



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

THOMAS P. MOORE
President

JAN SHRINER
Vice President

HOWARD GUSTAFSON
WILLIAM Y. LEE
PETER LE

Agenda

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

11 Reservation Road, Marina, California

Monday, August 26, 2013, **5:00** p.m. PST

(Please note the location and earlier start time)

This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the first and third Monday of each month. The meetings normally begin at 6:45 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, 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. Pledge of Allegiance

4. Oral Communications *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

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

- A. Receive Presentation on the 5-Year Rate Study and Financial Plan and Consider Adoption of Resolution No. 2013-53 to Approve the District's 5-Year Rate Study Financial Plan

Action: The Board of Directors will receive a presentation, and consider approving, the Five-Year Water and Wastewater Financial Plan and Rate Study.

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 Friday, August 23, 2013 at the District office, Marina and Seaside City Halls, and at the Marina and Seaside Libraries. Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the Board Clerk at: 831-883-5910. The next regular meeting of the Board of Directors is scheduled for September 3, 2013.

- B. Receive Revised Draft District FY 2013-2014 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents

Action: The Board of Directors will receive a draft District FY 2013-2014 budget, rates, fees and charges for Marina and Ord Community Service Areas and provide direction regarding preparation of the final budget documents.

- C. Consider Approval of 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

Action: The Board of Directors will consider approving the Prop. 218 public notice and setting the date, time and location for public hearings for proposed changes in rates, fees and charges for Marina and Ord Community Service areas.

6. Director's Comments

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

Regular Meeting: **Tuesday, September 3, 2013, 6:45 p.m.,**
Marina Council Chambers
211 Hillcrest Avenue, Marina

Marina Coast Water District
Agenda Transmittal

Agenda Item: 5-A

Meeting Date: August 26, 2013

Submitted By: Kelly Cadiente
Reviewed By: Brian Lee

Presented By: Kelly Cadiente

Agenda Title: Receive Presentation on the 5-Year Rate Study and Financial Plan and Consider Adoption of Resolution No. 2013-53 to Approve the District's 5-Year Rate Study Financial Plan

Detailed Description: The Board is requested to receive a presentation by Carollo Engineers on the final 2013 5-year Rate Study and Financial Plan (Study) and consider adoption of Resolution No. 2013-53 to approve the Study.

On July 15, 2013 the Board received a presentation by Pierce Rossum, Financial Services Lead, of Carollo Engineers who provided an overview of the methodology and approach taken in preparing the draft rate study, revenues necessary for the District to fund its operations, CIP plan, and meet debt requirements. The Board then requested additional analysis on the rates and directed staff to obtain additional rate scenarios based on certain factors which was presented by Mr. Rossum on August 5, 2013 and August 19, 2013. Mr. Rossum will present the final Study to the Board.

The rates listed in the Study will provide the basis for budget preparation for FY's 2013-2014, through 2017-2018 and for the Prop 218 rate increase notification process.

Environmental Review Compliance: None required.

Prior Committee or Board Action: September 11, 2012, the Board adopted Resolution No. 2012-55 approving a professional services agreement with Carollo Engineers to prepare a five-year financial plan and rate study. On July 15, 2013, the Board received a presentation by Carollo Engineers on the preliminary findings of the rate study and financial plan, and provided direction to staff for further analysis. On August 5, 2013 and August 19, 2013, Carollo Engineers presented additional rate scenarios to the Board per their request.

Board Goals/Objectives: *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: None

Material Included for Information/Consideration: Resolution No. 2013-53; and, 2013 5-Year Rate Study and Financial Plan prepared by Carollo Engineers (provided separately).

August 26, 2013

Resolution No. 2013-53
Resolution of the Board of Directors
Marina Coast Water District
Approving a Five-Year Water and Wastewater Financial Plan and Rate Study

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at an adjourned regular meeting duly called and held on August 26, 2013 at the business office of the District, 11 Reservation Road, Marina, California as follows:

WHEREAS, the District sent out Rate Study Request for Proposal soliciting bids to complete Five-Year Water and Wastewater Financial Plan and Rate Study; and,

WHEREAS, the District entered into a Professional Services Agreement with Carollo Engineers to prepare a Five-Year Water and Wastewater Financial Plan and Rate Study; and,

WHEREAS, Carollo Engineers initially met with the District before beginning work, and subsequently met with the Board over the course of several regular board meetings to discuss the draft Five-Year Water and Wastewater Financial Plan and Rate Study; and,

WHEREAS, Carollo Engineers completed the Five-Year Water and Wastewater Financial Plan and Rate Study and is now being presented to the Board for approval.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2013-53 to approve Carollo Engineers Five-Year Water and Wastewater Financial Plan and Rate Study, as Exhibit A to this resolution.

