MARINA COAST WATER DISTRICT
& GROUNDWATER SUSTAINABILITY AGENCY

920 SECOND AVENUE, MARINA, CA 93933-6009
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Agenda
Regular Board Meeting, Board of Directors
Marina Coast Water District
and
Regular Board Meeting, Board of Directors
Marina Coast Water District Groundwater Sustainability Agency

920 2nd Avenue, Marina, California 93933
Monday, September 21, 2026, 6:00 p.m. PST

Members of the public may attend the Board meeting in person or can attend remotely via Zoom conference.
Members of the public participating by Zoom will be placed on mute during the proceedings and will be acknowledged only when public comment is allowed, after requesting and receiving recognition from the Board President. Persons who are participating via telephone will need to press *9 to be acknowledged for comments. Public comment on the action item can also be submitted in writing to Paula Riso at priso@mcwd.org by 9:00 am on Monday, September 21, 2026; such comments will be distributed to the MCWD Board before the meeting.

This meeting may be accessed remotely using the following Zoom link:
https://us02web.zoom.us/j/83080793692?pwd=et3ED3EpNBblsFwpJ7asT6smqdfSxs.1
Passcode: 103275

To participate via phone: 1-669-900-9128; Meeting ID: 830 8079 3692 Passcode: 103275

Our Mission: *Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.*

1. **Call to Order**

2. **Roll Call**

3. **Pledge of Allegiance**

4. **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. Disruptive behavior may result in the removal of the individual responsible.*

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 District offices at 920 2nd Avenue, Marina. A complete Board packet containing all enclosures and staff materials will be available for public review on the District website, Tuesday, September 15, 2026. 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: 831-883-5931.

5. **Presentations**

   A. Adopt Resolution No. 2026-56 to Recognize Travis Martens, System Operator I, for 10 Years of Service to the Marina Coast Water District
   (Page 1)

   B. Receive the City of Marina Proposed 7% Utility Users Tax Revenue Projection and Customer Financial Impact Analysis
   (Page 5)

6. **Public Comment on Closed Session Items** *Anyone wishing to address the Board on matters appearing in 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. Disruptive behavior may result in the removal of the individual responsible.*

7. **Closed Session**

   A. Pursuant to Government Code 54957.6
   Conference with Labor Negotiator
   Employee Organization: Teamsters

   B. Pursuant to Government Code 54956.9(d)(2)
   Conference with Legal Counsel – Significant Exposure to Litigation
   Government Claims Act Claim
   Claimant: Doug Scattini

Reconvene to Open Session Estimated to be at 8:30 p.m.

8. **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.*

9. **Action Items**

   A. Adopt Resolution No. 2026-57 to Approve the Establishment of Annual Fats, Oil, and Grease Program Fees of $258 per Affected Account
   (Page 34)

   B. Review the Marina Coast Water District FY 2025-2026 Preliminary Unaudited Year End Financial
   (Page 42)

10. **Consent Calendar**

   A. Receive and File the Check Register for the Month of August 2026
   (Page 59)

   B. Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2026
   (Page 67)

C. Adopt Resolution No. 2026-58 to Approve the Revised Job Description for the Water Resources Technician Position
(Page 73)

D. Adopt Resolution No. 2026-59 to Amend the FY 2026-2027 Capital Improvement Program Budget and Amend the Construction Contract with Granite Rock Company for the Construction of California Avenue Water Main Project (MW-0321); and, Amend Professional Services Agreement with Wallace Group for Related Construction Management and Inspection Services
(Page 86)

E. Adopt Resolution No. 2026-60 to Amend the FY 2026-2027 Capital Improvement Program Budget and to Amend the Construction Contract with Scudder Solar Electric Energy Systems for the Construction and Closeout of Solar Array Project (WD-2405)
(Page 91)

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

A. General Manager's Report

B. Committee and Board Liaison Reports

1. Executive Committee
2. Budget and Engineering Committee
3. Community Outreach Committee
4. M1W Board Member Liaison

12. Board Member Requests for Future Agenda Items

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

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

Regular Meeting: Monday, October 19, 2026, 6:00 p.m.

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 5-A **Meeting Date:** September 21, 2026

Prepared By: Joe Pineda **Approved By:** Remleh Scherzinger, PE

Agenda Title: Adopt Resolution No. 2026-56 to Recognize Travis Martens, System Operator I, for 10 Years of Service to the Marina Coast Water District

Staff Recommendation: Adopt Resolution No. 2026-56 to Recognize Travis Martens, System Operator I, for 10 Years of Service to the Marina Coast Water District.

Background: *Strategic Plan, Goal No. 2.1– The District attracts, onboards, and retains high-performing Staff, and manages succession effectively.*

Travis Martens joined the District on September 12, 2016, as a Meter Reader. On January 23, 2023, Travis joined the Operations & Maintenance Department, where he is currently serving as a System Operator I

Discussion/Analysis: Travis began his career with the District within the customer service department as a meter reader. Travis showed enthusiasm for Operations & Maintenance, specifically with the variety and complexity of duties completed by O&M. Travis has been a great asset to the District. His positive attitude and willingness to learn have provided him with the institutional knowledge needed to continue his growth within the District and with the continued development of his career. Travis has demonstrated his ability to think quickly to help identify and mitigate system issues before they become emergencies. He has participated in several after-hours emergencies, ensuring proper repair techniques are used, while minimizing downtime for the District's ratepayers and ensuring safe, sanitary practices are implemented in all repairs.

Currently, Travis holds the following professional certifications:

- State Water Resources Control Board Water Distribution Operator Grade I
- State Water Resources Control Board Water Treatment Operator Grade I
- California Water Environmental Association (CWEA) Collection System Maintenance Grade I

Travis's upbeat and positive attitude makes him a pleasure to be around. Travis's dependability and willingness to always help out his fellow coworkers are a great asset to the District and the department. He shows enthusiasm in his daily duties and pride in what he does. It is with great pleasure that we recognize Travis Martens' 10 years of service to the Marina Coast Water District. We collectively thank him for his years of service, and we look forward to many more years of continued success.

Environmental Review Compliance: None required.

Financial Impact: ___X___Yes _____No **Funding Source/Recap:** Expenditures for the award and a gift card are allocated across six cost centers: 01-Marina Water, 02-Marina Sewer, 03-Fort Ord Water, 04-Fort Ord Sewer, 05-RUWAP, and 07-GSA, in account number 01-035-009.

Material Included for Information/Consideration: Resolution No. 2026-56.

Action Required: ___X___Resolution _______Motion ______Review

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Board Action

Motion By_______________ Seconded By_________________ No Action Taken_______________

Ayes__________________________________ Abstained________________________
____

Noes____________________________ Absent_________________________________

September 21, 2026

Resolution No. 2026-56
Resolution of the Board of Directors
Marina Coast Water District
In Recognition of Travis Martens, System Operator I, for 10 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 September 21, 2026, at 920 Second Avenue, Marina, California as follows:

WHEREAS, Travis Martens joined the District on September 12, 2016, as a Meter Reader, and on January 23, 2023, Travis joined the Operations & Maintenance Department, where he is currently serving as a System Operator I; and,

WHEREAS, he arrives each day with a positive attitude; he operates with a team player mentality and is always willing to help out his fellow coworkers; and,

WHEREAS, Travis performs a wide range of duties in both water distribution and wastewater collections and is always ready and able to respond to emergencies during both normal and after-hours; and,

WHEREAS, Travis consistently conducts himself in a professional manner, always ensuring the highest quality of customer service is delivered when interacting with District customers; and,

WHEREAS, his work ethic has contributed to the positive and energetic work environment with the Operations and Maintenance Department; and,

WHEREAS, Travis is well-liked and respected by all his coworkers.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby recognize and appreciate Travis Martens for ten years of service to the Marina Coast Water District, hereby presenting him with an award and a gift certificate, and wishes him continued success with the District.

PASSED AND ADOPTED on September 21, 2026, 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______________________________

____
Gail Morton, President

ATTEST:

____
Remleh Scherzinger, 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. 2026-56 adopted September 21, 2026.

____
Remleh Scherzinger, Secretary

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 5-B **Meeting Date:** September 21, 2026

Prepared By: Mary Lagasca, CPA **Approved By:** Remleh Scherzinger, PE

Agenda Title: Receive the City of Marina Proposed 7% Utility Users Tax Revenue Projection and Customer Financial Impact Analysis

Staff Recommendation: The Board receives the City of Marina proposed 7% UUT revenue projection and customer financial impact analysis.

Background: *Strategic Plan, 3: FINANCE – Stable and Secure Funding and Affordable Rates – Objective 3.3 – The board receives understandable, timely, and up-to-date financial reports on an approved schedule.*

The City of Marina has placed a proposed 7% Utility Users Tax (UUT) on the November 3, 2026 ballot. If approved by voters, the UUT would apply to applicable water charges for MCWD customers within the City of Marina.

Under the proposed measure, the UUT would apply to water consumption (potable and non-potable), distribution or transmission charges, metering charges, customer charges, fire protection services, late charges, service establishment or re-establishment charges, franchise fees, and other charges, fees or surcharges that are necessary for or common to the receipt, use and enjoyment of water services.

Staff has prepared an analysis and presentation to provide the Board and the public with information on estimated UUT collections for the City and the potential financial impact on MCWD customers.

Discussion/Analysis:

The analysis provides estimated UUT collections based on applicable water charges for MCWD customers within the City of Marina, as well as the potential impact of the proposed 7% UUT on customers.

If approved by voters, MCWD would act as a pass-through agency by imposing the UUT on applicable customer bills, collecting the tax from customers, and remitting the collected tax to the City of Marina.

City of Marina would be responsible for implementing the tax and determining the final requirements.

Environmental Review Compliance: None required.

Legal Counsel Review: Legal Counsel has reviewed.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes ___X___No **Funding Source/Recap:** None

Other Considerations: None.

Materials Included for Information/Consideration: City of Marina Proposed UUT and MCWD Service Area Map.

Action Required: ______Resolution ______Motion ___X___Review

Board Action

Motion By______________ Seconded By________________ No Action Taken______________

Ayes__________________________ Abstained____________________________

Noes__________________________ Absent______________________________

City of Marina

City of Marina
211 HILLCREST AVENUE
MARINA, CA 93933
831- 884-1278; FAX 831- 384-9148
www.cityofmarina.org

NOTICE OF ELECTION

NOTICE IS HEREBY GIVEN that the following measure(s) are to be voted on at the General Municipal Election to be held in the City of Marina on Tuesday, the 3rd day of November 2026.

MEASURE(S) TO BE VOTED ON

MEASURE Q

Ballot Question:

MARINA 911 EMERGENCY, PUBLIC SAFETY, AND COMMUNITY SERVICES MEASURE. To ensure firefighters, EMTs, police officers, emergency operations, response to emergencies and natural disasters including earthquakes; repair and upgrade police/fire/city buildings; protect water supply; repair streets/potholes; and provide general city services, shall the City of Marina's measure establishing a 7% utility users' tax with low-income rates, generating approximately $3,830,000 annually until ended by voters, requiring spending disclosures, audits, all funds spent locally, be adopted?

The words "Yes" and "No" shall be printed on the ballots so the qualified electors may express their choice.

NOTE: The full text of the proposed Ordinance is available for public examination in the Office of the City Clerk, 211 Hillcrest Avenue, Marina, California.

NOTICE TO VOTERS
DATE AFTER WHICH NO ARGUMENT FOR OR AGAINST MEASURES MAY BE SUBMITTED TO THE CITY CLERK

NOTICE IS FURTHER GIVEN that pursuant to Article 4, Chapter 3, Division 9 of the Elections Code of the State of California, the City Council of the City of Marina, or any member or members thereof authorized by the body, or any individual voter or bona fide association of citizens, or any combination of voters and association, may file a written argument not to exceed 300 words in length **accompanied by the printed name(s) and signature(s) of the person(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers** for or against any City measure.

NOTICE IS FURTHER GIVEN that based upon the time reasonably necessary to prepare and print the arguments and sample ballots for the election, the City Clerk's office has fixed **Thursday, August 13, 2026, by 5:00 P.M.**, as the date and time prior to the election after which no arguments for or against City measures may be submitted to the City Clerk for printing and distribution to the voters as provided in Article 4. Arguments shall be submitted to the City Clerk, **accompanied by the printed name(s) and signatures(s) of the person(s) submitting it or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers** at the Office of the City Clerk, 211 Hillcrest Avenue, Marina, California. Arguments may be changed or withdrawn until and including the date fixed by the City Clerk.

NOTICE IS FURTHER GIVEN that the City Clerk's office has determined that rebuttal arguments not to exceed 250 words in length, as submitted by the authors of the opposing direct arguments, may be filed with the City Clerk, **accompanied by the printed names(s) and signatures(s) of the person(s) submitted it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers.** The deadline for submitting rebuttal arguments is **Thursday, August 20, 2026, by 5:00 P.M**.

NOTICE IS FURTHER GIVEN that any ordinance, impartial analysis, or direct argument filed under the authority of the Elections Code will be available for public examination in the Office of the City Clerk, 211 Hillcrest Avenue, Marina, California, for not less than ten (10) calendar days from the deadline for the filing of arguments and analyses. Any rebuttal argument filed under the authority of the Elections Code will be available for public examination in the Office of the City Clerk for not less than ten (10) calendar days from the deadline for filing rebuttal arguments.

The polls will remain open from the hour of 7:00 A.M. to 8:00 P.M. on the day of the General Municipal Election. The voted ballots will be counted at the Monterey County Elections Department located at 1441 Schilling Place, North Building, Salinas, California commencing at 8:00 P.M.

For more information, contact the City Hall Administration Department 831-884-1278, Anita Shepherd-Sharp, Election Official, City of Marina.

PUBLICATION: Monterey County Herald, July 25, 2026

ORDINANCE NO. ___

AN ORDINANCE OF THE CITY OF MARINA IMPOSING A UTILITY USERS' TAX

The people of the City of Marina do ordain as follows:

<u>Section 1.</u> Marina Municipal Code Amended

A new Chapter 3.07, UTILITY USERS' TAX is hereby added to Title 3—REVENUE AND FINANCE of the City of Marina Municipal Code. This new Chapter is added as follows:

3.07.010 Title and Purpose.

A. This chapter shall be known as the "Utility Users' Tax Ordinance for the City of Marina." This chapter is adopted pursuant to the powers of the City as a charter city, as authorized by the Constitution of the State of California, and is adopted as a tax levy to meet the usual current expenses of the City.

3.07.020 Definitions.

The following words and phrases, whenever used in this chapter, shall be construed as defined in this section:

A. "Ancillary telecommunication services" shall mean services that are associated with or incidental to the provision, use or enjoyment of telecommunications services, including but not limited to the following services:

1. "Conference bridging service" shall mean an ancillary service that links two (2) or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge.

2. "Detailed telecommunications billing service" shall mean an ancillary service of separately stated information pertaining to individual calls on a customer's billing statement.

3. "Directory assistance" shall mean an ancillary service of providing telephone number information, and/or address information.

4. "Vertical service" shall mean an ancillary service that is offered in connection with one (1) or more telecommunications services, which offers advanced calling features that allow customers to identify callers and to manage multiple calls and call connections, including conference bridging services.

5. "Voice mail service" shall mean an ancillary service that enables the customer to store, send or receive recorded messages. Voice mail service does not include any vertical services that the customer may be required to have in order to utilize the voice

mail service.

B. “Ancillary video services” means services that are associated with or incidental to the provision or delivery of video services, including but not limited to electronic program guide services, recording services, search functions, or other interactive services or communications that are associated with or incidental to the provision, use or enjoyment of video services.

C. “Billing address” shall mean the mailing address of the service user where the service provider submits invoices or bills for payment by the service users.

D. “City” shall mean the City of Marina.

E. “City Manager” shall mean the City Manager, or his or her authorized representative.

F. “CPI” shall mean the Consumer Price Index for the San Francisco-Oakland-San Jose Area.

G. “Day” shall mean a calendar day except where expressly specified otherwise.

H. “Gas” shall mean natural or manufactured gas or any alternative hydrocarbon fuel, which may be substituted therefor.

I. “Mobile telecommunications service” shall mean commercial mobile radio service, as defined in Section 20.3 of Title 47 of the Code of Federal Regulations, and as set forth in the Mobile Telecommunications Sourcing Act (4 U.S.C. Section 124) and the regulations thereunder.

J. “Month” shall mean a calendar month.

K. “Non-utility service supplier” shall mean:

1. A service supplier, other than a supplier of electric distribution services to all or a significant portion of the City, which generates electricity for sale to others, and shall include but not be limited to any publicly owned electric utility, investor-owned utility, cogenerator, distributed generation provider, exempt wholesale generator (42 U.S.C. Section 16451(6)), municipal utility district, Federal power marketing agency, electric rural cooperative, or other supplier or seller of electricity;

2. An electric service provider (ESP), electricity broker, marketer, aggregator (including a community choice aggregator), pool operator, or other electricity supplier other than a provider of electric distribution services to all or a significant portion of the City, which sells or supplies electricity or supplemental services to electricity users within the City; and

3. A gas service supplier, aggregator, marketer or broker, other than a supplier of gas distribution services to all or a significant portion of the City, which sells or supplies gas or supplemental services to gas users within the City.

L. “Paging service” means a “telecommunications service” that provides transmission of coded radio signals for the purpose of activating specific pagers; such transmissions may include messages and/or sounds.

M. “Person” shall mean, without limitation, any domestic, nonprofit or foreign corporation; firm; association; syndicate; joint stock company; partnership of any kind; limited liability company; joint venture; club; trust; Massachusetts business or common law trust; estate; society; cooperative; receiver, trustee, guardian or other representative appointed by order of any court; any natural individual; joint power agency, municipal district or municipal corporation, other than the City.

N. “Place of primary use” shall mean the street address representative of where the customer's use of the telecommunications service primarily occurs, which must be the residential street address or the primary business street address of the customer.

O. “Post-paid telecommunication service” shall mean the telecommunication service obtained by making a payment on a communication-by-communication basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a service number which is not associated with the origination or termination of the telecommunication service.

P. “Prepaid telecommunication service” shall mean the right to access telecommunication services, which must be paid for in advance and which enables the origination of communications using an access number or authorization code, whether manually or electronically dialed, and shall include “prepaid mobile telephony services” as defined in Revenue and Taxation Code Section 42101(k).

Q. “Private telecommunication service” shall mean a telecommunication service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels. A communications channel is a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points (i.e., the location where the customer either inputs or receives the communications).

R. “Service address” shall mean the residential street address or the business street address of the service user. For a telecommunications or video service user, “service address” means either:

1. The location of the service user's telecommunication or video equipment from which the communication originates or terminates, regardless of where the communication is billed or paid; or

2. If the location in subsection Q.1 of this definition is unknown (e.g., mobile telecommunications service or VoIP service), the service address shall mean the location of the service user's place of primary use.

3. For prepaid telecommunication service, "service address" means the point of sale of the services where the point of sale is within the City, or, if unknown, the known address of the service user (e.g., billing address or location associated with the service number), which locations shall be presumed to be the place of primary use.

S. "Service supplier" shall mean any person, including the City, who provides or sells any service subject to any tax thereunder, including, without limitation, telecommunication, video, electric, gas or water service to a user of such services within the City. The term shall include any person required to collect, or self-collect under Section 3.07-080, and remit a tax as imposed by this chapter, including its billing agent in the case of electric or gas suppliers.

T. "Service user" shall mean a person required to pay a tax imposed by this chapter.

U. "State" shall mean the State of California.

V. "Tax Administrator" shall mean the Finance Director, or his or her authorized representative or designee.

W. "Telecommunications services" shall mean the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points, whatever the technology used, and includes broadband service (e.g., digital subscriber line (DSL), fiber optic, coaxial cable, and wireless broadband, including Wi-Fi, WiMAX, and Wireless MESH) to the extent Federal and/or State law permits taxation of such broadband services, now or in the future. The term "telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether such service is referred to as voice over Internet protocol (VoIP) services or is classified by the Federal Communications Commission as enhanced or value added, and includes video and/or data service that is functionally integrated with "telecommunication services." Telecommunications services include, but are not limited to, the following services, regardless of the manner or basis on which such services are calculated or billed: ancillary telecommunication services; intrastate, interstate and international telecommunication services; all forms of VoIP service; mobile telecommunications service; prepaid telecommunication service; post-paid telecommunication service; private telecommunication service; paging service; 800 service (or any other toll-free numbers designated by the Federal Communications Commission); 900 service (or any other similar numbers designated by the Federal Communications Commission for services whereby subscribers who call in to prerecorded or live service).

X. "Video programming" means those programming services commonly provided to subscribers by a "video service supplier" including but not limited to basic services, premium services, audio services, video games, pay-per-view services, video on demand, origination programming, or any other similar services, regardless of the content of such video programming, or the technology used to deliver such services, and regardless of the manner or basis on which such services are calculated or billed.

Y. "Video services" means "video programming" and any and all services related to the providing, recording, delivering, use or enjoyment of "video programming" (including origination programming and programming using Internet Protocol, e.g., IP-TV, IP-Video, and over the top TV or OTT) by a "video service supplier," regardless of the technology used to deliver, store or provide such services, and regardless of the manner or basis on which such services are calculated or billed, and includes ancillary video services, data services, "telecommunication services," or interactive communication services that are functionally integrated with "video services."

Z. "Video service supplier" means any person, company, or service which provides or sells video programming, or provides or sells the capability to receive video programming, including any communications that are ancillary, necessary or common to the provision, use or enjoyment of the video programming, to or from a business or residential address in the City, where some fee is paid, whether directly or included in dues or rental charges for that service, whether or not public rights-of-way are utilized in the delivery of the video programming or communications. A "video service supplier" includes, but is not limited to, multichannel video programming distributors (as defined in 47 U.S.C.A. Section 522(13)); open video systems (OVS) suppliers; and suppliers of cable television; master antenna television; satellite master antenna television; multichannel multipoint distribution services (MMDS); video services using Internet protocol (e.g., IP-TV and IP-Video, which provide, among other things, broadcasting and video on demand), direct broadcast satellite to the extent Federal law permits taxation of its video services, now or in the future; and other suppliers of video services (including two (2) way communications), whatever their technology.

AA. "VoIP" (voice over Internet protocol) means the digital process of making and receiving real-time voice transmissions over any Internet protocol network.

BB. "800 service" means a "telecommunications service" that allows a caller to dial a toll-free number without incurring a charge for the call. The service is typically marketed under the name "800," "855," "866," "877," and "888" toll-free calling, and any subsequent numbers designated by the Federal Communications Commission.

