MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099
Home Page: www.mcwd.org
TEL: (831) 384-6131 FAX: (831) 883-5995

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

Monday, September 21, 2020, 6:30 p.m. PST

Due to Governor Newsom's Executive Order N-29-20 and recommendations on protocols to contain the spread of COVID-19, staff and Board members will be attending the September 21, 2020 meeting remotely from various locations and the meeting will be held via Zoom conference. There will be NO physical location of the meeting. The public is strongly encouraged to use the Zoom app for best reception.
There may be limited opportunity to provide verbal comments during the meeting. Persons who are participating via telephone will need to press *9 to be acknowledged for comments. Members of the public participating by Zoom will be placed on mute during the proceedings and will be acknowledged only when public comment is allowed, after requesting and receiving recognition from the Board President. Public comment can also be submitted in writing to Paula Riso at priso@mcwd.org by 9:00 am on Monday, September 21, 2020; such comments will be distributed to the MCWD Board before the meeting.

This meeting may be accessed remotely using the following Zoom link:
https://us02web.zoom.us/j/88176485129?pwd=MDhGY1VRMVoyUzRxc1Ftb0pyTWNoQT09
Password: mcwd0921

To participate via phone, please call: 1-669-900-9128; Meeting ID: 881 7648 5129 Password: 4520551

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

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 District offices at 11 Reservation Road and 2840 4th Avenue, Marina. 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): City of Marina Council Chambers. A complete Board packet containing all enclosures and staff materials will be available for public review on the District website, Wednesday, September 16, 2020. 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.

4. Closed Session

A. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Existing Litigation

1) Bay View Community DE, LLC; Bryan Taylor; Greg Carter; and Brooke Bilyeu vs Marina Coast Water District; Board of Directors of Marina Coast Water District; County of Monterey and Does 1-25, inclusive, Monterey County Superior Court Case No. 18CV000765 (Petition for Writ of Mandate or Administrative Mandate, and Complaint for Declaratory and Injunctive Relief and Breach of Contract)

2) Marina Coast Water District, and Does 1-100 v, County of Monterey, Monterey County Board of Supervisors, and Does 101-110 (California-American Water Company, Real Party in Interest), Monterey County Superior Court Case No. 19CV003305 (Petition for Writ of Mandate and Complaint for Injunctive Relief)

3) Appeal No. A-3-MRA-19-0034 by California-American Water Company to the California Coastal Commission over Denial by the City of Marina for a Coastal Development Permit for Construction of Slant Intake Wells for the Monterey Peninsula Water Supply Project

4) City of Marina vs. RMC Lonestar [CEMEX], California-America Water Company, Marina Coast WD, et al Defendants, Monterey County Superior Court Case No. 20CV001387 (Complaint for Breach of Contract, Declaratory Relief under the Agency Act, and Tortious Interference with Existing Contract)

5) Marina Coast Water District vs California-American Water Company, Monterey County Water Resources Agency; and, California-American Water Company, Monterey County Water Resources Agency vs Marina Coast Water District, San Francisco Superior Court Case Nos. CGC-15-547125, CGC-15-546632 (Complaint for Damages, Breach of Warranties, etc.)

B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch Property
Negotiating Parties: Sunberry Growers, LLC. and MCWD Negotiators (Legal Counsel and General Manager)
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. Marina Coast Water District Groundwater Sustainability Agency Matters

A. Action Items

1. Consider Adoption of Resolution No. 2020-GSA03 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for a Water System Supply and Analysis Study
(Page 1)

2. Consider Appointing a Board Member and Alternate to the MCWD Groundwater Sustainability Agency and Salinas Valley Basin Groundwater Sustainability Agency Steering Committee for Groundwater Sustainability Planning and Inter-Agency Coordination
(Page 13)

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9. Return to Marina Coast Water District Matters

10. Consent Calendar

A. Receive and File the Check Register for the Month of August 2020
(Page 30)

B. Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2020
(Page 37)

C. Approve the Draft Minutes of the Special Joint Board/GSA Meeting of August 27, 2020
(Page 51)

11. 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 Adoption of Resolution No. 2020-57 to Approve Amendment No. 6 to the Professional Services Agreement with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water, and Recycled Water
(Page 61)

B. Consider Adoption of Resolution No. 2020-58 to Approve an Assistance Agreement between the Marina Coast Water District and the State of California's Department of Parks and Recreation for the Fort Ord Dunes State Park Development Project
(Page 70)

C. Consider Adoption of Resolution No. 2020-59 to Accept the Infrastructure Improvements Installed Under a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District and Shea Homes Limited Partnership for the Dunes 1C3 Development Project
(Page 94)

D. Consider Adoption of Resolution No. 2020-60 to Approve Utility Agreement No. MCWD-2020-1 with the City of Marina for the Imjin Parkway Widening Project
(Page 107)

E. Consider Adoption of Resolution No. 2020-61 to Award a Contract to Raftelis Financial Consultants, Inc. to Provide a Recycled Water Rate Fee Study to the District
(Page 116)

12. Staff Report

A. Receive an Update on the Fiscal Impacts to the District due to Covid-19
(Page 181)

13. 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
2. Joint City-District Committee
3. Executive Committee
4. Community Outreach Committee
5. Budget and Personnel Committee
6. M1W Board Member Liaison
7. LAFCO Liaison
8. JPIA Liaison
9. Special Districts Association

14. Board Member Requests for Future Agenda Items

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

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

Regular Meeting: Monday, October 19, 2020, 6:30 p.m.

Return to Agenda

Marina Coast Water District
Groundwater Sustainability Agency
Agenda Transmittal

Agenda Item: 8-A1 Meeting Date: September 21, 2020

Prepared By: Patrick Breen Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2020-GSA03 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for a Water System Supply and Analysis Study

Staff Recommendation: The Board of Directors is requested to consider:

1. Adoption of Resolution No. 2020-GSA03 to Approve a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for a total not-to-exceed amount of $67,500 for a Water System Supply and Analysis Study; and,
2. Authorize the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

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.*

The Marina Coast Water District serves the City of Marina and the former Fort Ord, and also serves as the Groundwater Sustainability Agency for the Monterey Subbasin of the Salinas Valley Groundwater Basin.

The Fort Ord Base Reuse Plan projected a water supply shortfall between the existing groundwater supply and the estimated near-term buildout water demand. MCWD and the Fort Ord Reuse Authority (FORA) approved the Regional Urban Water Augmentation Project (RUWAP) in 2005, which includes recycled water and desalinated water components. Monterey One Water, Monterey Peninsula Water Management District and MCWD jointly constructed the Pure Water Monterey project, which provides advanced treated water for the recycled water component of the RUWAP.

MCWD also engaged with FORA and M1W in a Three Party Planning process to determine what other water augmentation (besides the recycle water portion of the RUWAP) should be investigated. The process was conducted over the last year and a half and found that an Indirect Potable Reuse (IPR) project (where treated water is injected into one or more of the aquifers that MCWD currently draws its groundwater) appears to be the most beneficial option for augmentation. The results recommended an IPR project, and in turn a project that will require treated water; and therefore a source of the water to be treated.

FORA ceased to exist on July 1, 2020, assigning MCWD the responsibility for developing the additional supply needed for the Ord Community.

The purpose of this study is to determine what source water might be available to be treated for a future IPR project, and investigating the amount and any issues surrounding an effort to secure source water for a potential IPR project. Another purpose of the study is to develop a consolidated

water supply analysis that may be used as the baseline for the 2020 Urban Water Management Plan, Groundwater Sustainability Planning, water augmentation planning and other water management tasks.

Items to be addressed include:

- Water Usage Projections;
- Water supply/availability projections for groundwater and PWM Advanced Treated Water, including any seasonal restrictions;
- Current water supply projects;
- Potential New Projects (IPR, relocating wells, Seaside ILO recharge);
- Availability of Source Waters (GW, municipal wastewater, PWM source buy-in); and,
- Seasonality of sources and demands.

Schaaf & Wheeler will prepare a series of technical memoranda addressing the following items:

1. **Water Usage:** Review and update water demand projections based on the recent Water and Recycled Water Master Plans, stepped in 5-year increments per the UWMP. Estimate seasonal demand patterns for each type of use based upon historic monthly records and CIMIS irrigation data. *This task was separately authorized and not a part of this authorization.*
2. **Water allocations:** Catalog and update jurisdictional water allocations and sub-allocations (FORA Close-out). *This task was separately authorized and not a part of this authorization.*
3. **Local Water Sources:** Catalog the current and planned water supply sources in and around MCWD's services area, roughly extending from Moss Landing south to Carmel and inland to Salinas. Identify the water right holder and/or management agency for each. Prepare summary descriptions and tables.
    a. Groundwater sources: Salinas Valley Groundwater Basin and subbasins, Seaside
    b. Groundwater Basin (adjudicated), Carmel Valley Groundwater Basin
    c. Surface water sources: Salinas River, Nacimiento and San Antonio Reservoirs, Blanco Drain, Reclamation Ditch, Carmel River
    d. Recycled Water sources: Salinas Valley Reclamation Plant, Pure Water Monterey
    e. Storm Water
    f. Wastewater: municipal and industrial flows, by area
    g. Seawater: intruded groundwater, brackish wells, open ocean intake
4. **Water Supply Projects and Agreements:** Catalog existing water rights, agreements and contracts among, MCWD and MCWD-partners. Prepare summary descriptions and tables. Items to include:
    a. Monterey County Zone 2C (was 2/2A), Salinas Valley Water Project
    b. Monterey County Zone 2B, Salinas Valley Reclamation Plant / Castroville Seawater Intrusion Project
    c. Surface water rights and supply agreements
    d. Recycled water agreements (CSIP and PWM)
    e. Desalination facility agreements (Regional Desal Project and Monterey Regional Water Supply project)
5. **Regional Framework:** Summarize the water demands, supplies and the potential conflicts and competition for resources for the local area. Source data will come from 2015 UWMPs, the EIRs for PWM and MPWSP EIRs, and other recent studies.
    a. Listing of local and state water agencies, water providers, water management jurisdictions and political jurisdictions.

b. Salinas (California Water Service Company and Alco Water Service Company)
c. Castroville
d. Moss Landing, Spreckels and other small service areas
e. Monterey Peninsula and satellite areas (Cal-Am)
f. Seaside Municipal Water System
g. Agriculture (CSIP and private wells)

Staff only solicited a proposal from Schaaf & Wheeler to conduct a Water Supply and Analysis study because of its previous source water work for M1W and familiarity with regional water sources, uses, and rights. Staff believes any other firm would not have the history and/or experience to complete this study as efficiently as Schaaf & Wheeler and therefore would not be able to provide a competitive proposal (due to the work they would need to include to gather data and situational awareness).

Environmental Review Compliance: None required.

Financial Impact: ___X___Yes _____No Funding Source/Recap: Funding for this work is included in the 2020/2021 Water Resources Department Consultants Budget.

Other considerations: The Board can decide to approve the contract amendment with Schaaf & Wheeler, or reject the proposal and advertise for professional services.

Material Included for Information/Consideration: Resolution No. 2020-GSA03; and, Schaaf & Wheeler Proposal with Scope of Work.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

September 21, 2020

Resolution No. 2020-GSA03
Resolution of the Board of Directors
Marina Coast Water District Groundwater Sustainability Agency
Approving a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for a Water System Supply and Analysis Study

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District Groundwater Sustainability Agency ("District"), at a regular meeting duly called and held on September 21, 2020, via a videoconference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, the District and the Fort Ord Reuse Authority (FORA) approved the Regional Urban Water Augmentation Project (RUWAP) in 2005, which includes recycled water and desalinated water components; and,

WHEREAS, the District engaged with FORA and Monterey One Water (M1W) in a planning process that determined an Indirect Potable Reuse project appears to be the most beneficial option for water augmentation instead of desalination; and,

WHERAS, FORA ceased to exist on July 1, 2020, assigning MCWD the responsibility for developing the additional supply needed for the Ord Community; and,

WHEREAS, staff solicited a proposal from Schaaf & Wheeler to conduct a Water Supply and Analysis study given its previous source water work for M1W and familiarity with regional water sources, uses, and rights; and,

WHEREAS, Schaaf & Wheeler staff is familiar with the District and has demonstrated extensive knowledge related to available source water for possible MCWD water augmentation projects; and District staff believes that the monetary resource proposed herein is reasonable given the complexities of the work; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District Groundwater Sustainability Agency does hereby authorize the General Manager to execute a Professional Services Agreement with Schaaf & Wheeler Consulting Civil Engineers for preparing a Water System Supply and Analysis Study, 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 $67,500.

PASSED AND ADOPTED on September 21, 2020 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____
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. 2020-GSA03 adopted September 21, 2020.

_____
Keith Van Der Maaten, Secretary

Schaaf & Wheeler
CONSULTING CIVIL ENGINEERS
3 Quail Run Circle, Suite 101
Salinas, CA 93907
831-883-4848
FAX 831-758-6328

August 5, 2020

Revised September 9, 2020

Mr. Patrick Breen
Marina Coast Water District
11 Reservation Road
Marina, CA 93933

Subject: Proposal for Water System Supply and Analysis

Dear Patrick:

Schaaf & Wheeler is pleased to propose engineering services for the **Water System Supply and Analysis.** The study is intended to inform the District's long-term water supply planning as well as provide inputs for the 2020 Urban Water Management Plan.

Our proposed scope of work is attached. Tasks 1 and 2 are focused on the District itself and will nest directly under the 2020 Urban Water Management Plan. Tasks 3, 4 and 5 are more regional in scope, intended to provide a basis for analysis of future water supply projects.

Tasks 1 and 2 have been authorized separately. Our estimated not-to-exceed fee for Tasks 3, 4 and 5 is $67,500. Effort will be billed on a time and materials basis under our 2020 charge rate schedule.

We thank you for this opportunity to propose services for the **Water System Supply and Analysis**. Should you need any further information, please contact Andy Sterbenz at (831) 345-4001 or asterbenz@swsv.com.

Sincerely,
Schaaf & Wheeler

Charles D. Anderson, PE
President
License C 43776

Scope of Work – MCWD Water Supply and Analysis

Background: The Marina Coast Water District serves the City of Marina and the former Fort Ord, and also serves as the Groundwater Sustainability Agency for the Monterey Subbasin of the Salinas Valley Groundwater Basin. The Fort Ord Base Reuse Plan projected a water supply shortfall between the existing groundwater supply and the estimated near-term buildout water demand. MCWD and the Fort Ord Reuse Authority (FORA) approved the Regional Urban Water Augmentation Project (RUWAP) in 2005, which includes recycled water and desalinated water components. FORA ceased to exist on 7/1/2020, so MCWD now has sole responsibility for developing additional supply needed for the Ord Community. Monterey One Water, Monterey Peninsula Water Management District and MCWD jointly constructed the Pure Water Monterey project, which provides advanced treated water for the recycled water component of the RUWAP. MCWD is studying alternative sources of supply to with the goal of replacing the desalination component of the RUWAP, at lower cost and scalable size.

Purpose: MCWD wishes to develop a consolidated water supply analysis that may be used as the baseline for the 2020 Urban Water Management Plan, Groundwater Sustainability Planning, water augmentation planning and other water management tasks. Items to be addressed include:

- Water Usage Projections
- Water supply/availability projections for groundwater and PWM Advanced Treated Water, including any seasonal restrictions.
- Current water supply projects
- Potential New Projects (IPR, relocating wells, Seaside ILO recharge)
- Availability of Source Waters for (GW, municipal wastewater, PWM source buy-in)
- Seasonality of sources and demands.

Schaaf & Wheeler will prepare a series of technical memoranda addressing the following items, which may be used separately or as a set.

