



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, August 15, 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 Thursday, August 11, 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) Marina Coast Water District v. California Public Utilities Commission, California Supreme Court Case No. S230728, Writ of Review
- 4) 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
- 5) 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.)
- 6) 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
- 7) 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: Sewer Infrastructure
Negotiating parties: Howard Gustafson, Thomas Moore
Under Negotiation: Price and Terms
- C. Pursuant to Government Code 54957
Public Employee Performance Evaluation
Title: General Manager
- D. Pursuant to Government Code Section 54956.9(d)(4)
Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation – One Potential Case

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 July 2016
- B. Approve the Draft Minutes of the Regular Board Meeting of August 1, 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 Appointments of Public Members to the Water Conservation Commission

Action: The Board will consider appointing three public members to the Water Conservation Commission for two-year terms and one public member for a one-year term.

- B. Consider Adoption of Resolution No. 2016-46 to Consent to an Amendment to Paragraph 7.02 of the Monterey Regional Water Pollution Control Agency Joint Exercise of Powers Agreement

Action: The Board of Directors will consider consenting to an amendment to Paragraph 7.02 of the Monterey Regional Water Pollution Control Agency Joint Exercise of Powers Agreement.

- C. Consider Adoption of Resolution No. 2016-47 to Set a Public Hearing on Whether to Form a Groundwater Sustainability Agency and Authorize the Publication of a Notice of a Public Hearing

Action: The Board of Directors will consider setting a public hearing on whether to form a Groundwater Sustainability Agency and authorize the publication of a notice of a public hearing.

- D. Consider Adoption of Resolution No. 2016-48 to Approve the Implementation of the Federal Labor Standards Act Audit

Action: The Board of Directors will consider approving the implementation of the FLSA audit.

- E. Consider Adoption of Resolution No. 2016-49 to Approve an Update to the District's Purchasing Policy

Action: The Board of Directors will consider approving an update to the District's Purchasing Policy.

- F. Consider Adoption of Resolution No. 2016-50 to Approve the District Sole Source Vendors Above \$45,000 List for FY 2016-2017

Action: The Board of Directors will consider approving the District sole source vendors above \$45,000 list for FY 2016-2017.

- G. Consider Adoption of Resolution No. 2016-51 to Approve the District Payment of Bills Policy and Eliminate the District Check Signing Policy

Action: The Board of Directors will consider approving the District Payment of Bills Policy and eliminate the District Check Signing Policy.

- H. Consider Adoption of Resolution No. 2016-52 Authorizing the General Manager to Accept an Easement in Favor of MCWD to Re-align a Potable Water Pipeline within the Presidio of Monterey Ord Annex South of Gigling Drive

Action: The Board of Directors will consider authorizing the General Manager to accept an easement in favor of MCWD for a re-aligned potable water pipeline within the Presidio of Monterey Ord Annex South of Gigling Drive within the former Fort Ord.

- 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 four minutes.*

A. General Manager's Report

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 | |

11. Board Member Requests for Future Agenda Items

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

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

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

Marina Coast Water District
Agenda Transmittal

Agenda Item: 8

Meeting Date: August 15, 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: *2016 Strategic Plan Mission Statement – 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.*

Consent calendar consisting of:

- A) Receive and File the Check Register for the Month of July 2016
- B) Approve the Draft Minutes of the Regular Board Meeting of August 1, 2016

Discussion/Analysis: See individual transmittals.

Environmental Review Compliance: None required.

Other Considerations: The Board of Directors can approve these items together or they can pull them separately for discussion.

Material Included for Information/Consideration: Check register for June 2016; and, draft minutes of August 1, 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: August 15, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of July 2016

Staff Recommendation: The Board of Directors receive and file the July 2016 expenditures totaling \$2,351,476.73.

Background: *2016 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 July 2016 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: July 2016 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: August 15, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Board Meeting of August 1, 2016

Staff Recommendation: The Board of Directors approve the draft minutes of the August 1, 2016 regular Board meeting.

Background: *2016 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 August 1, 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 August 1, 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: August 15, 2016

Prepared By: Paul Lord

Approved By: Keith Van Der Maaten

Reviewed By: Jean Premutati

Agenda Title: Consider Appointments of Public Members to the Water Conservation Commission

Staff Recommendation: The Board receive the applications, consider the qualifications of the applicants, and appoint members to the Water Conservation Commission from the applications received and select which of the appointees will serve the two-year terms and which one will serve the one-year term.

Background: *2016 Strategic Plan, Objective 1.7 – We will review and update our water conservation program.*

Discussion/Analysis: The Water Conservation Commission is currently authorized seven public positions. Four have terms that end August 31, 2017, one of those positions has been vacant since April, and three have terms ending August 31, 2016. New appointees for these three positions will each serve for a full, two-year term starting September 1, 2016, while the fourth appointee will serve a one-year term, until August 31, 2017.

On August 4, 2016 the Water Conservation Commission reviewed five submitted applications for the four available seats. The Commissioners passed a motion recommending the Board add one additional position to the existing roster and consider all five applicants to positions on the commission. Although not part of the motion, some commissioners discussed and agreed that two of the WCC applicants could add diversity and expand the current service area representation to the existing Commission roster if appointed.

Environmental Review Compliance: None Required.