CC. "900 service" means an inbound toll "telecommunications service" purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service. "900 service" does not include the charge for: collection services provided by the seller of the "telecommunications services" to the subscriber, or service or product sold by the subscriber to the subscriber's customer. The service is typically marketed under the name "900" service, and any subsequent numbers designated by the Federal Communications Commission.

3.07.030 Constitutional and Statutory Exemptions and Reductions

A. The taxes imposed by this chapter shall not apply to either of the following:

1. Any person or service if imposition of such tax upon that person or service would be in violation of a Federal or State statute or the Constitution of the State of California, or the Constitution of the United States; or

2. The City, and the State of California and its subdivisions.

B. The taxes imposed by this chapter shall be subject to the following reductions, each of which shall be considered an "exemption" for the purposes of this chapter:

1. Low Income Reduction. A residential service user shall be eligible for a fifty percent (50%) reduction of the taxes imposed by this chapter if he or she is qualified and is enrolled in Pacific Gas & Electric Company's (PG&E) CARE Program ("California Alternate Rates for Energy" program). Individuals receiving the reduction described in this subsection must reside at the location receiving the service; the reduction shall not apply to any nonresidential service location.

2. Low-income Senior Reduction. A residential service user who is sixty-five (65) years old or older and is the head of a household that is at or below eighty percent (80%) of Area Median Income for Monterey County shall be eligible for a fifty percent (50%) reduction of the taxes imposed by this chapter.

C. Any service user that is exempt from the tax imposed by this chapter pursuant to subsection A of this section shall file an application with the Tax Administrator for an exemption; provided, however, this requirement shall not apply to a service user that is a State or Federal agency or subdivision with a commonly recognized name for such service. Said application shall be made upon a form approved by the Tax Administrator and shall state those facts, declared under penalty of perjury, which qualify the applicant for an exemption, and shall include the names of all service suppliers serving that service user. If deemed exempt by the Tax Administrator, such service user shall give the Tax Administrator timely written notice of any change in service suppliers so that the Tax Administrator can properly notify the new service supplier of the service user's tax exempt status. A service user that fails to apply and obtain an exemption pursuant to this section shall not be entitled to a refund of a users' tax collected and remitted to the Tax Administrator from such service user as a result of such noncompliance.

D. The decision of the Tax Administrator regarding an exemption application may be appealed pursuant to Section 3.07.210. Filing an application with the Tax Administrator and appeal to the City Manager, or designee, pursuant to Section 3.07.210 is a prerequisite to a suit thereon.

E. The City Council may, by resolution, establish one (1) or more classes of persons or one (1) or more classes of utility service otherwise subject to payment of a tax imposed by this chapter and provide that such classes of persons or service shall be exempt, in whole or in part from such tax for a specified period of time.

3.07.040 Telecommunication Users' Tax.

A. There is hereby imposed a tax upon every person in the City using telecommunication services. The tax imposed by this section shall be at the rate of seven percent (7%) of the charges made for such services and shall be collected from the service user by the telecommunication services supplier or its billing agent, or as otherwise provided by law. There is a rebuttable presumption that telecommunication services, which are billed to a billing or service address in the City, are used, in whole or in part, within the City's boundaries, and such services are subject to taxation under this section. There is also a rebuttable presumption that prepaid telecommunication services sold within the City are primarily used, in whole or in part, within the City and are therefore subject to taxation under this section. If the billing address of the service user is different from the service address, the service address of the service user shall be used for purposes of imposing the tax. As used in this section, the term “charges” shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the telecommunication services.

B. “Mobile telecommunications service” shall be sourced in accordance with the sourcing rules set forth in the Mobile Telecommunications Sourcing Act (4 U.S.C. Section 116 et seq). The Tax Administrator may issue and disseminate to telecommunication service suppliers, which are subject to the tax collection requirements of this section, sourcing rules for the taxation of other telecommunication services, including but not limited to post-paid telecommunication services, prepaid telecommunication services, and private telecommunication services; provided, that such rules are based upon custom and common practice that further administrative efficiency and minimize multi-jurisdictional taxation.

C. The Tax Administrator may issue and disseminate to telecommunication service suppliers, which are subject to the tax collection requirements of this section, an administrative ruling identifying those telecommunication services, or charges therefor, that are subject to the tax of subsection A of this section. This administrative ruling shall not impose a new tax, revise an existing tax methodology as stated in this section, or increase an existing tax, except as allowed by California Government Code Section 53750(h)(2)-(3).

D. As used in this section, the term “telecommunication services” shall include, but is not limited to, charges for: connection, reconnection, termination or early termination charges; movement or change of telecommunication services; late payment fees; detailed billing; central office and custom calling features (including but not limited to call waiting, call forwarding, caller identification and three (3) way calling); voice mail and other messaging services; directory assistance; access and line charges; universal service charges; fees, charges or surcharges, imposed by any State or Federal agency or law (whether such charges or surcharges are imposed on the service supplier or the customer); local number portability charges; and text and instant messaging. “Telecommunication services” shall not include digital downloads that are not “ancillary telecommunication services,” such as music, ringtones, games, and similar digital products.

E. To prevent actual multi-jurisdictional taxation of telecommunication services subject to tax under this section, any service user, upon proof to the Tax Administrator that the service user has previously paid the same tax in another state or city on such telecommunication services, shall be allowed a credit against the tax imposed to the extent of the amount of such tax legally imposed in such other state or city; provided, however, the amount of credit shall not exceed the tax owed to the City under this section.

F. The tax on telecommunication services imposed by this section shall be collected from the service user by the service supplier. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth day of the following month.

3.07.050 Video Users' Tax.

A. There is hereby imposed a tax upon every person in the City using video services from a video provider. The tax imposed by this subsection shall be at the rate of seven percent (7%) of the charges made for such services, and shall be collected from the service user by the video service supplier or its billing agent. There is a rebuttable presumption that video services, which are billed to a billing or service address in the City, are used, in whole or in part, within the City's boundaries, and such services are subject to taxation under this chapter. If the billing address of the service user is different from the service address, the service address of the service user shall be used for purposes of imposing the tax.

B. As used in this section, the term "charges" shall include, but is not limited to, charges for the following:

1. Fees, charges or surcharges imposed by any State or Federal agency or law; including franchise fees and access fees (PEG): whether such fees, charges or surcharges are imposed on the service supplier or the customer;

2. Initial installation of equipment necessary for provision and receipt of video services;

3. Late fees, collection fees, bad debt recoveries, and return check fees;

4. Activation fees, reactivation fees; termination or early termination charges; and reconnection fees;

5. Video programming and video services;

6. Ancillary video programming services (e.g., electronic program guide services, search functions, recording functions, or other interactive services or communications that are ancillary, necessary or common to the use or enjoyment of the video services);

7. Equipment leases (e.g., remote, set box, recording and/or search devices; converters); and

8. Service calls, service protection plans, name changes, changes of services, and special services.

C. As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the video services.

D. The Tax Administrator may issue and disseminate to video service suppliers, which are subject to the tax collection requirements of this chapter, an administrative ruling identifying those video services, or charges therefor, that are subject to or not subject to the tax of subsection A of this section.

E. The tax imposed by this section shall be collected from the service user by the video service supplier, its billing agent, or a reseller of such services. In the case of video service, the service user shall be deemed to be the purchaser of the bulk video service (e.g., an apartment owner), unless such service is resold to individual users, in which case the service user shall be the ultimate purchaser of the video service. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth day of the following month.

3.07.060 Electricity Users' Tax.

A. There is hereby imposed a tax upon every person using electricity in the City. The tax imposed by this section shall be at the rate of seven percent (7%) of the charges made for such electricity, and for any supplemental services or other associated activities directly related to and/or necessary for the provision of electricity to the service user, which are provided by a service supplier or non-utility service supplier to a service user. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent.

B. As used in this section, the term "charges" shall apply to all services, components and items that are: (1) necessary or common to the receipt, use and enjoyment of electric service; or (2) currently, or historically have been, included in a single or bundled rate for electric service by a local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:

1. Energy charges;

2. Distribution or transmission charges;

3. Metering charges;

4. Standby, reserves, firming, voltage support, regulation, emergency, or other similar charges for supplemental services to self-generation service users;

5. Customer charges, late charges, service establishment or reestablishment charges, termination or early termination charges, demand charges, fuel or other cost adjustments, power exchange charges, independent system operator (ISO) charges, stranded investment or competitive transition charges (CTC), public purpose program charges, nuclear decommissioning charges, trust transfer amounts (bond financing charges), franchise fees, franchise surcharges, annual and monthly charges, and other charges, fees and surcharges which are necessary to or common for the receipt, use and enjoyment of electric service; and

6. Fees, charges or surcharges imposed by any State or Federal agency or law, whether or not such fees, charges or surcharges appear on a bundled or line item basis on the customer billing, or whether they are imposed on the service provider or the customer.

C. As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the electricity or services related to the provision of such electricity.

D. The Tax Administrator, from time to time, may survey the electric service suppliers to identify the various unbundled billing components of electric retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by State or Federal regulatory agencies as a condition of providing such electric service. The Tax Administrator, thereafter, may issue and disseminate to such electric service providers an administrative ruling identifying those components and items which are: (1) necessary or common to the receipt, use or enjoyment of electric service; or (2) currently, or historically have been, included in a single or bundled rate for electric service by a local distribution company to a class of retail customers. Unbundled charges for such components and items shall be subject to the tax of subsection A of this section.

E. As used in this section, the term “using electricity” shall not be construed to include the mere receiving of such electricity by an electric public utility or governmental agency at a point within the City for resale.

F. The tax on electricity provided by self-production or by a non-utility service supplier not under the jurisdiction of this chapter shall be collected and remitted in the manner set forth in Section 3.07.080. All other taxes on charges for electricity imposed by this section shall be collected from the service user by the electric service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax measured by the tax billed in the previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of following month; provided, that the service user shall submit an adjusted payment or request for credit, as appropriate, within sixty (60) days following each calendar quarter. The credit, if approved by the Tax Administrator, may be applied against any subsequent tax bill that becomes due.

3.07.070 Gas Users’ Tax.

A. There is hereby imposed a tax upon every person using gas in the City, which is delivered through a pipeline distribution system or by mobile transport. The tax imposed by this section shall be at the rate of seven percent (7%) of the charges made for such gas, including all services related to the storage, transportation and delivery of such gas. The tax shall be collected from the service user by the service supplier or non-utility service supplier, or its billing agent, and shall apply to all uses of gas, including but not limited to heating, electric generation by a nonpublic utility, and the use of gas as a component of a manufactured product.

B. As used in this section, the term “charges” shall apply to all services, components and items for gas service that are: (1) necessary or common to the receipt, use and enjoyment of gas service; or (2) currently, or historically have been, included in a single or bundled rate for gas service by a local distribution company to a class of retail customers. The term “charges” shall include, but is not limited to, the following charges:

1. The commodity charges for purchased gas, or the cost of gas owned by the service user (including the actual costs attributed to drilling, production, lifting, storage,

gathering, trunkline, pipeline, and other operating costs associated with the production and delivery of such gas), which is delivered through a gas pipeline distribution system;

2. Gas transportation charges (including interstate charges to the extent not included in commodity charges);

3. Storage charges; provided, however, that the service provider shall not be required to apply the tax to any charges for gas storage services when the service providers cannot, as a practical matter, determine the jurisdiction where such stored gas is ultimately used; but it shall be the obligation of the service user to self-collect the amount of tax not applied to any charge for gas storage by the service supplier and to remit the tax to the appropriate jurisdiction;

Capacity or demand charges, late charges, service establishment or reestablishment charges, termination or early termination charges, marketing charges, administrative charges, transition charges, customer charges, minimum charges, annual and monthly charges, and any other charges which are necessary or common to the receipt, use and enjoyment of gas service; and

4. Fees, charges or surcharges imposed by any State or Federal agency or law, whether or not such fees, charges or surcharges appear on a bundled or line item basis on the customer billing, or whether they are imposed on the service provider or the customer.

C. As used in this section, the term “charges” shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the gas or services related to the delivery of such gas.

D. The Tax Administrator, from time to time, may survey the gas service suppliers to identify the various unbundled billing components of gas retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by State or Federal regulatory agencies as a condition of providing such gas service. The Tax Administrator, thereafter, may issue and disseminate to such gas service suppliers an administrative ruling identifying those components and items which are: (1) necessary or common to the receipt, use or enjoyment of gas service; or (2) currently, or historically have been, included in a single or bundled rate for gas service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection A of this section.

E. As used in this section, the term “using gas” shall not be construed to include the mere receiving of such gas by a gas public utility or governmental agency at a point within the City for resale.

F. The tax on gas provided by self-production or by a non-utility service supplier not under the jurisdiction of this chapter shall be collected and remitted in the manner set forth in Section 3.07-080. All other taxes on charges for gas imposed by this section shall be collected from the service user by the gas service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax

Administrator on or before the twentieth day of the following month; or, at the option of the person required to collect and/or remit the tax, such person shall remit an estimated amount of tax measured by the tax billed in the previous month or upon the payment pattern of the service user, which must be received by the Tax Administrator on or before the twentieth day of the following month; provided, that the service user shall submit an adjusted payment or request for credit, as appropriate, within sixty (60) days following each calendar quarter. The credit, if approved by the Tax Administrator, may be applied against any subsequent tax bill that becomes due.

3.07.080 Collection of Tax from Service Users Receiving Direct Purchase of Gas or Electricity

A. Any service user subject to the tax imposed by Section 3.07.060 or 3.07.070, which produces gas or electricity for self-use; which receives gas or electricity, including any related supplemental services, directly from a non-utility service supplier not under the jurisdiction of this chapter; or which, for any other reason, is not having the full tax collected and remitted by its service supplier, a non-utility service supplier, or its billing agent on the use of gas or electricity in the City, including any related supplemental services, shall report said fact to the Tax Administrator and shall remit the tax due directly to the Tax Administrator within thirty (30) days of such use. In lieu of paying said actual tax, the service user may, at its option, remit to the Tax Administrator within thirty (30) days for such use an estimated amount of tax measured by the tax billed in the previous month, or upon the payment pattern of similar customers of the service supplier using similar amounts of gas or electricity; provided, that the service user shall submit an adjusted payment or request for credit, as appropriate, within sixty (60) days following each calendar quarter. The credit, if approved by the Tax Administrator, may be applied against any subsequent tax bill that becomes due.

B. The Tax Administrator may require said service user to identify its non-utility service supplier and provide, subject to audit, invoices, books of account, or other satisfactory evidence documenting the quantity of gas or electricity used, including any related supplemental services, and the cost or price thereof. If the service user is unable to provide such satisfactory evidence, or, if the administrative cost of calculating the tax in the opinion of the Tax Administrator is excessive, the Tax Administrator may determine the tax by applying the tax rate to the equivalent charges the service user would have incurred if the gas or electricity used, including any related supplemental services, had been provided by the service supplier that is the primary supplier of gas or electricity within the City.

C. If the service user or its agent produces electricity for self-use and fails to meter the amount of electricity used by the service user, or fails to meter the amount of electricity that is taken against electricity provided by a service supplier (e.g., net-metering), the Tax Administrator may, for purposes of calculating the tax hereunder, estimate the amount of electricity that is self-produced based on the manufacturer's estimate of annual electricity generation for the facility used by the service user to generate electricity.

3.07.090 Nonresidential Rebate (Gas and Electricity)

Except as otherwise provided herein, any nonresidential service user, other than an electrical corporation or gas corporation, with combined electric and gas taxes of more than the amount established by resolution of the Council but not to exceed Nine Thousand Nine Hundred and no/100ths ($9,900.00) Dollars, which amount shall be annually adjusted each fiscal year to reflect the Consumer Price Index (CPI), shall receive a rebate from taxes collected in excess of the amount established by resolution of the Council during a fiscal year for such use. Rebates shall be made monthly. Businesses eligible for the decreased tax described above shall advise the City of any rebate due by submitting a copy of each month's electric and gas bills to the City Finance Director.

3.07.100 Water Users' Tax

A. There is imposed a tax upon every person using water in the City which is transported and delivered through a pipeline distribution system. The tax imposed by this section shall be at the rate of seven percent (7%) of the charges made for such water.

B. As used in this section, the term "charges" shall apply to all services, components and items that are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are or historically have been included in a single or bundled rate for water service by a local distribution company to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges: water commodity charges (potable and nonpotable); distribution or transmission charges; metering charges; customer charges; fire protection services; late charges; service establishment or reestablishment charges; franchise fees; franchise surcharges; annual and monthly charges; and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of water service; and charges, fees, or surcharges, which are mandated by any State or Federal agency or law, or a water district, whether or not such charges, fees, or surcharges appear on a bundled or line item basis on the customer billing.

C. As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the water services.

D. The Tax Administrator, from time to time, may survey the water service suppliers in the City to identify the various unbundled billing components of water retail service that they commonly provide to residential and commercial/industrial customers in the City, and the charges therefor, including those items that are mandated by a water district or a State or Federal agency as a condition of providing such water service. The Tax Administrator, thereafter, may issue and disseminate to such water service suppliers an administrative ruling identifying those components and items which are: (1) necessary for or common to the receipt, use or enjoyment of water service; or (2) currently are or historically have been included in a single or bundled rate for water service by a local distribution company to a class of retail customers. Charges for such components and items shall be subject to the tax of subsection A of this section.

E. The tax on water service imposed by this section shall be collected from the service user by the water service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator, and must be received by the Tax Administrator on or before the twentieth day of the following month.

3.07.110 Effect of Commingling Taxable Items with Nontaxable Items

If any nontaxable service charges are combined with and not separately stated from taxable service charges on the customer bill or invoice of a service supplier, the combined charge is subject to tax unless the service supplier is able to establish reasonable values for the portions of the combined charge that are nontaxable and taxable. If the service supplier offers a combination of taxable and nontaxable services, and the charges are separately stated, the service supplier shall assign reasonable values for the taxable and nontaxable services. In assigning reasonable values for taxable and nontaxable services under this section, the service supplier may use reasonable and verifiable standards, as approved by the Tax Administrator, such as: (a) the books and records kept in the regular course of business and in accordance with generally accepted accounting principles (not created and maintained for tax purposes); (b) the market value of such taxable and nontaxable services when offered on a stand-alone basis by the supplier or its competitors; or (c) other similar evidence of value. The service supplier has the burden of proving to the satisfaction of the Tax Administrator the proper valuation and apportionment of taxable and nontaxable charges under this section.

3.07.120 Substantial Nexus/Minimum Contacts

For purposes of imposing a tax or establishing a duty to collect and remit a tax under this chapter, "substantial nexus," "substantial economic presence," and "minimum contacts" shall be construed broadly in favor of the imposition, collection and/or remittance of the utility users' tax to the fullest extent permitted by State and Federal law, and as it may change from time to time by judicial interpretation or by statutory enactment. Any telecommunication service (including VoIP) used by a person with a service address in the City, which service is capable of terminating a call to another person on the general telephone network, shall be subject to a rebuttable presumption that "substantial nexus/minimum contacts" exists for purposes of imposing a tax, or establishing a duty to collect and remit a tax, under this chapter. A service supplier shall be deemed to have sufficient activity in the City for tax collection and remittance purposes if its activities include, but are not limited to, any of the following: maintains or has within the City, directly or through an agent, affiliate or subsidiary, a place of business of any nature; solicits business in the City by employees, independent contractors, resellers, agents, affiliates or other representatives; solicits business in the City on a continuous, regular, seasonal or systematic basis by means of advertising that is broadcast or relayed from a transmitter within the City or distributed from a location within the City; or advertises in newspapers or other periodicals printed and published within the City or through materials distributed in the City by means other than the United States mail; or if there are activities performed in the City on behalf of the service supplier that are significantly associated with the service supplier's ability to establish and maintain a market in the City for the provision of utility services that are subject to a tax under this chapter (e.g., an affiliated person engaging in activities in the City that inure to the benefit of the service supplier in its development or maintenance of a market for its services in the City).

3.07.130 Duty to Collect – Procedures

A. Collection by Service Suppliers. The duty of service suppliers to collect and remit the taxes imposed by the provisions of this chapter shall be performed as follows:

1. The tax shall be collected by service suppliers insofar as practicable at the same time as, and along with, the collection of the charges made in accordance with the regular billing practice of the service supplier. Where the amount paid by a service user to a service supplier is less than the full amount of the charge and tax that was accrued for the billing period, a proportionate share of both the charge and the tax shall be deemed to have been paid. In those cases where a service user has notified the service supplier of refusal to pay the tax imposed on said charges, Section 3.07-160 shall apply.

2. The duty of a service supplier to collect the tax from a service user shall commence with the beginning of the first regular billing period applicable to the service user where all charges normally included in such regular billing are subject to the provisions of this chapter. Where a person receives more than one (1) billing, one (1) or more being for different periods than another, the duty to collect shall arise separately for each billing period.

B. Filing Return and Payment. Each person required by this chapter to remit a tax shall file a return to the Tax Administrator, on forms approved by the Tax Administrator, on or before the due date. The full amount of the tax collected shall be included with the return and filed with the Tax Administrator. The Tax Administrator is authorized to require such additional information as he or she deems necessary to determine if the tax is being levied, collected, and remitted in accordance with this chapter. Returns are due immediately upon cessation of business for any reason. Pursuant to Revenue and Tax Code Section 7284.6, the Tax Administrator, and its agents, shall maintain such filing returns as confidential information that is exempt from the disclosure provisions of the Public Records Act.

3.07.140 Collection Penalties – Service Suppliers or Self-Collectors

A. Taxes collected from a service user, or owed by a service user subject to Section 3.07.080, are delinquent if not received by the Tax Administrator on or before the due date. Should the due date occur on a weekend or legal holiday, the return must be received by the Tax Administrator on the first regular working day following the weekend or legal holiday. A direct deposit, including electronic fund transfers and other similar methods of electronically exchanging monies between financial accounts, made by a service supplier in satisfaction of its obligations under this section shall be considered timely if the transfer is initiated on or before the due date, and the transfer settles into the City's account on the following business day.

B. If the person required to collect and/or remit the utility users' tax fails to collect the tax (by failing to properly assess the tax on one (1) or more services or charges on the customer's billing) or fails to remit the tax collected on or before the due date, or, in the case of a service user that fails to properly self-collect and remit the tax under Section 3.07.080 on or before the due date, the Tax Administrator shall attach a penalty for such delinquencies or deficiencies at the rate of fifteen (15%) percent of the total tax that is delinquent or deficient in the remittance, and shall pay interest at the rate of three-quarters (0.75%) percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date on which the remittance first becomes delinquent, until paid.