1. Water Usage. Review and update water demand projections based on the recent Water and Recycled Water Master Plans, stepped in 5-year increments per the UWMP. Estimate seasonal demand patterns for each type of use based upon historic monthly records and CIMIS irrigation data. ***This task was separately authorized.***
2. Water allocations. Catalog and update jurisdictional water allocations and sub-allocations (FORA Close-out). ***This task was separately authorized.***
3. Local Water Sources. Catalog the current and planned water supply sources in and around MCWD's services area, roughly extending from Moss Landing south to Carmel and inland to Salinas. Identify the water right holder and/or management agency for each. Prepare summary descriptions and tables.
    a. Groundwater sources: Salinas Valley Groundwater Basin and subbasins, Seaside Groundwater Basin (adjudicated), Carmel Valley Groundwater Basin
    b. Surface water sources: Salinas River, Nacimiento and San Antonio Reservoirs, Blanco Drain, Reclamation Ditch, Carmel River
    c. Recycled Water sources: Salinas Valley Reclamation Plant, Pure Water Monterey
    d. Storm Water

    e. Wastewater: municipal and industrial flows, by area
    f. Seawater: intruded groundwater, brackish wells, open ocean intake
4. Water Supply Projects and Agreements: Catalog existing water rights, agreements and contracts among, MCWD and MCWD-partners. Prepare summary descriptions and tables. Items to include:
    a. Monterey County Zone 2C (was 2/2A), Salinas Valley Water Project (see attached map)
    b. Monterey County Zone 2B, Salinas Valley Reclamation Plant / Castroville Seawater Intrusion Project
    c. Surface water rights and supply agreements
    d. Recycled water agreements (CSIP and PWM)
    e. Desalination facility agreements (Regional Desal Project and Monterey Regional Water Supply project)
5. Regional Framework: Summarize the water demands, supplies and the potential conflicts and competition for resources for the local area. Source data will come from 2015 UWMPs, the EIRs for PWM and MPWSP EIRs, and other recent studies
    a. Listing of local and state water agencies, water providers, water management jurisdictions and political jurisdictions. The attached map shows community water systems within the local area.
    b. Salinas (California Water Service Company and Alco Water Service Company)
    c. Castroville
    d. Moss Landing, Spreckels and other small service areas
    e. Monterey Peninsula and satellite areas (Cal-Am)
    f. Seaside Municipal Water System
    g. Agriculture (CSIP and private wells)

Data required:

1. Water production records by month
2. Water sales records by month and account (Springbrook data export)

Schaaf & Wheeler
CONSULTING CIVIL ENGINEERS

Client: Marina Coast Water District
Project: Water Supply and Analysis
Task:
Estimate Date: 9/2/2020

NO.	TASK ITEMS DESCRIPTION	PRINCIPAL PM $240	SENIOR PM $225	SENIOR ENG $210	ASSOC. ENG $190	ASST. ENG $175	GIS ANALYST $150	SUBTOTAL M.H.'S	IN-HOUSE LABOR COSTS $	IN-HOUSE MATERIAL COSTS $	TOTAL COSTS $ W/ MARK-UP	Task Totals
1	**Water Use Projections**											
	Previously authorized											
2	**Water Allocations Update**											
	Previously authorized											
3	**Local Water Sources**											**$18,720**
	Collect data and bibliography of previous studies		12		16		4	32	$6,340		$6,340	
	Prepare summary descriptions, figures and tables		12		24		12	48	$9,060		$9,060	
	Preapre summary Tech Memo		8		8			16	$3,320		$3,320	
4	**Water Supply Projects and Agreements**											**$27,340**
	Collect data and bibliography of previous studies		16		24		4	44	$8,760		$8,760	
	Prepare summary descriptions, figures and tables		16		40		16	72	$13,600		$13,600	
	Preapre summary Tech Memo		12		12			24	$4,980		$4,980	
5	**Regional Framework**											**$21,400**
	Collect Data		16		16		4	36	$7,240		$7,240	
	Develop summary tables and maps		4		12		16	32	$5,580		$5,580	
	Draft Tech Memo		20		8			28	$6,020		$6,020	
	Final Tech Memo		8		4			12	$2,560		$2,560	
	Total	**0**	**124**	**0**	**164**	**0**	**56**	**344**	**$67,460**	**$0**	**$67,460**	
	ROUNDED TOTAL										**$67,500**	

10.0%

Monterey County Water Resources Agency Zone Boundaries

Zone 2C

Parcels

Monterey County

N

W E

S

0 2 4 6 8 Miles

The scale and configuration of all project boundaries and information shown herein are not intended as a guide for design or survey work.

Image Source: ESRI Street Map (2016)
Map Date: 10/11/2016

CASTROVILLE

MARINA

SALINAS

MONTEREY

CHUALAR

GONZALES

SOLEDAD

GREENFIELD

KING CITY

SAN ARDO

Pajaro

San Juan Bautista

Hollister

Ridgemark

Tres Pinos

Paicines

Pebble Beach

Carmel-by-the-Sea

Carmel Valley

Big Sur

Arroyo Seco River

Salinas River

Carmel River

Nacimiento River

San Antonio River

Jolon

Lockwood

Fort Hunter Liggett

Camp Roberts

Coalinga

Centuia Creek

Path: M:\MB_Jobs\MCWD\4617 - On-Call_Engineering\GEOdata\Arcmap_projects\2020_Map\MCWD_2020_Map_GWBasin.mxd

Schaaf & Wheeler
CONSULTING CIVIL ENGINEERS
1171 Homestead Rd., Suite 255
Santa Clara, CA 95050-5485
408-246-4848
Fax 408-246-5624

Hourly Charge Rate Schedule

Personnel Charges

Charges for personnel engaged in professional and/or technical work are based on the actual hours directly chargeable to the project.

Current rates by classification are listed below:

Classification	Rate/Hr	Classification	Rate/Hr
Principal Project Manager	$240	Construction Manager	$225
Senior Project Manager	$225	Senior Resident Engineer	$200
Senior Engineer	$210	Senior Scientist	$200
Associate Engineer	$190	Associate Scientist	$180
Assistant Engineer	$175	Resident Engineer	$180
Junior Engineer	$165	Assistant Resident Engineer	$165
Designer	$155		
GIS Analyst	$150		
Technician	$150		
Engineering Trainee	$120		

Litigation Charges

Work done in preparation for litigation and other very high level-of-expertise assignments is charged at $350 per hour. Court or deposition time as an expert witness is charged at $450 per hour.

Materials and Services

Subcontractors, special equipment, outside reproduction, data processing, computer services, etc., will be charged at 1.10 times cost.

Effective 1/1/20

Return to Agenda

Marina Coast Water District
Groundwater Sustainability Agency
Agenda Transmittal

Agenda Item: 8-A2 Meeting Date: September 21, 2020

Prepared By: Patrick Breen Approved By: Keith Van Der Maaten

Agenda Title: Consider Appointing a Board Member and Alternate to the MCWD Groundwater Sustainability Agency and Salinas Valley Basin Groundwater Sustainability Agency Steering Committee for Groundwater Sustainability Planning and Inter-Agency Coordination

Staff Recommendation: The Board of Directors discuss and direct the Board President to appoint a Board Member and alternate to the MCWD Groundwater Sustainability Agency (MCWDGSA) and Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) Steering Committee for groundwater sustainability planning and inter-agency coordination.

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 assigned task or mission of the MCWDGSA/SVBGSA Steering Committee is to coordinate Groundwater Sustainability Planning efforts between the two agencies to avoid and/or mitigate any disagreements or disputes between the agency's Monterey Sub-Basin planning efforts and update their respective Boards.

Pursuant to the "Framework Agreement" (Attachment A) between MCWDGSA and SVBGSA the committee is planned to have each General Manager and one elected member of the MCWDGSA Board and one Board Member of the SVBGSA (current SVBGSA Board roster - Attachment B).

The Framework Agreement designates the MCWD GSA as developing the GSP for the Marina Area and Ord Area (generally the areas in Monterey Sub-Basin north of Highway 68), while the SVBGSA will develop the Corral de Tierra Management Area (generally south of Highway 68). See Figure 1 Management Areas (Attachment C).

The committee is intended to ensure the Groundwater Sustainability Planning efforts being conducted by each agency are coordinated, to update each Agency's Board membership on progress and/or concerns, and to avoid and/or mitigate disagreements or disputes.

The Steering Committee will be provided material for presentation and/or consideration after each agency's Stakeholder Committee and the Joint (MCWD GSA/SVBGSA) Technical Committee have reviewed, considered, and commented on the plan elements. The intention is to have the Steering Committee familiar with any issues or presentations prior to the materials being presented to each agency's full Board.

It is anticipated there will be four Steering Committee meetings during the Monterey Sub-basin planning period which will proceed until the plan is completed and ready for a public review process required by the Sustainable Groundwater Management Act.

The Monterey Sub-Basin Groundwater Sustainability plan is required to be submitted to the Department of Water Resources by the deadline of January 31st 2022 (current schedule – Attachment D).

The initial meeting for the MCWD GSA/SVBGSA Steering Committee is tentatively scheduled for October (date to be determined).

Environmental Review Compliance: None required.

Financial Impact: _____Yes ___X___No Funding Source/Recap: None.

Other Considerations: The Board can decide not to appoint members to the MCWD GSA/SVBGSA Steering Committee.

Material Included for Information/Consideration: Attachment A – GSA Framework Agreement; Attachment B - current SVBGSA Board roster; Attachment C - Figure 1 Management Areas; and, Attachment D – current meeting schedule.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Before the Board of Directors of the
Salinas Valley Basin Sustainable Groundwater Management Agency

Resolution No. 2018-11	)
Authorizing Execution of a Framework	)
Agreement for the Monterey Basin	)
Groundwater Sustainability Plan between the	)
Marina Coast Water District Groundwater	)
Sustainability Agency and the Salinas Valley	)
Basin Groundwater Sustainability Agency	)

WHEREAS, the Sustainable Groundwater Management Act (SGMA) of 2014, Water Code Sections 10720-10736.6 was signed into law September 16, 2014; and,

WHEREAS, SGMA gives local agencies authorities and powers to manage groundwater; and,

WHEREAS, Groundwater Sustainability Plans, in conformance with SGMA, for the 180/400 Aquifer and the Monterey subbasins are required by January 31, 2020 and 2022 respectively; and,

WHEREAS, SGMA requires a coordinated Groundwater Sustainability Plan (GSP) or GSPs among or between adjacent GSAs and adjacent subbasins; and,

WHEREAS, GSP development requires collaboration amongst GSAs and other local or regional water management groups at the groundwater subbasin level and encourages collaboration across groundwater subbasin boundaries; and,

WHEREAS, the Marina Coast Water District Groundwater Sustainability Agency (MCWDGSA) and the Salinas Valley Groundwater Sustainability Agency previously entered into a Proposition 1 Coordination Agreement regarding cooperation and coordination on the application for and receipt of Proposition 1grant funds to fund the development of GSPs for the Monterey Subbasin and the 180/400 Foot Aquifer Subbasin; and,

WHEREAS, the proposed Framework Agreement's intent is that one GSP will be developed for the entire Monterey Subbasin (i.e. the Monterey Subbasin GSP), which will contain three management areas that generally encompass the Marina Subarea, the Ord Subarea (both of which are generally located north of State Route 68), and the Corral de Tierra Subarea (located generally south of State Route 68); and,

WHEREAS, the Framework Agreement clarifies that the MCWDGSA will prepare the GSP components for the Marina Management Area and the Ord Management Area, and SVBGSA will prepare the GSP components for the Corral de Tierra Management Area and the GSP for the entire 180/400 Foot Aquifer Subbasin; and,

WHEREAS, the Agreement requires the MCWDGSA and the SVBGSA to actively consult with each other and include each other for review of draft work products during the GSP

development process for the 180/400 Foot Aquifer Subbasin and the Monterey Subbasin; NOW, THEREFORE,

BE IT RESOLVED, by the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, that the General Manager is hereby authorized and directed to execute the Framework Agreement for the Monterey Groundwater Basin Groundwater Sustainability Plan between the Marina Coast Water District Groundwater Sustainability Agency and Salinas Valley Basin Groundwater Sustainability Agency attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, that the General Manager and Agency Counsel are hereby authorized and directed to take such further actions as may be necessary or appropriate to implement the intent and purposes of this Resolution.

PASSED AND ADOPTED on this 13th day of December 2018 by the following vote, to-wit:

AYES: Directors Alejo, Brennan, Calcagno, Granillo, Gunter, Lipe, McIntyre, Pereira, Secondo, Stefani, and Chairperson McHatten

NOES: None

ABSENT: None

ABSTAIN: None

I, Ann Camel, Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Directors duly made and entered in the minutes thereof.

Dated: 12/13/18

Ann Camel, Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency,
County of Monterey, State of California

Ann Camel

FRAMEWORK AGREEMENT

This Framework Agreement is made effective as of 12/13/18 by the Marina Coast Water District Groundwater Sustainability Agency (MCWD) and Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) (collectively, the "Parties") regarding Groundwater Sustainability Plan (GSP) development for the Monterey Subbasin and the 180/400 Foot Aquifer Subbasin, with reference to the following:

RECITALS

A. On September 16, 2014 Governor Jerry Brown signed into law Senate Bills 1168 and 1319 and Assembly Bill 1739, known collectively as the Sustainable Groundwater Management Act (the "Act"), effective January 1, 2015; and

B. The Act was amended by Senate Bill 13, effective January 1, 2016; and

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

D. The Act requires formation of one or more groundwater sustainability agencies ("GSAs") that will be responsible for developing a single or multiple groundwater sustainability plan ("GSP") for a groundwater basin; and

E. The purpose of this Framework Agreement is to outline the process to be used by the Parties to work collaboratively to develop one GSP for the entire Monterey Subbasin and one GSP for the entire 180/400 Foot Aquifer Subbasin (the "GSPs"). It is further intended to guide the Parties' coordination during GSP development in the Monterey Subbasin and the 180/400 Foot Aquifer Subbasin and further intended to, in part, implement the intent and purposes of the Coordination Agreement between the Parties dated November 21, 2017.

F. The Parties recognize that a detailed approach is to be developed by the Parties' technical staff under these guidelines to make sure that the elements of the GSPs are appropriately coordinated to support sustainable management.

NOW, THEREFORE, in consideration of the promises, terms, conditions and covenants contained herein, the Parties to this Agreement hereby agree as follows:

1. Overarching Approach. The Parties agree that one GSP will be developed for the entire Monterey Subbasin (i.e. the Monterey Subbasin GSP), which will contain three management areas that generally encompass the Marina Subarea, the Ord Subarea (both of which are generally located north of State Route 68), and the Corral de Tierra Subarea (located generally south of State

Route 68). The Parties recognize that the exact boundaries of the management areas are to be confirmed. Consistent with the Proposition 1 Grant Work Plans:

(a) MCWD GSA will prepare the GSP components for the Marina Management Area and the Ord Management Area;

(b) SVBGSA will prepare the GSP components for the Corral de Tierra Management Area.

(c) The Parties further agree that SVBGSA will prepare a GSP for the entire 180/400 Foot Aquifer Subbasin.

(d) The Parties agree that they will actively consult with each other, and include each other for review of draft work products during the GSP development process for the 180/400 Foot Aquifer Subbasin and the Monterey Subbasin.

2. Schedule. The Parties agree to develop a detailed approach and schedule for development of the GSPs. The detailed approach and schedule for the Monterey Subbasin GSP should outline the process of preparing separate and common GSP components, as well as identify the timing of data sharing and review of key work products. The detailed approach and schedule for the 180/400 Foot Aquifer should identify the process and timing of consultation and review for key work products. The Parties recognize that a successful GSP relies on involving each other for early input and providing draft work products to the other Party for timely review, and further recognize that the GSP for the 180/400 Foot Aquifer Subbasin must be filed with DWR no later than January 31, 2020, and the GSP for the Monterey Subbasin must be filed no later than January 31, 2022.

3. Coordination Committees; Stakeholder Engagement. The Parties agree to form a Steering Committee that oversees activities under this agreement. The Steering Committee shall include the General Manager and one Board Member from each Party, who will update each Party's Board of Directors. Staff and consultants from each Party may participate in the Steering Committee as necessary. In addition, the Parties agree to form a Technical Committee that consists of staff and/or technical consultants to perform activities under this agreement. The Steering Committee and Technical Committee shall each hold regular meetings pursuant to schedules described in Attachment A and may hold special meetings and workshops as necessary.

The Parties agree to work collaboratively to develop and implement stakeholder engagement plans for the GSPs and ensure regular, productive communication between the Parties, stakeholders, and stakeholder representatives. Each Party is responsible for guiding efforts within their respective plan preparation areas in both basins, e.g., MCWD for the Marina and Ord Subareas of the Monterey Subbasin, and SVBGSA for the Corral de Tierra Subarea of the Monterey Subbasin as well as the 180/400 Foot Subbasin

4. Data Management and Exchange. (a) The Parties agree to develop and maintain coordinated data management system(s) that meet the requirement California Code of Regulations (CCR) Title 23, Section 352.6, such as a single DMS or separate DMSs with coordinated schema to facilitate data sharing.

(b) Each Party shall be responsible for the collection of information to support GSP analyses within their respective plan preparation areas, including but not limited to data to support groundwater conditions assessment, hydrogeologic conceptual model development, numerical model development, and water budget analysis.

(c) The Parties agree, to the fullest extent permitted by law, to make all data necessary to facilitate development of the GSPs available to the other Party and conduct information exchange, either through a formal or informal request, in a timely fashion. To the extent it is necessary to make a written request for information to another Party, each Party shall designate a representative to respond to information requests and provide the name and contact information of the designee to the Coordination Committee. Nothing in this Agreement shall be construed to prohibit any Party from voluntarily exchanging information with any other Party by any other mechanism separate from the Coordination Committee.

(d) It is understood and agreed that a Party to this Agreement may provide the other Party with confidential information. To ensure the protection of such confidential information and in consideration of the agreement to exchange said information, appropriate arrangements may be made to restrict or prevent disclosure.

