



# MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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

TEL: (831) 384-6131 FAX: (831) 883-5995

## DIRECTORS

HOWARD GUSTAFSON  
*President*

PETER LE  
*Vice President*

THOMAS P. MOORE  
WILLIAM Y. LEE  
JAN SHRINER

May 15, 2015

Mr. Frank O'Connell, Chair

Fort Ord Reuse Authority Board of Directors

Re: May 8, 2015 FORA Board of Director's Meeting

Dear Chair O'Connell:

At a Special Meeting of the Board of Directors of the Marina Coast Water District (District), the Board directed me to convey to the FORA Board its dismay and disappointment about comments directed at the District by Congressman Farr. As any agency would be, the District is protective of its staff and each Board member is personally troubled by what appeared to be the visiting of frustrations over the business of the District upon its staff. The Board would like to thank you, Chair O'Connell, for not only your attempts to keep the discussions at the FORA meeting civil, but also for reaching out to District staff later offering your apologies.

Also of great concern to the District is the bashing the District took with little opportunity to defend itself. Most upsetting is that the criticism of the Marina Coast Water District was predicated on the declaration that the Congressman initially supported the selection of Marina Coast to provide water and sewer services to the Ord Community but that the District had "failed" in the performance of those duties. This District strongly takes issue with that assertion.

While there are certainly many nuances that define the contractual relationship between the Marina Coast Water District and the Ord Community, at its core is the responsibility of the District to provide sewer collection services and the dependable delivery of water that meets all State and Federal standards at a reasonable cost. Marina Coast Water District has the responsibility to provide these utility services to existing customers and to future customers and our District considers it has done a very good job of doing so.

To the matter of the water rates and charges to the Ord Community and the budget those rates support, the District has been very transparent in the process by which those rates were established and is investing the revenue those rates produce into the improvement of aging infrastructure on the former Fort Ord. That has been a challenge to the District but the evidence of the success of that work is the dependability of water and sewer service to the Ord Community which the District hopes you will agree has been excellent. The District complied with noticing requirements of the State when the rates were being considered and received and considered many comments from the Ord Community during the process. Staff has worked well and closely with the FORA Water and Wastewater Committee and presented the current budget to that group four times, each time using its input to revise the budget or its presentation.

In the end, that Committee approved the budget but chose not to act on the line item regarding water augmentation, deferring to the FORA Board on that item since it had been before the Board previously.

To the question of augmentation of water for the future build-out of the Ord Community, the District certainly cannot be faulted for no effort. The District has worked diligently on three strategies to meet its obligation to FORA to provide an additional 2400 acre feet of augmented water to the Ord Community in the future: 1) Water Conservation projects; 2) the use of reclaim water for irrigation uses on the Ord campus; 3) a desalination facility.

To the first of those, water conservation, the District has achieved a gallons-per-capita-per-day use that is among the lowest 25% in the State of California for residential use. We have accomplished this through rebate programs, home water audits, education programs, enforcement of provisions to eliminate water waste, and other strategies.

To the second of those, the District worked with FORA to craft a water augmentation plan referred to as the Regional Urban Water Augmentation Project (RUWAP) that envisioned a project that would satisfy the 2400 acre foot need through two strategies: reclaim waste water for irrigation; and desalination. This combination of strategies was called a “hybrid” and Marina Coast Water certified a Programmatic Environmental Impact Report for that project. FORA, the District, and the Monterey Regional Water Pollution Control Agency (MRWPCA) negotiated a Memorandum of Understanding (MOU) in 2009, signed by the District and MRWPCA. That MOU assured the District and FORA that there would be an adequate amount of reclaim water from PCA to the Ord Community to satisfy half of the water needed for water augmentation. The District proceeded to engineer, secure rights-of-way, and install more than 2-1/2 miles of reclaim water pipeline. In current negotiations between the District and PCA, the District has been informed that the amount of reclaim water the Ord Community has been planning on may need to be significantly reduced.

Regarding the desalination component of the RUWAP, the path has been rocky and while there are many opinions as to cause, different projects have not gone forward. The result is that the District stands to lose a significant investment of money in one of those failed projects and through legal action it is attempting to prevent that loss. Most recently, the District is trying to plan for how it might meet its obligation to deliver 2400 acre feet of augmented water if the “hybrid” as agreed upon by FORA, the District, and PCA, is modified.

Clearly on the matter of water augmentation, FORA, along with its member agencies, is the party that stands to gain or lose the most and so it is of importance to the District that FORA be engaged in all aspects of this endeavor. There are those that insist FORA’s allocations are too great and some of the allocations already assigned are not being used. There are those who argue that because of water conservation future allocations should be reduced. The District looks forward to working with FORA on this question.

Likewise, if the reclaim portion of the RUWAP “hybrid” is changing, the District looks forward to working with FORA to resolve the question of how the RUWAP should change to provide the future water supply that the Ord Community needs. Additionally, the District encourages FORA to be engaged in discussions regarding the reclaim portion of RUWAP, helping assure future deliveries of reclaim water to the Ord Community are sufficient to meet its needs and utilize the network of reclaim pipe that was installed to distribute that product.

Finally, on the subject of the District’s Ord budget, the 1998 Water/Wastewater Facilities Agreement charges the Water/Wastewater Oversight Committee to “Review and recommend on operating and capital improvement budgets.” This 1998 Agreement also provides that the District will recover all of its direct and indirect costs of furnishing facilities in accordance with normal accounting practices. That Agreement goes on to state that the FORA Board shall state “whether FORA agrees with the proposed budget or written request. If FORA does not agree, FORA’s response shall identify each disputed element, shall state detailed reasons for the dispute, and shall specify a resolution acceptable to FORA.” The District looks forward to working with the FORA Board to resolve any disputed elements of the proposed budget.

The Marina Coast Water District values its relationship with the Fort Ord Reuse Authority and looks forward to a mutually satisfactory relationship for the long term.

Sincerely,

Howard Gustafson, President

Marina Coast Water District Board of Directors