PASSED AND ADOPTED on August 26, 2013, 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 _____

Thomas P. Moore, President

ATTEST:

Brian C. Lee, Deputy 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. 2013-53 adopted August 26, 2013.

Brian C. Lee, Deputy Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 5-B

Meeting Date: August 26, 2013

Submitted By: Kelly Cadiente

Presented By: Kelly Cadiente

Reviewed By: Brian Lee

Agenda Title: Receive Revised Draft District FY 2013-2014 Budget, Rates, Fees and Charges for the Marina and Ord Community Service Areas and Provide Direction Regarding Preparation of the Final Budget Documents

Detailed Description: The Board is requested to receive the revised draft District budget for FY 2013-2014 and provide direction to staff regarding preparation of the final budget documents.

Staff has revised the Draft 2013-2014 District Budget received by the Board at its June 3, 2013 regular meeting based on the results of the rate study performed by Carollo Engineers and on decisions made by the Board since the June budget workshop.

No other edits are anticipated, however, any further revisions to the Draft Budget will be presented to the Board for final approval once the Prop. 218 process has been completed.

Environmental Review Compliance: None required.

Prior Committee or Board Action: The Board received the Draft FY 2013-2014 Budget on May 20, 2013. On June 3, 2013, the Board held a budget workshop on the Expenditure portion of the Draft 2013-2014 District Budget.

Board Goals/Objectives: *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: None

Materials Included for Information/Consideration: Revised Draft FY 2013-2014 Budget Document dated August 26, 2013 (provided separately).

Staff Recommendation: The Board of Directors receive the Revised Draft District FY 2013-2014 Budget documents and associated supporting information for the Marina and Ord Community Service Areas and provide direction to staff to include preparation of the final budget documents.

Action Required: _____Resolution _____Motion ___X___Review

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: 5-C

Meeting Date: August 26, 2013

Submitted By: Kelly Cadiente
Prepared By: Brian Lee

Presented By: Kelly Cadiente

Agenda Title: Consider Approval of 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

Detailed Description: The Board is requested to approve the Notice of Public Hearing (Prop 218 notice) and to set the date, time and location for such public hearing in accordance with the Proposition 218 rate increase process for both the Marina and Ord Community service areas.

In the previous agenda item, the Board was requested to approve the Five-Year Water and Wastewater Financial Plan and Rate Study completed by Carollo Engineers. The Rate Study called for rate increases for FY 2013/2014 through FY 2017/2018 for both service areas.

The process for water and wastewater rate changes requires that a Proposition 218 public notice be sent to all parcel owners connected to the District. The notice informs the owners of the proposed change in rates and provides the dates for a public hearing for the District to receive input from the rate payers before any change in rates is adopted. The public hearing can be held no sooner than 45 days after the notice has been mailed to all parcel owners connected to the District. The Capacity Charge fee increase for both the Central Marina and Ord Community does not require a Proposition 218 notice or hearing.

Environmental Review Compliance: None required.

Prior Committee or Board Action: September 11, 2012, the Board adopted Resolution No. 2012-55 approving a professional services agreement with Carollo Engineers to prepare a five-year financial plan and rate study. On July 15, 2013, the Board received a presentation by Carollo Engineers on the preliminary findings of the rate study and financial plan, and provided direction to staff for further analysis. On August 5, 2013, Carollo Engineers presented additional rate scenarios to the Board per their request. On August 19, 2013, Carollo Engineers presented additional rate scenarios to the Board per their request and gave direction for the final draft of the study to be brought to the Board for approval on August 26, 2013.

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

Financial Impact: ___X___ Yes ___ ___ No

Funding Source/Recap: Publication and mailing of the Prop 218 Notice to funded by all four District Operating Cost Centers – Marina Water (MW): 16%, Marina Sewer (MS): 16%, Ord Water (OW): 31%, Ord Sewer (OS): 31%

Material Included for Information/Consideration: Notice of Public Hearing (Prop 218 Notice)

Staff Recommendation: The Board of Directors approve the Notice of Public Hearing (Prop 218 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. Staff recommends that the Board hold a joint MCWD/FORA Board meeting to satisfy the Prop 218 requirements with respect to the charges for the Ord Community on October 11, 2013 and that the MCWD Board holds the Prop 218 public hearing on October 21, 2013 for Central Marina rates.

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

Board Action

_____Resolution No _____ Motion By _____ Seconded By _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Reagendized _____ Date _____ No Action Taken _____