(e) It is further understood that information to be exchanged may include data obtained from the Monterey County Water Resources Agency (MCWRA) under agreements with the MCWRA. The Parties agree to make the data obtained from MCWRA available for information exchange to the extent permitted by law, and as long as provision of such exchanges follow the terms of agreement with MCWRA.

(f) The Parties agree to consider the development of a Uniform Data Sharing and Confidentiality Agreement with MCWRA so that there will be uniform rules among the three agencies as to how and what data is to be shared, what data shall be considered confidential, and how confidential data is to be secured, protected, shared, and released.

5. Water Budget. The Parties agree to prepare coordinated water budgets and basin setting information for the Monterey and 180/400 Foot Aquifer Subbasins, as required by 23 CCR 354.18. The Parties agree to work to reach consensus on inputs, assumptions, and methodology, as well as review and potential refinement of the portion of the Salinas Valley Integrated Hydrological Model that addresses the Monterey Subbasin and 180/400 Foot Aquifer Subbasins.

6. Monitoring Network. The Parties agree to develop coordinated monitoring network objectives for the Monterey and 180/400 Foot Aquifer Subbasins. The monitoring network shall facilitate the collection of data necessary to characterize groundwater and related surface water conditions and evaluate changing conditions that occur from implementation of the GSPs in each Management Area.

7. Proposition 1 Grant Administration. The Parties agree to coordinate grant administration for GSP development in the Monterey Subbasin. Pursuant to the provisions of the Proposition 1 Sustainable Groundwater Planning Grant Agreement for the Monterey Subbasin,

MCWD will submit invoices, deliverables and other grant administration materials to DWR on behalf of SVBGSA and will redistribute SVBGSA's potion of grant reimbursements to SVBGSA. However, MCWD will not be responsible for verifying the format or information within SVBGSA's submittals. SVBGSA is responsible for timely providing MCWD the information necessary for preparation of quarterly progress reports and grant completion reports.

8. Indemnification. Each Party agrees to defend, indemnify and hold harmless the other Party, and their officers, employees and agents, from against any and all demands, claims, causes of action, suits, judgements, liabilities, liens, losses, damages, expenses, fines, penalties and assessments (collectively, "damages") arising out of or related to the preparation, consideration and approval of a GSP or GSP components by the indemnifying Party for its respective management area, except in the case of a claim or litigation by one Party against the other. The Parties agree to cooperate in the defense of any claim or lawsuit arising out of such actions to the extent permitted by law.

9. Termination. Either Party by majority vote of its governing body may terminate this Framework Agreement for any reason or no reason upon at least nine (9) months' prior written notice to the other Party. Such notice may be made by personal delivery or first class U.S. Mail (postage prepaid), and shall be deemed delivered upon actual receipt of the notice by the other Party. Such notice shall be addressed to the General Manager of the non-noticing Party. Within thirty (30) days of delivery of the notice, the Steering Committee representatives shall personally meet and attempt in good faith to resolve the dispute.

Notwithstanding anything to the contrary herein, this Framework Agreement shall not be terminated (the "effective termination date") unless and until the parties shall have entered into intra-basin coordination agreements in accordance with Water Code §10727.6 and 23 CCR §357.4 for each parties' respective GSP for their respective portions of the 180/400 Foot Aquifer and the Monterey Subbasin. The intra-basin coordination agreement must address any necessary approvals resulting in grant changes from DWR as a result of changing from a single GSP for each of the sub-basins to coordinated multiple GSP's for each of the sub-basins.

Until the effective termination date, each Party shall continue to develop their respective portions of the GS Plans pursuant to the Proposition 1 Coordination Agreement. The Parties shall obtain any necessary approvals for resulting grant changes from DWR. All reimbursements required by that agreement shall be due and payable on the effective termination date.

IN WITNESS WHEREOF, MCWD and SVBGSA execute this Framework Agreement effective as of the date first written above.

Marina Coast Water District Groundwater Sustainability Agency,

By: _____

Date: 1/4/19

APPROVED AS TO FORM

Roger K. Masuda

Roger Masuda
MCWDGSA General Counsel

Salinas Valley Basin Groundwater
Sustainability Agency,

By: _____

Date:_____

APPROVED AS TO FORM

_____

Leslie J. Girard
SVBGSA General Counsel

APPROVED AS TO FORM

Roger Masuda
MCWDGSA General Counsel

Salinas Valley Basin Groundwater
Sustainability Agency,

By: _____

Date: 12/13/18

APPROVED AS TO FORM

Leslie J. Girard
SVBGSA General Counsel

ATTACHMENT A
Regular Committee Meeting Schedules

The Steering Committee for coordinating GSP development in the 180/400 Foot Aquifer and Monterey Subbasins will meet quarterly beginning the fourth quarter of 2018. Meetings of the Steering Committee shall be subject to the California Open Meeting Law ("Brown Act"). The first meeting of the Committee shall be called by the General Manager of the SVBGSA, who shall preside pro tem at the start of the meeting. At the initial meeting the Committee shall choose a chairperson and set a regular schedule of meetings as required by the Brown Act.

The Technical Committee will meet regularly every other month starting September 2018, exact time and location to be determined. Meetings of the Technical Committee are not subject to the Brown Act. During the Technical Committee meetings, GSA staff and technical consultants will

- Provide status update regarding work progress and schedule;
- Exchange data and information available at the time of the meeting;
- Coordinate development and review of work products; and
- Present and discuss technical topics.

November 19, 2018

Resolution No. 2018-GSA02
Resolution of the Board of Directors
Marina Coast Water District Groundwater Sustainability Agency
Authorizing the General Manager to Execute a Framework Agreement for the
Monterey Groundwater Basin Groundwater Sustainability Plan between the
Marina Coast Water District Groundwater Sustainability Agency and the
Salinas Valley Basin Groundwater Sustainability Agency

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District Groundwater Sustainability Agency ("District"), at a regular meeting duly called and held on November 19, 2018, at 211 Hillcrest Avenue, Marina, California as follows:

WHEREAS, the Sustainable Groundwater Management Act (SGMA) of 2014, Water Code Sections 10720-10736.6 was signed into law September 16, 2014; and,

WHEREAS, the District formed Groundwater Sustainability Agencies for the Central Marina and Ord Community Service Areas in portions of the Monterey Subbasin and the 180/400 Subbasin in conformance with the SGMA; and,

WHEREAS, SGMA gives local agencies, such as the District, additional authorities and powers to manage groundwater; and,

WHEREAS, the District is committed to sustainable management of its groundwater resources; and,

WHEREAS, the Groundwater Sustainability Plans for the District GSAs in conformance with SGMA for the 180/400 Aquifer and the Monterey subbasins are required by 2020 and 2022 respectively; and,

WHEREAS, the District has commenced Groundwater Sustainability Planning and that doing so is consistent with the goals and objectives stated in the District's Strategic Plan; and,

WHEREAS, SGMA requires a coordinated a Groundwater Sustainability Plan (GSP) or GSPs among or between adjacent GSAs and adjacent subbasins; and,

WHEREAS, GSP development requires collaboration amongst GSAs and other local or regional water management groups at the groundwater subbasin level and encourages collaboration across groundwater subbasin boundaries; and,

WHEREAS, the Framework Agreement's intent is that one GSP will be developed for the entire Monterey Subbasin (i.e. the Monterey Subbasin GSP), which will contain three management areas that generally encompass the Marina Subarea, the Ord Subarea (both of which are generally located north of State Route 68), and the Corral de Tierra Subarea (located generally south of State Route 68); and,

WHEREAS, the Agreement clarifies that the MCWDGSA will prepare the GSP components for the Marina Management Area and the Ord Management Area and SVBGSA will

prepare the GSP components for the Corral de Tierra Management Area and that the SVBGSA will prepare a GSP for the entire 180/400 Foot Aquifer Subbasin; and,

WHEREAS, the Agreement directs both the MCWDGSA and the SVBGSA will actively consult with each other and include each other for review of draft work products during the GSP development process for the 180/400 Foot Aquifer Subbasin and the Monterey Subbasin.

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 Framework Agreement for the Monterey Groundwater Basin Groundwater Sustainability Plan between the Marina Coast Water District Groundwater Sustainability Agency and Salinas Valley Basin Groundwater Sustainability Agency.

PASSED AND ADOPTED on Novwember 19, 2018 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors Cortez, Lee, Shriner, Moore

Noes: Directors None

Absent: Directors Gustafson

Abstained: Directors None

Thomas P. Moore

Thomas P. Moore, President

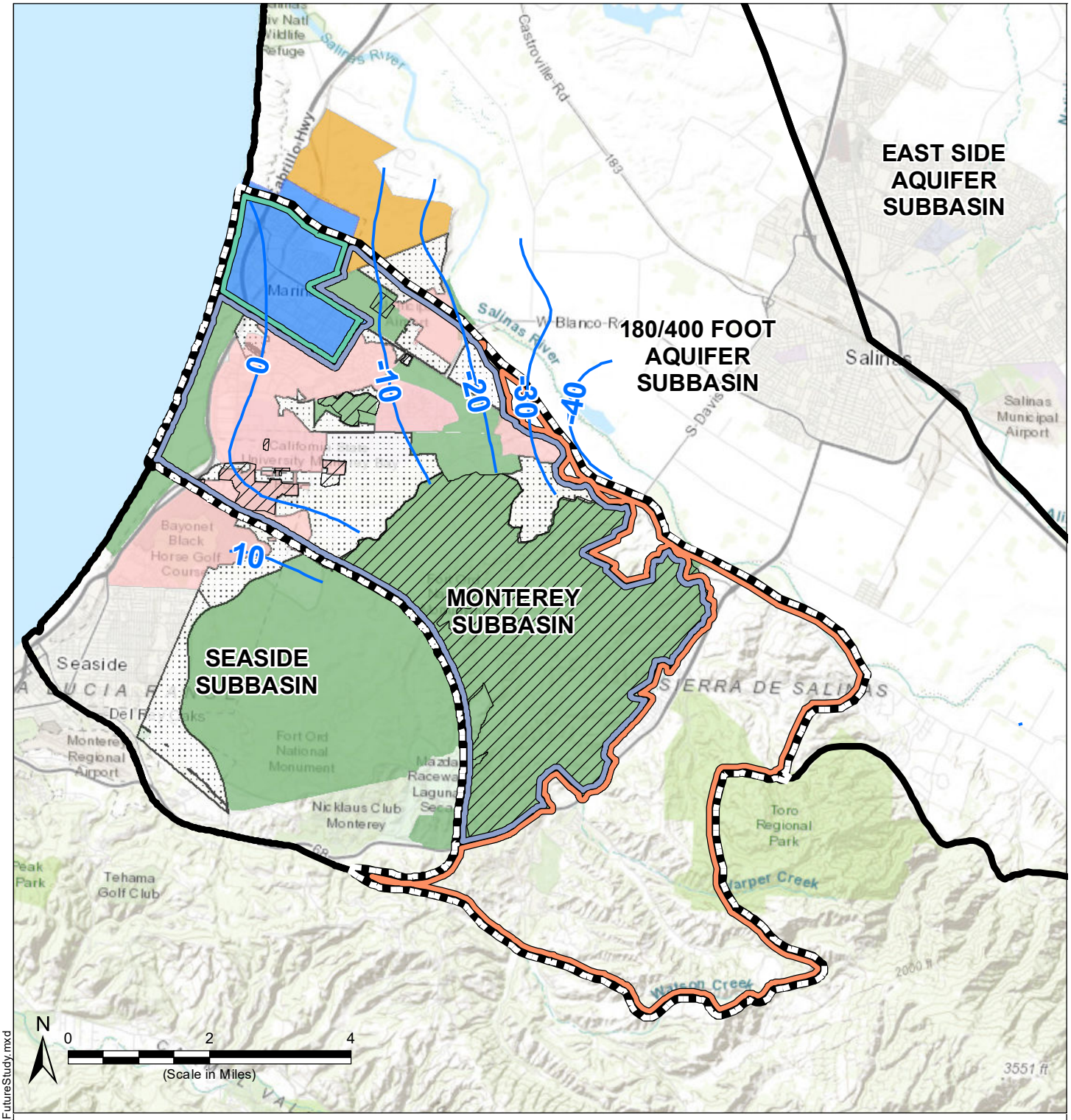
ATTEST:

Keith Van Der Maaten, Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Marina Coast Water District Groundwater Sustainability Agency hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 2018-GSA02 adopted November 19, 2018.

Keith Van Der Maaten, Secretary



Legend

- 2017 Fall Groundwater Contours in the Lower 180-Foot, 400-Foot Aquifers
- Federal Lands
- Central Marina Service
- Ord Community Service
- Sphere of Influence (SOI)
- Future Study Area
- Habitat Open Space
- Monterey Subbasin
- Other Groundwater Subbasins within Salinas Valley Basin

Management Areas

- Ord Area
- Marina Area
- Corral de Tierra Area

Sources

1. Basemap is ESRI's ArcGIS Online world topographic map, obtained 6 August 2020.
2. DWR groundwater basins are based on the boundaries defined in California's Groundwater, Bulletin 118 - 2018 Update.

Monterey Subbasin Management Areas and MCWD Planning Areas

MCWD GSA
Monterey County, California
August 2020
Figure 1

Path: X:\B60094\Maps\2020\08\ManagementAreaFigures\Fig1a_FutureStudy.mxd

LAST NAME	FIRST NAME	REPRESENTING	APPOINTING AUTHORITY	Appt./Reappt.
Brennan	Janet	Environmental Directors	Monterey County Board	3 yr to 7/1/23
Lipe	Bill	Ag Interest, (Upper Valley)	Monterey County Board	3 yr. to 7/1/22
Stefani	Ron	Disadv. Comm./Public Water System	Castroville CSD	3 yr. to 7/1/22
Adcock	Tom	CPUC regulated representative	Salinas City Council	2 yr. to 7/1/21
McHatten	Michael	South County Cities/City Selection Subc	Monterey County	3 yr to 7/1/22
Vacant		City of Salinas	City of Salinas	3 yr. to 7/1/23
McIntyre	Steve	Ag Interest(Forebay)	Monterey County Board	3 yr to 7/1/23
Alejo	Luis	Other GSA Eligible Entity**	Monterey County Board	3 yr to 7/1/23
Chapin Hodges	Caroline	Public Member	Monterey County (SVBGSA nominee)	3 yr. to 7/1/22
Pereira	Colby	Ag Interest (East Side/Langley)	Monterey County Board	3 yr. to 7/1/22
Bramers	John	Ag Interest (Pressure)	Monterey County Board	3 yr. to 7/1/23

* Following staggered terms, Directors serve 3 yr. terms, with exception of 2 yr. regular term for CPUC Water regulated company; JPA §6.3

**Not including cities of Salinas, Gonzales, Soledad, Greenfield or King City; nominated by Monterey County, Water Resources Agency, Monterey One Water

Tentative Monterey Subbasin GSP Meeting Schedule (Prepared September 9, 2020)

Months	2020							2021											
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Meetings	Technical Committee #1	SVBGSA Stakeholder Committee #1	MCWD Stakeholder Committee #1	SVBGSA Stakeholder Committee #2	Technical Committee #3	SVBGSA Stakeholder Committee #3	Technical Committee #4	SVBGSA Stakeholder Committee #4	MCWD Stakeholder Committee #3	SVBGSA Stakeholder Committee #5	Technical Committee #6	SVBGSA Stakeholder Committee #6	Technical Committee #7	MCWD Board Meeting #2	Public Process (Meetings TBD)				MCWD Board Meeting #3 (Public Hearing)
			Technical Committee #2		Steering Committee #1	MCWD Stakeholder Committee #2	Steering Committee #2	MCWD Board Meeting #1	Technical Committee #6	Steering Committee #3		MCWD Stakeholder Committee #4	Steering Committee #4						

Notes:

(a) Schedule of SVBGSA Stakeholder Committee obtained from SVBGSA May 14 Board Meeting agenda, adjusted based on an update that the first meeting will likely occur in the first week of July.

(b) SVBGSA scheduled a total of six Stakeholder Committee meetings, with one being a flexible topic meeting. The topics to be discussed in each meeting is as followed:
- Meeting #1: Chapters 1-4 (plan area, HCM)
- Meeting #2: Chapters 5,6 (GW conditions, water budget)
- Meeting #3: Chapters 7, 8 (monitoring network, SMC discussion)
- Meeting #4: Chapters 7, 8 (monitoring network, SMC)
- Meeting #5: Chapters 9, 10 (projects, implementation)
- Meeting #6: Flexible topic

(c) One MCWD Stakeholder Committee and Steering Committee meeting each is scheduled per quarter beginning in third quarter 2020.
- Meeting #1, Chapters 1-4 (Plan Area, HCM)
- Meeting #2: Chapters 5, 7, 8 (GW conditions, Monitoring Network, SMC)
- Meeting #3: Chapters 6 (Water Budget)
- Meeting #4: Chapters 9, 10 (Projects, Implementation)

(d) One Technical Committee meeting is scheduled very other month for topics that comes up as necessary. A first technical committee meeting is scheduled in June to discuss any differences in assumptions and methodology for the first few chapters.

