



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: [www.mcwd.org](http://www.mcwd.org)

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**DIRECTORS**  
KENNETH K. NISHI  
*President*

WILLIAM LEE  
*Vice President*

THOMAS P. MOORE  
HOWARD GUSTAFSON  
DAN BURNS

## DUAL LOCATIONS

### Agenda

### Regular Board Meeting, Board of Directors Marina Coast Water District

Country Inn & Suites, 2621 Prince William Parkway, Woodbridge, VA 22192

and

11 Reservation Road, Marina, California

Tuesday, June 22, 2010, 6:45 p.m. PST

*This meeting has been noticed according to the Brown Act rules. The Board of Directors now meets regularly on the second Tuesday of each month. The meetings normally begin at 6:45 p.m. at the District offices at 11 Reservation Road, Marina, California.*

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

**Vision:** *The Marina Coast Water District will be the leading public supplier of integrated water and wastewater services in the Monterey Bay Region.*

### 1. Call to Order

### 2. Roll Call

### 3. Closed Session

- A. Pursuant to Government Code 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Parcel of Land known as Sunset Place  
Negotiating Parties: MCWD, Residents, City of Marina  
Under Negotiation: Fee Title Ownership and Disposal
- B. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Anticipated Litigation  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9  
1 Case

**This agenda is subject to revision and may be amended prior to the scheduled meeting. A final agenda will be posted at the District office at 11 Reservation Road, Marina, 72 hours prior to the meeting. Copies will also be available at the Board meeting. A complete Board packet containing all enclosures and staff materials will be available for public review on Thursday, June 17, 2010 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. The next regular meeting of the Board of Directors is scheduled for July 13, 2010.**

- C. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
(Subdivision (a) of Section 54956.9)  
Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County  
Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate  
and Complaint for Declaratory Relief)

**7:00 p.m. Reconvene Open Session**

**4. Possible Action on Closed Session Items** *The Board will report out on any action taken during Closed Session, and may take additional action in Open Session, as appropriate. Any closed session items not completed will be discussed at the end of the meeting.*

**5. Pledge of Allegiance**

**6. 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 three minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

**7. Presentation**

- A. Consider Adoption of Resolution No. 2010-29 to Recognize Richard Green, System Operator II, and Awarding a Plaque and Gift Certificate for 10 Years of Service to the Marina Coast Water District

*Action: The Board will consider adopting Resolution No. 2010-29 recognizing Richard Green, System Operator II, and awarding a plaque and gift certificate for 10 years of service to the Marina Coast Water District.*

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

- A. Adopt Resolution No. 2010-30 to Authorize a Professional Services Agreement with Recommended Industrial Hygienist/Hazardous Materials Specialist Firm for the Well 32 Replacement/Eastern Distribution System Project
- B. Adopt Resolution No. 2010-31 to Authorize a Professional Services Agreement with Recommended Licensed Land Surveyor Firm for the Well 32 Replacement/Eastern Distribution System Project
- C. Adopt Resolution No. 2010-32 to Extend the Current FY 2009-2010 District Budget
- D. Adopt Resolution No. 2010-33 to Authorize Investment of Monies and Update Signatures for the Local Agency Investment Fund (LAIF)

- E. Adopt Resolution No. 2010-34 Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities and Resolution No. 2010-35 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) Contingent Upon Passing a Risk Assessment and JPIA Executive Committee Authorization
- F. Adopt Resolution No. 2010-36 to Approve a Change in Vendors for the Short-Term Disability (STD)/Long-Term Disability (LTD) Benefits for District Employees
- G. Approve the Expenditures for the Month of May 2010
- H. Approve the Draft Minutes of the Special Board Meeting of April 19, 2010
- I. Approve the Draft Minutes of the Regular Board Meeting of May 11, 2010
- J. Approve the Draft Minutes of the Special Board Meeting of May 27, 2010
- K. Approve the Draft Minutes of the Special Board Meeting of June 10, 2010

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

- A. Consider Adoption of Resolution No. 2010-37 to Amend the Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers for Updating the 2005 Urban Water Management Plan

*Action: The Board of Directors is requested to amend the Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers to update the 2005 Urban Water Management Plan.*

- B. Consider Adoption of Resolution No. 2010-38 to Authorize a Construction Contract and Related Expenses for Construction of the FORA Building at Imjin Office Park Building

*Action: The Board of Directors is requested to authorize the project expenditures for constructing Building C within the Imjin Office Park.*

- C. Consider Adoption of Resolution No. 2010-39 to Provide for the Creation of the Imjin Office Park Owners Association and to Appoint Two Owners Association Directors

*Action: The Board of Directors is requested to provide for the creation of the Imjin Office Park Owners Association and to appoint two Owners Association Directors.*

- D. Consider Adoption of Resolution No. 2010-40 to Authorize the Construction Contract for CIP# OW-0207 with Monterey Peninsula Engineering for Installing Potable Water Pipelines in 3<sup>rd</sup> Avenue and 12<sup>th</sup> Street in Marina, CA Within a Not-To-Exceed Project Amount of \$176,000

*Action: The Board of Directors is requested to consider authorizing the construction contract for CIP# OW-0207 with Monterey Peninsula Engineering (MPE) within a Board-authorized not-to-exceed project amount of \$176,000.*

- E. Consider Adoption of Resolution No. 2010-41 to Authorize the Construction Contract with Maggiora Bros. Drilling, Inc. to Remove the Beach Intake Well Vault and to Cut and Cap the Well Casing Within a Not-To-Exceed Project Work Amount of \$28,000

*Action: The Board of Directors is requested to consider authorizing the construction contract with Maggiora Bros. Drilling, Inc. to remove the beach intake well vault and to cut and cap the well casing for a Board-authorized not-to-exceed project work amount of \$28,000.*

- F. Consider Adoption of Resolution No. 2010-42 to Approve an Amendment to the Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Regional Water Supply Project

*Action: The Board of Directors is requested to amend the Professional Services Agreement with RMC Water & Environment for Program Management and Engineering Services for the Regional Water Supply Project.*

- G. Consider District's Position and Direct Staff to Prepare a Letter Regarding the Assembly Bill 155, Which Would Limit Local Government's Ability to Make Their Own Financial Decision to Declare Bankruptcy

*Action: The Board of Directors is requested to direct staff to prepare a letter regarding AB 155.*

- H. Consider Reinstating Standing Committees of the Board

*Action: The Board of Directors is requested to consider reinstating Standing Committees of the Board such as Budget and Personnel, Projects and Planning, and Operations and Maintenance.*

- I. Consider Adoption of Resolution No. 2010-43 to Authorize District Staff to Work with LAFCO Staff to Initiate an Annexation Process of Any or All of the Ord Community into the Marina Coast Water District at a Cost Not-To-Exceed \$100,000

*Action: The Board of Directors will consider authorizing District staff to work with LAFCO staff to initiate the Annexation Process of any or all of the Ord Community at a cost not-to-exceed \$100,000.*

**10. 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 three minutes.*

A. General Manager's Report

B. District Engineer's Report

C. Counsel's Report

D. Committee and Board Liaison Reports

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

E. Director's Comments

## **11. Correspondence**

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

*Regular Meeting: Tuesday, July 13, 2010, 6:45 p.m.,  
11 Reservation Road, Marina*

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 7-A

Meeting Date: June 22, 2010

Submitted By: Jim Dowless

Presented By: Jim Heitzman

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-29 in Recognition of Richard Green, Systems Operator II, and Awarding a Plaque and Gift Certificate for 10 Years of Service to the Marina Coast Water District

Detailed Description: Richard Green began his employment with the District June 20, 2000. With memorable enthusiasm, Richard began the task of learning the various skills and assignments associated with Operations and Maintenance. Five months into the probationary period, Richard was awarded regular employee status.

Richard holds numerous certifications in water treatment and water distribution and continues to improve his backhoe operating skills. Richard played a pivotal role in establishing the District's Valve Exercising Program and operates one of the District's two valve turning units. Richard is a dedicated and loyal employee who is well-respected and admired by his fellow employees and District customers.

It is with great pleasure that the District recognizes Richard Green's ten years of service to the Marina Coast Water District. We collectively thank him for his years of outstanding service, and wish him well in his continued service to the District.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

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

Financial Impact:  Yes  No

Funding Source/Recap: All four cost centers – Hospitality and awards – account number 01-035-009.

Material Included for Information/Consideration: Resolution No. 2010-29.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2010-29 in recognition of Richard Green, Systems Operator II, and awarding a plaque and gift certificate for 10 Years of Service to the Marina Coast Water District.



June 22, 2010

Resolution No. 2010-29  
Resolution of the Board of Directors  
Marina Coast Water District  
In Recognition of Mr. Richard Green  
for 10 Years of Service to MCWD and Awarding a Plaque and Gift Certificate

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, Richard Green joined the District on June 20, 2000; and,

WHEREAS, Richard began the task of learning the various skills and assignments associated with Operations and Maintenance. Richard performed this phase of his duties in an outstanding manner; and,

WHEREAS, Richard holds the State of California Department of Public Health Water Treatment Certification and the Water Distribution Certification; and, was instrumental in implementing the District’s Valve Exercising Program; and,

WHEREAS, Richard is a dedicated and loyal employee who is well-respected and admired by his fellow employees and District customers.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby express its gratitude and recognizes Richard Green for ten-years of service with MCWD, and wishes him continued success with the District.

PASSED AND ADOPTED on June 22, 2010, 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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Kenneth K. Nishi, President



ATTEST:

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Jim Heitzman, 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. 2010-29 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8

Meeting Date: June 22, 2010

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Carl Niizawa

Agenda Title: Consent Calendar

Detailed Description: Consent calendar consisting of:

- A) Adopt Resolution No. 2010-30 to Authorize a Professional Services Agreement with Recommended Industrial Hygienist/Hazardous Materials Specialist Firm for the Well 32 Replacement/Eastern Distribution System Project;
- B) Adopt Resolution No. 2010-31 to Authorize a Professional Services Agreement with Recommended Licensed Land Surveyor Firm for the Well 32 Replacement/Eastern Distribution System Project;
- C) Adopt Resolution No. 2010-32 to Extend the Current FY 2009-2010 District Budget;
- D) Adopt Resolution No. 2010-33 to Authorize Investment of Monies and Update Signatures for the Local Agency Investment Fund (LAIF);
- E) Adopt Resolution No. 2010-34 Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities and Resolution No. 2010-35 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) Contingent Upon Passing a Risk Assessment and JPIA Executive Committee Authorization;
- F) Adopt Resolution No. 2010-36 to Approve a Change in Vendors for the Short-Term Disability (STD)/Long-Term Disability (LTD) Benefits for District Employees;
- G) Approve the Expenditures for the Month of May 2010;
- H) Approve the Draft Minutes of the Special Board Meeting of April 19, 2010;
- I) Approve the Draft Minutes of the Regular Board Meeting of May 11, 2010;
- J) Approve the Draft Minutes of the Special Board Meeting of May 27, 2010; and,
- K) Approve the Draft Minutes of the Special Board Meeting of June 10, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: See individual transmittals.

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

Financial Impact: \_\_\_\_\_Yes \_\_\_\_\_No

Funding Source/Recap: See individual transmittals.

Material Included for Information/Consideration: See individual transmittals.

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

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_    Motion By \_\_\_\_\_    Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_    Abstained \_\_\_\_\_

Noes \_\_\_\_\_    Absent \_\_\_\_\_

Reagendized \_\_\_\_\_    Date \_\_\_\_\_    No Action Taken \_\_\_\_\_

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: June 22, 2010

Submitted By: Gary Rogers

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-30 to Authorize a Professional Services Agreement with Recommended Industrial Hygienist/Hazardous Materials Specialist Firm for the Well 32 Replacement/Eastern Distribution System Project

Detailed Description: The Board of Directors is requested to approve selection of a professional consultant for the Well 32 Replacement/Eastern Distribution System Project (EDS Project) and to authorize the General Manager and/or the Deputy General Manager/District Engineer to sign a professional services agreement with Ground Zone, LLC for Industrial Hygienist/Hazardous Materials Specialist Work during the Construction Phase of the EDS Project.

MCWD Procedure No. A-1 requires that State and/or Federal Grant Project regulation requirements be followed for procurement of any consultants for which grant funding is sought. The EDS Project is partially funded with a Proposition 50 State Water Resources Control Board (SWRCB) grant; the MCWD is a sub-grantee to the Monterey County Water Resources Agency (MCWRA) for the Proposition 50 funds. Staff complied with selection guidelines to ensure compliance with this requirement.

For selecting a professional consultant to provide the Industrial Hygienist/Hazardous Materials Specialist Work, two rounds of outreach were done, because no qualified proposals were received from the first mail out. Reasons for non-responsiveness, as Consultants informed District staff, are that this is a small job and that proceeding with the RFP process may not be worth their effort. In addition, the consultant is required to be certified by the State of California to provide consulting regarding asbestos removal.

A second round mail out of a revised RFP/RFQ with a new due date was done April 23, 2010. To increase the potential to receive multiple proposals, staff did the following:

- Revised the second RFP/RFQ to add more information about potential future work and to simplify the project background information;
- Added ten more addresses to the sixty-seven that staff obtained from the University of California;

The result of the second outreach is that the District received two proposals. While both consultants were apparently qualified, Ground Zone, LLC is the most qualified because of their more comprehensive understanding and detailed scope of work that was discussed in their proposal package. Ground Zone's proposed cost is \$32,850.

Environmental Review Compliance: None required.

Prior Committee or Board Action:

- Resolution No. 2003-16, the Board approved MCWD Project Procedures Manual Procedure No. A-1 Consultant Procurement Policy and Procedure.
- Resolution No. 2006-81, the Board authorized a Professional Services Agreement with Denise Duffy and Associates to prepare CEQA documentation services for Well No. 33 and Phase One of the Eastern Distribution System (EDS) Project.
- Resolution No. 2007-44, the Board authorized a Professional Services Agreement with Martin Feeney hydrogeologic services for Well 32 Replacement.
- Resolution No. 2009-11, the Board adopted the Well No. 32 Replacement/EDS Project Initial Study/Mitigated Negative Declaration CEQA document.
- Resolution No. 2009-12, the Board approved the Project.
- Resolution 2010-07, the Board authorized signature of a license agreement with the County of Monterey and UCP-East Garrison, LLC for use of the North Drainage Basin.
- Resolution 2010-08, the Board authorized signature of a license agreement with University of California for construction mobilization area.
- Resolution 2010-21 the Board authorized signature of a Professional Services Agreement with Denise Duffy and Associates for biological/environmental services of the Eastern Distribution System Project

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:   X   Yes             No

Funding Source/Recap: The cost of \$40,850 (consultant cost plus contingencies including potential soil testing) for obtaining the agreement will be assigned to the design and construction tasks for the project that appears in the approved FY 2009/2010 Budget as CIP Nos. OW-116 and OW-0170 with a value of \$500,000 and \$1,287,000, respectively.

Funding for this work is from the Ord Community Water cost center. Additionally, the District will continue requesting reimbursement from the State of California State Water Resources Control Board Proposition 50 funds of an amount to be determined for a portion of the Well No. 32 Replacement.

Material Included for Information/Consideration: Resolution No. 2010-30.

Staff Recommendation: The Board of Directors to consider adoption of Resolution No. 2010-30 to authorize a Professional Services Agreement with recommended Industrial Hygienist/Hazardous Materials Specialist Firm for the Eastern Distribution System Project and also authorize the General Manager and/or Deputy General Manager/District Engineer to sign contracts for a total of \$40,850, including a 20 percent contingency of \$8,000 for the construction phase of the Well No. 32 Replacement as part of the Eastern Distribution System Project.

