



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER
HERBERT CORTEZ

Agenda

Regular Board Meeting, Board of Directors

Marina Coast Water District

Marina Council Chambers

211 Hillcrest Avenue, Marina, California

Monday, March 20, 2017, 6:30 p.m. PST

This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the third Monday of each month with workshops scheduled for the first Monday of some months. The meetings normally begin at 6:30 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, Marina, California.

Our Mission: We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.

1. Call to Order

2. Roll Call

3. Public Comment on Closed Session Items *Anyone wishing to address the Board on matters appearing on Closed Session may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

4. Closed Session

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation

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

2) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission No. A.12-04-019 & A.13-05-017 Settlement Agreement

This agenda is subject to revision and may be amended prior to the scheduled meeting. Pursuant to Government Code section 54954.2(a)(1), the agenda for each meeting of the Board shall be posted at the City of Marina Council Chambers. The agenda shall also be posted at the following locations but those locations are not official agenda posting locations for purposes of section 54954.2(a)(1): District offices at 11 Reservation Road, Seaside City Hall, the City of Marina Library, and the City of Seaside Library. A complete Board packet containing all enclosures and staff materials will be available for public review on Wednesday, March 15, 2017. Copies will also be available at the Board meeting. Information about items on this agenda or persons requesting disability related modifications and/or accommodations should contact the Board Clerk 48 hours prior to the meeting at: 831-883-5910.

- 3) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
- 4) California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, San Francisco Superior Court Case No. CGC-13-528312 (Complaint for Declaratory Relief); First Appellate District Court of Appeals Case No. A145604
- 5) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency, and Does 1 through 50, San Francisco Superior Court Case No. CGC-15-547125 (Complaint for Breach of Warranties, etc.)
- 6) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
- 7) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180895 (Petition for Writ of Mandate)

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

7:00 p.m. Reconvene Open Session

5. **Reportable Actions Taken During Closed Session** *The Board will announce any reportable action taken during closed session and the vote or abstention on that action of every director present, and may take additional action in open session as appropriate. Any closed session items not completed may be continued to after the end of all open session items.*
6. **Pledge of Allegiance**
7. **Oral Communications** *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*
8. **Presentation**
 - A. Consider Adoption of Resolution No. 2017-13 in Recognition of Grace Silva-Santella, Public Member, for her Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

- B. Consider Adoption of Resolution No. 2017-14 in Recognition of Patrick Breen, Project Manager, for 5 Years of Service to the Marina Coast Water District

9. Consent Calendar *Board approval can be taken with a single motion and vote. A Board member or member of the public may request that any item be pulled from the Consent Calendar for separate consideration at this meeting or a subsequent meeting. The public may address the Board on any Consent Calendar item. Please limit your comment to four minutes.*

- A. Receive and File the Check Register for the Month of February 2017
- B. Approve the Draft Minutes of the Regular Board Meeting of February 21, 2017
- C. Approve the Draft Minutes of the Regular Board Meeting of March 6, 2017
- D. Adopt Resolution No. 2017-15 to Approve the Updated District Expense Reimbursement and Travel Policy
- E. Approve the Revised Regular Board Meeting and Workshop Meeting Dates for 2017

10. Action Items *The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board on these Items as each item is reviewed by the Board. Please limit your comment to four minutes.*

- A. Consider Appointing Public Members to Fill the Vacancies on the Water Conservation Commission

Action: The Board of Directors will consider the two applications received to fill the two vacancies on the Water Conservation Commission.

- B. Consider Adoption of Resolution No. 2017-16 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District, UCP East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 Development Project

Action: The Board of Directors will consider approving a Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and UCP East Garrison, LLC for Phase 3 of the East Garrison Development.

- C. Consider Adoption of Resolution No. 2017-17 to Consider Approval of an Agreement with Stanford University to Acquire, Process, Interpret, and Present a Final Report of an Airborne Electromagnetic Survey to Map the Distribution of Salt and Freshwater in the Northern Salinas Valley

Action: The Board of Directors will consider approving an agreement with Stanford University to acquire, process, interpret, and present a final report of an Airborne Electromagnetic Survey to map the distribution of salt and freshwater in the Northern Salinas Valley.

- D. Consider Adoption of Resolution No. 2017-18 to Pledge Revenues and Funds for Repayment of Financing of the Planning, Design, and Construction of the Regional Urban Water Augmentation Project from the State Water Resources Control Board and Replace Resolution No. 2017-03

Action: The Board of Directors will consider pledging revenues and funds for repayment of financing of the planning, design, and construction of the Regional Urban Water Augmentation Project from the State Water Resources Control Board and replace Resolution No. 2017-03.

- E. Consider Adoption of Resolution No. 2017-19 to Approve the District Technology Plan Appendix for FY 2017-2018

Action: The Board of Directors will consider approving the District Technology Plan Appendix for FY 2017-2018.

- F. Consider Providing Direction Regarding the Call for Nominations to Seat C of the California Special Districts Association Coastal Network

Action: The Board of Directors will consider providing direction regarding the call for nominations to Seat C of the CSDA Coastal Network.

- G. Consider Adoption of Resolution Nos. 2017-20 and 2017-21 to Concur in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority

Action: The Board of Directors will consider concurring in nomination by supporting a candidate(s) to run for the ACWA/JPIA Executive Committee.

11. Workshop

- A. Receive Presentation on Draft District FY 2017-2018 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents
- B. Receive District Draft Five-Year Capital Improvements Projects Budget for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final CIP Budget Documents

12. Staff Report

- A. Receive an Update on the Emergency Water Main Work at Beach Road and Del Monte Avenue

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

- A. General Manager's Report

B. Counsel's Report

C. Committee and Board Liaison Reports

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

14. Board Member Requests for Future Agenda Items

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

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

*Regular Meeting: Monday, April 17, 2017, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: March 20, 2017

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-13 in Recognition of Grace Silva-Santella, Public Member, for her Dedicated Service to the Marina Coast Water District as a Member on the Water Conservation Commission

Staff Recommendation: The Board of Directors consider adopting a resolution recognizing Ms. Grace Silva-Santella for her service on the Water Conservation Commission.