C. The Tax Administrator shall have the power to impose additional penalties upon persons required to collect and remit taxes pursuant to the provisions of this chapter for fraud or gross negligence in reporting or remitting at the rate of fifteen (15%) percent of the amount of the tax collected and/or required to be remitted, or as recomputed by the Tax Administrator.

D. For collection purposes only, every penalty imposed and such interest that is accrued under the provisions of this section shall become a part of the tax herein required to be paid.

E. Notwithstanding the foregoing, the Tax Administrator may, in his or her discretion, modify the due dates and/or penalty and interest provisions of this section to be consistent with any uniform standards or procedures that are mutually agreed upon by UUT public agencies, or otherwise legally established, to create a UUT central payment location or mechanism.

3.07.150 Deficiency Determination and Assessment – Tax Application Errors

A. The Tax Administrator shall make a deficiency determination if he or she determines that any person required to pay or collect taxes pursuant to the provisions of this chapter has failed to pay, collect, and/or remit the proper amount of tax by improperly applying or failing to apply the tax to one or more taxable services or charges. Nothing herein shall require that the Tax Administrator institute proceedings under this section if, in the opinion of the Tax Administrator, the cost of collection or enforcement likely outweighs the tax benefit.

B. The Tax Administrator shall mail a notice of such deficiency determination to the person required to pay or remit the tax, which notice shall refer briefly to the amount of the taxes owed, plus interest at the rate of three-quarters (0.75%) percent per month, or any fraction thereof, on the amount of the tax from the date on which the tax should have been received by the City. Within fourteen (14) calendar days after the date of service of such notice, the person may send a request in writing to the Tax Administrator asking for a hearing on the matter.

C. If the person fails to request a hearing within the prescribed time period, the amount of the deficiency determination shall become a final assessment, and shall immediately be due and owing to the City. If the person requests a hearing, the Tax Administrator shall cause the matter to be set for hearing, which shall be scheduled within thirty (30) days after receipt of the written request for hearing. Notice of the time and place of the hearing shall be mailed by the Tax Administrator to such person at least ten (10) calendar days prior to the hearing, and, if the Tax Administrator desires said person to produce specific records at such hearing, such notice may designate the records requested to be produced.

D. At the time fixed for the hearing, the Tax Administrator shall hear all relevant testimony and evidence, including that of any other interested parties. At the discretion of the Tax Administrator, the hearing may be continued from time to time for the purpose of allowing the presentation of additional evidence. Within a reasonable time following the conclusion of the hearing, the Tax Administrator shall issue a final assessment (or nonassessment), thereafter, by confirming, modifying or rejecting the original deficiency determination, and shall mail a copy of such final assessment to person owing the tax. The decision of the Tax Administrator may be appealed pursuant to Section 3.07.210. Filing an application with the Tax Administrator and appeal to the City Manager, or designee, pursuant to Section 3.07.210 is a prerequisite to a suit thereon.

E. Payment of the final assessment shall become delinquent if not received by the Tax Administrator on or before the thirtieth day following the date of receipt of the notice of final assessment. The penalty for delinquency shall be fifteen (15%) percent on the total amount of the assessment, along with interest at the rate of three-quarters (0.75%) percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the date of delinquency, until paid. The applicable statute of limitations regarding a claim by the City seeking payment of a tax assessed under this chapter shall commence from the date of delinquency as provided in this subsection E.

F. All notices under this chapter may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3.07.160 Administrative Remedy – Nonpaying Service Users

A. Whenever the Tax Administrator determines that a service user has deliberately withheld the amount of the tax owed by the service user from the amounts remitted to a person required to collect the tax, or whenever the Tax Administrator deems it in the best interest of the City, he or she may relieve such person of the obligation to collect the taxes due under this section from certain named service users for specific billing periods. Whenever the service user has failed to pay the amount of tax owed for a period of two (2) or more billing periods, the service supplier shall be relieved of the obligation to collect taxes due. The service supplier shall provide the City with the names and addresses of such service users and the amounts of taxes owed under the provisions of this section. Nothing herein shall require that the Tax Administrator institute proceedings under this section if, in the opinion of the Tax Administrator, the cost of collection or enforcement likely outweighs the tax benefit.

B. In addition to the tax owed, the service user shall pay a delinquency penalty at the rate of fifteen (15%) percent of the total tax that is owed, and shall pay interest at the rate of three-quarters (0.75%) percent per month, or any fraction thereof, on the amount of the tax, exclusive of penalties, from the due date, until paid.

C. The Tax Administrator shall notify the nonpaying service user that the Tax Administrator has assumed the responsibility to collect the taxes due for the stated periods and demand payment of such taxes, including penalties and interest. The notice shall be served on the service user by personal delivery or by deposit of the notice in the United States mail, postage prepaid, addressed to the service user at the address to which billing was made by the person required to collect the tax; or, should the service user have a change of address, to his or her last known address.

D. If the service user fails to remit the tax to the Tax Administrator within thirty (30) days from the date of the service of the notice upon him or her, the Tax Administrator may impose an additional penalty of fifteen (15%) percent of the amount of the total tax that is owed.

3.07.170 Actions to Collect

Any tax required to be paid by a service user under the provisions of this chapter shall be deemed a debt owed by the service user to the City. Any such tax collected from a service user which has not been remitted to the Tax Administrator shall be deemed a debt owed to the City by the person required to collect and remit and shall no longer be a debt of the service user. Any person owing money to the City under the provisions of this chapter shall be liable in an action brought in the name of the City for the recovery of such amount, including penalties and interest as provided for in this chapter, along with any collection costs incurred by the City as a result of the person's noncompliance with this chapter, including, but not limited to, reasonable attorney's fees. In the event that a service user or service supplier owing a tax under this chapter files bankruptcy, then such debt to the City shall be deemed an unsecured priority excise tax obligation under 11 U.S.C.A. Section 507(a)(8)(C). Service suppliers who seek to collect charges for service in bankruptcy proceedings shall also include in any such claim the amount of taxes due the City for those services, unless the Tax Administrator determines that such duty is in conflict with any Federal or State law, rule, or regulation or that such action would be administratively impractical.

3.07.180 Additional Powers and Duties of the Tax Administrator

A. The Tax Administrator shall have the power and duty, and is hereby directed, to enforce each and all of the provisions of this chapter.

B. The Tax Administrator may adopt administrative rules and regulations consistent with provisions of this chapter for the purpose of interpreting, clarifying, carrying out and enforcing the payment, collection and remittance of the taxes herein imposed. The administrative ruling shall not impose a new tax, revise an existing tax methodology as stated in this chapter, or increase an existing tax, except as allowed by California Government Code Section 53750(h)(2)-(3). A copy of such administrative rules and regulations shall be on file in the Tax Administrator's office. To the extent that the Tax Administrator determines that the tax imposed under this chapter shall not be collected in full for any period of time from any particular service supplier or service user, that determination shall be considered an exercise of the Tax Administrator's discretion to settle disputes and shall not constitute a change in taxing methodology for purposes of Government Code Section 53750 or otherwise. The Tax Administrator is not authorized to take any action that would result in the utility users' tax being "increased" as that term is defined in Government Code Section 53750.The City does not waive or abrogate its ability to impose the utility users' tax in full as a result of promulgating administrative rulings or entering into agreements.

C. Upon a proper showing of good cause, the Tax Administrator may make administrative agreements, with appropriate conditions, to vary from the strict requirements of this chapter and thereby: (1) conform to the billing procedures of a particular service supplier (or service user subject to Section 3.07.080) so long as said agreements result in the collection of the tax in conformance with the general purpose and scope of this chapter; or (2) to avoid a hardship where the administrative costs of collection and remittance greatly outweigh the tax benefit. A copy of each such agreement shall be on file in the Tax Administrator's office, and are voidable by the Tax Administrator or the City at any time.

D. The Tax Administrator may conduct an audit, to ensure proper compliance with the requirements of this chapter, of any person required to collect and/or remit a tax pursuant to this chapter. The Tax Administrator shall notify said person of the initiation of an audit in writing. In the absence of fraud or other intentional misconduct, the audit period or review shall not exceed a period of three (3) years next preceding the date of receipt of the written notice by said person from the Tax Administrator. Upon completion of the audit, the Tax Administrator may make a deficiency determination pursuant to Section 3.07.150 for all taxes (and applicable penalties and interest) owed and not paid, as evidenced by information provided by such person to the Tax Administrator. If said person is unable or unwilling to provide sufficient records to enable the Tax Administrator to verify compliance with this chapter, the Tax Administrator is authorized to make a reasonable estimate of the deficiency. Said reasonable estimate shall be entitled to a rebuttable presumption of correctness.

E. Upon receipt of a written request of a taxpayer, and for good cause, the Tax Administrator may extend the time for filing any statement required pursuant to this chapter for a period of not to exceed forty-five (45) days; provided, that the time for filing the required statement has not already passed when the request is received. No penalty for delinquent payment shall accrue by reason of such extension. Interest shall accrue during said extension at the rate of three-quarters (0.75%) percent per month, prorated for any portion thereof.

F. The Tax Administrator shall determine the eligibility of any person who asserts a right to exemption from, or a refund of, the tax imposed by this chapter.

G. The Tax Administrator, with the written approval of the City Attorney, may compromise a claim pursuant to this chapter where the portion of the claim proposed to be released is equal to or less than Four Thousand Nine Hundred Ninety-Nine and no/100ths ($4,999.00) Dollars; and, with the approval of the City Attorney and the City Council, may compromise such a claim where the portion proposed to be released is greater than Four Thousand Nine Hundred Ninety-Nine and no/100ths ($4,999.00) Dollars.

H. Notwithstanding any provision in this chapter to the contrary, the Tax Administrator may waive any penalty or interest imposed upon a person required to collect and/or remit for failure to collect the tax imposed by this chapter if, in the opinion of the Tax Administrator, the noncollection occurred in good faith. In determining whether the noncollection was in good faith, the Tax Administrator may take into consideration the uniqueness of the product or service, industry practice or other precedence, or whether the person offers to voluntarily disclose its tax liability. To encourage voluntary full disclosure and on-going cooperation on tax collection and remittance, the Tax Administrator, and its agents, may enter into agreements with the tax-collecting service providers and grant prospective only effect on any changes regarding the taxation of services or charges that were previously deemed by the service provider, in good faith and without gross negligence, to be nontaxable. In determining whether the noncollection was in good faith and without gross negligence, the Tax Administrator may take into consideration the uniqueness of the product or service, industry practice or other precedence, and whether the disclosure was voluntarily made by the service provider or its agent.

3.07.190 Records

A. It shall be the duty of every person required to collect and/or remit to the City any tax imposed by this chapter to keep and preserve, for a period of at least three (3) years, all records as may be necessary to determine the amount of such tax that such person may have been liable for the collection of and remittance to the Tax Administrator, which records the Tax Administrator shall have the right to inspect at a reasonable time.

B. The Tax Administrator may issue an administrative subpoena to compel a person to deliver, to the Tax Administrator, copies of all records deemed necessary by the Tax Administrator to establish compliance with this chapter, including the delivery of records in a common electronic format on readily available media if such records are kept electronically by the person in the usual and ordinary course of business. As an alternative to delivering the subpoenaed records to the Tax Administrator on or before the due date provided in the administrative subpoena, such person may provide access to such records outside the City on or before the due date; provided, that such person shall reimburse the City for all reasonable travel expenses incurred by the City to inspect those records, including travel, lodging, meals, and other similar expenses, but excluding the normal salary or hourly wages of those persons designated by the City to conduct the inspection.

C. The Tax Administrator is authorized to execute a nondisclosure agreement approved by the City Attorney to protect the confidentiality of customer information pursuant to California Revenue and Tax Code Sections 7284.6 and 7284.7. The Tax Administrator may request from a person providing transportation or distribution services of gas or electricity to service users within the City, a list of the names, billing and service addresses, quantities of gas or electricity delivered, and other pertinent information, of its transportation customers within the City pursuant to Section 6354(e) of the California Public Utilities Code.

D. If a service supplier uses a billing agent or billing aggregator to bill, collect, and/or remit the tax, the service supplier shall: (1) provide to the Tax Administrator the name, address and telephone number of each billing agent and billing aggregator currently authorized by the service supplier to bill, collect, and/or remit the tax to the City; and (2) upon request of the Tax Administrator, deliver, or effect the delivery of, any information or records in the possession of such billing agent or billing aggregator that, in the opinion of the Tax Administrator, is necessary to verify the proper application, calculation, collection and/or remittance of such tax to the City.

E. If any person subject to record-keeping under this chapter unreasonably denies the Tax Administrator, or the Tax Administrator's designated representative, access to such records, or fails to produce the information requested in an administrative subpoena within the time specified, the Tax Administrator may impose a penalty of Five Hundred and no/100ths ($500.00) Dollars on such person for each day following: (1) the initial date that the person refuses to provide such access; or (2) the due date for production of records as set forth in the administrative subpoena. This penalty shall be in addition to any other penalty imposed under this chapter.

3.07.200 Refunds/Credits

Whenever the amount of any tax has been overpaid or paid more than once or has been erroneously or illegally collected or received by the Tax Administrator under this chapter, it may be refunded or credited as provided in this section:

A. The Tax Administrator may refund any tax that has been overpaid or paid more than once or has been erroneously or illegally collected or received by the Tax Administrator under this chapter; provided, that no refund shall be paid under the provisions of this section unless the claimant or his or her guardian, conservator, executor, or administrator has submitted a written claim to the Tax Administrator within one (1) year of the overpayment or erroneous or illegal collection of said tax. Such claim must clearly establish claimant's right to the refund by written records showing entitlement thereto. To the extent allowed by law, nothing herein shall permit the filing of a claim on behalf of a class or group of taxpayers unless each member of the class has submitted a written claim under penalty of perjury as provided by this section.

B. The submission of a written claim, which is acted upon by the City Council, shall be a prerequisite to a suit thereon. (See Section 935 of the California Government Code). The Tax Administrator, or the City Council where the claim is in excess of Four Thousand Nine Hundred Ninety-Five and no/100ths ($4,995.00) Dollars, shall act upon the refund claim within the time period set forth in Government Code Section 912.4. If the City Council fails or refuses to act on a refund claim within the time prescribed by Government Code Section 912.4, the claim shall be deemed to have been rejected by the City Council on the last day of the period within which the City Council was required to act upon the claim as provided in Government Code Section 912.4. The Tax Administrator shall give notice of the action in a form that substantially complies with that set forth in Government Code Section 913.

C. Notwithstanding the notice provisions of subsection A of this section, the Tax Administrator may, at his or her discretion, give written permission to a service supplier, who has collected and remitted any amount of tax in excess of the amount of tax imposed by this chapter, to claim credit for such overpayment against the amount of tax which is due the City upon a subsequent monthly return(s) to the Tax Administrator; provided, that, prior to taking such credit by the service supplier: (1) such credit is claimed in a return dated no later than one (1) year from the date of overpayment or erroneous collection of said tax; (2) the Tax Administrator is satisfied that the underlying basis and amount of such credit has been reasonably established; and (3) in the case of an overpayment by a service user to the service supplier that has been remitted to the City, the Tax Administrator has received proof, to his or her satisfaction, that the overpayment has been refunded by the service supplier to the service user in an amount equal to the requested credit.

3.07.210 Appeals

A. The provisions of this section apply to any decision (other than a decision relating to a refund pursuant to Section 3.07.200), deficiency determination, assessment, or administrative ruling of the Tax Administrator. Any person aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3.07.200), deficiency determination, assessment, or administrative ruling of the Tax Administrator, shall be required to comply with the appeals procedure of this section. Compliance with this section shall be a prerequisite to a suit thereon. (See Government Code Section 935(b)). To the extent allowed by law, nothing herein shall permit the filing of a claim or action on behalf of a class or group of taxpayers.

B. If any person is aggrieved by any decision (other than a decision relating to a refund pursuant to Section 3.07.200), deficiency determination, assessment, or administrative ruling of the Tax Administrator; he or she may appeal to the City Manager by filing a notice of appeal with the City Clerk within fourteen (14) days of the date of the decision, deficiency determination, assessment, or administrative ruling of the Tax Administrator which aggrieved the service user or service supplier.

C. The matter shall be scheduled for hearing before an independent hearing officer selected by the City Manager, or designee, no more than thirty (30) days from the receipt of the appeal. The appellant shall be served with notice of the time and place of the hearing, as well as any relevant materials, at least five (5) calendar days prior to the hearing. The hearing may be continued from time to time upon mutual consent. At the time of the hearing, the appealing party, the Tax Administrator, the City Manager, and any other interested person may present such relevant evidence as he or she may have relating to the determination from which the appeal is taken.

D. Based upon the submission of such evidence and the review of the City's files, the City Manager shall issue a written notice and order upholding, modifying or reversing the determination from which the appeal is taken. The notice shall be given within fourteen (14) days after the conclusion of the hearing and shall state the reasons for the decision. The notice shall specify that the decision is final and that any petition for judicial review shall be filed within ninety (90) days from the date of the decision in accordance with Code of Civil Procedure Section 1094.6.

E. All notices under this section may be sent by regular mail, postage prepaid, and shall be deemed received on the third calendar day following the date of mailing, as established by a proof of mailing.

3.07.220 No Injunction/Writ of Mandate

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action, or proceeding in any court against this City or against any officer of the City to prevent or enjoin the collection under this chapter of any tax or any amount of tax required to be collected and/or remitted.

3.07.230 Remedies Cumulative

All remedies and penalties prescribed by this chapter or Title 1, or which are available under any other provision of law or equity, including but not limited to the California False Claims Act (Government Code Section 12650 et seq.) and the California Unfair Practices Act (Business and Professions Code Section 17070 et seq.), are cumulative. The use of one (1) or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this section.

3.07.240 Notice of Changes to Ordinance

If a tax under this chapter is added, repealed, increased, reduced, or the tax base is changed, the Tax Administrator shall follow the notice requirements of Public Utilities Code Section 799.

3.07.250 Future Amendment to Cited Statute

Unless specifically provided otherwise, any reference to a State or Federal statute in this chapter shall mean such statute as it may be amended from time to time. To the extent that the City's authorization to collect or impose any tax imposed under this chapter is expanded or limited as a result of an amendment or new enactment of a State or Federal law, no amendment or modification of this chapter shall be required to conform the tax to those changes, and the tax shall be imposed and collected to the full extent of the authorization up to the full amount of the tax imposed under this chapter.

3.07.260 Annual Rate Review and Independent Audit of Tax Collection, Exemption, Remittance and Expenditure

The City shall annually verify that the taxes owed under this section have been properly applied, exempted, collected, and remitted in accordance with this section, and properly expended according to applicable municipal law. The annual verification shall be performed by a qualified independent third party and the review shall employ reasonable, cost-effective steps to assure compliance, including the use of sampling audits. The verification shall not be required of tax remitters where the cost of the verification may exceed the tax revenues to be reviewed.

3.07.270 No Increase in Tax Percentage or Change in Methodology without Voter Approval – Amendment or Repeal

This chapter may be repealed or amended by the City Council without a vote of the people. However, as required by Article XIIIC of the California Constitution, voter approval is required for any amendment provision that would increase the rate of any tax levied pursuant to this chapter; provided, however, the following actions shall not constitute an increase of the rate of a tax:

A. The restoration of the rate of the tax to a rate that is no higher than that set by this chapter, if the City Council has acted to reduce the rate of the tax;

B. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as such interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this chapter;

C. The establishment a class of persons that is exempt or excepted from the tax or the discontinuation of any such exemption or exception (other than the discontinuation of an exemption or exception specifically set forth in this chapter); and

D. The collection of the tax imposed by this chapter, even if the City had, for some period of time, failed to collect the tax.

Section 2. Expenditure of Revenues

The revenues from the tax imposed by this Ordinance shall be spent for unrestricted general revenue purposes of the City. All funds shall be spent locally. Nothing herein shall bind the City to use the proceeds for any specific purpose or function.

Section 3. Fiscal Accountability Provisions

The annual revenue generated by the tax imposed by this Ordinance and how it is used shall be included in the annual audit of the City 's financial operations by an independent certified public accountant. The results of the audit related to this Ordinance shall be reported to the City Council and made publicly available.

Section 4. Termination Date

The authority to levy the tax imposed by this Ordinance shall extend until ended by the voters.

Section 5. Effective Date

This Ordinance relates to the levying and collecting of a Utility Users' Tax and shall take effect immediately.

Section 6. Publication

The City Clerk is directed to cause this Ordinance to be published in the manner required by Council resolution.

***

This Ordinance was approved and adopted by a majority vote of the People of the City of Marina at the municipal election consolidated with the November 3, 2026, statewide election.