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

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Board Action

Resolution No  Motion By  Seconded By

Ayes  Abstained

Noes  Absent

Reagendized  Date  No Action Taken

June 22, 2010

Resolution No. 2010-30  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing a Professional Services Agreement with Recommended  
Industrial Hygienist/Hazardous Materials Specialist Firm for the  
Well 32 Replacement/Eastern Distribution System Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the proposed Well 32 Replacement/Eastern Distribution System Project (hereafter, the “Project”) contains components that are part of the MCWD CIP and identified within the 2006 Master Plan; and,

WHEREAS, the Project has the following objectives: (1) improve the system’s capacity and distribution facilities by adding redundancy and increasing peak day capacity to meet the projected future, long-term water supply demands of the MCWD’s Central Marina and Ord Community service areas; (2) decrease use of existing coastal MCWD-owned wells in an attempt to improve existing sea water intrusion conditions in the shallow coastal aquifer; (3) comply with current California Department of Public Health (CDPH) and Monterey County Environmental Health Department regulations for potable water distribution systems; and (4) comply with California and Monterey County Water Resources Agency requirements for abandonment and deconstruction of existing wells and construction of new wells; and,

WHEREAS, the Salinas Valley Integrated Water Management Plan was approved on March 20, 2007 to receive Proposition 50 funds from the State Water Resources Control Board and is expected to reimburse a portion of the District costs for replacement wells from the pressure zone; and,

WHEREAS, in Resolution No. 2009-12, this Board approved the Well 32 Replacement/Eastern Distribution System Project, and this Board determined to carry out the Project as described in Chapter 2 of the Draft Initial Study Mitigation Negative Declaration, authorized and directed the General Manager to undertake all administrative actions necessary to carry out the Project including but not limited to procuring final design plans and obtaining all necessary governmental permits, and that the carrying out of the Project is subject to all current, applicable agreements and memorandums of understanding by and among interested parties, regarding design, ownership, construction, financing and operation of the Project; and,

WHEREAS, the District routinely requires procurement of professional services to develop technical reports, studies, plans and specifications, or provide technical assistance and expertise: and,

WHEREAS, the District requires service to our customers and all engineering and environmental work products to meet the highest standards of professional excellence; and,

WHEREAS, in Resolution No. 2003-16, this Board adopted the MCWD Project Procedures Manual Procedure No. A-1, which is the policy that provides the process to be followed by the District when selecting consultants; and,

WHEREAS, MCWD staff conducted the professional selection process in accordance with the MCWD Project Procedures Manual Procedure No. A-1 and determined Ground Zone, LLC to be most qualified firm to provide Industrial Hygienist/Hazardous Materials Specialist services for the Construction Phase of the Well No. 32 Replacement as part of the Eastern Distribution System Project.

NOW, THEREFORE, BE IT RESOLVED THAT, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or Deputy General Manager to execute a Professional Services Agreement with Ground Zone LLC to provide Industrial Hygienist/Hazardous Materials Specialist services as professional consultants for the Well 32 Replacement/ Eastern Distribution System Project and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$40,850.

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-30, adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: June 22, 2010

Submitted By: Gary Rogers

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-31 to Authorize a Professional Services Agreement with Recommended Licensed Land Surveyor Firm for the Well 32 Replacement/Eastern Distribution System Project

Detailed Description: The Board of Directors is requested to approve selection of a professional consultant for the Well 32 Replacement/Eastern Distribution System Project (EDS Project) and to authorize the General Manager and/or the Deputy General Manager/District Engineer to sign a professional services agreement with Bestor Engineering, Inc. for Land Surveying Services during the Construction Phase of the Well 32 Replacement/EDS Project.

MCWD Procedure No. A-1 requires that State and/or Federal Grant Project regulation requirements be followed for procurement of any consultants for which grant funding is sought. The EDS Project is partially funded with a Proposition 50 State Water Resources Control Board (SWRCB) grant; the MCWD is a sub-grantee to the Monterey County Water Resources Agency (MCWRA) for the Proposition 50 funds. Staff complied with selection guidelines to ensure compliance with this requirement.

For selecting a professional consultant to provide the Land surveying Services, an outreach was done through an RFP/RFQ which was advertised through various media and resources (MCWD website, Builders' Exchange Central Coast and Integrated Marketing Systems, Inc.) for a two week period beginning April 21, 2010. The District also mailed out the advertisement packages to eighteen firms throughout the county.

The results of the outreach are that the District received six proposals. While all consultants were apparently qualified, Bestor Engineering, Inc. is the most qualified because of the most accurate, defined and realistic scope of work that was discussed in their proposal package. Bestor's proposed cost is \$4,750 which is within the mid range of the cost array.

Environmental Review Compliance: None required.

Prior Committee or Board Action:

- Resolution No. 2003-16, the Board approved MCWD Project Procedures Manual Procedure No. A-1 Consultant Procurement Policy and Procedure.
- Resolution No. 2006-81, the Board authorized a Professional Services Agreement with Denise Duffy and Associates to prepare CEQA documentation services for Well No. 33 and Phase One of the Eastern Distribution System (EDS) Project.

- Resolution No. 2007-44, the Board authorized a Professional Services Agreement with Martin Feeney hydrogeologic services for Well 32 Replacement.
- Resolution No. 2009-11, the Board adopted the Well No. 32 Replacement/EDS Project Initial Study/Mitigated Negative Declaration CEQA document.
- Resolution No. 2009-12, the Board approved the Project.
- Resolution 2010-07, the Board authorized signature of a license agreement with the County of Monterey and UCP-East Garrison, LLC for use of the North Drainage Basin.
- Resolution 2010-08, the Board authorized signature of a license agreement with University of California for construction mobilization area.
- Resolution 2010-21 the Board authorized signature of a Professional Services Agreement with Denise Duffy and Associates for biological/environmental services of the Eastern Distribution System Project

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers’ needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:      X   Yes               No

Funding Source/Recap:    The cost of \$5,450 (including consultant cost plus contingency) for obtaining the agreement will be assigned to the design and construction tasks for the project that appears in the approved FY 2009/2010 Budget as CIP Nos. OW-116 and OW-0170 with a value of \$500,000 and \$1,287,000, respectively.

Funding for this work is from the Ord Community Water cost center. Additionally, the District will continue requesting reimbursement from the State of California State Water Resources Control Board Proposition 50 funds of an amount to be determined for a portion of the Well No. 32 replacement.

Material Included for Information/Consideration: Resolution No. 2010-31.

Staff Recommendation: The Board of Directors to consider adoption of Resolution No. 2010-31 to authorize a Professional Services Agreement with recommended Licensed Land Surveyor Firm for the Well 32 Replacement/Eastern Distribution System Project and also authorize the General Manager and/or Deputy General Manager/District Engineer to sign contracts for a total of \$5,450, including a 15 percent contingency of \$700 for the construction phase of the Well No. 32 Replacement as part of the Eastern Distribution System Project.

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

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-31  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing a Professional Services Agreement with  
Recommended Licensed Land Surveyor Firm for the  
Well 32 Replacement/Eastern Distribution System Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the proposed Well 32 Replacement/Eastern Distribution System Project (hereafter, the “Project”) contains components that are part of the MCWD CIP and identified within the 2006 Master Plan; and,

WHEREAS, the Project has the following objectives: (1) improve the system’s capacity and distribution facilities by adding redundancy and increasing peak day capacity to meet the projected future, long-term water supply demands of the MCWD’s Central Marina and Ord Community service areas; (2) decrease use of existing coastal MCWD-owned wells in an attempt to improve existing sea water intrusion conditions in the shallow coastal aquifer; (3) comply with current California Department of Public Health (CDPH) and Monterey County Environmental Health Department regulations for potable water distribution systems; and (4) comply with California and Monterey County Water Resources Agency requirements for abandonment and deconstruction of existing wells and construction of new wells; and,

WHEREAS, the Salinas Valley Integrated Water Management Plan was approved on March 20, 2007 to receive Proposition 50 funds from the State Water Resources Control Board and is expected to reimburse a portion of the District costs for replacement wells from the pressure zone; and,

WHEREAS, in Resolution No. 2009-12, this Board approved the Well 32 Replacement/Eastern Distribution System Project, and this Board determined to carry out the Project as described in Chapter 2 of the Draft Initial Study Mitigation Negative Declaration, authorized and directed the General Manager to undertake all administrative actions necessary to carry out the Project including but not limited to procuring final design plans and obtaining all necessary governmental permits, and that the carrying out of the Project is subject to all current, applicable agreements and memorandums of understanding by and among interested parties, regarding design, ownership, construction, financing and operation of the Project; and,

WHEREAS, the District routinely requires procurement of professional services to develop technical reports, studies, plans and specifications, or provide technical assistance and expertise: and,

WHEREAS, the District requires service to our customers and all engineering and environmental work products to meet the highest standards of professional excellence; and,

WHEREAS, in Resolution No. 2003-16, this Board adopted the MCWD Project Procedures Manual Procedure No. A-1, which is the policy that provides the process to be followed by the District when selecting consultants; and,

WHEREAS, MCWD staff conducted the professional selection process in accordance with the MCWD Project Procedures Manual Procedure No. A-1 and determined Bestor Engineering, Inc. to be most qualified firm to provide Licensed Land Surveying services for the Construction Phase of the Well No. 32 Replacement as part of the Eastern Distribution System Project.

NOW, THEREFORE, BE IT RESOLVED THAT, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or Deputy General Manager to execute a Professional Services Agreement with Bestor Engineering, Inc. to provide Licensed Land Surveying services as professional consultants for the Well 32 Replacement/Eastern Distribution System Project and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$5,450.

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-31, adopted June 22, 2010.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-C

Meeting Date: June 22, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-32 to Extend the Current FY 2009-2010 District Budget

Detailed Description: The Board of Directors is requested to adopt Resolution No. 2010-32 to extend the District's current FY 2009-2010 budget.

Each year, the District follows a budget development process that results in Board approval of the annual budget by June 30. This year, the annual budget is proposed to be adopted on August 10, 2010. On May 11, 2010, the MCWD Board approved the Proposition 218 rate increase process and scheduled two public hearing meetings. The MCWD/FORA for Ord Community service area public hearing meeting is scheduled for August 13, 2010. The MCWD for Central Marina service area public hearing meeting is scheduled for August 10, 2010.

The anticipated Prop 218 hearing will not allow the MCWD Board to adopt the rates, fees and charges for FY 2010-2011 until after the Proposition 218 public hearing. Should the Board approve extending the current FY 2009-2010 budget, the budget will remain in place until such time as the MCWD and FORA Board acts to adopt the FY 2010-2011 budget.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board reviewed the Draft FY 2010-2011 Budget and Budget Schedule on March 16, 2010 and on April 19, 2010 during a Budget workshop.

Board Goals/Objectives: *2007/2008 Strategic Plan – Goal No. 4 – To manage the District's finances in the most effective manner.*

Financial Impact:  Yes  No

Funding Source/Recap: All Accounts

Material Included for Information/Consideration: Resolution No. 2010-32.

Staff Recommendation: The Board of Directors adopt Resolution No. 2010-32 to extend the current FY 2009-2010 District Budget until subsequent action is taken by MCWD Board.

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

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_



June 22, 2010

Resolution No. 2010-32  
Resolution of the Board of Directors  
Marina Coast Water District  
Extending the Current FY 2009-2010 District Budget

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, each year, the District follows a budget development process that results in Board approval of the annual budget by June 30. This year, the annual budget is proposed to be adopted on August 10, 2010; and,

WHEREAS, on May 11, 2010, the MCWD Board approved the Proposition 218 rate increase process and scheduled two public hearing meetings; and,

WHEREAS, the anticipated Proposition 218 public hearing will not allow the MCWD Board to adopt the budget for FY 2010-2011 until after the hearing; and,

WHEREAS, should the Board approve extending the current FY 2009-2010 budget, the budget will remain in place until such time as the MCWD and FORA Board acts to adopt the FY 2010-2011 budget; and,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board of Directors of the Marina Coast Water District does hereby approve to extend the current FY 2009-2010 District Budget.
2. The budget extension authorized by this Resolution shall be in effect until subsequent action is taken by the MCWD Board.

PASSED AND ADOPTED on June 22, 2010, 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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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-32 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-D

Meeting Date: June 22, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-33 to Authorize Investment of Monies and Update Signatures for the Local Agency Investment Fund (LAIF)

Detailed Description: On October 17, 1985, the District adopted Resolution No. 85-12 authorizing the deposit and/or withdrawal of Marina Coast Water District monies in the California Local Agency Investment Fund (LAIF).

Resolution No. 85-12 authorized the District General Manager, by name, to deposit and/or withdraw monies for the District. Since the General Manager changes periodically LAIF requested that the District adopt a new resolution indicating the individuals authorized to handle transactions for the District. On January 28, 2004, the Board adopted Resolution No. 2004-12 authorizing the General Manager and the Administrative Services Officer for Personnel and Administration, now titled as the Management Services Administrator, to deposit and/or withdraw funds for the District. On July 27, 2005, the Board adopted Resolution No. 2005-54 authorizing the General Manager and the Deputy General Manager/District Engineer to the LAIF signature list. On June 14, 2006, the Board adopted Resolution No. 2006-42 authorizing the General Manager and the Management Services Administrator to the LAIF signature list. On July 25, 2007, the Board adopted Resolution No. 2007-51 authorizing the General Manager and Water Quality Manager to the LAIF signature list since the current Management Services Administrator was filled by a temporary employee. On September 26, 2007, the Board adopted Resolution No. 2007-71 authorizing the General Manager and the District Engineer to the LAIF signature list.

Staff recommends the General Manager and the Deputy General Manager/District Engineer be added to the current LAIF signature list. Either one of the signatures will be required to deposit and/or withdraw monies from the LAIF for the District.

Environmental Review Compliance: None required.

Prior Committee or Board Action: Resolution No. 85-12 adopted by the Board on October 17, 1985; Resolution No. 2004-12 adopted by the Board on January 28, 2005; Resolution No. 2005-54 adopted by the Board on July 27, 2005; Resolution No. 2006-42 adopted by the Board on June 14, 2006; Resolution No. 2007-51 adopted by the Board on July 25, 2007; and Resolution No. 2007-71 adopted by the Board on September 26, 2007.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 4 - To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact:        \_\_\_\_\_ Yes      X   No

Funding Source/Recap: N/A

Material Included for Information/Consideration: Resolution No. 2010-33.

Staff Recommendation: The Board of Directors adopt Resolution No. 2010-33 to authorize investment of monies and update signatures for the Local Agency Investment Fund (LAIF).

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

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Board Action

Resolution No. \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-33  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing Investment of Monies and Update Signatures  
for the Local Agency Investment Fund (LAIF)

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and,

WHEREAS, the Directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the California Government Code for the purpose of investment as stated therein as in the best interests of the District.

NOW THEREFORE, BE IT RESOLVED, that the Directors does hereby authorize the deposit and withdrawal of District monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the California Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following District officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

Jim Heitzman, General Manager

(Name, Title)

(Signature)

Carl Niizawa, Deputy General Manager/District Engineer

(Name, Title)

(Signature)

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-33 adopted June 22, 2010.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-E

Meeting Date: June 22, 2010

Submitted By: Jean Premutati

Presented By: Jean Premutati

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-34 Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities and Resolution No. 2010-35 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA) Contingent Upon Passing a Risk Assessment and JPIA Executive Committee Authorization

Annually, each July, the District's workers' compensation coverage is due for renewal. Despite a 0.01% change in our experience rating from 2009 (0.82%) to 2010 (0.83%), and a negligible change in payroll, State Compensation Insurance Fund (SCIF) has increased our annual premium by nearly 75% from \$55,459 to \$96,870. SCIF received approval for a rate increase from the State Department of Insurance in July 2009 and January 2010, which are now affecting all employer policies up for renewal July 1, 2010. The rate increases are due to substantial increases in medical services and facilities' costs.

