route to the water and wastewater facilities, the fee title property owner may substitute another access route as long as the new route and the distance is reasonable. This assignment of easements is conditional upon and subject to the listed and applicable conditions, restrictions, terms and covenants herein.

DACA05-0-00-572

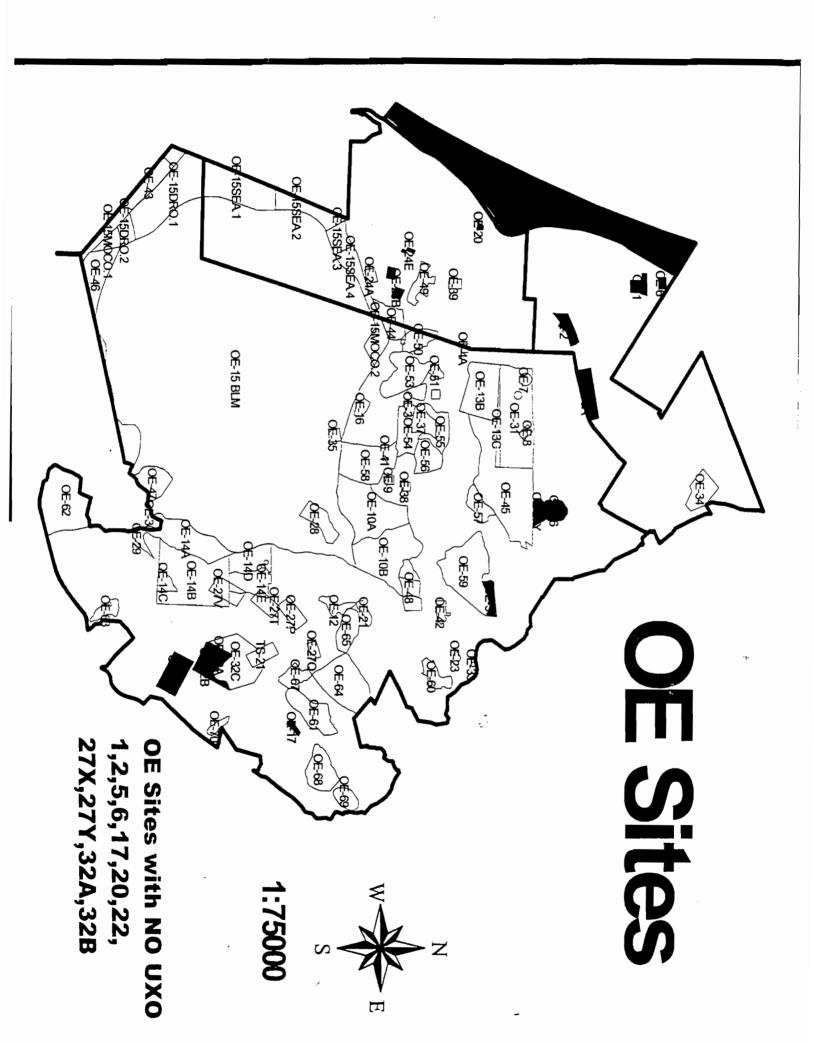
1 EXHIBIT B

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3 MAP OF ORDNANCE AND EXPLOSIVE SITES

03-67044.03

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DEED FOR WATER AND WASTEWATER SYSTEMS AND ASSIGNMENT OF EASEMENTS

1 EXHIBIT C

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WHEN RECORDED MAIL TO:

KUTAK ROCK LLP
1101 CONNECTICUT AVENUE, NW
10 th FLOOR
WASHINGTON, DC 20036
ATTN: GEORGE SCHLOSSBERG, ESQ.

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

DEPARTMENT OF THE ARMY .

EASEMENT FOR WATER AND WASTEWATER DISTRIBUTION SYSTEMS LOCATED ON THE ORD MILITARY COMMUNITY

MONTEREY COUNTY, CALIFORNIA

DEPARTMENT OF THE ARMY

EASEMENT FOR WATER AND WASTEWATER DISTRIBUTION SYSTEMS LOCATED ON THE ORD MILITARY COMMUNITY

MONTEREY COUNTY, CALIFORNIA

THE SECRETARY OF THE ARMY, under and by virtue of the authority vested in the Secretary by Title 10, United States Code, Section 2669, and the Defense Base Closure and Realignment Act of 1990, Public Law 101-510, as amended, having found that the granting of this Easement is not incompatible with the public interest, hereby grants on behalf of the United States of America, hereinafter referred to as "Grantor", to Fort Ord Reuse Authority (FORA), hereinafter referred to as the "Grantee", a utility easement for constructing, operating, maintaining, repairing and replacing water and wastewater distribution systems over, across, in and upon lands of the United States, known as the Ord Military Community (OMC), approximately 782 acres, and described as parcels 1-7, 9 and 11 of the Fort Ord Military Reservation Record of Survey recorded in Book Volume 21, Survey page 83 in the County of Monterey and further shown on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorders Office, hereinafter referred to as the "Premises".

The drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorder's Office depicting the approximate locations of these utility easements, were prepared by Marina Coast Water District ("MCWD"). As major additions or repairs are preformed, Grantee may record corrections to these maps with the office of the Monterey County Surveyor and the maps shall be deemed addenda to this Easement and are incorporated herein by reference.

Transfer of the Grantor's rights associated with the potable water and wastewater systems are being accomplished through an Economic Development Conveyance to the Grantee, to then be passed to MCWD by deed, for public purposes.

The Easement for the water system consists of the water mains and laterals to the point where the water meter is or will be installed and the Easement for the wastewater system consists of mains only and does not include service lines to buildings and structures.

It is the intent of the parties herein to convey utility easements supporting all of the Potable Water Distribution System and the Wastewater Collection System ("Facilities") owned by the Grantee on the OMC. The parties believe and intend that the location of the lines and facilities depicted on the drawings titled Fee Title and Easement Request Drawings SN 23,538 through SN 23,717 inclusive on file at the Monterey County Recorder's Office include easements for the systems in their entirety. If any easement was omitted the parties agree that such omission

was inadvertent and such easement, shall be treated as though it were expressly contained in this Easement.

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THIS EASEMENT for the conveyance of the interests set forth above is granted subject to the following conditions, reservations, terms, and covenants:

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1. TERM

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This Easement is hereby granted in perpetuity, effective on the date of execution of this document and the transfer of the water and wastewater systems to Grantee.

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2. CONSIDERATION

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In consideration for, and effective upon, the transfer of the water and wastewater systems. the easements, and water production rights and wastewater capacity, Grantee assumes the Grantor's obligation to provide water required by the Installation-Wide Multi-species Habitat Management Plan for Former Fort Ord, California for Habitat Management Plan mitigation and other documents. Grantee also assumes the Grantor's obligation to cooperate and coordinate with parcel recipients, the Monterey County Water Resources Agency (MCWRA), FORA, MCWD, and others to ensure that all owners of property at the former Fort Ord will continue to be provided an equitable supply of the water at equitable rates. Grantee also agrees to cooperate and coordinate with FORA, property recipients, MCWD, the MCWRA, the Monterey Regional Water Pollution Control Agency (MRWPCA) and others to ensure Non-Army Responsibility Mitigations required by the Records of Decision dated December 23, 1993 and June 18, 1997 are met. Grantee will ensure that it meets all requirements of the Grantor Agreement with MCWRA approved on September 21, 1993. The Grantee agrees to indemnify and hold harmless the Grantor, its officers, agents and employees from and against all suits, claims, demands or actions, liabilities, judgments, penalties, costs and attorneys' fees arising out of, or in any manner predicated upon the violation of any Grantor requirement under the Agreement due to the withdrawal of water from any aquifers located under the former Fort Ord.

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3. NOTICES

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All correspondence and notices to be given pursuant to this assignment shall be addressed:

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if to the Grantee:

