



MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

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

DIRECTORS

HOWARD GUSTAFSON
President

THOMAS P. MOORE
Vice President

WILLIAM Y. LEE
JAN SHRINER
HERBERT CORTEZ

Agenda

**Regular Board Meeting, Board of Directors
Marina Coast Water District
and**

**Regular Board Meeting, Board of Directors
Marina Coast Water District Groundwater Sustainability Agency**

Marina Council Chambers
211 Hillcrest Avenue, Marina, California
Monday, October 9, 2017, 6:30 p.m. PST

This meeting has been noticed according to the Brown Act rules. The Board of Directors meet regularly on the third Monday of each month with workshops scheduled for the first Monday of some months. 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. **Pledge of Allegiance**
4. **Oral Communications** *Anyone wishing to address the Board on matters not appearing on the Agenda may do so at this time. Please limit your comment to four minutes. The public may comment on any other items listed on the agenda at the time they are considered by the Board.*
5. **Workshop**

A. Rate and Capacity Fee Workshop

Action: The Board will consider establishing Value Statements for setting water and recycled water fees, wastewater collection, and capacity fees for Central Marina and the Ord Community. Staff will review the schedule and process for the Rate Study.

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, October 4, 2017. 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.

- B. Receive a Presentation and Status Update from Akel Engineering on the Progress of the Master Plan; and, Receive a Presentation and Status Update from Carollo Engineers on the Capacity Fees and Rate Study

6. 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.*

7. Closed Session

- A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Recycled Water Pipeline Easements
Agency Negotiators: Howard Gustafson, Thomas Moore
Negotiating parties: MPUSD and MCWD
Under Negotiation: Price and Terms

- 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: MOW and MCWD
Under Negotiation: Price and Terms

8. Reconvene Open Session

9. 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.*

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

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

*Monday, October 16, 2017, 6:30 p.m.,
Marina Council Chambers, 211 Hillcrest Avenue, Marina*

Marina Coast Water District
Agenda Transmittal

Agenda Item: 5-A

Meeting Date: October 9, 2017

Prepared By: Kelly Cadiente
Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Rates and Capacity Fees Workshop

Staff Recommendation: The Board of Directors discussion and direction on:

1. Establishing Value Statements for setting wastewater collections, water and recycled water rates and capacity fees for the Marina and Ord service areas,
2. A schedule for the review and setting of rates and fees.

Background: *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.*

In November 2016, the Board of Directors selected and hired Akel Engineering to perform masterplan studies for the Districts water, wastewater and recycled water systems and a capacity fee study. The master plan essentially addresses recommended schedule of facility improvements needed to meet the projected sewer, water and recycled water demands in the District for the planning horizon, usually 20 years, and the capacity fees necessary for system expansion in the near term, usually 5 years. Development of a master plan results in a proposed capital improvement program including engineering estimates of probable project cost for the proposed sewer, water and recycled water infrastructure improvements.

Impacts and changes in the projected rate of development and planned growth are documented in the 2015 Urban Water Management Plan. In addition, the Districts sewer and water master plans are 10+ years old and in need of updating. The two sewer system master plans previously prepared for MCWD are:

- Marina Wastewater Collection System Master Plan, Winzler & Kelly, February 2005.
- Ord Community Wastewater System Master Plan, RBF Consulting, July 19, 2005.

The new sewer master plan study will reevaluate the hydraulic capacity to identify and update system improvement needs based on current and latest wastewater projections. This will provide a basis for updating capital improvements for the wastewater collection system pipeline, lift stations and force mains due system deficiencies and anticipated future growth.

The last water system master plan was prepared by Carollo Engineers in November 2006. The new water master plan study will reevaluate the water distribution system using computer hydraulic modeling and analyze demand, supply capacity and perform system-wide storage analysis.

The District also has several recycled water studies that need to be compiled into a master plan.

The Capacity Fee study performed by AKEL will ensure that the District has adequate capacity fees to meet the different growth and redevelopment demands of Central Marina and Ord Community.

In June 2017, the Board selected and hired Carollo Engineers to provide a five-year financial plan, a water, wastewater and recycled water rate and comprehensive fee study (“Study”) and a cost allocation plan (“Plan) to the District. The intent of the Study is to independently assess the District’s existing user rates and other fees charged by the District; and develop fair and equitable rates that are based on a cost of service analysis.