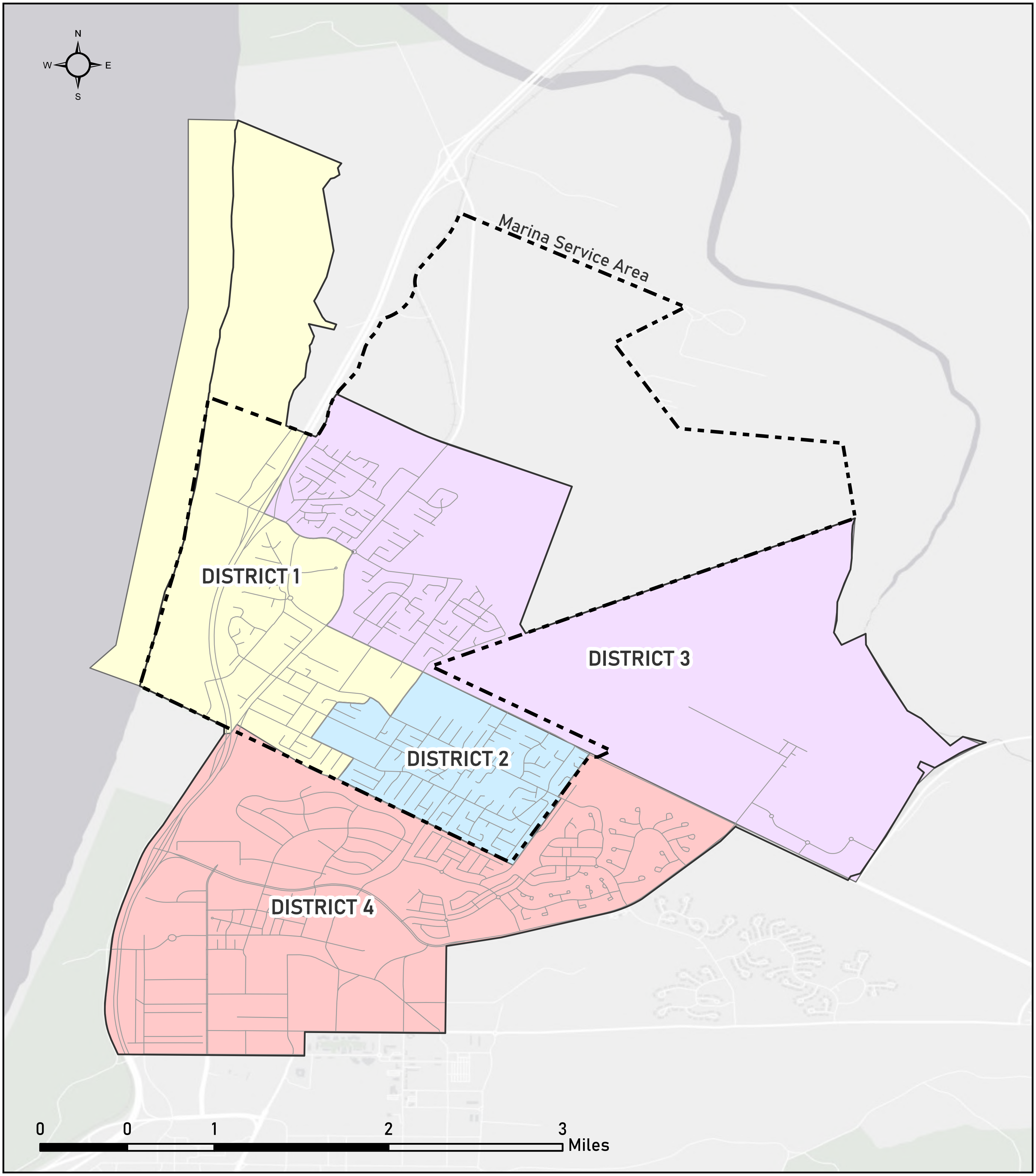
APPROVED:

____
Bruce C. Delgado, Mayor

ATTEST:

____
Anita Sharp, Deputy City Clerk

2089029.5



Legend

Marina Service Area
City of Marina
Roads

Council Boundaries
District 1
District 2
District 3
District 4

CITY OF MARINA
COUNCIL BOUNDARIES

MARINA COAST WATER DISTRICT

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A **Meeting Date:** September 21, 2026

Prepared By: Mary Lagasca, CPA **Approved By:** Remleh Scherzinger, PE

Agenda Title: Adopt Resolution No. 2026-57 to Approve the Establishment of Annual Fats, Oil, and Grease Program Fees of $258 per Affected Account

Staff Recommendation: Adopt Resolution No. 2026-57 to approve the proposed Fats, Oil, and Grease (FOG) fee based on the cost-of-service analysis prepared by Hilderbrand Consulting.

Background: *Strategic Plan, Objective No. 3.2 Finances are well managed to provide adequate revenue and avoid volatile rates.*

In November 2025, the Board adopted Ordinance No. 65, amending Title 5, Chapter 5.20 to establish updated standards and requirements for the reduction of fats, oil and grease in the District's sewer system.

Chapter 5.20.062 of the District code requires any food service establishment with a grease trap or grease interceptor to pay a compliance fee to the district as established by resolution. All such fees shall be sufficient to cover the costs of a services required for the inspection and documentation of grease hauling and maintenance activities.

As part of implementing the updated FOG requirements, District staff evaluated the costs associated with administering the program, including inspections, compliance activities, customer coordination and other related administrative activities.

The District engaged Hilderbrand Consulting to develop a proposed FOG fee based on the estimated cost of providing the service.

Discussion/Analysis: The proposed FOG fee is intended to recover the District's costs of operating and overseeing the FOG program. The cost analysis includes staff time for inspections, account administration, customer service, compliance activities, and program oversight as well as vehicle use, software and other related operating costs.

Based on the estimated costs, the annual cost to MCWD in administering the FOG program is approximately $27,126. The FOG program covers an estimated 105 affected accounts, therefore the reasonable cost is approximately $258 per account annually. The proposed fee would be billed annually to affected customers. Because the implementation of the FOG program fee is regulatory, it is not subject to the procedural requirements of Proposition 218.

Establishing a FOG fee will allow the District to recover these costs from customers who are subject to the FOG requirements. The FOG program also helps protect the District's sewer system by reducing the potential for grease related blockages and other impacts that can lead to additional maintenance and repair costs. A dedicated fee will provide a consistent funding source to support the program and its ongoing requirements.

The estimated annual cost of the FOG program is summarized below:

Cost Category	Est. Annual Cost	
Staff Time	$	17,905
Software	$	5,513
Vehicle	$	3,708
Total Annual Cost	**$**	**27,126**

Identified no. FOG Accounts		**105**
Est. Cost per Account	**$**	**258**

Environmental Review Compliance: None required.

Legal Counsel Review: Legal Counsel has reviewed this transmittal.

Climate Adaptation: Not applicable.

Financial Impact: __X__Yes ______No **Funding Source/Recap:** Marina Sewer and Ord Sewer.

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2026-57; and, Hilderbrand Consulting FOG Fee Study.

Action Required: __X___Resolution _______Motion _______Review

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Board Action

Motion By______________ Seconded By________________ No Action Taken______________

Ayes________________________________ Abstained____________________________

Noes__________________________ Absent______________________________

September 21, 2026

Resolution No. 2026-57
Resolution of the Board of Directors
Marina Coast Water District
Approving the Establishment of Annual Fats, Oil, and Grease Program Fee
of $258 per Affected Account

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("MCWD" or "District") at a regular meeting duly called and held on September 21, 2026, at 920 Second Avenue, Marina, California as follows:

WHEREAS, in November 2025, the Board of Directors adopted Ordinance No. 65, amending Title 5, Chapter 5.20 of the District code to establish updated standards and requirements for the reduction of fats, oil and grease in the District sewer system; and,

WHEREAS, implementation of the updated FOG requirements requires ongoing District resources, including inspections, account administration, customer service, compliance activities, and program oversight; and,

WHEREAS, the District engaged Hilderbrand Consulting to develop a proposed FOG fee based on the estimated cost of providing the service; and,

WHEREAS, the cost analysis estimates the annual cost to MCWD in administrating the FOG program is approximately $27,126, resulting in an estimated cost of $258 per affected account (estimated at 105) annually; and,

WHEREAS, the proposed FOG fee is intended to recover the District's costs of operating and overseeing the FOG program and will be assessed and billed annually to affected accounts; and,

WHEREAS, establishing a dedicated FOG fee will provide a consistent funding source to support the program and its ongoing requirements; and,

WHEREAS, because the implementation of the FOG program fee is regulatory, it is not a fee or charge for service subject to the procedural requirements of Proposition 218; and,

WHEREAS, based on the foregoing, the proposed FOG fee does not exceed MCWD's estimated reasonable cost of administering the FOG program; and,

WHEREAS, the FOG program supports the protection of the District's sewer system by helping reduce the potential for FOG related blockages, backups, and other impacts to District infrastructure.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby:

1. adopt Resolution No. 2026-57 to Approve the Establishment of Annual Fats, Oil, and Grease Program Fee of $258 per Affected Account.

2. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on September 21, 2026, 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____

____
Gail Morton, President

ATTEST:

____
Remleh Scherzinger, 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. 2026-57 adopted September 21, 2026.

____
Remleh Scherzinger, Secretary

September 9, 2026

Mary Lagasca, Director of Administrative Services
Marina Coast Water District
920 2nd Avenue Suite A
Marina, CA 93933

Subject: **2026 FOG Fee Study**

Ms. Lagasca,

In early 2026, the Marina Coast Water District (District) engaged Hildebrand Consulting to conduct a study to calculate reasonable and equitable fees for District services associated with administering the Fat, Oils and Grease (FOG) program. This program requires periodic inspections as well as program administration. It is common industry practice to ensure that the accounts that require these inspections should pay for the costs of the program through annual fees.

This report describes in detail the assumptions, procedures, and results of the Study, including conclusions and recommended fees.

Legal Requirements

Local government entities in California (such as special districts in the cast of Marina Coast Water District) are authorized by the State Constitution to impose user fees for services. Under the framework of Article XIIIC, Section 1 a fee may not exceed the estimated reasonable cost of providing the service or performing the activity. For a fee to qualify as such, it must relate to a service or activity under the control of the individual/entity on which the fee is imposed. For example, the individual/entity requests service of the local government or his or her actions specifically cause the local government to perform additional activities. In this manner, the service or the underlying action causing the local government to perform service is either discretionary and/or is subject to regulation. As a discretionary service or regulatory activity, the user fees considered in this study fall outside requirements for imposition of taxes, special taxes, or fees imposed as incidences of property ownership.

Methodology

The calculation of the FOG fees based on the following steps:

1) Identify the personnel involved in directly administering and supporting the FOG program
2) Survey the applicable staff member to quantify the amount of time spent supporting the FOG program
3) Multiply the amount of time spent by each respective employee by their fully burdened hourly rate
4) Identify any additional costs associated with administering the program (in this case software program costs and vehicle costs)
5) Quantify the number of services/accounts associated with each program
6) Allocate the total costs among the accounts

As a special district, Marina Coast provides both external-facing services (water services, wastewater services, etc.) as well as internal-facing ("overhead") services to its own departments (for example information technology support and human resources). The "fully burdened" hourly rates used in this study captures both the direct costs of personnel employment (salaries and benefits) as well as the overhead costs associated with supporting those employees.

Data

In performing this study, the District provided the following documents:

- List of 2026 fully burdened hourly rates by employee classification ("*OPM Salary Benefit Rate 2026_01_08 v2*"). The listed burdened hourly rates by position are as follows:
    - System Operator II - $118 per hour
    - Billing/Customer Service - $73 per hour
- District Ordinance No. 65 – FOG
- Survey of employee time spent on FOG Program activities ("*FOG and BF Survey MCWD 04-07-26*")

FOG PROGRAM

A FOG (Fats, Oils, and Grease) wastewater program is designed to prevent cooking byproducts from entering sewer systems. Its primary purpose is to protect public health and the environment by stopping costly pipe blockages, raw sewage backups in buildings, and untreated wastewater overflows into local waterways. Participation in the FOG program is required for all businesses that regularly discharge fats, oils, and/or greases. This participation involves installing approved equipment (typically some form of engineered grease control device), adhering to standard kitchen best management practices (BMPs), and maintaining record keeping of the above (including staff training as applicable).

FOG Fee Calculation

The cost of the FOG program is primarily driven by staff time as well as vehicle and software costs.

Staff Time

While the success of the FOG program largely depends on the participants adhering to the District's requirement, the accounts need to be managed and inspected by the District. Each account is visited twice per year by a System Operator II. It is estimated that the System Operator II spends approximately 3 minutes per account per year in processing paperwork and spends approximately 30 minutes for each inspection (including driving time), for a total of 63 minutes per year per account (a cost of $124, rounded). It is estimated that customer service staff spend approximately 10 minutes per account per year processing billing, receiving payments, managing account information and fielding phone call inquiries (a cost of $12). In addition, the District's O&M Manager spends about 20 hours per year overseeing the FOG program as a whole. Currently, the District has 105 FOG accounts, which equate to about 11 minutes of the O&M Manager's time per account per year (a cost of $32).

Vehicle Time

As described above, each site visit takes about 30 minutes which means that each site visit requires 30 minutes of District vehicle time. Caltrans' published rates for service vehicles is $34.98 as of April 2026. Each account requires two site visits, therefore the cost to the District is $35.

Software Costs

The FOG program is supported by specialized software which currently has an annual subscription cost of $11,026. This software is shared with the backflow prevention program therefore the annual software cost for FOG is $5,513, which is divided among the 105 accounts ($53 per account).

FOG Fee Calculation

This study recommends a simple fixed annual fee structure for the FOG program. The total costs described above amount to $26,973. When divided by the 105 current FOG accounts, **this equals an annual fee of $256 per account** (rounded down).

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Hildebrand Consulting appreciates the opportunity to be of service to you and to the District. Please let me know if you would like to discuss any aspect of this peer review in greater detail.

Sincerely,

Mark Hildebrand
Hildebrand Consulting, LLC

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B **Meeting Date:** September 21, 2026

Prepared By: Mary Lagasca, CPA **Approved By:** Remleh Scherzinger, PE

Agenda Title: Review the Marina Coast Water District FY 2025-2026 Preliminary Unaudited Year End Financial

Staff Recommendation: Receive the Marina Coast Water District Preliminary Unaudited Year End Report for FY 2025-2026.

Background: *Strategic Plan, Objective 3.3 – The Board receives understandable, timely, and up-to-date financial reports on an approved schedule.*

The Board adopted the FY 2025-26 budget on May 18, 2026, which served as the financial plan for District revenues, expenditures and capital improvement projects during the fiscal year. The fiscal year ended June 30, 2026, and staff has completed the year-end closing process and prepared the unaudited financial report for Board's review.

Discussion/Analysis: The Preliminary Year End Report for FY 2025-2006 reflects the consolidated financial activity of the District through June 30, 2026, and compares the activity with the approved budget, including year over year comparison with previous fiscal years. The District accrues expenses to Fiscal Year 2025-2026, if the goods were received or services were rendered as of June 30, 2026.

Please note that this is a preliminary report. The audit is still ongoing and is expected to be concluded in the next month. Staff does not anticipate any significant changes or adjustments, however, updates to the presentation of the data may be needed to reflect new accounting pronouncements for the fiscal year.

Operating Revenue

The District collected $29.4 million in Operating Revenue, representing 5% increase over budgeted amount and a 15% increase compared to the $25.6 million collected in FY 2024-2025.

Key contributors to this increase include:

- Increased number of customers and developments
- Rate adjustments, based on the 2024 approved rate study
- CPI adjustments to other fees and charges

Recycled water revenue collections reached 85% of budget and increased 9% from the prior year. There were 23 new connections from April through June, with an additional 26 new accounts added in July, indicating continued growth in recycled water customers.

Non-Operating Revenue

Non-Operating Revenue totaled 26.8 million representing 26% increase over budgeted amount

Key highlights include:

- Interest earnings continued to perform well, reaching 31% pver budgeted amount
- Approximately $3.8 million in grant revenue was received to support GSA funded activities
- Capacity fee revenue reached 97% of budget
- $5.4 million in donated assets were recognized from developers for water and sewer infrastructure:
    - $4.1 million – Marina Station Phase 1 & 2
    - $935k – Sea Haven Phase 4b
    - $331k – Lightfighter Village

Total revenue of $56.1 million, including operating and non-operating revenues, exceeded budget at 14% of the annual budget and 16% increased compared to the prior fiscal year.

Operating Expenses & Capital Outlay

Salaries & Benefits increased 9% compared to the prior year, primarily due to:

- Higher health insurance cost
- OPEB & pension expense increased 39% primarily due to changes in actuarial valuation
- 2.7% salary increase per MOU, effective date July 1, 2025

Department Operating Expenses increased 9% compared to the prior year and reached 95% of budget.

Key factors included:

- Legal fees increased 70% from prior year due to active litigation
- Bond interest expense totaled $2.1 million
- Depreciation expense totaled $3.6 million
- Facilities & Operation expenses increased 20% from prior year
    - Real property maintenance – included a non-recurring expense for IOP exterior painting
- Telemetry System increased 65%, primarily due to HMI security updates, communication system updates and configuration, and troubleshooting reconfiguration of totalizer displays at Wells 29, 30, and 31.

Capital Improvement Projects

The District invested $17.6 million in capital improvement projects during the fiscal year to support water and sewer infrastructure, system improvements, and capacity related projects.

Funding sources for the capital program included:

- $9.3 million of capital replacement projects were funded through 2024 Bond and operating reserves
- $5.7 million funded through capacity fees to support expansion and growth-related projects

- $2 million in grant funding received to support the Monitoring Well Project

Investments

The District's investment portfolio continued to perform well and increased over the prior fiscal years:

Fiscal Year	Investments
2025-26	$53.1 million
2024-25	$46.8 million
2023-24	$41.6 million
2022-23	$31.8 million

Overall Summary – Revenues & Expenses

The District ended the fiscal year with $56.1 million in total revenues and $51.5 million in total expenses, resulting in a transfer of $4.6 million to reserves.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: ______Yes ___X___No **Funding Source/Recap:** None

Material Included for Information/Consideration: Preliminary Year End Report for FY 2025-2026.

Action Required: ______Resolution _______Motion ___X___Review

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Board Action

Motion By___________ Seconded By___________ No Action Taken_________________

Ayes_________________________________ Abstained_____________________________

Noes___________________________ Absent________________________________

Table 1
FY2025-2026 Year End Financials - Unaudited
Financial Summary - Revenues and Expenses by Fund

Ref	Revenue Type	Marina Water	Marina Sewer	Ord Water	Ord Sewer	Recycled Water	GSA	Total
1	Water Sales	6,208,802	-	12,871,085	-	-	-	19,079,887
2	Sewer Sales	-	1,998,852	-	4,690,021	-	-	6,688,873
3	Recycled Water Sales	-	-	-	-	1,501,617	-	1,501,617
4	Developer Revenue	99,271	99,103	319,682	296,785	2,054	-	816,895
5	Other Fees & Charges	326,273	21,595	892,685	23,884	-	-	1,264,437
6	Capacity Charge	427,695	110,821	4,319,991	1,010,924	-	-	5,869,431
7	Interest Revenue	278,425	401,337	942,420	596,176	294,560	41,108	2,554,026
8	Grant Revenue	4,269	762	8,385	1,677	152	3,842,966	3,858,211
9	Bond Proceeds	1,449,486	2,369,819	3,042,464	-	-	-	6,861,769
10	Other Revenue	210,698	59,359	488,387	129,840	47,416	1,454	937,154
11	Water Source Fees	-	-	-	-	-	1,173,049	1,173,049
12	RW - Interfund Loan Interest	-	-	-	108,823	-	-	108,823
13	Donated Assets	2,512,850	1,546,570	842,720	422,520	73,200	-	5,397,860
	Total Revenues	**11,517,769**	**6,608,218**	**23,727,819**	**7,280,650**	**1,918,999**	**5,058,577**	**56,112,032.00**

Ref	Expense Type	Marina Water	Marina Sewer	Ord Water	Ord Sewer	Recycled Water	GSA	Total
1	Salaries & Benefits	2,861,773	813,303	5,205,384	1,329,379	53,576	549	10,263,964
2	Department Expenses	3,853,262	569,513	8,465,979	1,762,863	2,045,912	2,200,077	18,897,606
3	Capital Improvement Projects	2,253,268	2,510,717	6,957,508	2,658,612	662,196	2,590,342	17,632,643
4	Capital Equipment	107,264	19,154	225,602	42,139	3,832	-	397,991
5	Principal Debt Service	209,049	95,007	617,581	305,274	537,753	-	1,764,664
6	Interest Expense	396,605	270,965	1,076,536	349,985	471,257	-	2,565,348
7	Net Transfer	-	-	-	-	-	-	-
	Total Expenses	**9,681,221**	**4,278,659**	**22,548,590**	**6,448,252**	**3,774,526**	**4,790,968**	**51,522,216**
	Net Revenue	**1,836,548**	**2,329,559**	**1,179,229**	**832,398**	**(1,855,527)**	**267,609**	**4,589,816**

Table 2
FY2025-2026 Year End Financials - Unaudited
Revenue Budget and Historical Actuals

Ref	Revenue Type	FY2026 Budget	FY2026 Actuals	Collected (%)	% Change from PY	Comments	FY2025 Actuals	FY2024 Actuals
Operating Revenues								
1	Water Sales	17,915,400	19,079,887	106%	18% ↑	Rate Increase: Marina 20%, Ord 10%	16,207,094.00	13,979,675.00
2	Sewer Sales	6,708,000	6,688,873	100%	12% ↑	Rate Increase: Marina 15%, Ord 4%	5,950,416.00	5,580,361.00
3	Recycled Water Sales	1,757,000	1,501,617	85%	9% ↑	Rate Increase: 5%	1,378,882.00	1,166,103.00
4	Developer Revenue	702,000	816,896	116%	-5% ↓	Matching developer expense; related to new dev	861,615.00	864,307.00
5	Other Fees & Charges	917,200	1,264,436	138%	8% ↑	Backflow,private fire, meter fees, permit fees.	1,170,246.00	1,035,189.00
Total Operating Revenues		**27,999,600**	**29,351,709**	**105%**	**15% ↑**		**25,568,253.00**	**22,625,635.00**

Ref	Revenue Type	FY2026 Budget	FY2026 Actuals	Collected (%)	% Change from PY	Comments	FY2025 Actuals	FY2024 Actuals
Non-Operating Revenues								
6	Capacity Charge	6,069,800	5,869,431	97%	-18% ↓	New connections - water & sewer	7,196,113	6,227,169
7	Interest Revenue	1,951,000	2,554,026	131%	2% ↑	Interest earnings	2,506,610	1,727,373
8	Grant Revenue	3,714,170	3,858,212	104%	140% ↑	GSA Grants	1,608,133	772,853
9	Bond Proceeds	7,481,000	6,861,769	92%	84% ↑	2024 Bonds used for Capital projects	3,719,265	3,914,053
10	Other Revenue	787,589	937,153	119%	26% ↑	Lease/rental, gain/loss on assets & deferred revenue	744,235	459,781
11	Water Source Fees	1,093,522	1,173,049	107%	6% ↑	GSA Revenue	1,110,660	874,969
12	RW - Interfund Loan Interest	109,000	108,823	100%	-5% ↓	Internal loan between ord sewer and recycled water	114,000	-
13	Donated Assets *	-	5,397,860	0%	-5% ↓	Donated assets from developers - non cash	5,652,940	-
Total Non-Operating Revenues		**21,206,081**	**26,760,323**	**126%**	**18% ↑**		**22,651,956**	**13,976,198**
Total Revenues		**49,205,681**	**56,112,032**	**114%**	**16% ↑**		**48,220,209**	**36,601,833**

FY2026 Donated Assets Revenue Breakdown:
$331K Water and Sewer infrastructure - Lightfighter Village development project. (Ord jurisdiction)
$935K Water and Sewer infrastructure - Sea Haven Phase 4b development project (Ord jurisdiction)
$4.1M Water and Sewer infrastructure - Marina Station Phase 1 & 2 (Marina Jurisdiction)

FY2025 Donated Assets Revenue Breakdown:
$3.1M Water and Sewer infrastructure - The Dunes Phase 2 East development project (Ord jurisdiction)
$2.6M Water and Sewer infrastructure - Sea Haven Phase 4A development project (Ord jurisdiction)