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

Discussion/Analysis: Ms. Silva-Santella was appointed as a public member to the Water Conservation Commission in August 2013. In November 2014, she was nominated as Chairperson of the Commission, and in October 2015 was re-nominated and served as Chairperson until September 2016.

On February 14, 2017, Ms. Silva-Santella notified staff that she would be resigning due to scheduling conflicts. Ms. Silva-Santella has provided valuable insight and guidance on many undertakings, and has championed staff's efforts in the area of community outreach and development of new programs in the Conservation department. Her expertise and dedication will be missed.

Ms. Silva-Santella's commitment to public service has been recognized by her fellow Commission members and all those who have come into contact with her. For her unselfish devotion and enthusiasm, the Board of Directors wishes to recognize Ms. Grace Silva-Santella for her service and wishes her well in the future.

Environmental Review Compliance: None required.

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

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2017-13.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

March 20, 2017

Resolution No. 2017 - 13
Resolution of the Board of Directors
Marina Coast Water District
Recognition of Grace Silva-Santella, Public Member,
for her Dedicated Service to the Marina Coast Water District as a Member on the
Water Conservation Commission

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Grace Silva-Santella was appointed in August 2013 to serve as a member on the Water Conservation Commission of the Marina Coast Water District; and,

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

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

PASSED AND ADOPTED on March 20, 2017, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-13 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: March 20, 2017

Submitted By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-14 in Recognition of Patrick Breen, Project Manager, for 5 Years of Service to the Marina Coast Water District

Staff Recommendation: The Board consider adoption of Resolution No. 2017-14 recognizing Patrick Breen, Project Manager, and award him a plaque and gift certificate for 5 years of service to the Marina Coast Water District.

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

Discussion/Analysis: Mr. Patrick Breen joined the District fulltime on March 9, 2012. By that time, Patrick already had 19 months experience working for the District having started August 4, 2010 as a contract employee where Patrick was charged with managing construction and development of the Imjin Office Park. Patrick has been instrumental in completion of all the construction and tenant occupancy tasks and every deadline of the office park. Patrick's high quality of work has continued throughout his tenure with the District and has resulted in full occupancy of Imjin Office Park.

During his tenure with the District as a full-time employee, Patrick has been given challenging engineering projects including the construction management, inspection and oversight of the Watkins Gate Well, Well 34, and the Reservation Road Remediation Project. Patrick approaches his projects with a professional commitment to complete them on schedule and within budget. His eye to details and fairness makes working with Patrick on sometimes difficult engineering issues that much easier and pleasant.

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

Environmental Review Compliance: None required.

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

Material Included for Information/Consideration: Resolution No. 2017-14.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

March 20, 2017

Resolution No. 2017-14
Resolution of the Board of Directors
Marina Coast Water District
In Recognition of Patrick Breen for 5 Years
of Service to the Marina Coast Water District

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, Patrick Breen joined the District fulltime on March 9, 2012 as Project Manager; and,

WHEREAS, Patrick was charged with managing construction of Capital Improvement Projects including development of the Imjin Office Park; and,

WHEREAS, Patrick’s high quality of work has continued throughout his tenure with the District and has resulted in full occupancy of Imjin Office Park; and,

WHEREAS, Patrick has been given challenging engineering projects including project management oversight of the construction of the Watkins Gate Well, Well 34, and the Reservation Road Remediation Project; and,

WHEREAS, Patrick approaches his projects with a professional commitment to complete them on schedule and within budget; and,

WHEREAS, Patrick’s eye to details and fairness makes working with Patrick on sometimes difficult engineering issues that much easier and pleasant.

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

PASSED AND ADOPTED on March 20, 2017 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-14 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consent Calendar

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

Background: *2016 Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of February 2017
- B) Approve the Draft Minutes of the Regular Board Meeting of February 21, 2017
- C) Approve the Draft Minutes of the Regular Board Meeting of March 6, 2017
- D) Adopt Resolution No. 2017-15 to Approve the Updated District Expense Reimbursement and Travel Policy
- E) Approve the Revised Board Meeting and Workshop Meeting Dates for 2017

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

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

Material Included for Information/Consideration: Check Register for February 2017; draft minutes of February 21, 2017; draft minutes of March 6, 2017; Resolution No, 2017-15; and, updated Travel and Reimbursement Policy.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: March 20, 2017

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of February 2017

Staff Recommendation: The Board of Directors receive and file the February 2017 expenditures totaling \$642,928.84.

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

Discussion/Analysis: These expenditures were paid in February 2017 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

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

Other Consideration: None.

Material Included for Information/Consideration: February 2017 Summary Check Register.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of February 21, 2017

Staff Recommendation: The Board of Directors approve the draft minutes of the February 21, 2017 regular Board meeting.

Background: *2016 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of February 21, 2017 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

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

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

Material Included for Information/Consideration: Draft minutes of February 21, 2017.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of March 6, 2017

Staff Recommendation: The Board of Directors approve the draft minutes of the March 6, 2017 regular Board meeting.

Background: *2016 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of March 6, 2017 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

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

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

Material Included for Information/Consideration: Draft minutes of March 6, 2017.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-D

Meeting date: March 20, 2017

Prepared by: Jean Premutati

Approved by: Keith Van Der Maaten

Agenda Title: Adopt Resolution No. 2017-15 to Approve the Updated District Expense Reimbursement and Travel Policy

Staff Recommendation: Adopt Resolution No. 2017-15 to approve the updated District Expense Reimbursement and Travel Policy.

Background: *2016 Strategic Plan, 6.2 Routinely review policies and procedures – To ensure the District is providing clear and consistent policy and communication that meets state and legal requirements and the needs of the District, the District will review all policies and procedures at least every two years.*

The District's expense reimbursement and travel policy was developed in June 2006 and revised in October 2012. It contains information regarding District-related training, travel and expense reimbursements. The employee handbook was last revised in March 2015 which contains additional guidelines and procedures when traveling on District business.

