



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

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DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER

Agenda

Regular Board Meeting, Board of Directors

Marina Coast Water District

Marina Council Chambers

211 Hillcrest Avenue, Marina, California

Monday, February 1, 2016, 6:30 p.m. PST

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 6:30 p.m. and are held at the City of Marina Council Chambers at 211 Hillcrest Avenue, Marina, California.

Our Mission: *We provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

1. Call to Order

2. Roll Call

3. Public Comment on Closed Session Items *Anyone wishing to address the Board on matters appearing on Closed Session may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*

4. Closed Session

A. Pursuant to Government Code 54956.9

Conference with Legal Counsel – Existing Litigation

- 1) Ag Land Trust v. Marina Coast Water District, Monterey County Superior Court Case No. M105019; Sixth Appellate District Court of Appeals Case Nos. H038550 and H039559
- 2) In the Matter of the Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates, California Public Utilities Commission No. A.12-04-019 & A.13-05-017 Settlement Agreement

This agenda is subject to revision and may be amended prior to the scheduled meeting. Pursuant to Government Code section 54954.2(a)(1), the agenda for each meeting of the Board shall be posted at the City of Marina Council Chambers. The agenda shall also be posted at the following locations but those locations are not official agenda posting locations for purposes of section 54954.2(a)(1): District offices at 11 Reservation Road, Seaside City Hall, the City of Marina Library, and the City of Seaside Library. A complete Board packet containing all enclosures and staff materials will be available for public review on Wednesday, January 27, 2016. Copies will also be available at the Board meeting. Information about items on this agenda or persons requesting disability related modifications and/or accommodations should contact the Board Clerk 48 hours prior to the meeting at: 831-883-5910.

3. California-American Water Company vs Marina Coast Water District; Monterey County Water Resources Agency; and Does 1 through 10, San Francisco Superior Court Case No. CGC-13-528312 (Complaint for Declaratory Relief); First Appellate District Court of Appeals Case No. A145604
- 4) Marina Coast Water District vs. California-American Water Company, Monterey County Water Resources Agency, and Does 1 through 50, San Francisco Superior Court Case No. CGC-15-547125 (Complaint for Breach of Warranties, etc.)
- 5) Marina Coast Water District v, California Coastal Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180839 (Petition for Writ of Mandate). Sixth District Court of Appeal Case No. H042742
- 6) Marina Coast Water District v, California State Lands Commission (California-American Water Company, Real Party in Interest), Santa Cruz County Superior Court Case No. CV180895 (Petition for Writ of Mandate)

- B. Pursuant to Government Code 54956.8
 Conference with Real Property Negotiator
 Property: Recycled Water Pipeline, Recycled Water
 Agency Negotiators: Howard Gustafson, Thomas Moore
 Negotiating parties: MRWPCA, MCWRA, MPWMD, City of Salinas, and others.
 Under Negotiation: Price and Terms
- C. Pursuant to Government Code 54956.8
 Conference with Real Property Negotiator
 Property: Sewer Infrastructure
 Negotiating parties: Howard Gustafson, Thomas Moore
 Under Negotiation: Price and Terms

7:00 p.m. Reconvene Open Session

5. **Reportable Actions Taken During Closed Session** *The Board will announce any reportable action taken during closed session and the vote or abstention on that action of every director present, and may take additional action in open session as appropriate. Any closed session items not completed may be continued to after the end of all open session items.*
6. **Pledge of Allegiance**
7. **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.*

- 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 four minutes.*

- A. Receive and File the Check Register for the Month of December 2015
- B. Approve the Draft Minutes of the Regular Board Meeting of January 11, 2016

- 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 four minutes.*

- A. Consider Appointment of Applicant to Fill the Existing Vacated Seat on the Board of Directors until December 2, 2016

Action: The Board of Directors will review applications, interview applicants, and consider filling the vacate seat on the Board by appointment or by election.

- B. Discussion and Possible Action to Consider Adoption of Resolution No. 2016-03 for a Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services for the Dunes-1C Phase 2 Development Project

Action: The Board of Directors will consider approve a contract for inspection services for the Dunes on Monterey Bay Phase 1C2.