Repeated attempts to obtain our renewal were made to SCIF once the estimated payroll was submitted in April 2010. Due to several changes in personnel, and because we are a direct renewal vs. broker renewal, the 2010/2011 renewal was not received until June 7, 2010 giving us little time to begin shopping for comparable coverage at a better rate. Eighteen carriers were contacted for quotes and all but two declined. To date, we have received the following quotes (attached):

Insurance Company of the West (ICW)	\$80,744
ACWA JPIA	\$56,826

ICW has 30+ years of solid financial performance with an A- rating and a financial size category of Class IX. They were awarded one of the top performing insurance companies for 2009 with experience modification trends lower than industry averages.

ACWA JPIA currently provides liability coverage for the District and administers a self-insured program for workers' compensation. There are no stockholders, income taxes, premium taxes or property taxes. There is no profit margin, and no sales commissions. Any excess funds, as well as investment income, for a given coverage year are returned to the member agencies instead of being retained as profit. There is a term commitment of three (3) years once a member enters the program.

While the ACWA program is self-insured, the District would be pooled with other similar entities and classification codes. Members share in the pooled losses of other members similar to the liability program according to a retrospective allocation point (RAP) based on the deposit

premium. The RAP similar to a deductible and the District will not be required to pay additional money at the time of a loss.

The JPIA uses the same formula developed by the Workers' Compensation Insurance Rating Bureau to reflect the District's loss experience in comparison with other employers in the same classifications. In addition, the JPIA program provides a \$2M statutory limit on bodily injury or disease vs. \$1M currently offered by SCIF and ICW.

A review of the ACWA JPIA program ensures no loss or reduction of workers' compensation benefits. In fact, the District can anticipate a higher level of involvement, more timely information, and enhanced customer service from ACWA JPIA. Additionally, there has been very little, if any staff turnover, which we have experienced repeatedly with SCIF.

There is a rather lengthy application process to transition carriers, which includes an assessment of the District's safety program, a site visit to inspect records, and approval of the ACWA Executive Committee which meets quarterly. The earliest the District could be approved is September 2010 and a change in carriers may occur as early as October. Should we change carriers after the July 1 renewal, the District will owe SCIF a short rate cancellation penalty of approximately \$10,000. However, the savings to the District will more than make up for this.

In order to ensure the District's application is complete, and to expedite the process, approval of both Resolutions at this time will eliminate the need to do so once a decision is made by the ACWA JPIA Executive Committee. In the meantime, staff recommends the District renew with SCIF until the application process is complete. Staff will report to the Board the outcome and continue to research alternatives as well.

Environmental Review Compliance: None.

Prior Committee or Board Action: None.

Board Goals/Objectives: *Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:      Yes      No

Funding Source/Recap: All cost centers.

Material Included for Information/Consideration: Resolution No. 2010-34 Authorizing Application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities; Resolution No. 2010-35 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA); Application for a Public Entity to Self-Insure; ACWA JPIA quote; and ICW quote.

Staff Recommendation: The Board of Directors renew SCIF contract for 2010-2011 while completing application process for ACWA JPIA and approve Resolution No. 2010-34 Authorizing Application to the Director of Industrial Relations, State of California for a



Certificate of Consent to Self-Insure Workers' Compensation Liabilities and Resolution No. 2010-35 Consenting to Enter the Joint Protection Programs of ACWA JPIA Contingent Upon Passing a Risk Assessment and JPIA Executive Committee Authorization.

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

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Board Action

Resolution No  Motion By  Seconded By

Ayes  Abstained

Noes  Absent

Reagendized  Date  No Action Taken

June 22, 2010

Resolution No. 2010-35  
Resolution of the Board of Directors  
Marina Coast Water District  
Consenting to Enter the Joint Protection Programs of the  
Association of California Water Agencies (ACWA)/Joint Powers Insurance Authority (JPIA)

RESOLVED by the Board of Directors (“Board”), of the Marina Coast Water District (“District”), at the regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Marina Coast Water District is a public entity organized and existing under laws of the State of California; and,

WHEREAS, pursuant to the provisions of Section 3700 of the California Labor Code, said District may self-insure for Workers’ Compensation Liabilities in a joint protection program; and,

WHEREAS, the District desires to participate in the ACWA/Joint Powers Insurance Authority joint protection program for Workers’ Compensation coverage contingent upon passing an ACWA/JPIA risk assessment and Executive Committee approval as follows:

Section 1. That the District hereby elects to join the Workers’ Compensation Program sponsored by the Authority.

Section 2. That the District hereby selects \$10,000 as its Retrospective Allocation Point (RAP) for the Authority’s cost allocation formula for Workers’ Compensation.

Section 3. That the Treasurer of the District is hereby authorized to pay to the ACWA/Joint Powers Insurance Authority its deposit premium quarterly.

Section 4. That the Secretary of the Board of Directors of the District is directed to certify a copy of this resolution and to forward the same resolution, the signed Joint Powers Agreement, and the JPIA deposit premium payment promptly by mail to the Association of California Water Agencies/Joint Powers Insurance Authority, 5620 Birdcage Street, Suite 200, Citrus Heights, California, 95610, at which time coverage will commence the 1<sup>st</sup> day of October 2010.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve the consent to enter the joint protection programs of the Association of California Water Agencies/Joint Powers Insurance Authority:

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-35 adopted June 22, 2010.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-F

Meeting Date: June 22, 2010

Submitted By: Jean Premutati

Presented By: Jean Premutati

Reviewed By: Carl Niizawa

Agenda Title: Adopt Resolution No. 2010-36 to Approve a Change in Vendors for the Short-Term Disability (STD)/Long-Term Disability (LTD) Benefits for District Employees

Description: The Board is requested to consider approving a change in vendors from MetLife to Sun Life Assurance Company of Canada for the STD/LTD benefits for District employees.

The current STD/LTD plan renewals for MetLife have been received for 2010/2011 with no rate increase. However, upon receipt of additional out-to-bid results, Sun Life Assurance Company of Canada was able to provide the District with a 20% annual rate reduction. This is likely because Sun Life is our current vendor for life and accidental death and dismemberment (AD&D) insurance.

Staff recommends consolidating the STD/LTD benefits with the life and AD&D as it will reduce the number of vendors the District utilizes as benefit providers and simplify the processing of invoices. There is no loss of coverage and Sun Life is able to provide a three (3) year rate guarantee.

Environmental Review Compliance: None required.

Prior Committee or Board Action: On June 25, 2008, the Board adopted Resolution No. 2008-28 approving a STD/LTD benefit plan for the District employees.

Board Goals/Objectives: *2007/2008 Strategic Plan Mission – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_\_\_Yes     \_\_\_X\_\_\_No

Funding Source/Recap: N/A

Material Included for Information/Consideration: Resolution No. 2010-36; Out-to-Bid results and Sun Life quote.

Staff Recommendation: The Board of Directors adopt Resolution No. 2010-36 to approve a change in vendors for the STD/LTD benefits for District employees.

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

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Board Action

       Resolution No           Motion By           Seconded By       

Ayes           Abstained       

Noes           Absent       

Reagendized           Date           No Action Taken

June 22, 2010

Resolution No. 2010-36  
Resolution of the Board of Directors  
Marina Coast Water District  
Approve a Change in Vendors for the  
Short-Term Disability (STD)/Long-Term Disability (LTD) Benefits  
for District Employees

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the current STD/LTD carrier is MetLife and a renewal on July 1, 2010 will not result in a rate increase; and,

WHEREAS, Sunlife of Canada Insurance has submitted a quote for 20% below that of the MetLife premiums with no loss of coverage and a three (3) year rate guarantee; and,

WHEREAS, Sunlife of Canada Insurance is the current carrier for the District’s life and AD&D insurance; and,

WHEREAS, staff recommends changing vendors from MetLife to Sunlife and consolidating the STD/LTD plans with the life and AD&D insurance as it will reduce the number of vendors the District utilizes as benefit providers and simplify the processing of invoices.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2010-36 to approve changing vendors from MetLife to Sunlife for the STD/LTD benefit plan and authorize the General Manager to execute all necessary documents that will take effect to this resolution.

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-36 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-G

Meeting Date: June 22, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Approve Expenditures for the Month of May 2010

Detailed Description: The Board of Directors is requested to approve the attached May 2010 check register for expenditures totaling \$472,449.42.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

Financial Impact:     \_\_\_Yes   \_\_\_X\_\_\_No

Funding Source/Recap: Expenditures are allocated across the five cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04- Ord Sewer, 05-New Water.

Material Included for Information/Consideration: May 2010 Summary Check Register.

Staff Recommendation: The Board of Directors approve the May 2010 expenditures totaling \$472,449.42.

Action Required:     \_\_\_Resolution   \_\_\_X\_\_\_Motion   \_\_\_Review

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Board Action

\_\_\_Resolution No\_\_\_     Motion By\_\_\_     Seconded By\_\_\_

Ayes\_\_\_     Abstained\_\_\_

Noes\_\_\_     Absent\_\_\_

Reagendized\_\_\_     Date\_\_\_     No Action Taken\_\_\_



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-H

Meeting Date: June 22, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of April 19, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of April 19, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_Yes   \_\_\_X\_\_\_No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of April 19, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the April 19, 2010 special Board meeting.

Action Required:     \_\_\_Resolution   \_\_\_X\_\_\_Motion   \_\_\_Review

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Board Action

\_\_\_Resolution No\_\_\_     Motion By\_\_\_     Seconded By\_\_\_

Ayes\_\_\_     Abstained\_\_\_

Noes\_\_\_     Absent\_\_\_

Reagendized\_\_\_     Date\_\_\_     No Action Taken\_\_\_

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Special Board Meeting  
April 19, 2010  
6:00 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 6:00 p.m. on April 5, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi– President  
Bill Lee – Vice President  
Howard Gustafson  
Tom Moore  
Dan Burns – arrived at 6:10 p.m.

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager  
Lloyd Lowrey, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Jim Dowless, Operations and Maintenance Superintendent  
Suresh Prasad, Director of Finance  
Jean Premutati, Management Services Administrator  
Evelina Adlawan, Water Quality Manager  
Rich Youngblood, Conservation Coordinator  
Brian True, Capital Projects Manager  
Paula Riso, Executive Assistant

Audience Members:

Alison Imamura, Denise Duffy & Associates  
Andy Sterbenz, Schaaf & Wheeler

Mr. Lloyd Lowrey, Legal Counsel, noted that the closed session item was being held pursuant to Government Code 54956.9 regarding existing litigation with the Ag Land Trust.

The Board of Directors entered into closed session at 6:01 p.m.

3. Closed Session:

- A. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
(Subdivision (a) of Section 54956.9)  
Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and Complaint for Declaratory Relief)

The Board of Directors ended closed session at 6:21 p.m. and reconvened to open session at 6:22 p.m.

4. Possible Action on Closed Session Items:

Mr. Lowrey stated that there was discussion on the pending lawsuit, instructions were given and that no action was taken.

5. Pledge of Allegiance:

President Nishi asked Mr. Jim Dowless, Operations and Maintenance Superintendent, to lead everyone present in the Pledge of Allegiance.

6. Oral Communications:

None.

7. Action Item:

- A. Consider Adoption of Resolution No. 2010-24 to Approve a Professional Services Agreement with Denise Duffy & Associates for Environmental Services Related to the Regional Water Supply Project:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item.

Action Item 7-A (continued):

Director Burns made a motion to adopt Resolution No. 2010-24 approving a Professional Services Agreement with Denise Duffy & Associates for Environmental Services Related to the Regional Water Supply Project. Vice President Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

**B. Reconsider the Vote on Adoption of Resolution No. 2010-20**

The President of the Board will entertain a motion to take from the table the motion made and seconded on April 13 to reconsider the vote on Resolution No. 2010-20. If the tabled motion is taken from the table, the Board will vote on the motion to reconsider Resolution No. 2010-20. If the Board votes to reconsider Resolution No. 2010-20, the Board will proceed with reconsideration of Resolution No. 2010-20.

- Resolution No. 2010-20 contains Findings, with a Statement of Overriding Considerations and adoption of mitigation measures identified and proposed in the Final EIR as certified by the CPUC on December 17, 2009, in Decision D.09-12-017, and tailored to MCWD's role as a responsible agency, as set forth in the Findings and the Mitigation Monitoring and Reporting Plan attached to the Findings, and based thereon.
- Resolution No. 2010-20 conditionally approves MCWD's participation in the Regional Desalination Project pursuant to
  - a Water Purchase Agreement between Marina Coast Water District, California American Water Company, and Monterey County Water Resources Agency,
  - a related Settlement Agreement between MCWD, MCWRA, CAW and various other interested parties to settle California Public Utilities Commission Proceeding A.04-09-019, "In the Matter of the Application of California-American Water Company (U 210 W) for a Certificate of Public Convenience and Necessity to Construct and Operate its Coastal Water Project to Resolve the Long-Term Water Supply Deficit in its Monterey District and to Recover All Present and Future Costs in Connection Therewith in Rates."
- Resolution No. 2010-20 authorizes the President and the General Manager and Secretary to execute the Water Purchase Agreement and the Settlement Agreement pursuant to the resolution and conditional approval.
- Resolution No. 2010-20 directs the General Manager and staff to take all other actions that may be necessary to effectuate and implement the resolution and conditional project approval.

Action Item 7-B (continued):

In considering a Motion to Reconsider, the Board will review and consider the Final EIR and the Addendum released by the CPUC's consultant on March 24, 2010, and will entertain and consider comments from the public, together with such other information as was presented on April 13, 2010, and such information as may be presented at the meeting on April 19.

Mr. Lowrey introduced this item noting that on April 13, 2010, he had asked the Board of Directors to table the reconsideration of Resolution No. 2010-20. Mr. Lowrey commented that it is appropriate at this time to take the item off the table. He asked that a motion and second be made to remove the item from the table. Once the item is removed from the table and in front of the Board of Directors for reconsideration, the Board will vote on whether or not to reconsider. Mr. Lowrey recommended voting against reconsideration, thereby leaving in place the action taken on April 5, 2010 to adopt Resolution No. 2010-20 which approves Findings, with a Statement of Overriding Considerations and adoption of mitigation measures, MCWD's participation in the Regional Desalination Project pursuant to a Water Purchase Agreement between Marina Coast Water District, California American Water Company, and Monterey County Water Resources Agency, and a related Settlement Agreement.

Mr. Lowrey stated that the Board of Directors has received a significant amount of information at the last meeting and this meeting which include CD's with hydrogeologic information, and many letters. He explained that the concerns do not reflect the District's role in the Regional Plan. The District is not undertaking its own project, only the desalination plant portion, with the Monterey County Water Resources Agency (MCWRA) responsible for the wells and pumping. Mr. Lowrey opined that the Water Rights criticism is not well founded in being directed at the District. He also opined that the District has followed all the requirements of CEQA and reviewed all the environmental documents that they needed to. Mr. Lowrey added that the Board of Directors needs to take into consideration all the information received although he did not believe it added any significance to what the Board has already received. The information is very extensive and it does not relate to the piece of the project the Board of Directors is considering.

Director Gustafson made a motion to remove the item from the table. The motion failed for lack of a second. Director Burns asked if there was any damage to the timeframe done by tabling this item at the April 13<sup>th</sup> meeting. Mr. Heitzman stated there was no damage done. Mr. Lowrey suggested making a motion to remove the item from the table so there could be discussion on it.

Vice President Lee made a motion to remove the item from the table. Director Burns seconded the motion. With a vote of 5-Ayes, 0-Noes, 0-Abstained, the motion was passed.