All training, travel and expense reimbursement requests go through an approval process and are submitted to the Human Resources/Customer Relations Manager who is responsible for making any necessary training or travel arrangements and authorizing related expenses. Upon completion of any travel, employees must submit an expense form to the Human Resources/Customer Relations Manager with original receipts in order to receive reimbursement. Unauthorized expenses are not reimbursed.

Staff has recently reviewed the policy and found that references to position titles should be revised and the travel advance section (per diem) deleted as this is no longer a District practice. In addition, there are sections of the policy are no longer applicable to the current process for travel arrangements.

Furthermore, maximum allowable expenses that were approved in 2012 may no longer be considered reasonable when travel is necessary to locations such as the Bay Area and Los Angeles/San Diego locales for conferences. The General Services Administration guidelines for travel expenses and reimbursement were increased in 2016.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: All four cost centers.

Material Included for Information Consideration: Resolution No. 2017-15, and, redlined Draft Expense Reimbursement and Travel Policy.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

March 20, 2017

Resolution No. 2017-15
Resolution of the Board of Directors
Marina Coast Water District
Updating the District Expense Reimbursement and Travel Policy

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the District’s Expense Reimbursement and Travel Policy was developed in June 2006 and contains information regarding District-related training, travel and expense reimbursements; and,

WHEREAS, the District’s Employee Handbook was last updated in March 2015 which contains additional guidelines and procedures when traveling on District business; and,

WHEREAS, all training, travel and expense reimbursement requests go through an approval process and unauthorized expenses are not reimbursed; and,

WHEREAS, staff has recently reviewed the policy and found that references to position titles should be revised and the travel advance section deleted as this is no longer a District practice. In addition, there are sections of the policy that are no longer applicable to the current process for travel arrangements.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt the updated Expense Reimbursement and Travel Policy.

PASSED AND ADOPTED on March 20, 2017, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-15 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

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

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

Background: *2016 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

At the December 19, 2016 Board meeting, the Board approved a one meeting per month schedule with the Board meeting to be held on the third Monday of the month, and several workshops to be held within the year. The meeting schedule showed proposed workshops on February 6, March 6, April 3, and October 2, 2017.

Discussion/Analysis: Staff is providing a revised workshop schedule moving the April 3 meeting to June 5, 2017.

Board Meeting Schedule A with Workshops

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

January 9, 2017*
February 6, 2017 – Sexual Harassment Training
February 21, 2017**
March 6, 2017 – Strategic Plan Workshop/Annual Report
March 20, 2017
April 17, 2017
May 15, 2017
June 5, 2017 – Sustainable Groundwater Management Act
June 19, 2017
July 17, 2017
August 21, 2017
September 18, 2017
October 2, 2017 – Rate Workshop
October 16, 2017
November 20, 2017
December 18, 2017

* January 9th is due to the holiday season.

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

Environmental Review Compliance: None required.

Financial Impact: _____Yes No Funding Source/Recap: None

Other Considerations: The Board can suggest alternate meeting dates.

Material Included for Information/Consideration: None.

Action Required: _____Resolution Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-A

Meeting Date: March 20, 2017

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Reviewed By: Jean Premutati

Agenda Title: Consider Appointing Public Members to Fill the Vacancies on the Water Conservation Commission

Staff Recommendation: The Board receive the applications, consider the qualifications of the applicants, and appoint members to the Water Conservation Commission from the applications received.

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

Discussion/Analysis: The Water Conservation Commission is currently authorized eight public positions. Six positions are presently occupied, and two positions are vacant. The term of one vacant position ends on August 3, 2017, and the term of the second vacant position ends on August 1, 2018.

On March 2, 2017 the Water Conservation Commission reviewed two submitted applications for the available public positions on the Commission. Determining that both applicant's would be valuable and constructive to the Commission, the Commissioners passed a motion recommending the Board consider reviewing both applications submitted, and consider appointing both applicants to positions on the Commission. The Commissioners did not make a recommendation on which applicant should fill either of the two vacant public positions leaving that consideration to the Board of Directors.

Environmental Review Compliance: None Required.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: If appointed, consider which vacant position on the Commission, the appointee(s) shall occupy.

Material Included for Information/Consideration: Applications for appointment to the WCC from Mr. Walter Erwin and Mr. Jason Montgomery; and an updated WCC Membership Table.

Action Required: Resolution Motion Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B

Meeting Date: March 20, 2017

Prepared By: Brian True

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Consider Adoption of Resolution No. 2017-16 to Approve a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District, UCP East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 Development Project

Staff Recommendation: The Board of Directors adopt Resolution No. 2017-16 approving a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District, UCP East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 development project.

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

UCP East Garrison, LLC (Developer) is prepared to continue the redevelopment of the East Garrison neighborhood within the Former Fort Ord by requesting MCWD to enter into this Water, Sewer, and Recycled Water Infrastructure Agreement (hereafter referred to as the Infrastructure Agreement). East Garrison is located within the Monterey County portion of Former Fort Ord; Monterey County serves as the land-use jurisdiction over this development project. A site plan for the proposed site is shown as Exhibit C of the draft Infrastructure Agreement. The project area is bounded by Reservation Road on the north and east, Watkins Gate Road on the south, and Ord Avenue on the west adjacent with the already developed East Garrison 1 and 2 neighborhoods. The Developer has deposited monetary funds with MCWD to conduct the preliminary work of their proposed development; their development account is in good-standing.

The significant difference between the Infrastructure Agreements with the East Garrison development teams and other Infrastructure Agreements with other developers is that the East Garrison development comes with provisions from being formed within a Community Facilities District (CFD) based on the State of California's 1982 Mello-Roos legislation (frequently called the Community Facilities Act). Because of the existence of the CFD, this Infrastructure Agreement is needed to be a three-party agreement between MCWD, the Developer, and the legal representatives of the CFD, the East Garrison Public Finance Authority.