Table 3
FY2025-2026 Year End Financials - Unaudited
Personnel Budget and Historical Actuals

Ref	Expense Type	FY2026 Budget	FY2026 Actuals	% Spent	% Change from PY		Comments	FY2025 Actuals	FY2024 Actuals
1	Wages	7,307,564	6,766,986	93%	6%	↑	FY26 Salary savings (Apr-June)	6,406,604	5,502,555
2	Wages - CIP	(550,000)	(387,488)	70%	3%	↑	Staff time for CIP related projects	(375,771)	(146,485)
3	Overtime	78,549	28,006	36%	42%	↑		19,673	22,034
4	Health Insurance	1,230,302	1,281,849	104%	19%	↑	Historically been increasing	1,073,550	892,200
5	District/Employer Payroll Taxes	544,837	587,642	108%	26%	↑	Payroll tax correction - $85k	466,434	397,064
6	CalPERS Retirement - EE & ER	1,417,426	1,281,398	90%	4%	↑		1,228,442	1,014,767
7	Other Benefits	48,802	37,059	76%	-23%	↓	Clothing allowance, tuition reimbursement, car and cell allowance	47,940	36,712
8	Workers Comp Ins, Life Ins and Dis	190,914	125,856	66%	8%	↑		116,304	111,292
9	OPEB & Pension Expense	450,000	426,812	95%	39%	↑	Increased due to changes in actuarial valuation	307,003	452,127
10	Deferred Compensation - 457	130,502	109,194	84%	7%	↑		102,206	106,363
11	Board Compensation	10,000	6,650	67%	4%	↑		6,400	7,950
	Total	**10,858,896**	**10,263,964**	**95%**	**9%**	↑		**9,398,785**	**8,396,579**

Table 4
FY2025-2026 Year End Financials - Unaudited
Department Budget and Historical Actuals

Ref	Expense Type	FY2026 Budget	FY2026 Actuals	% Spent	% Change from PY	Comments	FY2025 Actuals	FY2024 Actuals
1	Education & Training	195,404	141,860	73%	59% ↑		89,486	116,397
2	Finance & Administrative *	6,965,558	6,550,680	94%	-19% ↓	See below for notes	8,131,583	5,493,221
3	Insurance & Taxes	408,825	349,573	86%	-5% ↓		367,275	309,363
4	Office Supplies & Services	256,405	216,361	84%	21% ↑		178,711	160,505
5	Professional Services	2,548,659	1,728,686	68%	8% ↑		1,599,012	1,703,206
6	Legal Fees	2,792,404	3,804,849	136%	170% ↑		1,409,755	3,483,423
7	Rebate Programs	52,685	13,600	26%	-55% ↓		29,963	68,341
8	Developer Expense (Reimbursable)	854,200	784,427	92%	-4% ↓	Matching developer revenue	814,125	753,450
9	Marketing & Outreach	41,635	27,749	67%	76% ↑		15,771	25,400
10	Computer & Software Expense	352,265	275,135	78%	-13% ↓		317,178	301,574
11	Facilities & Operations	1,580,385	1,320,030	84%	20% ↑		1,103,338	1,024,974
12	Testing & Compliance	243,226	213,788	88%	-7% ↓	Regulatory fees and permits	229,658	161,255
13	Utilities	2,684,107	2,600,152	97%	-1% ↓		2,619,390	2,209,857
14	BLM & IOP Expense	140,000	147,242	105%	16% ↑		127,038	129,008
15	Corral De Tierra GSP	-	-	0%	0% ↑		-	261,723
16	M1W Cost Share	1,750,000	1,182,974	68%	48% ↑		801,409	1,275,182
17	RW - Interfund loan	109,000	108,823	100%	-5% ↓		114,000	-
18	Meters	292,600	135,400	46%	8% ↑		125,348	166,639
19	CSUMB RW Agreement	-	-	0%	0% ↑		-	843,395
20	Grant Related - Expenses	1,272,089	1,861,623	146%	18% ↑	Matching Grant Revenue	1,573,092	
	Total	**22,539,447**	**21,462,952**	**95%**	**9%** ↑		**19,646,132**	**18,486,913**

Notes:

Finance & Administrative includes interest expense, bond fees, lease/subscription amortization, phone/internet services, etc.

- $2.1M Bond Interest Expense
- $3.6M Depreciation Expense

Table 5
FY2025-2026 Year End Financials - Unaudited
Vehicles & Cap Equipment

Category	FY2026 Budget	FY2026 Actuals	Remaining Balance	% Spent
Vehicles	300,000	288,511	11,489	96%
Equipment	114,905	109,480	5,425	95%
Total	**414,905**	**397,991**	**16,914**	**96%**

List of Equipments & Vehicles	
Qty.	**Item**
6	2025 F150
1	2025 Ford Escape
1	Air Compressor

Table 6
FY2025-2026 Year End Financials - Unaudited
Capital Improvement Projects

CIP No.	Project Name	FY2026 Budget	FY2026 Actuals	Remaining Balance	% Spent
GA-2402	INSTALL MONITORING WEL	3,382,668	2,415,196	967,472	71%
GS-2531	LS WET WELL LINING PRJ	591,000	453,648	137,352	77%
GS-2532	LS IMPRV SAFETY GRATES	249,000	248,008	992	100%
GW-0112	A1/A2 TANK B/C BSTR	3,166,600	1,783,385	1,383,215	56%
GW-0123	B2 ZONE TANK	300,000	116,023	183,977	39%
GW-0330	PAINT RESERVOIR 2 EXTE	503,000	33,392	469,608	7%
GW-0378	WELL 12 REHAB	231,000	89,861	141,139	39%
GW-2310	CASTROVILLE PIPELINE	2,900,000	-	2,900,000	0%
GW-2403	RDP - COMPR DESAL IMP	125,000	38,588	86,412	31%
GW-2504	EASTERN WELL FIELD SUP	45,000	38,767	6,233	86%
GW-2610	PIPELINE RENEW PROGRAM FY25/26	105,000	-	105,000	0%
GW-2620	FIRE HYDRANT PROGRAM FY25/26	400,000	282,380	117,620	71%
MS-2401	TATE PARK LIFT STATION	3,252,000	2,160,084	1,091,916	66%
MW-0321	CA AVE PIPELINE	1,000,000	679,609	320,391	68%
MW-2515	BAYER ST PIPELINE	50,000	19,048	30,952	38%
MW-2518	4" WATER DISTRIBUTION PIPELINE UPSIZE	99,050	48,852	50,198	49%
MW-2580	ARMSTRONG RNCH PIPELIN	420,000	287,639	132,361	68%
OS-0218	GIGLING FORCE MN	232,000	145,835	86,165	63%
OS-0348	ODOR CONTROL PROGRAM	600,000	312,941	287,059	52%
OS-0350	IMJIN MANHOLE REHAB	500,000	490,077	9,923	98%
OS-2305	MANHOLE REHAB LGHTFTR	309,000	307,080	1,920	99%

Table 6
FY2025-2026 Year End Financials - Unaudited
Capital Improvement Projects

CIP No.	Project Name	FY2026 Budget	FY2026 Actuals	Remaining Balance	% Spent
OS-2611	1ST AVE 30" SEWER MAIN	705,000	697,159	7,841	99%
OW-0127	5TH AVE PIPELINE	75,000	4,526	70,474	6%
OW-0201	GIGLING TRANSM MAIN	1,700,000	81,736	1,618,264	5%
OW-0340	MCCLURE RD WATER PIPEL	42,000	39,553	2,447	94%
OW-2302	EG 2ND SUPPLY WG/F RES	210,000	48,303	161,697	23%
OW-2402	OWTP BLDG REMOVAL FORA	441,000	20,520	420,480	5%
OW-2404	RDP RES RD DESAL PLANT	3,585,000	2,757,682	827,318	77%
OW-2420	IMJIN PKWY WIDENING - WATER IMPVTS	39,000	37,729	1,271	97%
OW-2421	(GW-2401) INTER-GARRIS	1,364,400	1,320,367	44,033	97%
OW-2501	ASP BSTR PUMP STN IMPR	300,000	28,243	271,757	9%
OW-2502	PATTON PKWY LOOP CONNECTOR PIPELINE	30,000	20,831	9,169	69%
OW-2601	PIPELINE C2 TO INTER-G	1,523,000	41,487	1,481,513	3%
RW-2401	ATW IRRIGATION CONNECT	307,809	307,323	486	100%
RW-2501	PWM STATION BLDG	620,000	56,140	563,860	9%
WD-2401	IOP B SIDE IMPRV PROJ	250,000	250,000	-	100%
WD-2404	SECURITY ACCESS IMPROV	29,000	23,675	5,325	82%
WD-2405	SOLAR ARRAY	2,732,000	1,946,956	785,044	71%
	Total CIP	**32,413,527**	**17,632,643**	**14,780,884**	**54%**
	Less: Grant Funded Projects (not rec'd)	**(2,900,000)**			
	Adjusted CIP Total	**29,513,527**	**17,632,643**	**11,880,884**	**60%**

Table 7
FY2025-2026 Year End Financials - Unaudited
Capital Improvement Projects - Funding Source

CIP No.	Project Name	2024 Bond	Bldg Removal Fund	Capacity Fee	Grant	GSA Fund Bal	Operating Reserve	Grand Total
GA-2402	INSTALL MONITORING WEL	-	-	-	2,025,180	390,016	-	2,415,196
GS-2531	LS WET WELL LINING PRJ	138,181	-	-	-	-	315,467	453,648
GS-2532	LS IMPRV SAFETY GRATES	91,639	-	-	-	-	156,369	248,008
GW-0112	A1/A2 TANK B/C BSTR	1,783,385	-	-	-	-	-	1,783,385
GW-0123	B2 ZONE TANK	-	-	116,023	-	-	-	116,023
GW-0330	PAINT RESERVOIR 2 EXTE	33,392	-	-	-	-	-	33,392
GW-0378	WELL 12 REHAB	89,861	-	-	-	-	-	89,861
GW-2310	CASTROVILLE PIPELINE	-	-	-	-	-	-	-
GW-2403	RDP - COMPR DESAL IMP	-	-	38,588	-	-	-	38,588
GW-2504	EASTERN WELL FIELD SUP	-	-	38,767	-	-	-	38,767
GW-2505	HYDRANT REPL FY24/25	-	-	-	-	-	-	-
GW-2610	PIPELINE RENEW PROGRAM FY25/26	-		-	-	-	-	-
GW-2620	FIRE HYDRANT PROGRAM FY25/26	282,380	-	-	-	-	-	282,380
MS-2401	TATE PARK LIFT STATION	2,140,000	-	20,084	-	-	-	2,160,084
MW-0321	CA AVE PIPELINE	679,609	-	-	-	-	-	679,609
MW-2515	BAYER ST PIPELINE	-	-	19,048	-	-	-	19,048
MW-2518	4" WATER DISTRIBUTION PIPELINE UPSIZE	48,852	-	-	-	-	-	48,852
MW-2580	ARMSTRONG RNCH PIPELIN	-	-	287,639	-	-	-	287,639
OS-0210	1ST AVE GRAVITY MAIN	-	-	-	-	-	-	-
OS-0218	GIGLING FORCE MN	-	-	-	-	-	145,835	145,835
OS-0348	ODOR CONTROL PROGRAM	-	-	-	-	-	312,941	312,941
OS-0350	IMJIN MANHOLE REHAB	-	-	-	-	-	490,077	490,077
OS-2305	MANHOLE REHAB LGHTFTR	-	-	-	-	-	307,080	307,080
OS-2611	1ST AVE 30" SEWER MAIN	-	-	-	-	-	697,159	697,159
OW-0127	5TH AVE PIPELINE	4,526	-	-	-	-	-	4,526
OW-0201	GIGLING TRANSM MAIN	81,736	-	-	-	-	-	81,736

Table 7

FY2025-2026 Year End Financials - Unaudited

Capital Improvement Projects - Funding Source

CIP No.	Project Name	2024 Bond	Bldg Removal Fund	Capacity Fee	Grant	GSA Fund Bal	Operating Reserve	Grand Total
OW-0340	MCCLURE RD WATER PIPEL	39,553	-	-	-	-	-	39,553
OW-2302	EG 2ND SUPPLY WG/F RES	-	-	48,303	-	-	-	48,303
OW-2402	OWTP BLDG REMOVAL FORA	-	20,520	-	-	-	-	20,520
OW-2404	RDP RES RD DESAL PLANT	-	-	2,757,682	-	-	-	2,757,682
OW-2420	IMJIN PKWY WIDENING - WATER IMPVTS	37,729	-	-	-	-	-	37,729
OW-2421	(GW-2401) INTER-GARRIS	1,320,367	-	-	-	-	-	1,320,367
OW-2501	ASP BSTR PUMP STN IMPR	28,243	-	-	-	-	-	28,243
OW-2502	PATTON PKWY LOOP CONNECTOR PIPELINE	20,831	-	-	-	-	-	20,831
OW-2601	PIPELINE C2 TO INTER-G	41,487	-	-	-	-	-	41,487
RW-2401	ATW IRRIGATION CONNECT	-	-	307,323	-	-	-	307,323
RW-2501	PWM STATION BLDG	-	-	56,140	-	-	-	56,140
WD-2401	IOP B SIDE IMPRV PROJ	-	-	231,000	-	19,000	-	250,000
WD-2404	SECURITY ACCESS IMPROV	-	-	23,675	-	-	-	23,675
WD-2405	SOLAR ARRAY	-	-	1,790,811	-	156,145	-	1,946,956
Total Funding Source		**6,861,769**	**20,520**	**5,735,083**	**2,025,180**	**565,161**	**2,424,928**	**17,632,642**

Funding Source	Amount	%
2024 Bond	6,861,769	39%
Bldg Removal Fund	20,520	0%
Capacity Fees	5,735,083	33%
Grant	2,025,180	11%
GSA Fund Balance	565,161	3%
Operating Reserve	2,424,928	14%
Total CIP Expense	**17,632,641**	**100%**

Capital Replacement Projects - $9,286,697 funded by 2024 Bond & Operating reserve

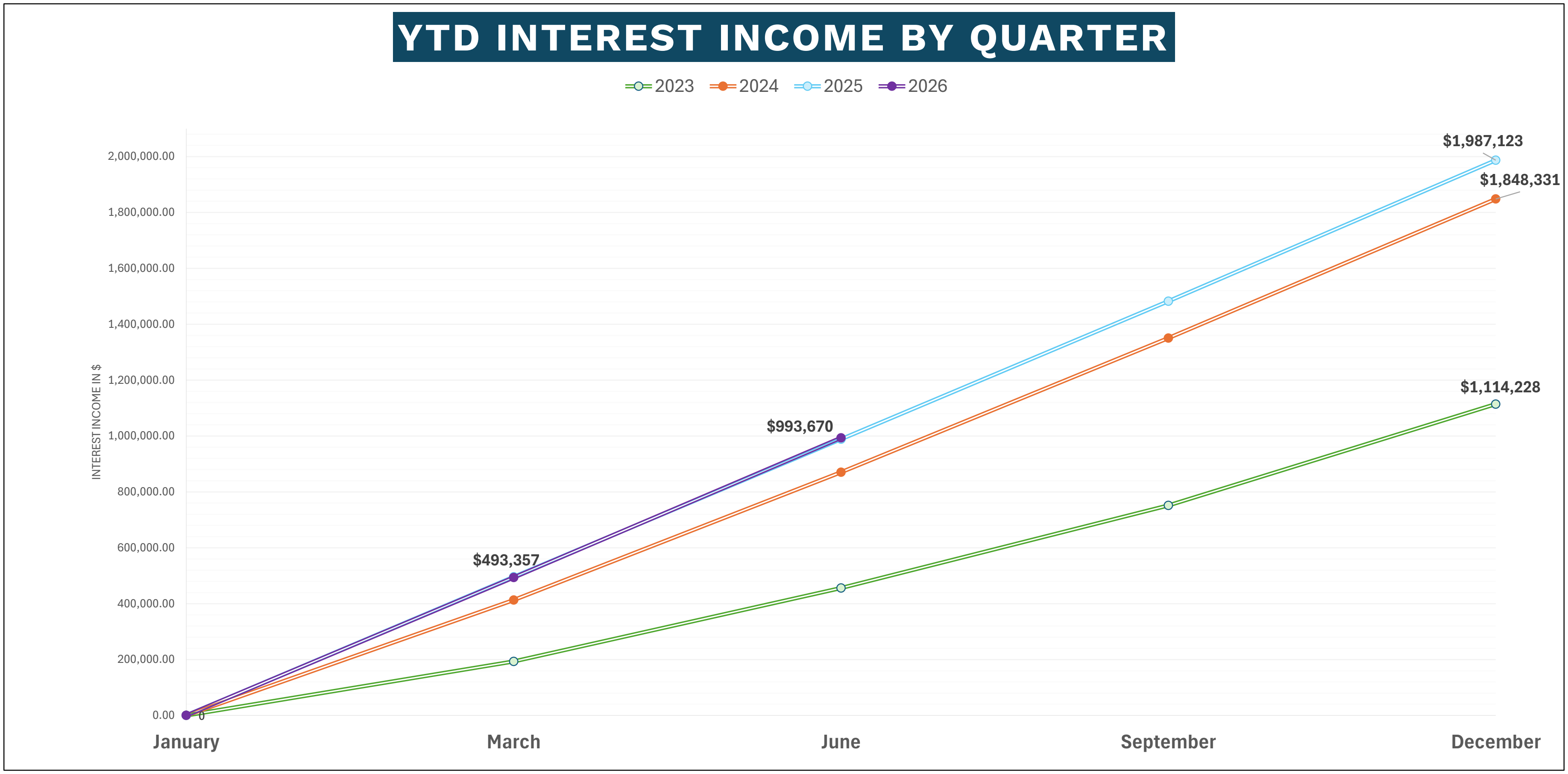
Expansion/Growth Projects - $5,735,083 funded by Capacity fees

Table 8
FY2025-2026 Year End Financials - Unaudited
Historical Investments

Bank/Agency	Investment Type	Balance as of 06/30/2026	Balance as of 06/30/2025	Balance as of 06/30/2024	Balance as of 06/30/2023
Mechanics Bank					
	General Checking	109,412	1,959,042	3,904,595	23,305
	Checking - RUWAP LOC Proceeds	-	-		
	Savings/MMK	21,887,531	17,982,877	9,708,262	8,453,933
	Restricted Money Market (MMK)	-	1,213,859	1,159,386	1,109,020
	Savings - Bldg. Removal Fund	676,648	729,324	1,043,435	998,106
	Certificate of Deposit	-	-	-	1,000,000
	Certificate of Deposit	-	5,260,285	5,000,000	5,000,000
	Certificate of Deposit	-	3,156,171	3,000,000	
	Certificate of Deposit	-	-	2,049,863	
PNC Bank					
	General Checking	-	-	-	2,875
	Certificate of Deposit	-	-	-	5,000,000
Five Star Bank	Savings MMK	8,168,518	-	-	
State of California	Local Agency Investment Fund	15,833,465	7,424,172	7,093,773	10,209,063
CA CLASS	California Cooperative Liquid Assets Se	6,414,497	9,066,436	8,647,870	-
Total Investment		**53,090,071**	**46,792,166**	**41,607,184**	**31,796,302**

Increased in $	**6,297,905**	**5,184,982**	**9,810,882**	**9,976,538**
Increased in %	**13%**	**12%**	**31%**	**46%**

Table 8a.
FY2025-2026 Year End Financials - Unaudited
Historical Investments



Interest Income	CY 2023	CY 2024	CY 2025	CY 2026
Q1	$ 193,290	$ 412,848	$ 496,075	$ 493,357
Q2	$ 262,412	$ 457,269	$ 492,423	$ 500,313
Q3	$ 295,927	$ 480,513	$ 494,135	
Q4	$ 362,599	$ 497,701	$ 504,490	
Total Interest	**$ 1,114,228**	**$ 1,848,331**	**$ 1,987,123**	**$ 993,670**

Table 9
FY2025-2026 Year End Financials - Unaudited
Current Year Estimated Reserves

	Marina Water	Marina Sewer	Ord Water	Ord Sewer	Recycled Water	GSA	Total	
Resticted Reserves								
Debt Service - RUWAP								
LAIF	-	-	-	-	526,983	-	526,983	
Total Debt Service - RUWAP	-	-	-	-	**526,983**	-	**526,983**	
Capacity Fee Reserve								
Mechanics - MMK	-	-	871,360	1,978,080	1,738,378	-	4,587,818	
Five Star Bank - MMK	-		1,374,762	867,497	722,914	-	2,965,173	
LAIF	-	-	1,429,367	2,010,203	572,278	-	4,011,848	
CA Class	-	-	1,436,006	-	2,079,233	-	3,515,239	
Total Capacity Fee Reserve	**-**	**-**	**5,111,495**	**4,855,780**	**5,112,803**	**-**	**15,080,078**	
Total Restricted Reserves	**-**	**-**	**5,111,495**	**4,855,780**	**5,639,786**	**-**	**15,607,061**	**29%**
Designated Reserves								
Capital Replacement Reserves								
LAIF	1,986	356,224	932,303	500,000	-	-	1,790,513	
CA Class	1,001,053	144,214	67,903	-	-	-	1,213,170	
Total Capital Replacement Reserve	**1,003,039**	**500,438**	**1,000,206**	**500,000**	**-**	**-**	**3,003,683**	
Bldg Removal Fund (FORA)								
Mechanics - Bldg Removal Fund	-	-	661,423	-	-	-	661,423	
Total Bldg Removal Fund Reserve	-	-	**661,423**				**661,423**	
General Fund/Operating Reserves								
CA Class	22,545	49,131	1,272,720	341,691	-	-	1,686,087	
Five Star Bank - MMK	647,764	1,660,660	791,529	2,020,891	-	82,502	5,203,346	
LAIF	1,501,714	2,407,173	1,506,574	3,437,187	-	651,474	9,504,122	
Mechanics - General Checking	1,350	-	-	-	-	124,637	125,987	
Mechanics - MMK	1,152,559	3,590,224	5,252,976	5,204,396	996,851	1,102,707	17,299,713	
Total Operating Reserve	**3,325,932**	**7,707,188**	**8,823,799**	**11,004,165**	**996,851**	**1,961,320**	**33,819,255**	
Total Designated Reserve	**4,328,971**	**8,207,626**	**10,485,428**	**11,504,165**	**996,851**	**1,961,320**	**37,484,361**	**71%**
Total Reserves	**4,328,971**	**8,207,626**	**15,596,923**	**16,359,945**	**6,636,637**	**1,961,320**	**53,091,422**	

*Difference of $1,351 between Reserves and Investment is petty cash held by the District.