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Fort Ord Reuse Authority
Attention: Executive Officer
100 12<sup>th</sup> Street
Building 2880
Marina, California 93933
```

43 44 45

with a copy to:

George R. Schlossberg, Esq.
Kutak Rock LLP
1101 Connecticut Avenue, N.W.
Washington, D.C. 20036

if to the Grantor:

District Engineer
United States Army Corps of Engineers
Attention: Chief, Real Estate Division
1325 J Street
Sacramento, California, 95814

Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

4. AUTHORIZED REPRESENTATIVE

Except as otherwise specifically provided, any reference herein to "Secretary", "District Engineer", "Installation Commander", "Commander", "Garrison Commander" or "Said Officer" shall include their duly authorized representatives. Any reference to "Grantee" shall include assignees, transferees and their duly authorized representatives.

5. SUPERVISION BY THE GRANTOR

The construction, operation, maintenance, repair, modification, or replacement of said Facilities, located upon the land owned by the Grantor (also referred to as "Premises"), shall be performed at no cost or expense to the Grantor, except as provided for in any utility service contract and subject to the approval of the Installation Commander, Presidio of Monterey, (hereinafter referred to as "Said Officer"). The use and occupation of the premises for the purposes herein granted shall be subject to such rules and regulations as Said Officer prescribes in writing from time to time.

6. APPLICABLE LAWS AND REGULATIONS

The Grantee shall comply with all applicable federal, state, county, and municipal laws, permits, standards, ordinances and regulations wherein the Premises are located, collectively, "Applicable Laws". The Grantee shall also comply with the rules and regulations as set forth by the applicable state water and wastewater regulatory agencies.

7. CONDITION OF PREMISES

The Grantee acknowledges that it has inspected the Premises, knows the condition, and understands that the same is granted without any representation or warranties whatsoever and without any obligation on the part of the Grantor.

8. INSPECTION AND REPAIRS

The Grantee shall inspect the Facilities on the Premises at reasonable intervals and immediately repair any defects found by such inspection in keeping with good business practices or as required by the Applicable Laws.

9. PROTECTION OF PROPERTY

The Grantee shall be responsible for any damage that may be caused to the property by the activities of the Grantee under this Easement. Any such property damaged or destroyed by the Grantee incident to the exercise of the privileges herein granted shall be promptly repaired or replaced by the Grantee to a condition satisfactory to the Grantor, or at the election of the Grantor, reimbursement made therefor by the Grantee in an amount necessary to restore or replace the property to a condition satisfactory to the Grantor.

10. INSURANCE

a. At the commencement of this Easement, the Grantee shall obtain, from a reputable insurance company, or companies, or self-insurance pool, comprehensive liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable, and consistent with sound business practices or an amount not less than a combined single limit of \$5,000,000, whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage, or both, suffered or alleged to have been suffered by any person or persons upon the Premises or arising from activities conducted under this Easement.

 b. The liability insurance policy shall insure the hazards of the Premises and operations conducted in and on the Premises, independent contractors, contractual liability (covering the indemnity included in this Easement) occurring from and after the date of transfer of the water and wastewater systems from Grantor to the Grantee, and shall name the Grantor as an insured party. Each policy will provide that any losses shall be payable notwithstanding any act or failure to act or negligence of the Grantee or the Grantor or any other person, provided that the insurer will have no right of subrogation against the Grantor, and will be reasonably satisfactory to the Grantor in all respects. Under no circumstances will the Grantee be entitled to assign to any third party rights of action that it may have against the Grantor arising out of this Easement.

c. The Grantee shall require that the insurance company give Said Officer and the District Engineer thirty (30) days written notice of any cancellation or change in such insurance. Said Officer or the District Engineer may require closure of any or all of the Premises during any period for which the Grantee does not have the required insurance coverage. The Grantee shall require its insurance company to furnish to Said Officer and to the District Engineer a copy of the

policy or policies, or if acceptable to the District Engineer, certificates of insurance evidencing the purchase of such insurance. The minimum amount of liability insurance coverage is subject to revision by the District Engineer every two (2) years or upon renewal or modification of this Easement

d. The Grantee may require any agents, assignees, transferees, or successors, as joint and several responsible parties with the Grantee for those portions of the Premises under their control, to maintain and carry at their expense portions of the insurance requirement.

11. HOLD HARMLESS AND INDEMNIFY

a. The Grantee agrees to assume all risks of loss or damage to property and injury or death to persons by reason of or incident attributable or incident to the condition or state of repair of the Premises or to its possession and/or use of the Premises or the activities conducted under this Easement occurring from and after the date of transfer of the Facilities from Grantor to the Grantee. The Grantee expressly waives all claims against the Grantor for any such loss, damage, personal injury or death caused by or occurring as a consequence of such condition, possession, and/or use of the Premises by the Grantee, or the conduct of activities or the performance of responsibilities under this easement by the Grantee. The Grantee further agrees to indemnify and hold harmless the Grantor, his officers, agents, and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs, and attorneys' fees arising out of, or in any manner predicated upon, personal injury, death, or property damage resulting from, related to, caused by or arising out of the possession and/or use of the Premises by the Grantee. The Grantor will give the Grantee notice of any claim against it covered by this indemnity as soon after learning of such claim as practicable.

b. The Grantee shall indemnify and hold harmless the Grantor from any costs, expenses, liabilities, fines, or penalties resulting from discharges, releases, emissions, spills, storage, disposal, or any other action by the Grantee giving rise to Grantor liability, civil or criminal, or responsibility under federal, state or local environmental laws, excluding, however, any costs, expenses, liabilities, fines, or penalties resulting from conditions existing prior to the date of transfer of the Facilities to the Grantee.

c. Subconditions a. and b. of this Condition and the obligations of the Grantee hereunder shall survive the expiration or termination of the Easement and the conveyance of the Premises. The Grantee's obligation hereunder shall apply whenever the Grantor incurs costs or liabilities for the Grantee's actions giving rise to liability under this Condition.

12. ANTI-DEFICIENCY ACT STATEMENT

The Grantor's obligation to pay or reimburse any money under this Easement is subject to the availability of appropriated funds to the Grantor, and nothing in this Easement shall be interpreted to require obligations or payments by the Grantor in violation of the Anti-Deficiency Act.

13. RIGHT TO ENTER

a. The right is reserved to the Grantor, its officers, agents, and employees to enter upon the easement at any time and for any purpose necessary or convenient in connection with government purposes that do not unreasonably interfere with the Grantee's rights herein granted, to make inspections, to conduct environmental and ordnance and explosives (OE) response actions, to remove timber or other material, except property of the Grantee, and/or to make any other use of the lands as may be necessary in connection with government purposes.

b. The Grantee shall have no claim for damages on account thereof against the Grantor, or any officer, agent, contractor, or employee thereof, not including damages due to the fault or negligence of the Grantor or its officers, employees, agents or contractors.

14. TRANSFERS AND ASSIGNMENTS

Without prior written approval by said District Engineer, which approval shall not unreasonably be withheld, the Grantee shall neither transfer nor assign this Easement granted herein or any part thereof nor grant any interest, privilege, or license whatsoever in connection with this Easement, provided that Grantee may convey the Easement without such consent to MCWD or to any subsidiary, parent, or other affiliated entity, to the surviving entity in the event of merger or other corporate restructuring, or to a purchaser of substantially all of Grantee's assets. The provisions and conditions of this Easement shall extend to and be binding upon and shall inure to the benefit of the representatives, successors and assigns of the Grantee.

15. SUBJECT TO ENCUMBRANCES

a. These easements are taken by Grantee subject to existing licenses, leases, liens, and other encumbrances made for the purposes of street, utility systems, rights-of-way, railroads, pipelines, and/or covenants, exceptions, interests, reservations, and agreements of record and applicable restrictions including building heights and land use. The easement rights included herein cannot be conveyed or transferred without written consent of the Grantor.

b. These easements are subject to all other existing easements, or those subsequently granted, as well as established access routes for roadways and utilities located, or to be located, on the premises, provided that the proposed grant of any new easement or route will be coordinated with the Grantee, and easements will not be granted that will, in the opinion of Said Officer, interfere with the use of the premises by the Grantee.

16. REQUIRED SERVICES

 The Grantee shall furnish through the Facilities such services as may be required from time to time for governmental purposes, provided that payment for such service will be made by the Grantor at rates that shall be mutually agreeable but that shall never exceed the most favorable rates granted by the Grantee for similar service.

17. RELOCATION OF FACILITIES

In the event all or any portion of the Premises occupied by the Facilities shall be needed by the Grantor, or in the event the existence of said Facilities is determined to be detrimental to governmental activities, the Grantee shall from time to time, upon notice from the Grantor to do so, and as often as so notified, remove said Facilities at the Grantee's expense (with the cost to be agreed upon) to such other location on former Fort Ord or OMC property, as applicable, as owned by the Grantor and as may be designated by Said Officer. In the event said Facilities shall not be removed or relocated within ninety (90) days after such notice, the Grantor may cause such relocation, and all costs of such relocation shall be paid by Grantee upon demand.

18. TERMINATION OF EASEMENTS

A rebuttable presumption of abandonment shall be raised by the failure of the Grantee to use portions of the Easement containing the Facilities for a continuous period of 24 months for the purposes herein granted or if Grantee removes or demolishes the Facilities. In the event of such abandonment, the Grantor or its successor will notify the Grantee of its intention to terminate the easement for abandonment sixty (60) days from the date of the notice, unless prior to the end of said sixty (60) day period the Grantee either resumes its use of the easement or facility or demonstrates conclusively that said resumption of use will occur within a reasonable amount of time thereafter, not to exceed an additional ninety (90) day period (for purposes of this subparagraph, flow of water through the piping system shall constituent continuous use of the easement). Upon such termination, Grantee shall forthwith upon service of written demand. without cost to the Grantor, and within 90 days from written demand by the Grantor, remove all above ground improvements or other property placed by or for Grantee upon the Grantor's property and restore the premises as nearly as possible to the same condition they were in prior to construction of the improvements by the Grantee. In the event the Grantee should fail to restore the premises in accordance with such request, the Grantor may do so at the risk of Grantee, and all costs of such removal and restoration shall be paid by Grantee upon demand.

19. SOIL AND WATER CONSERVATION

The Grantee shall not interfere with any soil and water conservation structures that may be in existence upon said Premises at the beginning of the term of this Easement and shall maintain, in accordance with sound engineering standards any of the same that may be constructed by the Grantee during the term of this Easement, and the Grantee shall take appropriate measures to prevent or control soil erosion within the right-of-way herein granted in a manner satisfactory to Said Officer. Any soil erosion occurring outside the Premises resulting from the activities of the Grantee shall be corrected by the Grantee as directed by Said Officer.

20. ENVIRONMENTAL PROTECTION

a. Within the limits of their respective legal powers, the parties hereto shall protect the Premises against pollution of its air, ground, and water. The Grantee shall promptly comply with any laws, regulations, conditions or instructions affecting the activity hereby authorized if and

when issued by any federal, state, interstate, or local governmental agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is strictly prohibited. Such regulations, conditions, or instructions in effect or prescribed by the said federal, state, interstate or local governmental agency are hereby made a condition of this Easement. The Grantee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

b. The use of any pesticides or herbicides within the Premises shall be in conformance with all applicable federal, state and local laws and regulations. The Grantee must obtain approval in writing from Said Officer before any pesticides or herbicides are applied within these Premises.

c. The Grantee will use all reasonable means available to protect the environment and natural resources, and where damage nonetheless occurs arising from the Grantee's activities, the Grantee shall be liable to restore the damaged resources.

d. The Grantor's rights under this Easement specifically include the right for Grantor officials to inspect, upon reasonable notice, the Premises for compliance with environmental, safety, and occupational health laws and regulations, whether or not the Grantor is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections. The Grantor normally will give the Grantee twenty-four (24) hours prior notice of its intention to enter the Premises unless it determines the entry is required for safety, environmental, operations, or security purposes. The Grantee shall have no claim on account of any entries against the Grantor or any officer, agent, employee, or contractor thereof.

e. The Grantor acknowledges that the former Fort Ord has been identified as a National Priorities List Site under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). The Grantee acknowledges that the Grantor has provided it with a copy of the former Fort Ord Federal Facility Agreement (FFA) entered into by the United States Environmental Protection Agency (EPA) Region IX, the State of California, Department of Toxic Substances Control (DTSC), and the Grantor and effective on November 19, 1990, and will provide the Grantee with a copy of any amendments thereto. The Grantee agrees that should any conflict arise between the terms of the FFA, as it presently exists or may be amended, and the provisions of this Easement, the terms of the FFA will take precedence. The Grantee further agrees that notwithstanding any other provision of the Easement, the Grantor assumes no liability to the Grantee should implementation of the FFA interfere with the Grantee's use of the Premises. The Grantee shall have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof, other than for abatement of rent.

f. The Grantee agrees to comply with the provisions of any health or safety plan in effect under the Installation Restoration Program ("IRP") or the FFA during the course of response or remedial actions. Any inspection, survey, investigation, or other response or remedial action

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will, to the extent practicable, be coordinated with representatives designated by the Grantee. The Grantee shall have no claim on account of such entries against the Grantor or any officer, agent, employee, contractor, or subcontractor thereof. In addition, the Grantee shall comply with all applicable federal, state, and local occupational safety and health regulations.

g. The Grantee shall comply with the requirements of 10 U.S.C. 2692(b)(9) to obtain the Grantor's approval for the storage, treatment, or disposal on the premises of toxic or hazardous materials not owned by the Department of Defense.

h. The Grantee shall comply with the hazardous waste permit requirements under the Resource Conservation and Recovery Act (RCRA), or its California equivalent and any other applicable laws, rules or regulations for the Grantee's activities under this Easement. Except as specifically authorized by the Grantor in writing, the Grantee must provide, at its own expense, such hazardous waste management facilities, including storage, treatment or disposal facilities, complying with all applicable laws and regulations. Hazardous waste management facilities of the Grantor will not be available to the Grantee. Any violation of the requirements of this provision shall be deemed a material breach of this Easement.

i. Any of Grantor's accumulation points for hazardous and other wastes will not be used by the Grantee. The Grantee will not permit its hazardous waste to be commingled with hazardous waste of the Grantor.