Discussion/Analysis: The Board of Directors is requested to approve this Infrastructure Agreement for the East Garrison Phase 3 development project; the attached draft Infrastructure Agreement is based upon the most recent board-approved (June 2013) format used for all other development groups within the MCWD service area.

The water allocation that Monterey County has received from FORA is 720.0-AFY of potable water. Of that total, Monterey County has allocated 470.0-AFY of potable water to the East Garrison development (see Exhibit A of the draft Infrastructure Agreement).

The new infrastructure being transferred to the District will be constructed within the public right-of-way, public utility easements, or within easements provided to MCWD by the Developer. The specific infrastructure proposed for transfer includes PVC potable water pipelines, PVC gravity sewer pipelines, associated sewer manholes, water valves, fire-hydrants, and other water and sewer appurtenances. Included in the infrastructure is an extension of the Recycled Water network to specific locations within the proposed development. An Opinion of Probable Cost, which will assist in determining the magnitude of the Payment and Performance bonding specified by this Infrastructure Agreement, has yet to be provided but will be provided as an initial step in the planning and design process.

Staff recommends that the MCWD Board approve entering into this three-party Infrastructure Agreement with the developer and CFD even with the increased level of complexity and added involvement in implementing the terms and conditions. The basis of this recommendation are:

- Functionally, the Agreement remains one that is consistent with services provided by MCWD to any development needing to construct and turn-over ownership of water and sewer infrastructure to MCWD
- The Agreement makes clear that there is no cost to MCWD for the infrastructure contemplated by this Agreement which will be turned-over to MCWD to own and operate. The Developer will be assisted by MCWD in obtaining reimbursement from the CFD but MCWD will have no responsibility whatsoever for reimbursing the Developer or the CFD for any infrastructure installed for the development project and turned-over to MCWD to own and operate.
- The actions that MCWD are directed to take to assist in meeting the needs of the CFD arrangement are administrative and the contents thereof are known in advance (see Exhibit F of the draft Infrastructure Agreement).
- The Developer will remain responsible for reimbursing MCWD for every labor hour and consultant/lawyer cost associated with meeting the terms and conditions of this Infrastructure Agreement.

Yellow highlights in the attached draft Infrastructure Agreement (IA) show the differences between the proposed IA and the Board-approved 2013 IA template. All the additions (i.e. the differences that were added to the proposed IA document that are not within the IA template) are highlighted. The deletions (from the template) in the proposed IA may be discerned by the symbol of highlighted underscores (appearance is). After considering the additions based on the inclusion of the CFD, the proposed IA is substantially the same as the Board-approved IA template.

Environmental Review Compliance: This Infrastructure Agreement is not a “project” under the California Environmental Quality Act (CEQA); this action is categorically exempt.

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

Other Considerations: The Board may desire to consider other alternatives to adopting the motion as recommended by staff including:

1. Modifying or conditioning the action; or,
2. Direct further staff work; or,
3. Deny the action.

Material Included for Information/Consideration: Resolution No. 2017-16; and, draft Infrastructure Agreement.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

March 20, 2017

Resolution No. 2017 - 16
Resolution of the Board of Directors
Marina Coast Water District
Approving a Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District, UCP East Garrison, LLC, and the
East Garrison Public Finance Authority for the
East Garrison Phase 3 Development Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, UCP East Garrison, LLC (“Developer”) and the East Garrison Public Finance Authority have coordinated with the District on their East Garrison Phase 3 development project, consisting of new construction and related infrastructure, located within the County of Monterey portion of the Ord Community; and,

WHEREAS, the County of Monterey, acting as a land-use jurisdiction, has allocated a portion of its former Fort Ord water supply allocation for the Developer’s use in developing the East Garrison area in the Ord Community, and,

WHEREAS, the District, the Developer, and the East Garrison Public Finance Authority are working cooperatively regarding proposed water, recycled water and sewer system improvements; and,

WHEREAS, the District, the Developer, and the East Garrison Public Finance Authority have agreed upon the proposed Water, Sewer and Recycled Water Infrastructure Agreement and desire to enter into same.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or the District Engineer to execute the Water, Sewer and Recycled Water Infrastructure Agreement between MCWD, UCP East Garrison, LLC, and the East Garrison Public Finance Authority for the East Garrison Phase 3 development project and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED March 20, 2017, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-16 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-C

Meeting Date: March 20, 2017

Prepared By: Keith Van Der Maaten

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-17 to Approve an Agreement with Stanford University to Acquire, Process, Interpret, and Present a Final Report of an Airborne Electromagnetic Survey to Map the Distribution of Salt and Freshwater in the Northern Salinas Valley

Staff Recommendation: The Board of Directors approve of an agreement with Stanford University to acquire, process, interpret, and present a final report of an airborne electromagnetic survey to map the distribution of salt and freshwater in the northern Salinas Valley.

Background: *2016 Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

There are four key efforts the District is currently engaged in to sustain water supplies that exist today and prepare for future growth. Those efforts include the RUWAP recycled water project, Sustainable Groundwater Management, the Armstrong Ranch Surface Water Project, and the Three-Party MOU Project between MCWD, FORA, and MRWPCA. The goal of these efforts is to allow MCWD to continue to provide safe, reliable, affordable, and sustainable supply for today's customers and future generations. While these efforts may lead to an increased diversification of MCWD's water supply portfolio, MCWD is currently heavily dependent on groundwater to meet its customer's demands and it is projected that groundwater will continue to make up the majority of MCWD's supplies in the future. For that reason, this valuable resource must be protected.