Financial Impact: Yes No Funding Source/Recap: None Required.

Other Considerations: Add one additional public position to the Water Conservation Commission, for a total of eight public positions, so that all five applicants can serve on the commission; or maintain the seven public positions and select four of the five applicants.

Material Included for Information/Consideration: Applications for appointment to the WCC from Audie Robinson, Bethany Taylor, Charlie Eskridge, Phil Clark, and Tom Britzman; and, an updated WCC Membership Table.

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: August 15, 2016

Prepared By: Paula Riso

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-46 to Consent to an Amendment to Paragraph 7.02 of the Monterey Regional Water Pollution Control Agency Joint Exercise of Powers Agreement

Staff Recommendation: The Board of Directors consider adoption of Resolution No. 2016-46 to consent to an amendment to Paragraph 7.02 of the Monterey Regional Water Pollution Control Agency (MRWPCA) Joint Exercise of Powers Agreement.

Background: *2016 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 MRWPCA is in the process of working with the State to facilitate a loan for the Pure Water Monterey Project. As a condition of the loan, the State is requiring the Agency to amend Section 7.02 of the existing Joint Powers Agreement (JPA). Section 7.02 states that the JPA shall not terminate or dissolve until all revenue bond debt incurred by the Agency for the construction or acquisition of the Regional Treatment has been fully paid or refinanced. The State is requesting that a similar clause be inserted to encompass any financing provided by the State Water Resources Control Board (SWRCB). This proposed action does not modify any substantive terms of the Agreement, other than assuring that both revenue bonds and SWRCB loans will be paid or refinanced prior to the termination of the JPA. A redlined copy of Section 7.02 and a draft resolution are attached for reference and use.

On July 25, 2016, the MRWPCA Board unanimously approved a resolution to amend Paragraph 7.02 of the JPA and is requesting that all MRWPCA member entities consent to the amendment. Paragraph 7.07 of the JPA Agreement provides that it may not be amended without consent of all existing members of the MRWPCA at the time of amendment. As a member entity, the District's approval is needed for the amendment to become effective and for MRWPCA to be able to proceed with the loan process.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: None

Other Considerations: None.

Material Included for Information/Consideration: Resolution No. 2016-46; and, redlined version of Section 7.02 of the JPA; and copy of First Amendment to the JPA.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

August 15, 2016

Resolution No. 2016 - 46
Resolution of the Board of Directors
Marina Coast Water District
Consenting to an Amendment to Paragraph 7.02 (“Termination”)
of the Monterey Regional Water Pollution Control Agency Joint Exercise of Powers Agreement

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the Marina Coast Water District is a Member Agency of the MRWPCA;
and,

WHEREAS, as part of the financing arrangement to support construction of certain components of the Pure Water Monterey Groundwater Replenishment Project (“Project”), MRWPCA will be entering into a borrowing agreement with the State Water Resources Control Board (“SWRCB”); and,

WHEREAS, the SWRCB has reviewed the MRWPCA Joint Exercise of Powers Agreement (“JPA Agreement”) and will require, as a condition of its loan to MRWPCA, an amendment to Paragraph 7.02 of the JPA Agreement to satisfy SWRCB that MRWPCA will not and cannot terminate the JPA Agreement until and unless all debt incurred by MRWPCA in connection with SWRCB financing has been fully amortized and retired or such debt is refinanced by the Monterey Regional County Sanitation District (MRCSD) or other successor agency; and,

WHEREAS, Paragraph 7.07 of the JPA Agreement provides that it may not be amended without consent of all existing members of the MRWPCA at the time of amendment; and,

WHEREAS, the MRWPCA Board of Directors has requested all existing members to consent to the aforescribed amendment to Paragraph 7.02, and this Board of Directors of Marina Coast Water District desires to consent to said amendment as more particularly set out hereinbelow.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Marina Coast Water District, as follows:

1. That this Board of Directors hereby consents to an amendment to Paragraph 7.02 of the Monterey Regional Water Pollution Control Agency Joint Exercise of Powers Agreement, to read as follows:

“7.02 Termination. This Agreement may be terminated and the Agency dissolved by a two-thirds (2/3) vote of the Board of Directors, ratified by two-thirds (2/3) of the member agencies; provided, however, that there shall be no termination and dissolution unless the following two conditions are satisfied: any

and all revenue bond debt incurred by the Agency for the construction or acquisition of its regional sewerage facilities has been fully amortized and retired or such debt is refinanced by the MRCSD or other successor entity, and (2) any and all debt incurred by the Agency in connection with any financing provided by the State Water Resources Control Board has been fully amortized and retired or such debt is refinanced by the MRCSD or other successor entity.”

2. That upon passage and adoption of this Resolution No. 2016-46, the Deputy Secretary shall transmit a certified copy of this resolution to the General Manager of MRWPCA.

3. That the President of the Board is hereby authorized to sign any documents required to effect the amendment hereby consented to by Marina Coast Water District.

PASSED AND ADOPTED on August 15, 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. 2016-46 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-C

Meeting Date: August 15, 2016

Prepared By: Keith Van Der Maaten

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-47 to Set a Public Hearing on Whether to Form a Groundwater Sustainability Agency and Authorize the Publication of a Notice of a Public Hearing

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-47 to set a public hearing on September 6, 2016 on whether to form a Groundwater Sustainability Agency and authorize the Publication of a Notice of the Public Hearing.