j. The Grantee shall have a plan approved by the Grantor for responding to hazardous waste, fuel, and other chemical spills prior to commencement of operations on the Premises, which approval shall not be unreasonably withheld or delayed. Such plan shall be independent of former Fort Ord and, except for initial fire response and/or spill containment, shall not rely on use of installation personnel or equipment. Should the Grantor provide any personnel or equipment, whether for initial fire response and/or spill containment, or otherwise on the request of the Grantee, or because the Grantee was not, in the opinion of the Grantor, conducting timely cleanup actions, the Grantee agrees to reimburse the Grantor for its costs. The plan may be developed in phases as agents, assigns, or contractors activities are identified. Agents, assigns, or contractors shall provide to the Grantee a plan to cover their activities and portion of the Premises prior to commencement of operations on that portion of the Property, which will be incorporated by the Grantee into the overall plan.

k. The Grantee shall not construct or make or permit its agents, assigns, or contractors to construct or make any substantial alterations, additions, or improvements to or installations upon or otherwise modify or alter the Premises in any way that may adversely affect the cleanup, human health, or the environment without the prior written consent of the Grantor. Such consent may include a requirement to provide the Grantor with a performance and payment bond satisfactory to it in all respects and other requirements deemed necessary to protect the interests of the Grantor. For construction or alterations, additions, modifications, improvements, or installations in the proximity of operable units that are part of a National Priorities List (NPL) site, such consent may include a requirement for written approval by the Said Officer's Remedial Project Manager.

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21. ENVIRONMENTAL BASELINE SURVEY

An Environmental Baseline Survey (EBS) dated April 1994, documenting the known history of the Premises with regard to the storage, release, or disposal of hazardous substances thereon, is located in several local libraries. If the Easement is terminated, another EBS shall be prepared at no expense to Grantee, which will document the Environmental Condition of the Premises at that time. A comparison of the two surveys will assist the officer in determining any environmental restoration requirements. Any such requirements will be completed by the Grantee in accordance with the condition specified in the paragraph entitled "RESTORATION".

22. ENDANGERED SPECIES

The Grantee, its successors or assigns, acknowledges and agrees to implement the following provisions, as applicable, relative to endangered species:

 a. The Premises contains some areas in Habitat Management Plan ("HMP") Development Areas. No resource conservation requirements are associated with the HMP for this conveyance. However, small pockets of habitat may be preserved within and around the Premises. The Premises also contains areas in HMP Habitat Reserves and Habitat Corridors. The requirement to avoid and restore habitat disturbed with the habitat reserve and habitat corridors for operation, maintenance, and replacement of utility systems within utility easement areas will be the same as applied to the fee title grantee of the habitat reserve and habitat corridor area.

b. The Biological Opinion identified sensitive biological resources that may be salvaged for use in restoration activities with reserve areas, and allows for development of the Premises.

c. The HMP does not exempt the Grantee, its successors or assigns, from complying with environmental regulations enforced by federal, state, or local agencies. These regulations could include obtaining the Endangered Species Act (ESA) (16 U.S.C. Section 1531 et seq.) Section 10(a) permits from the U.S. Fish and Wildlife Service (USFWS); complying with prohibitions against take of listed animals under ESA Section 9; complying with prohibitions against the removal of listed plants in violation of any state laws; complying with measures for conservation of state-listed threatened and endangered species and other special-status species recognized by the California Department of Fish and Game (DFG) under the California ESA, or California Environmental Quality Act (CEQA); and complying with local land use regulations and restrictions.

d. The HMP serves as a management plan for both listed and candidate species and is a prelisting agreement between the USFWS and the local jurisdiction for candidate species that may need to be listed because of circumstances occurring outside the area covered by the HMP.

e. Implementation of the HMP would be considered suitable mitigation for impacts to HMP species within HMP prevalent areas and would facilitate the USFWS procedures to

authorize incidental take of these species by participating entities as required under ESA Section 10.

f. The HMP does not authorize incidental take of any species listed as threatened or endangered under the ESA by entities acquiring land or real property interests at the former Fort Ord. The USFWS has recommended that all nonfederal entities acquiring land or real property interests at former Fort Ord apply for ESA Section 10(a)(1)(B) incidental take permits for the species covered in the HMP. The definition of "take" under the ESA includes harassing, harm, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct. Although the USFWS will not require further mitigation from entities that are in conformance with the HMP, those entities without incidental take authorization would be in violation of the ESA if any of their actions resulted in the take of a listed animal species. To apply for a Section 10(a)(I)(B) incidental take permit, an entity must submit an application form (Form 3-200), a complete description of the activity sought to be authorized, the common and scientific names of the species sought to be covered by the permit, and a conservation plan (50 CFR 17.22 b).

23. PROTECTION OF TREES

The Grantee agrees to take all reasonable precautions to protect trees during maintenance and future operations and to restore the ground surface after completion of maintenance or other operations as near to its former condition as may be possible for protection against erosion.

24. HISTORIC PRESERVATION

 The Grantee shall not remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the premises, the Grantee shall immediately notify said offier and protect the site and material from further disturbance until Said Officer gives clearance to proceed.

25. NOTICE OF THE POTENTIAL FOR THE PRESENCE OF ORDNANCE AND EXPLOSIVES

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a. The former Fort Ord is a former military installation with a history of ordnance and explosives ("OE") use and, therefore, there is a potential for OE to be present. An archival search indicates that OE sites are located on the premises. There is a potential for OE to be present outside the OE sites on the Premises. In the event the Grantee, its successors, and assigns, should discover any ordnance on the Premises, they shall not attempt to remove or destroy it, but shall immediately notify the local Police and the Directorate of Law Enforcement at the Presidio of Monterey. Competent Grantor or Grantor-designated explosive ordnance personnel will be dispatched promptly to dispose of such ordnance properly at no expense to the Grantee.

b. OE Sites are shown on the map in Exhibit A. Entry and excavation within OE Sites will require prior coordination with the Installation's Directorate of Environmental and Natural

Resources Management and the U.S. Army Corps of Engineers. An Army approved ordnance disposal specialist must be present when access and excavations are necessary in the OE sites. Access requests will be submitted a minimum of five (5) working days prior to the date of entry. Information required on the request includes location of entry and location and scope of any planned work to include depth of excavation. Access approval will set forth the conditions and requirements that must be met to work in the OE Sites. In addition, the Army will be providing this notice to the Grantee annually as a reminder of this land use control and the hazards associated with unexploded ordnance. As the Army's OE removal actions continue and sites are completed, this land use control may be removed.

c. All Grantee supervisors and field personnel who will be entering OE sites are required to receive annual OE recognition and safety briefings. The Grantor will provide the OE recognition training to Grantee personnel when requested.

d. In the event a Grantee-owned Facility located in an OE Site that requires immediate corrective action, contact the Directorate of Law Enforcement at the Presidio of Monterey immediately.

26. EXCAVATION

The Grantee shall not excavate, except in emergencies, without first obtaining an excavation permit from Said Officer, provided that said permit shall not be unreasonably withheld. A response or permission from the Grantor shall be given within five (5) working days and at no cost to the Grantee. The Grantor and its contractors agree to make every reasonable effort to contact Grantee prior to performance of any excavation that may interfere with or be inconsistent with the rights herein granted.

27. COASTAL ZONE MANAGEMENT ACT (CZMA) CONSISTENCY REQUIREMENTS

a. The Negative Determination U.S. Army, Disposal and Reuse of Parcels on Former Fort Ord, Monterey County, dated November 1, 1995 (ND-109-95) and the Army's Coastal Zone Management Act Consistency Determination dated February 1994 (CD-16-94) identifies requirements for the transfer and reuse of lands at the former Fort Ord. By accepting this Easement, the Grantee agrees to comply with the requirements specified by the California Coastal Commission with respect to the Army's Coastal Zone Management Act Consistency Determination. With respect to water supply on the former Fort Ord, initial priority will be given to coastal zone lands, including coastal-dependent agricultural and visitor-serving areas.

b. The Grantee recognizes that should any conflict arise between the Army's Coastal Zone Management Act Consistency Determination and the terms of this document, the Consistency Determination will take precedence. Not withstanding any other provisions of this transfer, the Grantor assumes no liability to the Grantee should implementation of the Consistency Determination interfere with the Grantee's use of the Premises. The Grantee shall

have no claim on account of any such interference against the Grantor or any officer, agent, employee, or contractor thereof.

28. AIR NAVIGATION RESTRICTION

The Monterey Airport and Marina Municipal Airport are in close proximity to the subject Property and Premises. Accordingly, in coordination with the Federal Aviation Administration, the Grantee, covenants and agrees, on behalf of it, its successors and assigns and every successor in interest to the Property and Premises wherein described, or any part thereof, that, when applicable, there will be no new construction or alteration unless a determination of no hazard to air navigation is issued by the Federal Aviation Administration in accordance with Title 14, Code of Federal Regulations, Part 77, entitled "Objects Affecting Navigable Airspace", or under the authority of the Federal Aviation Act of 1968, as amended.

29. NON-DISCRIMINATION

 With respect to activities related to the Property, the Grantee hereby agrees that it will comply with the requirements of Title VI of the Civil Rights Act of 1964 (Public Law No. 88-352) and all requirements imposed by or pursuant to the regulations issued pursuant to the Act and now in effect, to the end that, in accordance with said Act and regulations, no person in the United States shall, on the grounds of race, color, national origin, sex, or handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity related to the Property of the Grantee, its successors or assigns.

30. RESTORATION

 If for some reason termination of this Easement is required and if requested by the Grantor, the Grantee shall, without expense to the Grantor, and within such time as Said Officer may indicate, restore the Premises to the satisfaction of Said Officer. In the event the Grantee shall fail to restore the Premises, if requested by the Grantor, the Grantor shall have the option to perform the restoration at the expense of the Grantee, and the Grantee shall have no claim for damages against the Grantor or its officers or agents for such action.

31. DISCLAIMER

This Easement is effective only insofar as the rights of the Grantor in the property are concerned, and the Grantee shall obtain such permission as may be required on account of any other existing rights. It is understood that the granting of the Easement does not eliminate the necessity of obtaining any Department of the Army permit which may be required pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 3 March 1899 (30 Stat. 1151; 33 U.S.C. § 403), Section 404 of the Clean Water Act (33 U.S.C. § 1344) or any other permit or license that may be required by federal, state or local law in connection with use of the Premises.

32. NON-TRANSFERABLE RIGHTS

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Conditions 3, 4, 5, 9, 11, 12, 14, 17, 21, 26, 30, and 33 are non-transferable rights of the Grantor. In the event of disposal of the Grantor's underlying fee, these rights and conditions will not transfer with the land and will thereupon terminate.

33. USE OF PROPERTY

The Grantee agrees that the use of this E herein shall be subject to the express condition that the exercise thereof will not unduly interfere with the management and administration by the Grantor of the Premises, and that the Grantee agrees and consents to the occupancy and use by the Grantor, its grantees, permittees, or lessees of any part of the Easement not actually occupied or required by the facilities, or the full and safe utilization thereof, for necessary operations incident to such management, administration, or disposal.

THIS EASEMENT is not subject to Title 10, United States Code, Section 2662, as amended.

 [SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, I have hereunto set my hand by authority of the Secretary of the Army, this 2300 day of _______, 2001. THE UNITED STATES OF AMERICA SECRETARY OF THE ARMY MARVIN D. FISHER Chief, Real Estate Division THIS EASEMENT is also executed by Fort Ord Reuse Authority this 24 day of fober, 2001 FORT ORD REUSE AUTHORITY MICHAEL HOULEMARD, JR **Executive Officer**

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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Commission # 1271856	to be the person(s) whose name(s) is/a
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Attorney in Fact	
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	whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the
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SHARON Y. STRICKLAND COMM. #1236441 m	executed the instrument.
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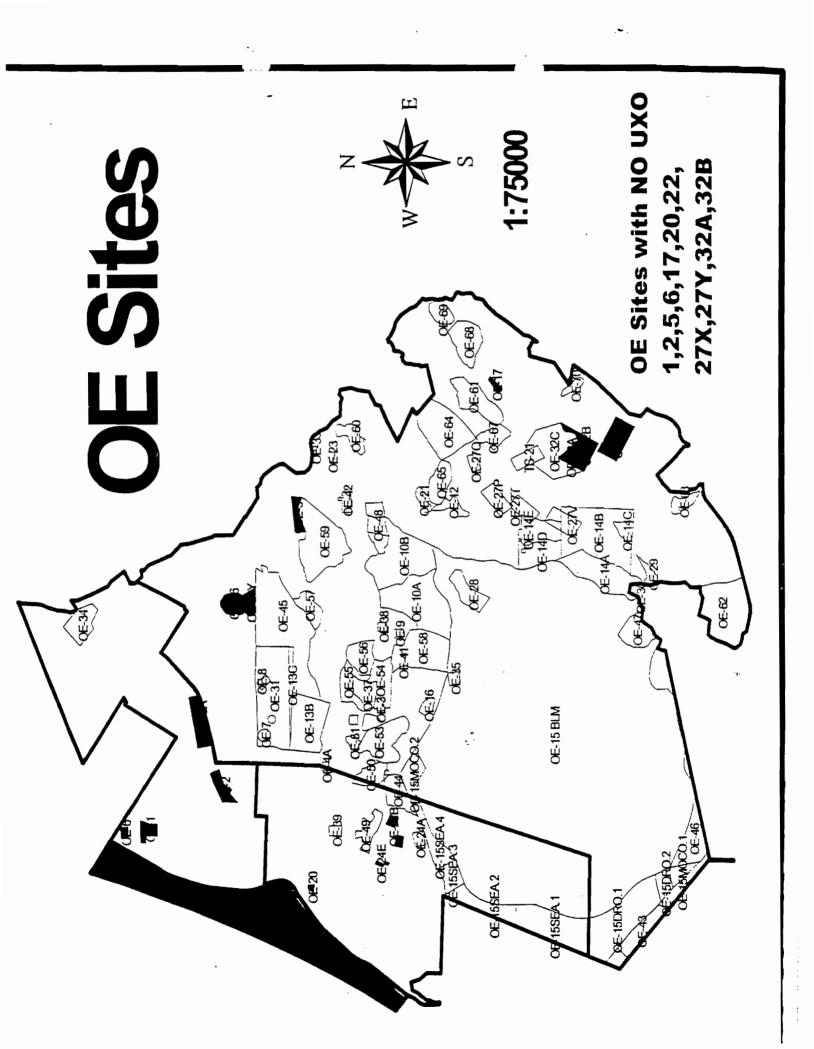
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EXHIBIT A

3

1

MAP OF ORDNANCE AND EXPLOSIVE SITES



Resolution No. 2001-52 Resolution of the Board of Directors Marina Coast Water District Assignment of Easements on the Former Ford Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems

October 24, 2001

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on October 24, 2001 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Secretary of the Army may convey surplus property to the Local Redevelopment Authority at a closing military installation for economic development purposes pursuant to the power and authority provided by Section 2905(b)(4) of the DBCRA and the implementing regulations of the Department of Defense (32 CFR Part 91); and,

WHEREAS, Grantee, by application, requested an economic development conveyance of portions of the former Fort Ord, California consistent with the redevelopment plan prepared by the Grantee; and,

WHEREAS, Grantor and the Grantee have entered into a Memorandum of Agreement between the United States of America Acting By and Through the Secretary of the Army, United States Department of the Army and the Fort Ord Reuse Authority For the Sale of Portions of the former Fort Ord, California, dated the 20th day of June, 2000, as amended by Amendment No. 1 dated October 23, 2001 (hereinafter referred to as the "MOA"), which sets forth the specific terms and conditions of the sale of portions of the former Fort Ord located in Monterey County, California; and,

WHEREAS, the Grantor and Grantee did enter into that certain Water/Wastewater Facilities Agreement dated March 13, 1998, as amended; and,

WHEREAS, under the Water/Wastewater Facilities Agreement, Grantor agreed to transfer the subject water and wastewater systems and rights to Grantee and Grantee agreed to accept the systems and rights to further the economic redevelopment of Fort Ord; and,

WHEREAS, Grantor has received conveyance of the subject water and wastewater systems and rights from the United States of America, and it was agreed as part of that conveyance that Grantor would transfer the subject water and wastewater systems and rights and easements to Grantee; and,

WHEREAS, in its use of the property and rights granted and assigned, Grantee agrees to comply with and be bound by the terms and conditions of the conveyance from the United States to Grantor, by the terms of the Water/Wastewater Facilities Agreement, and by the terms of Title

7.85 of the California Government Code, Chapters 1 through 7, inclusive, commencing with Section 67650, et seq.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the adoption of Resolution No. 2001-52 and accepts the quitclaim deed for water and wastewater systems and assignment of easements for the former Fort Ord, and on the Ord Military Community.

PASSED AND ADOPTED on October 24, 2001, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes:

Directors Randle, Nishi, Brown, Moore

Noes:

Directors None

Absent:

Directors Bryson

Abstained:

Directors None

David W. Brown, President

ATTEST:

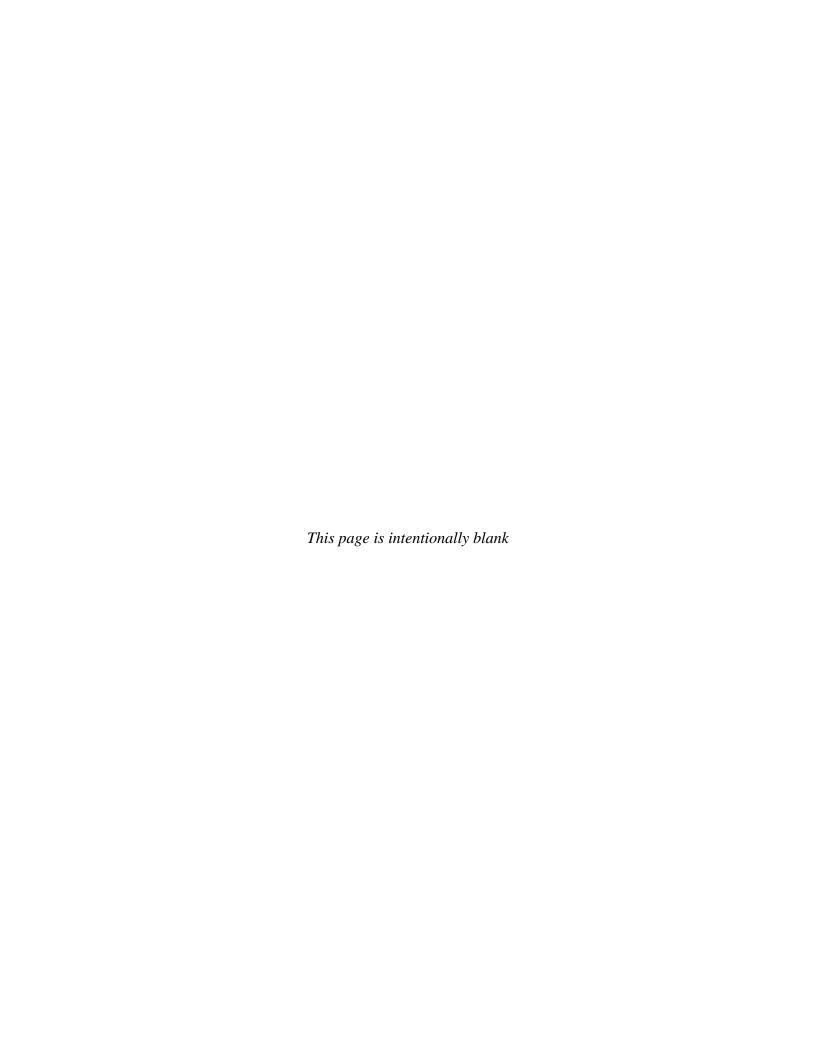
Michael D. Armstrong, Secretary

CERTIFICATE OF SECRETARY

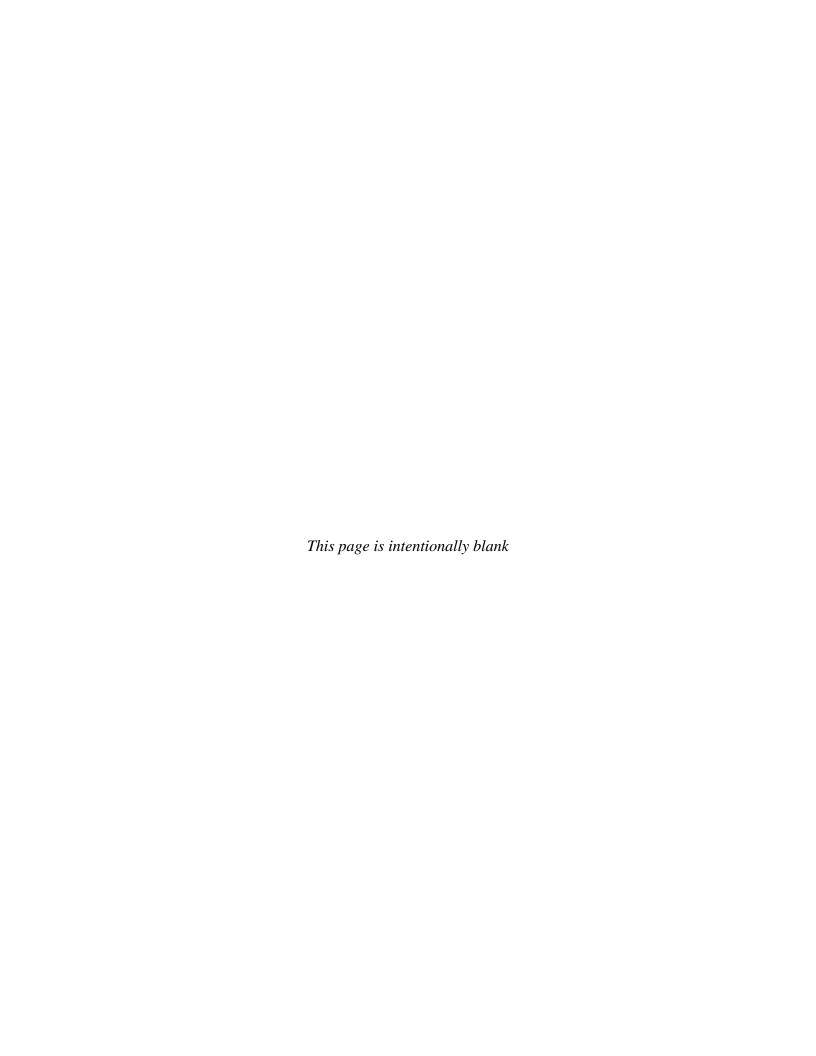
The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2001-52 adopted October 24, 2001.

Michael D. Armstrong, Secretary

END OF DOCUMENT



Appendix B - Cortese-Knox-Hertzberg and LAFCO of Monterey County Consistency Analysis



Appendix B - Cortese-Knox-Hertzberg and LAFCO of Monterey County Consistency Analysis for MCWD

Cortese-Knox-Hertzberg Act Policies

The following presents the relevant sections of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 as amended, codified in the California Government Code, which reflect the duties and powers of LAFCO regarding MCWD's proposed Sphere of Influence (SOI) amendment and annexation, and describes the Project's consistency with such requirements.

Appendix B; Table B-1 Cortese-Knox-Hertzberg Local Government Reorganization Act Consistency		
Gov't Code	Criteria	Analysis