(e) Two MCWD staff updates to MCWD's Board is shown herein for reference. The reports are scheduled on a semi-annual occurrence. A public hearing to adopt the GSP is schedule during a third Board Meeting in December 2021.

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10 Meeting Date: September 21, 2020

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: *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 August 2020
B) Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2020
C) Approve the Draft Minutes of the Special Joint Board/GSA Meeting of August 27, 2020

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 August 2020; draft minutes of August 17, 2020; and, draft minutes of August 27, 2020.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-A Meeting Date: September 21, 2020

Prepared By: Kelly Cadiente Approved By: Keith Van Der Maaten

Agenda Title: Receive and File the Check Register for the Month of August 2020

Staff Recommendation: The Board of Directors receive and file the August 2020 expenditures totaling $1,647,970.61.

Background: *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 August 2020 and the Board is requested to receive and file the check register.

Environmental Review Compliance: None required.

Financial Impact: _____Yes __X__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: August 2020 Summary Check Register.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

AUGUST 2020 SUMMARY CHECK REGISTER

DATE	CHECK #	CHECK DESCRIPTION	AMOUNT
08/05/2020	69449 - 69519	Check Register	696,922.90
08/24/2020	69520 - 69571	Check Register	387,395.10
08/07/2020	ACH	CalPERS	26,001.57
08/07/2020	ACH	MassMutual Retirement Services, LLC	10,381.36
08/07/2020	ACH	Internal Revenue Service	45,652.96
08/07/2020	ACH	State of California - EDD	9,754.52
08/07/2020	500842-500844	Payroll Checks and Direct Deposit	107,265.52
08/07/2020	500845-500846	Check Register	1,482.27
08/11/2020	500847-500859	Check Register	79,857.02
08/21/2020	ACH	Internal Revenue Service	43,843.93
08/21/2020	ACH	MassMutual Retirement Services, LLC	19,267.49
08/21/2020	ACH	CalPERS	26,012.36
08/21/2020	ACH	State of California - EDD	9,173.67
08/21/2020	500860-500862	Payroll Checks and Direct Deposit	104,720.83
08/21/2020	500863	Check Register	616.27
08/26/2020	500864-500877	Check Register	79,622.84
		TOTAL DISBURSEMENTS	**1,647,970.61**

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
69449	07/17/2020	08/05/2020	Quinn Company	Voltage Regulator Repair - Booker LS	59,426.31
69450	07/31/2020	08/05/2020	Insight Planners	Web Development/ Maintenance and Hosting 07/2020	1,239.00
69451	07/10/2020	08/05/2020	PG&E	Gas and Electric Service 06/2020	72,743.84
69452	07/20/2020	08/05/2020	Grainger	Tyvek Suits, Vehicle Inspection Form Books	298.39
69453	06/30/2020	08/05/2020	Schaaf & Wheeler	Design Phase - A1/A2 Tanks B/C BPS, Developer (Lower Stilwell), System Map Updates in CAD, Update Civil Plan Sheets - Ord Village LS, General Services	39,468.31
69454	07/24/2020	08/05/2020	Monterey Bay Analytical Services	Laboratory Testing	920.00
69455	07/18/2020	08/05/2020	Verizon Wireless	Cell Phone Service 07/2020	1,484.25
69456	05/07/2020	08/05/2020	Harris & Associates	Pre-Construction, Labor Compliance - Imjin LS	1,125.00
69457	07/11/2020	08/05/2020	Johnson Controls Security Solutions LLC	Ord Service Alarm 08/2020 - 07/2021	2,891.22
69458	07/24/2020	08/05/2020	Cypress Coast Ford	Service Repair for Coolant Leak and Electric Fan - Vehicle #1306	696.95
69459	07/09/2020	08/05/2020	HD Supply Facilities Maintenance LTD	Gas Leak Detector/ Monitor, Chlorine DPD Free Packets and SwifTest Dispenser/ Refills	1,789.73
69460	07/24/2020	08/05/2020	NEC Financial Services, Inc.	Phone Equipment Lease 07/2020	335.76
69461	07/28/2020	08/05/2020	O'Reilly Automotive Stores, Inc.	Auto/ General Supplies	146.46
69462	07/20/2020	08/05/2020	CCOI Gate & Fence	Exit Gate Repair Service	150.00
69463	06/30/2020	08/05/2020	Calcon Systems, Inc.	Electrical Installation/ Integration for (32) Various Sites - Generator Project, Flume Meter - Wastewater Plant/ Airfield LS	98,236.85
69464	07/14/2020	08/05/2020	E&M Electric and Machinery, Inc.	Historian/ Support Renewal	3,970.00
69465	07/08/2020	08/05/2020	Olympus and Associates, Inc.	Project Retention - Reservoir 2 Recoat	24,464.07
69466	07/09/2020	08/05/2020	RDO Equipment Co.	Oil Filter, Motor Oil - Skid Steer	131.36
69467	06/30/2020	08/05/2020	Star Sanitation LLC	Mobile Restroom Rental - Beach Office	90.71
69468	07/27/2020	08/05/2020	Daiohs USA	Coffee Supplies	264.58
69469	05/22/2020	08/05/2020	Central Coast Sign & Design	(3) MCWD Metal Site Signs	290.04
69470	07/20/2020	08/05/2020	Conservation Rebate Program	14926 Breckinridge Ave - Washer Rebate	150.00
69471	07/30/2020	08/05/2020	Conservation Rebate Program	3357 Drew St - Washer Rebate	150.00
69472	07/30/2020	08/05/2020	Conservation Rebate Program	445 Carmel Ave - Toilet Rebate	75.00
69473	07/31/2020	08/05/2020	Conservation Rebate Program	3115 Messinger Dr - (3) Toilet Rebates	225.00
69474	08/03/2020	08/05/2020	Conservation Rebate Program	3263 De Forest Rd - Toilet Rebate	50.00
69475	08/03/2020	08/05/2020	Conservation Rebate Program	3186 Melanie Rd - (2) Toilet Rebates, Hot Water Recirculation Pump Rebate, Landscape Rebate	550.00
69476	07/23/2020	08/05/2020	MUFG Union Bank, N.A.	2015 Bond Administration Fee 07/2020 - 06/2021	2,225.00
69477	07/20/2020	08/05/2020	Della Mora Heating Sheet Metal & Air Conditioning	AC Coil Cleaning Service - Beach Office	892.00
69478	07/15/2020	08/05/2020	Marina Tire & Auto Repair	New Tires - Vehicles #1701, #1702, #1305; Oil Change - Vehicle #1306	1,815.64
69479	07/10/2020	08/05/2020	Richards, Watson & Gershon	Legal Fees - Opp to Cal Am Asserted Water Rights to CEMEX Prop, Regional Project Litigation 06/2020	54,079.73
69480	07/09/2020	08/05/2020	Remy Moose Manley, LLP	Legal Fees - Desalination Plan/ MPWSP, CPUC, H2O 06/2020	122,491.95
69481	08/03/2020	08/05/2020	Monterey Bay Technologies, Inc.	IT Support Services 08/2020	3,451.00
69482	07/30/2020	08/05/2020	ICONIX Waterworks (US), Inc.	General Supplies	610.74
69483	07/26/2020	08/05/2020	Eurofins Eaton Analytical, Inc.	Laboratory Testing	2,325.00

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
69484	07/09/2020	08/05/2020	Griffith, Masuda & Hobbs	Legal Fees - Armstrong Ranch, Bay View Mobile Home Park, RUWAP Distribution, CSUMB, FORA Transition, GSA, General Matters 06/2020	36,199.69
69485	07/24/2020	08/05/2020	Access Monterey Peninsula, Inc.	Filming and Production 07/2020	460.00
69486	07/30/2020	08/05/2020	Conservation Rebate Program	189 San Pablo Ct #3 - Washer Rebate	100.00
69487	08/01/2020	08/05/2020	Pure Janitorial, LLC	BLM Janitorial Services 07/2020	1,850.00
69488	07/24/2020	08/05/2020	EKI Environment & Water, Inc.	Groundwater Planning Sustainability Study	108,160.10
69489	07/16/2020	08/05/2020	Akel Engineering Group, Inc.	Master Plans/Capacity Fees Study - Water, Sewer, Recycled Water	16,411.75
69490	07/16/2020	08/05/2020	R&B Company	Fittings	842.25
69491	07/28/2020	08/05/2020	Ferguson Enterprises, Inc.	(2) Plug Valves and (2) Swing Check Valves - Schoonover LS, General Supplies	5,485.60
69492	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 9th St Parcel G	65.46
69493	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	1,831.45
69494	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 587 Rosa Monte Way	215.64
69495	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 21223 Ord Ave	27.02
69496	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	1,362.35
69497	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 454 Gloria Cir	8.73
69498	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 18810 Sedgwick Ln	85.42
69499	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 21596 Ord Ave	24.32
69500	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 668 Barth Ct	35.00
69501	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	1,726.74
69502	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 590 Ingman Ct	35.00
69503	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 273 Carmel Ave	2.13
69504	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 227 Beach Rd	41.20
69505	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 9th St at Lighthouse Ln	84.89
69506	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 400 Malmedy Rd	35.00
69507	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	12,691.05
69508	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 301 9th St	10.85
69509	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	1,570.67
69510	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 15607 Watkins Gate Rd	39.04
69511	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 14941 Breckinridge Ave	35.00
69512	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 18934 Kilpatrick Ln	46.57
69513	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 3053 Phillip Cir	41.29
69514	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 16507 Alexander Ln	35.00
69515	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - Hydrant Meter	7,856.05
69516	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 3280 Michael Dr	35.00
69517	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 21607 Ord Ave	94.99
69518	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 19022 Schofield Ln	29.60
69519	07/21/2020	08/05/2020	Customer Service Refund	Refund Check - 14331 Sherman Blvd	94.16
69520	07/31/2020	08/24/2020	Ace Hardware of Watsonville, Inc.	General Supplies	1,375.58
69521	07/30/2020	08/24/2020	Quinn Company	Caterpillar Standby Diesel Generator - Airfield LS	32,884.25
69522	08/05/2020	08/24/2020	PG&E	Gas and Electric Service 07/2020	86,201.11

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
69523	07/31/2020	08/24/2020	Grainger	General Supplies	982.45
69524	07/28/2020	08/24/2020	Area Communications	Answering Service 07/01 - 07/28	139.00
69525	07/22/2020	08/24/2020	Underground Service Alert	2020/ 2021 Membership Fee	1,285.14
69526	08/04/2020	08/24/2020	Hopkins Technical Products, Inc.	General Supplies	192.81
69527	07/31/2020	08/24/2020	Peninsula Welding & Medical Supply, Inc.	Gas Cylinder Tank Rental Fee - Welding Supplies	12.90
69528	08/04/2020	08/24/2020	Monterey Bay Analytical Services	Laboratory Testing	2,770.00
69529	07/31/2020	08/24/2020	Monterey One Water	BLM Sewer Treatment Charge 07/2020 - 08/2020	132.50
69530	08/05/2020	08/24/2020	Staples Credit Plan	Office Supplies	685.87
69531	08/10/2020	08/24/2020	Orkin Franchise 925	BLM Pest Control 08/2020	191.00
69532	08/08/2020	08/24/2020	Johnson Controls Security Solutions LLC	Marina Security 09/2020 - 08/2021	1,468.73
69533	08/01/2020	08/24/2020	Maynard Group	AT&T Wireless Backup, eMVS Cloud, VoIP Services, NEC Phone Equipment Maintenance 08/2020	3,293.13
69534	07/31/2020	08/24/2020	DataProse, LLC	Customer Billing Statements 07/2020	7,849.07
69535	07/23/2020	08/24/2020	Disaster Kleenup Specialists	Water Mitigation - 345 Carentan Road	2,110.93
69536	07/28/2020	08/24/2020	Jones Hall, APLC	First Amendment to BBVA Loan Agreement	7,500.00
69537	07/13/2020	08/24/2020	Carollo Engineers, Inc.	Bid Services, Conformed Documents, Meetings, Submittal Review, RFI's - RUWAP	19,914.97
69538	07/23/2020	08/24/2020	American Supply Company	Janitorial Supplies	1,310.91
69539	08/03/2020	08/24/2020	Fastenal Industrial & Construction Supplies	Janitorial Supplies	292.82
69540	08/14/2020	08/24/2020	Conservation Rebate Program	176 Lillian Pl - Washer Rebate	150.00
69541	06/01/2020	08/24/2020	Monterey Peninsula Water Management District	Prepare Proposition 1 Grant Funding Application	23,578.76
69542	07/29/2020	08/24/2020	McGrath Rent Corp.	Modular Office - Water Resources 08/2020	743.69
69543	07/20/2020	08/24/2020	Don Chapin Co., Inc	Set and Anchor Generator - Ord Village LS	1,641.66
69544	07/23/2020	08/24/2020	Univar Solutions USA, Inc.	(1,330) gals Chlorine - Wells 10, 11, Intermediate Reservoir	2,850.50
69545	07/27/2020	08/24/2020	Central Welding and Fabrication LLC	Pipe Coupling Repair - Emergency B/C Booster	450.00
69546	07/16/2020	08/24/2020	Sherwin-Williams Co.	Paint - Water Sites Interior and Exterior	2,391.00
69547	08/04/2020	08/24/2020	Xpressmyself.com LLC	(40) Caution Signs and (2) Authorized Personnel Only Signs	759.30
69548	07/20/2020	08/24/2020	esri - Environmental Systems Research Institute	ArcEditor/ ArGIS Software 07/20/2020 - 07/19/2021	7,000.00
69549	06/30/2020	08/24/2020	County of Monterey - RMA Finance	Franchise Tax Fee (FORA) 04/2020 - 06/2020	139,409.28
69550	08/05/2020	08/24/2020	Conservation Rebate Program	3205 Susan Ave - Landscape Rebate	440.50
69551	07/24/2020	08/24/2020	Voyager Fleet Systems, Inc.	Fleet Gasoline	3,098.75
69552	08/04/2020	08/24/2020	Green Rubber-Kennedy AG, LP	Waterworks Supplies	1,517.66
69553	07/25/2020	08/24/2020	Graniterock Company	(3.69) tons Drain Rock - Sand Tank	410.49
69554	08/06/2020	08/24/2020	U.S. Bank Corporate Payment Systems	Cloud Hosted Server - CityWorks/ ESRI, Premiere Global Service, Zoom Pro/ Webinar Service, SCADA Internet, Maintenance Platform - Forklift, Safety Signs - MCWD Sites, General Supplies	4,584.75
69555	07/30/2020	08/24/2020	Edges Electrical Group, LLC	Flex Conduit and Clamps	77.35
69556	08/10/2020	08/24/2020	Monterey Bay Technologies, Inc.	(15) Microsoft Office 365 Advanced Threat Protection, (3) Microsoft Office 365 Visio Pro, (48) Microsoft Office 365 Licenses, (8) Microsoft Office 365 Business Essentials, Microsoft SQL Server 2019 License	10,939.96
69557	07/23/2020	08/24/2020	Kelley Print Plus LLC	(5,000) AP/ Payroll Envelopes	365.37