Background: *2016 Strategic Plan Mission Statement – 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.*

In September 2014, Governor Brown signed historic legislation requiring that California's critical groundwater resources be sustainably managed by local agencies. The Sustainable Groundwater Management Act (SGMA) gives local agencies including cities, counties and water districts or agencies, authority to sustainably manage groundwater over the long-term.

SGMA requires the formation by June 30, 2017 of a new Groundwater Sustainability Agency (GSA) for each medium and high-priority groundwater subbasin as designated by the California Department of Water Resources (DWR). Any local public agency or a combination of local agencies that has water supply, water management, or land use responsibilities within a groundwater subbasin may elect to form a GSA.

A local agency or combination of local agencies that elects to form a GSA must hold a public hearing and submit a Notice of Intent to the California Department of Water Resources (DWR) within 30 days of electing to be a GSA. 90 days after posting notice with DWR, the GSA is presumed to be the GSA. In areas of a subbasin not covered by a GSA, the county will be presumed the GSA for the area. Where a county notifies DWR it will not be the GSA for such an area or a county fails to notify DWR by June 30, 2017 that it will cover such an area, extractions of groundwater must be reported directly to the state.

GSA Responsibilities

The GSA is required to assess the conditions in its local subbasin and to adopt a locally-based Groundwater Sustainability Plan (GSP). GSP's for medium priority subbasins must be completed by January 31, 2022 (by January 31, 2020 for high priority basins) and be designed to achieve basin sustainability within 20 years of adoption. SGMA defines sustainable management as managing and using groundwater in a way that can be sustained over a long period of time. Sustainable yield is defined as the amount of groundwater that can be withdrawn annually without causing "significant and unreasonable impacts" related to any of the following "undesirable results": chronically lowering groundwater levels, causing seawater intrusion,

degrading water quality, causing land subsidence or depleting interconnected surface water including creeks, streams and rivers.

GSA Authority

SGMA empowers GSA's to use a number of new management tools to achieve the sustainability goal. GSA's may conduct investigations, require registration of groundwater wells, determine the sustainable yield of a basin, measure and limit groundwater extractions, assess fees for groundwater management, and enforce the terms of a GSP. GSA's also may request a revision of a groundwater basin boundary, including the establishment of new subbasins.

Salinas Valley Groundwater Basin

In Bulletin 118 (1980), the California Department of Water Resources officially designated the following subbasins of the Salinas Valley Groundwater Basin (SVGB):

Number	Name	Area (acres)	DWR Ranking	GS Plan must be adopted by January 31
3-4	Salinas Valley Groundwater Basin			
3-4-01	180/400 Foot Aquifer (Critically Overdrafted)	84,400	High	2020
3-4-02	East Side Aquifer	57,500	High	2022
3-4-04	Forebay Aquifer	94,100	Medium	2022
3-4-05	Upper Valley Aquifer	98,200	Medium	2022
3-4-06	Paso Robles (Critically Overdrafted)	597,000	High	2020
3-4-08	Seaside	25,900	Medium	2022
3-4-09	Langley	15,400	Medium	2022
3-4-10	Corral De Tierra	15,400	Medium	2022

The SVGB officially consists of eight subbasins, including the Paso Robles Subbasin a majority of which is located within San Luis Obispo County. Attachment 1 is a MCWRA map showing the above DWR-designated subbasins.

The District's Central Marina and Ord Community water service areas overly portions of the Seaside Area, Corral de Tierra, and 180/400 Foot Aquifer Subbasins of the Salinas Valley Groundwater Basin. The District's Ord Community water service area is within a portion of the Adjudicated Seaside Groundwater Basin and is also within a portion of the statutory boundaries of the Monterey Peninsula Water Management District (MPWMD). Water Code Section 10723(c)(2) designates the MPWMD as the exclusive groundwater management area within MPWMD's statutory boundaries unless MPWMD elects to opt out of being the exclusive groundwater management agency for that area. By MPWMD Resolution No. 2016-01, the MPWMD Board of Directors elected to opt out of being the exclusive groundwater management agency for that portion of MPWMD located north of the Adjudicated Seaside Groundwater Basin.

Discussion/Analysis: SGMA provides flexibility in the governance of subbasins. The following options exist for development and implementation of a GSA/GSP:

- One GSA and one GSP covering the entire basin and subbasins (centralized)
- Multiple GSAs and one GSP covering the entire basin and subbasins (distributed)
- Multiple GSAs, multiple GSPs covering the entire basin or subbasins pursuant to a single coordination agreement that covers the entire basin (distributed)