56375	The commission shall have all of the following powers and duties subject to any limitations upon its jurisdiction set forth in this part: (a) To review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission. (b)to determine if the territory is inhabited or uninhabited. (g) To adopt written procedures for the evaluation of proposals. The commission may adopt standards for any of the factors enumerated in Section 56668, Any standards adopted by the commission shall be written.	Consistent. MCWD proposes to seek LAFCO approval to annex territory into MCWD's LAFCO SA and to amend its SOI to allow for uninterrupted provision of water and wastewater collection service for the Ord Community ¹ . Pursuant to 56425(h), the Proposed annexation area is either developed or proposed for development, and already serviced by the District. LAFCO of Monterey County adopted "Policies and Procedures Relating to Sphere of Influence and Changes of Organization and Reorganization" on April 25, 2011 (per 56375 (g)) and it adopted its Municipal Services Review of the Carmel Valley Area (MSR) in January 2007. That document, in addition to MCWD's 2010 and 2016 Urban Water Management Plan (UWMP), Water and Wastewater Master Plans, 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer
56425	(a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere. (e) In determining the sphere of influence of each local agency, the commission shall consider and	System Management Plan (SSMP), as well as the Draft Initial Study for this proposed request establish the nature location and extent of the functions and classes of services provided by existing districts.

Ord Community as used herein refers to all parcels that are designated by the Fort Ord Base Reuse Plan as development parcels within the boundary of former Fort Ord Army Base, and excludes open space areas, owned by the U.S. Bureau of Land Management (BLM), California State Parks, the Fort Ord Natural Reserve (FONR), and the

Landfill Parcel habitat management areas. [Note: Ord Community is sometimes used to refer to lands on the former Fort Ord not within the continuing jurisdiction of the U.S. Army for military purposes. This proposed annexation includes lands within the jurisdiction of the U.S. Army.]

prepare a written statement of its determinations with respect to each of the following:

- (1) The present and planned land uses in the area, including agricultural and open-space lands.
- (2) The present and probable need for public facilities and services in the area.
- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- (4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- (h) When adopting, amending, or updating a sphere of influence for a special district, the commission shall do all of the following:
- (1) Require existing districts to file written statements with the commission specifying the functions or classes of services provided by those districts.
- (2) Establish the nature, location, and extent of any functions or classes of services provided by existing districts.
- (3) Determine that, except as otherwise authorized by the regulations, no new or different function or class of service shall be provided by any existing district, except upon approval by the commission.

56668

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following: Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

"Services," as used in this subdivision, refers to governmental services whether or not the services are services which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

Consistent. In reviewing the proposed annexation, LAFCO would consider the items required to be reviewed by the government code, including evaluation of the financial and physical ability of MCWD to provide services to the proposed annexation areas proposed. The changes to MCWD boundaries are consistent with the City of Seaside General Plan (2003), City of Del Rev Oaks General Plan Update (1997), City of Monterey General Plan (2005), City of Marina General Plan (2010), County of Monterey General Plan (2010), University of California Monterey Bay Education Science and Technology Master Plan (1996), California State University Monterey Bay Master Plan (Draft 2017), and California Department of Parks and Recreation, For Ord Dunes State Park General Plan (2004). In addition existing operations and future plans for additional infrastructure and water service to the District's service areas, including the proposed SOI amendment and annexation areas, are described and considered in the Fort Ord Reuse Plan Environmental Impact Report (1997), Wastewater System Master Plan - Ord Community Service Area (RBF Consulting, June 2004), Marina Water Systems Master Plan (Carollo Engineers, February 2007), Regional Urban Water Augmentation Project EIR

- (d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.
- (e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.
- (f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.
- (g) Consistency with city or county general and specific plans.
- (h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.
- (i) The comments of any affected local agency.
- (j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.
- (k) Timely availability of wastewater/water supplies adequate for projected needs as specified in Section 65352.5.
- (l) The extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the appropriate council of governments.
- (m) Any information or comments from the landowner or owners.
- (n) Any information relating to existing land use designations.

56668.3 District annexation; factors to consider and adoption of resolution.

- (a) If the proposed change of organization or reorganization includes a city detachment or district annexation, except a special reorganization, and the proceeding has not been terminated based upon receipt of a resolution requesting termination pursuant to either Section 56751 or Section 56857, factors to be considered by the commission shall include all of the following:
- (1) In the case of district annexation, whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.
- (2) In the case of a city detachment, whether the

(MCWD, 2004, as amended in 2006 and 2007), and 2015 Urban Water Management Plan (MCWD, June 2016). Future planned development of the annexation area has been assumed, and accounted for in the area planning and project EIRs. Additionally, the MCWD's 2010 Urban Water Management Plan (UWMP), Water and Wastewater Master Plans, 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer System Management Plan (SSMP). provides an overview of system management. The CIP/Master Plan and District budgets provide documentation for securing the physical and financial mechanisms for providing improvements required to meet future wastewater supply demand.

Additionally, the area is consistent with the Municipal Services Review (MSR) for Monterey Peninsula Area (January 2007) as well as the Draft Initial Study for this proposed request which establishes the nature location and extent of the functions and classes of services provided by existing districts.

proposed detachment will be for the interest of the landowners or present or future inhabitants within the city and within the territory proposed to be detached from the city.

- (3) Any factors which may be considered by the commission as provided in Section 56668.
- (4) Any resolution raising objections to the action that may be filed by an affected agency.
- (5) Any other matters which the commission deems material.
- (b) The commission shall give great weight to any resolution raising objections to the action that is filed by a city or a district. The commission's consideration shall be based only on financial or service related concerns expressed in the protest. Except for findings regarding the value of written protests, the commission is not required to make any express findings concerning.

56377

In reviewing and approving or disapproving proposals that could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:

- (a) Development or use of land for other than openspace uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.
- (b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

Consistent. The District currently provides water, wastewater, and recycled water service to the former Fort Ord (Ord Community) under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), dated March 13, 1998, and under contracts with the U.S. Army. In 2001, the U.S. Army conveyed ownership of the water and wastewater infrastructure on the former Fort Ord through FORA to MCWD. MCWD currently serves the all the Proposed annexation areas. The annexation of both the Ord Community and City of Seaside is proposed to add all customers currently served under the service agreements with FORA and the U.S. Army into the District's SA to provide an acceptable and fair governance structure for those receiving water and wastewater service from the District. Lands designated as open space or habitat reserve were specifically not included in this proposal, all lands proposed for annexation are designated for development by the Fort Ord Base Reuse Plan or are already developed and served by the District. The majority of the Proposed annexation area is residential or developed and has no prime agricultural land or other special, sensitive or protected farmland that is proposed for development. The project would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use. As a former military base, there are no existing agricultural uses or operations within the project boundaries.

56064

"Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Stories Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

Consistent. The Proposed Project does not include any Prime agricultural land. See above.

Monterey County LAFCO has adopted guidelines for annexation review in its *Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization*. An analysis of the project's conformance with the LAFCO standards, consistent with the policies of the Cortese-Knox-Hertzberg Act, is provided in Table B-2 below.

Appendix B; Table B-2 LAFCO Policy Analysis for MCWD's Proposed Sphere of Influence Amendment SPHERE OF INFLUENCE POLICIES AND CRITERIA

Criteria Analysis

II. POLICY GUIDELINES FOR SPHERES OF INFLUENCE

- 1. LAFCO intends that its Sphere of Influence determination will serve as a master plan for the future organization of local government within the County. The spheres shall be used to discourage urban sprawl; limit proliferation of local governmental agencies; encourage efficiency, economy and orderly changes in local government; promote compact, community centered urban development; and minimize adverse impacts on lands classified as prime agriculture.
- Consistent. MCWD proposes to seek LAFCO approval to amend its SOI and annex the Proposed annexation area into MCWD's LAFCO SA to allow for provision of water and wastewater collection service for the Proposed annexation area and SA. These factors are addressed within the other policy analyses herein.
- 2. The Sphere of Influence lines shall be a declaration of policy which shall be a primary guide to LAFCO in the decision on any proposal under its jurisdiction. Every determination made by LAFCO shall be consistent with the Spheres of Influence of the agencies affected by those determinations.
- Consistent. Pursuant to Cortese-Knox-Hertzberg, Section 56668h, an annexation application for land outside an adopted SOI may be considered concurrently with a request for an amendment to the SOI.
- 3. Any proposal which is inconsistent with an agency's adopted Sphere of Influence shall not be approved until LAFCO, at a noticed public hearing, has considered an amendment or revision to that agency's Sphere of Influence.
- 4. Inclusion within an agency's Sphere of Influence does not assure annexation to that agency. LAFCO shall evaluate boundary change proposals as they relate to all of the relevant factors listed in the Act.
- 5. When possible, a single larger general purpose agency, rather than a number of adjacent smaller ones, established for a given service in the same general area will be preferred. Where an area could be assigned to the Sphere of Influence of more than one agency providing a particular needed service, the following hierarchy shall apply dependent upon ability to serve:
- a. Inclusion within a city Sphere of Influence.
- b. Inclusion within a multi-purpose district Sphere of Influence.
- c. Inclusion within a single-purpose district Sphere of Influence. In deciding which of two or more equally ranked agencies shall include an area within its Sphere of Influence, LAFCO shall consider the agencies' service and financial capabilities, social and economic

Consistent. The Seaside County Sanitation District (SCSD) has annexed a portion of lands within the Former Fort Ord in the City of Del Rey Oaks into its service area for wastewater collection service as identified in Figure 9 of this Initial Study. Additionally, the SCSD has expressed interest in annexing Ord Community area that are within the City of Seaside for wastewater only, specifically this area includes lands between Military Avenue to the south and Divarty Street and Inter-Garrision Road to the north.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (as amended, Government Code Section 56668 d.), discourages (but does not prohibit) one agency to provide municipal services (in this

interdependence, topographic factors, and the effect that eventual service extension will have on adjacent agencies.

case, wastewater collection) within a given service area. If overlapping service providers are supported, a logical rationale as to why creating such an overlap would be in the public interest, must be provided. In this case, MCWD provides both water and wastewater service and SCSD provides wastewater services, thus LAFCO will consider if the boundary overlap for providing these services would be reasonable and in the public interest.

The Proposed Project specifically excludes the SCSD service areas located within the City for Del Rey Oaks and the areas east of General Jim Moore from the proposed areas of annexation or SOI amendment for MCWD. Although there is no official standing of the designation under LAFCO, these areas have been included as a Future Study Area in consideration that future water service will be necessary to be provided by MCWD when development occurs in these areas. For wastewater service for these areas, there is no current proposal for MCWD to annex the Future Study Areas or include them in the SOI. Currently, engineering studies have been performed on this area by both SCSD and MCWD, and future agreement on the service provision within the Future Study Area will be determined by the affected agencies.

However, there are areas within the Ord Community that are currently served by MCWD that are included in the Proposed Project. These areas are within the City of Seaside however, are included in the Proposed Project as the area is already served by MCWD for both water and wastewater. Also, MCWD owns and maintains the water and wastewater infrastructure in this area. MCWD has stated it is their intention to continue to serve current customers and provide a governance structure via annexation, while developing a mutually agreeable approach to wastewater service in this area between SCSD and MCWD. However, ultimately it will be the decision of LAFCO to determine the appropriate wastewater service provider. Refer to the attached IS/ND under Section 4.10 Land Use and Planning, for further discussion with the Proposed Project's consistency with LAFCO polices concerning this contested area.

Additionally, two regional water management agencies have jurisdiction over groundwater production in the vicinity of the MCWD. The MCWRA is responsible for regulation and supply of water from the SVBG the source supply for the MCWD. The MPWMD is responsible for regulation and supply of water from the Seaside groundwater basin. Areas within the MPWMD jurisdictional boundary are within the areas proposed for

annexation by MCWD, see Figure 10 in the attached Initial Study. However, the SVGB aquifer only extends into the northern and eastern portions of the Ord Community, so MCWD wells cannot be relocated into the cities of Seaside, Del Rey Oaks, or Monterey within the area governed by the MPWMD and in the Seaside Groundwater Basin. 6. Duplication of authority to perform similar functions in Consistent. Currently service is already provided to the the same territory will be avoided. Sphere of Influence Proposed Project area through MCWD. Duplication of boundaries shall not create islands or corridors unless it can authority to water or wastewater service will not occur in be demonstrated that the irregular boundaries represent the the Proposed annexation area, see answer 5 above. The most logical and orderly service area of an agency. Proposed Project does not create islands or corridors; in fact, the proposal to include all of the areas within Marina into MCWD's SOI is being pursued to comply with this 7. The adopted Sphere of Influence shall reflect city and Consistent. The relevant City and County general plans set County General Plans, plans of regional agencies, growth forth land use designations and development intensity for management policies, annexation policies, resource ultimate buildout. Each land use jurisdiction within the management policies, and any other policies related to SOI boundaries have prepared and adopted appropriate ultimate boundary or service area of an affected agency policies to ensure consistency with the adopted plans. unless those plans or policies conflict with the legislative Plans encourage conservation of prime agricultural land intent of the Act. Where inconsistencies between plans and open space lands consistent with LAFCO policies. exist, LAFCO shall rely upon that plan which most closely follows the Legislature's directive to discourage urban sprawl, direct development away from prime agricultural land and open-space lands, and encourage the orderly formation and development of local governmental agencies based upon local conditions and circumstances. 8. Extension of urban type services promotes urban Consistent. As discussed previously, the vast majority of the Proposed Project areas proposed for annexation are development and such development belongs in cities or areas of development concentration in the unincorporated already developed, served by MCWD, and do not contain area of Monterey County. In evaluating proposals any prime agricultural land. Open space land was involving urban development requiring an specifically excluded in the Proposed Project and named urban level of governmental services, LAFCO will as a future study area. Capacities of existing utilities and services have been assessed in plan- and project-level