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
69558	07/31/2020	08/24/2020	Peninsula Messenger LLC	Courier Service 08/2020	160.00
69559	07/31/2020	08/24/2020	Western Exterminator Company	Pest Control - Beach Office 07/2020	91.50
69560	08/06/2020	08/24/2020	TIAA Commercial Finance, Inc.	(3) Office Copiers, eCopy ScanStation Leases 08/2020	1,182.73
69561	07/31/2020	08/24/2020	Iron Mountain, Inc.	Shredding Service 07/2020	178.16
69562	07/28/2020	08/24/2020	AT&T	Phone and Alarm Line Services 07/2020	208.59
69563	08/04/2020	08/24/2020	Simpler Systems, Inc.	UB Datapp Maintenance 08/2020	1,000.00
69564	07/27/2020	08/24/2020	Fieldman, Rolapp & Associates, Inc.	Liquidity Facility Renewal 03/2020 - 07/2020	4,796.00
69565	07/31/2020	08/24/2020	Marina Coast Water District (BLM)	BLM Water, Sewer, Fire Service 07/2020	355.11
69566	07/30/2020	08/24/2020	Johnson Electronics	BLM Fire Alarm Monitoring 07/2020 - 09/2020	84.00
69567	07/28/2020	08/24/2020	EKI Environment & Water, Inc.	City of Marina Permitting of CalAm Project Wells - Environmental	1,552.72
69568	07/28/2020	08/24/2020	R&B Company	(18) 1" Multi-Jet Meters with 3G Dialog, General Supplies	5,628.44
69569	08/01/2020	08/24/2020	Verizon Connect NWF, Inc.	GPS Service - (2) Meter Reader Trucks 07/2020	38.00
69570	07/30/2020	08/24/2020	Monterey County Weekly	Master Plans/Capacity Fees Notice of Public Hearing	393.75
69571	08/01/2020	08/24/2020	Greenwaste Recovery, Inc.	Garbage Collection & Recycling Services - Beach 08/2020	723.91
ACH	08/07/2020	08/07/2020	CalPERS	Payroll Ending 07/31/20	26,001.57
ACH	08/07/2020	08/07/2020	MassMutual Retirement Services, LLC	Payroll Ending 07/31/20	10,381.36
ACH	08/07/2020	08/07/2020	Internal Revenue Service	Payroll Ending 07/31/20	45,652.96
ACH	08/07/2020	08/07/2020	State of California - EDD	Payroll Ending 07/31/20	9,754.52
500842-500844	08/07/2020	08/07/2020	Payroll Checks and Direct Deposit	Payroll Ending 07/31/20	107,265.52
500845	08/07/2020	08/07/2020	General Teamsters Union	Payroll Ending 07/31/20	866.00
500846	08/07/2020	08/07/2020	WageWorks, Inc.	Payroll Ending 07/31/20	616.27
500847	07/11/2020	08/11/2020	Becks Shoe Store, Inc. - Salinas	Boot Benefit - O&M	162.51
500848	07/07/2020	08/11/2020	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 08/2020	72,246.54
500849	07/25/2020	08/11/2020	AFLAC	Employee Paid Benefits 07/2020	2,136.20
500850	07/27/2020	08/11/2020	Thomas P. Moore	Board Compensation 07/2020	50.00
500851	07/27/2020	08/11/2020	Matthew Zefferman	Board Compensation 07/2020	50.00
500852	07/18/2020	08/11/2020	Principal Life	Employee Paid Benefits 08/2020	332.02
500853	07/10/2020	08/11/2020	Lincoln National Life Insurance Company	Life, Short/ Long Term, AD&D Insurance 08/2020	2,440.03
500854	07/27/2020	08/11/2020	Peter Le	Board Compensation 07/2020	50.00
500855	07/15/2020	08/11/2020	Federico Embroidery	(36) MCWD Hats - O&M	781.04
500856	07/27/2020	08/11/2020	Herbert Cortez	Board Compensation 07/2020	50.00
500857	07/17/2020	08/11/2020	Transamerica Life Insurance Company	Employee Paid Benefits 07/2020	786.50
500858	08/01/2020	08/11/2020	Cintas Corporation No. 630	Uniforms, Towels, Rugs 07/2020	722.18
500859	07/27/2020	08/11/2020	Jan Shriner	Board Compensation 07/2020	50.00
ACH	08/21/2020	08/21/2020	Internal Revenue Service	Payroll Ending 08/14/20	43,843.93
ACH	08/21/2020	08/21/2020	MassMutual Retirement Services, LLC	Payroll Ending 08/14/20	19,267.49
ACH	08/21/2020	08/21/2020	CalPERS	Payroll Ending 08/14/20	26,012.36
ACH	08/21/2020	08/21/2020	State of California - EDD	Payroll Ending 08/14/20	9,173.67
500860-500862	08/21/2020	08/21/2020	Payroll Checks and Direct Deposit	Payroll Ending 08/14/20	104,720.83
500863	08/21/2020	08/21/2020	WageWorks, Inc.	Payroll Ending 08/14/20	616.27

Check No	Invoice Date	Check Date	Vendor Name	Description	Amount
500864	07/31/2020	08/26/2020	ACWA/ JPIA	Medical, Dental, Vision, EAP Insurance 09/2020	71,324.61
500865	08/14/2020	08/26/2020	CWEA - Monterey Bay Section	Membership Renewal	662.00
500866	08/25/2020	08/26/2020	AFLAC	Employee Paid Benefits 08/2020	2,165.90
500867	07/08/2020	08/26/2020	American Public Works Association	Membership Dues	525.00
500868	08/05/2020	08/26/2020	LegalShield	Employee Paid Benefits 08/2020	25.90
500869	08/05/2020	08/26/2020	Pinnacle Medical Group, Inc.	Drug Test (DOT)	115.00
500870	08/21/2020	08/26/2020	Government Finance Officers Association	Membership Renewal	160.00
500871	08/18/2020	08/26/2020	Principal Life	Employee Paid Benefits 09/2020	332.02
500872	08/10/2020	08/26/2020	Lincoln National Life Insurance Company	Life, Short/ Long Term, AD&D Insurance 09/2020	2,654.75
500873	08/17/2020	08/26/2020	WageWorks, Inc.	FSA Admin Fees 07/2020	152.00
500874	07/21/2020	08/26/2020	Federico Embroidery	(4) MCWD Adjustable Hats - Meter Readers	97.86
500875	07/31/2020	08/26/2020	Liebert Cassidy Whitmore	Legal Fees - General Matters 07/2020	407.00
500876	08/26/2020	08/26/2020	AR Refund	COBRA Overpayment	998.85
500877	08/26/2020	08/26/2020	AR Refund	COBRA Overpayment	1.95
				Total Disbursements for August 2020	**1,647,970.61**

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-B Meeting Date: September 21, 2020

Prepared By: Paula Riso Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of August 17, 2020

Staff Recommendation: The Board of Directors approve the draft minutes of the August 17, 2020 regular joint Board meeting.

Background: *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 17, 2020 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 17, 2020.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Marina Coast Water District

Regular Board Meeting/Groundwater Sustainability Agency Board Meeting
Via Zoom Teleconference
August 17, 2020

Draft Minutes

1. Call to Order:

President Moore called the meeting to order at 6:31 p.m. on August 17, 2020 via Zoom teleconference in Marina, California.

2. Roll Call:

Board Members Present:

Thomas P. Moore – President
Jan Shriner – Vice President
Herbert Cortez
Peter Le
Matt Zefferman

Board Members Absent:

None

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, District Counsel
Kelly Cadiente, Director of Administrative Services
Michael Wegley, District Engineer
Derek Cray, Operations and Maintenance Manager
Patrick Breen, Water Resources Manager
Rose Gill, Human Resources/Risk Administrator
Teo Espero, IT Administrator
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Andrew Sterbenz, Schaaf & Wheeler
Douglas Dove, Bartle Wells
Abigail Seaman, Bartle Wells
Dennis Martin, BIA Bay Area
John Kinsey, Wanger Jones Helsley PC
Doug Yount, Shea Homes
Tony Akel, Akel Engineering
Kevin Tuttle, Akel Engineering
Shawn Storm, Marina Resident
Richie Andazola, Teamsters Local 890
Chris Stump, Shea Homes
Andy Hunter, Whitson Engineers

President Moore commented that Pacific Gas & Electric notified the public that there could be rolling blackouts, and if the electricity goes out during the meeting it would be adjourned to Thursday, August 27, 2020 at 6:30 p.m. He added that if the electricity goes out before the Public Hearing is closed, the Public Hearing will remain open until the August 27th meeting where it will be completed at that time.

3. Public Comment on Closed Session Items:

There were no comments.

The Board entered into closed session at 6:35 p.m. to discuss the following items:

4. Closed Session:

A. Pursuant to Government Code 54956.9
Conference with Legal Counsel – Existing Litigation

1) Bay View Community DE, LLC; Bryan Taylor; Greg Carter; and Brooke Bilyeu vs Marina Coast Water District; Board of Directors of Marina Coast Water District; County of Monterey and Does 1-25, inclusive, Monterey County Superior Court Case No. 18CV000765 (Petition for Writ of Mandate or Administrative Mandate, and Complaint for Declaratory and Injunctive Relief and Breach of Contract)

2) Marina Coast Water District, and Does 1-100 v, County of Monterey, Monterey County Board of Supervisors, and Does 101-110 (California-American Water Company, Real Property in Interest), Monterey County Superior Court Case No. 19CV003305 (Petition for Writ of Mandate and Complaint for Injunctive Relief)

3) Appeal No. A-3-MRA-19-0034 by California-American Water Company to the California Coastal Commission over Denial by the City of Marina for a Coastal Development Permit for Construction of Slant Intake Wells for the Monterey Peninsula Water Supply Project

4) City of Marina vs. RMC Lonestar [CEMEX], California-America Water Company, et al., Defendants, Marina Coast WD, et al., Real Parties in Interest, Monterey County Superior Court Case No. 20CV001387 (Complaint for Breach of Contract, Declaratory Relief under the Agency Act, and Tortious Interference with Existing Contract)

5) Marina Coast Water District vs California-American Water Company, Monterey County Water Resources Agency; and, California-American Water Company, Monterey County Water Resources Agency vs Marina Coast Water District, San Francisco Superior Court Case Nos. CGC-15-547125, CGC-15-546632 (Complaint for Damages, Breach of Warranties, etc.)

B. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch Property
Negotiating Parties: Sunberry Growers, LLC. and MCWD Negotiators (Legal Counsel and General Manager)
Under Negotiation: Price and Terms

The Board ended closed session at 6:58 p.m. President Moore reconvened the meeting to open session at 7:00 p.m.

5. Reportable Actions Taken during Closed Session:

Mr. Roger Masuda, District Counsel, stated that there were no reportable actions taken during Closed Session.

6. Pledge of Allegiance:

Mr. Masuda led everyone present in the pledge of allegiance.

President Moore stated that he would move Items 10-A and 11-A up on the agenda before Item 7 to try to get through them before the possibility of a power outage.

10. Public Hearing:

President Moore opened the Public Hearing at 7:06 p.m.

A. Public Hearing for Proposed Changes in Water and Wastewater Capacity Fees for Central Marina and Ord Community Service Areas:

Mr. Michael Wegley, District Engineer, introduced this item noting that the Public Hearing had been published in the Monterey County Weekly and was also sent to the email distribution list for District agendas.

While waiting to fix the glitch preventing the audience from speaking, President Moore allowed Director Le to ask clarifying question on the Capacity Fees and Master Plans.

Mr. Dennis Martin, BIA Bay Area, commented that they have been involved in this process for over a year. He stated that a year ago the fees were quite high and after going through the process, many of their questions and concerns have been addressed to which he thanked staff. Mr. Martin stated that there is a projection for a lot of growth in the next 20 years and hopes that the District will be prepared for that growth with water and sewer services. He commented that although many of their concerns have been addressed they still had questions, e.g. on the Master Plans - high contingency allowances for each project; the methodology being used in calculating the fees; and, if the costs are being fairly shared between new development and existing development.

Mr. John Kinsey, Wanger Jones Helsley PC, asked if the July 20, 2020 minutes could be modified to include staff's affirmative answer to his question regarding if Table S7 included $4,598 per EDU in FORA obligations in the Capacity Fees. He said he would like to see something in writing.

Mr. Doug Yount, Shea Homes, echoed Mr. Kinsey's request to include staff's affirmative comment in the minutes. He also stated that they appreciated the District's staff and consultants with their help in facilitating the meetings over the last year and working through most of their concerns. Mr. Yount added that there were some questions that he would like answers to including Mr. Kinsey's request for staff to confirm that the augmented water portion from FORA was included in the Capacity Fees; and a request for confirmation that water Capacity Fees for each single family dwelling would be 1 EDU, not calculated by fixture count.

President Moore closed the Public Hearing at 7:35 p.m.

President Moore asked if staff could confirm they made the comment at the July 20th Board meeting that the FORA obligations of $4,598 were included in the Capacity Fees. Mr. Wegley stated that he did confirm that at the July 20th meeting. President Moore also asked for clarification that single family dwelling units would be charged with Capacity Fees for 1 EDU no matter how many fixture units there were. Mr. Wegley confirmed that was correct. The Board asked clarifying questions. Mr. Keith Van Der Maaten, General Manager, noted that in Section 6.08.090-B, of the Code, the Capacity Fees may be adjusted July 1 of each year based on the change in the Engineering News Record.

11. Action Item:

A. Consider Second Reading and Adoption of Ordinance No. 61 Approving New District Water and Wastewater Capacity Charges for the Central Marina and Ord Community Service Areas:

Mr. Wegley introduced this item. Director Le suggested changing the title "Capacity Charge" in Section 6.12.020 to "Collection Charge". Mr. Masuda suggested making the change next time there is a change to the Ordinance so as not to have to start the whole process again. He added that the table in 6.12.040 clarifies that it is a Sewer Capacity Charge.

Mr. Yount asked for clarification on the $24M CIP shortfall, as noted on page 44 of the Board Packet. Mr. Douglas Dove, Bartle Wells, said that number should have been updated to $23.2M and it was referring to a shortfall if the Average Coast Approach was used, not the Hybrid Buy-In method + marginal future cost.

Director Zefferman made a motion to wave the reading of the entire Ordinance No. 61 - An Ordinance Amending Sections 1.04.010, 6.08.090, 6.12.020, 6.12.040, and Appendix C of the District Code Changing Capacity Charges for Water and Sewer Services for the Central Marina Service Area and the Ord Service Area. Vice President Shriner seconded the motion.

Agenda Item 11-A (continued):

The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Abstained			

7. Oral Communications:

There were no comments made.

8. Presentation:

   A. Consider Adoption of Resolution No. 2020-49 to Recognize Kelly Cadiente, Director of Administrative Services, for 10 Years of Service to the Marina Coast Water District:

Vice President Shriner made a motion to adopt Resolution No. 2020-49 recognizing Kelly Cadiente, Director of Administrative Services, for 10 Years of Service to the Marina Coast Water District. Director Cortez seconded the motion. Director Le noted that the Resolution named Ms. Cadiente's previous employer as "Monterey County Pollution Control Agency" and it should be the "Monterey Regional Water Pollution Control Agency". Vice President Shriner amended her motion to make the correction to the Agency name. Director Cortez seconded the amendment. Mr. Yount congratulated Ms. Cadiente on her achievement. The amended motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

   B. Consider Adoption of Resolution No. 2020-50 in Recognition of Keith Van Der Maaten, General Manager, for 5 Years of Service to Marina Coast Water District:

President Moore made a motion to adopt Resolution No. 2020-50 recognizing Keith Van Der Maaten, General Manager, for 5 Years of Service to Marina Coast Water District. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Zefferman	-	Yes			

9. Consent Calendar:

Director Le requested to pull Item D from the Consent Calendar. Director Zefferman requested to pull item B from the Consent Calendar.

Agenda Item 9 (continued):

Vice President Shriner made a motion to approve the Consent Calendar consisting of: A) Receive and File the Check Register for the Month of July 2020; and, C) Consider Renumbering Resolution No. 2020-41, Congratulating and Recognizing Joe Correa on his Retirement as the Electrical/Mechanical Field Supervisor with Nearly 28 Years of Service to MCWD, to Resolution No. 2020-48. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Abstained			

B. Approve the Draft Minutes of the Regular Joint Board/GSA Meeting of July 20, 2020:

Director Zefferman asked to include Mr. Wegley's affirmative response on Page 5 of the minutes as requested by Mr. Kinsey. Mr. Van Der Maaten stated that Mr. Wegley's response will also be included in the minutes for this meeting.

Director Zefferman made a motion to approve the draft minutes of July 20, 2020 with the requested comment added. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Zefferman	-	Yes			

D. Consider Adoption of Resolution No. 2020-51 to Authorize a Notice of Completion for the Emergency Generator Project to be Filed with the Monterey County Recorder:

Director Le asked if the District had As-Built plans. Mr. Cray answered they did not have any.

Vice President Shriner made a motion to adopt Resolution No. 2020-51 to authorize a Notice of Completion for the Emergency Generator Project to be filed with the Monterey County Recorder. Director Zefferman asked if District experienced any issues with the recent power outage. Mr. Cray answered that thanks to this project, there were no issues, but had it not been for this project, there would have been many issues and more than likely a boil water notice. Director Zefferman seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Abstained			

11. Action Items:

B. Consider Complaints Against Director Le for Alleged Violations of the Board Procedure Manual and Provide Direction to Staff:

Mr. Van Der Maaten introduced this item noting that Director Zefferman sent an email to the Board President requesting to consider a censure of Director Le. A letter had also been received from Mr. Richard Andazola, Teamsters Local 890, regarding Misconduct/Harassment/Retaliation. Mr. Van Der Maaten said that there are five options for the Board to consider: 1) Consider whether an additional investigation is needed or that the Board has sufficient information to provide direction to staff. If the Board determines that an additional investigation is needed, determine who should conduct the investigation; 2) Consider whether to censure Director Le; 3) Training for the Board; 4) Consider taking some other action(s) as determined by the Board; and, 5) Take No Action.