Action Item 7-B (continued):

Mr. Lowrey stated that now the item is removed from the table, he recommends that the Board of Directors vote against reconsideration.

Vice President Lee made a motion to not reconsider the item. Director Burns seconded the motion. Director Moore stated that by removing the item from the table, the motion that was tabled at the last meeting was now on the floor for reconsideration. Mr. Lowrey agreed and commented that this motion was not needed as there was already one from last week on the floor.

President Nishi asked Mr. Lowrey to clarify what needed to be done. Mr. Lowrey commented that the motion to remove the item from the table was passed, and now the motion made at the April 13<sup>th</sup> meeting to reconsider the adoption of Resolution No. 2010-20 is pending before the Board of Directors. Mr. Lowrey recommended the Board vote against reconsideration of Resolution No. 2010-20.

Director Moore asked if Ms. Alison Imamura, Denise Duffy & Associates, could comment on the letters received regarding the potential impact in North County. Ms. Imamura commented that the information received did not show that there were new or more severe potential significant impacts than what were identified in the EIR.

The motion made on April 13, 2010 by Director Gustafson and seconded by Vice President Lee to reconsider Resolution No. 2010-20 was on the floor. The motion to reconsider Resolution No. 2010-20 was not passed.

Director Moore	-	No	Vice President Lee	-	No
Director Gustafson	-	No	President Nishi	-	No
Director Burns	-	No			

The motion to adopt Resolution No. 2010-20, originally made on April 5, 2010, remains in place.

President Nishi recessed the meeting from 6:42 until 6:48 p.m.

8. Budget Workshop:

- A. Receive District Draft FY 2010-2011 Budgets, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents:

Mr. Suresh Prasad, Director of Finance, introduced this item and commented that the action requested of the Board of Directors is to receive the draft FY 2010-2011 budget, rates, fees, and charges, and provide direction to staff as to the final budget preparation.

Action Item 8-A (continued):

President Nishi inquired what service the customer received for the monthly meter charge. Mr. Prasad answered that there is not a specific service identified by the monthly meter charge. The monthly meter charge is a “ready to serve” charge that is for monthly operating expenses. President Nishi suggested putting it in the budget so it is easier for customers to understand why they are being charged a monthly meter fee. Mr. Prasad answered that it could be done.

President Nishi asked if a test meter was ever put in to see if the monthly flat meter rate was fairly accurate. Mr. Jim Heitzman answered that a test meter was never put in, but conservation numbers show that the unmetered areas use much more water than the average metered areas use. There was discussion on capacity charges in the Ord and Central Marina areas.

Mr. Heitzman advised that revenue will be lost as water conservation increases. It is already beginning to be shown in other water districts as well.

Director Moore asked staff to increase promotion of paperless billing to customers.

Mr. Prasad briefly reviewed the customer service and finance budget. Ms. Jean Premutati, Management Services Administrator, briefly reviewed the Human Resources budget. Mr. Dowless, Operations and Maintenance Superintendent, briefly reviewed the Operations and Maintenance budget. Ms. Evelina Adlawan, briefly reviewed the Laboratory budget. Mr. Rich Youngblood, Conservation Coordinator, briefly reviewed the Conservation budget and showed a conservation video that was co-created by MCWD, Cal Am Water, Monterey Peninsula Water Management District, and the Water Awareness Committee and will be shown in local theaters to promote water conservation. Mr. Niizawa and Mr. Brian True, Capital Projects Manager, briefly reviewed the Engineering and Capital Improvement Projects budget.

Director Burns inquired what the proposed rate increase was. Mr. Prasad answered that there was a proposed rate increase of 7.8% in both cost centers.

The Board of Directors asked some clarifying questions.

President Nishi suggested that another rate study should be done since the master meter and conservation issues are becoming more tangible. President Nishi asked to see the Caltrans or other City’s rate verses the District’s rate on equipment costs. He also stated that he would like the wharfheads located behind the old Safeway to be prioritized for replacement.

President Nishi asked to see a report on the percentage of money saved each year for the last three to four years.

9. Director's Comments:

Director Moore complimented staff on the presentation stating that each year gets progressively better.

Director Gustafson urged staff to consider adopting the Caltrans rental rates.

Director Burns complimented staff on the presentation and a job well done.

Vice President Lee seconded that sentiment.

President Nishi also complimented staff on the presentation. He also encouraged staff to invite former directors, members of their families, and former employees to the 50 year anniversary celebration.

10. Adjournment:

The meeting was adjourned at 8:19 p.m.

APPROVED:

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-I

Meeting Date: June 22, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of May 11, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of May 11, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: \_\_\_\_\_ Yes      X   No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of May 11, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the May 11, 2010 regular Board meeting.

Action Required: \_\_\_\_\_ Resolution      X   Motion    \_\_\_\_\_ Review

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Regular Board Meeting  
May 11, 2010  
6:45 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 6:45 p.m. on May 11, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi– President  
Howard Gustafson  
Tom Moore  
Dan Burns

Board Members Absent:

Bill Lee – Vice President

Staff Members Present:

Lloyd Lowrey, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Suresh Prasad, Director of Finance  
Rich Youngblood, Conservation Coordinator  
Brian True, Capital Projects Manager  
James Derbin, Operations and Maintenance Supervisor  
Barbara Montanti, Customer Service Assistant

Audience Members:

Jan Shriner, Marina Resident  
Andy Sterbenz, Schaaf & Wheeler  
Kim Cohen, Marina Resident  
Paula Pelot, Preston Park Resident  
Kate McKenna, LAFCO Executive Officer

President Nishi commented that Vice President Lee called to say he was out of the country and would not be able to attend the meeting.

The Board entered into closed session at 6:45 p.m.

3. Closed Session:

- A. Pursuant to Government Code 54956.8  
Conference with Real Property Negotiator (General Manager, Legal Counsel)  
Property: Parcel of Land known as Sunset Place  
Negotiating Parties: MCWD, Residents, City of Marina  
Under Negotiation: Fee Title Ownership and Disposal
  
- D. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Anticipated Litigation  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9  
2 Case
  
- E. Pursuant to Government Code 54956.9  
Conference with Legal Counsel – Existing Litigation  
(Subdivision (a) of Section 54956.9)  
Ag Land Trust v. Marina Coast Water District and Does 1-100, Monterey County  
Superior Court Case No. M105019 (First Amended Petition for Writ of Mandate and  
Complaint for Declaratory Relief)

The Board ended closed session at 6:59 p.m. President Nishi reconvened the meeting to open session at 7:00 p.m.

4. Possible Action on Closed Session Items:

Mr. Lloyd Lowrey, Legal Counsel, reported that no action was taken and appropriate direction was given as to each item.

5. Pledge of Allegiance:

President Nishi asked Ms. Paula Pelot, Preston Park resident, to lead everyone present in the Pledge of Allegiance.

6. Oral Communications:

Ms. Pelot inquired into the testing of the water supply wells and if the wells were tested for arsenic. President Nishi asked that staff contact Ms. Pelot for more information.

7. Consent Calendar:

President Nishi asked that page 10, Item 12-D, 3. MRWPCA Board Member, of the April 13, 2010 minutes show that the Del Rey Oaks representative is the new Chair of the Projects and Planning Committee; and, the changes submitted by staff to the April 5<sup>th</sup> and April 13<sup>th</sup> minutes.

Director Burns made a motion to approve the Consent Calendar consisting of items: A) Adopt Resolution No. 2010-25 Ordering an Election, Requesting County Elections to Conduct the Election, and Requesting Consolidation of the Election Set for November 2, 2010; B) Receive the Quarterly Financial Statements for January 1, 2010 to March 31, 2010; C) Approve the Expenditures for the Month of April 2010; D) Approve the Draft Minutes of the Special Board Meeting of March 30, 2010; E) Approve the Draft Minutes of the Special Board Meeting of April 5, 2010, as corrected; and F) Approve the Draft Minutes of the Regular Board Meeting of April 13, 2010, as corrected. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Absent
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

8. Action Items:

- A. Consider District Position and Direct Staff to Prepare a Letter Regarding the Safe, Clean, and Reliable Drinking Water Supply Act of 2010 and Associated State Bond Proposition in November:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item.

Director Moore made a motion to direct staff to prepare a letter in support of the Safe, Clean, and Reliable Drinking Water Supply Act of 2010. Director Burns seconded the motion. With a vote of 4-Ayes, 0-Noes, 1-Absent, the motion was passed.

- B. Consider Adoption of Resolution No. 2010-26 to Amend the Professional Services Agreement with Carollo Engineers for Final Design for the Recycled Water Pipeline, Fifth Avenue Pump Station, Blackhorse Reservoir and On-Call Services for the Regional Urban Water Augmentation Project and to Amend the FY 2009/2010 Budget:

Mr. Niizawa introduced this item.

Agenda Item 8-B (continued):

Director Gustafson made a motion to adopt Resolution No. 2010-26 amending the Professional Services Agreement with Carollo Engineers for Final Design for the Recycled Water Pipeline, Fifth Avenue Pump Station, Blackhorse Reservoir and On-Call Services for the Regional Urban Water Augmentation Project and to Amend the FY 2009/2010 Budget. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Absent
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

C. Consider Adoption of Resolution No. 2010-27 to Authorize a Professional Services Agreement with the Paul Davis Partnership for the Design of the MCWD Imjin Office Park Building and to Amend the FY 2009/2010 Budget:

Mr. Niizawa introduced this item. Mr. Lowrey commented that the contract is under discussion with Paul Davis whose risk managers had a few questions. Those questions have been reviewed and staff expects to successfully wrap up the agreement very soon. Mr. Lowrey explained that the resolution allows the General Manager or designee to sign and execute the contract and any documents necessary to give effect to the resolution.

Ms. Jan Shriner, Marina resident, commented that the current sunset for the Fort Ord Reuse Authority (FORA) is 2014 and asked why the District would build an office for an agency that wouldn't be around very long. Mr. Brian True, Capital Projects Manager, answered that when FORA sunsets, as the owner of the property, the District would be able to lease, rent or dispose of the property as they see fit. Mr. True added that FORA might not sunset in 2014 if their work is not completed. Director Gustafson commented for the record, "We will see about that." Mr. Lowrey commented that when the property was first approved for acquisition it was consistent with the District's planning parameters. There is potential use for this property. Mr. Lowrey added that it was available and fits within the District's strategic objectives and that is why the District moved to acquire this property.

Director Gustafson made a motion to adopt Resolution No. 2010-27 authorizing a Professional Services Agreement with the Paul Davis Partnership for the Design of the MCWD Imjin Office Park Building and to Amend the FY 2009/2010 Budget. Director Burns seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Absent
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

- D. Consider First Reading of Ordinance 52 Approving New District Rates, Fees & Charges for Marina Water and Wastewater and Approve Proposition 218 Public Notice and Set Date, Time and Location for Public Hearings for Proposed Changes in Rates, Fees, and Charges for Marina and Ord Community Service Areas:

Mr. Suresh Prasad, Director of Finance, introduced this item and explained that there are two public hearings proposed, one for Central Marina and one for the Ord Community. The Joint Board meeting/Public Hearing with the Fort Ord Reuse Authority (FORA) will be held on July 9, 2010 and the Central Marina Public Hearing will be held at the regularly scheduled meeting of July 13, 2010.

Ms. Shriner asked if the five-year rate study included the Regional Water Plan, the change in the salaries for the General Manager and the new offices in the Ord Community.

Ms. Pelot asked if the Prop. 218 notices would be mailed with the customer's bill or in a separate mailing. Ms. Pelot asked how many customers there are in the Ord Community and the different names of the Communities, i.e. Bayview, Seaside Highlands, Preston Abrahams, etc. Mr. Prasad answered that the notices would be mailed separate from regular customer billing. Ms. Pelot asked if the notice would be available on the website or the front office for those who have problems receiving their mail.

Director Gustafson made a motion to Consider First Reading of Ordinance 52 Approving New District Rates, Fees & Charges for Marina Water and Wastewater and Approve Proposition 218 Public Notice and set a Joint Board meeting with FORA and MCWD on July 9, 2010 for the Ord Community, and a second reading and Public Hearing on July 13, 2010 for Central Marina, for Proposed Changes in Rates, Fees, and Charges for Marina and Ord Community Service Areas. Director Moore seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Absent
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

#### 9. Staff Reports:

- A. 1st Quarter 2010 Ord Community Water Consumption and Sewer Flows Report:

President Nishi inquired on page 101 of the Board packet what subdivision was being metered under the "Subdivision not found" section. Mr. Prasad answered that it was a new subdivision in CSUMB and he would get the name clarified for the next report.

B. Regarding the Disposition of MCWD's Beach Intake Well:

Mr. Niizawa introduced this item explaining that staff recommends removing the vault and capping the well. Mr. Lowrey commented that the Board cannot take action on a staff report and suggested agendaizing it for the next agenda as an action item. President Nishi asked that this item be agendaized for the next Board meeting.

C. Advertisement of Contractor Bid Package for the Demolition of Well 32 Site Structure and Appurtenances:

Mr. Niizawa introduced this item. Director Moore inquired what the demolition process of Well 32 entailed. Mr. Niizawa answered that this demolition was for the pump house only. Director Moore asked if the well should be abandoned at the same time the pump house is demolished. Mr. Andy Sterbenz, Schaaf & Wheeler, answered that it was a matter of the type of contractors. To remove the building and electrical components and weld a metal plate on top of the well casing, a general contractor can be utilized. A well driller will be utilized to cement fill the old well, according to State and Federal regulations, and drill a new well. A general contractor can be utilized for the final building of a new pump house.

10. Ord Community Ad Hoc Recommendation Discussion – Part V

Ms. Kate McKenna, LAFCO Executive Officer, gave a brief presentation on the "Process of Boundary Changes". Ms. McKenna reviewed the District's boundaries and Sphere of Influence. She advised that if the District looks to annex part or all of the Ord Community, the District would be looking at an amendment to the Sphere of Influence and the annexation of territory into the District. Sphere of Influence determinations are:

- Present and planned land uses in the area;
- Present & probable need for public facilities and services in the area;
- Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide; and
- Existence of social or economic communities of interest, if LAFCO determines they are relevant.

Ms. McKenna noted that there are fifteen annexation findings that need to be made as well. The Application Process consists of:

- Pre-Application
- Application to LAFCO
- LAFCO Hearing
- Post Hearing

Director Burns asked if there are any fees associated with the application. Ms. McKenna answered that there were fees involved. The preliminary process, which involves LAFCO staff, is covered under the annual contribution the District makes to LAFCO.

Agenda Item 10-A (continued):

Ms. McKenna stated that when the application is formally submitted, an application fee is based on a time and material basis. An estimate is determined and a deposit is required up-front. Ms. McKenna said that LAFCO charges against the deposit and provides a monthly statement showing the activity and remaining balance. If funds are depleted, another deposit is requested. When the process is complete, any remaining funds are returned to the agency.

Director Gustafson asked to have the original annexation agreement to the City of Marina, in 1961, reviewed to see what it encompasses.

Ms. Pelot asked to receive a copy of the presentation.

11. Informational Items:

A. General Manager's Report:

No report.

B. District Engineer's Report:

Mr. Niizawa asked for some time at the end of the meeting to discuss the next Board meeting.

C. Counsel's Report:

No report.

D. Committee and Board Liaison Reports:

1. Water Conservation Commission:

No report.

2. Joint City-District Committee:

President Nishi stated they were meeting May 20, 2010.



3. MRWPCA Board Member:

President Nishi commented that the meeting was boiler-plate.

4. LAFCO Liaison:

Director Moore stated that they met on April 26<sup>th</sup> with the next meeting May 24th. Public Member Vince DiMaggio was appointed for a 4-year term.