discourage the formation of new special districts or premature annexation of territory within existing city Spheres of Influence or logical expansion area. LAFCO will discourage boundary change proposals involving urban development outside adopted city Spheres of Influence that have the potential to negatively impact prime agriculture or open space lands, public service capacity, existing local agencies, or generally represents illogical growth patterns.

9. LAFCO, in recognition of the mandated requirements for considering impacts on open space lands and agricultural lands, will develop and determine Spheres of Influence for Cities and urban service districts in such a manner as to promote the long-term preservation and protection of this County's "Resources." LAFCO believes the public interest will be best served by considering "Resources" in a broad sense to include open space, recreational opportunities, wildlife, and agricultural land. Sphere of Influence determinations must conform with LAFCO's Policy on

CEOA environmental review processes. This SOI and annexation would not impact identified prime agriculture or designated open space lands, or represent an illogical growth pattern, consistent with policy.

Consistent. The Proposed Project annexation areas do not include any prime agricultural land, or open space lands. Based upon previous planning documents (i.e., Fort Ord Base Reuse Plan), adequate mitigation exists to comply with wildlife protection policies. Existing recreational land will not be impacted due to existing planning documents and land use restrictions in policy and conveyance documents.

Preservation of Open-Space and Agricultural Lands adopted on January 25, 2010 (Section E of LAFCO's Policy Document).

10. LAFCO recognizes the many inter-relationships and impacts which one agency's land use, planning, and governmental decisions may have on other agencies even though they may be outside of the Sphere of Influence of the secondary agency. Consequently, LAFCO, when necessary, will seek to establish and identify Areas of Planning Concern for each city within the County. The "Planning Concern Area" will seek to identify those areas which in a broad sense affect the city in terms of planning and land use decisions. Such "Planning Concern Areas" will be established with the assistance and guidance of the affected cities and the County. The "Planning Concern Area" normally will extend beyond the adopted Sphere of Influence of the city. Once established, LAFCO will solicit the cooperation and involvement of the affected cities and the County to jointly involve one another in planning decisions for these areas.

Consistent. This policy relates to SOIs for cities, and is therefore, not applicable to this Proposed Project.

III. PROCEDURAL GUIDELINES

- 2. LAFCO may establish an urban service area within an adopted Sphere of Influence to discourage urban sprawl and to promote compact growth patterns. Urban service areas consist of territory now served by urban facilities, utilities and services or proposed to be served within the next five years, and may include the following:
- a. Urbanized Areas. This includes all existing areas, either incorporated or unincorporated, developed to urban densities.
- b. Urban Expansion Areas. This consists of vacant land, either incorporated or unincorporated, which is capable of holding urban growth expected within the next five years. The territory included within urban service areas will be considered by LAFCO to be eligible for annexation within five years. Consideration will be given to the capability of a city and special district to provide needed services with related time schedules for planned expansion of services. Cities and special districts are encouraged to develop Capital Improvement Programs and other plans for the phased extension of services to assist LAFCO in determining logical urban service area boundaries.
- 3. LAFCO may establish urban transition areas within adopted Spheres of Influence to discourage premature pressure for development. Transition areas consist of the residual lands between designated urban service areas and the ultimate Sphere of Influence boundary. This land will most likely be used for urban expansion within approximately five (5) to twenty (20) years. Territory included within urban transition areas, but not within urban service areas, generally will not be considered eligible for annexation to receive urban services within five years.

Consistent. Adoption or extension of a City urban service area is not necessary for the Proposed Project.

MCWD intends to submit the identified information to demonstrate MCWD capability and ongoing successful provision of water and wastewater service.

No adverse service or financial impacts have been identified.

Consistent. MCWD currently provides services to various areas that are not contiguous to its existing SA boundary. Annexing all of Proposed annexation area implements policies related to orderly development and is considered administratively more efficient than requesting annexation on a project-by-project basis.

4. LAFCO may adopt a zero Sphere of Influence encompassing no territory for an agency. This occurs where LAFCO determines that the public service functions of the agency are either non-existent, no longer needed, or should be reallocated to some other agency of government. The local agency which has been assigned a zero Sphere of Influence should ultimately be dissolved. Special districts that lie substantially within the boundary or Sphere of Influence of a general purpose government which is capable of assuming the public service responsibilities and functions of that special district may be allocated a zero Sphere of Influence designation.

Consistent. Not applicable as MCWD currently serves the areas proposed for annexation. There are no entities that lie substantially within the boundary or SOI of MCWD, nor any general purpose governments which are capable of or will assume both the water and wastewater public service responsibilities and functions of MCWD.

5. Territory not in need of urban services, including open space, agriculture, recreational, rural lands or residential rural areas, shall not be assigned to an agency's Sphere of Influence unless the area's exclusion would impede the planned, orderly and efficient development of an area.

Consistent. The proposed annexation is intended to provide for adequate governance and representation needed by to customers in the Ord Community already served by MCWD and to continue to supply water and wastewater services needed to the area. No prime agricultural lands or open space lands are included in the proposed sphere of influence or annexation areas.

6. LAFCO may adopt a Sphere of Influence that excludes territory currently within that agency's boundaries. This occurs where LAFCO determines that the territory consists of agricultural lands, open space lands or agricultural preserves whose preservation would be jeopardized by inclusion within the agency's Sphere of Influence.

Consistent. The proposed annexation area does not contain any prime agriculture or open space lands.

7. Two or more local agencies providing the same service(s) may be allocated a consolidated Sphere of Influence to include the areas served by both agencies. This would be the case where LAFCO determines that the particular service(s) should be provided to the entire area by a single local agency.

Consistent. The Proposed Project does not contain areas where other agencies are currently providing the same services. The SCSD current service area is not conflict with the Proposed Project boundaries. The SCSD has expressed interest in annexing the area east of General Jim Moore within the Former Fort Ord for wastewater service. The Proposed Project does not include these areas. MCWD is y the only local agency currently providing water and also wastewater service within the area proposed for SOI amendment and annexation to MCWD, see answer 5 in Table II. Policy Guidelines for Spheres of Influence, above.

8. LAFCO may establish future study areas outside of adopted Spheres of Influence. These areas indicate territory which may ultimately be appropriate for inclusion within an agency's sphere upon future study or modified conditions.

Consistent. The proposal includes a proposed designation of a "Future Study Area" which includes parcels identified for development under the Fort Ord Base Reuse Plan, located in the Cities of Del Rey Oaks, Monterey and Seaside, and in unincorporated Monterey County. Service for these areas is included in MCWD's Master Plan update as well as the UWMP for MCWD. Under this designation, territory may ultimately be appropriate for inclusion within MCWD's sphere upon future study or modified conditions. Currently, they are not proposed for annexation and are outside the District's SOI, but may warrant inclusion in the SOI in future years. Further study would need to be completed prior to inclusion and thus this area is identified in this IS/ND. In particular, the areas being considered by SCSD for inclusion in the SCSD SOI

are appropriate for Future Study Area east of General Jim Moore so that the entities may work out the water and wastewater service provision and boundaries in the future. IV. SPHERE OF INFLUENCE UPDATE, AMENDMENT AND SERVICE REVIEW Consistent. The proposed annexation is intended to 2. LAFCO shall review Sphere of Influence determinations not less than every five years. If a local agency or the provide for adequate governance and representation County desires amendment or revision of an adopted requested by customers in the Ord Community already Sphere of Influence, the local agency by resolution may file served by MCWD and to continue to supply water and such a request with the Executive Officer. The request shall wastewater services needed to the area. MCWD intends to adopt a resolution to file the request. The request will state the nature of the proposed amendment and the reasons for the request, include a map of the proposed amendment, contain the required information. and contain additional data and information as may be required by the Executive Officer. 5. When adopting, amending, or updating a Sphere of Consistent. Please see previous discussion above Item IV Influence for a special district, LAFCO shall do all of the (2). Additionally, the area is consistent with the Administrative Draft MSR for the Monterey Peninsula following: a. Require existing districts to file written statements with (2007) as well as the Draft Initial Study for this proposed LAFCO specifying the functions or classes of services request which establishes the nature location and extent of provided by those districts. the functions and classes of services provided by existing b. Establish the nature, location, and extent of any districts. functions or classes of services provided by existing districts. (Section 56425 i.) 8. LAFCO shall conduct a service review before, or in Consistent. Please see discussion for Sphere of Influence Update, Amendment, and Service Review Policy IV.2. conjunction with, but no later than, the time it is considering an action to establish a Sphere of Influence in accordance with Section 56425 or Section 56426.5 or to update a Sphere of Influence pursuant to Section 56425. 9. Individuals desiring LAFCO to initiate revision or Consistent. Please see previous discussion above (Policy amendment of an existing sphere of influence shall file a IV.2). written request with the Executive Officer. The request shall state the nature of the proposed amendment and the reasons for the request, include a map of the proposed amendment area, and contain additional data and information as may be required by the Executive Officer. 14. For annexations and Sphere of Influence applications, Consistent. The SOI would not impact traffic or require Monterey County LAFCO shall consider as part of its transportation improvement contributions. Furthermore, as decision whether the proposal mitigates its regional traffic identified in the proposed annexation's Initial Study, the impacts by, for example, monetary contribution to a Fort Ord Reuse Plan EIR identifies potential significant regional transportation improvement fund as established by impacts related to increased traffic on the regional road the Transportation Agency of Monterey County or system, and future needed improvements. Local jurisdiction planning documents incorporate policies otherwise. contained in the Reuse Plan to insure timely implementation of traffic improvements and coordination between land use development and transportation improvements. The FORA CIP includes payment of fees by each development at the former Fort Ord to fund identified mitigate traffic and transit improvements within and outside the project area. Consistent. The proposed annexation is located within the 15. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its boundaries of the Fort Ord Reuse Authority (FORA), and decision whether the city in which the annexation or Sphere includes areas within the jurisdiction of the U.S. Army. of Influence amendment is proposed has included certain goals, policies, and objectives into its General Plan that encourage mixed uses, mixed densities, and development patterns that will result in increased efficiency of land use, and that encourages and provides planned, well-ordered, efficient urban development patterns.

16. Except as allowed in Section VI (below) for Minor Sphere of Influence Amendments, as part of the package of LAFCO forms and procedures given to every applicant, LAFCO will screen each application for an annexation change to ensure that there is a current Sphere of Influence (within the last five years), or that the application includes a concurrent Sphere update for affirmation by LAFCO. If the screening process identifies that a Sphere update is needed, the application package already identifies the information needed for the four standard determinations by LAFCO, and informs the applicant of the City-County consultation process required by State law. This administrative procedure will result in a current Sphere of Influence for every annexation change. This procedure does not change or affect other LAFCO procedures and policies that encourage comprehensive Sphere updates with 20-year horizons, and the staggering of Sphere and annexation proposals.

The Fort Ord Reuse Plan (1997) sets forth land use designations and development intensity for ultimate buildout at the former Fort Ord. Each land use jurisdiction within FORA's boundaries has prepared and adopted appropriate amendments to their general plans that were found to be consistent with the adopted Reuse Plan.

Consistent. The proposed annexation is concurrent with a SOI amendment.

VII. ADDITIONAL POLICIES RELATING TO THE FORMER FORT ORD AREA

1. LAFCO encourages sphere proposals that will facilitate initial development efforts which focus on existing facilities and developed area; locate future urban uses adjacent to existing urban areas; phase development based on the availability of urban services and infrastructure; create a positive jobs/housing balance; provide fiscal resource capabilities; and lead to urban patterns that complement objectives and goals of air quality, transportation, and housing plans of affected local and regional agencies.

Consistent. The District currently provides water. wastewater, and recycled water service to the former Fort Ord (Ord Community) under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), dated March 13, 1998, and under contracts with the U.S. Army. The annexation of both the Ord Community and City of Seaside is proposed to add all customers currently served under the service agreements with FORA and the U.S. Army into the District's SA to provide an acceptable and fair governance structure for those receiving water and wastewater service from the District. Lands designated as open space or habitat reserve were specifically not included in this proposal, all lands proposed for annexation are designated for development by the Fort Ord Base Reuse Plan or are already developed and served by the District. The Proposed Project does not include any infrastructure improvements or capacity increases, therefore the Proposed Project focuses on existing facilities and developed areas and does not include phased development. An analysis on population and growth impacts as well as a financial analysis will be included in the application to LAFCO.

2. LAFCO will encourage sphere proposals that consider region-wide goals with local agencies' ability to provide service. LAFCO will encourage sphere proposals that promote equitable distribution of the costs of regional facilities, related benefits, and cover all service impacts.

Consistent. The Proposed Project is consistent with region-wide goals as laid out in the Fort Ord Base Reuse Plan, applicable County and City General Plans, MCWD's 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer System Management Plan (SSMP),

and the 2015 UWMP. A financial analysis will be included in the application to LAFCO. Consistent. Lands designated as open space or habitat 3. LAFCO, in recognition of the mandated requirements for reserve were specifically not included in this proposal, all considering impacts on open space lands and agricultural lands, will develop and determine Spheres of Influence for lands proposed for annexation are designated for development by the Fort Ord Base Reuse Plan or are Cities and urban service districts in such a manner as to balance the need to promote cost-effective logical urban already developed and served by the District. expansion and economic recovery with the objective of promoting the long-term preservation and protection of this County's "Resources." LAFCO believes the public interest will be best served by considering "Resources" in a broad sense to include open space, recreational opportunities, wildlife, agricultural land, and fiscal resources.

Table 3

LAFCO Policy Analysis for MCWD Sphere of Influence and Annexation STANDARDS FOR THE EVALUATION OF PROPOSALS FOR A CHANGE OF ORGANIZATION OR REORGANIZATION

Criteria Analysis

III. DUPLICATION OF AUTHORITY TO PERFORM SIMILAR FUNCTIONS

Proposals, where feasible, should minimize the number of local agencies and promote the use of multi-purpose agencies. (Sections 56668 b and c.)

Consistent. This SOI amendment and annexation proposes for a single provider for water and wastewater service to the Ord Community, including those areas within the City of Seaside only located within the Ord Community where water and wastewater services are currently provided. The Proposed Project would enable MCWD to maintain service to their current customers, maintain their existing infrastructure and respond to requests from current customers to provide a government structure for these customers to be represented.