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10

Meeting Date: September 21, 2026

Prepared By: Paula Riso

Approved By: Remleh Scherzinger, PE

Agenda Title: Consent Calendar

Staff Recommendation: Approve the Consent Calendar as presented.

Background: *Strategic Plan, Mission Statement – Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.*

Consent calendar consisting of:

A) Receive and File the Check Register for the Month of August 2026
B) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2026
C) Adopt Resolution No. 2026-58 to Approve the Revised Job Description for the Water Resources Technician I/II Position
D) Adopt Resolution No. 2026-59 to Amend the FY 2026-2027 Capital Improvement Program Budget and Amend the Construction Contract with Granite Rock Company for the Construction of California Avenue Water Main Project (MW-0321); and, Amend Professional Services Agreement with Wallace Group for Related Construction Management and Inspection Services
E) Adopt Resolution No. 2026-60 to Amend the FY 2026-2027 Capital Improvement Program Budget and to Amend the Construction Contract with Scudder Solar Electric Energy Systems for the Construction and Closeout of Solar Array Project (WD-2405)

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Legal Counsel Review: See individual transmittals.

Climate Action: Not applicable.

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 August 2026; Draft Minutes of August 17, 2026; Resolution No. 2026-58; Water Resources Technician I/II Job Description; Resolution No. 2026- 59; and, Resolution No. 2026-60.

Action Required: ___X___Resolution ______Motion ______Review

Board Action

Motion By______________ Seconded By________________ No Action Taken______________

Ayes________________________________ Abstained____________________________

Noes__________________________ Absent______________________________

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-A **Meeting Date:** September 21, 2026

Prepared By: Mary Lagasca, CPA **Approved By:** Remleh Scherzinger, PE

Agenda Title: Receive and File the Check Register for the Month of August 2026

Staff Recommendation: Receive and file the August 2026 expenditures totaling $4,907,446.28.

Background: *Strategic Plan, Objective No. 3.2: Finances are well managed to provide adequate revenue and avoid volatile rates.*

Discussion/Analysis: These expenditures were paid in August 2026, and the Board is requested to receive and file the check register. The August check register contained the following significant items:

1. Check No. 79146 – McGrath Rent Corp. in the amount of $325,439.36 for purchase of the Locker Room/Restroom Modular Unit for 4th Avenue Office.
2. Check No. 79152 – Harris & Associates in the amount of $97,607.38 for developer construction inspection.
3. Check No. 79153 – Maggiora Bros Drilling in the amount of $52,204.14 for Monitoring Well Installation – progress payment #11.
4. Check No. 79161 – Granite Rock Company in the amount of $251,959.00 for California Avenue Water Main Project – construction pymt #3.
5. Check No. 79171 – HPS West, Inc. in the amount of $82,905.56 for water meter stock.
6. Check No. 79178 – Marina Station Phases 1 and 2 LLC in the amount of $1,825,013.19 for Tate Park Lift Station – Marina Station Reimbursement Agreement.
7. Check No. 79215 – Harris & Associates in the amount of $68,112.19 for developer construction inspection.
8. Check No. 79229 – HPS West, Inc. in the amount of $112,882.72 for water meter stock.
9. Check No. 79233 – Garney Pacific, Inc. in the amount of $95,282.64 for construction services for RDP Reservation Road Desal Plant.
10. Check No. 79236 – Surfaces Painting & Decorating, Inc. in the amount of $81,275.00 for exterior painting of IOP Office.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes __X__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, 07-Groundwater Sustainability.

Other Consideration: None.

Material Included for Information/Consideration: August 2026 Summary Check Register.

Action Required: ______Resolution __X__Motion ______Review

Board Action

Motion By________________ Seconded By______________ No Action Taken________________

Ayes__________________________________ Abstained______________________________

Noes____________________________ Absent________________________________

AUGUST 2026 SUMMARY CHECK REGISTER

DATE	CHECK #	CHECK DESCRIPTION	AMOUNT
08/04/2026	ACH	Griffith, Masuda & Hobbs	42,682.68
08/04/2026	ACH	Friedman & Springwater LLP	96,018.00
08/04/2026	79146 - 79182	Check Register	3,202,297.17
08/10/2026	79183 - 79210	Check Register	79,991.97
08/17/2026	79211 - 79237	Check Register	546,422.75
08/24/2026	79238 - 79264	Check Register	48,276.88
08/04/2026	502202 - 502213	Check Register	162,621.94
08/06/2026	502214	Check Register	348.46
08/14/2026	ACH	Payroll Direct Deposits	162,207.18
08/14/2026	ACH	Empower Retirement	19,758.92
08/14/2026	ACH	Internal Revenue Service	72,703.31
08/14/2026	ACH	State of California - EDD	17,181.74
08/14/2026	ACH	WageWorks, Inc.	3,199.16
08/17/2026	502215 - 502224	Check Register	144,419.73
08/21/2026	ACH	CalPERS	42,304.63
08/26/2026	ACH	Board Compensation Direct Deposits	554.09
08/26/2026	ACH	Internal Revenue Service	91.82
08/27/2026	502225 - 502226	Check Register	1,036.46
08/28/2026	ACH	Payroll Direct Deposits	156,494.68
08/28/2026	ACH	Empower Retirement	19,628.56
08/28/2026	ACH	Internal Revenue Service	69,659.11
08/28/2026	ACH	State of California - EDD	16,522.65
08/28/2026	ACH	WageWorks, Inc.	2,622.32
08/31/2026	502227	Check Register	402.07
		TOTAL DISBURSEMENTS	**4,907,446.28**

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
ACH	07/07/2026	08/04/2026	Griffith, Masuda & Hobbs	Legal Services 06/2026	42,682.68
ACH	07/10/2026	08/04/2026	Friedman & Springwater LLP	Legal Services 06/2026	96,018.00
79146	07/10/2026	08/04/2026	McGrath Rent Corp.	Locker Room/ Restroom Modular Unit - Ord Office	325,439.36
79147	07/21/2026	08/04/2026	Denise Duffy & Associates, Inc.	On-Call CTS Clearance Survey - Monitoring Wells 04/2026 - 05/2026	2,398.56
79148	07/22/2026	08/04/2026	Jane's Answering Service	Answering Service 06/24 - 07/21	327.50
79149	07/21/2026	08/04/2026	MBS Business Systems	Copier Maintenance 07/28 - 10/27; Printer Troubleshooting	1,659.18
79150	07/24/2026	08/04/2026	Monterey Bay Analytical Services	Water Quality Sampling - 4th Ave, D Booster Shallow, C2 Deep Monitoring Wells	9,906.00
79151	07/18/2026	08/04/2026	Verizon Wireless	Cell Phone Service 07/2026	430.67
79152	06/05/2026	08/04/2026	Harris & Associates	Developers (Campus Town, Marina Station)	97,607.38
79153	07/07/2026	08/04/2026	Maggiora Bros Drilling	Monitoring Wells Installation - Progress Pmt #11; Temperature, Resistivity, Spinner Logging/ Water Quality Sampling - Well 12 Rehab	52,204.14
79154	07/10/2026	08/04/2026	Fastenal Industrial & Construction Supplies	General Operations/ Maintenance Supplies	191.36
79155	06/30/2026	08/04/2026	Complete Paperless Solutions	Annual Software Subscription 08/2026 - 07/2027	9,639.00
79156	07/24/2026	08/04/2026	McGrath Rent Corp.	Locker Room Trailer Rental - Ord Office 08/2026	7,286.98
79157	07/16/2026	08/04/2026	Whitson Engineers	Topographic Survey - C2 Res to Inter-Garrison, East Garrison 2nd Supply Pipelines 06/2026	16,075.00
79158	06/29/2026	08/04/2026	Calcon Systems, Inc.	Troubleshoot/Reconfigure Totalizer Display - (7) Wells; Troubleshoot Fire Pumps - EHP Booster Station	1,845.00
79159	06/22/2026	08/04/2026	Univar Solutions USA, Inc.	(1,597) gals Chlorine - (3) Sites	6,179.13
79160	06/25/2026	08/04/2026	esri - Environmental Systems Research Institute	Annual Software Subscription 07/2026 - 06/2027	30,200.00
79161	07/10/2026	08/04/2026	Graniterock Company	CA Ave Water Main Pipeline - Construction Pmt #3	251,959.00
79162	07/06/2026	08/04/2026	U.S. Bank Corporate Payment Systems	(18) Padlocks - O&M; (48) Eye Massagers, Lip Balms - ACWA Wellness Grant/ All Staff; 2026 GM Leadership Summit Hotel - GM; ESRI User Conference Hotel, Airfare - (2) IT; (4) Shelving Units, Safety Equipment/ Supplies, Office Air Conditioner - Water Resources; Understanding Government Compensation, Payroll Webinar - Controller; Monthly/ Annual Software Subscriptions; General Supplies	11,142.07
79163	07/28/2026	08/04/2026	Richards, Watson & Gershon	Legal Services 04/2026, 06/2026	243,134.66
79164	07/09/2026	08/04/2026	Remy Moose Manley, LLP	Legal Services 06/2026	59,368.46
79165	07/24/2026	08/04/2026	ICONIX Waterworks (US), Inc.	Pipe Saddle - Intermediate Reservoir; Repair Clamp - Sells Ct; (29) Repair Clamps	2,871.63
79166	07/23/2026	08/04/2026	Access Monterey Peninsula, Inc.	Filming and Production 05/2026 - 06/2026	920.00
79167	08/29/2026	08/04/2026	POSM Software, LLC	Annual Software Subscription 09/2026 - 08/2027	8,250.00
79168	07/21/2026	08/04/2026	Evoqua Water Technologies, LLC	(3,053) gal Bioxide	15,253.46
79169	07/25/2026	08/04/2026	WEX Bank	Fleet Gasoline 07/2026	5,435.34
79170	07/09/2026	08/04/2026	Zanjero, Inc.	General Engineering Department Support 06/2026	1,100.00
79171	07/15/2026	08/04/2026	HPS West, Inc.	(50) 3/4", (50) 1" BLMJ, (30) 2" MSMJ Meters with Allegro Register	82,905.56
79172	07/15/2026	08/04/2026	Norfield Development Partners, LLC	Annual Software Subscription 07/15/26 - 07/14/27	1,251.94
79173	06/30/2026	08/04/2026	SBRK Finance Holdings, Inc.	Springbrook Fixed Assets Module - Professional Services 05/2026; Annual Software Subscription 08/2026 - 07/2027	70,586.88
79174	07/08/2026	08/04/2026	Todd Groundwater	Development of Rehab Requirements - Well 12 06/2026	9,215.00
79175	07/21/2026	08/04/2026	BSK Associates	Laboratory Testing	1,101.50

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
79176	06/26/2026	08/04/2026	Signs by Van	MCWD Directional Signage - IOP Offices	9,235.49
79177	07/15/2026	08/04/2026	QOVO Solutions, Inc.	ADA Door Service - IOP Office	237.50
79178	06/25/2026	08/04/2026	Marina Station Phases 1 and 2 LLC	Tate Park Lift Station - Marina Station Reimbursement Agreement	1,825,013.19
79179	07/14/2026	08/04/2026	Ghirardelli Associates, Inc.	Construction Management/ Inspection - Monitoring Wells 06/2026; Developer (Dunes Phase 3)	5,293.00
79180	07/28/2026	08/04/2026	Cooperative Personnel Services	Executive Recruitment - Operations and Maintenance Manager, District Engineer	13,000.00
79181	07/23/2026	08/04/2026	Aquaveo LLC	Annual Software Subscription 07/2026 - 06/2027	21,000.00
79182	07/23/2026	08/04/2026	Security Contractor Services, Inc.	Fencing - RDP Reservation Rd Desal Plant	2,633.23
79183	07/22/2026	08/10/2026	Grainger	General Operations/ Maintenance Supplies	286.49
79184	07/31/2026	08/10/2026	Peninsula Welding & Medical Supply, Inc.	Gas Cylinder Tank Rental Fees - Welding Supplies 07/2026	64.50
79185	07/31/2026	08/10/2026	Monterey Bay Analytical Services	Water Quality Sampling - 4th Ave Middle, Shallow Monitoring Wells; Laboratory Testing	1,345.00
79186	06/11/2026	08/10/2026	Maggiora Bros Drilling	Well Pump Equipment Rental - Well 12 Rehab 06/2026	11,000.00
79187	07/28/2026	08/10/2026	O'Reilly Automotive Stores, Inc.	General Operations/ Maintenance Supplies	169.32
79188	07/27/2026	08/10/2026	Badger Meter, Inc.	SmartCover System Power Warranty Parts; Annual Software Subscriptions 06/06/2026 - 07/31/2027	10,208.25
79189	07/22/2026	08/10/2026	Green Rubber-Kennedy AG, LP	(6) Vent Valves, (4) Check Valves, General Operations/ Maintenance Supplies	1,621.74
79190	07/18/2026	08/10/2026	Graniterock Company	Fill Dirt - CSUMB Repair	275.10
79191	07/24/2026	08/10/2026	Marina Tire & Auto Repair	New Tire - Vehicle #2505	209.55
79192	08/01/2026	08/10/2026	U.S. Bank National Association	Ord Office Copier Lease 07/26 - 08/25	190.10
79193	08/04/2026	08/10/2026	U.S. Bank National Association	IOP A Side Office Copier Lease 07/29 - 08/28	391.12
79194	07/24/2026	08/10/2026	Western Exterminator Company	Pest Control - BLM/ MCWD Offices 07/2026	375.00
79195	07/22/2026	08/10/2026	AT&T	Phone and Alarm Line Service 07/2026	32.14
79196	07/27/2026	08/10/2026	Marina Coast Water District	BLM Water, Sewer, Fire Service 07/2026	434.71
79197	08/01/2026	08/10/2026	Pure Janitorial, LLC	Janitorial Service - BLM/ MCWD Offices 07/2026	5,100.00
79198	07/14/2026	08/10/2026	Conservation Rebate Program	424 Carmel Ave - Toilet Rebate	50.00
79199	07/11/2026	08/10/2026	Nearmap US, Inc.	Annual Software Subscription 07/11/26 - 07/10/27	10,395.88
79200	07/20/2026	08/10/2026	SBRK Finance Holdings, Inc.	Springbrook Fixed Assets Module - Professional Services 04/2026	1,062.50
79201	07/21/2026	08/10/2026	T-Mobile	GPS Service - (40) Fleet Vehicles 07/2026	872.50
79202	07/21/2026	08/10/2026	T-Mobile	Cell Phone Service 07/2026	2,279.77
79203	07/20/2026	08/10/2026	T-Mobile	Cellular Services 05/19 - 06/18	991.85
79204	07/28/2026	08/10/2026	Bluebeam, Inc.	Annual Software Subscription - (5) Licenses 08/2026 - 07/2027	1,650.00
79205	07/15/2026	08/10/2026	Pacific Surveys, LLC	Armstrong Well EMT-24 Casing Inspection Survey 07/2026	6,884.00
79206	07/23/2026	08/10/2026	Overhead Door Company of Salinas	Exit Gate Troubleshoot/ Repair - BLM Office	3,517.45
79207	07/29/2026	08/10/2026	Tierra Plan LLC	Water Data Platform Design/ Development 05/2026 - 06/2026	5,460.00
79208	07/17/2026	08/10/2026	CCS Learning Academy	Cybersecurity Awareness Training Services 07/2026	3,400.00
79209	07/24/2026	08/10/2026	Smith & Enright Landscaping, Inc.	Landscaping - IOP Office	11,575.00
79210	08/04/2026	08/10/2026	Conservation Rebate Program	212 Ardennes Cir - Washer Rebate	150.00
79211	08/03/2026	08/17/2026	PG&E	Gas and Electric Service 07/2026	107,146.19
79212	07/30/2026	08/17/2026	Monterey Bay Analytical Services	Water Quality Testing - Well FO-11S	440.00

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
79213	08/03/2026	08/17/2026	Rauch Communication Consultants, Inc.	2025 CCR Layout/ Digital Production; Conservation Outreach Program; MCWD Power Logo Design - Charging Stations; Public Relations 06/2026	17,647.67
79214	07/31/2026	08/17/2026	Monterey One Water	Sewer Treatment Charges 07/2026 - 08/2026	409.06
79215	08/06/2026	08/17/2026	Harris & Associates	Developer (Campus Town)	68,112.19
79216	08/07/2026	08/17/2026	Federal Express	Laboratory Sample Shipping	357.65
79217	08/01/2026	08/17/2026	Maynard Group	Network Support 08/2026	5,437.31
79218	07/21/2026	08/17/2026	Fastenal Industrial & Construction Supplies	General Operations/ Maintenance Supplies	446.87
79219	08/05/2026	08/17/2026	Daiohs USA	Coffee Supplies 08/2026	506.79
79220	08/04/2026	08/17/2026	Monterey Bay Technologies, Inc.	Annual Software Subscriptions 08/2026 - 07/2027	16,531.13
79221	07/31/2026	08/17/2026	Peninsula Messenger LLC	Courier Service 08/2026	285.00
79222	07/28/2026	08/17/2026	Western Exterminator Company	Pest Control - Beach Office 07/2026	90.00
79223	07/31/2026	08/17/2026	Iron Mountain, Inc.	Shredding Service 07/2026	184.15
79224	07/27/2026	08/17/2026	AT&T	Phone and Alarm Line Service 07/2026	32.14
79225	08/01/2026	08/17/2026	Simpler Systems, Inc.	UB/ Finance Datapp Maintenance 08/2026	500.00
79226	07/30/2026	08/17/2026	Johnson Electronics	BLM Fire Alarm Monitoring 07/2026 - 09/2026	84.00
79227	08/07/2026	08/17/2026	EKI Environment & Water, Inc.	Groundwater Modeling Technical Support; Monterey Subbasin GSP Implementation; Groundwater Monitoring Plan Phase I; Technical Support - Well 34 Coliform Detection; Engineering Assistance - FO-10 MW Replacement 06/2026	30,252.75
79228	08/01/2026	08/17/2026	The Ferguson Group, LLC	Grant Consulting Services 07/2026 - 08/2026	5,100.00
79229	08/03/2026	08/17/2026	HPS West, Inc.	(150) 3/4", (150) 1" Allegro Registers; (20) 1 1/2" MSMJ Meters with Allegro Register	112,882.72
79230	07/28/2026	08/17/2026	BSK Associates	Laboratory Testing	522.74
79231	08/03/2026	08/17/2026	Kysmet Security & Patrol, Inc.	Security Patrol Services - MCWD Offices 07/2026	321.00
79232	07/31/2026	08/17/2026	Quick Quack Car Wash Holdings, LLC	Car Washes - (9) Fleet Vehicles 07/2026	72.00
79233	06/30/2026	08/17/2026	Garney Pacific, Inc.	Construction Services - RDP Reservation Rd Desal Plant 06/2026	95,282.64
79234	07/29/2026	08/17/2026	Staples, Inc.	Office Supplies	182.44
79235	07/30/2026	08/17/2026	Amazon Capital Services, Inc.	Office Supplies	247.31
79236	06/29/2026	08/17/2026	Surfaces Painting & Decorating, Inc.	Exterior, Fence Painting - IOP Office	81,275.00
79237	07/31/2026	08/17/2026	KAZU 90.3FM	2026 Annual Campaign 07/2026	2,074.00
79238	07/31/2026	08/24/2026	Ace Hardware of Watsonville, Inc.	General Water Resources, Operations/ Maintenance Supplies	538.28
79239	08/01/2026	08/24/2026	Insight Planners	Web Development/ Maintenance, Hosting, Translation 07/2026	2,100.00
79240	08/10/2026	08/24/2026	PG&E	Electric Service 07/2026	15,928.05
79241	07/28/2026	08/24/2026	Home Depot Credit Services	General Operations/ Maintenance Supplies	203.96
79242	08/07/2026	08/24/2026	MBS Business Systems	Copier Maintenance 08/15 - 11/14	267.22
79243	08/04/2026	08/24/2026	Monterey Bay Analytical Services	Laboratory Testing	450.00
79244	07/23/2026	08/24/2026	American Supply Company	Janitorial Supplies	936.18
79245	07/30/2026	08/24/2026	Fastenal Industrial & Construction Supplies	General Operations/ Maintenance Supplies	171.11
79246	08/11/2026	08/24/2026	Coating Specialist and Inspection Services	Welding/ Coating Inspection - Reservoir 2 Recoating 07/2026	280.00
79247	07/27/2026	08/24/2026	Univar Solutions USA, Inc.	(690) gals Chlorine	2,638.37
79248	07/31/2026	08/24/2026	Pacific Ag Rentals LLC	(5) Mobile Restroom Rentals - MCWD Sites 07/2026	588.06
79249	08/06/2026	08/24/2026	Green Rubber-Kennedy AG, LP	General Operations/ Maintenance Supplies	711.10