In May 2016, the District's hydrogeologist analyzed the data produced from the test pumping from the proposed MPWSP, in preparation for the issuance of the DEIR for the project and as part of the District's sustainable groundwater management efforts. Using the data from the MPWSP, the District's hydrogeologist confirmed the presence of freshwater in an around the Marina and Ord areas in both the Dunes and 180 shallow aquifers. This is significant because the presence of this freshwater provides water level protections from potential seawater intrusion into MCWD's service area and because these results provide a very different picture of the state of the basin in MCWD's service area than what is shown on the saltwater intrusion maps produced by the MCWRA for the Salinas Valley. Additionally, those "intrusion maps" are misleading for the following reasons:

- The maps rely on 500 mg/l chloride as the standard for ocean saltwater intrusion. 500 mg/l is actually the limit for drinking water, but is still water that is very usable and beneficial and even defined by the RWQCB as "Drinking Water" per their policies and plans (Ocean saltwater is at 19,500 mg/l chloride).

- These maps indicate the “first discovery of 500 mg/l” on the “front”, but don’t tell us the TDS levels throughout the region over time or what they are today. In fact, there is no data from within MCWD’s service area used in these maps.
- It is suspected, based on analysis of the water quality, that the chloride levels used in the maps for the shallow aquifers in the areas around Marina and Ord may be more due to land use practices than from salt water intrusion from the ocean

In November 2016, in continuation of many years of study regarding the potential use of stormwater recharge at the District’s Armstrong Ranch property, the District hired a consultant to refresh the studies and prepare for the next steps in the development of the project. As part of the scope, the consultant mined groundwater records from many Ord wells and confirmed the presence of freshwater as presented by the District’s hydrogeologist in May 2016. Further, the consultant identified that the current state of the shallow aquifers around the District’s Armstrong Ranch property makes a surface water project useful in both providing additional supplies and in maintaining a barrier to protect the basin in MCWD’s service area from salt water intrusion. In support of the sustainable groundwater management efforts and the Armstrong Ranch Surface Water Project, it is important that the District map the extents of the freshwater area and have a complete picture. To that end, the District has engaged Stanford University to assist the District in these efforts.

Discussion/Analysis:

This project involves the use of airborne electromagnetic (AEM) method in the northern Salinas Valley to map out the distribution of salt and freshwater; additional information will also be acquired about the hydrogeology. Stanford University will assist Marina Coast Water District (MCWD) with the logistics of planning the data acquisition; will work with MCWD staff to compile, locate and format well data; and will assist in the processing and inversion of the data. Stanford will collaborate in the interpretation of the results to produce a hydrogeologic framework report, and a map of estimated saltwater intrusion areas in the surveyed area. Stanford will be responsible for the final presentation of results to MCWD, and for publication of the results.

No later than four weeks after the completion of data acquisition Stanford will provide to MCWD the interpretation of the data acquired in the region of the suspected freshwater lens. This will be provided as images displaying the lateral and depth extent of the lens, accompanied by a report describing the steps involved in the interpretation. This work will be presented to the Board no later than July 2018, but staff is targeting to have this information presented as part of the upcoming MCWD sustainable groundwater management workshop currently scheduled for June 5, 2017. No later than ten months after the completion of data acquisition Stanford will provide to MCWD a final report. The budget for this work as stated in the Agreement is \$50,000.

Environmental Review Compliance: None required.

Financial Impact: ___Yes X No Funding Source/Recap: None

Other Considerations: The Board of Directors may consider the following alternative options to the staff’s recommendation:

- 1) Elect to not move forward with this work which would mean the District would continue to rely upon incomplete information for future decisions on sustainable groundwater management and water supply projects

Material Included for Information/Consideration: Resolution No. 2017-17; and, Attachment 1 – Stanford Agreement

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

Board Action

Motion By Seconded By No Action Taken

Ayes Abstained

Noes Absent

March 20, 2017

Resolution No. 2017-17
Resolution of the Board of Directors
Marina Coast Water District

Approving an Agreement with Stanford University to Acquire, Process, Interpret, and Present a Final Report of an Airborne Electromagnetic Survey to Map the Distribution of Salt and Freshwater in the Northern Salinas Valley

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the District is currently heavily dependent on groundwater to meet its customer’s demands and it is projected that groundwater will continue to make up the majority of MCWD’s supplies in the future; and,

WHEREAS, the District is currently engaged in efforts to sustain water supplies that exists today and prepare for future growth. Those efforts include the RUWAP recycled water project, Sustainable Groundwater Management, the Armstrong Ranch Surface Water Project, and the Three-Party MOU Project between MCWD, FORA, and MRWPCA; and,

WHEREAS, in May 2016, the District’s hydrogeologist analyzed the data produced from the test pumping from the proposed Monterey Peninsula Water Supply Project; and,

WHEREAS, the District’s hydrogeologist confirmed the presence of freshwater in an around the Marina and Ord areas in both the Dunes and 180 shallow aquifers; and,

WHEREAS, in support of the Districts’ sustainable groundwater management efforts and the Armstrong Ranch Surface Water Project, the District needs to map the extents of the freshwater area and has engaged Stanford University to assist the District in these efforts; and,

WHEREAS, this project with Stanford involves the use of airborne electromagnetic (AEM) method in the northern Salinas Valley to map out the distribution of salt and freshwater; additional information will also be acquired about the hydrogeology; and,

WHEREAS, Stanford will collaborate in the interpretation of the results to produce a hydrogeologic framework report, and a map of estimated saltwater intrusion areas in the surveyed area; and,

WHEREAS, this work will be presented as part of the upcoming MCWD sustainable groundwater management workshop.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve an Agreement with Stanford University to acquire, process, interpret, and present a final report of an Airborne Electromagnetic Survey to map the distribution of salt and freshwater in the Northern Salinas Valley.

PASSED AND ADOPTED on March 20, 2017, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-17 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-D

Meeting Date: March 20, 2017

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-18 to Pledge Revenues and Funds for Repayment of Financing of the Planning, Design, and Construction of the Regional Urban Water Augmentation Project from the State Water Resources Control Board and Replace Resolution No. 2017-03

Staff Recommendation: The Board of Directors adopt Resolution No. 2017-18 to dedicate the source of revenue and fund for repayment of the Clean Water State Revolving Fund Financial Assistance Agreement to fund the Regional Urban Water Augmentation Project pipeline and replace Resolution No. 2017-03.