5. JPIA Liaison:

Director Burns stated that ACWA held their annual conference in Monterey last week and Mr. Heitzman gave a great presentation. He commented that the other districts that were there said they developed a website to prevent speculation and provide the true facts on the Regional Plan.

6. FORA:

President Nishi stated that the meeting was this Friday to be held at the Monterey College of Law and Legislative people will be there to give their reports.

7. Executive Committee:

No meeting was held.

8. Community Outreach:

Director Gustafson commented that recently there was a full page ad to sponsor the Regional Project. He stated that in honor of American Public Works Association week the District purchased sixty Public Works Almanacs that Director Gustafson presented to the sixth and eighth grade classes at Los Arboles Middle School.

9. Special Districts Association Liaison:

Director Gustafson commented that the meeting was held in April with Assembly member Bill Monning speaking on the state budget and the Veteran's Cemetery.

E. Director's Comments:

Director Burns stated that he attended the ribbon cutting for the Rubber Dam and it was very interesting to see the finished product. He added that the Sand City desalination grand opening was scheduled for May 21<sup>st</sup>.

Agenda Item 11-E (continued):

Director Moore commented that he also attended the ACWA presentation that Mr. Heitzman gave and concurred with Director Burns in putting together a solid website with factual information about the Regional Project. He also attended a meeting held by the League of Women Voters at which the Department of Ratepayers Advocacy gave a presentation. Director Moore would like to see information put together showing an apple-to-apple comparison on the cost to the District and the Peninsula.

Director Gustafson commented that there has been a lot of discussion on how Marina is not paying its fair share, but several years ago, the District took out a \$40 million loan to install infrastructure in the Ord Community. Director Gustafson stated that this shows how the District looked ahead and saved money by installing infrastructure when the roads were torn up. It would have been much more costly to have waited and done it later. Director Gustafson commented that it was recently brought up that had the Marina Heights subdivision gone in as planned, the rates on the Ord Community would have gone down because there would have been more customers with which to spread the cost.

President Nishi commented that he also attended several presentations, including the League of Women Voters and the Carmel Valley Homeowners Association. He voiced his concerns over the misinformation that was being given out. People have no problem saying things that aren't true. President Nishi commented that it was incorrect to say the District would never pay more than \$148 for the water. When the District needs the additional allotment, they will pay the full price of the desalinated water. President Nishi added that the cost to the Peninsula includes the price of the transmission pipeline and the District does not have to pay for that portion. President Nishi stated that the Cedar Street Times had Mr. Heitzman give a presentation on May 7<sup>th</sup> in Pacific Grove. A member of the Grand Jury was present and stated that initially he had doubts about the project because of the misinformation he had received. After hearing Mr. Heitzman's presentation, the Grand Jury member was comfortable that there was going to be a Regional Project. President Nishi commented that Marina Coast wants to be a good neighbor and help the Peninsula with their water problems, but keep getting kicked and punched in the face when trying to help them.

Director Gustafson commented that his fifty-five family relations who live on the Peninsula are all in approval of the project.

Mr. Niizawa commented that staff had requested to move the normally scheduled June 8<sup>th</sup> meeting to June 22<sup>nd</sup> to allow time to bring the FORA item to the Board. The only response was from Director Moore who commented that he would be out of town on the 15<sup>th</sup> and 22<sup>nd</sup> and would like to keep the regular June 8<sup>th</sup> meeting and if need be, hold a special meeting on the 22<sup>nd</sup> for just the one item.

President Nishi asked when Director Moore would be gone. Director Moore answered that he would be gone from June 10<sup>th</sup> through July 2<sup>nd</sup>. President Nishi asked if staff needed an answer tonight as there was another Board member absent. Mr. Niizawa answered that he just wanted it brought to the Board's attention and the date could be resolved later.

12. Adjournment:

The meeting was adjourned at 8:01 p.m.

APPROVED:

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-J

Meeting Date: June 22, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of May 27, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of May 27, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:     \_\_\_Yes   \_\_\_X\_\_\_No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of May 27, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the May 27, 2010 special Board meeting.

Action Required:     \_\_\_Resolution   \_\_\_X\_\_\_Motion   \_\_\_Review

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Board Action

\_\_\_Resolution No\_\_\_     Motion By\_\_\_     Seconded By\_\_\_

Ayes\_\_\_     Abstained\_\_\_

Noes\_\_\_     Absent\_\_\_

Reagendized\_\_\_     Date\_\_\_     No Action Taken\_\_\_

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Special Board Meeting  
May 27, 2010  
6:30 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 6:30 p.m. on May 27, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi– President  
Bill Lee – Vice President  
Howard Gustafson  
Tom Moore  
Dan Burns

Board Members Absent:

None.

Staff Members Present:

Jim Heitzman, General Manager  
Lloyd Lowrey, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Paula Riso, Executive Assistant

Audience Members:

Jan Shriner, Marina Resident  
William Franks, MRWPCA  
Gary Alameda, Laborer's Union  
Abel Moran, Laborer's Union

The Board of Directors entered into closed session at 6:30 p.m.

3. Closed Session:

B. Pursuant to Government Code 54957  
Public Employee Performance Evaluation  
Title: General Manager

C. Pursuant to Government Code 54957.6  
Conference with Labor Negotiators  
Agency designated representatives: Kenneth K. Nishi and William Lee  
Unrepresented Employee: General Manager

The Board of Directors reconvened to open session at 6:54 p.m.

4. Possible Action on Closed Session Items:

A. Consider Action on General Manager's Contract:

Mr. Lowrey stated that the Board of Directors held a conference on the two items in closed session and there was no action taken.

5. Pledge of Allegiance:

President Nishi asked Director Gustafson to lead everyone present in the Pledge of Allegiance.

6. Oral Communications:

Ms. Jan Shriner, Marina resident, complimented the Board on the new microphone system and asked for permission to plug the camera into the system for future meetings. She also asked if there was any plans to add the audio recordings to the MCWD website so public can access and hear the meetings. Ms. Shriner stated that she would like a response on the possibility of adding the audio recordings to the website.

7. Action Item:

C. Consider Adoption of Ordinance No. 53, an Ordinance Adding Chapter 2.10 to the District Code to Promote Local Hiring for District Public Works:

Mr. Carl Niizawa, Deputy General Manager/District Engineer, introduced this item.

Agenda Item 7-A (continued):

Director Burns inquired if this Ordinance to hire locally implies that everyone hired is a union member and receiving prevailing wage. Mr. Niizawa answered that prevailing wage is already a District requirement. He added that this Ordinance does not require union workers, but they must be a local resident or be registered with a local union.

Mr. Jim Heitzman, General Manager, said that state law requires water district's to pay prevailing wage. Mr. Heitzman commented that it is the intent of this Ordinance and the Board to keep our dollars local as much as possible.

Mr. Lowrey commented that Section 7 should be deleted from the Ordinance.

Mr. Abel Moran, Laborers Union, voiced his appreciation and support for this Ordinance.

Mr. Gary Alameda, Laborers Union, also voiced his appreciation and support for this Ordinance. He added that the Laborers Union has apprenticeships that provide jobs to local youth for both union and non-union.

Director Gustafson made a motion to adopt Ordinance No. 53, an Ordinance Adding Chapter 2.10 to the District Code to Promote Local Hiring for District Public Works with the changes submitted and the deletion of Section 7. Vice President Lee seconded the motion. The motion was passed.

Director Moore	-	Yes	Vice President Lee	-	Yes
Director Gustafson	-	Yes	President Nishi	-	Yes
Director Burns	-	Yes			

9. Director's Comments:

Director Gustafson thanked Mr. Heitzman for his service and what he has done to get the District where it is.

10. Adjournment:

The meeting was adjourned at 8:19 p.m.

APPROVED:

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Kenneth K. Nishi, President

Special Board Meeting  
May 27, 2010  
Page 4 of 4

ATTEST:

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Jim Heitzman, General Manager



Marina Coast Water District  
Agenda Transmittal

Agenda Item: 8-K

Meeting Date: June 22, 2010

Submitted By: Paula Riso  
Reviewed By: Carl Niizawa

Presented By: Paula Riso

Agenda Title: Approve the Draft Minutes of the Special Board Meeting of June 10, 2010

Detailed Description: The Board of Directors is requested to approve the attached draft minutes of June 10, 2010.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District’s expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: \_\_\_\_\_Yes      X  No

Funding Source/Recap: None.

Material Included for Information/Consideration: Draft minutes of June 10, 2010.

Staff Recommendation: The Board of Directors approve the draft minutes of the June 10, 2010 special Board meeting.

Action Required: \_\_\_\_\_Resolution      X  Motion    \_\_\_\_\_Review

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Board Action

\_\_\_\_\_Resolution No\_\_\_\_\_    Motion By\_\_\_\_\_    Seconded By\_\_\_\_\_

Ayes\_\_\_\_\_    Abstained\_\_\_\_\_

Noes\_\_\_\_\_    Absent\_\_\_\_\_

Reagendized\_\_\_\_\_    Date\_\_\_\_\_    No Action Taken\_\_\_\_\_

Marina Coast Water District

District Offices  
11 Reservation Road  
Marina, California

Special Board Meeting  
June 10, 2010  
5:30 p.m.

**Draft Minutes**

1. Call to Order:

President Nishi called the meeting to order at 5:41 p.m. on June 10, 2010.

2. Roll Call:

Board Members Present:

Ken Nishi– President  
Bill Lee – Vice President  
Howard Gustafson

Board Members Absent:

Tom Moore  
Dan Burns

Staff Members Present:

Lloyd Lowrey, Legal Counsel  
Carl Niizawa, Deputy General Manager/District Engineer  
Brian True, Capital Projects Manager  
Paula Riso, Executive Assistant

Audience Members:

Steve and Dorothy Emerson, Marina Residents  
Lenore Masterson, Marina Resident  
Cheryl Swix, Marina Resident  
Nancy Amadeo, Marina Resident  
Jackie Murguia, Marina Resident  
Andre Heath, Marina Resident  
Frank Calamer, Marina Resident  
Long Nguyen, Marina Resident  
Malik Turner, Marina Resident  
Hector Murguia, Marina Resident  
Justin Harris, Marina Resident  
Shelton Harris, Marina Resident  
Marvin Jones, Marina Resident

Bruce DelGado, Mayor of Marina  
Cathy Meach, Marina Resident  
Garth and Darlena Ridler, Marina Resident  
George Thacher, Marina Resident  
Gary Wilmot, Marina Resident  
Ed Meach, Marina Resident  
Garnett Quarles, Marina Resident  
Ana Moran, Marina Resident  
Cynthia Smith, Marina Resident  
Bob Drake, Marina Resident  
Jim Ford, Marina Councilmember  
Craig Oliver, City of Marina  
Cristie Di Iorio, City of Marina

3. Pledge of Allegiance:

President Nishi asked Mr. Steve Emerson, Marina resident, to lead everyone present in the Pledge of Allegiance.

4. Oral Communications:

There were no comments.

5. Action Item:

- A. Consider Adoption of Resolution No. 2010-28 to Direct MCWD Staff to Disconnect the Potable Water Service to the Marina Teen Center Located at 304 Hillcrest Avenue, Marina, CA:

Mr. Brian True, Capital Projects Manager, introduced this item stating that the reason for this meeting was to resolve the City of Marina's (City) refusal to comply with the District's standards and an authorized set of plans. MCWD has standards to protect the public's infrastructure and water supply. The reliability of water delivery and the safety of the water being provided is why the District has standards, and that the District has an obligation to treat all customers equally. Mr. True stated that the District had notified the City several times of their non-compliance (email #1 in the handout). The City refused to comply. In January 2010, the District re-notified the City of their non-compliance, and received no answer. Mr. True noted that once this meeting was scheduled, a letter was received from the City on June 9, 2010, promising to fully comply with all applicable District standards. Mr. True stated that in light of the City's willingness to resolve the issues, staff recommends the Board of Directors go with Option B) Direct District staff to continue working with the City staff to achieve reasonable compliance.

Mr. Craig Oliver, City of Marina, commented that the City staff wants to work with District staff to resolve this matter as fast as possible.

President Nishi commented that it looks as though the Board can concur with staff's recommendation and asked Mr. True to repeat the recommendation. Mr. True read aloud staff's recommendation of Option B - Direct District staff to continue working with the City staff to achieve reasonable compliance.

Ms. Darlena Ridler, Marina resident, commented that the threat of turning off the water has been destructive to the children and they lose hope. She urged the Board not to do this again and staffs to meet and work together.

Garnett Quarles, Marina resident, commented that he is thankful the water is not being turned off and the Teen Center helps keep young people out of the streets. We need to support our youth.

Special Board Meeting

June 10, 2010

Page 3 of 4

Agenda Item 5-A (continued):

An unidentified citizen commented that there are many projects coming up in the future and problems like this should be taken care of before the building breaks ground. It should not have come this far before becoming an issue and the inspectors are also at fault for not making sure everything was correct in the beginning.

Mr. Jim Ford, Marina Councilmember, commented that he was pleased with the resolve of Option B, and with summer upon us, the children will have somewhere to spend their days.

Ms. Lenore Masterson, Marina resident, voiced her appreciation of the City of Marina and Board of Directors coming together to resolve this issue.

Mr. Gary Wilmot, Marina resident, commented that he was pleased that the issue was resolved. He added that the City Manager and General Manager should have resolved the issue before it got on an agenda. Mr. Wilmot commented that there are plenty of doubters in the District's ability to run the Regional Plan, and now is not the time to put themselves in this kind of situation with the public. Both the City and the District serve the same voters, taxpayers and ratepayers, so doing something like this only hurts the same people.

An unidentified citizen commented that these kids today will be in the Directors seats in the future and we need to protect our future.

Mr. Carl Niizawa, Deputy General Manager/District Engineer, responded to public comment by agreeing that there should be agreement between the staffs. Mr. Niizawa affirmed that there was agreement between the staffs and a professionally signed plan set was submitted by the City and approved by the District. The basis for the District's disagreement was non-compliance by the City with that approved plan set.

6. Director's Comments:

Vice President Lee commented that the meeting was not about turning off someone's water, it was proving that the democratic process works. All the people in the room are ratepayers, or children of ratepayers, of the District. When things come up on the agenda and the public speaks at meetings, or send letters to the Board, or leaves messages for Board members, it shows the system works and that the Board does listen to people and what the people want. Vice President Lee stated that the bottom line is the integrity of the water system has to be maintained. He added that everyone agrees that the ball was dropped somewhere and now at this meeting after seeing the letters and hearing the comments, the will of the people is going to happen.

Agenda Item 6 (continued):

Director Gustafson commented that no project can go forward without a set of plans. Projects have to go through the proper approval and this project was handled through the City. The District wanted to be able to inspect the project to insure it was done correctly in accordance with State Law and the District's standards. Director Gustafson assured everyone he would never do anything to hurt the City as he has lived here for over fifty years and was in the first graduating class at Los Arboles Middle School. Director Gustafson stated that this meeting was to get the City to respond to the Board that they are going to pay and rectify what was done wrong as was shown in the letters provided. The City Manager didn't respond to the District and Director Gustafson encouraged the City Council to respond to get involved and respond to the District.

President Nishi commented that he is seeing a bunch of long faces in the audience and encouraged everyone to go home with smiles because we are all here for the young children. The children thought they were going to have fun at the Teen Center and here they are in a civics class.

10. Adjournment:

The meeting was adjourned at 6:00 p.m.

APPROVED:

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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, General Manager

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: June 22, 2010

Submitted By: Gary Rogers

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-37 to Amend the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for Updating the 2005 MCWD Urban Water Management Plan

Detailed Description: The Board of Directors is requested to authorize an amendment to the Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers to revise and update the 2005 MCWD Urban Water Management Plan.