- C. Discussion and Possible Action to Consider Adoption of Resolution No. 2016-05 to Accept the Infrastructure Improvements Installed Under a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and UCP East Garrison LLC for the East Garrison – Phase 2 Development Project

Action: The Board of Directors will consider accepting improvements installed under an Infrastructure Agreement with UCP, LLC for East Garrison Phase 2.

10. Staff Reports

- A. Receive 4th Quarter 2015 Ord Community Water Consumption and Sewer Flow Report
- B. Receive an Update on the Workforce Succession Plan

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

A. General Manager's Report

1. Verbal Update on the FORA Three Party Planning MOU
2. Verbal Update on the SGMA Collaborative Working Group

B. Counsel's Report

C. Committee and Board Liaison Reports

- | | |
|-----------------------------------|-----------------------------------|
| 1. Water Conservation Commission | 7. LAFCO Liaison |
| 2. Joint City-District Committee | 8. FORA |
| 3. Executive Committee | 9. WWOC Report |
| 4. Community Outreach Committee | 10. JPIA Liaison |
| 5. Budget and Personnel Committee | 11. Special Districts Association |
| 6. MRWPCA Board Member Liaison | |

12. Board Member Requests for Future Agenda Items

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

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

*Regular Meeting: Tuesday, February 16, 2016, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8

Meeting Date: February 1, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consent Calendar

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

Background: *2015 Strategic Plan Mission Statement – To provide our customers with high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of December 2015
- B) Approve the Draft Minutes of the Regular Board Meeting of January 11, 2016

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or the Board can pull these items and discuss each one individually.

Material Included for Information/Consideration: Check register for the month of December 2015; and, the draft minutes of January 11, 2016.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-A

Meeting Date: February 1, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of December 2015

Staff Recommendation: The Board of Directors receive and file the December 2015 expenditures totaling \$1,526,611.51.

Background: *2015 Strategic Plan, Objective No. 3 – Our objective is to manage public funds to assure financial stability, prudent rate management and demonstrate responsible stewardship. Our fiscal strategy is to forecast, control and optimize income and expenditures in an open and transparent manner. We will efficiently use our financial resources to assure availability to fund current and future demands.*

Discussion/Analysis: These expenditures were paid in December 2015 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Expenditures are allocated across the six cost centers; 01-Marina Water, 02-Marina Sewer, 03- Ord Water, 04-Ord Sewer, 05-Recycled Water, 06-Regional Water.

Other Consideration: None.

Material Included for Information/Consideration: December 2015 Summary Check Register.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8-B

Meeting Date: February 1, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of January 11, 2016

Staff Recommendation: The Board of Directors approve the draft minutes of the January 11, 2016 regular Board meeting.

Background: *2015 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: The draft minutes of January 11, 2016 are provided for the Board to consider approval.

Environmental Review Compliance: None required.

Financial Impact: ___Yes ___X___No Funding Source/Recap: None

Other Considerations: The Board can suggest changes/corrections to the minutes.

Material Included for Information/Consideration: Draft minutes of January 11, 2016.

Action Required: ___Resolution ___X___Motion ___Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-A

Meeting Date: February 1, 2016

Submitted By: Paula Riso

Presented By: Keith Van Der Maaten

Agenda Title: Consider Appointment of Applicant to Fill the Existing Vacated Seat on the Board of Directors Until December 2, 2016

Staff Recommendation: The Board of Directors consider appointing an applicant to fill the existing vacated seat on the Board of Directors until December 2, 2016, or filling the vacancy by calling an election to be held on November 8, 2016.

Background: *2015 Strategic Plan, Mission Statement – We Provide high quality water, wastewater collection and conservation services at a reasonable cost, through planning, management and the development of water resources in an environmentally sensitive manner.*

Discussion/Analysis: With the resignation of Director Peter Le, effective January 4, 2016, the Marina Coast Water District's Board has a vacant seat that expires December 2, 2016. The staff notified the Monterey County elections official of the vacancy. Per Government Code Section 1780, the District may either fill the vacancy or call for an election. The decision to fill the seat by appointment or by election must be made by Friday, March 4, 2016.

If the District desires to proceed by appointment, Government Code Section 1780 requires the notice of vacancy to be posted at least 15 days prior to the appointment to fill that vacancy. On January 12, 2016, staff posted the notice of the vacancy at the Marina City Hall, Marina Library, Marina Post Office, District Reservation Road office and the Marina Coast Water District web site, and on January 14, 2016, ran an advertisement in the Monterey County Weekly.