The effect of the approval of a proposal which would result in two or more districts or a city and a district possessing any common territory, the authority to perform the same or similar functions shall be considered by LAFCO. The views of the governing body of the city or special district possessing authority to perform the same or similar function in the subject territory should be made known to LAFCO. Proponents must justify the need for boundary change proposals which result in duplication of authority to perform similar functions. (Section 56668 b and c.)

Consistent. This SOI amendment and annexation proposes for a single provider for water and wastewater service to the Ord Community, including a portion of those areas within the City of Seaside. The Proposed Project would enable MCWD to maintain service to their current customers and provide a government structure for these customers to be properly represented. Per LAFCO policy, views of other entities which propose to perform the same services and MCWD as a proponent of this Proposed Project are required to justify the need for boundary change proposals. MCWD plans to fully comply with Section 56668 b and c during the LAFCO application process.

IV. CONFORMANCE WITH CITY OR COUNTY GENERAL AND SPECIFIC PLANS

1. Each proposal should be consistent with the appropriate city or county general and specific plans. Where the proposal does not abide by these plans, the proponent shall specify the reasons for plan non-conformance. (Section 56668 g.)

Consistent. No changes to land uses are proposed as MCWD has no authority over land uses. Relevant general, specific, and master planning documents identify that MCWD is the water and wastewater supply agency and wastewater collection service provider for the Ord Community.

V. CONFORMANCE WITH SPHERES OF INFLUENCE

- 1. Proposals shall be consistent with the Spheres of Influence for the local agencies affected by those determinations. (Sections 56375.5 and 56668 h.)
- 3. With the exception of city incorporations and agency formations, LAFCO shall adopt a sphere for affected agencies prior to consideration of related boundary change proposals. (Section 56668 h.)
- 4. When a proposal is inconsistent with the adopted Sphere of Influence, the applicant shall justify reasons for amending the Sphere of Influence. An annexation application for land outside an adopted Sphere of Influence may be considered concurrently with a request for amendment to the Sphere of Influence. (Section 56668 h.)

Consistent. The proposed annexation is concurrent with a SOI amendment. Service provision from MCWD is consistent with existing contractual agreements. The Proposed Project is not inconsistent with existing SOI for other agencies. Planning documents address service provision through MCWD including the City of Seaside General Plan (2003), City of Del Rey Oaks General Plan Update (1997), City of Marina General Plan (2010), County of Monterey General Plan (2010), University of California Monterey Bay Education Science and Technology Master Plan (1996), California State University Monterey Bay Master Plan (Draft 2017). In addition existing operations and future plans for additional

infrastructure and water service to the District's service areas, including the proposed SOI amendment and annexation area, are described and considered in Wastewater System Master Plan – Ord Community Service Area (RBF Consulting, June 2004), Marina Water Systems Master Plan (Carollo Engineers, February 2007), Regional Urban Water Augmentation Project EIR (MCWD, 2004, as amended in 2006 and 2007), and 2015 Urban Water Management Plan (MCWD, June 2016). Additionally, the MCWD's 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer System Management Plan (SSMP), provides an overview of system management.

VI. ENVIRONMENTAL IMPACT ASSESSMENT

1. LAFCOs are subject to the terms of the California Environmental Quality Act (CEQA) and the regulations of the California Resources Agency, which establishes the guidelines for its implementation. All environmental factors introduced by the proposal shall be considered as outlined in the Act and the State Guidelines. 2. The potential environmental impacts of proposals involving changes of organization or reorganization shall be reviewed by LAFCO environmental staff and the appropriate environmental determination shall be considered by LAFCO in accordance with state law and the State's "Guidelines for Implementation of the California Environmental Quality Act.11

Consistent. A draft Initial Study has been prepared by the MCWD as the lead agency, pursuant to the California Environmental Quality Act (CEQA). The purpose of the Initial Study is to determine whether the proposed annexation and SOI amendment could significantly affect the environment, requiring the preparation and distribution of an Environmental Impact Report for public review. Based on the analysis provided in the Initial Study, no significant environmental impacts were found, making the project eligible for a Negative Declaration. Additionally, this Initial Study describes other CEQA documentation prepared as earlier documentation providing tiering for the Proposed Project.

VII. ECONOMICS, SERVICE DELIVERY AND DEVELOPMENT PATTERNS

- 1. LAFCO shall discourage proposals that would have adverse financial impacts on the provision of governmental services or would create a relatively low revenue base in relationship to the cost of affected services. Applications shall describe related service and financial impacts (including revenues and expenditures) on the County, cities, and/or special districts and provide feasible measures which would mitigate such adverse impacts. (Section 56668 a, b and c.)
- 2. Applications must address current and ultimate needs for governmental services and facilities as established by the appropriate land use plans and prezoning. Proposals shall not be approved unless a demonstrated need for additional service exists or will soon exist. In reviewing boundary change proposals, LAFCO shall consider alternative government structure options which may be more appropriate in light of the demonstrated need for service. The formation of, or annexation to, a single governmental agency, rather than several limited purpose agencies, shall be encouraged when possible. (Section 56668 a and b.)

Consistent. MCWD intends to submit the identified information, including CIP and Budgets adopted by MCWD, which demonstrates MCWD's capability and ongoing successful provision of water and wastewater service. The MCWD application will provide related service and financial discussion (including revenues and expenditures) per Section 56668 a), b) and c). MCWD has been providing services in the Proposed Project area for some time and has not experience adverse service or financial impacts.

Consistent. The proposed annexation by MCWD would adhere to LAFCO processing requirements. As stated, proposals shall not be approved unless a demonstrated need for additional service exists or will soon exist. MCWD has been providing water and wastewater services in the Proposed Project area for some time and there is a current demonstrated service record for the water and wastewater collection in these areas. In light of the demonstrated need for service through current and past service provision in these areas, and MCWD represents a single governmental agency providing services for both water and wastewater, this Proposed Project is considered consistent with Section 56668 a) and b).

3. Applications must indicate that the affected agencies have the capability to provide service. Territory shall be annexed to a city or special district only if such agency has or soon will have the capability to provide service. (Section 56668 b.)

Consistent. MCWD has been providing services in the Proposed Project area for some time and has the demonstrated capacity and history to provide continued services. MCWD's CIP and related Master Plan identify continued provision of water supply and wastewater collection in the Ord Community with no discontinuation of service identified in these documents.

4. Whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall submit with the resolution of application a plan for providing services within the affected territory. The plan for providing services shall include all of the following information. (Section 56653.): a. An enumeration and description of the services to be extended to the affected territory. b. The level and range of those services, c. An indication of when those services can feasibly be extended to the affected territory. d. An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed. e. Any conditions which would be imposed or required within the affected territory such as, but not limited to, improvement or upgrading of structures, roads, and sewer or water facilities. f. Information with respect to how those services will be financed. A plan for providing services may consist of: a. A master plan for providing services throughout all or a portion of a city or distinct Sphere of Influence for use in evaluating all proposals affecting the area covered in the master plan. b. A proposal-specific supplement which updates and/or provides a higher level of detail than is contained within the master plan for services. Such supplement may include by reference or in summary form those pertinent sections of the master plan for services which remain valid. The supplement need discuss in detail only that information which is not current or discussed in sufficient detail in the master plan for services

Consistent. Per Section 56653, MCWD's 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer System Management Plan (SSMP), and the 2015 UWMP demonstrate the following, consistent with this policy:

- a. An enumeration and description of the existing provision of services and the need for additional infrastructure to be extended to the affected territory.
- b. The level and range of those services.
- c. Water and wastewater services are already extended to the affected territory.
- d. No additional local agency conditions are assumed to be imposed or required within the affected territory if the change of organization or reorganization is completed.
- e. Any conditions which would be imposed or required within the affected territory such as, but not limited to, improvement or upgrading of structures, roads, and sewer or water facilities.
- f. Information with respect to how those services will be financed.

The UWMP and CIP and Master Planning documents approved and implemented through MCWD Board actions provide the current infrastructure planning and engineering documentation.

MCWD intends to submit the identified information to demonstrate MCWD capability and ongoing successful provision of water and wastewater service.

6. LAFCO discourages proposals which will facilitate development that is not in the public interest due to topography, isolation from existing developments, premature intrusion of urban-type developments into a predominantly agricultural area, or other pertinent economic or social reason. (Section 56668 a.)

Consistent. The continued provision of water and wastewater service to the existing MCWD Service Area and proposed annexation area would not facilitate development that is inconsistent with this policy.

7. LAFCO shall consider the testimony from all potentially affected agencies or individuals in reviewing boundary change proposals. Proposals submitted by resolution of application shall include information indicating that landowners in the affected area support the proposal. (Section 56668 i.)

Consistent. Please see discussion for Economics, Service Delivery and Development Patterns Policy 1.

VIII. PHASING

1. LAFCO, in furtherance of its objectives of preserving prime agricultural land, containing urban sprawl, and in providing a reasonable assurance of a city/district's ability to provide services shall consider the appropriateness of phasing annexation proposals which include territory that is not within a city/district's urban service area and has an expected build-out over a period longer than five to seven years. (Sections 56668 a, b, and e.)

Consistent. The proposed annexation is intended to provide for MCWD to continue to provide water supply and wastewater collection services to the Ord Community as envisioned in MCWD's planning documents. Phasing of annexation areas is not currently proposed by MCWD. The Future Study Area is a potential future phase of study, as identified in this Initial Study. The MCWD's 2016 Five-year Capital Improvement Program (CIP), MCWD 2017 Sewer System Management Plan (SSMP), provides an overview of system management.

2. Change of organization and reorganization proposals which are totally within a city or district's adopted urban service area shall not be considered appropriate for phasing. Urban service areas are, by definition, territory expected to be developed/serviced in the next five years. (Sections 56668 a, b and c.)

Consistent. Phasing of annexation areas is not currently proposed by MCWD. The Future Study Area is a potential future phase of study, as identified in this Initial Study.

3. Proposals which contain territory which is not within a city or district's adopted urban service area and have an expected build-out extending beyond a five- to seven-year period may be considered appropriate for phasing. For the purpose of this policy, "phasing" shall be defined as a planned incremental approval of a project and "building out" shall be interpreted as 70 to 80 percent developed. When an exception from this policy is desired, the proponent shall justify to LAFCO the reasons why phasing is not appropriate. Included within the justification for exception, the proponent shall demonstrate the jurisdiction's ability to provide necessary public services. (Sections 56668 a, b and e.)

Consistent. Please see discussion for Phasing Policy VII-1, VIII-1 and VIII-2.

IX. OPEN SPACE AND AGRICULTURAL LAND

1. It is the policy of LAFCO to encourage and to seek to provide for planned, well-ordered, efficient urban development pattern while at the same time remaining cognizant of the need to give appropriate consideration to the preservation of open space and agricultural land within such patterns. (Section 56300.) Proposals for a change of organization or reorganization will be judged according to LAFCO's adopted Policy on Preservation of Open-Space and Agricultural Lands (Section E of the LAFCO Monterey County Policy Document).

Consistent. There are no open space areas included in the proposed annexation area.

X. GROUNDWATER STANDARDS

1. LAFCO shall encourage the Monterey County Water Resources Agency, the Pajaro Valley Water Management Agency, and the Monterey Peninsula Water Management District to complete water management plans, develop or revise allocation of water supply as necessary, and promote County-wide standards. The LAFCO standards shall be reviewed periodically to reflect changes in information and current water management policy.

Consistent. The proposed SOI amendment and annexation by MCWD involves areas already serviced by the District. Therefore, there would be no water system improvements or capacity increases through this boundary adjustment and the Proposed Project is consistent with current water management plans and County standards, as well as does not require reallocation of water supply. Furthermore, as discussed in the attached IS/ND Section 4.9 Hydrology and Water Quality, the to promote collaboration, the

2. In considering a proposal which may significantly impact the groundwater basin, as documented by the Lead Agency pursuant to the California Environmental Quality Act (CEQA), LAFCO shall review the following information. This information can be submitted to LAFCO in an environmental document or as a part of the LAFCO application. a. The projected water demand of the proposed project based on guidelines provided by the appropriate water resources agency. b. The existing water use and historical water use over the past five years. c. A description of the existing water system including system capacity serving the site. d. A description of proposed water system improvements. e. A description of water conservation or reclamation improvements that are to be incorporated into the project. f. An analysis of the impact that proposed water usage will have on the groundwater basin with respect to water quantity and quality, including cumulative impacts. g. Evidence of consultation with the appropriate water agency. The agency shall be consulted at the earliest stage of the process, so that applicable recommendations can be included in the environmental document, h. A description of water conservation measures currently in use and planned for use on the site such as drought tolerant landscaping, water-saving irrigation systems, installation of low-flow plumbing fixtures, retrofitting of plumbing fixtures with lowflow devices, and compliance with local ordinances. i. A description of how the proposed project complies with adopted water allocation plans. j. A description of those proposals where the agency has achieved water savings or where new water sources have been developed that will off-set increases in water use on the project site that would be caused by the proposal. k. A description of how the proposal would contribute to any cumulative adverse impact on the groundwater basin. l. A description of those boundary

MCWD has signed a Coordination Agreement with the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) to facilitate a positive working relationship and streamline efforts and resources moving forward. As part of the agreement, both agencies will join forces to apply for grant funds with MCWD being the responsible party for submitting proposals and applications for the Monterey Subbasin and the SVBGSA responsible for submitting the application for the 180/400 Subbasin. The agencies will also form a new coordination committee including representatives from MCWD and SVBGSA, and will share data and resources. The SOI and annexation proposal for the Ord Community is consistent with the Sustainable Groundwater Management Act (SGMA) and the District will be required to implement the Groundwater Sustainability Plans to ensure groundwater supplies are maintained.

Consistent. MCWD acknowledges that LAFCO will review the cited information and will include in the application package.

The projected water demand of the Proposed Project is addressed in the IS/ND under Section 4.9 Hydrology and Water Quality. The existing water use, historical water use and projected use and description of the existing water system including system capacity are addressed in the MCWD UWMP and Wastewater Master Plan documentation. MCWD regularly updates it CIP to describe water system improvements. MCWD requires water conservation measures to be incorporated into projects.