Under SGMA, each subbasin is required to have a groundwater sustainability agency or agencies and a groundwater sustainability plan or coordinated GSP. There is no legal requirement in SGMA that mandates that the entire Salinas Valley Groundwater Basin have only one GSA and only one GSP. MCWD has been participating in a county-wide group over the last several months to discuss the option of implementing a single, centralized, GSA for the entire Salinas Valley Groundwater Basin. For numerous reasons, staff is proposing to move forward with the option that the District form the GSA for its service area instead of the proposed county-wide alternative of a single GSA for the entire Salinas Valley Groundwater Basin (SVGB). Specifically, the GSA area for MCWD is proposed to include (1) that portion of the District's Central Marina water service area within the Seaside Area Subbasin of the Salinas Valley Groundwater Basin, (2) that portion of the District's Ord Community water service area north of the Adjudicated Seaside Groundwater Basin within Seaside Area Subbasin, and (3) that portion of the District's Ord Community water service area within the Corral de Tierra Subbasin and outside of the Adjudicated Seaside Groundwater Basin (Attachment 2). As we move ahead in the process, it should be noted that the California Department of Water Resources (DWR) has proposed to merge the three areas described above into a new subbasin to be known as the "Monterey Subbasin", but that merger would not take effect (if at all) until at least the end of September 2016. So unless and until the proposed merger becomes effective, the District will need to proceed as though the Seaside Area Subbasin and the Corral de Tierra Subbasin will continue to be two separate subbasins for which separate GSAs would need to be formed, but to also tailor the GSA formation process to provide the District's Board of Directors with the option of forming one GSA for all three areas.

The specific reasons why the District is proposing to move forward with the option that the District form the GSA for its service area instead of the proposed county-wide alternative of a single GSA for the entire SVGB are explained as follows:

1. MCWD has been effectively managing its groundwater supply for many years, has moved wells as necessary to manage saltwater intrusion, and has established exceptional water efficiency and created highly successful conservation programs with customers. In addition, water loss programs and the development of a fresh water barrier between MCWD pumping and the ocean proves a strong record of environmental stewardship. MCWD was an early proponent and adopter of recycled and desalinated water to augment existing supplies and continually monitors and manages water quality through our own lab.
2. The District has been locally managing its groundwater since 1960 and is directly responsive to and transparent with our ratepayers. Enhancing local management is best achieved by maintaining this direct relationship with our customers and avoids added layers of government and bureaucracy that could diminish public participation.
3. The SVGB is a complex system of 8 subbasins, two of which are critically overdrafted. Since the MCWD proposed GSA area is not among the critically overdrafted subbasins, the District has until January 31, 2022 to develop its GSP. Alternatively, a single GSA for the entire SVGB would have to submit a GSP by January 31, 2020 or face the possibility of adverse actions by the State Water Resources Control Board (SWRCB) which could impose its own GSP for the critically overdrafted subbasins.

4. The District is a regional player. Through active practice of measuring and setting goals under the Urban Water Management Plan (UWMP), conservation programs, facility master plans, Regional Urban Water Augmentation Plan (RUWAP), and funding agreements, MCWD is a proven leader in the region. Implementation of SGMA will require that the GSP be consistent and complimentary with these efforts and that comprehensively, all of the efforts work to achieve groundwater sustainability, optimize water efficiency, minimize water loss, and maximize reliability while minimizing the risk. All while committed to our solid track record of keeping costs as low as possible to our customers.

5. SGMA provides MAXIMUM LOCAL CONTROL to the GSAs which includes the ability to assess fees, provide enforcement to implement the technical and financial measures to support groundwater sustainability. Customer feedback is critically important to MCWD and according to a recent survey among existing ratepayers, their strong desire is that MCWD work to identify solutions for future water supply while maintaining low rates. The best option to satisfy the desires of our ratepayers is to form our own GSA.

6. MCWD is principally a water service provider for municipal uses and one whose customers are socio-economically and culturally diverse. Establishing our own GSA is the only sure fire way to ensure their voices are heard through this process and not overshadowed by other interests.

For these reasons, staff is therefore recommending that the Board of Directors adopt Resolution No. 2016-47 to set a public hearing for September 6, 2016 on whether to form a Groundwater Sustainability Agency and authorize the Publication of a Notice of the Public Hearing.

Environmental Review Compliance: None.

Financial Impact: ___Yes ___X___No Funding Source/Recap: None

Other Considerations: Continue to form a single GSA with Monterey County.

Material Included for Information/Consideration: Resolution No. 2016-47; Attachment 1- MCWRA Map of Salinas Valley Groundwater Subbasins; and, Attachment 2- Map showing proposed MCWD GSA area.

Action Required: ___X___ Resolution ___Motion ___Review
 (Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 15, 2016

Resolution No. 2016-47
Resolution of the Board of Directors
Marina Coast Water District
Setting a Public Hearing on Whether to Form a Groundwater Sustainability Agency
and to Authorize Publication of the Notice

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

Recitals

A. The Sustainable Groundwater Management Act of 2014, Water Code Sections 10720 – 10736.6 (“SGMA”) was signed into law on September 16, 2014; and,

B. SGMA requires that each California groundwater subbasin be managed by a single Groundwater Sustainability Agency (“GSA”) or by a combination of GSAs and that such management be implemented pursuant to an approved Groundwater Sustainability Plan, or multiple coordinated GSP’s, as the case may be; and,

C. The legislative intent of the Sustainable Groundwater Management Act is to provide for sustainable management of groundwater subbasins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and,

D. Water Code Section 10723(a) authorizes any local agency with a service area overlying a groundwater subbasin or portion thereof to establish itself as the GSA for its service area; and,