Director Le asked why he had not been notified of the complaint when it was made, instead of finding out about it when he received the Board packet. President Moore asked if there was a policy or procedure stating that there was a deadline to inform a Director of a complaint against them. Both Mr. Van Der Maaten and Mr. Masuda stated that they were unaware of any deadline.

Director Le said that this was a serious complaint and even though the complaints were made in late July, he did not find out about them until he received his packet on August 13th. He asked what the results were of the investigation and referred to the report that was provided by Jeanine DeBacker in a previous investigation as an example. President Moore answered that the information in the staff report was the result of the investigation, and the investigation made by Ms. DeBacker was done after the Board authorized an investigation by outside legal counsel.

Director Cortez, President Moore, and Vice President Shriner made comments. Mr. Van Der Maaten suggested having the two people who wrote the letters make comments.

Director Zefferman commented that the difference between his letter and the one from the Union, were that his letter focused on the Board Procedures Manual (BPM) and the Union's letter mentioned the BPM and also brought attention to the CBA and Social Media Policy. He stated that he wrote the letter because he was very surprised to log into the NextDoor Marina App and see that Director Le was criticizing staff publicly and falsely, including accusing them of illegal behavior. Director Zefferman stated that he felt it would be remiss of the Board to let this behavior go unchallenged. He noted that he would like to focus on the violation of the BPM and would like to see the Board move forward on Option 2, because it was obvious that staff was criticized and it was done in a public forum. Director Zefferman said that even though he doubted that staff did what Director Le accused them of doing, the proper recourse was to speak with the General Manager about it and not broadcast it in a public forum.

Mr. Andazola commented that his letter outlined the violation and that this behavior is inappropriate and requests the Board take action as they are the only authority to do so. President Moore asked what Mr. Andazola would like to see done to make then employee whole. Mr. Andazola answered that he was requesting that Director Le cease and desist in his attacks and bullying and rescind his false statements.

Agenda Item 11-B (continued):

Director Cortez and Vice President Shriner made comments.

Ms. Paula Riso, Executive Assistant/Clerk to the Board, commented that when she saw the post by Director Le in NextDoor accusing staff of not rotating roll call votes, manipulating votes, and recording closed sessions, she was very upset. Although staff names were not mentioned, Ms. Riso stated that as she was the Board Clerk who calls roll call, it was obviously directed at her. She stated that as a 22-year employee of the District she prided herself on her integrity and work ethics and would never do what Director Le accused her of. Ms. Riso said she would be agreeable to receiving an apology from Director Le and that he ceases from publicly criticizing District staff.

Director Le responded that there was no written report provided to the Board, and the staff report did not mention who did the investigation and which employees were talked to. He commented that when he was elected to the Board, it did not mean he had to give up his First Amendment Rights. Director Le reiterated that the complaints were made on July 20 and July 29 and he did not know of the complaints until August 13 when he received his Board packet. He said he did not have much time to prepare a response and thought there was something in the BPM to notify a Director if they were involved in a complaint. Director Le commented the staff report, which did not mention his previous notification to the Board President and District Counsel on one of the issues, was incomplete. He added that Director Zefferman never mentioned that Director Le has a right to express his personal opinion as a private individual, and that Director Zefferman never checked the adopted Social Media Policy section that pertains to posts.

Director Le stated that in reading the letter from the Union, it was not clear if Ms. Riso was a member of Teamsters Local 890 or not, and if she's not a member, she should have to write a letter to agree to allow the Union to file a complaint on her behalf. He said that as he read the letter, there are a lot of statements but no back-up material, and it was not clear how Teo was involved in this complaint. Regarding the staff investigation, Director Le said that the staff report did not mention if the General Manager had discussed the issue with Ms. Riso in the last 8-12 months or not; nor, did the staff report say if the General Manager had asked any other District staff to check the accuracy of the minutes prepared by Ms. Riso for the last 5 years. He also added that the staff report did not provide a reason why Director Le was not notified when the District received the complaint on July 20 and 29th. Director Le said he would like to know whether the Union, the member, and Ms. Riso were involved in the investigation, and noted that he was never questioned so how could they know the other side of the information.

Director Le read the roll call from the minutes of July 20, 2020:

- Item 8-A – Le, Cortez, Zefferman, Shriner, Moore
- Item 9 – Zefferman, Cortez, Le, Shriner, Moore
- Item 10-A – Cortez, Zefferman, Le, Shriner, Moore
- Item 10-B – Zefferman, Cortez, Le, Shriner, Moore
- Item 10-C – Zefferman, Cortez, Le, Shriner, Moore
- Item 10-D – Cortez, Zefferman, Le, Shriner, Moore
- Item 10-G – Zefferman, Cortez, Le, Shriner, Moore

Agenda Item 11-B (continued):

Director Le read the roll call from the minutes of June 15, 2020:

- Item 8-A – Le, Cortez, Zefferman, Shriner, Moore
- Item 10-A – Zefferman, Cortez, Le, Shriner, Moore
- Item 11 – Cortez, Zefferman, Le, Shriner, Moore
- Item 12-A – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-B – Cortez, Le, Zefferman, Shriner, Moore
- Item 12-C – Le, Cortez, Zefferman, Shriner, Moore
- Item 12-D – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-E – Cortez, Zefferman, Le, Shriner, Moore

President Moore commented that the roll call votes Director Le just read sounded like there was rotation between them. Director Le said he wasn't through with his statement and asked not to be interrupted.

- Item 12-D – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-E – Cortez, Zefferman, Le, Shriner, Moore
- Item 12-F – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-G – Le, Cortez, Zefferman, Shriner, Moore
- Item 12-H – Cortez, Zefferman, Le, Shriner, Moore

Director Le read the roll call from the minutes of May 18, 2020:

- Item 12-A – Cortez, Le, Zefferman, Shriner, Moore
- Item 12-B – Le, Cortez, Zefferman, Shriner, Moore
- Item 12-C – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-D – Zefferman, Cortez, Le, Shriner, Moore

Director Le read the roll call from the minutes of April 20, 2020:

- Item 9-A – Cortez, Zefferman, Le, Shriner, Moore
- Item 9-B – Zefferman, Cortez, Le, Shriner, Moore
- Item 9-E – Cortez, Le, Zefferman, Shriner, Moore
- Item 12-A – Le, Cortez, Zefferman, Shriner, Moore
- Item 12-B – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-D – Zefferman, Cortez, Le, Shriner, Moore
- Item 12-E – Cortez, Le, Zefferman, Shriner, Moore
- Item 12-G – Cortez, Zefferman, Le, Shriner, Moore

Director Le said he read the roll call from four meetings to show the roll call was not rotated. He said that this shows the issue with the minutes, the issue with the recording, and the issue with the staff reports, and he went through these items so the Board can hear about it before they make their mind up and take action.

Agenda Item 11-B (continued):

Director Le said since he was elected to the Board in 2018, he is mostly the only one to pull minutes from the Consent Calendar to make a correction because sometimes the minutes did not reflect what he said. He questioned if sometime in 2019 or 2020, did the General Manager discuss this issue with Ms. Riso, and if any other employee checked on the accuracy of the minutes or not.

Director Le said that with regards to his claim of recording in closed session, he hasn't seen any evidence from the Union and how can they pick out an employee and file a claim against him without any evidence at all. He said the first time he noticed a recording during closed session at the City of Marina conference room, Mr. Van Der Maaten was in the room first and said he needed to turn on the recorder first and set it on the table, then when closed session was over, he turned it off. Director Le said the second time he noticed the recording during closed session was at the City of Marina Council Chambers when closed session was discussed after the meeting. He said he could not hear well so he walked to the front of the dais and noticed that the recorder was recording so he turned it off and gave it to Mr. Van Der Maaten. Director Le said Mr. Van Der Maaten took the recorder and walked out of the building for a few minutes and then he came back. He said a third time he noticed recording during closed session was at the Council Chambers, and a fourth time he noticed closed session was being recorded was at the District office, 11 Reservation Road. He said that after he noticed these events, he notified the Board President and District Counsel on February 24, 2020, and since that time, he hasn't heard anything from the Board President or District Counsel.

Ms. Riso replied that when the minutes show the roll call votes, they do not show the order in which they are called, they are merely a record of how the Directors voted on the item, not the order. She said that she has always done it that way and was told 20 years ago that when calling roll call, the first three Directors are rotated, and the Vice President and President are always called last. Mr. Riso said that even though the minutes may show a different order than what was called, it is simply a cut and paste scenario when preparing the minutes, as they are not typed from scratch each time. With regards to recording closed session, Ms. Riso said that when her digital recorder is recording, the light on the recorder is solid red, and when the Board goes into closed session, she pauses the recording, causing the red light to blink, and upon return from closed session, she can then un-pause the recorder and continue the recording to keep the meeting on one digital file. She stated that anyone can listen to the recordings to hear that there is no closed session included in them.

Vice President Shriner asked Mr. Van Der Maaten for any response before she makes her motion.

Mr. Van Der Maaten clarified that what was clearly written in both complaints had to do with violation of BMP Section 15, and that is really the extent of what was needed with regards to an investigation. He said that Section 15 clearly states that Directors shall refrain from publicly censoring and criticizing members of the District staff, and that it says nothing of the fact if a Director is right or wrong, only that a Director shall not publicly criticize staff. Mr. Van Der Maaten said that both complaints refer to this violation. He added that Section 15 was violated even further tonight, with new criticisms of staff, very unfounded, and regurgitated all over again in a public meeting.

Agenda Item 11-B (continued):

Mr. Van Der Maaten again clarified that what was before the Board was Section 15 of the BPM and if it is being adhered to or not.

Mr. Andazola commented that the statements and questions made by Director Le, further show an insensitivity to these basic rules and rights of employees. He said that to question any employee of their Union membership, e.g. whether they are a member or not, is a violation. Mr. Andazola stated that Union membership and Union activity are both protected classes', just like race, sexual orientation, or any others, and that these are additional new violations. He added that although Director Le stated that his statements are protected by the First Amendment of the Constitution, it has been clarified when the Board took similar action in the past that it is not the case.

Director Zefferman read the second to last paragraph of his letter, "While the lack of evidence or justification for Director Le's criticisms makes his violations of board procedures all the more concerning, the board should consider that even if a director has legitimate evidence-based criticisms of District staff, the Board Procedures Manual states that the board member shall refrain from making their criticisms publicly." He stated that with this paragraph, he was trying to preempt this whole discussion about whether Director Le had evidence or whether they were good claims. Director Zefferman said that staff had provided good explanations for that, but it is beside the point. He clarified that the point is that Director Le criticized staff and has not denied it, and it is pretty cut and dry. Director Zefferman said that although Director Le is claiming free speech, the BPM specifically states if you violate the BPM you may be censured, so in this case, the First Amendment Right does not hold water. He concluded that, although he did not expect it, he was disappointed that Director Le did not just apologize.

Mr. Masuda commented that Director Zefferman is correct that the BPM Section 15 limits the First Amendment Right. He said that when a Director accuses an employee of misconduct, the employee has certain rights, and even tonight crossed the line when more things came up that were inappropriate. Mr. Masuda said that giving the employees a right to respond to those criticisms was good. He added that even if Ms. Riso did change the order of a vote, how does that prove manipulation of a vote, which by the way, the complaint was never brought to the General Manager's attention. Mr. Masuda stated that he didn't recall the complaint of recording the closed session by Director Le, but if he did receive the complaint, he would have discussed it with the General Manager and thinks he got confirmation that it wasn't occurring. He concluded that it comes down to the public criticism made by Director Le, which he doesn't deny, and whether the Board thinks he violated the BPM.

Vice President Shriner made a motion to Censure Director Le and schedule a Board training session that focuses on the legal ramifications on slander and libel. The motion died for lack of a second.

Director Zefferman made an alternate motion to Censure Director Le. Director Cortez seconded the motion.

Agenda Item 11-B (continued):

President Moore clarified that this item started out with a staff report; followed by questions by Director Le; followed by comments by other Directors; comments were received by aggrieved parties; comments by Director Le; and now a motion, and second, to censure. President Moore verified with Mr. Masuda if the Board could deny the Director from placing any items on the agenda, for a period of time. Mr. Masuda affirmed that was correct. President Moore asked if Director Zefferman would amend his motion to include the prevention of Director Le from placing items on the agenda until Director Le publicly apologizes to the satisfaction of the aggrieved parties.

Director Zefferman amended his motion to prevent Director Le from putting items on the agenda until he apologizes to staff. Director Cortez seconded the motion.

President Moore read an excerpt from Section 15 of the BPM, "Directors should also be aware that their free speech rights may be limited when it comes to certain information related to District staff." stating that Director Le has deliberately ignored that. He added that if Director Le did not like the limitation, he could have requested it be changed or deleted. President Moore stated that he was disappointed that Director Le questioned the evidence against him and yet provided no evidence when he made the accusations on NextDoor.

Following discussion, Director Zefferman modified his amended motion to direct staff to agendize an item for the next public meeting of the Board to censure Director Le with the penalty pertaining to Section 41-B of the Board Procedures Manual (B - Preventing the offending Director from placing items on the agenda without the specific advance authorization of the Board). Director Cortez seconded the amended motion.

Director Le commented that he didn't get the roll call votes from the minutes. He then asked how he could present very important information to the Board if he wasn't allowed to add items to the agenda. President Moore answered that he would have to convince another Director to request it for him. Director Le said if that's the case, he wants the Board to think about when he has important information, he will just forget it because he doesn't want to try to convince another Board member to put it on the agenda.

The amended motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	No	President Moore	-	Yes
Director Cortez	-	Yes			

C. Consider Adoption of Resolution No. 2020-52 to Approve a Water, Sewer and Recycled Water Infrastructure Agreement between the Marina Coast Water District and Shea Homes Limited Partnership for the Dunes on Monterey Bay Phase 2 East Development Project:

Mr. Wegley introduced this item. Director Le asked clarifying questions.

Agenda Item 11-C (continued):

Vice President Shriner made a motion adopt Resolution No. 2020-52 to approve a Water, Sewer and Recycled Water Infrastructure Agreement between the Marina Coast Water District and Shea Homes Limited Partnership for the Dunes on Monterey Bay Phase 2 East Development Project. Director Zefferman seconded the motion. The amended motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Cortez	-	Yes			

D. Consider Adoption of Resolution No. 2020-53 to Award a Contract to Calcon System for Installation, Programming, and Integration of Human Machine Interfaces at the District's Water and Sewer Pump Stations:

Mr. Derek Cray, Operations and Maintenance Manager, introduced this item. The Board asked clarifying questions.

President Moore noted it was 10:00 p.m., and asked if a Director wanted to make a motion to continue. Director Zefferman made a motion to finish Item 11-D and schedule a special meeting on August 27, 2020 for the remaining items with updated staff reports, if needed, and add the item for the censure of Director Le. Vice President Shriner seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

Returning to Item 11-D, Vice President Shriner made a motion to adopt Resolution No. 2020-53 to award a contract to Calcon System for installation, programming, and integration of Human Machine Interfaces at the District's water and sewer pump stations. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

16. Adjournment:

The meeting was adjourned at 10:04 p.m.

APPROVED:

_____
Thomas P. Moore, President

ATTEST:

_____
Paula Riso, Deputy Secretary

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 10-C Meeting Date: September 21, 2020

Prepared By: Paula Riso Approved By: Keith Van Der Maaten

Agenda Title: Approve the Draft Minutes of the Special Joint Board/GSA Meeting of August 27, 2020

Staff Recommendation: The Board of Directors approve the draft minutes of the August 27, 2020 special joint Board meeting.

Background: *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 27, 2020 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 27, 2020.

Action Required: _____Resolution ___X___Motion _____Review

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

Marina Coast Water District

Special Board Meeting/Groundwater Sustainability Agency Board Meeting
Via Zoom Teleconference
August 27, 2020

Draft Minutes

1. Call to Order:

President Moore called the meeting to order at 6:36 p.m. on August 27, 2020 via Zoom teleconference in Marina, California.

2. Roll Call:

Board Members Present:

Thomas P. Moore – President
Jan Shriner – Vice President
Herbert Cortez
Peter Le
Matt Zefferman

Board Members Absent:

None

Staff Members Present:

Keith Van Der Maaten, General Manager
Roger Masuda, District Counsel
Kelly Cadiente, Director of Administrative Services
Michael Wegley, District Engineer
Derek Cray, Operations and Maintenance Manager
Rose Gill, Human Resources/Risk Administrator
Teo Espero, IT Administrator
Paula Riso, Executive Assistant/Clerk to the Board

Audience Members:

Andrew Sterbenz, Schaaf & Wheeler
Richie Andazola, Teamsters Local 890
Larry Hampson, Monterey Peninsula Water Management District

3. Pledge of Allegiance:

Vice President Shriner led everyone present in the pledge of allegiance.

4. Oral Communications:

There were no comments made.