Background: *2016 Strategic Plan Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

In 2009, the District pursued financing/funding options from the Clean Water State Revolving Fund (CWSRF), administered by the State Water Resources Control Board (SWRCB) for the Regional Urban Water Augmentation Project (RUWAP). RMC Water and Environment prepared the Financial Assistance Application (FAA) with assistance from MCWD staff. SWRCB deemed the FAA complete however the project did not move forward due to the District's shift in concentrating its efforts to pursue desalinated water through the Regional Desalination Project (RDP).

In 2015, the District was approached by the Monterey Regional Water Pollution Control Agency (PCA) about collaborating on the construction and use of the RUWAP project facilities (i.e. pipeline and pump station). PCA had submitted an FAA to the State to fund their Aquifer Storage and Recovery Project which included the cost of the RUWAP however, after discussion with the SWRCB and a complete review of the previous application materials, the District resubmitted its own FAA to secure SRF funding for the RUWAP on December 1, 2015.

Included in the submission of the FFA was Resolution No. 2015-57 – Pledged Revenues and Fund(s) Resolution: This resolution established the dedicated source of revenue for repayment as recycled water sales and lease revenues derived from the leasing of the pipeline to Monterey Regional Water Pollution Control Agency.

In December 2016, the SWRCB moved the District's FAA up in its queue for financial review. Upon their review, the SWRCB informed staff that the District's Resolution No. 2015-57 did not conform with the State's revised format of the pledged revenue and fund resolution and needed to be amended or replaced. On January 9, 2017, the Board adopted Resolution No. 2017-03 to replace the Resolution No. 2015-57 in order to conform to the State's required format.

Discussion/Analysis: The SWRCB has now informed District staff that the pledged revenues, in addition to net revenues from recycled water sales and the RUWAP fund, need to include existing

revenues and established funds of the District. The SWRCB also requires that pledged revenues for their funding agreements be the same as those that back any senior debt of the District.

Environmental Review Compliance: None required.

Financial Impact: ___Yes XNo Funding Source/Recap: None.

Material Included for Information/Consideration: Resolution No. 2017-18.

Action Required: XResolution (s) ___Motion ___Review
(Roll call vote is required.)

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

March 20, 2017

Resolution No. 2017-18
Resolution of the Board of Directors
Marina Coast Water District
Pledging Revenues and Funds for Repayment of Financing of the Planning, Design, and
Construction of the Regional Urban Water Augmentation Project from
the State Water Resources Control Board and Replace Resolution No. 2017-03

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on November 16, 2015, the Directors of the District adopted Resolution No. 2015-56 authorizing the Board President to sign and file, for and on behalf of the District, in the State Revolving Fund financial assistance application process to fund the planning, design, and construction of the Regional Urban Water Augmentation Project (“RUWAP”); and,

WHEREAS, on December 1, 2015, the District submitted a Financial Assistance Application to the State Water Resources Control Board (“SWRCB”); and,

WHEREAS, the Directors of the District previously adopted Resolution No. 2015-57 pledging revenues for repayment of financing the Project which was replaced with Resolution No. 2017-03; and,

WHEREAS, Resolution No. 2017-03 will be replaced with Resolution No. 2017-18 upon adoption.

NOW, THEREFORE BE IT RESOLVED, that the Marina Coast Water District:

1. Hereby dedicates and pledges the net revenues of its water, wastewater, and recycled water enterprises and all water, wastewater and recycled water enterprise funds to the payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the RUWAP.
2. The District commits to collecting such revenues and maintaining such funds throughout the term of such financing and until the District has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the SWRCB. So long as the financing agreement is outstanding, the District’s pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing funds and revenues without any further action necessary. So long as the financing agreement is outstanding, the District commits to maintaining the funds and revenues at levels sufficient to meet its obligations under the financing agreement.

PASSED AND ADOPTED on March 20, 2017 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____
Noes: Directors _____
Absent: Directors _____
Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-18 adopted at the meeting of the Marina Coast Water District Board of Directors held on March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-E

Meeting Date: March 20, 2017

Submitted By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2017-19 to Approve the District Technology Plan Appendix for FY 2017-2018

Staff Recommendation: Consider Adoption of Resolution No. 2017-19 to approve the 2017 District Technology Plan (DTP) Appendix for FY 2017-2018.

Background: Board Goals/Objectives: *Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner, Strategic Plan Element 4.2 – Adopt a plan for technology use in public affairs and Strategic Plan, Element No. 6.5 – Digitize district records.*

Discussion/Analysis: The Board of Directors is requested to review and approve the 2017 appendix of the DTP.

According to the DTP adopted August, 23, 2000 by Resolution No. 2000-23, the DTP should be reviewed annually, not only for budgetary considerations, but also to facilitate updates reflecting technological advancements from previous reviews.

The DTP is a detailed and comprehensive plan, which identifies anticipated upgrades and maintenance of District technology. Attached is the 2017 appendix to the original DTP. Based on a needs assessment performed by the District's information technology support service provider and District staff, this appendix outlines the recommended technology tasks for FY 2017-2018 as well as funding requirements for FY 2017-2018.

Environmental Review Compliance: None.