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
79250	07/29/2026	08/24/2026	Marina Tire & Auto Repair	Oil Change - Vehicle #1401	103.31
79251	08/11/2026	08/24/2026	ICONIX Waterworks (US), Inc.	(270) Meter Gaskets, (50) Bolt Up Sets	920.03
79252	07/31/2026	08/24/2026	Evoqua Water Technologies, LLC	Chemical Pump Maintenance	1,006.20
79253	07/28/2026	08/24/2026	AT&T	Phone and Alarm Line Services 07/2026	109.71
79254	07/31/2026	08/24/2026	AutoZone Parts, Inc.	General Operations/ Maintenance Supplies	49.76
79255	07/31/2026	08/24/2026	SBRK Finance Holdings, Inc.	Springbrook Fixed Assets Module - Professional Services 06/2026	812.50
79256	07/29/2026	08/24/2026	Interstate Battery of San Jose	General Operations/ Maintenance Supplies	76.08
79257	08/03/2026	08/24/2026	BSK Associates	Laboratory Testing	2,478.28
79258	08/10/2026	08/24/2026	InfoSend, Inc.	Professional Services - Cares Grant Messaging Statement Updates	555.00
79259	08/11/2026	08/24/2026	QOVO Solutions, Inc.	General IT Supplies	327.75
79260	07/30/2026	08/24/2026	Amazon Capital Services, Inc.	General Operations/ Maintenance Supplies	215.98
79261	08/15/2026	08/24/2026	First Alarm	Security, Fire Alarm Monitoring - MCWD Offices 09/2026	1,471.00
79262	08/01/2026	08/24/2026	Greenwaste Recovery, Inc.	Garbage Collection & Recycling Services 08/2026	683.95
79263	08/12/2026	08/24/2026	CSG Consultants, Inc.	Construction Management - Imjin LS Odor Control 07/2026	9,832.50
79264	08/10/2026	08/24/2026	Ghirardelli Associates, Inc.	Construction Inspection - Gigling Rd Water Pipeline 07/2026	4,822.50
502202	07/06/2026	08/04/2026	Becks Shoe Store, Inc. - Salinas	Boot Benefit - Engineering	232.15
502203	07/01/2026	08/04/2026	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 08/2026	108,013.16
502204	07/25/2026	08/04/2026	AFLAC	Employee Paid Benefits 07/2026	2,579.79
502205	07/18/2026	08/04/2026	Principal Life	Employee Paid Benefits 07/2026 - 08/2026	803.20
502206	06/30/2026	08/04/2026	Justifacts Credential Verification, Inc.	Background Checks - New Hires	962.87
502207	05/08/2026	08/04/2026	Lincoln National Life Insurance Company	Life, Disability, AD&D Insurance 06/2026	4,068.77
502208	07/07/2026	08/04/2026	Federico Embroidery	Uniform Benefit - Administration, Water Resources, Conservation	1,884.35
502209	07/15/2026	08/04/2026	Transamerica Life Insurance Company	Employee Paid Benefits 06/2026 - 07/2026	784.90
502210	06/30/2026	08/04/2026	Cintas Corporation No. 630	Uniforms, Towels, Rugs 06/2026	1,263.07
502211	06/30/2026	08/04/2026	Regional Government Services Authority	Human Resources Consulting Services, Classification/ Compensation Study 05/2026 - 06/2026	38,675.80
502212	07/06/2026	08/04/2026	Agile Occupational Medicine, PC	Drug Tests - New Hire; (DOT) - O&M	375.00
502213	05/20/2026	08/04/2026	Red Wing Brands of America, Inc.	Boot Benefit - Engineering, O&M	2,978.88
502214	07/31/2026	08/06/2026	CA State Disbursement Unit	Payroll Ending 07/24/26	348.46
ACH	08/14/2026	08/14/2026	Payroll Direct Deposits	Payroll Ending 08/07/26	162,207.18
ACH	08/14/2026	08/14/2026	Empower Retirement	Payroll Ending 08/07/26	19,758.92
ACH	08/14/2026	08/14/2026	Internal Revenue Service	Payroll Ending 08/07/26	72,703.31
ACH	08/14/2026	08/14/2026	State of California - EDD	Payroll Ending 08/07/26	17,181.74
ACH	08/14/2026	08/14/2026	WageWorks, Inc.	Payroll Ending 08/07/26	3,199.16
502215	08/06/2026	08/17/2026	ACWA Joint Power Ins Authority	Workers Compensation Insurance 04/2026 - 06/2026	17,468.79
502216	08/03/2026	08/17/2026	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 09/2026	113,602.34
502217	08/10/2026	08/17/2026	Calif-Nevada Section, AWWA	Backflow Assembly Tester Certification Renewal	355.00
502218	08/10/2026	08/17/2026	SWRCB - DWOCP	Grade II Water Treatment Certification Renewals	120.00
502219	08/07/2026	08/17/2026	Employnet, Inc.	Temporary Customer Service Representative 07/01/26 - 07/30/26	7,627.91
502220	07/31/2026	08/17/2026	Justifacts Credential Verification, Inc.	Background Check - New Hire	416.76
502221	08/04/2026	08/17/2026	Lincoln National Life Insurance Company	Life, Disability, AD&D Insurance 07/2026	3,694.10
502222	07/23/2026	08/17/2026	WageWorks, Inc.	FSA Admin Fees 07/2026	248.00
502223	08/05/2026	08/17/2026	Agile Occupational Medicine, PC	Drug Tests - New Hire; (DOT) - O&M	125.00

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
502224	08/13/2026	08/17/2026	Employee Reimbursement	ESRI Users Conference Per Diem Meals, Transportation	761.83
ACH	08/21/2026	08/21/2026	CalPERS	Payroll Ending 07/24/26	42,304.63
ACH	08/26/2026	08/26/2026	Board Compensation Direct Deposits	Board Compensation 07/2026	554.09
ACH	08/26/2026	08/26/2026	Internal Revenue Service	Board Compensation 07/2026	91.82
502225	08/14/2026	08/27/2026	Teamsters Local Union No. 856	Payroll Ending 08/21/26	688.00
502226	08/14/2026	08/27/2026	CA State Disbursement Unit	Payroll Ending 08/07/26	348.46
ACH	08/28/2026	08/28/2026	Payroll Direct Deposits	Payroll Ending 08/21/26	156,494.68
ACH	08/28/2026	08/28/2026	Empower Retirement	Payroll Ending 08/21/26	19,628.56
ACH	08/28/2026	08/28/2026	Internal Revenue Service	Payroll Ending 08/21/26	69,659.11
ACH	08/28/2026	08/28/2026	State of California - EDD	Payroll Ending 08/21/26	16,522.65
ACH	08/28/2026	08/28/2026	WageWorks, Inc.	Payroll Ending 08/21/26	2,622.32
502227	08/28/2026	08/31/2026	CA State Disbursement Unit	Payroll Ending 08/21/26	402.07
				Total Disbursements for August 2026	**4,907,446.28**

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B **Meeting Date:** September 21, 2026

Prepared By: Paula Riso **Approved By:** Remleh Scherzinger, PE

Agenda Title: Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2026

Staff Recommendation: Approve the draft minutes of the August 17, 2026 regular joint Board/GSA meeting.

Background: *Strategic Plan, Mission Statement – Marina Coast Water District delivers safe and environmentally sustainable water, recycled water, and wastewater services that meet community needs.*

Discussion/Analysis: The draft minutes of August 17, 2026 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

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 August 17, 2026.

Action Required: ______Resolution ___X___Motion ______Review

Board Action

Motion By______________ Seconded By________________ No Action Taken______________

Ayes________________________________ Abstained_____________________________

Noes__________________________ Absent________________________________

Marina Coast Water District

Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
August 17, 2026

Draft Minutes

1. Call to Order:

President Morton called the meeting to order at 6:00 p.m. on August 17, 2026 at 920 2nd Avenue, Marina, California; and, via Zoom teleconference.

2. Roll Call:

Board Members Present:

President Morton, Vice President Shriner, Director Imamura, and Director Moore.

Board Members Absent:

Director Smith.

Staff Members Present:

Remleh Scherzinger, General Manager; Roger Masuda, District Counsel; Garren Fisher, Controller; Patrick Breen, Water Resources Manager; Derrell Parker, Customer Service Administrator; Teo Espero, Information Technology Administrator; and, Paula Riso, Executive Assistant/Clerk to the Board.

Members of the Public in Attendance:

Access Media Productions; Kristi Markey; Kaila Kasper; Alana Whitacre; Corey Luongo; Belen Perez; Joel Lagrimas; Michael Miller; Andreas Baer; Thomas; Andy Sterbenz; and Ken Wysocki.

3. Pledge of Allegiance:

Belen Perez led everyone present in the pledge of allegiance.

4. Oral Communications:

Remleh Scherzinger stated that staff is removing Item 11-A from the agenda.

5. Presentation:

A. Adopt Resolution No. 2026-49 to Recognize Belen Perez, Customer Service/Billing Technician II, for 5 Years of Service to the Marina Coast Water District:

Motion by: Director Moore Second by: Director Imamura; to: 1) Adopt Resolution No. 2026-49 to Recognize Belen Perez, Customer Service/Billing Technician II, for 5 Years of Service to the Marina Coast Water District. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

President Morton recessed the meeting from 6:24 p.m. until 6:30 p.m.

6. Action Item:

A. Adopt Resolution No. 2026-50 to Appoint the General Manager as the Board of Directors' Real Property Negotiator:

Motion by: President Morton Second by: Director Moore; to: 1) Adopt Resolution No. 2026-50 to Appoint the General Manager as the Board of Directors' Real Property Negotiator. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

7. Public Comment on Closed Session Items:

There were no comments.

President Morton recessed the meeting from 6:34 p.m. until 6:38 p.m.

The Board entered into closed session at 6:38 p.m. to discuss the following items.

8. Closed Session:

A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Properties: 203-011-001-000, 203-011-019-000, 203-001-020-000, 203-001-016-000
Agency Negotiator: (To be determined in Item 6-A)
Negotiating Parties: Cemex and MCWD
Under Negotiation: Price and Terms

Agenda Item 8 (continued):

B. Pursuant to Government Code 54956.8
   Conference with Real Property Negotiator
   Property: 031-251-004-000
   Agency Negotiator: (To be determined in Item 6-A)
   Negotiating Parties: Salinas Valley Health and MCWD
   Under Negotiation: Price and Terms

C. Pursuant to Government Code 54956.8
   Conference with Real Property Negotiator
   Properties: 031-282-017-000, 031-282-018-000, 031-251-005-000
   Agency Negotiator: (To be determined in Item 6-A)
   Negotiating Parties: City of Marina and MCWD
   Under Negotiation: Price and Terms

The Board ended closed session at 7:35 p.m.

President Morton reconvened the meeting to open session at 7:38 p.m.

9. Reportable Actions Taken During Closed Session:

President Morton stated that there were no reportable actions taken in closed session.

10. Consent Calendar:

General Manager Scherzinger stated staff was pulling Item 10-H. Director Imamura requested to pull Items 10-F, and 10-G from the consent calendar.

Motion by: Director Moore Second by: Director Imamura; to: 1) approve the Consent Calendar consisting of items: A) Receive and File the Check Register for the Month of July 2026; B) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of July 16, 2026; C) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of July 20, 2026; D) Receive the Second Quarter Investment Report for Calendar Year 2026; and, E) Adopt Resolution No. 2026-51 to Adopt the FY 2026-2027 District Investment Policy. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

F. Adopt Resolution No. 2026-52 to Amend the FY 2026-2027 Budget and Approving the Rollover of the FY 2026 Appropriation for the Water Meter and Register Purchase to FY 2027:

Questions and clarification were given on Agenda Item 10-F.

Agenda Item 10-F (continued):

Motion by: Director Imamura Second by: Director Moore ; to: 1) Adopt Resolution No. 2026-52 to Amend the FY 2026-2027 Budget and Approving the Rollover of the FY 2026 Appropriation for the Water Meter and Register Purchase to FY 2027. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

G. Adopt Resolution No. 2026-53 to Amend the FY 2026-2027 Operating Budget and Roll Over $101,900 in Unspent FY 2025-2026 Cybersecurity Program Funds:

Questions and clarification were given on Agenda Item 10-G.

Motion by: Director Imamura Second by: Director Moore ; to: 1) Adopt Resolution No. 2026-53 to Amend the FY 2026-2027 Operating Budget and Roll Over $101,900 in Unspent FY 2025-2026 Cybersecurity Program Funds. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

H. Adopt Resolution No. 2026-54 to Award a Professional Services Agreement to ClientFirst Technology Consulting for Enterprise Resource Planning Evaluation, Selection, and Procurement Consulting Services:

General Manager Scherzinger gave clarification on Agenda Item 10-H.

Motion by: Director Moore Second by: Vice President Shriner ; to: 1) Adopt Resolution No. 2026-54 to Award a Professional Services Agreement to ClientFirst Technology Consulting for Enterprise Resource Planning Evaluation, Selection, and Procurement Consulting Services. Motion passed.

Ayes: Imamura, Moore, Shriner, Morton Noes: None
Absent: Smith Abstained: None

12. Informational Items:

A. General Manager's Report:

General Manager provided a report.

B. Committee and Board Liaison Reports:

Agenda Item 12-B (continued):

1. Executive Committee:

Committee member provided a report.

2. Community Outreach Committee:

Committee members provided a report.

3. M1W Board Member Liaison:

Committee member provided a report.

4. Special Districts Association Meeting:

Committee members provided a report.

13. Board Member Requests for Future Agenda Items:

Vice President Shriner asked to discuss the Cybersecurity Policy.

14. Director's Comments:

Director Imamura, Director Moore, Vice President Shriner, and President Morton made comments.

15. Adjournment:

President Morton adjourned the meeting at 8:14 p.m.

APPROVED:

____
President Morton

ATTEST:

____
Paula Riso, Deputy Secretary

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-C **Meeting Date:** September 21, 2026

Prepared By: Mary Lagasca, CPA **Approved By:** Remleh Scherzinger, PE

Agenda Title: Adopt Resolution No. 2026-58 to Approve the Revised Job Description for the Water Resources Technician I/II Position

Staff Recommendation: Staff recommends that the Board of Directors approve the revised Water Resources Technician I/II job description.

Background: *Strategic Plan, Goal 2.1 The District attracts, onboards, and retains high-performing staff, and manages succession effectively.*

Staff is proposing revisions to the Water Resources Technician I/II job description to better reflect the position's current responsibilities and the District's evolving groundwater management needs. The proposed revisions remove responsibilities related to water conservation programs and add responsibilities associated with groundwater monitoring, water quality sampling, sea water intrusion and regulatory compliance.

The revision also update the knowledge, education and experience, and certification requirements to align with the technical skills and qualifications needed to perform the position's current and expanded responsibilities.

Discussion/Analysis: The revised job description reflects an expanded focus on groundwater and water resources management.

Key changes include:

- **Responsibilities:** Removes water conservation program responsibilities and adds duties related to groundwater monitoring, sea water intrusion, and compliance programs. The position will also coordinate field data collection, groundwater and water quality sampling, and monitoring wells infrastructure project and related activities with consultants and partner agencies.
- **Knowledge:** Adds principles and methods of groundwater hydrology, water resources management, water supply, and recycled water and managed aquifer recharge programs. The qualifications also recognize the use of standard and specialized computer applications, including data management systems and geographic information systems (GIS).
- **Education and Experience:** Updates the minimum qualifications for both levels of the classification.
    - **Water Resources Technician I:** Equivalent to two years of college-level coursework that includes the fundamentals of engineering, hydrology, groundwater, and water resources management, and two years of increasing responsible experience performing related field work, groundwater monitoring, sample collection and data analysis.

- **Water Resources Technician II:** In addition to the requirements for Water Resources Tech I, two years of experience performing duties at a level equivalent to the District's Water Resources Tech. A bachelor's degree in hydrology, engineering, environmental science, or a related field from accredited college may be substituted for up to two years of the required experience.

- **Licenses and Certifications:** Removes the training requirement for American Water Works Association (AWWA) Water Use Efficiency Practitioner for both positions.

The position's direct reporting relationship remains unchanged and will continue to report to the Water Resources Manager.

The salary range remains unchanged.
Salary ranges:
Water Resources Technician I: EA Range 15
Water Resources Technician II: EA Range 19

Environmental Review Compliance: None required.

Legal Counsel Review: None required.

Climate Adaptation: Not applicable.

Financial Impact: _____Yes __X__No **Funding Source/Recap:** None

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2026-58; and, Redlined and Proposed Job Description for Water Resources Tech I/II.

Action Required: __X__Resolution ______Motion ______Review

Board Action

Motion By______________ Seconded By________________ No Action Taken______________

Ayes__________________________ Abstained____________________________

Noes__________________________ Absent______________________________

September 21, 2026

Resolution No. 2026-58
Resolution of the Board of Directors
Marina Coast Water District
Approving the Revised Job Description for the Water Resources Technician I/II

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("MCWD" or "District") at a regular meeting duly called and held on September 21, 2026, at 920 Second Avenue, Marina, California as follows:

WHEREAS, the District periodically reviews job descriptions to ensure they accurately reflect current job duties, responsibilities, organizational needs, and operational requirements; and,

WHEREAS, staff has reviewed the Water Resources Technician job description and recommends revisions to reflect the position's current responsibilities and qualifications; and,

WHEREAS, the proposed revisions remove responsibilities related to water conservation programs and add responsibilities related to Groundwater Sustainability Agency groundwater monitoring, seawater intrusion, and Sustainable Groundwater Management Act (SGMA) compliance programs; and,

WHEREAS, the revised job description adds responsibilities related to field data collection, groundwater and water quality sampling, and monitoring well infrastructure projects; and,

WHEREAS, the revised job description removes the training requirement for American Water Works Association (AWWA) Water Use Efficiency Practitioner certification requirement for both levels; and,

WHEREAS, the position will continue to report directly to the Water Resources Manager or designee; and,

WHEREAS, the salary ranges for the classifications are as follows:

Water Resources Technician I: EA Range 15
Water Resources Technician II: EA Range 19

WHEREAS, the revised job description was reviewed by the appropriate bargaining unit.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby:

1. adopt Resolution No. 2026-58 to Approve the Revised Job Description for Water Resources Technician I/II.

2. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on September 21, 2026, 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____

____
Gail Morton, President

ATTEST:

____
Remleh Scherzinger, 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. 2026-58 adopted September 21, 2026.

____
Remleh Scherzinger, Secretary

Marina Coast
Water District

920 2nd Ave Suite A, Marina, CA 93933
(831) 384-6131 | Fax(831) 883-5995

WATER RESOURCES TECHNICIAN I
WATER RESOURCES TECHNICIAN II

DEFINITION

Under general direction, performs professional level duties in support of the District's groundwater monitoring; performs and coordinates field data collection, water quality sampling, and monitoring well infrastructure projects; supports the preparation of Resource Plans and reports, annual reports, and periodic evaluations; coordinates with consultants, contractors, laboratories, and partner agencies on multi-agency water resources projects; analyzes hydrologic and water quality data and prepares technical reports; assists with procurement and project management for water resources programs; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Direct supervision is provided by the Water Resources Manager or his/her designee. No direct supervision of staff is exercised.

CLASS CHARACTERISTICS

Water Resources Technician I is the entry-level classification in the Water Resources Technician class series. Initially, under close supervision, incumbents learn and perform routine duties related to groundwater monitoring, field data collection, and water resources program support. As experience is gained, assignments become more varied, complex, and difficult; close supervision and frequent review of work lessen as an incumbent demonstrates the skill to perform the work independently. Positions at this level may perform some of the duties required of the Water Resources Technician II position but are not expected to function at the same skill level and exercise less independent discretion and judgment in matters related to work procedures and methods. Work is usually supervised while in progress and fits an established structure or pattern. Exceptions or changes in procedures are explained in detail as they arise.

Water Resources Technician II is the fully qualified journey-level classification in the Water Resources Technician class series, capable of performing a wide variety of independent work. Positions at this level are distinguished from the Water Resources Technician I level by the performance of the full range of duties as assigned, working independently, and exercising judgment and initiative. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit.

EXAMPLES OF DUTIES (Illustrative Only)

- Conducts groundwater level and water quality monitoring at wells throughout the subbasin, including manual measurements and datalogger-based data collection.
- Collects groundwater and water quality samples using low-flow and other approved protocols, including for constituents of concern such as PFAS, nitrate, and volatile organic compounds; coordinates delivery to certified laboratories and reviews analytical results.
- Monitors seawater intrusion conditions and maintains associated chloride and water quality monitoring records.
- Coordinates monitoring well infrastructure projects, including well installation, rehabilitation, video logging, datalogger procurement, and pump replacement; prepares requests for quotes and supports competitive bid and sole-source procurement processes.
- Performs field inspections, making field measurements, calculations, and sketches, and inspects wells, weather stations, and other water resources infrastructure.
- Gathers and analyzes data and prepares written technical reports for managers and others, outlining recommendations for monitoring, data collection, and management improvements.
- Assists with the preparation and submission of Groundwater Sustainability Plans (GSPs), SGMA annual reports, periodic evaluations, and other mandated county, state, and regional water resource-related reports.
- Compiles and analyzes hydrologic, climatic, and water quality data from sources such as PRISM, CIMIS, and datalogger networks in support of water year and water budget calculations.
- Coordinates with consultants, contractors, laboratories, and partner agencies on multi-agency groundwater and water resources projects.
- Maintains accurate records of work performed.
- Supports the development and maintenance of water resources databases, geographic information system (GIS) data, and public data portals.
- Assists with project management, scheduling, and status reporting across multiple concurrent water resources projects.
- Performs other duties as assigned.

QUALIFICATIONS

Knowledge of:

- Principles and methods of groundwater hydrology, water resources management, water supply, and recycled water and managed aquifer recharge programs.
- The Sustainable Groundwater Management Act (SGMA) and related state groundwater regulations, reporting requirements, and sustainability planning.
- Groundwater and water quality sampling methods, field measurement techniques,

and monitoring well operation and maintenance.

- Appropriate data and record-keeping methods and principles.
- Basic safety practices related to field work, including work at well sites and around equipment.
- Applicable laws, codes, and regulations.
- Standard and specialized computer applications related to the work, including data management and geographic information systems (GIS).
- Methods for compiling, managing, and analyzing hydrologic, climatic, and water quality data.
- Seawater intrusion processes and monitoring within coastal groundwater basins.

Skill in:

- Analyzing problems, examining alternatives, and recommending solutions.
- Collecting groundwater and water quality field data and samples using established protocols and instrumentation.
- Providing technical support in the implementation of groundwater monitoring and SGMA compliance programs.
- Interpreting, applying, and explaining laws, regulations, policies, and procedures.
- Compiling, analyzing, and interpreting hydrologic and water quality data and presenting results in technical reports.
- Making accurate mathematical calculations.
- Prioritizing own work and using independent judgment within procedural guidelines.
- Maintaining accurate records of work performed.
- Establishing and maintaining effective working relationships with those contacted in the course of the work.
- Coordinating projects, contractors, and consultants, and supporting procurement and reporting processes.

EDUCATION/EXPERIENCE:

Water Resources Technician I: Equivalent to two years of college-level coursework which included the fundamentals of engineering, hydrology, groundwater, and water resources management, and two years of increasing responsible experience performing related field work, groundwater monitoring, sample collection, and data analysis.

Water Resources Technician II: In addition to the above, two years of experience performing duties at a level equivalent to the District's classification of Water Resources Technician II.

A bachelor's degree in hydrology, engineering, environmental science, or a related field from an accredited college may be substituted for up to two (2) years of the required experience.

LICENSES AND CERTIFICATIONS:

Water Resources Technician I/II: Must possess and maintain a valid California Class C driver's license and have a satisfactory driving record. Additional training may be required based on actual field assignments.

Water Resources Technician II: In addition to the above, specialized training or certification in hydrogeology, groundwater science, or geographic information systems (GIS) is desirable.

PHYSICAL DEMANDS

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; mobility to inspect various well sites, monitoring locations, and water resources infrastructure; physical stamina to perform system and site inspections; traverse uneven terrain and lift and carry materials weighing up to 50 pounds; vision to read printed materials and a computer screen; and hearing and speech to communicate in person, over the telephone and a two-way radio. Employees may interact with members of the public under stressful conditions while interpreting and enforcing District policies and procedures.