In order to comply with the California Urban Water Planning Act (Water Code Division 6, Part 2.6), MCWD is required to update its existing 2005 Urban Water Management Plan by December 31, 2010, but an extension has been granted by Senate Bill X7-7 (2009) that allows the plan to be completed by July 1, 2011. The UWMP essentially addresses urban water supply/demand topics and strategies to promote the efficient use of water resources. This 2010 update needs to address the slowdown in growth within the Ord Community; the progress on the Recycled Water Project and new Regional Water Project; and interagency agreements between the Marina Coast Water District, Monterey Regional Water Pollution Control Agency, Monterey County Water Resources Agency and California American Water. This plan must also address the requirements of Senate Bill X7-7 (2009) which requires urban water suppliers to achieve a 20% reduction in per capita water use by December 31, 2020.

The Professional Services Agreement (PSA) for General Engineering Services with Schaaf & Wheeler was approved by the Board on January 10, 2007 (Resolution No. 2007-04). The scope of that Agreement included a broad range of activities that are consistent with those contemplated with this proposed Amendment. The Board authorized the last amendment to the PSA on January 12, 2010 for as-needed services with an expenditure cap of \$50,000.

The proposed contract amendment will be performed and invoiced on a time and expense basis, for the not-to-exceed amount of \$73,400. Schaaf & Wheeler provides service to the District under their Professional Services Agreement for General Engineering Services at a six percent (6%) discount off their standard labor charge rate schedule. Schaaf & Wheeler's charge rates are comparable to other engineering firms providing services to the District and are competitive based on general industry-wide standards. Schaaf & Wheeler staff is exceptionally familiar with the Central Marina and Ord Community's water system, current Master Plans for the water system, on-going changes to the system and has demonstrated extensive regional knowledge related to the District's Urban Water Management Plan. Schaaf & Wheeler has conducted the work within the previous contract amendments adequately and with great responsiveness and professionalism, so staff is pleased to recommend this proposed action to the District Board.

The monetary resource requested herein is \$75,000 – this value includes a 2% contingency value beyond the contract amount. The FY 2009/2010 Budget includes this project and is resourced with a total of \$312,000 split between the Marina Water Cost Center and the Ord Community Cost Center. This requested amount is less than the budgeted resource.

Environmental Review Compliance: None required.

Prior Committee or Board Action: Board Resolution No. 2007-04 on January 10, 2007 approved a Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers. The Board last amended the baseline PSA with Board Resolution No. 2010-03 on January 12, 2010 to Extend and Amend the Professional Services Agreement with Schaaf & Wheeler Consulting Engineers for General Engineering Services for As-Needed General Planning, Design and Hydraulic Model Maintenance tasks.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:      Yes      No

Funding Source/Recap: This project will be funded by the FY 2009/2010 CIP Budget and will be split among the two cost centers with 46% (\$34,500) encumbered against the Marina Water Cost Center Budget (“2010 Urban Water Management Update”, \$143,520) and 54% (\$40,500) encumbered against the Ord Community Cost Center Budget (“2010 Urban Water Management Update”, \$168,480).

Material Included for Information/Consideration: Resolution No. 2010-37.

Staff Recommendation: The Board of Directors approve an amendment to the Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for Updating the 2005 MCWD Urban Water Management Plan.

Action Required:      Resolution      Motion      Review

(Roll call vote is required.)

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Board Action

Resolution No. \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-37  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing an Amendment to the Professional Services Agreement with  
Schaaf & Wheeler Consulting Civil Engineers for Updating the 2005 MCWD Urban Water  
Management Plan

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, in accordance with the California Urban Water Planning Act, the District seeks to update the existing 2005 Urban Water Management Plan and that doing so is consistent with the goals and objectives stated in the District’s 2007/2008 Strategic Plan; and,

WHEREAS, on January 10, 2007, the Board adopted Resolution No. 2007-04 approving a Professional Services Agreement for General Engineering Services with Schaaf & Wheeler Consulting Civil Engineers; and,

WHEREAS, the District Board adopted the FY 2009/2010 Budget that includes the 2010 Urban Water Management Plan Update and is resourced with a total of \$312,000 split between the Marina Water the Ord Community Cost Centers; and,

WHEREAS, on January 12, 2010, the Board adopted Resolution No. 2010-03 Extending and Amending the Professional Services Agreement with Schaaf & Wheeler Consulting Engineers for General Engineering Services for As-Needed General Planning, Design and Hydraulic Model Maintenance tasks; and,

WHEREAS, Schaaf & Wheeler staff is exceptionally familiar with the Central Marina and Ord Community’s water system, current Master Plans for the water system, on-going changes to the system and has demonstrated extensive regional knowledge related to the District’s Urban Water Management Plan; and District staff believes that the monetary resource proposed herein is reasonable given the complexities of the work, the savings in time and effort that will be realized, and the six (6%) discount.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or Deputy General Manager to execute an amendment to the existing Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for updating the 2005 MCWD Urban Water Management Plan and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$75,000. The project will be split among the Marina Water and the Ord Community Cost Centers and the requested amount is less than the budgeted resource.



PASSED AND ADOPTED on June 22, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-37 adopted June 22, 2010.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: June 22, 2010

Submitted By: Carl Niizawa  
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-38 to Authorize a Construction Contract and Related Expenses for Construction of the FORA Building at Imjin Office Park Building

Detailed Description: The Board is requested to authorize a contract with Dilbeck and Sons for \$2,257,596 for the construction of the FORA Building at the Imjin Office Park and 15% in expected project related costs and contingency for an approved total allocation of \$2,596,000.

Background: In May 2009, the Board approved an agreement with the Fort Ord Reuse Authority (FORA) for the purchase and lease of the to-be-built FORA office building and their share of the Imjin Office Park. In December 2009, the Board approved Imjin Office Park site improvements contract to Ausonio Incorporated for \$618,502.25 plus contingency of \$61,497.75 for an approved allocation total of \$680,000. At this meeting the Board also directed staff to seek a competitive price for construction of the FORA building.

In May 2010, the construction contract for the FORA building was released for public bid and on June 15<sup>th</sup>, six bids were received. The bids received ranged from \$2,257,596 to 2,841,000. Dilbeck and Sons was the low bidder at \$2,257,596. The second lowest bidder, Farotte Construction, submitted a bid 9.4% higher at \$2,468,857.

Dilbeck and Sons is a local contractor with an excellent reputation and its bid has been deemed by staff to be responsive. Staff recommends award of the construction contract for the FORA building to Dilbeck.

Additionally, staff requests a 15% additional allocation for special inspections, miscellaneous costs, and contingency for needed changes during the construction process for an approved total project expenditure of \$2,596,000.

Environmental Review Compliance: CEQA compliance has been met through FORA certification of the "Final Initial Study for the Imjin Office Park General Plan Amendment and Re-zone Project" and its Mitigated Negative Declaration and Mitigation Monitoring Program.

Prior Committee or Board Action: On May 12, 2009, the Board adopted Resolution No. 2009-34 approving agreements with the Fort Ord Reuse Authority to purchase property and lease back space in the Imjin Office Park. On December 12, 2009, the Board adopted Resolution No. 2009-80 authorizing the General Manager to sign contracts relating to the Imjin Office Park Project. On May 11, 2010, the Board adopted Resolution No. 2010-27 authorizing a professional services agreement with Paul Davis Partnership for Design of the FORA building.

Board Goals/Objectives: 2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.

Financial Impact:      Yes      No

Funding Source/Recap: The District initially will utilize District Reserves to fund this proposed project; however, the District may choose to finance this construction cost through a loan. This project, CIP#WD-0201 will be shared across all four cost centers, is part the District's proposed FY 2010/11 capital improvement budget, and is scheduled to be adopted on July 13, 2010.

Material Included for Information/Consideration: Resolution No. 2010-38.

Staff Recommendation: The Board of Directors is requested to authorize a contract with Dilbeck and Sons for \$2,257,596 for the construction of the FORA Building at the Imjin Office Park and 15% in expected project related costs and contingency for an approved total allocation of \$2,596,000.

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-38  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing a Contract for the Construction of the FORA Building  
at the Imjin Office Park Building and Allocation of Related Expenses

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District is contractually required to construct a building in the Imjin Office Park for FORA’s occupancy; and,

WHEREAS, the District received competitive bids for the construction of the FORA building and the lowest responsible bid was received from Dilbeck and Sons for \$2,257,596; and,

WHEREAS, the Board is requested an addition allocation of 15% of the construction contract for contingency and to implement the construction of the FORA building; and,

WHEREAS, the project, CIP#WD-0201 will be shared across all four cost centers, is part the District’s proposed FY 2010/11 capital improvement budget, and is scheduled to be adopted on July 13, 2010.

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

- 1) Authorize the General Manager and/or Deputy General Manager to execute a Construction Contract with Dilbeck and Sons for construction of the FORA Building at Imjin Office Park building intended for FORA’s occupancy and;
- 2) To take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$2,596,000

PASSED AND ADOPTED on June 22, 2010 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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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-38 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: June 22, 2010

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-39 to Provide for the Creation of the Imjin Office Park Owners Association and to Appoint Two Owners Association Directors

Detailed Description: The Board of Directors is requested to adopt the proposed Resolution that provides for the creation of the Imjin Office Park (IOP) Owners Association and to appoint two Owners Association Directors to represent MCWD on the IOP Owners Association Board of Directors.

The District needs to take this action based on the November 2007 Imjin Office Park Declaration of Covenants, Conditions, Restrictions, and Reciprocal Easement Agreement (CCRs), sections 6.1 and 6.6. The District is subject to the CCRs through the Purchase Agreements authorized by Resolutions 2009-34 on May 12, 2009 that acquired the FORA IOP parcel and 2009-63 on August 17, 2009 that acquired the AMBAG IOP parcel. The District has assumed the roles of FORA and AMBAG within the CCRs.

Section 6.1 of the CCRs directs “.....the Declarants may cause the Association to be formed and take such steps as may be necessary or appropriate in connection with such formation including,....., the preparation, execution, and filing of the Articles of Incorporation and Bylaws of the Association and the making of all other appropriate filings....” Section 6.6 of the CCRs directs “The initial Board of Directors of the Association shall consist of four (4) directors one each from the Builders, Carpenters, AMBAG, and FORA appointed by their organizations respective Board of Directors to the Imjin Office Park Association Board of Directors ....”

The District Board needs to authorize several actions to achieve the objectives of this proposed Resolution, specifically:

1. Authorize an Amendment to the CCRs that eliminates the reference in CCR section 6.7 to an ex-officio Owners Association Director; the ownership groups reached consensus on how to break deadlock in voting in a different manner than originally expressed in the CCRs; and,
2. Authorize the execution and filing of the Articles of Incorporation of the IOP Ownership Association and authorize the MCWD General Manager to act as the Incorporator on behalf of the District; and,
3. Appoint two District representatives to serve as Directors on the Owners Association Board of Directors (see discussion below); and,
4. Authorize the adoption of the Bylaws of the IOP Owners Association; the ownership group has tentatively accepted the included version of the Bylaws subject to acceptance by the MCWD Board and their respective governing Boards.

The Bylaws and CCRs allow MCWD to appoint an Owners Association Director for each of the owned parcels. While the IOP Owners Association Board of Directors will largely deal with administrative matters related to the operation of the IOP site, the appointed Owners Association Directors will have the ability to indirectly obligate certain levels of District resources with their decisions as an Owners Association Director (similar to how MCWD's representative serves on the MRWPCA Board). District staff therefore recommends that the MCWD Board appoint one of their members to the IOP Owners Association Board of Directors as well as appointing the District General Manager or his designee to that Board.

There is a tentative meeting date and time set of June 24<sup>th</sup>, 2010 at 3:00 PM for the first meeting of the IOP Owners Association Board of Directors. All three ownership organizations are anticipated to have accepted the CCRs, the Articles of Incorporation, and the Bylaws by that meeting time. District Counsel is initially serving as Counsel to the IOP Owners Association and will be attending the first Owners Association Board of Directors meeting to ensure an orderly and lawful start-up to the Owners Association.

Environmental Review Compliance: None required.

Prior Board Actions: On May 12, 2009, the District Board of Directors authorized Resolution No. 2009-34 that provided for the acquisition of the IOP "FORA parcel." On August 17, 2009, the District Board of Directors authorized Resolution No. 2009-63 that provided for the acquisition of the IOP "AMBAG parcel."

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:         Yes         No

Funding Source/Recap: This proposed action by the Board will not have direct financial impact to the District but will obligate the District to expending monetary resources in the future as the appointed Director(s) participates in the joint decisions required within the terms of the IOP Owners Association Bylaws and CCRs. These operating costs will be planned for within the normal District budgeting process.

Material Included for Information/Consideration: Resolution No. 2010-39; First Amendment to the CCR; and, the draft Bylaws of the Imjin Office Park Owners Association.

Staff Recommendation: The Board of Directors adopt Resolution No. 2010-39 to provide for the creation of the Imjin Office Park (IOP) Owners Association and to appoint a member of the MCWD Board of Directors and the MCWD General Manager to the IOP Owners Association Board of Directors.

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

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_



June 22, 2010

Resolution No. 2010-39  
Resolution of the Board of Directors  
Marina Coast Water District  
Providing for the Creation of the Imjin Office Park Owners Association and to  
Appoint Two Owners Association Directors

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the MCWD Board of Directors took actions in 2009 to acquire two parcels within the Imjin Office Park (IOP) development in Marina, CA; and,

WHEREAS, through those actions the District is subject to the Covenants, Conditions, Restrictions, and Reciprocal Easement Agreement (CCRs) of the IOP development and is obligated to participate in the creation of the IOP Owners Association; and,

WHEREAS, the CCRs and the Bylaws, if accepted, direct MCWD to appoint persons to the Owners Association Board of Directors.

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

1. Authorize an Amendment to the CCRs that eliminates the reference in CCR section 6.7 to an ex-officio Owners Association Director; and,
2. Authorize the execution and filing of the Articles of Incorporation of the IOP Ownership Association and authorize the MCWD General Manager to act as the Incorporator on behalf of the District; and,
3. Appoint a member of the MCWD Board of Directors and the MCWD General Manager or his designee to the Imjin Office Park Owners Association Board of Directors; and,
4. Authorize the adoption of the Bylaws of the IOP Owners Association.

PASSED AND ADOPTED on June 22, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-39 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: June 22, 2010

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-40 to Authorize the Construction Contract for CIP# OW-0207 with Monterey Peninsula Engineering for Installing Potable Water Pipelines in 3<sup>rd</sup> Avenue and 12<sup>th</sup> Street in Marina, CA Within a Not-To-Exceed Project Amount of \$176,000

Detailed Description: The Board is requested to authorize the construction contract for CIP# OW-0207 with Monterey Peninsula Engineering (MPE) for installing an 8-inch diameter PVC potable water pipeline within the 12<sup>th</sup> Street right-of-way (510-LF) and extend the 12-inch diameter PVC potable water pipeline in the 3<sup>rd</sup> Avenue right-of-way (710-LF). This project is needed at this time to support the development of the Monterey Peninsula College (MPC) Marina Education Center site located at the intersection of 3<sup>rd</sup> Avenue and 12<sup>th</sup> Street. The District Board entered into an Agreement for Constructing Water Infrastructure with MPC by Resolution 2010-17 on March 16, 2010 that provides for MPC and MCWD to split the cost of the project. MPC has faithfully made the \$65,000 first payment within the terms of that Agreement and is obligated to contribute additional monetary resources to complete the work with two additional payments.