The proposed annexation by MCWD involves continued water service provision to the annexed areas within the project area with no projected impacts or changes to the groundwater conditions. This Initial Study has been prepared on the proposed annexation pursuant to CEQA. Previous environmental documentation cited in the IS/ND, the UWMP and this analysis address proposed and projected water usage within the groundwater basin with respect to water quantity and quality. All other measures identified are within existing studies cited herein or will be included in the LAFCO application package.

change proposals that, when considered individually and	
after taking into account all mitigation measures to be	
implemented with the project, still cause a significant	
adverse impact on the groundwater basin.	
3. Any proposal considered by LAFCO that uses water will	Consistent. Please see discussion for Groundwater
be referred to the Monterey County Water Resources	Standards Policy 1.
Agency, the Pajaro Valley Water Management Agency,	·
Monterey Peninsula Water Management District, or any	
other affected water agency. Recommendations of the	
agencies will be considered by LAFCO and, where	
appropriate, should be incorporated into the project design	
prior to approval of the boundary change proposal.	
4. LAFCO recognizes that water usage will vary due to soil	Consistent. Please see discussion for Groundwater
type, location of aquifer, characteristics of aquifer, and type	Standards Policy 1.
of project. Each project must be reviewed on a case-by-	,
case basis.	
5. Should an agency adopt similar or more restrictive	Not applicable to the proposed annexation.
informational requirements, the LAFCO informational	Tr F. Francisco
Requirement Nos. 1 through 4 will no longer apply.	
6. LAFCO will encourage boundary change proposals	Consistent. This IS/ND discusses the RUWAP recycled
involving projects that use reclaimed wastewater, minimize	water project under MCWD as well at the combined Pure
nitrate contamination, and provide beneficial use of storm	Water Monterey/RUWAP facilities to convey purified
waters.	recycled water within the Ord community.
7. LAFCO will encourage proposals which have	Not applicable to the proposed annexation.
incorporated water conservation measures. Water	The applicable to the proposed universation.
conservation measures include drought tolerant	
landscaping, water-saving irrigation systems, installation of	
low-flow plumbing fixtures, retrofitting of plumbing	
fixtures with low-flow devices, and compliance with local	
ordinances.	
8. LAFCO will encourage those proposals which comply	Consistent. Please see discussion for Groundwater
with adopted water allocation plans as established by	Standards Policy X-1.
applicable cities or water management agencies.	
9. LAFCO will encourage those proposals where the	Consistent. Please see discussion for Groundwater
affected jurisdiction has achieved water savings or new	Standards Policy X-1.
water sources elsewhere that will off-set increases in water	
use in the project site that would be caused by the proposal.	
10. LAFCO will discourage those proposals which	Consistent. Please see discussion for Groundwater
contribute to the cumulative adverse impact on the	Standards Policy X-1 and X-2.
groundwater basin unless it can be found that the proposal	2
promotes the planned and orderly development of the area.	
11. LAFCO will discourage those boundary change	Consistent. Please see discussion for Groundwater
proposals which, when considered individually and after	Standards Policy X-1 and X-2.
taking into account all mitigation measures to be	Summer of the first of the firs
implemented with the project, still cause a significant	
adverse impact on the groundwater basin.	
XII. INCORPORATION GUIDELINES	<u> </u>
1. LAFCO shall utilize the "Guide to the LAFCO Process	Consistent. Consideration of the proposed annexation by
for Incorporations" issued by the Governor's Office of	LAFCO would adhere to LAFCO processing
*	1 &
Planning and Development as the guideline for processing	requirements.
proposals for city incorporation.	

XII. REGIONAL TRAFFIC IMPACTS

1. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the proposal mitigates its regional traffic impacts by, for example, monetary contribution to a regional transportation improvement fund as established by the Transportation Agency of Monterey County or otherwise.

Consistent. As identified in the Proposed Project Initial Study, no transportation improvements are required for the SOI or annexation.

XIII. EFFICIENT URBAN DEVELOPMENT PATTERNS

1. For annexations and Sphere of Influence applications, Monterey County LAFCO shall consider as part of its decision whether the city in which the annexation or Sphere of Influence amendment is proposed has included certain goals, policies, and objectives into its General Plan that encourage mixed uses, mixed densities, and development patterns that will result in increased efficiency of land use, and that encourages and provides planned, well-ordered, efficient urban development patterns.

Consistent. As identified in the Proposed Project's Initial Study, the Fort Ord Reuse Plan, Cities' and County of Monterey's General Plans, and Specific Plans for development projects the jurisdictions with land use authority over the Ord Community have encouraged mixed uses, mixed densities, and development patterns that will result in increased efficiency of land use. MCWD's Master Plans for water and wastewater service have emphasized efficiency in the provision of those services, as well.

XIV. CONTRACT / AGREEMENT SERVICE EXTENSION15

1. Requests for Service Extension: a. In evaluating requests for service extensions outside an agency's jurisdictional boundary, LAFCO shall consider the Sphere of Influence of the affected agency. b. Applicants shall submit an application to LAFCO prior to consideration of the proposal. Within 30 days the Executive Officer shall determine if the application is complete, and transmit the need for additional information immediately. Within 90 days after the application is deemed complete, the request shall be placed before LAFCO for a determination. c. LAFCO may authorize a city or district to provide new or extended service outside its jurisdictional boundaries but within its Sphere of Influence in anticipation of a later change of organization. In this instance, LAFCO will consider the factors enumerated in Section 56668 in reviewing the request. d. LAFCO may authorize a city of district to provide new or extended services outside its jurisdictional boundaries and Sphere of Influence to respond to a documented existing or impending threat to the public health or safety of the residents of the affected territory if the LAFCO has notified any alternative service provider as outlined in Section 56133, e. The Executive Officer may administratively approve requests for service extension outside an agency's jurisdictional boundary if the applicant has satisfactorily demonstrated the existence of a public health or safety issue exists as identified in writing from the local public health officer. The Executive Officer is required to inform LAFCO at the next available meeting of any administratively approved service agreements.

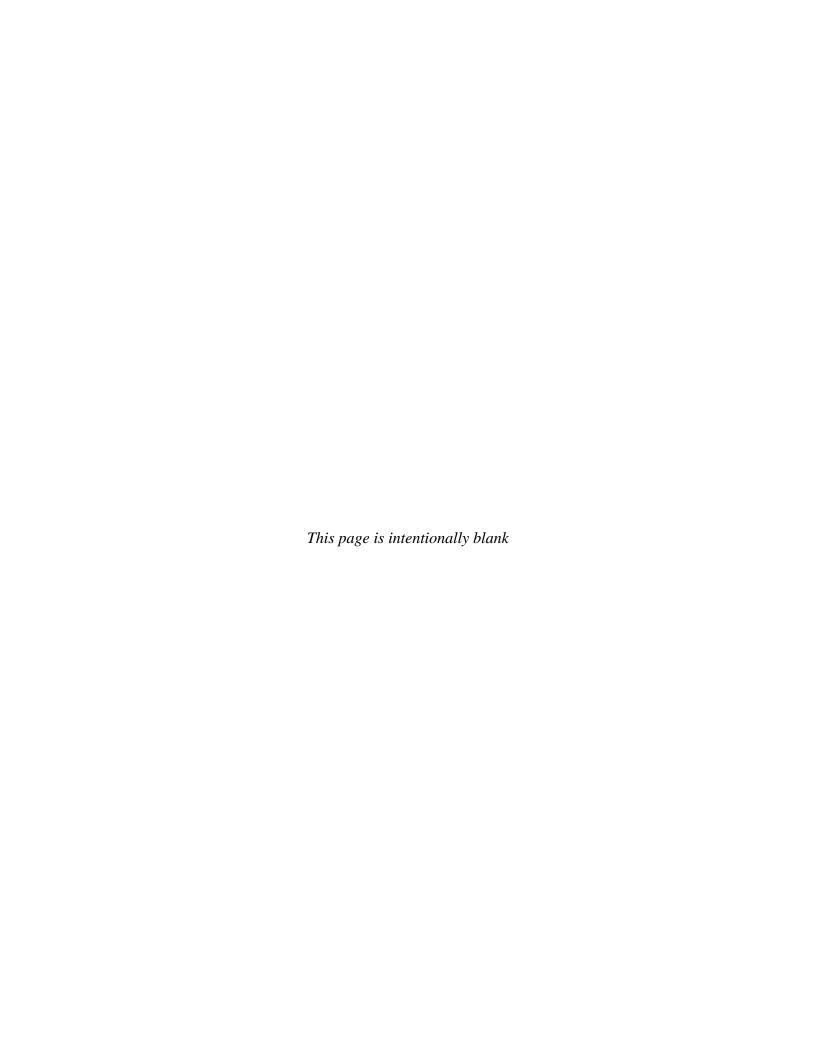
Consistent. Consideration of the proposed annexation by LAFCO would adhere to LAFCO processing requirements.

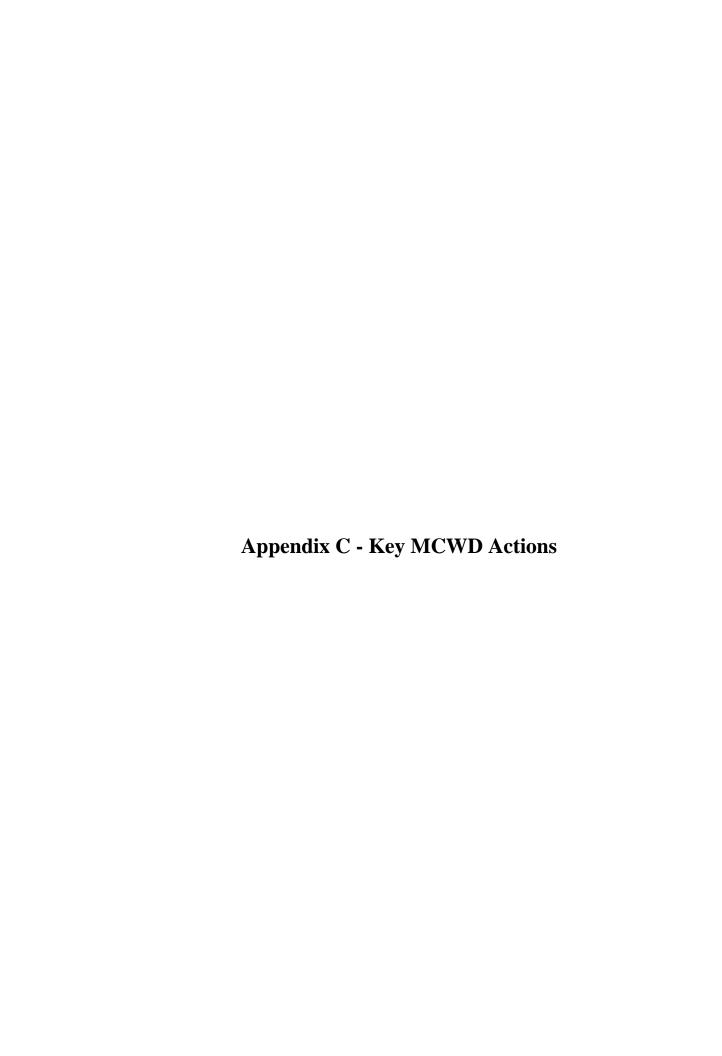
2. LAFCO authority over contract/agreement service extension does not apply to: (1) contracts or agreements

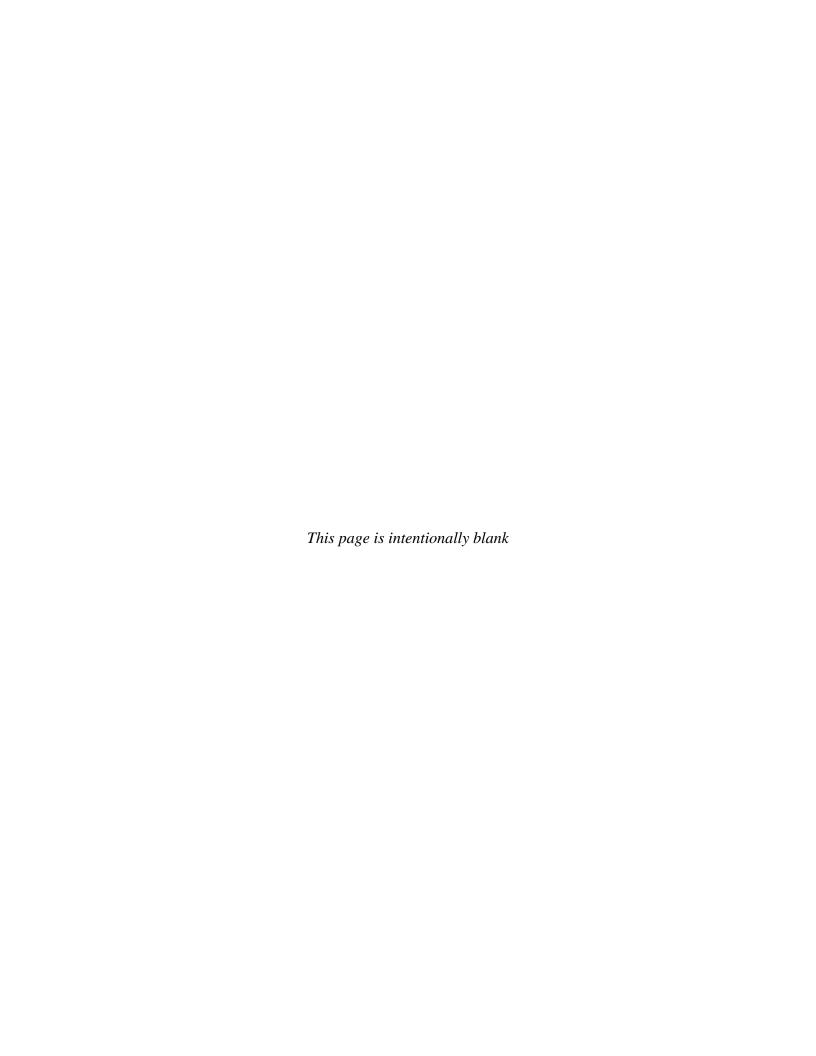
Consistent. The Proposed Project would not extend or amend MCWD's existing contract to provide water or

solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider; (2) contracts for the transfer of non-potable or non-treated water, and (3) contracts or agreements solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or directly support agricultural industries. However, prior to extending surplus water that will support or induce development, the agency must receive written approval from LAFCO. (Section 56133.)

wastewater service such that LAFCO approval is required under Section 56133.







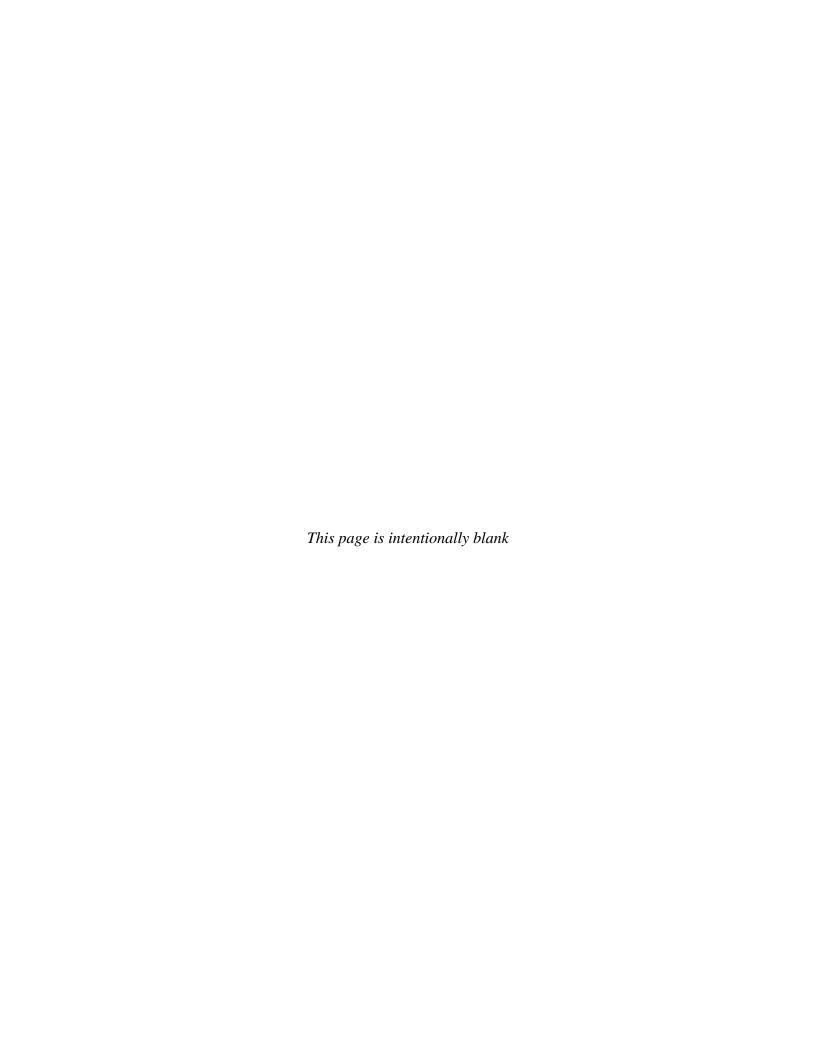
Appendix C – Key MCWD Actions

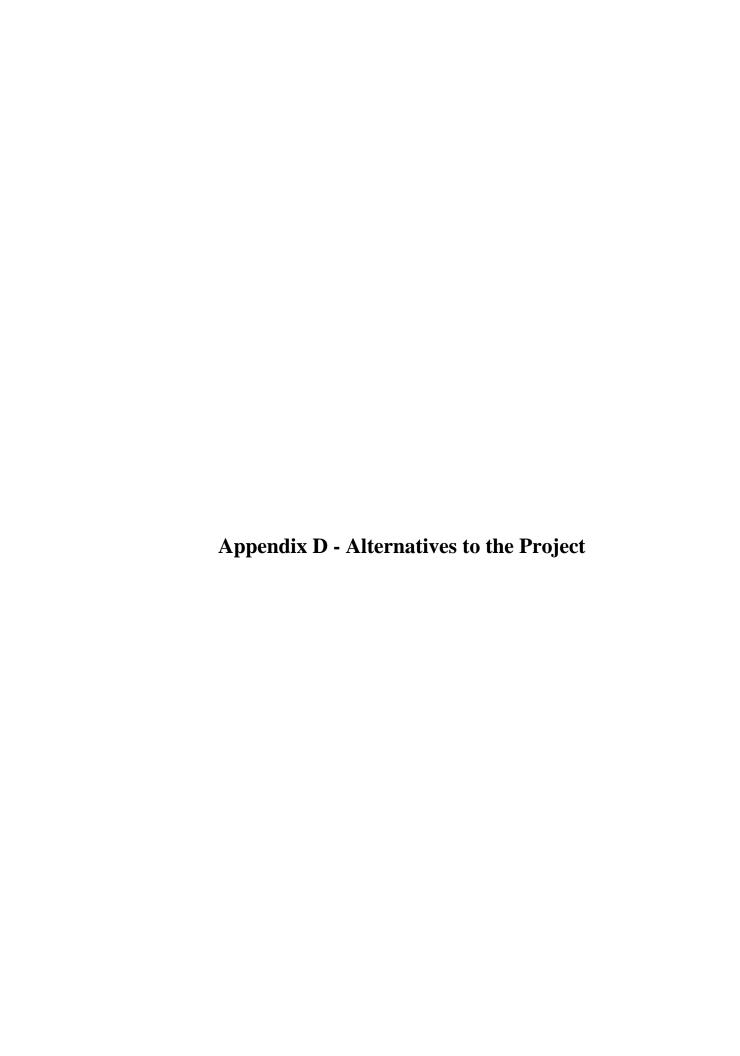
The MCWD Board of Directors has taken a series of actions accepting responsibility for the provision of water, wastewater, and recycled water service to the Ord Community. Key actions have included the following:

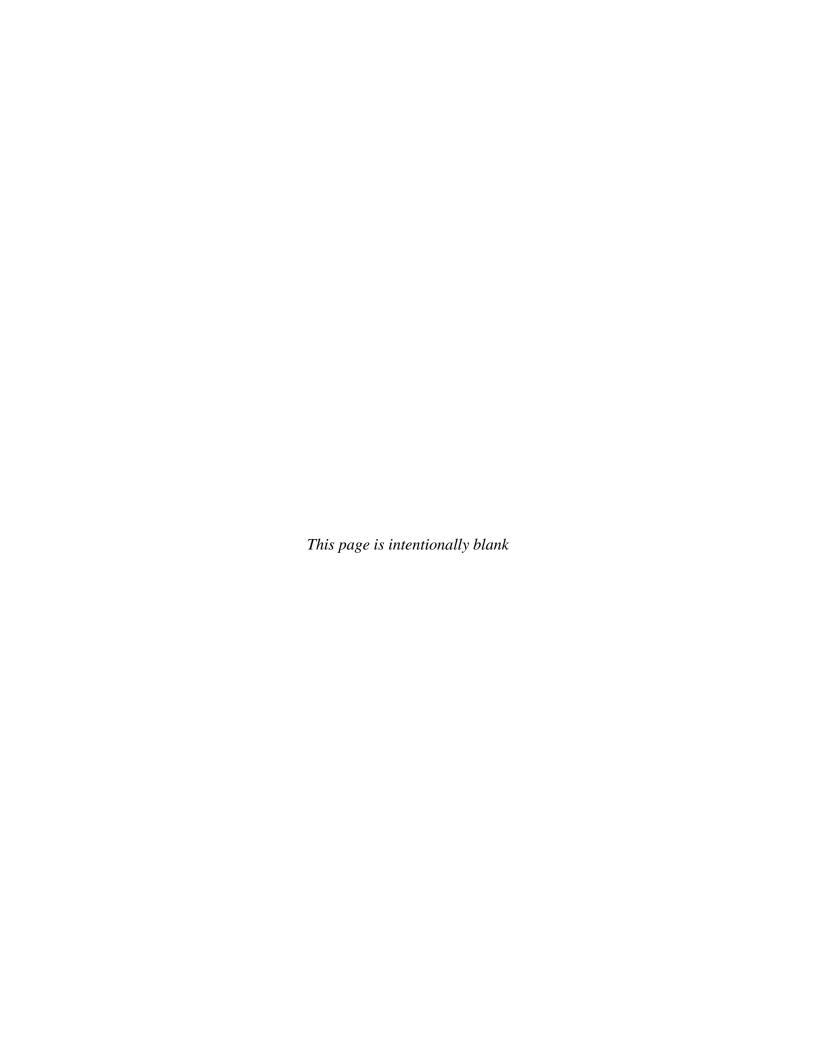
- Entering into Water/Wastewater Facilities Agreement with FORA, March 13, 1998;
- Submitting a Public Benefit Conveyance Application for the Fort Ord Water and Sewer Facilities, 1999, which was later approved by the U.S. Army as an Economic Development Conveyance;
- Accepting the title to and easements for the Water and Sewer infrastructure on the former Fort Ord, Resolution 2001-52, October 24, 2001;
- Certifying the Final EIR for the Regional Urban Water Augmentation Project and Filing a Notice of Determination for the Project, under Resolution 2004-56, October 27, 2004;
- Approving MCWD Resolution No. 2006-64, Authorizing the Issuance and Sale of Water and Sewer Revenue Certificates in the Principal Amount of Not to Exceed \$50,000,000 to Finance Enterprise Improvements and Refinance Prior Obligations and Approving Related Documents and Actions (actual bond issue was \$41,000,000);
- Combining the Central Marina and Ord Community water systems into a single California Department of Public Health permit in 2007;
- Forming the Ord Community Ad Hoc Committee to make recommendations to the Board regarding annexation of the Ord Community to the District Service Area;
- Constructing potable and recycled water pipelines in General Jim Moore Blvd, Phases IV and V, to serve the development parcels in the Cities of Seaside, Del Rey Oaks and Monterey, 2008-2009;
- Approving a Revised Memorandum of Understanding between Marina Coast Water District, Monterey County Water Resources Agency and the Monterey Regional Water Pollution Control Agency Regarding Cooperative Planning and Joint Analysis for a Monterey Regional Water Supply Program, Resolution 2009-44, July 1, 2009;
- Approving MCWD Resolution No. 2010-20, Approving Participation in the Regional Project (April 5, 2010) and authorizing the President and the General Manager and Secretary to execute the Settlement Agreement, Water Purchase Agreement, and Outfall Agreement¹:
- Approving MCWD Resolution No. 2010-18, Approving the Acquisition of 224-acres (+/-) of Armstrong Ranch Land and Appurtenant Easements; and
- Approving MCWD Resolution No. 2010-77, Authorizing the Issuance and Sale of Refunding Bonds in the Principal Amount of Not-to-Exceed \$9,000,000 to Refund Outstanding Promissory Note Relating to Land Acquisition (including that described in the previous bullet).
- Approving MCWD Resolution No. 2015-62, Approving the Advanced Treatment Water Delivery and Supply Project Agreement Between Monterey Regional Water Pollution Control Agency and Marina Coast Water District.
- Approving MCWD Resolution No. 2017-06, Electing to Become Two Separate Exclusive Groundwater Sustainability Agencies Within Two Separate Portions of the 180/400 Foot Aquifer Subbasin.
- Approving MCWD Resolution No. 2017-GSA04. Authorizing the General Manager to Submit an Application and Execute a Grant Agreement with the California Department of Water Resources for a Proposition 1 Sustainable Groundwater Planning Grant Program Funds and Execute a Grant Coordination Agreement with the Salinas Valley Basin Groundwater Sustainability Agency.

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¹ MCWD's April 5, 2010 action adopting Resolution 2010-20 and approving MCWD's participation in the Regional Desalination Project based upon the Coastal Water Project EIR (CPUC, 2009) was conditioned on approval of the project by the CPUC. Thus, when the CPUC adopted Decision No. 10-12-016 on December 3, 2010 (see below), MCWD's approval became unconditional and final. MCWD filed a Notice of Determination on its action on December 13, 2010.







Appendix D - Alternatives Considered but Rejected

In developing the Proposed Project, Marina Coast Water District's Sphere of Influence (SOI) amendment and annexation of the Ord Community, the following alternatives were developed and evaluated by Marina Coast Water District (MCWD) Staff and Consultants. The alternatives evaluation considered the following criterion:

Service Considerations/Operations Governance LAFCO Considerations Environmental Considerations

Each alternative and criterion is discussed below. Additionally, under each proposed alternative, a discussion of the "MCWD Rationale for Not Selecting this Alternative" is presented. As noted below, none of the alternatives listed are currently being proposed by MCWD for the reasons provided. In all alternatives herein, MCWD would amend their SOI to include all of the former Fort Ord area (Ord Community). Therefore, these alternatives focus on various annexation scenarios only.

This report has been compiled by Denise Duffy & Associates (DD&A) and Schaaf & Wheeler with technical input provided by Schaaf & Wheeler and MCWD Staff.

Alternative 1. Annexation of all FORA development parcels

In this alternative, MCWD would amend their SOI to include all of the redevelopment areas on the former Fort Ord (i.e., all areas except the Fort Ord National Monument (BLM land) and the Fort Ord Dunes State Beach), and would annex all development parcels identified in the Fort Ord Base Reuse Plan (i.e., to include only areas developed with urban land uses and proposed for urban development within the former Fort Ord). The District currently provides service to this area as outlined in the Water/Wastewater Facilities Agreement between FORA and MCWD (1998) as further described in the Assignment of Easements on Former Fort Ord and Ord Military Community, County of Monterey, and Quitclaim Deed for Water and Wastewater Systems, between FORA and MCWD, dated October 24, 2001 (attached hereto as **Appendix A**). MCWD currently serves this area, owns the existing facilities, and is planning for and constructing new facilities to serve new uses in these areas and beyond. In this alternative, BLM and State Parks lands are excluded although MCWD will continue to provide service to facilities under contract. The UC Natural Reserve, Landfill Parcel habitat management area and California State University (CSU) Open Space Areas would be included in the annexation area and in the SOI amendment area to avoid islands. The open space areas are currently, or will, be subject to deed restrictions restricting urban development based upon agreements between FORA, regulatory agencies and land use jurisdictions/owners.

Service Considerations/Operations: The proposed annexation involves no changes to the existing water and wastewater system and the associated system permits. Future wastewater service to the former Fort Ord portions of Monterey, Seaside south of Eucalyptus Road and Monterey County south of Del Rey

Oaks is likely to require agreements regarding the wastewater collection system between SCSD and MCWD in this and other alternatives.

From a processing standpoint, this alternative may be considered more efficient than annexing development areas as they become entitled. Because the redevelopment of the Ord Community is occurring throughout the base in phases and by multiple land use jurisdictions, project-specific parcels would require individual LAFCO annexation applications and CEQA documents, which adds processing time compared to a larger annexation area. This approach would also reduce potential for islands of territory in comparison to the 5-year development area. If MCWD were to annex only the areas it currently serves under contract, or only the 5-year development areas, many of the remaining areas, specifically the areas north of Eucalyptus Road, would be bounded by the MCWD system on one side and dedicated open space on the other. This would also result in one or more or "islands" or "peninsulas" violating LAFCO's policies regarding logical boundary changes and creating inefficient operational situations and infrastructure construction. Seaside County Sanitation District (SCSD) has previously annexed the portion of Del Rey Oaks within the former Fort Ord into their service area. Within their service area, MCWD would provide potable and recycled water service only under this alternative. Compared to the current proposal for annexation, this alternative proposes annexation of a greater service area including areas that are currently assigned future study. This alternative is not consistent with requests that MCWD consider SCSD provide wastewater services in the area east of General Jim Moore, contrary to the current proposal where this area is designated Future Study Area.

Governance: Annexation of areas into MCWD will allow customers to directly vote for and contact MCWD Board of Directors. Under the current service contract with FORA, customers within the Ord Community are represented by their elected city officials through the FORA Board and the FORA Water and Wastewater Oversight Committee. Areas outside the annexation boundary (BLM field office and CA State Parks) may be served under direct contract; however would not be annexed into MCWD's Ord Community Service Area.

LAFCO Considerations: This action is consistent with the parameters for a SOI as: "A plan for the probable physical boundaries and Service Area of a local agency. The area around a local agency eligible for annexation and extension of urban service within a twenty-year period." The proposed annexation area includes areas in the urban Service Area beyond those currently served or projected to require services within the next five years. However, the ability to request and annex the entire Ord Community with a single application process would be administratively more efficient than requesting annexation on a project-by-project basis.

Environmental: Similar to the Proposed Project, this alternative would result in no direct environmental impacts. This alternative involves no changes to the existing water and wastewater system and the associated system permits. Plans for service to this area are addressed and considered in the MCWD's water and wastewater Master Plans, MCWD Urban Water Management Plan (UWMP), FORA Base Reuse Plan EIR, and Regional Urban Water Augmentation (RUWAP) Project EIR. Specifically, whether or not MCWD amends its Sphere of Influence and annexes the Ord Community as described in this alternative, future redevelopment, development, and/or infrastructure projects may be built and may independently cause direct significant impacts that would require CEQA review. Compared to the

Proposed Project, this alternative may be considered to have potential for growth inducing impacts due to the expanded area to which MCWD's services would extend geographically; however, development of these areas still requires approval by the land use jurisdictions and required CEQA review when development occurs.