ENVIRONMENTAL ELEMENTS

The work requires outside exposure to all weather conditions with dust, noise, traffic, some potentially hazardous materials and electrical or heavy equipment.

FLSA Status: Non-exempt eligible for overtime

Bargaining Unit: MCWD Employees Association

Marina Coast Water District

11 Reservation Road, Marina, CA 93933
(831) 384-6131 | Fax (831) 883-5995

WATER RESOURCES TECHNICIAN I
WATER RESOURCES TECHNICIAN II

DEFINITION

~~Under general direction, performs professional level duties in the District's residential, commercial, and landscape water conservation programs; develops programs to promote water resource management and data collection; conducts field audits and provides consultation on water conservation methods; responds to customer inquiries or complaints; analyzes data and prepares reports on water resources issues; conducts studies and develops other programs related to climate action and adaptation planning; and performs related work as required.~~
Under general direction, performs professional level duties in support of the District's groundwater monitoring; performs and coordinates field data collection, water quality sampling, and monitoring well infrastructure projects; supports the preparation of Resource Plans and reports, annual reports, and periodic evaluations; coordinates with consultants, contractors, laboratories, and partner agencies on multi-agency water resources projects; analyzes hydrologic and water quality data and prepares technical reports; assists with procurement and project management for water resources programs; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Direct supervision is provided by the Water Resources Manager or his/her designee. No direct supervision of staff is exercised.

CLASS CHARACTERISTICS

Water Resources Technician I is the entry-level classification in the Water Resources Technician class series. Initially, under close supervision, incumbents learn and perform routine duties related to ~~water conservation programs and irrigation practices.~~groundwater monitoring, field data collection, and water resources program support. As experience is gained, assignments become more varied, complex, and difficult; close supervision and frequent review of work lessen as an incumbent demonstrates the skill to perform the work independently. Positions at this level may perform some of the duties required of the ~~position of~~ Water Resources Technician II position~~level~~ but are not expected to function at the same skill level and exercise less independent discretion and judgment in matters related to work procedures and methods. Work is usually supervised while in progress and fits an established structure or pattern. Exceptions or changes in procedures are explained in detail as they arise.

Water Resources Technician II is the fully qualified journey-level classification in the Water Resources Technician class series, capable of performing a wide variety of independent work. Positions at this level are distinguished from the Water Resources Technician I level by the performance of the full range of duties as assigned, working independently, and exercising judgment and initiative. Positions at this level receive only occasional instruction or assistance as new or unusual situations arise and are fully aware of the operating procedures and policies of the work unit.

EXAMPLES OF DUTIES (Illustrative Only)

- ~~Researches and analyzes water use, production, and monitoring records.~~Conducts groundwater level and water quality monitoring at wells throughout the subbasin, including manual measurements and datalogger-based data collection.
- ~~Answers consumer inquiries in person and by telephone regarding water use and water conservation programs.~~Collects groundwater and water quality samples using low-flow and other approved protocols, including for constituents of concern such as PFAS, nitrate, and volatile organic compounds; coordinates delivery to certified laboratories and reviews analytical results.
- ~~Researches, creates, and maintains records, files, and directories.~~Monitors seawater intrusion conditions and maintains associated chloride and water quality monitoring records.
- ~~Conducts interior and exterior water audits for a variety of users.~~Coordinates monitoring well infrastructure projects, including well installation, rehabilitation, video logging, datalogger procurement, and pump replacement; prepares requests for quotes and supports competitive bid and sole-source procurement processes.
- ~~Performs field inspections, making field measurements, calculations, sketches, and inspects for various water resources-related issues.~~Performs field inspections, making field measurements, calculations, and sketches, and inspects wells, weather stations, and other water resources infrastructure.
- ~~Gathers and analyzes data and prepares written reports for managers and others, outlining suggestions for water resource data collection and management improvements.~~Gathers and analyzes data and prepares written technical reports for managers and others, outlining recommendations for monitoring, data collection, and management improvements.
- ~~Assists with data gathering, preparation, and submission of a variety of mandated county, state, and other water resource-related reports.~~Assists with the preparation and submission of Groundwater Sustainability Plans (GSPs), SGMA annual reports, periodic evaluations, and other mandated county, state, and regional water resource-related reports.
- ~~Participates in water resources outreach programs, assists with developing educational materials, supports rebate incentive programs, and processes rebates.~~Compiles and analyzes hydrologic, climatic, and water quality data from sources such as PRISM, CIMIS, and datalogger networks in support of water year and water budget calculations.
- ~~Attends and/or makes presentations at community workshops or events promoting the District's water resources programs and efforts.~~Coordinates with consultants, contractors,

laboratories, and partner agencies on multi-agency groundwater and water resources projects.

- Maintains accurate records of work performed.
- Supports the development and maintenance of water resources databases, geographic information system (GIS) data, and public data portals.
- Assists with project management, scheduling, and status reporting across multiple concurrent water resources projects.

QUALIFICATIONS

Knowledge of:

- ~~Water conservation methods related to agricultural, municipal, and industrial water needs.~~Principles and methods of groundwater hydrology, water resources management, water supply, and recycled water and managed aquifer recharge programs.
- ~~Public outreach methods and techniques related to water resource management.~~The Sustainable Groundwater Management Act (SGMA) and related state groundwater regulations, reporting requirements, and sustainability planning.
- ~~Principals and methods of water resources management, water source supply, and recycled water programs.~~Groundwater and water quality sampling methods, field measurement techniques, and monitoring well operation and maintenance.
- Appropriate data and record-keeping methods and principles.
- ~~Basic safety practices related to the work.~~Basic safety practices related to field work, including work at well sites and around equipment.
- Applicable laws, codes, and regulations.
- ~~Basic computer applications related to the work.~~Standard and specialized computer applications related to the work, including data management and geographic information systems (GIS).
- ~~Techniques for providing a high level of customer service to the public and District staff, in person and over the telephone.~~Methods for compiling, managing, and analyzing hydrologic, climatic, and water quality data.
- Seawater intrusion processes and monitoring within coastal groundwater basins.

Skill in:

- Analyzing problems, examining alternatives, and recommending solutions.
- ~~Explaining basic water resource management methods and products to the public.~~Collecting groundwater and water quality field data and samples using established protocols and instrumentation.
- ~~>Providing technical assistance in the implementation of the water efficiency programs.~~Providing technical support in the implementation of groundwater monitoring and SGMA compliance programs.

- Interpreting, applying, and explaining laws, regulations, policies, and procedures.
- ~~>Interviewing and accurately recording customer responses regarding indoor and outdoor water use habits.~~Compiling, analyzing, and interpreting hydrologic and water quality data and presenting results in technical reports.
- Making accurate mathematical calculations.
- Prioritizing own work and using independent judgment within procedural guidelines.
- Maintaining accurate records of work performed.
- Establishing and maintaining effective working relationships with those contacted in the course of the work.
- Coordinating projects, contractors, and consultants, and supporting procurement and reporting processes.

Education/Experience:

Water Resources Technician I: ~~Equivalent to graduation from high school and one year of experience in water conservation or a directly related field and demonstrated customer relations experience.~~ Equivalent to two years of college-level coursework which included the fundamentals of engineering, hydrology, groundwater, and water resources management, and two years of increasing responsible experience performing related field work, groundwater monitoring, sample collection, and data analysis.

Water Resources Technician II: ~~Equivalent to graduation from high school with specialized coursework or training in a field that includes the fundamentals of water supply and conservation principles and three years of experience performing water efficiency activities and related work.~~

~~An associate's degree from an accredited college with specialized coursework in a related field may be substituted for one year of experience. A bachelor's degree from an accredited college may be substituted for three years of experience.~~

In addition to the above, two years of experience performing duties at a level equivalent to the District's classification of Water Resources Technician II.

A bachelor's degree in hydrology, engineering, environmental science, or a related field from an accredited college may be substituted for up to two (2) years of the required experience.

Licenses and Certifications:

Water Resources Technician I/II: Must possess and maintain a valid California class C driver's license and have a satisfactory driving record.

~~American Water Works Association (AWWA) Water Use Efficiency Practitioner Grade 1 Certification within twelve (12) months from date of hire.~~ Additional training may be required based on actual field assignments.

Water Resources Technician II: ~~Must possess and maintain a valid California C driver's license and have a satisfactory driving record.~~

~~American Water Works Association (AWWA) Water Use Efficiency Practitioner Grade 2 Certification within twelve (12) months from date of hire.~~

In addition to the above, s~~S~~pecialized training or certification in hydrogeology, groundwater science, or geographic information systems (GIS) is desirable.

Physical Demands:

Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; mobility to inspect various ~~building and landscape sites and irrigation and water delivery systems~~well sites, monitoring locations, and water resources infrastructure; physical stamina to perform system and site inspections; traverse uneven terrain and lift and carry materials weighing up to ~~25~~ 50 pounds; vision to read printed materials and a computer screen; and hearing and speech to communicate in person, over the telephone and a two-way radio.

Employees may interact with members of the public under stressful conditions while interpreting and enforcing District policies and procedures.

Other Requirements:

The work requires outside exposure to all weather conditions with dust, noise, traffic, some potentially hazardous materials and electrical or heavy equipment.

FLSA Status: Non-exempt eligible for overtime

Bargaining Unit: MCWD Employees Association

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Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-D **Meeting Date:** September 21, 2026

Prepared By: Mayra Magdaleno **Approved By:** Remleh Scherzinger, PE
Reviewed By: Jack Gao, EIT, PMP

Agenda Title: Adopt Resolution No. 2026-59 to Amend the FY 2026-2027 Capital Improvement Program Budget and Amend Professional Services Agreement with Wallace Group for Related Construction Management and Inspection Services

Staff Recommendation: Adopt Resolution No. 2026-59 to amend the FY 2026-2027 Capital Improvement Program Budget and Amend Professional Services Agreement with Wallace Group for Related Construction Management and Inspection Services.

Background: *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*
OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.
OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.

On November 17, 2025, the Board of Directors of the Marina Coast Water District (MCWD) adopted Resolution No. 2025-55, awarding a Construction Contract to GRC for General Construction Services for the construction of California Avenue Water Main Project in the amount of $856,900. The project focused on increasing the transmission main capacity from the planned Zone A tanks to the Central Marina service area.

The project involves the installation of approximately 1,230 linear feet (LF) of new 12-inch pipeline along California Avenue, from the Marina-Ord Intertie meter at Patton Parkway to Reindollar Avenue.

Discussion/Analysis: The California Avenue Main Replacement Project (MW-0321) had an unspent FY 2025-2026 budget of $320,391. The current project FY 2026-2027 budget of $160,000 requires a budget amendment to cover existing and additional costs incurred. The additional costs incurred are related to unforeseen utility conflicts and roadway restoration requirements in accordance with the City of Marina standards, triggering additional material, equipment, and labor.

Additionally, the increased construction activities have resulted in extra construction management and inspection services from Wallace Group. The contract amendment increases the total for Wallace Group by $35,142, for a total contract of $135,000.

Staff recommends authorizing an amendment to the Wallace Group construction management and inspection contract. To advance the project and enter the closeout phase, the request includes rolling over $320,391 from the unspent FY 2025-2026 budget into the FY2026-2027 budget and add $458,889, for a total FY 2026-2027 project budget of $939,280.

Environmental Review Compliance: Notice of Exemption (NOE).

Legal Counsel Review: Legal Counsel reviewed this agenda item.

Climate Adaptation: The District's goal is to provide projects that address climate change and improve the District's footprint on the environment. Water system improvement projects provide overall system reliability and reduce the potential liability of impacts to the sensitive local environment and inefficient operation and overconsumption of resources.

Financial Impact: __X__ Yes ____ No **Funding Source/Recap:** The FY 2026-2027 CIP budget amendments are:

CIP Budget Amendment	Budget	Change	Balance
FROM: 2024 Bond	$934,064 - MW	($779,280)	$154,784
TO: FY 2026-2027 MW-0321 California Avenue Water Main	$160,000 - MW	$779,280	$939,280

Material Included for Information/Consideration: Resolution No. 2026-59.

Action Required: __X__ Resolution ______ Motion _____ Review

Board Action

Motion By______________ Seconded By________________ No Action Taken_____________

Ayes__________________________ Abstained____________________________

Noes__________________________ Absent______________________________

September 21, 2026

Resolution No. 2026-59
Resolution of the Board of Directors
Marina Coast Water District
Amend the FY 2026-2027 Capital Improvement Program Budget and Amend Professional Services Agreement with Wallace Group for Related Construction Management and Inspection Services

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("MCWD" or "District") at a regular meeting duly called and held on September 21, 2026 at 920 Second Avenue, Marina, California as follows:

WHEREAS, the MCWD is a County Water District and political subdivision of the State of California, organized under Division 12, Sections 3000 and following for the California Water Codes, established in 1960; and,

WHEREAS, the District owns and operates facilities and property for the supply, treatment and distribution of water, including recycled wastewater (the "Water System"), and the collection, treatment and disposal of wastewater (the "Wastewater System") and the District wishes to allocate funds for the acquisition, construction and installation of improvements to the Water System and the Wastewater System, consisting generally of infrastructure improvements to pipelines, pumping stations, storage, groundwater wells, other water supply sources, facilities, and District operational systems to modernize the District's water, wastewater and recycled water systems(the "Projects"); and,

WHEREAS, the MCWDGSA is a Sustainable Groundwater Agency (GSA) and a Political subdivision of the State of California, organized under Division 6 of the California Water Code; and,

WHEREAS, on May 18, 2020, the Directors of the District accepted the Water, Sewer and Recycled Water Master Plans; and,

WHEREAS, the Directors of the District passed and adopted Resolution No. 2026-32 adopting the District Budget for FY 2026-2027; and,

WHEREAS, the Directors of the District approved the California Avenue Water Main Project on November 17, 2025, as Resolution No. 2025-55; and,

WHEREAS, additional construction activities are necessary to complete the California Ave Water Main Project, such as additional material, equipment, labor, and road restoration requirements per the City of Marina standards; and,

WHEREAS, said activities incurred additional construction management and inspection services provided by Wallace Group; and,

WHEREAS, the adopted FY 2026-2027 project budget is insufficient to cover existing and additional costs incurred; and, WHEREAS, this amendment requests rolling over $320,391 from the unspent FY 2025-2026 budget into the FY2026-2027 budget and adding $458,889 to the current project FY 2026-2027 budget; and,

WHEREAS, the Engineering staff and Finance staff identified appropriate and available funding sources; and,

WHEREAS, staff recommends amending the FY 2026-2027 project budget to total $939,280.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby:

1. adopt Resolution No. 2026-59 to Amend the FY2026-2027 Capital Improvement Program Budget as follows:

CIP Budget Amendment	Budget	Change	Balance
FROM: 2024 Bond	$934,064 - MW	($779,280)	$154,784
TO: FY 26/27 MW-0321 California Avenue Water Main	$160,000 - MW	$779,280	$939,280

2. amend Wallace Group Construction Management and Inspection Contract in the amount of $35,142 for additional services performed for the California Avenue Water Main Project (MW-0321) for a total contract amount of $135,000;
3. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution; and,
4. authorize the General Manager to approve all Project contracts related to construction engineering services, environmental studies and monitoring, construction management and inspection services, and additional change orders, provided that in no event shall any change order cause the Project to exceed the Board-approved total Project budget.

PASSED AND ADOPTED on September 21, 2026, 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______________________________

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Gail Morton, President

ATTEST:

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Remleh Scherzinger, 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. 2026-59 adopted September 21, 2026.

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Remleh Scherzinger, Secretary

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Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-E **Meeting Date:** September 21, 2026

Prepared By: Mayra Magdaleno **Approved By:** Remleh Scherzinger, PE
Reviewed By: Jack Gao, EIT, PMP

Agenda Title: Adopt Resolution No. 2026-60 to Amend the FY 2026-2027 Capital Improvement Program Budget for the Construction and Closeout of Solar Array Project (WD-2405)

Staff Recommendation: Adopt Resolution No. 2026-60 to amend the FY 2026-2027 Capital Improvement Program (CIP) Budget for the Construction and Closeout of Solar Array Project (WD-2405).

Background: *Strategic Plan, Goal No. 4 – INFRASTRUCTURE: Reliable, Cost-Effective, and Sustainable Facilities and Properties. The District will develop a comprehensive plan to guide the use of its properties and the renewal and replacement of facilities for timeliness, cost-effectiveness, and maximum long-term benefit.*
OBJECTIVE 4.1: A comprehensive plan guides long-term, cost-effective renewal, replacement, usage, and development of District facilities and properties.
OBJECTIVE 4.2: The comprehensive, long-term facility plan is funded.

On March 17, 2025, the Board of Directors of the Marina Coast Water District (MCWD) adopted Resolution No. 2025-17, awarding a Construction Contract to Scudder Solar Electric Energy Systems for General Construction Services for the construction of the Solar Array Project. The project focused on solar infrastructure to reduce energy consumption and greenhouse gas (GHG) emissions while keeping MCWD operational during emergencies or power disruptions for up to a 72-hour runtime.

Discussion/Analysis: The Solar Array Project (WD-2405) had an unspent FY 2025-2026 budget of $785,043. The current project FY 2026-2027 budget of $700,000 requires a budget amendment to cover existing and additional costs incurred. All solar panels, batteries, and electric vehicle (EV) chargers were installed as of June 15, 2026, and the solar system is currently being interconnected and tested during the startup phase.

Staff recommends authorizing an amendment to roll over $785,043 of the unspent FY 2025-2026 budget into the project FY 2026-2027 budget, for a total of $1,485,043.

Environmental Review Compliance: Notice of Exemption (NOE).

Legal Counsel Review: Legal Counsel reviewed this agenda item.

Climate Adaptation: The Solar Array Project aligns with the District's goal of minimizing its environmental impact. This initiative aims to address and mitigate the effects of climate change by reducing energy consumption and GHG emissions associated with lower reliance on grid power. The average annual electricity usage for the 920 Second Avenue building is 94,436 kilowatt-hours (kWh). With the integration of solar energy, the project is expected to reduce approximately 76,493 pounds of carbon dioxide (CO2) emissions annually. Additionally, the charging stations will support the transition to electric fleet vehicles, further contributing to the reduction of GHG emissions.

Financial Impact: __X__ Yes ____ No **Funding Source/Recap:** The FY 2026-2027 CIP budget amendments are:

CIP Budget Amendment	Budget	Change	Balance
FROM: Capacity Fee	($898,138) - MW	($154,675)	($1,052,813)
	($2,703,992) - MS	($27,493)	($2,731,485)
	($2,779,007) - OW	($339,743)	($3,118,750)
	$5,657,732 - OS	($83,171)	$5,574,561
	$4,744,628 - RW	($107,666)	$4,636,962
	$1,796,895 - GSA	($62,895)	$1,734,000
FROM: Operating Reserve	$5,734,817 – MS	($9,400)	$5,725,417
TO: FY 2026/2027 WD-2405 Solar Array	$700,000	$785,043	$1,485,043

Material Included for Information/Consideration: Resolution No. 2026-60.

Action Required: __X__Resolution ______Motion _____Review

Board Action

Motion By____________ Seconded By______________ No Action Taken____________

Ayes______________________ Abstained________________________

Noes______________________ Absent__________________________

September 21, 2026

Resolution No. 2026-60
Resolution of the Board of Directors
Marina Coast Water District
Amend the FY 2026-2027 Capital Improvement Program Budget for the Construction and Closeout of Solar Array Project (WD-2405)

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("MCWD" or "District") at a regular meeting duly called and held on September 21, 2026 at 920 Second Avenue, Marina, California as follows:

WHEREAS, the MCWD is a County Water District and political subdivision of the State of California, organized under Division 12, Sections 3000 and following for the California Water Codes, established in 1960; and,

WHEREAS, the District owns and operates facilities and property for the supply, treatment and distribution of water, including recycled wastewater (the "Water System"), and the collection, treatment and disposal of wastewater (the "Wastewater System") and the District wishes to allocate funds for the acquisition, construction and installation of improvements to the Water System and the Wastewater System, consisting generally of infrastructure improvements to pipelines, pumping stations, storage, groundwater wells, other water supply sources, facilities, and District operational systems to modernize the District's water, wastewater and recycled water systems(the "Projects"); and,

WHEREAS, the MCWDGSA is a Sustainable Groundwater Agency (GSA) and a Political subdivision of the State of California, organized under Division 6 of the California Water Code; and,

WHEREAS, on May 18, 2020, the Directors of the District accepted the Water, Sewer and Recycled Water Master Plans; and,

WHEREAS, the Directors of the District passed and adopted Resolution No. 2026-32 adopting the District Budget for FY 2026-2027; and,

WHEREAS, the Directors of the District approved the Solar Array Project on March 17, 2025, as Resolution No. 2025-17; and,

WHEREAS, all solar infrastructure was installed as of June 15, 2026, and the system is currently being tested during the startup phase; and,

WHEREAS, the adopted FY 2026-2027 project budget is insufficient to cover existing and additional costs incurred; and,

WHEREAS, this amendment request will roll over $785,043 of the unspent FY 2025-2026 budget into the FY 2026-2027 budget for project closeout; and,

WHEREAS, Engineering staff and Finance staff identified appropriate and available funding source; and, WHEREAS, staff recommends amending the project budget to total $1,485,043.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby:

1. adopt Resolution No. 2026-60 to Amend the FY 2026-2027 Capital Improvement Program Budget as follows:

CIP Budget Amendment	Budget	Change	Balance
FROM: Capacity Fee	($898,138) - MW	($154,675)	($1,052,813)
	($2,703,992) - MS	($27,493)	($2,731,485)
	($2,779,007) - OW	($339,743)	($3,118,750)
	$5,657,732 - OS	($83,171)	$5,574,561
	$4,744,628 - RW	($107,666)	$4,636,962
	$1,796,895 - GSA	($62,895)	$1,734,000
FROM: Operating Reserve	$5,734,817 – MS	($9,400)	$5,725,417
TO: FY 2026/2027 WD-2405 Solar Array	$700,000	$785,043	$1,485,043

2. authorize the General Manager to take all actions and execute all documents which may be necessary or appropriate to give effect to this resolution;
3. authorize the General Manager to approve all Project contracts related to construction engineering services, environmental studies and monitoring, construction management and inspection services, and additional change orders, provided that in no event shall any change order cause the Project to exceed the Board-approved total Project budget.

PASSED AND ADOPTED on September 21, 2026, 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______________________________________

____

Gail Morton, President

ATTEST:

____

Remleh Scherzinger, 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. 2026-60 adopted September 21, 2026.

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Remleh Scherzinger, Secretary