On June 8, 2010, District staff opened bids submitted on a competitive basis from contractors for the 3<sup>rd</sup> Avenue Water Main Extension CIP# OW-0207. MPE, located in Marina, CA, is the apparent low bidder by submitting total project bid of \$159,900. Granite Construction submitted a bid in the amount of \$177,360 while a third bid was submitted for \$201,875. MPE will enter into the standard MCWD contract for this type of work. Staff has examined the bid documents and finds them and the contractor's qualifications acceptable in meeting the bidding requirements.

The Agreement between MPC and MCWD called for an initial documentation of the project cost split based on the bid values. If the Board takes the herein proposed action, the MCWD share of the construction contract would be roughly \$39,000 and the MPC share would be roughly \$121,000 based on the contractor-provided bid-alternate data (difference in cost to install 6-inch pipe rather than the intended 12-inch pipe).

A further cost split for construction support services, including engineering, inspection, geotechnical, and as-built documentation, was negotiated within the terms of the Agreement at a 75%-share to MPC and a 25%-share to MCWD. District staff is proposing to use MCWD in-house inspection resources but engage Schaaf & Wheeler to provide other construction support services. A subsequent Board approval action for those services is planned for the regularly scheduled July 2010 Board Meeting.

The staff recommendation below for authorizing the construction contract includes a contingency value of \$16,100 (approximately 10% over contract value), making the Board-authorized not-to-exceed project work amount \$176,000.

Environmental Review Compliance: The project scope represents a Statutory Exemption per California Public Resource Code Division 13 (CEQA), Section 21080.21 and CEQA Guidelines Section 15282(k). This exemption applies to any project of less than one mile in length within a public street or highway or any other public right of way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline. Upon authorization of this proposed action by the Board, staff will file a Notice of Exemption on this specified basis.

Prior Board Action: Board Resolution No. 2010-17 on March 16, 2010 to Approve an Agreement with Monterey Peninsula College (MPC) to Construct Potable Water Infrastructure.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:      Yes      No

Funding Source/Recap: The budgeted project resources for CIP# OW-0207 will be shown in the FY 10/11 CIP Budget as adjusted to reflect the total project costs. The value shown in the budget will be \$276,000, that value reflecting design costs, construction costs, construction support costs, and contracting contingency values. Of that total project cost, the MCWD share is roughly \$50,000 while the MPC share is roughly \$226,000. The District already has collected \$65,000 from MPC for this project and the Agreement obligates MPC to making two additional payments to reimburse MCWD for project costs. The MCWD share of the project will be funded by District operational revenues intended for CIP elements of the District's planned expenditures in FY 10/11.

Material Included for Information/Consideration: Resolution No. 2010-40.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2010-40 authorizing the construction contract for CIP# OW-0207 with Monterey Peninsula Engineering (MPE) within a Board-authorized not-to-exceed project amount of \$176,000.

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

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2009-40  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing the Construction Contract for CIP# OW-0207 with  
Monterey Peninsula Engineering for  
Installing Potable Water Pipelines in 3<sup>rd</sup> Avenue and 13<sup>th</sup> Street in Marina, CA  
Within a Not-To-Exceed Project Amount of \$176,000

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Board of Directors adopted Board Resolution No. 2010-17 on March 16, 2010 to approve an Agreement with Monterey Peninsula College (MPC) to construct potable water infrastructure in 3<sup>rd</sup> Avenue and 12<sup>th</sup> Street in Marina, CA that obligates the District to conduct the project work for CIP# OW-0207 and that Agreement obligates MPC to pay a fair-share division of the project costs; and,

WHEREAS, Monterey Peninsula Engineering (MPE) submitted the apparent low bid of \$159,900 and MPE’s submittal met the bid requirements; and,

WHEREAS, District staff will file a Notice of Exemption for the project work based on the Statutory Exemption under California Public Resource Code Division 13 (CEQA), Section 21080.21 and CEQA Guidelines Section 15282(k); and,

WHEREAS, the funding of this project will come from the operational revenue sources of MCWD and from MPC as obligated under the terms of the Resolution No. 2010-17 Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or the Deputy General Manager to execute a construction contract with Monterey Peninsula Engineering to conduct CIP# - 0207 and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution within a Board-authorized not-to-exceed amount of \$176,000 which includes a \$16,100 (approximately 10%) contingency value.

PASSED AND ADOPTED on June 22, 2010, 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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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-40 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: June 22, 2010

Submitted By: Brian True

Presented By: Brian True

Reviewed By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-41 to Authorize the Construction Contract with Maggiora Bros. Drilling, Inc. to Remove the Beach Intake Well Vault and to Cut and Cap the Well Casing Within a Not-To-Exceed Project Work Amount of \$28,000

Detailed Description: The Board is requested to authorize the construction contract with Maggiora Bros. Drilling, Inc. (Maggiora) to remove the vault and cut and cap the well casing associated with MCWD's Beach Intake Well located on the Marina State Beach in Marina, CA. This proposed action is needed at this time based on the exposure of the concrete vault on the public beach due to the erosion of the beach bluff from storm-driven waves during recent storm events. The exposure of the vault makes MCWD out of compliance with the intake well's Use Permit issued by California State Parks – Monterey Division.

Four specialty well drilling businesses from the local area were contacted and they agreed to consider the District's Request for Proposal for the project work based on best-value to the District. Two of the four specialty contractors ultimately declined to propose. On June 9, 2010, District staff closed the time for receiving proposals for the scoped project work with the District having received two proposals. Maggiora's proposal was determined by staff to represent the best value to the District. The two received proposals were separated by \$1,600 in value. Maggiora has proposed to conduct the project work for a contract value of \$20,416 and staff recommends engaging Maggiora in a construction contract to perform the work.

The staff recommendation below for authorizing the construction contract includes a contingency value of \$7,584 (approximately 37% over contract value), making the Board-authorized not-to-exceed project work amount \$28,000.

The proposed herein action is a follow-up to the staff report received by the board on May 11, 2010. Other actions to be taken by District staff were indicated in that staff report. Specifically, District staff has:

1. moved the fence surrounding the MCWD Beach office facility to an alignment east of the eroding bluff face; and,
2. safely cut and removed the piping infrastructure protruding from the face of the bluff near the Beach Office; and,
3. obtained California Department of Public Health acceptance for placing the modified beach intake well into the "stand-by operational mode"; and,
4. confirmed with District Counsel that re-establishing the beach intake well to the "public water supply operational mode" may be a cost included in the determination of costs for rehabilitating the existing desalination facility that would be reimbursed to the District under the terms of the Agreement with the three development groups; and,



5. obtained permission from State Parks to conduct the project work in compliance with the Use Permit issued by State Parks.

Environmental Review Compliance: The project scope represents a Statutory Exemption per California Public Resource Code Division 13 (CEQA), Section 21080.21 and CEQA Guidelines Section 15282(k). This exemption applies to any project of less than one mile in length within a public street or highway or any other public right of way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline. Upon authorization of this proposed action by the Board, staff will file a Notice of Exemption on this specified basis.

Prior Board Action: The Board received a staff report on this topic on May 11, 2010.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2 – To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:      Yes      No

Funding Source/Recap: The project will be funded by District operational revenues intended for CIP elements of the District's planned expenditures in FY 10/11. The project will be shown in the FY 10/11 CIP Budget with the anticipated total project cost of \$40,000 (includes engineering evaluation, permitting fees, and contingency). Expenditures under this specific contract are not anticipated until after FY 10/11 budget is authorized by the Board.

Material Included for Information/Consideration: Resolution No. 2010-41.

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2010-41 authorizing the construction contract with Maggiora Bros. Drilling, Inc. to remove the beach intake well vault and to cut and cap the well casing for a Board-authorized not-to-exceed project work amount of \$28,000.

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Resolution No. 2010-41  
Resolution of the Board of Directors  
Marina Coast Water District  
Authorizing the Construction Contract with  
Maggiora Bros. Drilling, Inc. to  
Remove the Beach Intake Well Vault and to Cut and Cap the Well Casing  
Within a Not-To-Exceed Project Work Amount of \$28,000

June 22, 2010

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the Board of Directors received a staff report on May 11, 2010 that indicated that this proposed action be taken to minimize District liabilities by removing the exposed vault and to cut and cap the well casing associated with MCWD’s Beach Intake Well located on the Marina State Beach in Marina, CA; and,

WHEREAS, Maggiora Bros. Drilling, Inc. submitted the proposal in the amount of \$20,416 that represented the best-value to the District for conducting the project work; and,

WHEREAS, District staff will file a Notice of Exemption for the project work based on the Statutory Exemption under California Public Resource Code Division 13 (CEQA), Section 21080.21 and CEQA Guidelines Section 15282(k); and,

WHEREAS, the funding of this project will come from the operational revenue sources of MCWD.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager and/or the Deputy General Manager to execute a construction contract with Maggiora Bros. Drilling, Inc. to remove the vault and to cut and cap the well casing associated with MCWD’s Beach Intake Well located on the Marina State Beach in Marina, CA and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution with a Board-authorized not-to-exceed project work amount of \$28,000 which includes a \$7,584 (approximately 37%) contingency value.

PASSED AND ADOPTED on June 22, 2010, 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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Kenneth K. Nishi, President

ATTEST:

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Jim Heitzman, 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. 2010-41 adopted June 22, 2010.

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Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-F

Meeting Date: June 22, 2010

Submitted By: Carl Niizawa  
Reviewed By: Jim Heitzman

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-42 to approve an amendment to the Professional Services Agreement with RMC Water and Environment for Program Management and Engineering Services for the Regional Water Supply Project

Detailed Description: The Board of Directors is requested to authorize an amendment to Professional Services Agreement (PSA) with RMC Water and Environment (RMC) for \$898,000 for Program Management and Engineering Services currently needed for the Regional Water Supply Project. These tasks include project meetings with the multiple agencies with agreements and coordination of the project, support of the continuing CPUC process, continuing pursuit of project funding support, and needed engineering review of agreement issues such as water transfer meters and needed conveyance facilities to the MRWPCA Outfall.

The Board approved the current RMC contract for the Regional Project at its February 9, 2010 in the amount of \$341,000 which was intended to last for approximately three months, until approximately April 2010. The schedule for the CPUC process has now been extended through November 2010 at which time the CPUC is expected to issue its final decision. Until then, there is a need for continued Project support in the areas of overall program management and coordination, CPUC approval, permitting, and funding. RMC will coordinate with MCWD and Cal-Am to ensure that these activities are consistent with the March 30, 2010 Reimbursement Agreement between MCWD and Cal-Am, which covers project approval and development costs associated with the Regional Water Supply Project through December 31, 2010.

Currently it is expected that full implementation of the Regional Water Supply Project will a) begin after completion of the CPUC process scheduled for November 2010, b) begin after any approvals needed by the MCWD board and c) be implemented in accordance with the conditions of a three-way agreement among MCWD, MCWRA, and CAW. This amendment to the February 2010 professional services agreement continues the previous work until the potential initiation of full implementation of the Regional Water Supply Project. This contract focuses on the following activities that are critical to the schedule and are related to MCWD-owned facilities and coordination with the Monterey County Water Resources Agency (MCWRA)-owned or California-American Water Company (CAW)-owned Project Facilities: continued pursuit of State and Federal funding opportunities, permitting processes, finalizing acquisition of the Armstrong Ranch lands, and engineering support in the CPUC process and relationships with MCWRA, CAW and other parties.

This proposed amendment to the Professional Services Agreement for Program Management and Engineering Services of the Regional Water Supply Project with RMC will be performed and invoiced on a time and material basis for the not-to-exceed amount of \$898,000. With the

previous approved contract amount of \$341,000, the contract total becomes \$1,239,000. Detailed description of the scope of work for this contract amendment is shown attachment A.

Environmental Review Compliance: None required.

Prior Board Action: In October 2004, the District Board of Directors certified the Environmental Impact Report for the Regional Urban Water Augmentation Project. The Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, 2009-16 and 2009-30 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project. In February 2010, the Board passed Resolution 2010-09 approving the original scope of the current RMC contract.

Board Goals/Objectives: *2007/2008 Strategic Plan, Goal No. 2. To meet 100% of current and future customers' needs and make timely improvements and increase infrastructure and level of services and human resources to meet needs of expanding service areas in an environmentally sensitive way.*

Financial Impact:      Yes      No

Funding Source/Recap: The \$898,000 project cost will be assigned to two District Cost Centers. 90% share of the project costs will be assigned to Cost Center 5, New Water Projects, within budgeted CIP Number GW-0157 RUWAP Desalination – Detailed Design which is budgeted for \$2,012,456. 10% share of the project costs will be assigned to Cost Center 1, Marina Water, within budgeted CIP Number GW-0157 RUWAP Desalination – Detailed Design which is budgeted for \$223,606. This amendment is included in the proposed FY 2010/11 budget, which is scheduled to be adopted on July 13, 2010. This project will be funded from District Reserves and repaid back to MCWD under the CAW Reimbursement Agreement.

Material Included for Information/Consideration: Resolution No. 2010-42; Budget Estimate; and, June 14, 2010 email.

Staff Recommendation: The Board of Directors authorize an amendment to the Professional Services Agreement with RMC Water & Environment for \$898,000 for a total not to exceed amount of \$1,239,000 for continued Program Management and Design within the Regional Water Supply project.

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

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Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-42  
Resolution of the Board of Directors  
Marina Coast Water District  
Approving an amendment to a Professional Services Agreement with  
RMC Water and Environment for  
Program Management and Engineering Services for the Regional Water Supply Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 22, 2010 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, in October 2004, the District Board of Directors certified its *Environmental Impact Report - Regional Urban Water Augmentation Project* (Water Augmentation Project EIR); and,

WHEREAS, The Board of Directors approved Resolution No. 2009-39 and 2009-40 on June 9, 2009 adopting the Ord Community Budget and Compensation Plan for FY 2009/2010 which includes funding for this phase of the Regional Urban Water Augmentation Project; and,

WHEREAS, District staff and RMC staff have identified time critical tasks to continue a schedule that provides incremental potable water supply, the Board has passed Resolution Nos. 2005-56, 2006-07, 2006-12, 2006-47, 2006-82, 2007-77, 2007-89, 2008-52, and 2009-16 authorizing progressive phases of Program Management for the Regional Urban Water Augmentation Project, RMC has been in a leading role in the Regional Water Supply project work since inception, and RMC’s staff is exceptionally familiar with all of the progressive phases of the RUWAP due to their continuing role as overall RUWAP Program Managers; and,

WHEREAS, The Board of Directors approved Resolution No. 2010-09 on February 9, 2010 for a professional services agreement with RMC for \$341,000 for continued program management and engineering services during the then expected three month period until the Public Utilities Commission (PUC) provides final determination on the Regional Water Supply Project; and,

WHEREAS, it is recognized that the PUC process for final determination of the Regional Water Supply Project is now projected to go to November 2010 and continued project support of the Project is needed; and,

WHEREAS, this amendment is included in the District’s proposed budget for FY 2010/11, which is scheduled to be adopted on July 13, 2010.

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

1. The General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution and for which the total authorized value shall not exceed \$898,000

PASSED AND ADOPTED on June 22, 2010 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-42 adopted June 22, 2010.

\_\_\_\_\_  
Jim Heitzman, Secretary

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-G

Meeting Date: June 22, 2010

Submitted By: Suresh Prasad

Presented By: Suresh Prasad

Reviewed By: Carl Niizawa

Agenda Title: Consider District's Position and Direct Staff to Prepare a Letter Regarding the Assembly Bill 155, Which Would Limit Local Government's Ability to Make Their Own Financial Decision to Declare Bankruptcy

Detailed Description: Assembly Bill 155 will limit local governments' ability to make their own financial decisions to declare bankruptcy. Specifically, this bill would require a local entity to gain the approval of the California Debt and Investment Advisory Commission (CDIAC) before filing for Chapter 9 bankruptcy. CDIAC is a statewide political commission with a board consisting of the state treasurer, governor, state controller, two senators, two assembly members, a county representative and a city representative. There is no special district representative on the Commission.