E. Water Code Section 10721(j) defines a GSA as one or more local agencies that implement the provisions of SGMA; and,

F. The District’s Central Marina and Ord Community water service areas overly portions of the Seaside Area, Corral de Tierra, and 180/400 Foot Aquifer Subbasins of the Salinas Valley Groundwater Basin; and,

G. The District’s Ord Community water service area is within a portion of the Adjudicated Seaside Groundwater Basin and is also within a portion of the statutory boundaries of the Monterey Peninsula Water Management District (MPWMD); and,

H. Water Code Section 10723(c)(2) designates the MPWMD as the exclusive groundwater management area within MPWMD’s statutory boundaries unless MPWMD elects to opt out of being the exclusive groundwater management agency for that area; and,

I. By MPWMD Resolution No. 2016-01, the MPWMD Board of Directors elected to opt out of being the exclusive groundwater management agency for that portion of MPWMD located north of the Adjudicated Seaside Groundwater Basin; and,

J. District staff is proposing that the District form the GSA for (1) that portion of the District's Central Marina water service area within the Seaside Area Subbasin of the Salinas Valley Groundwater Basin, (2) that portion of the District's Ord Community water service area north of the Adjudicated Seaside Groundwater Basin within Seaside Area Subbasin, and (3) that portion of the District's Ord Community water service area within the Corral de Tierra Subbasin and outside of the Adjudicated Seaside Groundwater Basin; and,

K. The California Department of Water Resources (DWR) has proposed to merge the three areas described in Recital J above into a new subbasin to be known as the "Monterey Subbasin" but that merger would not take effect (if at all) until at least the end of September 2016, so unless and until the proposed merger becomes effective, the District will need to proceed as though the Seaside Area Subbasin and the Corral de Tierra Subbasin will continue to be two separate subbasins for which separate GSAs would need to be formed, but to also tailor the GSA formation process to provide the District's Board of Directors with the option of forming one GSA for all three areas; and,

L. Prior to adopting a resolution of intent to establish the District as two separate GSAs or one GSA, Water Code Section 10723 requires a local agency to hold a public hearing, after publication of notice pursuant to Government Code Section 6066, on whether or not to adopt a resolution to establish a GSA.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-47 setting the required public hearing for Tuesday, September 6, 2016, at 7:00 PM at 211 Hillcrest Avenue, Marina, CA, and authorizing the Secretary to the Board to publish the notice in accordance with Government Code Section 6066.

PASSED AND ADOPTED on August 15, 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. 2016-47 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-D

Meeting Date: August 15, 2016

Prepared by: Jean Premutati

Approved by: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-48 to Approve the Implementation of the Fair Labor Standards Act Audit

Staff Recommendation: The Board is requested to adopt Resolution No. 2016-48 to approve the Fair Labor Standards Act (FLSA) audit with recommendations.

Background: *2016 Strategic Plan, Objective 5.5 – Conduct a Fair Labor Standards Act (FLSA) audit.* An element of the 5-year strategic plan under Organizational Health and Personnel was to conduct a Fair Labor Standards Audit. The purpose being, to determine if a select number of positions within the District were appropriately classified as exempt or non-exempt.

The FLSA exempts administrative, executive, and professional – or “white collar” employees from overtime requirements (29 D.F.R. §541.700(a)). This determination is made on a case-by-case basis.

An exempt “executive” employee must have a primary duty of managing the enterprise or a division or department of the enterprise, customarily and regularly direct the work of the equivalent of two or more full-time employees, and must have the authority to hire or fire other employees or have particular weight given to their suggestions as to hiring, promotion, and/or firing of employees. (29 C.F.R. §541.431.100(a)(2-4)).

An exempt “administrative” employee’s primary duty must consist of the performance of office or non-manual work directly related to the management or general business operations of the employer of the employer’s customers, which includes the exercise of discretion and independent judgment with respect to matters of significance. (29 C.F.R. §541.200(a)(2-3)). Examples of work related to the management or general business operations of the employer include, but are not limited to: finance, budgeting, auditing, safety, personnel management, human resources, employee benefits, labor relations, and legal and regulatory compliance. (29 C.F.R. §541.201(b)).

To qualify as an exempt “professional” employee, the employee’s primary duty must be the performance of work that requires knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instructions, or requiring invention, imagination, originality, or talent in a recognized field of artistic or creative endeavor. (29 C.F.R. §541.300(a)(2)).

The following positions were selected by staff for review and evaluation of duties under the exemptions:

Capital Project Manager –currently exempt

Project Manager – currently exempt

Customer Service Supervisor – currently non-exempt

Accountant II – currently non-exempt
Laboratory Supervisor – currently non-exempt
Operations & Maintenance Supervisor – currently non-exempt

In 2015 when the District hired Liebert Cassidy Whitmore (LCW) as special legal counsel for personnel and human resources matters, they conducted another review of staff's findings. In addition to the above classifications, they recommended a review of the Associate Engineer as well. After much discussion with LCW and an additional review of job descriptions, salary, and duties tests, it was agreed that the District has properly classified the above classifications with the exception of the Associate Engineer. Below are LCW's comments:

1. The **Associate Engineer** position was recommended for review by LCW. It is currently a non-exempt position. As for the duties test, this position qualifies for the professional exemption. As with the Capital Project Manager, the primary duty of this position is to perform civil engineering work that requires knowledge and experience in civil engineering, as well as a civil engineering license. It is estimated that 80% of the Associate Engineer's workweek is spent performing duties that require the use of a civil engineering license and that the majority of the position's duties cannot be performed without the license.