Financial Impact: X Yes No Funding Source/Recap: Funding for the FY 2017-2018 capital portion of the DTP (\$81,160) will come from the Network Computer System line item for all costs centers in the Capitalized Equipment Section of the proposed FY 2017-2018 District Budget as well as a portion of budgeted Capital Improvement Project WD-0106 Ord Remodel/Demolition. Funding for the non-capitalized portion of the DTP (\$58,840) will come from the Computers/Data Processing and Software and Licensing line items for all cost centers in the Administration Section of the proposed FY 2017-2018 District Budget. In aggregate, the funding per cost center is as follows: Marina Water (25%) - \$35,000; Marina Sewer (7%) – \$9,800; Ord Water (54%) – \$75,600; Ord Sewer (14%) – \$19,600; Total – \$140,000.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2017-19; and, Draft 2017 Technology Plan Appendix for FY 2017-2018.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

March 20, 2017

Resolution No. 2017-19
Resolution of the Board of Directors
Marina Coast Water District
Approving the 2017 District Technology Plan Appendix
For FY 2017-2018

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the Board adopted the original District Technology Plan (DTP) on August 23, 2000 which included the anticipation of annual appendices; and,

WHEREAS, the DTP should be reviewed annually, not only for budgetary considerations, but also to facilitate updates reflecting technological advancements from previous reviews; and,

WHEREAS, the 2017 Technology Plan Appendix for FY 2017-2018 recommends a budget of \$140,000 for FY 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to implement the 2017 District Technology Plan Appendix for FY 2017-2018.

PASSED AND ADOPTED on March 20, 2017, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-19 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-F

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Providing Direction Regarding the Call for Nominations to Seat C of the California Special Districts Association Coastal Network

Staff Recommendation: The Board of Directors is requested to consider providing direction regarding the Call for Nominations to Seat C of the California Special Districts Association (CSDA) Coastal Network.

Background: *2016 Strategic Plan, Mission Statement – We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: In February the CSDA Elections and Bylaws Committee sent a Call for Nominations to Independent Special Districts interested in running for Seat C for the 2018-2020 term. To be eligible, a person must be a Board member or managerial employee of the Independent Special District. Nominations must be received before May 19, 2017.

Environmental Review Compliance: None required.

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

Other Considerations: None.

Material Included for Information/Consideration: CSDA letter dated February 17, 2017 with nomination form and information sheet.

Action Required: ___ Resolution __X__ Motion ___ Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-G

Meeting Date: March 20, 2017

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution Nos. 2017-20 and 2017-21 to Concur in Nomination to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority

Staff Recommendation: The Board of Directors discuss whether to support Cucamonga Valley Water District Director Kathleen J. Tiegs, and/or San Bernardino Valley Water Conservation District Director Melody A. McDonald for election to the ACWA/JPIA Executive Committee.

Background: ACWA/JPIA sent notice that there will be an election to the Executive Committee. The candidates must receive three concurring in nomination resolutions from other JPIA members, and both Cucamonga Valley Water District, and San Bernardino Valley Water Conservation District have requested that MCWD support their perspective Directors.

Discussion/Analysis: There are three incumbents running for office, Tom Cuquet, South Sutter Water District; David Drake, Rincon Del Diablo Municipal Water District; and, Melody McDonald, San Bernardino Valley Water Conservation District. There is one vacant position. The MCWD Board may concur in the nomination of as many candidates as they wish, however, we have only been asked by San Bernardino Valley Water Conservation District and Cucamonga Valley Water District to concur in nomination for their members.

Environmental Review Compliance: None required.

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

Other Considerations: The Board can decide not to support any nominee running for office.

Material Included for Information/Consideration: Resolution Nos. 2017-20 and 2017-21; ACWA/JPIA e-letter, Nomination Procedures, and correspondence from San Bernardino Valley Water Conservation District and Cucamonga Valley Water District requesting concurrence.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

March 20, 2017

Resolution No. 2017 - 20
Resolution of the Board of Directors
Marina Coast Water District
Concurring in Nomination to the Executive Committee of the
Association of California Water Agencies Joint Powers Insurance Authority ("ACWA/JPIA")

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, this district is a member district of the ACWA/JPIA; and,

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, three member districts must concur with the nominating district, and,

WHEREAS, another ACWA/JPIA member district, the Cucamonga Valley Water District, has requested that this district concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Marina Coast Water District, that this district concur with the nomination of Kathleen J. Tiegs of the Cucamonga Valley Water District to the Executive Committee of the ACWA/JPIA; and,

BE IT FURTHER RESOLVED, that the District Secretary is hereby directed to transmit a certified copy of this Resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

PASSED AND ADOPTED on March 20, 2017 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-20 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

March 20, 2017

Resolution No. 2017 - 21
Resolution of the Board of Directors
Marina Coast Water District
Concurring in Nomination to the Executive Committee of the
Association of California Water Agencies Joint Powers Insurance Authority ("ACWA/JPIA")

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on March 20, 2017 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, this district is a member district of the ACWA/JPIA; and,

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, three member districts must concur with the nominating district, and,

WHEREAS, another ACWA/JPIA member district, the San Bernardino Valley Water Conservation District, has requested that this district concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Marina Coast Water District, that this district concur with the nomination of Melody McDonald of the San Bernardino Valley Water Conservation District to the Executive Committee of the ACWA/JPIA; and,

BE IT FURTHER RESOLVED, that the District Secretary is hereby directed to transmit a certified copy of this Resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

PASSED AND ADOPTED on March 20, 2017 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors _____

Noes: Directors _____

Absent: Directors _____

Abstained: Directors _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2017-21 adopted March 20, 2017.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-A

Meeting Date: March 20, 2017

Submitted By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive Presentation on Draft District FY 2017-2018 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents

Staff Recommendation: The Board receives the presentation on the draft District budget for FY 2017-2018 and provides direction to staff regarding preparation of the final budget documents.

Background: Board Goals/Objectives: *Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

On January 11, 2017, the Board set the date for the FY 2017-2018 Budget Workshop for March 20, 2017.

Discussion/Analysis: The Draft 2017-2018 District Budget was distributed to the Board on March 15, 2017 for review in preparation for the budget workshop. Edits and further revisions are anticipated based on discussions by the Board of the Draft Budget and on items for consideration by the Board on the March 20, 2017 Board agenda.

Environmental Review Compliance: None.

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

Funding Source/Recap: None

Materials Included for Information/Consideration: Draft FY 2017-2018 Budget Document dated March 20, 2017 is provided separately.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-B

Meeting Date: March 20, 2017

Prepared By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Receive District Draft Five-Year Capital Improvement Projects Budget for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final CIP Budget Documents

Staff Recommendation: The Board of Directors receive the District draft Five-Year Capital Improvement Projects (CIP) Budget overview for the Marina and Ord Community Service Areas and provide direction to staff to include preparation of the final budget documents.