Even with the recent amendments, California Special Districts Association (CSDA) main concern for AB 155 has not been addressed. Prior to CDIAC approving or denying a request to enter bankruptcy, the bill creates a lengthy 45 day evaluation and public hearing process. This 45 day delay could have a damaging effect on a special district in financial trouble and the community it serves. Without the protections that Chapter 9 offers – an automatic stay on creditors while the municipality restructures its debt – creditors will be calling in debt and potential lenders will be afraid to lend money to the struggling district. The bill also allows CDIAC to charge the local entity a new fee to cover the commission's costs.

Upon consideration of the District's position and the Board's request, District staff will prepare and send a letter to California State Senate and the (CSDA) regarding the District's position about the Assembly Bill 155, Which Would Limit Local Government's Ability to Make Their Own Financial Decision to Declare Bankruptcy.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None

Board Goals/Objectives: *2007/2008 Strategic Plan, Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact: \_\_\_\_\_ Yes      X   No

Funding Source Recap: N/A

Material Included for Information/Consideration: None.



Staff Recommendation: The Board of Directors direct staff to prepare a letter opposing Assembly Bill 155, which limits a local government's ability to make their own financial decision to declare bankruptcy.

Action Requested: \_\_\_\_\_ Resolution   X   Motion \_\_\_\_\_ Review \_\_\_\_\_

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Board Action

\_\_\_\_\_ Resolution No. \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes: \_\_\_\_\_ Abstained: \_\_\_\_\_

Noes: \_\_\_\_\_ Absent: \_\_\_\_\_

Reagendized: \_\_\_\_\_ Date: \_\_\_\_\_ No Action Taken: \_\_\_\_\_

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-H

Meeting Date: June 22, 2010

Submitted By: Paula Riso

Presented By: Paula Riso

Reviewed By: Carl Niizawa

Agenda Title: Consider Reinstating Standing Committees of the Board

Detailed Description: The Board of Directors is requested to consider reinstating Standing Committees of the Board.

In September 2003, the Board of Directors decided to place the Budget and Personnel, Projects and Planning, and Operations and Maintenance Committees on hold due to the scheduling of two Board meetings per month. In August 2008, the Board of Directors revised the Board meeting schedule of two meetings per month back to one per month due to the lack of agenda items and development activity in the Ord and Marina Communities.

The Board of Directors is being asked to consider reinstating any or all of the Standing Committees placed on hold in September 2003. If any or all Committees are reinstated, meeting dates, times and participation can be discussed and approved at a subsequent Board meeting.

Environmental Review Compliance: None required.

Prior Committee or Board Action: None.

Board Goals/Objectives: *Mission Statement – Providing high quality water, wastewater and recycled water services to the District's expanding communities through management, conservation and development of future resources at reasonable costs.*

Financial Impact:  Yes  No

Funding Source/Recap: None.

Material Included for Information/Consideration: None.

Staff Recommendation: The Board of Directors consider reinstating Standing Committees of the Board.

Action Required:  Resolution  Motion  Review

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Board Action

\_\_\_\_ Resolution No \_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-I

Meeting Date: June 22, 2010

Submitted By: Andy Sterbenz  
Reviewed By: Carl Niizawa

Presented By: Carl Niizawa

Agenda Title: Consider Adoption of Resolution No. 2010-43 to Authorize District Staff to Work with LAFCO Staff to Initiate an Annexation Process of Any or All of the Ord Community into the Marina Coast Water District at a Cost Not-To-Exceed \$100,000

Detailed Description: The Board of Directors is requested to authorize initiating annexation of the Ord Community into the District service area. Initiating the process will include the CEQA studies in support of a LAFCO application.

The District currently provides water, wastewater and recycled water service to the former Fort Ord (Ord Community) under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), dated March 13, 1998. The term of the agreement is coincident with the legal existence of FORA. FORA is a public corporation of the State of California established by the FORA Act, and will cease to exist in 2014 unless the FORA act is amended by the Legislature. To continue providing service to the Ord Community following the expiration of FORA, an organizational, governance and service structure will be required to replace the existing agreement. The possible alternatives include annexation of the Ord Community into the District's service area, service under an agreement with a Joint Powers Authority (JPA) to be formed among the land use jurisdictions within the Ord Community, service under individual agreements with the various land use jurisdictions within the Ord Community, transferring the water and wastewater infrastructure within the Ord Community to another service provider, or a combination of one or more alternatives.

The Board appointed the Ord Community Ad Hoc Committee (OCAC) in 2007 to make recommendations to the Board regarding annexation of the Ord Community to the District service area. The Committee submitted their recommendations in 2008, which included annexing only the City of Marina into the District service area and forming a Joint Powers Authority to manage the water and sewer service for the remainder of the Ord Community. They further recommended that lands within the cities of Seaside, Del Rey Oaks and Monterey be served by Seaside Municipal Water System (SMWS) and Seaside County Sanitation District (SCSD), and that District facilities within those areas be transferred, leased or sold to SMWS and SCSD. The Board then participated in a series of workshops in 2009-2010 during which the OCAC recommendations were reviewed and the feasibility of each was discussed. In the opinion of District Staff, it would be impractical to divide the developed portion of the Ord Community because the existing infrastructure cannot easily be divided at the jurisdictional boundaries.

Staff recommends instead that the District annex all or a major portion of the planned development area within the Ord Community into the District service area. This recommendation is based on a series of concrete steps taken by the District which set the conditions for the annexation. The District accepted title to the water and sewer infrastructure

within the Ord Community in 2001, and since that time has made repairs, improvements and additions of water, wastewater and recycled water infrastructure at considerable expense. The District has taken on bonded debt for the installation of this new infrastructure within the Ord Community, the payment for which depends upon rates and fees from current and future customers within the Ord Community. Additionally, the District invested in the addition of staff and equipment to serve the Ord Community, adopted redevelopment standards and procedures, and prepared of master plans and water supply project studies to meet the future demands of the Ord Community. In 2007, the District combined the two water systems into a single California Department of Public Health System Permit. The Board entered into a series of agreements between and among the Monterey County Water Resource Agency, the Monterey Regional Water Pollution Control Agency, the Monterey Peninsula Water Management District and the California American Water Company. These agreements facilitated the development of the Aquifer Storage and Recovery Project in the Seaside Groundwater Basin, and the Regional Water Project, which will provide water supply for both the Monterey Peninsula and the Ord Community. The regional focus the Board and District have taken indicates that the region would be best served if the District continues to serve the Ord Community.

Annexation of areas into the District service area would give customers in those areas direct access to the Board and the ability to vote for members of the Board. Under the current agreement, customers within the Ord Community have indirect access to the Board through the FORA Board and the FORA Water and Wastewater Oversight Committee, and do not vote for Board members. Service under a JPA or similar agreement would provide customers indirect access as they have today. Staff does not foresee changing the current District accounting system with Ord Community cost centers, so there should be no financial impact to customers under any of the alternatives.

The District's current service area boundary, sphere of influence and Ord Community service area are shown on Figure 1. The development boundary shows the limit of planned future development on the former Fort Ord, and therefore defines the largest potential area entitled to Salinas Valley Groundwater and that might be annexed into the District. The areas of existing water and wastewater infrastructure are included under the District's water system permit, and are considered by staff to be the minimum practical area for annexation. If the Board chooses to initiate the annexation process, the proposed boundaries for the service area and sphere of influence must be defined.

Staff requests direction as to which of the organizational and service structures the Board wishes to pursue for the Ord Community. The remainder of this staff report addresses the actions required for annexation of areas into the District's service area or sphere of influence.

Annexation of all or part of the Ord Community into the District service area and/or sphere of influence will require approval of the Local Agency Formation Commission of Monterey County (LAFCO). In the 2006 Municipal Services Review, LAFCO determined that the District may annex the Ord Community. LAFCO has advised staff that for the annexation to be approved, the affected communities must be in support. Therefore, meetings should be held with the FORA Water and Wastewater Oversight Committee collectively and as individual jurisdictions to determine if there are portions of the Ord Community that should be excluded from the District service area or sphere of influence. It is anticipated that the City of Seaside will wish to provide service to their undeveloped areas, but may be agreeable to annexation of the developed portion

of the Seaside Ord Community. The Cities of Del Rey Oaks and Monterey cannot be addressed until the status of Seaside is determined, as those cities are contiguous only to Seaside. Also, Seaside County Sanitation District may be the better choice to provide wastewater collection service to the undeveloped portion of the Ord Community south of Eucalyptus Road. If that is the desired plan for service, the governance structure for providing water service only in those areas must be resolved. Meetings would be held with all of the land use jurisdictions, including the Bureau of Land Management to determine if the permanent open space areas should be included in the District sphere of influence.

Following those meetings, a proposed service area boundary and sphere of influence can be defined and the LAFCO application process can begin. The LAFCO application must be accompanied by an appropriate CEQA document, either a Negative Declaration or an Environmental Impact Report. To meet the CEQA requirements, staff proposes a two-phased approach. First a review of the existing environmental reports and determinations with LAFCO to determine if an additional EIR will be required for the annexation, or if a Negative Declaration can be made based upon the existing documents. Once the annexation boundary is agreed upon and the CEQA requirements are better defined, the second phase will consist of completing the required CEQA analysis, preparing the LAFCO applications for changes to the District service area and sphere of influence, and petitioning the affected jurisdictions for resolutions or letters of support.

Denise Duffy & Associates has proposed a scope for completion of the Phase 1 environmental services. The fee for their services, including a 10% contingency, is \$37,840. Denise Duffy & Associates has extensive knowledge of the District and the Ord Community, having prepared the CEQA documents for the Regional Urban Water Augmentation Program and the District annexation of the Marina Station specific plan area. They are currently working on the annexation application for the Armstrong Ranch. Schaaf & Wheeler Consulting Civil Engineers has proposed a scope for management of and assistance during the Phase 1 services. The fee for their services, including a 10% contingency, is \$23,200. Schaaf & Wheeler has extensive knowledge of the District and the water and sewer infrastructure within the Ord Community. The project manager will be Andy Sterbenz, who served as the District's Interim District Engineer in 2006-07. Staff is requesting the Board of Directors to authorize \$100,000 to cover these consultant fees and any other miscellaneous fees that might occur in this initial process.

**Environmental Review Compliance:** This action initiates the Environmental Review for the future annexation.

**Prior Committee or Board Action:** The Board of Directors has taken a series of actions accepting responsibility for the provision of water, wastewater and recycled water service to the Ord Community. Key actions include:

- Entering into Water/Wastewater Facilities Agreement with FORA, March 13, 1998
- Submitting a Public Benefit Conveyance Application for the Fort Ord Water and Sewer Facilities, 1999
- Accepting the title to and easements for the Water and Sewer infrastructure on the former Fort Ord, Resolution 2001-52, October 24, 2001
- Certifying the final EIR for the Regional Urban Water Augmentation Project and Filing a Notice of Determination for the Project, resolution 2004-56, October 27, 2004

- Forming the Ord Community Ad Hoc Committee to make recommendations to the Board regarding annexation of the Ord Community to the District service area.
- Approving a Revised Memorandum of Understanding between Marina Coast Water District, Monterey County Water Resources Agency and the Monterey Regional Water Pollution Control Agency Regarding Cooperative Planning and Joint Analysis for a Monterey Regional Water Supply Program, Resolution 2009-44, July 1, 2009

Board Goals/Objectives: *2007/2008 Strategic Plan:*

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

*Goal No. 3: The District shall adopt a governance model in a timely manner that accomplishes the District's mission, provides fair political representation and separate service area cost centers, and appropriately assigns full marginal costs to future customers.*

Financial Impact:      Yes      No

Funding Source/Recap: Funding for this effort will come from the FY 2010/2011 Engineering Department budget for Engineering Consultants, Ord Water and Sewer cost centers. The FY 2010/2011 budget is scheduled to be approved at the August 10, 2010, Board meeting.

Material Included for Information/Consideration: Resolution No. 2010-43.

Staff Recommendation: The Board of Directors is requested to authorize District staff to work with LAFCO staff to initiate an Annexation Process of any or all of the Ord Community into the Marina Coast Water District at a cost not-to-exceed \$100,000.

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

Board Action

\_\_\_\_\_ Resolution No \_\_\_\_\_ Motion By \_\_\_\_\_ Seconded By \_\_\_\_\_

Ayes \_\_\_\_\_ Abstained \_\_\_\_\_

Noes \_\_\_\_\_ Absent \_\_\_\_\_

Reagendized \_\_\_\_\_ Date \_\_\_\_\_ No Action Taken \_\_\_\_\_

June 22, 2010

Resolution No. 2010-43  
Resolution of the Board of Directors  
Marina Coast Water District  
Initiating the Annexation of the  
Ord Community into 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 June 22, 2010, at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District currently provides water, wastewater and recycled water service to the former Fort Ord (Ord Community) under the Water/Wastewater Facilities Agreement with the Fort Ord Reuse Authority (FORA), the term of which is coincident with the legal existence of FORA; and,

WHEREAS, FORA will cease to exist in 2014, unless extended by State legislation; and,

WHEREAS, the District holds title to all of the water, sewer and recycled water infrastructure within the Ord Community; and,

WHEREAS, the District has made significant investment in the Ord Community in the form of water, wastewater and recycled water infrastructure, addition of staff and equipment, adoption of redevelopment standards and procedures, and the preparation of master plans and water supply project studies; and,

WHEREAS, water service for Central Marina and the Ord Community is provided under the a single water system permit; and,

WHEREAS, annexation of all or part of the Ord Community into the District service area would provide improved governance for customers; and,

WHEREAS, the Local Agency Formation Commission (LAFCO) of Monterey County has made the determination that the District may pursue annexation of the former Fort Ord portion of its service area upon LAFCO’s adoption of the 2006 Municipal Services Review; and,

WHEREAS, a Negative Declaration or Environmental Impact Report may be required under the California Environmental Quality Act (CEQA) for the annexation action; and,

WHEREAS, Denise Duffy & Associates has proposed a scope for completion of the Phase 1 environmental services for the annexation, they are knowledgeable about the District and Ord Community, and staff agrees that their proposal is reasonable; and,

WHEREAS, Schaaf & Wheeler, Consulting Civil Engineers, has proposed a scope for management of and assistance during the Phase 1 services for the annexation, they are



knowledgeable about the District and Ord Community, and staff agrees that their proposal is reasonable.

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

1) Authorize staff to meet with LAFCO staff and the Ord Community jurisdictions and take other preliminary actions as needed to submit a LAFCO application for annexation of the Ord Community into the District; and,

BE IT FURTHER RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2010-43 authorizing a total not-to-exceed dollar amount of \$100,000 which includes the following, and does hereby;

1) Authorize the General Manager and/or Deputy General Manager to execute a Professional Services Agreement with Denise Duffy & Associates for Phase 1 environmental services for the annexation, and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$37,840; and,

2) Authorize the General Manager and/or Deputy General Manager to execute a Professional Services Agreement with Schaaf & Wheeler, Consulting Civil Engineers for management of and assistance during the Phase 1 services for the annexation, and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution, the total dollar amount not-to-exceed \$23,200; and,

3) Authorize funds for miscellaneous fees that may arise in the Application Process, the total dollar amount not-to-exceed \$38,960.

PASSED AND ADOPTED on June 22, 2010, 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 \_\_\_\_\_

\_\_\_\_\_  
Kenneth K. Nishi, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2010-43 adopted June 22, 2010.

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Jim Heitzman, Secretary