MCWD Rationale for Not Selecting this Alternative: This alternative would include areas which overlap the current Seaside County Sanitation District service area in Del Rey Oaks, as wells as adjacent areas in Seaside and Monterey which SCSD has the potential to serve for wastewater collection more efficiently than MCWD. MCWD could still provide potable and recycled water service for these areas, but the governance model would necessarily be different for an area receiving water service only versus water and wastewater service.

This alternative was not selected because it also would include permanent open space areas within the urban Service Area. This is contradicting LAFCO policies, in that these areas will never require an extension of urban service. Annexation is not required to construct and maintain water and wastewater pipelines within the road rights-of-way crossing these areas (in order to extend service to parcels on the opposite side).

Alternative 2. The Five-Year Development Area Annexation

In this alternative, MCWD would amend their SOI to include all of the redevelopment areas on the former Fort Ord (i.e., all areas except the Fort Ord National Monument (BLM land) and the Fort Ord Dunes State Beach), and would annex all portions of the Ord Community currently served under contract plus the 5-year development areas (areas proposed to be developed within the next five years) into its Service Area. This alternative would strictly adhere to the LAFCO definitions as described in Section III, Background. This area would include all of the former cantonment (developed) area on the former Fort Ord, generally north of the installation boundary along Military Drive and Eucalyptus Road in Seaside, and north of the Fort Ord National Monument (Bureau of Land Management property in the former training areas). The proposed Service Area would include the City of Del Rey Oaks portion of the Ord Community, which is projected for redevelopment within 5-years. This area would exclude the undeveloped portion of Seaside east of General Jim Moore Blvd, the southern portions of the Ord Community within the jurisdictions of the City of Monterey and Monterey County, and the undeveloped areas east of the California Central Coast Veterans Cemetery on Parker Flats Cut-Off.

Service Considerations/Operations: This alternative involves no changes to the existing water and wastewater system and the associated system permits. From an engineering standpoint, the operations and maintenance as well as the administrative functions of providing water and wastewater service would not be duplicated or made less efficient by this alternative.

Governance: Annexation of these areas into MCWD will allow customers to directly vote for and contact MCWD Board of Directors. Under the current service contract with FORA, customers within the Ord Community are represented by their elected city officials through the FORA Board and the FORA Water and Wastewater Oversight Committee. Current customers outside the annexation boundary (BLM field office and CA State Parks) may be served under direct contract.

LAFCO Considerations: This alternative is consistent with the definition of spheres of influence and urban service boundaries. In addition, pursuant to Cortese-Knox-Hertzberg Section 56668(d), boundaries should not be drawn so as to create an island, corridor, or strip either within the proposed territory or immediately adjacent to it. Where such an island, corridor, or strip is created, the proponent shall justify the reasons for nonconformance with this standard. This alternative would result in potential violations of this policy.

Environmental: This option involves no changes to the existing water and wastewater system and the associated system permits. Plans for service to this area are addressed and considered in the MCWD's water and wastewater Master Plans, MCWD UWMP, FORA Base Reuse Plan EIR, and RUWAP Project EIR. Specifically, whether or not MCWD amends its Sphere of Influence and annexes the Ord Community as described in this alternative, future redevelopment, development, and/or infrastructure projects may be built and may independently cause direct significant impacts that would require CEQA review.

MCWD Rationale for Not Selecting this Alternative: This alternative would annex areas which overlap the current Seaside County Sanitation District service area in Del Rey Oaks, and would extend the SOI over areas in Seaside and Monterey which SCSD has the potential to serve for wastewater collection more efficiently than MCWD. The proposed development in Del Rey Oaks is the only area in the current 5-year projection which will occur outside the Proposed Project boundary. MCWD could still provide potable and recycled water service for these areas, but the jurisdictions may prefer that MCWD wholesale it to another retail service provider. If MCWD were to provide retail water service, the governance model would necessarily be different for an area receiving water service only versus water and wastewater service.

Alternative 3. Annexation to the Marina City Limit

In this alternative, MCWD would annex in the Ord Community only to the Marina City limit. The MCWD Board of Directors appointed the Ord Community Ad-hoc Committee (OCAC) in 2007 to make recommendations to the Board regarding annexation of the Ord Community to MCWD service area. The Committee submitted their recommendations in 2008, which was that MCWD should annex only to the Marina City Limit, and the portions of the Ord Community within the other jurisdictions may be served under wholesale or retail contract. The committee further recommended that the water and sewer infrastructure within the various jurisdictions be conveyed to those jurisdictions. This recommendation did not address how the existing infrastructure would be divided among jurisdiction. From an engineering standpoint the design of the Ord Community system serves the former Fort Ord as a whole and not as jurisdictional segments. Therefore, there is remaining unresolved issues on how existing infrastructure would be divided and potentially several service and operational issues can with resultant costs and environmental impact

Service Considerations/Operations: Multiple service/operational issues develop with a break-up of the Ord Community water supply and sewer infrastructure. Water supply for the Ord Community comes from the Salinas Valley Groundwater Basin. Each land use jurisdiction on the former Fort Ord was sub-

allocated a portion of the Salinas Valley groundwater supply previously secured through an agreement between the U.S. Army and the Monterey County Water Resources Agency. This supply comes from wells located along Reservation Road near Marina. The Salinas Valley Groundwater Basin aquifer does not extend into the southwest portion of the Ord Community; therefore, the water supply wells cannot be relocated inside the Cities of Seaside, Del Rey Oaks or Monterey. The ability to serve those areas with water from the Salinas Valley Groundwater Basin is allowed by the MCWRA Act and previous agreements. Additionally, MCWD and FORA have worked jointly to develop the Regional Urban Water Augmentation Project to develop an additional 2,400 acre-feet per year of new supply to meet the water demands identified in the Base Reuse Plan.

Under this alternative, the Cities of Seaside, Del Rey Oaks and Monterey and the County of Monterey would need to contract with MCWD for wholesale or retail water service. If a jurisdiction elects for a wholesale service, new infrastructure may be required to provide the required volume of flow at the master meter, and the systems would need to be separated at the boundary between MCWD and the new retail provider.

Separation by jurisdiction would require additional water supply infrastructure. The water system in the Ord Community is divided into pressure zones based upon the elevation of the area being served. The topography increases from sea level at the coast to about 500-ft elevation, resulting in five unique zones. Each zone is looped and interconnected with the higher and lower zones for reliability and to guarantee fire flows. These pressure zones run roughly parallel with the coast, and cross jurisdictional boundaries which run roughly perpendicular to the coast. Separating the system at jurisdictional boundaries will require the installation of water mains to "close the loops" within each jurisdiction, the addition of wholesale water meters where water flows from one jurisdiction to the next, and the possible addition of water tanks and booster pumping stations if jurisdictions elect to completely sever the systems and not jointly use the existing facilities. For these reasons, separating the system into jurisdictional parts would be costly and less reliable than operating as a whole.

Water storage would also require duplication. Only one of MCWD's water storage tanks is located within the Central Marina service area, and that tank (Reservoir 2) serves as a forebay to a booster pump station because it is not high enough to provide required flows via gravity. The Central Marina service area relies upon water tanks located at higher elevations within the Ord Community for emergency and fire storage. If the water system is separated under this alternative, additional water tanks and/or booster stations would be required to serve the City of Marina Ord area.

Similarly, the wastewater collection system in the Ord Community does not follow jurisdictional boundaries, but runs downhill toward the coast. Wastewater is then conveyed north through a series of lift stations to the former Main Garrison Wastewater Treatment Plant, where it enters the MRWPCA Regional Interceptor. The City of Seaside and unincorporated Monterey County portions of the Ord Community do not have existing points of connection to the Regional Interceptor, so those wastewater flows would still need to pass through the Marina portion of the Ord Community en route to the regional wastewater treatment plant. Separating the service areas would require the installation of meters at various lift stations, so that the entities could bill each other for conveyance of flows.

When the water and sewer infrastructure on the former Fort Ord was conveyed to MCWD, MCWD also received the Army's groundwater allocation from the SVGB and the wastewater capacity reservation at the MRWPCA Regional Wastewater Treatment Plant. The groundwater allocation has been formally sub-allocated by FORA among the land use jurisdictions in the Ord Community, but the wastewater capacity has not. Instead, the wastewater capacity reservation has been used on a first-come, first-served basis. Developments that occur after the 2.22 mgd of capacity is fully used will be required to purchase capacity from MRWPCA. Under this alternative, MCWD, FORA and MRWPCA would be required to allocate the remaining unused wastewater capacity among the wastewater collection entities.

Other service issues with the break-up of the Ord Community water and wastewater exist. California State University Monterey Bay (CSUMB) is not a land use jurisdiction, but controls a significant amount of land within the Ord Community. CSUMB encompasses portions of Marina, Seaside and unincorporated Monterey County. Separating the water and sewer systems along city limits would divide the campus into three parts, which would be unacceptable to the University.

Break-up of the Ord system would complicate development and development agreements in the Ord Community. For instance, the East Garrison I developer in the unincorporated Monterey County entered into a Construction and Transfer of Water, Sewer and Recycled Water Infrastructure Agreement with MCWD. The Phases 1 and 2 underground infrastructure has been transferred to MCWD, and the Phase 3 underground infrastructure will be transferred once the street paving is complete. The developer has also transferred land to MCWD for the addition of a new water well at the edge of the East Garrison property. Changing the designated water and wastewater service provider at this stage of the project would add unneeded additional effort to the developer and the County Staff.

MCWD has upgraded and replaced infrastructure within the Ord Community at considerable cost. Capital projects outside the City of Marina include new potable and recycled water mains in General Jim Moore Blvd, a new D-Zone Water Tank and E-Zone Booster Pump Station, the addition of two new wells, and the upgrade of sewer lift stations throughout the Ord Community. The bonded debt for these projects is guaranteed by the MCWD's rate base, which includes the existing customers in the Ord Community. If the system is divided into separate systems with separate ownership and governance, compensation to MCWD from the gaining entity will be necessary.

MCWD consolidated the Central Marina and Ord Community under a single CDPH water system permit in 2007. Separating the system into multiple smaller systems will require separating the permit, which would require approval by the State Department of Public Health. This would potentially be a costly and time consuming process.

Governance: Annexation of new areas of Marina into MCWD will allow those customers to directly vote for and contact MCWD Board of Directors. The remaining customers in the Ord Community would have access similar to what they currently have, through their respective elected municipal officials. Jurisdictions desiring continued water and wastewater service by MCWD would need to enter into franchise agreements or service contracts. If multiple jurisdictions desire service, they may elect to form a single joint powers authority to assume the role currently filled by FORA. Jurisdictions may choose to

provide retail service through a different provider. In that case, they would need to enter into a wholesale agreement with MCWD to obtain the potable water supply to which they are entitled.

LAFCO Considerations: Alternative 3 is not consistent with requirements for a SOI or urban service area under LAFCO policies, because it does not recognize the existing provision of services to the Ord Community by MCWD. In addition, LAFCO may consider this alternative to represent inefficient and/or duplication of services due to the need to construct infrastructure along jurisdictional boundaries to separate the systems, incur costs associated with conveying ownership of the existing infrastructure from one entity to another, and with establishing administrative systems to manage the wholesaling of water and sale of wastewater conveyance capacity.

Environmental: This option would involve physical and administrative changes to the existing water and wastewater system and the associated infrastructure that would require further environmental evaluation. Plans for service to this area are addressed and considered in the MCWD's water and wastewater Master Plans, MCWD UWMP, Reuse Plan EIR, and the RUWAP Project EIR. These plans considered water and wastewater service would be provided to all of the Ord Community by MCWD; therefore, additional environmental analysis may be required to supplement the environmental review already completed for these plans and projects, if this alternative is selected.

MCWD Rationale for Not Selecting this Alternative: The operations, maintenance and administrative functions of providing water and wastewater service would be duplicated or made less efficient by this alternative as discussed above. The costs of separating the physical facilities would have to be borne by the new service provider(s) and their rate payers. In some jurisdictions, the affect may potentially increase customer service costs due to the addition of a water wholesaler above the retail level (i.e., potentially deemed to be an inefficient duplication of administrative functions), however these financial assumptions would need to be confirmed through additional research and study. Additional environmental and permitting processes and documentation of the changes to water and wastewater service provisions would be required. This alternative would not enable anyone outside the City of Marina to vote for the MCWD Board, and thus, no improvement in governance would occur under this alternative.

Alternative 4. The No Project Alternative

Under this alternative, there is no change to service boundaries. FORA will cease to exist in 2020 (unless extended by the State Legislature). Under the no project alternative, MCWD does not amend its SOI and does not annex any of the Ord Community into its LAFCO urban service area, but continues to provide water and wastewater service to the developed portions of the former Fort Ord under contract with the various land use jurisdictions. This may require the formation of a joint powers authority among the jurisdictions to manage the contract(s), or each jurisdiction may choose to enter into a separate service agreement.

Service Considerations/Operations: Jurisdictions may choose to have MCWD serve additional areas as they are redeveloped, or they may purchase water supply from MCWD and provide retail services through another means.

Governance: Under this option, no customer within the Ord Community would directly vote for MCWD Board of Directors. They would have indirect contact through their municipal elected officials as they do today. If the jurisdictions do not form a joint powers association, it is possible that customers within one jurisdiction will pay different water and sewer rates than customers in another jurisdiction. This is particularly likely for wastewater service, due to the numerous lift stations within the system which incur power and maintenance costs not associated with gravity pipelines.

LAFCO Considerations: This option is inconsistent with requirements for a SOI or urban service area under LAFCO policies. This option does not recognize the existing service area provision from MCWD.

Environmental: Under the no project alternative, there is no action and therefore, no need to do further CEQA environmental documentation for any LAFCO boundary changes. Plans for service to this area are addressed and considered in the MCWD UWMP, FORA Reuse EIR and RUWAP Project EIR although separate CEQA analysis for water and wastewater service would have to be conducted as new development within the Ord Community occurs. .

MCWD Rationale for Not Selecting this Alternative: The current governance structure would continue and there would not be appropriate representation for rate payers. Current customers within the Ord Community have expressed their desire to be annexed and gain representation on the Board of Directors. Also, the plan for providing water and wastewater service to the Ord Community should be decided by the FORA Board and the affected jurisdictions before FORA ceases to exist. The FORA Board provides all of the affected jurisdictions a forum for discussion of this issue.