LCW recommends this position may be reclassified as exempt and staff agrees with the findings.

In reclassifying positions from non-exempt to exempt, the matter of management leave arises. Per policy, all exempt employees of the District are eligible to receive eighty (80) hours of management leave annually in lieu of overtime for attendance at off-hour meetings and extended work schedules from time to time.

Additionally, changing the classification of the above position from non-exempt to exempt will now mean a change in bargaining units from the MCWD Employees Association to the Teamsters Local Unit 890. At the July 5, 2016 Board meeting, a revised and updated Employer/Employee Relations resolution was passed and adopted which addresses procedures for modifications to bargaining units. Staff conducted two (2) Meet and Confer sessions with both the MCWD Employees Association and the Teamsters Local Unit 890. In both cases, neither group had an issue with the change.

In summary, the Associate Engineer position is the only change as a result of the audit. The position is a current member of the Marina Coast Water District Employees Association and once filled will become a member of the Teamsters Local Unit 890.

Financial Impact: ___ Yes ___ X No Funding Source/Recap: None

Other Considerations: The Board may consider the following options:

1. Maintain current FLSA status

Material Included for Information/Consideration: Resolution No. 2016-48.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____

Abstained _____

Noes _____

Absent _____

August 15, 2016

Resolution No. 2016-48
Resolution of the Board of Directors
Marina Coast Water District
Approving the Implementation of the Fair Labor Standards Act Audit

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, an element of the District’s 5-year strategic plan is to conduct a Fair Labor Standards Act (FLSA) audit under Organizational Health and Personnel to determine if a select number of positions within the District were appropriately classified as exempt or non-exempt for purposes of overtime; and,

WHEREAS, staff reviewed and evaluated the following positions based on job descriptions, duties tests, and salaries:

Capital Project Manager
Project Manager
Laboratory Supervisor
Operations & Maintenance Supervisor
Accountant II
Customer Service Supervisor
Associate Engineer; and,

WHEREAS, special legal counsel determined all identified positions were properly classified with the exception of the Associate Engineer. This position justifiably meets the requirements of an exempt position under the professional exemption of the FLSA and should be reclassified; and,

WHEREAS, per District policy, all exempt employees are eligible for management leave in lieu of overtime to compensate for off-hour meetings and extended work schedules that may be required from time to time; and,

WHEREAS, exempt employees of the District who receive management leave are assigned to the Teamsters Local Unit 890 and the Associate Engineer position is currently a member of the MCWD Employees Association. Staff conducted two (2) meetings with each bargaining unit and upon conclusion, both units were satisfied with the recommendation to move the Associate Engineer to the Teamsters Local Unit 890.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-48 to approve the implementation of the FLSA audit.

PASSED AND ADOPTED on August 15, 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. 2016-48 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-E

Meeting Date: August 15, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-49 to Approve an Update to the District Procurement Policy

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-49 to approve an update to the District Procurement Policy.

Background: *2016 Strategic Plan, Strategic Element 3.3 – Fiscal Planning – Best Accounting Practices.* On July 12, 2012, the Board adopted Resolution No. 2012-46 to approve the District Procurement Policy (“Policy”). In July 2015, the Board adopted Resolution No. 2015-39 to approve an update of the Policy to reflect the change in the District’s organizational structure. Staff has drafted another update to the Policy which includes changes in format, authority thresholds and additional language.

Discussion/Analysis: According to Strategic Element 3.3 of the 2016 Strategic Plan, the District is to evaluate and update fiscal policies on a continuing basis. Upon evaluation of the current Policy, staff found that the general quote and bidding threshold requirements were low. This resulted in requiring staff to get quotes for the majority of District purchases since they are generally for more than \$1,500. Changing the current general quote and bidding threshold requirements as proposed will result in a more efficient management of procurement activities while maintaining the competitive process. Additionally, delegation to higher limits also increases efficient management of procurement by allowing the Department Head greater responsibility of procurement in their areas of expertise. The following is a summary of the proposed threshold changes:

Bids & Quotes	Threshold	
	Current	Proposed
Single Quote Required	≤\$1,500	≤\$5,000
Three Quotes Required	>\$1,500 & ≤\$25,000	>\$5,000 & ≤\$45,000
Sealed Bids Required	>\$25,000	>\$45,000

Purchasing Authority	Limit	
	Current	Proposed
Director of Administrative Services	\$5,000	\$10,000
HR/Customer Relations Manager	\$2,500	\$10,000
District Engineer	\$5,000	\$25,000
O&M Superintendent	\$5,000	\$25,000

In addition to the threshold changes, the format of the document has been revised to organize and number the subjects within the policy for easier reading. Additional language, as well as a separate attachment (Attachment 2), has been included into the Policy addressing Public Works Procurement.

Also included is additional language in regards to sole source purchasing. Staff proposes to provide the Board at the beginning of each fiscal year with a sole source list of vendors over \$45,000 to approve for use during the fiscal year. Staff will also provide the General Manager with a sole source list of vendors for purchases greater than \$5,000 and up to \$45,000 for approval each fiscal year.