The Plan is to meet Title 2, CFR, Part 200, Cost Principles for State, Local, and Indian Tribal Governments because the District has applied for Federal grants, as well as provide an equitable method for distributing indirect costs.

Discussion/Analysis: The Board of Directors recently adopted the Strategic Plan and within it, Core Values and Strategic Goals.

Core Values:

We are fiercely dedicated to the following core values and, the Board of Directors, will use them as decision filters. Primarily, we will examine if what we do is effective and cost efficient while ensuring it helps us in the long term.

Our values will support our commitment to maintenance of our infrastructure to protect the ratepayers of today and in the future as well as support our commitment to reliability in the services we provide.

Our purpose is responsive, open and clear communication to our customers while maintaining environmentally and sustainable water quality and wastewater collections. We will support local control, good governance and promote accountability will considering all options and assure that we are proactive.

Finally, we will provide our employees a safe, supportive and collaborative work environment, job satisfaction, competitive wages and career opportunities.

As part of this workshop, we will be discussing and evaluating the relative importance and impact on rates of some of the key strategic goals. Those key strategic goals include water supply goals, infrastructure goals, fiscal reserve goals, and organizational goals as follows:

Goal 1.0 – Water Sources

- 1.3 Determine the growth rate or timeline of when additional water sources will be needed.
- 1.4 Establish a prioritized list of available alternative water sources.
- 1.5 Develop an alternative water sources work plan that will carry us from inception to development.
- 1.6 Establish goals and objectives that promote protecting our current groundwater sources from seawater intrusion and other forms of contamination.
- 1.7 Review and update our water conservation program.

Goal 2.0 - Infrastructure

- 2.1 Improvements and expansion plans for existing water delivery and wastewater collection systems.
- 2.2 Develop an office/corporation yard Facilities Master Plan.
- 2.3 Develop and implement an Asset Management Plan.
- 2.4 Continue the development of the District’s Geographic Information System.
- 2.5 Continue the development of the District’s Computer Maintenance Management System (CMMS).
- 2.6 Leak audit and detection.

Goal 3.0 – Fiscal Planning

- 3.6 Fiscal reserves management for the maintenance/replacement/expansion of the District’s infrastructure.

Goal 5.0 – Organizational Health and Personnel

- 5.1 Recruit and retain high-performing, engaged personnel.
- 5.2 Establish a workforce succession plan.
- 5.3 Develop a knowledge transfer program.
- 5.4 Conduct periodic compensation studies.

We will continue to refer back to these as we move forward.

The schedule of masterplan studies and capacity fee study is included for the Board’s discussion and review.

The schedule for the Carollo Study and Plan through the approval of rates and fees is included for the Board’s discussion and review.

Environmental Review Compliance: None required.

Financial Impact: Yes No Funding Source/Recap: Funding for this project comes from the Engineering Professional Services Budget.

Other considerations: None.

Material Included for Information/Consideration: Schedule of the Masterplans and Capacity Fee Study; and, Schedule of the 5-Year Rate Study and Cost Allocation Plan.

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: 5-B

Meeting Date: October 9, 2017

Prepared By: Kelly Cadiente
Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Receive a Presentation and Status Update from Akel Engineering on the Progress of the Master Plans and Capacity Fee Study; and, Receive a Presentation and Status Update from Carollo Engineers on the Rate Study and Cost Allocation Plan

Staff Recommendation: The Board of Directors is requested to receive a presentation and status update from Akel Engineering on the progress of the Master Plan; and, receive a presentation and status update from Carollo Engineers on the Capacity Fees and Rate Study.

Background: *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.*

Discussion/Analysis: The Board of Directors approved a Professional Services Agreement with Akel Engineering to perform masterplan studies for the Capital Improvement Program that will be utilized for setting rates and capacity charges. Akel Engineering will provide a status update and presentation on the progress of the Master Plan and the Capacity Fee Study.

The Board of Directors approved a Professional Services Agreement with Carollo Engineers to perform a Five-Year Rate Study and Cost Allocation Plan. Carollo Engineers will provide a status update and presentation on the progress of the Rate Study and Cost Allocation Plan.

Environmental Review Compliance: None required.

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

Other considerations: 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 _____