If the Board decides to fill the vacancy by election, then the election would be held on the next established election date that is 130 or more days after the date the Board calls the election, which would be November 8, the date of the general election.

The District was contacted several times by interested parties. Some people requested applications to be emailed, while others picked up or downloaded applications. As of the printing of this board packet, no applications had been received.

If an appointment is made, Mr. Van Der Maaten will administer the oath of office.

"I, _____, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter."

The appointee would be required to file a FPPC Form 700, Assuming Office Statement of Economic Interests within 30 days of taking the oath of office.

Environmental Review Compliance: None required.

Financial Impact: _____Yes No Funding Source/Recap: None

Other Consideration: None.

Material Included for Information/Consideration: None.

Action Required: _____Resolution Motion _____Review

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-B

Meeting Date: February 1, 2016

Submitted By: Brian True

Approved By: Keith Van Der Maaten

Reviewed By: Michael Wegley

Agenda Title: Discussion and Possible Action to Consider Adoption of Resolution No. 2016-03 for a Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services for the Dunes-1C Phase 2 Development Project

Staff Recommendation: The Board consider adopting Resolution No. 2016-03 to enter into a Professional Services Agreement with Harris & Associates to provide inspection and construction support services for the Dunes-1C Phase 2 Development Project.

Background: *Strategic Element No. 2 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District standards.*

The Marina Coast Water District (MCWD, District) Board of Directors adopted Resolution No. 2015-51 on November 2, 2015 authorizing a Water, Sewer, and Recycled Water Infrastructure Agreement (IA) between MCWD and Shea Homes (Developer). To implement the intent of that IA, MCWD needs to provide inspection services and other construction support duties.

To obtain the needed inspection and construction support services, staff requested Quotations from the three best firms from MCWD's recently established list of pre-qualified firms. They were Harris & Associates (Harris), 4-Leaf, Inc., and The Covello Group, Inc. Staff reviewed, and evaluated, the quotations based on experience, understanding of the scope (the needed level of effort and expected hours) and total cost. Staff determined that Harris represented the best value to MCWD for this project. The Professional Service Agreement staff proposes to execute with Harris to perform the work is for a not-to-exceed amount of \$187,898.

Specific scope elements that Harris will undertake with this agreement include:

- Inspection/observation of the installation and testing of the sanitary sewer gravity sewer elements;
- Inspection/observation of the installation and testing of the potable water elements;
- Inspection/observation of the installation and testing of the recycled water elements;
- Work with MCWD to respond to material submittals, RFIs, and design modifications;
- Inspection/observation of landscape installation and post-construction landscape requirements;
- Provide post-construction As-Built and Easement reviews;

- Provide a post-construction Final Report compiling their work and providing a recommendation to accept (or not) the transfer of ownership of the installed infrastructure to MCWD; and,
- Provide final walk-throughs and Meter Application processing assistance.

Discussion/Analysis: Professional construction services are based on qualifications based selection rather than lowest bid. Thus, the three Quotations were evaluated by staff with the results expressed in the Matrix of Results (Table 1 below). The results are expressed by the use of 1, 0, and -1 where 1 is the best result, 0 is an appropriate and acceptable result, and -1 is used to differentiate from a result that could be improved upon.

Table 1. Matrix of Results

Company	Scope Understanding	Scope Expression	Cost Expression	Experience Expression	Hours Estimated	Total Proposed Cost	Best Value
The Covello Group	0	1	-1	1	682	97,880	2
4-Leaf, Inc.	0	-1	1	0	1,479	194,065	3
Harris & Associates	1	1	1	1	1,170	187,898	1

From the staff proposal review and follow-up questioning of the three respondents, District staff found the Harris & Associates proposal presented the best understanding and expression of the scope and effort to be provided and offered the best value. The Covello quotation did not recognize the amount of effort and estimated hours required for the project based on District staffs experience with similar projects. While 4-Leaf, Inc.’s proposal recognized the time required to perform the work, it did not express a clear understanding of the scope of services to be provided.

Harris & Associates rates are comparable to the other inspection firms, meet prevailing wage requirements and their fee is competitive based on general industry-wide standards.