5. Action Items:

   A. Consider Adoption of Resolution No. 2020-54 to Approve the Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Plan Update and Authorize the General Manager to Enter into a Subgrantee Agreement with MPWMD for Prop 1 Funding Grant Administration:

Mr. Michael Wegley, District Engineer, introduced this item. Vice President Shriner asked clarifying questions.

Vice President Shriner made a motion adopt Resolution No. 2020-54 to approve the Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Plan Update and Authorize the General Manager to Enter into a Subgrantee Agreement with MPWMD for Prop 1 Funding Grant Administration. President Moore seconded the motion.

Director Le asked if there is surplus money from the other projects, could it be transferred to the District's project. Mr. Larry Hampson, Monterey Peninsula Water Management District, answered that the City of Monterey has not been able to move their project forward and will have to drop out. He added that in discussions with the Department of Water Resources (DWR), they informed him those funds can be available to other projects as long as they meet the criteria and have the information to DWR before the deadline of September 4, 2020. The Board asked clarifying questions.

Vice President Shriner amended her motion to include language by District Counsel to Resolution No. 2020-54 regarding a request for additional funds that may be available. President Moore seconded the amended motion. The amended motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Zefferman	-	Yes			

   B. Consider Adoption of Resolution No. 2020-40 to Approve the District's Five-Year Capital Improvement Program Budget:

Mr. Wegley introduced this item explaining the Beach Road project will have to be further analyzed and the Board will be asked to amend the CIP when more information is available. He mentioned the options for the South Boundary Pipeline is still being looked at as well.

Vice President Shriner made a motion adopt Resolution No. 2020-40 to approve the District's Five-Year Capital Improvement Program Budget. The motion died for lack of a second.

The Board asked clarifying questions.

Vice President Shriner made a motion adopt Resolution No. 2020-40 to approve the District's Five-Year Capital Improvement Program Budget. Director Cortez seconded the motion.

Agenda Item 5-B (continued):

Director Le inquired about the Beach Road project and District easements. Vice President Shriner called a Point of Order. President Moore overruled the Point of Order to allow Mr. Wegley to answer Director Le's questions about Beach Road. Mr. Wegley answered that staff was still analyzing pipeline routes around Beach Road and the 30' easement was along Beach road between DeForest Road up to the Historic Tree Line. Mr. Van Der Maaten, General Manager, said that Beach Road was still an option, but there are other routes that might be easier than the Beach Road route.

Director Le asked if there was adequate fire flow for Olsen School and the surrounding apartments and houses if the Beach Road project was delayed for 1-2 years. Vice President Shriner called a Point of Order. Director Le asked to continue. Vice President Shriner called a second Point of Order. President Moore overruled the Point of Order to allow Mr. Wegley to answer Director Le's questions. Mr. Wegley answered that the model shows there is a deficiency to the West of DeForest Road which is the reason for the project.

Following discussion, the motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	No	President Moore	-	Yes
Director Zefferman	-	Yes			

C. Consider Adoption of Resolution No. 2020-55 to Update Language in the Memorandums of Understanding with the Marina Coast Water District Employees Association and the Teamsters Local 890:

Ms. Rose Gill, Human Resources/Risk Administrator, introduced this item. The Board asked clarifying questions. President Moore asked if both groups had a meet-and-confer on this language. Ms. Gill answered that both groups approved of the language.

Vice President Shriner made a motion adopt Resolution No. 2020-55 to update language in the Memorandums of Understanding with the Marina Coast Water District Employees Association and the Teamsters Local 890. Director Cortez seconded the motion. The motion was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	Yes	President Moore	-	Yes
Director Zefferman	-	Yes			

D. Consider Adoption of Resolution No. 2020-56 to Censure Director Le for Violating the Board Procedures Manual:

Vice President Shriner asked if the Board could move ahead with this item if the action on the agenda was incorrect. Mr. Masuda answered that it could.

Mr. Van Der Maaten introduced this item.

Agenda Item 5-D (continued):

Vice President Shriner asked clarifying questions regarding the consequences of the censure.

Vice President Shriner made a motion adopt Resolution No. 2020-56 to censure Director Le for violating the Board Procedures Manual. Director Zefferman seconded the motion.

Director Le commented that the resolution said the General Manager investigated the claims and asked to see the results of the investigation and which employees were interviewed.

Director Zefferman called a Point of Order commenting that the employees are not the ones being censured, it is Director Le, and so it is unclear why they would be interviewed. He said that the Resolution before them is that Director Le publicly criticized staff and posted it on social media, in a public forum, and Director Le never denied he did it.

Director Le called a Point of Order. He said that there is a staff report and resolution that informed him of the censure and he is entitled to his questions. President Moore allowed Director Le to continue his questions. Director Le's question: 1) the General Manager stated he investigated the claims and asked to see the results of the investigation and which employees he talked to and why he did not talk to him.

Director Cortez called a Point of Order saying Director Le has a right to ask questions, but those questions do not all have to be answered. Director Cortez added that he and other Directors have questions as well. He suggested letting Director Le and all the other Directors ask their questions, then the General Manager and District Counsel can answer them.

Director Le asked the following questions:

2) why were the results of the investigation not provided to him.

3) the staff report and resolution…

Vice President Shriner called a Point of Order stating that she is concerned that the questions are a criticism of staff in an open public meeting. President Moore said there is no way to prevent it even if it does violate the Board Procedures Manual and allowed Director Le to proceed.

Director Le continued his questions:

3) on page 131 of the Board packet, the second paragraph states, "Director Le provided his response and defense." but it doesn't say what he provided, and the next sentence explained in detail the employee's response. He would like to know why his response was not included in both the staff report and the resolution.

4) there is no mention of the false accusations against him by the member of Teamsters Local 890.

5) why didn't the District follow the procedures described in the Board Procedures Manual and Employee Handbook.

6) did staff or District Counsel discuss the complaint with any Director.

Agenda Item 5-D (continued):

Director Le continued his questions:

7) Section I of the resolution, what employees did the District Counsel talk to, and when.

Vice President Shriner called a Point of Order stating that Director Le is repeating his questions. She said the investigation has concluded it was documented there was a Board Procedures Manual violation so there is no reason to have to listen to all of this.

Director Le continued his questions:

8) why didn't District Counsel talk to him regarding his complaint.
9) why didn't President Moore or District Counsel contact him for over 6 months after his complaint.
10) he wants on the record that there was no notification to him on his complaint.

Director Zefferman commented that the Board spent a lot of time on this issue, well over an hour at the last meeting. He said Director Le is asking a lot of the same questions and one thing that the Board needs to keep in mind is that this is not a resolution about the behavior of staff. Director Le reminded everyone that the Board Procedures Manual states this is not to be done in a public forum and whatever the staff did or didn't do is not part of this resolution. He added that this resolution is pretty straight forward – did Director Le criticize staff in a public forum – not about whether the criticisms were legitimate or not, or whether Director Le wasn't informed about a previous complaint he made seven months ago. Director Zefferman said he felt the Point of Orders earlier were justified and that Director Le got to ask his questions. He reiterated that this is about Director Le violating a specific line of the Board Procedures Manual that says you do not criticize staff in a public forum, and after evidence was presented at the last meeting, the Board looked at the evidence and decided to have a resolution at this meeting about it and all the other issues are beside the point. Director Zefferman concluded that Director Le has not ever denied writing the post, and even implied that he did, so it is pretty cut and dry and they do not need to waste more time discussing these other points.

President Moore asked if the District has a policy for investigations. Mr. Masuda answered that there was no formal policy and that Director Le has been given due time to ask his questions. He added that this investigation was different from the one in 2014 because there was direct evidence of the post which Director Le never denied posting, so there did not need to be any formal investigation.

Vice President Shriner called for the question. Director Zefferman seconded the call for the question. The call for the question was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	No	President Moore	-	Yes
Director Zefferman	-	Yes			

Agenda Item 5-D (continued):

The motion by Director Shriner to Censure Director Le was passed by the following vote:

Director Cortez	-	Yes	Vice President Shriner	-	Yes
Director Le	-	No	President Moore	-	Yes
Director Zefferman	-	Yes			

6. Staff Reports:

A. Receive an Update on the Fiscal Impacts to the District Due to Covid-19:

Ms. Kelly Cadiente, Director of Administrative Services, introduced this item. The Board asked clarifying questions.

B. Receive Information on the District's Water Quality Testing:

Mr. Derek Cray, Operations and Maintenance Manager, introduced this item. Director Le asked for a copy of the slides and suggested Mr. Cray check the website for PFAS requirements that came out in August.

C. Receive a Report on Current Capital Improvement Projects:

Mr. Wegley introduced this item. The Board asked clarifying questions.

D. Receive the Developer Account Update through March 31, 2020:

Mr. Wegley introduced this item. Director Le suggested separating out projects that owe the District from the ones that are current to make it easier to follow.

E. Receive the 2nd Quarter 2020 MCWD Water Consumption Report:

Ms. Cadiente introduced this item noting that a customer has informed the District that Bay View has been requiring their tenants to keep their lawns green since April. Director Moore suggested a graph on how close to their allocations the cities and developments are getting.

F. Receive the 2020 Sewer Flow Report through June 30, 2020:

Ms. Cadiente introduced this item. The Board asked clarifying questions.

G. Receive a Report on 2020 Pure Water Monterey and MCWD Recycled Water Flows through June 30, 2020:

Mr. Cray introduced this item. The Board asked clarifying questions.

H. Receive a Report on 2020 Potable Water Production through June 30, 2020:

Mr. Cray introduced this item. President Moore asked for a copy of the production spreadsheet as far back as possible.

7. Informational Items:

A. General Manager's Report:

Mr. Van Der Maaten stated that the Coastal Commission staff report had been released and it is requesting denial of the Cal Am application for the Desal Project.

B. Counsel's Report:

No report was given.

C. Committee and Board Liaison Reports:

1. Water Conservation Commission:

Director Zefferman stated that no meeting was held.

2. Joint City District Committee:

President Moore stated they met on August 26th and the next meeting is scheduled for October 28th. Vice President Shriner commented on the City of Marina's actions taken for the Equestrian Center.

3. Executive Committee:

President Moore gave a brief update.

4. Community Outreach Committee:

Director Zefferman gave a brief update.

5. Budget and Personnel Committee:

Vice President stated there was no meeting in July.

6. M1W Board Member:

President Moore said the next meeting is August 31st.

7. LAFCO Liaison:

Director Cortez said he had no update.

8. JPIA Liaison:

Director Le said they met on July 27th but did not attend the meeting as there were no relevant items.

9. Special Districts Association Liaison:

President Moore noted the next meeting was scheduled for October 20th and will held via Zoom.

8. Public Comment on Closed Session Items:

There were no comments.

President Moore recessed the meeting from 8:43-8:48 p.m. The Board entered into closed session at 8:48 p.m. to discuss the following item:

9. Closed Session:

A. Pursuant to Government Code 54956.8
Conference with Real Property Negotiator
Property: Armstrong Ranch Property
Negotiating Parties: Sunberry Growers, LLC. and MCWD Negotiators (Legal Counsel and General Manager)
Under Negotiation: Price and Terms

The Board ended closed session at 9:58 p.m. President Moore reconvened the meeting to open session at 9:59 p.m.

President Moore noted it was 10:00 p.m. and asked if a Director wanted to make a motion to continue. Director Zefferman made a motion to finish the agenda. President Moore seconded the motion. The motion was passed by the following vote:

Director Zefferman	-	Yes	Vice President Shriner	-	Yes
Director Cortez	-	Yes	President Moore	-	Yes
Director Le	-	Yes			

10. Reportable Actions Taken during Closed Session:

President Moore stated that there were no reportable actions taken during Closed Session.

11. Board member Requests for Future Agenda Items:

Board members can email in their requests.

12. Director's Comments:

Director Cortez, Director Zefferman, Director Le, Vice President Shriner, and President Moore made comments.

13. Adjournment:

The meeting was adjourned at 10:24 p.m.

APPROVED:

Thomas P. Moore, President

ATTEST:

Paula Riso, Deputy Secretary

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-A Meeting Date: September 21, 2020

Prepared By: Michael Wegley Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2020-57 to Approve Amendment No. 6 to the Professional Services Agreement with Akel Engineering Group, Inc. for the Master Plans and Capacity Fees Study for Sewer, Water, and Recycled Water

Staff Recommendation: Staff recommends that the Board of Directors adopt Resolution No. 2020-57 approving Amendment No. 6 to the Professional Services Agreement with Akel Engineering Group, Inc. to add the total dollar amount of $24,892 for a not-to-exceed contract amount of $698,556 to complete the Master Plans and Capacity Fee Study for Sewer, Water and Recycled Water; and, to authorize the General Manager to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

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*.

The District engaged Akel Engineering Group, Inc. (Akel) to prepare the master plans and capacity fee study for sewer, water and recycled water for $463,715.00. The Board approved five contract amendments increasing the contract to $698,556.

Reviews of the draft master plans and capacity fees at all levels led to multiple revisions in the capital improvement projects, cost estimates and capacity fees. Akel prepared the final reports based on comments received for the draft Sewer, Water, and Recycled Water Master Plans and Capacity Fee Study. Akel's subconsultant, Bartle Wells & Associates, updated the draft capacity fee study using the Hybrid Buy-In + Marginal Future cost methodology to comprehensively recover the development share of existing facilities and capital improvement projects benefiting future users.

Discussion and Analysis: Attachment 1 is Amendment No. 6. An explanation of the scope changes in Amendment 6 is as follows:

- Multiple revisions to Capital Improvement Plan costs for each enterprise.
- Replacing CAFR asset valuation method with detailed asset replacement cost listings and estimated depreciation.
- Reviewing and analyzing reports prepared by stakeholders.
- Revising the model to reflect changes to the asset valuation method.
- Revising draft Capacity Fee Study reports.
- Participating in additional web conferences and meetings for revised fees.

BWA estimated the total fee for this additional work as Amendment No. 6 to be $24,892.

Environmental Review Compliance: California Environmental Quality Act (CEQA) review is part of the individual projects and not part of the Sewer, Water, and Recycled Water Master Plans and Capacity Fees.

Financial Impact: ___X___Yes _____No Funding Source/Recap: Sufficient funds are available in the Engineering Consultants budget line.

Other Considerations: None

Material Included for Information/Consideration: Resolution No. 2020-57; and, Attachment 1 – Amendment No. 6.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

September 21, 2020

Resolution No. 2020-57
Resolution of the Board of Directors
Marina Coast Water District
Approving Amendment No. 6 to the Professional Services Agreement with
Akel Engineering Group, Inc. for Master Plans and Capacity Fees Study for
Sewer, Water, and Recycled Water

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a regular meeting duly called and held on September 21, 2020, via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, on November 21, 2016, the Board adopted Resolution No. 2016-66 that approved a Professional Services Agreement with Akel Engineering Group, Inc. (Akel) for the Master Plans and Capacity Fees Study for Sewer, Water and Recycled Water; and,

WHEREAS, on April 18, 2018, the General Manager approved Amendment No. 1 to the Professional Service Agreement with Akel for scope, fee and schedule changes to update 2017 CIP construction costs for the rate study, review fire flow criteria with fire department officials and update the hydraulic model and storage analysis in the amount of $14,694; and,

WHEREAS, on October 15, 2018, the Board of Directors approved Amendment No. 2 for scope, fee and schedule changes to develop and update existing and future land uses based on comments received and allowable growth projections for the Fort Ord Reuse Authority (FORA) Base Reuse Plan capital improvement program; Equivalent Dwelling Unit Analysis and meetings with the FORA Water and Wastewater Oversight Committee; Update Water and Sewer System Evaluations for recommended improvements in the Capital Improvement Program in the amount of $52,059; and,

WHEREAS, on April 15, 2019, the Board of Directors approved Amendment No. 3 for scope, fee and schedule changes to review of the draft sewer masterplan for errors discovered in pump station data used for sewer modelling and master planning, that needed to be fixed; and, staff requested an evaluation of a fee structure for a 15-year development capital improvement program (CIP) horizon rather than for full buildout in the amount of $38,550; and,

WHEREAS, on September 16, 2019, the Board of Directors approved Amendment No. 4 for the scope and fee changes for additional staff level reviews of the master plans and capacity fees involving additional meetings and web conferences, multiple revisions in the capital improvement projects and cost estimates for each enterprise fund prior to release of the Draft Master Plans; an evaluation of fee calculation methodologies leading to the selection of the Hybrid Buy-In + Marginal Future cost methodology and multiple revisions and adjustments that went into the Draft Capacity Fee Study; and additional meetings with Stakeholders, FORA WWOC and MCWD in the amount of $48,930; and,

WHEREAS, on January 29, 2020, the Board of Directors approved Amendment No. 5 to the Professional Service Agreement with Akel for scope, fee and schedule changes to update the master plans to include revising the original land us assumptions to incorporate for four specific plans; revising the future system evaluation for near term and buildout conditions; revising the capital improvement program; and revising the proposed capacity fees in the amount of $80,608; and,

WHEREAS, Akel's subconsultant, Bartle Wells Associates (BWA), performed tasks and developed work products outside the scope and existing budget of the project; and,

WHEREAS, BWA tasks outside the scope included: multiple revisions to Capital Improvement Plan costs for each enterprise; replacing CAFR asset valuation method with detailed asset replacement cost listings and estimated depreciation; reviewing and analyzing reports prepared by stakeholders; revising the model to reflect changes to the asset valuation method; revised draft Capacity Fee Study reports; and participating in additional web conferences and meetings for revised fees; and,

WHEREAS, BWA estimated the total fee for this additional work as Amendment No. 6 to be $24,892.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve Amendment No. 6 to the Professional Services Agreement with Akel Engineering Group, Inc. for the scope and fee changes for additional Master Plan and Capacity Fee consulting services in the amount of $24,892.

