

Marina Coast Water District  
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: September 13, 2011

Submitted By: Patrick Breen

Presented By: Carl Niizawa

Reviewed By: Carl Niizawa

Agenda Title: Review the Draft Proposed Project Description for Annexation of the Ord Community and Approve Resolution No. 2011-68 Directing Staff to Initiate the CEQA Process and Prepare a Draft LAFCO Application for Future Consideration

Detailed Description: The Board of Directors is requested to confirm the attached "Draft Proposed Project Description" to be used for the environmental analysis and draft Local Agency Formation Commission (LAFCO) application or identify a preferred alternative.

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.

In June 2010, the Board directed staff to initiate the annexation process for the Ord Community. Staff met with the Local Agency Formation Commission of Monterey County (LAFCO) on several occasions to discuss the application process and the required CEQA analysis. LAFCO staff recommended that the District apply to annex all the developed portions of the Ord Community into its Urban Service Area, and additional areas projected for redevelopment within the next five to ten years. LAFCO staff also stated that it would be appropriate for the District to concurrently request expanding its Sphere of Influence to the Fort Ord Development Boundary.

An alternatives analysis was prepared, as discussed in the attached Proposed Project Description for the Ord Community Sphere of Influence Amendment and Service Area Annexation. Alternative urban service areas were considered, as follows:

- Annexation to the development boundary described in the Fort Ord Base Reuse Plan
- Annexation to the projected five-year development boundary
- Annexation to the projected ten-year development boundary
- Annexation to the Marina City Limit

In all of the alternatives, the governance model was assumed to remain the same as the current model, a five member board elected at-large.

Staff recommends that the District initiate review under CEQA and begin the formal application process with LAFCO to annex all of the Ord Community Development Parcels. All current water supplies for the Ord Community are provided by the District, and additional future water supplies for the Ord Community are being developed by the District. Omitting future development parcels from annexation at this time will add the unnecessary expense of annexing those areas separately in the future because MCWD is the only water provider providing

essential water supply planning functions for these areas. In addition, future development areas included in the Ord Community are considered redevelopment areas, not designated open space or agricultural lands, by the relevant land use jurisdictions and institutions, and the Proposed Project Description was designed in consideration of LAFCO policies related to orderly boundaries and avoiding islands, corridors or strips of land within or adjacent to boundaries (Cortese-Know-Hertzberg Local Government Reorganization Act of 2000, as amended, Government Code Section 56668 d.). Annexation only to the Marina City Limit was deemed impractical due to the economic and technical advantages of maintaining and improving upon the existing interconnected water and wastewater systems of the Ord Community.

Wastewater collection service for the southern portion of the Ord Community (south of Eucalyptus Road and east of General Jim Moore Blvd) could be accomplished under an agreement between MCWD and Seaside County Sanitation District (SCSD). SCSD is downhill from these areas, and could therefore convey the wastewater to the MRWPCA regional interceptor without adding lift stations, which would be required if the wastewater has to be conveyed to the District's point of connection to the interceptor at 8<sup>th</sup> Street. Staff recommends that the District Sphere of Influence and Urban Service Area include these areas regardless of the ultimate wastewater collection agreement(s) of individual properties because MCWD intends to supply potable and recycled water to those areas.

Staff requests Board confirmation or guidance regarding the Draft Proposed Project Description for the Ord Community Sphere of Influence Amendment and Urban Service Area Annexation. If not confirmed, staff requests guidance as to desired changes or preferred alternatives to that Draft Proposed Project Description.

A milestone schedule for the annexation process is included for reference. The significant time steps in the process include a recommended 30-day public review period for the CEQA initial study, a minimum of 30-days for LAFCO staff review of the application packet, and a minimum of one month between completion of the staff review and bringing the application before the LAFCO Board for consideration (LAFCO staff review periods are subject to their workload and review). Optimistically, this action may be completed as early as late Spring/Summer 2012. If the process requires an additional year to complete, it will still be finalized prior to FORA's sunset in 2014.

**Environmental Review Compliance:** An Environmental Impact Report is not considered necessary for this project under CEQA. Instead, an Initial Study/Negative Declaration is proposed to be prepared and circulated for public review. After required noticing and public review of this document, the Board will be asked to consider the adequacy of the CEQA documentation and process and the comments received, if any, prior to making a decision on the project.

**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 No. 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 No. 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 No. 2009-44, July 1, 2009
- Directing District Staff to Work with LAFCO Staff to Initiate an Annexation Process of Any or All of the Ord Community, Resolution No. 2010-43, June 22, 2010

Board Goals: *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 2011/2012 Ord Water and Sewer cost centers.

Material Included for Information/Consideration: Resolution No. 2011-68; Proposed Project Description for the Ord Community Sphere of Influence Amendment and Service Area Annexation; and, Milestone schedule.

Staff Recommendation: The Board of Directors confirm the Draft Proposed Project Description and approve Resolution No. 2011-68 directing staff to initiate the CEQA process, prepare the LAFCO application based upon the Draft Proposed Project Description.

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 \_\_\_\_\_

September 13, 2011

Resolution No. 2011 - 68  
Resolution of the Board of Directors  
Marina Coast Water District  
Directing District Staff to Prepare a LAFCO Application for 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 September 13, 2011, 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 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 2007 Municipal Services Review; and,

WHEREAS, compliance with the California Environmental Quality Act (CEQA) is required for the annexation action; and,

WHEREAS, District staff and consultants have prepared a draft proposed project description for the LAFCO application and CEQA process that presents proposed sphere of influence and urban service area boundaries for relevant areas of the Ord Community.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize staff to prepare a draft LAFCO application for

annexation of the Ord Community into the District, and to initiate the CEQA process in support of the application based upon the attached Draft Proposed Project Description.

PASSED AND ADOPTED on September 13, 2011, 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 \_\_\_\_\_

\_\_\_\_\_  
William Y. Lee, 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. 2011-68 adopted September 13, 2011.

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

### Attachment 3: Milestone Schedule for the Ord Annexation Process

September 13, 2011	Board Meeting: <ul style="list-style-type: none"><li>- Confirm Draft Proposed Project Description</li><li>- Initiate CEQA Process</li><li>- Begin preparing LAFCO application</li></ul>
September /October 2011	Issue Public Review Draft IS/ND for the Ord Annexation
October 5, 2011	Discuss the Public Review Draft IS/ND at the FORA Water and Wastewater Oversight Committee
October/ November 2011	Initial presentation to LAFCO Board (if required)
November 8, 2011	Board Meeting (earliest date, may be delayed if Draft Proposed Project Description requires changes) to include the following actions: <ul style="list-style-type: none"><li>- Adopt CEQA IS/ND for the Ord Annexation</li><li>- Approve the LAFCO Application for Ord Annexation</li></ul>
December 13, 2011	Board Meeting (actions above, if not completed at November 8, 2011 meeting)
December 2011- January 2012	Submittal of Application to LAFCO, LAFCO staff review, 30-days minimum, 60-days likely
February/March 2012	LAFCO Board considers Ord Annexation Application
March – June 2012	LAFCO Board acts on Ord Annexation Application
2014	FORA Sunsets