Harris & Associates currently provides MCWD with construction support services on multiple development projects. Harris has qualified inspectors and engineers residing locally in Hollister and Pacific Grove and has local offices in Salinas and Gilroy; additionally, Harris will not charge MCWD for travel time.

Staff recommends the Board authorize the General Manager to execute the proposed Professional Services Agreement with Harris & Associates by adopting Resolution No. 2016-03.

Environmental Review Compliance: Not Applicable; this action awarding a Professional Services Agreement is not a “project” under the California Environmental Quality Act (CEQA).

Financial Impact: _____Yes ___X___No Funding Source/Recap: The Developer (Shea Homes) will fund this contract; developer-provided resources will be in-hand to pay for all consultant invoices submitted under this contract and any amendments.

Other Considerations: None

Material Included for Information/Consideration: Resolution No. 2016-03.

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

Board Action

Motion By _____ Secoded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

February 1, 2016

Resolution No. 2016 – 03
Resolution of the Board of Directors
Marina Coast Water District

for a Professional Services Agreement with Harris & Associates for
Inspection and Construction Support Services for the Dunes-1C Phase 2 Development Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on February 1, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the District is entering into a Water, Sewer, and Recycled Water Infrastructure Agreement with Shea Homes (Developer) for their Dunes-1C Phase 2 development project; and,

WHEREAS, the District is in need of Inspection and Construction Support services to implement the Water, Sewer, and Recycled Water Infrastructure Agreement; and,

WHEREAS, the District received three Quotations from qualified consulting firms able to perform the work; and,

WHEREAS, District staff determined Harris & Associates to be the best value for the District to provide Inspection and Construction Support Services for the Dunes-1C Phase 2 development project; and,

WHEREAS, District staff finds that the Harris & Associates scope and fee Quotation to conduct the scope of work is reasonable with competitive rates comparable to other inspection firms providing services to the District based on general industry-wide standards.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute a Professional Services Agreement with Harris & Associates for Inspection and Construction Support Services for the Dunes-1C Phase 2 development 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 \$187,898.

PASSED AND ADOPTED on February 1, 2016 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2016-03 Adopted February 1, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: February 1, 2016

Prepared By: Brian True
Presented By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Discussion and Possible Action to Consider Adoption of Resolution No. 2016-05 to Accept the Infrastructure Improvements Installed Under a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and UCP East Garrison LLC for the East Garrison – Phase 2 Development Project

Staff Recommendation: The Board considers adopting Resolution No. 2016-05 accepting the infrastructure improvements installed under the Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and UCP East Garrison LLC for the East Garrison – Phase 2 development project.

Background: *Five-year Strategic Plan, Strategic Element 2.0 Infrastructure – Our objective is to provide a high quality water distribution system and an efficiently operating wastewater collection system to serve existing and future customers. Through the master planning process, our infrastructure strategy is to carefully maintain our existing systems and ensure future additions and replacements will meet District Standards.*

Union Community Partners, under the entity named UCP East Garrison LLC (Developer), constructed the East Garrison – Phase 2 development project in the Ord Community portion of Monterey County. The District entered into a Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement (Infrastructure Agreement) with the Developer by adopting Resolution No. 2011-67 on September 13, 2011. The Infrastructure Agreement was fully executed with the acceptance and execution of the Infrastructure Agreement by Monterey County's East Garrison Public Financing Authority on March 27, 2012. The infrastructure installation is now complete and the Developer requests that, consistent with the Infrastructure Agreement, MCWD now accept the transfer of ownership of the said infrastructure.

Discussion/Analysis: The infrastructure improvements made by the Developer for which acceptance of ownership is requested includes potable water pipelines and appurtenances, recycled water pipelines, and sanitary sewer pipelines and appurtenances. The Developer installed all improvements on behalf of MCWD within the boundaries of the East Garrison – Phase 2 development project; a depiction of the infrastructure to be owned by MCWD may be found within the attached Bill of Sale that includes Exhibits mapping the locations of the infrastructure. The total value of the infrastructure to be transferred to MCWD for ownership totals approximately \$2,646,638.