Environmental Review Compliance: None required.

Financial Impact: ___Yes __X___No Funding Source/Recap: None

Other Considerations: None

Material Included for Information/Consideration: Resolution No. 2016-49; and, Proposed Updated District Procurement Policy

Action Required: __X___Resolution _____Motion _____Review
(Roll call vote is required.)

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 15, 2016

Resolution No. 2016-49
Resolution of the Board of Directors
Marina Coast Water District
Approve Updates to the District Procurement Policy

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on July 12, 2012, the Board adopted Resolution No. 2012-46 to approve the District Procurement Policy; and,

WHEREAS, due to the change in the District’s organizational structure, the Board adopted Resolution No. 2015-39 to approve the update of the District Procurement Policy to reflect the; and,

WHEREAS the District Procurement Policy (“Policy”) applies to all procurement actions of the District, regardless of the type of procurement or the source of funds; and,

WHEREAS, from time to time, the Policy is in need of update and review.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-49 to approve the updated District Procurement Policy.

PASSED AND ADOPTED on August 15, 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. 2016-49 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-F

Meeting Date: August 15, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-50 to Approve the District Sole Source Vendors Above \$45,000 List for FY 2016-2017

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-50 to approve the District Sole Source Vendor Listing of vendors above \$45,000 for FY 2016-2017.

Background: *2016 Strategic Plan, Strategic Element 3.3 – Fiscal Planning – Best Accounting Practices.* On August 15, 2016, the Board adopted Resolution No. 2016-49 to approve the latest update to the District Procurement Policy (“Policy”). Section 5.4 of the Policy states that the General Manager may submit to the Board a list of sole-source vendors in which the District will spend over \$45,000 during the fiscal year.

Discussion/Analysis: The sole-source list includes the amount that staff anticipates will be spent during FY 2016-2017 and provides one of the following justifications for each vendor:

- To obtain necessary item(s) or service that is only reasonably available from a single source.
- To match other products in use by the District or on a particular District improvement either completed or in the course of completion.
- To field test or experiment a product’s suitability for future use by the District.

Environmental Review Compliance: None.

Financial Impact: ___ Yes ___ **X** No Funding Source/Recap: None

Other Considerations: None

Material Included for Information/Consideration: Resolution No. 2016-50; and, District Sole Source Vendors Above \$45,000 List for FY 2016-2017.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 15, 2016

Resolution No. 2016-50
Resolution of the Board of Directors
Marina Coast Water District
Approving the District Sole Source Vendors Above \$45,000 List for FY 2016-2017

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on August 15, 2016, the Board adopted Resolution No. 2016-49 to approve the latest update to the District Procurement Policy (“Policy”); and,

WHEREAS, Section 5.4 of the Policy states that the General Manager may submit to the Board a list of sole-source vendors which the District will spend over \$45,000 during the fiscal year; and,

WHEREAS, the sole-source list includes the amount that staff anticipates will be spent during FY 2016-2017 and provides justifications for sole-sourcing each vendor.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-50 to approve the District Sole Source Vendor Listing above \$45,000 for FY 2016-2017.

PASSED AND ADOPTED on August 15, 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. 2016-50 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-G

Meeting Date: August 15, 2016

Prepared By: Kelly Cadiente

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-51 to Approve the District Payment of Bills Policy and Eliminate the District Check Signing Policy

Staff Recommendation: The Board of Directors adopt Resolution No. 2016-51 to approve the District Payment of Bills Policy and eliminate the District Check Signing Policy.

Background: *2016 Strategic Plan, Strategic Element 3.3 – Fiscal Planning – Best Accounting Practices.*

On July 5, 2016, the Board adopted Resolution No. 2016-38 to approve the latest revisions to the Board Procedures Manual (BPM) which eliminated the inclusion of the District's payment of bills process and the reporting of payments to the Board from Section 40, Payment of Bills. Staff has drafted the District Payment of Bills Policy (POBP) which includes both the payment and reporting processes of the District.

Discussion/Analysis: The Draft POBP includes Section 2.6 which delegates authority by the Board to approve all checks and warrants prior to payment and Section 2.7 which describes how payments will be reported to the Board. Both the delegation of authority and the reporting requirement are required under Water Code Section 31302 applicable to county water districts. In addition, Section 2.6 of the POBP eliminates the need for the District's Check Signing Policy (CSP). Incorporating the CSP into the POBP streamlines the amount of District policies and allows for easier management.

Environmental Review Compliance: None.

Financial Impact: ___ Yes ___ No Funding Source/Recap: None

Other Considerations: None

Material Included for Information/Consideration: Resolution No. 2016-51; Draft District Payment of Bills Policy; District Check Signing Policy

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 15, 2016

Resolution No. 2016-51
Resolution of the Board of Directors
Marina Coast Water District
Approving the District Payment of Bills Policy and
Eliminate the District Check Signing Policy

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at the 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, on July 5, 2016, the Board adopted Resolution No. 2016-38 to approve the latest revisions to the Board Procedures Manual (BPM) which eliminated the inclusion of the District’s payment of bills process and the reporting of payments to the Board from Section 40, Payment of Bills; and,

WHEREAS, in response to the BPM revisions, Staff has drafted the District Payment of Bills Policy (POBP) which includes both the payment and reporting processes of the District; and,

WHEREAS, the POBP includes the delegation of authority by the Board to designated staff to approve all checks and warrants prior to payment and the reporting by Staff to the Board of payments made by the District. Both the delegation of authority and the reporting requirement are required under Water Code Section 31302 applicable to county water districts; and,

WHEREAS, Section 2.6 of the POBP eliminates the need for the District’s Check Signing Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby adopt Resolution No. 2016-50 to approve the District Payment of Bills Policy and the elimination of the District Check Signing Policy.