Background: *2016 Strategic Plan, Goal No. 3.6 - Fiscal reserves management for the maintenance/replacement/expansion of the District's infrastructure.*

Each year, the District follows a budget development process that results in Board approval of the annual budget. Annual update of the District's CIP follows the same schedule. The current budget was adopted on June 6, 2016.

Discussion/Analysis: The attached Five-Year CIP project list includes projects in progress in the current Fiscal Year (FY) 2016-2017 and those required in future years. Projects needed in the next five years are shown with funding in the proposed FY, and the remaining projects are shown in "Out Years" (beyond FY 2021-2022). The Category column in the table indicates the project addresses an existing deficiency (E), a single development project (S), or multiple development projects (M). The majority of the projects needed address existing deficiencies (aging equipment requiring replacement, service mains which have failed in recent years, and water storage tanks). In the out years, the category EDS means Eastern Distribution System, which is the planned relocation of wells inland to avoid seawater intrusion, should that need arise.

Projects are listed by service area and system. General Water (GW) and General Sewer (GS) projects affect both service areas. District-wide projects (WD) affect all four cost centers. Water augmentation projects are listed at the very end. The CIP includes the estimated design and construction cost for the recycled water pipeline.

Some of the projects have moved earlier or later compared to the FY 2016-2017 budget projection, due to the observed pace of redevelopment in the Ord Community and synchronizing pipeline projects with the related road improvements by the land use jurisdictions. Pipeline projects required to provide commercial fire flows to the Dunes on Monterey Bay and to East Garrison were moved forward last year.

The highest priority wastewater project is replacement of the Ord Village Force Main and Lift Station Improvement Project. The Ord Village Lift Station is west of Seaside Highlands and Highway 1. The lift station pumps wastewater back across the Freeway and uphill to the Gigling lift station on the east side of Highway 1 to be pumped again. The Ord Village force main has ruptured and leaked many times over the years and is in need of replacement. Staff is working with the Monterey Regional Water Pollution Control Agency to connect to their Interceptor line

that passes the lift station on the west side of Highway 1 to eliminate the double pumping that occurs from the Ord Village force main discharging to the Gigling lift station.

The A-Zone water storage reservoir remains a high priority, although installation of the Lightfighter water main relieves the severity of the reservoir deficiency somewhat. The project is proposed for FY 2018-2019 to work out an agreement for the location of the tank with CSUMB. The tank needs to be located at an elevation which allows operational fire flows to be met without wells running. The system is currently operated inefficiently, meeting A-Zone demands directly from the wells, which requires starting and stopping pumps throughout the day, and by boosting the water into the B- and C-Zones where there is storage tank capacity. Some of that stored water returns to the A-Zone through pressure-reducing valves. The District Board entered into an agreement with California State University in 2006 to locate the A-Zone reservoir on the CSUMB campus, but the District staff has been unable to obtain a final easement for the tanks. This delay affects the planned replacement of the Sand Tank and B/C Booster Pump Station, which were constructed prior to 1963 and are reaching the end of their service life.

A CIP budget summary, individual project sheets and a map are included for proposed 2017-2018 projects.

Environmental Review Compliance: None.

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

Other Considerations: The Board can suggest alternative projects.

Materials Included for Information/Consideration: Draft Five-Year CIP Budget Sheets; 2017-2018 CIP summary, individual project sheets, and map.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Staff Report

Agenda Item: 12-A

Meeting Date: March 20, 2017

Prepared By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Receive an Update on the Emergency Water Main Work at Beach Road and Del Monte Avenue

Staff Recommendation: The Board of Directors receive and file the Report on the Emergency Water Main Work at Beach Road and Del Monte Avenue for information only.

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

Monterey Peninsula Engineering (MPE) is constructing a new roundabout at the intersection of Beach Road and Del Monte Avenue for the City of Marina. During construction, a section of 8" water main broke in two places. It was repaired with clamps by the District's Operators to place the water main back into service.

The repaired section of pipeline was shallow and inside the roundabout traffic lane making it susceptible to further damage. Any maintenance or repair following construction would shut down the arterial main roundabout to traffic. Left unattended, there was a strong possibility that a catastrophic failure of the water main would occur undermining the new roundabout and endangering the Beach Avenue pedestrian crossing on the east side of del Monte Avenue.

Assessment of the situation discovered that one of the two gate valves used to operate the main was in poor condition and the valve connection was unrestrained. Leaving the valve as it were would lead to similar conditions as with the repaired 8" main. Therefore, staff proposed replacement of the water main and valve as a declared emergency.

Discussion/Analysis: The City of Marina coordinated with the contractor and the District to prepare a scope of work and cost estimate for the pipeline and valve replacement. Other contractor estimates were not obtained due to the roundabout construction schedule and project delay constraints.

MPE's change order cost proposal to perform the work under contract was \$34,363. The proposed change order was consistent with other water main work MPE has performed for the District so Engineering recommended that the work be authorized without delay.

On January 20, 2017, the General Manager informed the Board of the need for emergency pipeline repair work in accordance with section 5.2 of the District procurement policy. The General Manger authorized the City of Marina to perform change order work by their contractor. Engineering staff performed inspection of the work and Operations assisted with customer shutdown notifications and as needed to place the new main into service. The General Manager provided progress updates on the emergency work to the Board of directors on February 6th and 21st.

The work was performed and completed in accordance with the approved scope and change order price. When the work was finished, the city wanted the old pipe removed because a sinkhole could develop if the abandoned pipe were to collapse. Instead, it was agreed to leave the pipe abandoned in place and fill it with a concrete slurry so that there would not be a void. Total cost of filling the pipe with slurry was \$1,590.00 for a total change order of \$35,953.00 (See attached City of Marina invoice dated March 9, 2017).