Please take note of two variances in the ownership transfer:

- 1) The value of the infrastructure coming to MCWD's ownership and the One-Year Warranty Bond value do not correspond perfectly to the stated requirements in the

Infrastructure Agreement (the Warranty Bond value needs to be 20% of the value of the installed infrastructure). This occurred because some small water and sewer segments of Phase 2 were installed and entered into service as part of East Garrison – Phase 1 but did not come into formal MCWD ownership and were covered under the prior warranty bond. Thus, the one-Year Warranty Bond value is slightly less than the 20% of the overall value of the reported Bill of Sale values for sewer, water, and recycled water facilities; however, the Warranty Bond value adequately covers the infrastructure installed and coming to MCWD's ownership for this phase of the development project.

2) A Ten-Year Warranty Bond has been provided by the Developer to minimize MCWD's liability for a potable water pipeline segment in Ord Avenue that was previously installed during Phase 1 prior to construction of the street with Phase 2. Following installation of the remaining utilities, curb, gutter and sidewalk and just prior to paving for Phase 2, it was discovered that the top of the water valve nuts were within inches of finish pavement grade. Potholing revealed and confirmed that the existing water main depth was shallower than the District standard cover.

Reviewing available options showed that other utilities constrained potential re-alignment or deepening of the water pipeline. Thus, the Developer mitigated the situation by increasing the thickness of the pavement in the affected area and providing a separate Ten-Year Warranty Bond to cover the prospective replacement of up to 100-LF of 12-inch PVC potable water pipeline and valves in the event of leaks or failure. Staff supports accepting the \$36,000 Ten-year Warranty Bond with the ownership transfer.

Under the terms of the Infrastructure Agreement, MCWD requires the following items prior to final acceptance:

- Final inspection and walk-through by MCWD to verify completion of all punch-list items
- Completed easements for all pipelines outside of public rights-of-way or recorded public utility easements
- Conveyance of the property to MCWD by means of a Bill of Sale
- Submission of As-Built drawings for the work
- Submission of a One-Year Warranty Bond

The developer and MCWD conducted a punch-list walk-through and the associated corrective work was completed in January 2016. The easements appropriate for this transfer-of-ownership transaction were recorded in Monterey County throughout 2014 and 2015, with the Final Map recorded in January 2015; all currently proposed MCWD infrastructure/assets are located within the public right-of-way and public utility easements recorded on the subdivision's Final Map (no private easements were required for this project phase). A Bill of Sale is prepared for execution and is awaiting this Board-action for Acceptance. As-Built drawings for the improvements described above were received and accepted as adequate on January 20, 2016. Two Warranty Bonds have been provided; one One-Year Warranty Bond is for the sanitary sewer, water, and recycled water infrastructure and the other is a Ten-Year Warranty Bond to limit MCWD's liability for a non-conforming water pipeline in Ord Avenue. In accord with the Infrastructure Agreement, this list fulfills the District's requirements and conditions for accepting ownership of the installed infrastructure.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: There is no direct cost to MCWD in these transactions; however, a near-term future increase in operational and maintenance costs may be reasonably anticipated within the Ord Water and Ord Sewer cost centers as well as in increase in the Recycled Water cost center in the more distant future.

Other Considerations: None recommended.

Material Included for Information/Consideration: Resolution No. 2016-05; Bill of Sale prepared for execution; and Warranty Bonds (one for Sewer, Water, and Recycled Water infrastructure and one for the Ord Avenue water pipeline).

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

Board Action

Motion By: _____ Seconded By: _____ No Action Taken: _____

Ayes: _____

Abstained: _____

Noes: _____

Absent: _____

February 1, 2016

Resolution No. 2016-05
Resolution of the Board of Directors
Marina Coast Water District
Accepting the Infrastructure Improvements Installed Under a
Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District and UCP East Garrison LLC for the
East Garrison – Phase 2 Development Project

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (District, MCWD), at a regular meeting duly called and held on February 1, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, UCP East Garrison LLC, a Delaware limited liability company (Developer), has constructed water, sewer and recycled water infrastructure for their East Garrison – Phase 2 development project in the Ord Community portion of the County of Monterey; and,

WHEREAS, the Developer entered into a Construction and Transfer of Water, Sewer and Recycled Water Infrastructure Agreement (Infrastructure Agreement) with MCWD in September 2011 by the adoption of Resolution No. 2011-67 that was fully executed on March 27, 2012; and,

WHEREAS, construction of the water, sewer and recycled water infrastructure is complete and the Developer has now satisfied all of the close-out conditions required in the Infrastructure Agreement for the East Garrison – Phase 2 development project; and,