PASSED AND ADOPTED on August 15, 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. 2016-50 adopted August 15, 2016.

Keith Van Der Maaten, Secretary

Marina Coast Water District
Agenda Transmittal

Agenda Item: 9-H

Meeting Date: August 15, 2016

Prepared By: Brian True
Reviewed By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2016-52 Authorizing the General Manager to Accept an Easement in Favor of MCWD to Re-align a Potable Water Pipeline within the Presidio of Monterey Ord Annex South of Gigling Drive

Staff Recommendation: The Board consider adopting Resolution No. 2016-52 accepting an easement in favor of Marina Coast Water District for realignment of a potable water pipeline on the Department of Defense (DoD) Center parcel on Gigling Drive within the Presidio of Monterey (POM) Ord Annex and authorizing the General Manager to take all actions and execute all documents as may be appropriate or necessary.

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.*

Discussion/Analysis: The Board of Directors is requested to authorize the General Manager to accept an easement for realignment of a potable water pipeline located within the POM Ord Annex on the DoD Center south of Gigling Drive. The attached Easement document includes a depiction of the existing potable pipeline and the planned re-alignment of the pipeline. The pipeline re-alignment became necessary when the DoD Center facility undertook a project to install solar power panels on the site. The solar panels have been installed and they cover the existing MCWD easement and underlying potable water pipeline. Covering the existing easement with solar panels has made accessing the pipeline for maintenance and repair very difficult (and next to impossible) without impacting the solar power panel arrays. The DoD Center's project team agreed that re-aligning the potable water pipeline to be within a near-by driveway area would be the best solution to the situation. The realignment work will be performed at the expense of the solar power project funded by the Federal Government; an exception being MCWD contributing staff labor hours to review, inspect and tie-in the replacement pipeline for an estimated cost of \$1,000. The design, construction and restoration will be performed by the DoD's contractors.

Having the easement in MCWD's favor prior to installation is viewed as beneficial in virtually all construction scenarios/events. The understanding of MCWD staff is that time is of the essence in pipeline relocation based on the Federal Government's contracting requirements to also have an easement in place prior to beginning work.

MCWD staff and District Counsel are in agreement that this proposed easement staff negotiated is generally equivalent to the existing easement which allows MCWD to own and operate the potable water and sanitary sewer pipeline networks on the POM Ord Annex.

Environmental Review Compliance: Not Applicable; this action authorizing the acceptance of an easement is not a “project” under the California Environmental Quality Act (CEQA).

Financial Impact: Yes No Funding Source/Recap: There is no financial impact to the MCWD from this action in terms of real-estate or material/contractor installation costs; however, MCWD staff has contributed labor hours to facilitate the re-alignment (including this action) and will witness the installation and contribute to the tie-in of the new pipe to the existing potable water network for an estimated cost of \$1,000.

Other Considerations: None. The cooperation of the DoD Center’s project team in re-aligning the potable water pipeline has made other alternatives moot.

Material Included for Information/Consideration: Resolution No. 2016-52; and, Easement document.

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

Board Action

Motion By _____ Seconded By _____ No Action Taken _____

Ayes _____ Abstained _____

Noes _____ Absent _____

August 15, 2016

Resolution No. 2016 – 52
Resolution of the Board of Directors
Marina Coast Water District
Authorizing the General Manager to
Accept an Easement in Favor of Marina Coast Water District for a
Re-aligned Potable Water Pipeline on the DoD Center Parcel on
Gigling Drive within the Former Fort Ord

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on August 15, 2016 at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, a potable water pipeline serving the Department of Defense (DoD) Center parcel on Gigling Drive within the Presidio of Monterey (POM) Ord Annex required re-alignment; and,

WHEREAS, the re-alignment became necessary when the DoD Center facility undertook a project to install solar power panels on the site covering the current MCWD easement and underlying potable water pipeline, making access to the pipeline very difficult; and,

WHEREAS, the DoD Center’s project team agreed that re-aligning the potable water pipeline to within a near-by driveway area at the expense of the solar power project funded by the Federal Government would be the best solution to the situation; and,

WHEREAS, an easement in MCWD’s favor is necessary for re-aligning the pipeline; and,

WHEREAS, MCWD staff and District Counsel are in agreement that this proposed easement is generally equivalent to the current easement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby accept the easement for the re-aligned potable water pipeline on the DoD Center parcel on Gigling Drive within the POM Ord Annex and authorize the General Manager to take all actions and execute all documents as may be appropriate or necessary to give effect to this resolution.

PASSED AND ADOPTED on August 15, 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. 2016-52 Adopted August 15, 2016.

Keith Van Der Maaten, Secretary