WHEREAS, the Developer requests that the District take ownership of the installed infrastructure.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby accept the transfer of ownership of the Water, Sewer, and Recycled Water Infrastructure for the East Garrison – Phase 2 development project and directs the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on February 1, 2016 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 _____

Howard Gustafson, President

ATTEST:

Keith Van Der Maaten, 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. 2016-05 adopted February 1, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Staff Report

Agenda Item: 10-A

Meeting Date: February 1, 2016

Prepared By: Kelly Cadiente, and Paul Lord

Approved By: Keith Van Der Maaten

Agenda Title: 4th Quarter 2015 Ord Community Water Consumption and Sewer Flow Report

Summary: The Board of Directors is requested to receive the 4th Quarter 2015 Ord Community Water Consumption and Sewer Flow Reports. Quarterly water consumption reports have been submitted to the Board since 2006. The quarterly consumption report contains the Ord Community water consumption data organized by land-use jurisdiction.

This staff report also includes tracking information on Ord Community sewer flows through the Monterey Regional Water Pollution Control's (MRWPCA) Fort Ord pump station and available sewer capacity. Ord Community sanitary sewer flows for the quarter ended December 31, 2015 was 77.304-million-gallons which yielded an average daily sewer flow of 0.840-million-gallons-per-day (MGD).

The Ord Community's sanitary sewer flow to the Monterey Regional Water Pollution Control Agency (MRWPCA) interceptor system is measured by a District flume structure located adjacent to the retired Main Garrison wastewater treatment plant.

The District maintains sewage conveyance capacity within the Ord Community equivalent to 3.3-MGD. The 3.3-MGD capacity managed by the District is further divided into 1.1-MGD for use by the US Army and 2.2-MGD for use by others in the Ord Community.

Below are informational annotations for the data included in the report:

- The rainfall total for the 4th quarter of 2015 (Oct., Nov., Dec.) was 6.23 inches. This amount of rainfall is 1.61 inches higher than the historical quarterly average rainfall of 4.62 inches.
- The measured reference evapotranspiration rate (South Salinas) for the 4th quarter was 7.11 inches, 1.28 inches higher than the historical quarterly average of 5.83 inches (for the CIMIS Coastal Mixed Fog Region, Zone 2).

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B

Meeting Date: February 1, 2016

Prepared by: Jean Premutati

Approved by: Keith Van Der Maaten

Agenda Title: Receive an Update on the Workforce Succession Plan

Staff Recommendation: The Board of Directors receive an update on the workforce succession plan.

Background: 2014 5-Year Strategic Plan – *“Establish a workforce succession plan in order to sustain a high quality, diverse and inspired workforce, the District will strive to ensure that it maintains a mission-focused workforce that has the skills and experience to meet the needs of the District today and in the future.*

We will develop a workforce succession plan that will take a comprehensive look and analysis to determine which positions are more mission critical and which have less bench strength than others to avoid staffing gaps, assuring appropriate depth in crucial functions. Likely retirements will be identified and internal staff with the potential skill, experience, and interest will be assessed and prepared for those retirements or voluntary terminations where appropriate. Job descriptions for positions where internal candidates are not likely will be evaluated and modified to meet the District’s future needs. Compensation will be reviewed and adjusted to attract highly qualified candidates. While succession planning will be ongoing throughout the years ahead, the project will begin with this analysis and plan.”

In the public sector, organizations are led by middle managers and top executives already eligible-or soon to be eligible-for retirement. In many of these organizations as with Marina Coast Water District, there is no readily available pool of highly-qualified candidates to replace them. The focus has been to seek the technical/professional factors of the higher-level job with little effort being made to develop the competencies that are so critical to successful performance.

Below is a snapshot of some of the leadership positions at MCWD and their eligibility for retirement (the list is not meant to be exhaustive, but to illustrate the need):

Position	Years to Retirement
General Manager	14
District Engineer	6
Director of Administrative Services	6
Management Services Administrator	0
Operations & Maintenance Superintendent	11
Operations & Maintenance Supervisor	1
Customer Service Supervisor	1
Accountant II	14
Laboratory Supervisor	6
Executive Assistant to GM/Board	7

This is by no means a certainty that these employees will retire within this timeframe. In fact, as employees choose to remain in the workforce longer, MCWD may find we have the ability to extend the exodus of workers beyond the expected retirement age and contain the “brain drain” that occurs.

As staff moves forward in implementing our succession plan, we plan to use an “Acceleration Pool Model” that identifies high-potential employees and provides enhanced developmental opportunities in order to prepare them for future career opportunities. The model process includes:

- Obtain leadership support
- Identify the District’s leadership gaps
- Assess the readiness of current staff to assume those leadership positions
- Identify and select high-potential employees
- Diagnose their strengths and developmental needs
- Select and implement strategies for accelerating the development of these employees.

Obtain leadership support

The Board and Executive management have already shown their support by including this critical step in the 5-year strategic plan. A good succession plan will be flexible enough to accommodate the stresses that the program will put on the district. Important development activities may take participants away from their duties on a regular basis, and for lengthy periods. Allowing employees to participate in the necessary training and learning opportunities will likely cause some disruption.

Identify leadership gaps

It is critical to the success of the plan as well as the participants that we do a thorough analysis of the leadership positions and evaluate talent gaps. During the next 4-6 weeks, managers will be asked to develop a list of critical competencies for their own individual positions such as managing risk, communication, managing performance, conflict resolution, negotiation skills, strategic thinking, etc. For each manager and area of responsibility it is expected this will vary. The Management Services Administrator and the individual managers will meet, discuss and assign a criticality factor where they would expect a candidate to “hit the ground running” or be fully functional within 6-12 months.

Below are reasons talent gaps can be created:

- Expected retirements – positions where the incumbent has indicated the likelihood that they’ll retire within a specified time period.
- Retirement eligible – positions where incumbents are eligible for retirement within the next 3-5 years, but have not indicated an intention to retire.
- Internal promotions – positions where supervisors and middle managers move to higher level leadership positions.
- Unexpected loss of incumbents – positions considered to be key to organizational success.

Besides leadership positions, this may also include certain professional positions requiring highly specialized knowledge, skills or competencies.

Assess the readiness of current staff

By mid-March, the Management Services Administrator will meet with executive management regarding the readiness of staff to assume specific critical leadership positions. In addition, we will ask the incumbents of each critical position to identify the number of employees within their respective department who are fully ready to assume their positions if they should leave as well as those who will be ready within the next 1-2 years.

It is important to note that due to the size of our District, we may find there are no ready now candidates and may have to either extend the timeframe in which we can prepare someone or agree to fill a position externally.

Identify and select high-potential employees

At this step in the process, the “pool” will be created using nomination criteria based on:

- Education level
- Years with the district
- Current of prior supervisory experience
- Classification level

It is important to note that any employee can nominate themselves as well as managers can nominate employees within their division/department to the pool. In both cases, nominees would have to satisfy the criteria established for the pool and complete an Acceleration Pool Applicant Profile to further determine their suitability in the pool.

In April, a screening process will be used to decide who to select and an as-yet unidentified team will be formed to conduct interviews. In addition, assessments and personality profiles may be used. The final selection will be made by the executive management group.

This is a crucial step in the plan. Once employees have been chosen who are designated as high-potential, the District will be expending significant resources on their development. This will include both internal and external training, mentoring, and coaching, all of which take time and money. It is important at this stage to have committed and responsible participants that will remain with the organization and utilize their new-found skills and competencies.

Diagnose strengths and developmental needs

A major goal of the succession planning process is to help each individual learn to capitalize on his/her strengths and develop areas where needed.

Once the pool is chosen, staff will administer 360 degree evaluations to the pool of nominees who will be evaluated by their peers, supervisors, and managers when complete. The evaluations measure behaviors and competencies and provide feedback on how others perceive

an employee. This point is synonymous to success. If others view the employee negatively, the chances of success could be diminished.

Select and implement strategies for accelerating development

Following the diagnosis of strengths and development needs through the 360 degree evaluations, there will be a variety of developmental practices selected for those being groomed which may include:

- Mentoring program – with senior leaders
- Developmental assignments – participants may work in an area of the organization where he/she has no experience. (i.e. – a Customer Service Rep could work in Operations & Maintenance for a few days)
- Stretch assignments – participants take on new responsibilities within their area of expertise
- Formal training – classroom training (may include college level courses)

As we move ahead with the workforce succession plan, staff will be reporting back on milestones.