BE IT FURTHER RESOLVED, to authorize 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 September 21, 2020 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____
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. 2020-57 adopted on September 21, 2020.

_____
Keith Van Der Maaten, Secretary

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR SEWER, WATER AND RECYCLED WATER MASTERPLANS AND CAPACITY FEE STUDY BETWEEN MARINA COAST WATER DISTRICT AND AKEL ENGINEERING GROUP

AMENDMENT NO. 6

The Professional Services Agreement between the Marina Coast Water District (DISTRICT) and Akel Engineering Group (CONSULTANT), for The Sewer, Water and Recycled Water Master Plans (Master Plans) and Capacity Fee Study dated December 5, 2016 (AGREEMENT), is hereby amended.

The undersigned CONSULTANT agrees to furnish the following as a modification to the original Scope:

> The scope and fee for this amendment is incorporated into the contract document as Attachment A1. The scope generally may be described as multiple revisions to Capital Improvement Plan costs for each enterprise; replacing CAFR asset valuation method with detailed asset replacement cost listings and estimated depreciation; reviewing and analyzing reports prepared by stakeholders; revising the model to reflect changes to the asset valuation method; revised draft Capacity Fee Study reports; and participating in additional web conferences and meetings for revised fees. The basis of payment for the work conducted under this amendment is an hourly charge rate multiplied by the actual hours directly chargeable to the project with a not-to-exceed value for the amendment of $24,892.00.

With this amendment, the contract values and completion date are understood to be:

Original Contract Value:	$ 463,715.00
Amendment No.1 Value:	$ 14,694.00
Amendment No. 2 Value:	$ 52,059.00
Amendment No. 3 Value:	$ 38,550.00
Amendment No. 4 Value:	$ 48,930.00
Amendment No. 5 Value:	$ 80,608.00
Amendment No. 6 Value:	$ 24,892.00
New Contract Value w/ Amendment No. 6:	$ 723,448.00

New Completion Date: August 17, 2020 (approx.)

All other articles of the AGREEMENT remain the same.

DISTRICT and CONSULTANT have caused the Agreement to be amended by representatives duly authorized to act, all as of the effective date of _____.

Prepared by: _____ Date: September 2, 2020
Michael Wegley
District Engineer

Accepted: Marina Coast Water District	CONSULTANT Akel Engineering Group
By _____ Keith Van Der Maaten	By _____
Title General Manager	Title PRESIDENT

ATTACHMENT A1

Bartle Wells Associates
Scope of Work and Fee Estimate
For Amendment 6

BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

1889 Alcatraz Avenue
Berkeley, CA 94703
T: 510-653-3399
www.bartlewells.com

DATE: July 15, 2020 (Updated)

TO: Tony Akel, Principal, Akel Engineering

FROM: Douglas Dove, President
Abigail Seaman, Financial Analyst

SUBJECT: Marina Coast Water District Capacity Fee Study – Out of Scope Work & Costs

MEMORANDUM

Bartle Wells Associates (BWA) was contracted by Akel Engineering to conduct a Water, Wastewater, and Recycled Water Capacity Fee Study for Marina Coast Water District (MCWD) as part of the Master Plan Project started in 2016. In the last few months, BWA has performed tasks and developed work products outside the scope and existing budget of the project. This memo details the meetings, tasks and costs considered to be outside our project scope, and remaining tasks to finalize the project.

Additional Out-of-Scope Tasks
BWA has completed the following tasks outside the scope of our original proposal and subsequent task orders.

- Incorporated multiple revisions to Capital Improvement Plan costs for each enterprise
- Replaced CAFR asset valuation method with detailed asset replacement cost listings and estimated depreciation
- Reviewed and analyzed reports prepared by stakeholders: Building Industry Association and Wanger Jones Helsley PC
- Revised model to reflect changes to asset valuation method
- Revised draft Capacity Fee Study report incorporating above tasks
- Contributed to web conferences and meetings regarding revised fees

Out-of-Scope Expenses
BWA has incurred the following expenses outside the current budget and scope for the project.

BWA Out of Scope Costs through 7/15/2020						
Month	**Consultant**	**Rate/hr**	**Hours**	**Time Charges**	**Reimb. Expenses**	**Total Charges**
Apr-20	Doug Dove	$245	29.6	$7,252		$7,252
Apr-20	Abigail Seaman	$145	42	$6,090		$6,090
May-20	Doug Dove	$245	2	$490		$490
May-20	Abigail Seaman	$145	16	$2,320		$2,320
Jun-20	Doug Dove	$245	30	$7,350		$7,350
Jun-20	Abigail Seaman	$145	42	$6,090		$6,090
Total through 7/15/20						**$29,592**
Less Remaining Budget						**($12,435)**
Out of Scope Costs to Date						**$17,157**

Remaining Expenses
BWA estimates the following tasks and expenses are required to complete the Capacity Fee Study.

BWA Estimate - MCWD Remaining Hours and Costs			
Task – Finalize Asset Valuation, Incorporate Developer Feedback			
Consultant	**Rate/hr**	**Hours**	**Cost**
Doug Dove	$245	10	$2,450
Abigail Seaman	$145	13	$1,885
Total			**$4,335**
Task - Finalize Capacity Fee Report:			
Consultant	**Rate/hr**	**Hours**	**Rate/hr**
Doug Dove	$245	5	$1,225
Abigail Seaman	$145	15	$2,175
Total			**$3,400**
Total Remaining BWA Cost Estimate			**$7,735**

Summary of Costs
In summary, BWA would like to request the following not-to-exceed budget for the enclosed out-of-scope tasks and remaining work.

Summary of Not to Exceed Budget	
Out of Scope Costs through 7/15/2020	$17,157
Total Remaining BWA Cost Estimate	$7,735
Total Not-to-Exceed Budget	**$24,892**

Please contact me via phone at (510) 853-2336 x 110 or via email at ddove@bartlewells.com if you have any questions or concerns. It's a pleasure to be working with MCWD and Akel Engineering on this project. We look forward to finalizing the Capacity Fee Study.

Sincerely,

BARTLE WELLS ASSOCIATES

Douglas R. Dove, PE, CIPMA
President

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-B Meeting Date: September 21, 2020

Prepared By: Brian True Approved By: Keith Van Der Maaten
Reviewed By: Michael Wegley

Agenda Title: Consider Adoption of Resolution No. 2020-58 to Approve an Assistance Agreement between the Marina Coast Water District and the State of California's Department of Parks and Recreation for the Fort Ord Dunes State Park Development Project

Staff Recommendation: The Board of Directors adopt Resolution No. 2020-58 approving an Assistance Agreement between the Marina Coast Water District and the State of California's Department of Parks and Recreation for the Fort Ord Dunes State Park development project.

Background: *Strategic Plan, 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 State of California's Department of Parks and Recreation (DPR, Developer) is preparing to expand the development of the Fort Ord Dunes State Park. The development area was within the Former Fort Ord but lies outside the MCWD-annexed Ord service area. The Developer is proposing to construct, among several additional features, the following water-using facilities:

- 47 short- and long-term RV sites and 53 campsites of various configurations.
- 5 public restrooms with showering facilities of various magnitudes.
- 6 permanent structures for various uses.

For a more complete listing and more detailed description of the proposed development scope, please see the attached Notice of Determination.

The project area is located on property owned by the State of California entirely west of State Route 1 (Please see Exhibit 1 of the attached Assistance Agreement); however, the infrastructure to be constructed under the Assistance Agreement and dedicated to MCWD for ownership, operation, and maintenance is entirely on the east side of State Route 1 and may be described roughly as being within the current 1st Avenue roadway alignment. There is a new PUE provided by the City of Seaside for the project and the City of Marina controls the public right-of way within which the majority of MCWD-owned water and sewer infrastructure will be installed.

The entity serving as the land-use jurisdiction over this development project is a combination of the State of California, Monterey County, and the City of Seaside. The City of Seaside has provided their input regarding fire-protection. The Developer has deposited monetary resources with MCWD to conduct the preliminary work of their proposed development; their development account is in good-standing.

The local State Parks entity of the State's DPR has been allocated 45-AFY of water through FORA. The local State Parks currently uses approximately 10-AFY (as reported within Annual Reports

generated by FORA). The proposed expansion of the Fort Ord Dunes State Parks is estimated by MCWD staff to consume an additional quantity of potable water of approximately 17-AFY. The Developer represents that no irrigation network/water use is currently proposed or planned for the future within the project area.

Discussion/Analysis: The attached draft Assistance Agreement incorporates provisions of MCWD's standard Infrastructure Agreement and recent DPR-generated Assistance Agreements. This was done at the request of DPR because State personnel had difficulties in deviating from their standard in-department agreements. Therefore, as an accommodation, MCWD staff merged the general terms of the MCWD Infrastructure Agreement into the State's template. As such, many of the terms and conditions of this Assistance Agreement are nearly identical in verbiage and content as the corresponding sections within the MCWD Infrastructure Agreement. This Assistance Agreement has been reviewed and, considering the foregoing, accepted by District Counsel.

The new infrastructure being transferred to the District will be constructed within the public right-of-way, public utility easements, or within easements provided to MCWD by the Developer. The specific infrastructure proposed for transfer includes PVC potable water pipelines, PVC gravity sewer pipelines, associated sewer manholes, water valves, fire-hydrants, and other water and sewer appurtenances. The Developer is not proposing to install recycled water infrastructure based on their assertion that no landscape irrigation is currently proposed or planned for the future. An Engineer's Estimation of Probable Costs, to serve as a basis for preparing the Performance and Labor and Materials Bonds specified by this Assistance Agreement, has been provided.

The Board of Directors is requested to approve this Assistance Agreement for DPR's Fort Ord Dunes State Park development project.

Environmental Review Compliance: This Assistance Agreement is not a "project" under the California Environmental Quality Act (CEQA); thus, this action is categorically exempt.

Prior Committee or Board Action: None.

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

Other Considerations: The Board may desire to consider other alternatives to adopting the motion as recommended by staff including:

1. Modifying or conditioning the action; or,
2. Direct further staff work; or,
3. Deny the action.

Material Included for Information/Consideration: Resolution No. 2020-58; Attachment 1 - Notice of Determination; and, Attachment 2 - draft Assistance Agreement with associated Exhibits.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

September 21, 2020

Resolution No. 2020 - 58
Resolution of the Board of Directors
Marina Coast Water District
Approving an Assistance Agreement Between
Marina Coast Water District and the
State of California's Department of Parks and Recreation for the
Fort Ord Dunes State Park 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 September 21, 2020, via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, the State of California's Department of Parks and Recreation ("Developer"), has coordinated with the District on their Fort Ord Dunes State Parks development project, consisting of new construction and related infrastructure, located within the former Fort Ord; and,

WHEREAS, the local State Parks entity of the State of California's Department of Parks and Recreation was allocated by FORA a total water supply of 45-AFY (out of a total annual allotment of 6,600-AFY for former Fort Ord lands) and this Fort Ord Dunes State Parks expansion is estimated to use approximately 17-AFY of potable water; and,

WHEREAS, the District and the Developer, are working cooperatively regarding proposed water and sewer system improvements; and,

WHEREAS, the District and the Developer have agreed upon the proposed Assistance Agreement and desire to enter into same.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby authorize the General Manager to execute the Assistance Agreement between the Marina Coast Water District and the State of California's Department of Parks and Recreation for the Fort Ord Dunes State Park development project and to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED September 21, 2020, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____
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. 2020-58 adopted September 21, 2020.

_____
Keith Van Der Maaten, Secretary

State of California – Resources Agency
DEPARTMENT OF PARKS AND RECREATION

NOTICE OF DETERMINATION

To: State Clearinghouse
Office of Planning and Research
1400 Tenth Street, Room 222
P.O. Box 3044
Sacramento, California 95812-3044

From: Department of Parks and Recreation
1416 9th Street
P.O. Box 942896
Sacramento, California 94296-0001

SUBJECT: Filing of Notice of Determination, in compliance with §21108 of the Public Resources Code.

Project Title: Fort Ord Dunes State Park – Campground Project
State Clearinghouse Number: 2013031053
Contact Person: Patricia DuMont **Phone:** 916-445-9081
Project Location: County, California

Project Description: The Project consists of the construction and operation of a campground facility and associated infrastructure within Fort Ord Dunes State Park. The Project consists of the following:

- Construction of 45 RV sites (e.g. water and electrical connections) and two (2) host sites (full hook-up sites), 10 hike/bike sites, and 43 tent sites (including 3 family sites);
- Paved parking to accommodate 40 vehicles;
- Unpaved overflow parking area to accommodate up to 40 additional vehicles;
- Four (4) new public combination buildings (restrooms and showers) for campground use;
- An 1,800 square foot multi-purpose building (also referred to as a "warming hut");
- Outdoor facilities (e.g. campfire center, interpretation areas, and viewing area);
- Renovation of an existing bunker for interpretative purposes;
- Renovation of an additional bunk for additional storage;
- Construction of a 500-600 square foot entrance station near the 1st Street underpass;
- Three (3) modular operations/security structures (e.g. residences, operations, security, etc.),
- Storage yard and maintenance shop (including office space, restroom, storage, and wash rack);
- Improved beach access with associated internal trail network;
- A single plumbed restroom with outdoor pole shower for beach use;
- 200 foot wildlife/habitat corridor;
- Internal campground trail network, trail improvements and roadway improvements; and
- Off-site utilities (e.g. distribution mains, pump stations, etc.), and other miscellaneous service improvements (e.g. fencing, restoration, signage, maintenance, dump station, lighting, etc.).

The California Department of Parks and Recreation has approved this project on, and has made the following determinations:

1. ☒ The project will not have a significant effect on the environment.
   ☐ The project will have a significant effect on the environment.
2. ☒ A Negative Declaration was prepared and adopted, pursuant to the provisions of the California Environmental Quality Act (CEQA).
   ☐ A Final Environmental Impact Report has been completed in compliance with CEQA, and has been presented to the decision-making body of this Department for its independent review and consideration of the information, prior to approval of the project.
3. Mitigation measures ☒ were ☐ were not made conditions of project approval.
4. A Mitigation, Monitoring, and Reporting Plan ☒was ☐was not prepared for this project.
5. A Statement of Overriding Considerations ☐ was ☒ was not adopted for this project.
6. Findings ☒were ☐ were not made on environmental effects of the project.

The Mitigated Negative Declaration and record of project approval may be examined at the California Department of Parks and Recreation, Northern Service Center, located at One Capitol Mall – Suite 410, Sacramento, California 95814.

for _____
Stephen R. Lehman, Deputy Director
Acquisition & Development

RECEIVED
MAY 13 2013
STATE CLEARING HOUSE

05-13-2013
Date

ASSISTANCE AGREEMENT
BETWEEN
THE DEPARTMENT OF PARKS AND RECREATION
AND
MARINA COAST WATER DISTRICT

THIS AGREEMENT is made and entered into on _____, 2020, by and between the State of California, acting by and through the Department of Parks and Recreation, hereinafter called DPR, and the Marina Coast Water District, hereinafter called MCWD or District.

WITNESSETH: By and in consideration of the covenants and conditions contain herein, DPR and MCWD do hereby agree as follows:

A. RECITALS

1. DPR desires to obtain potable water, water for fire protection service, and sewer service utilities to the Fort Ord Dunes State Park Campground Project (the "Project") from the MCWD. See Exhibit 1 for a vicinity map of the project area.

2. The above mentioned connection point for the MCWD utilities are located at the intersection of First Avenue and 1st Street and the potable water connection point is located at 1st Avenue and 3rd Street.

3. DPR will construct all utility lines up to the MCWD service lines at the above mentioned locations and upon the MCWD activating these utility lines DPR shall maintain own and operate all water and sewer utility lines west of the 1st Avenue alignment extending westward into Fort Ord Dunes State Park.

4. Upon water and sewer utility line activation and dedication as described herein, MCWD shall own, operate and maintain all water and sewer service lines extending eastwards, from the City of Seaside's 1st Street road right-of way/PUE east of the Highway 1 underpass, through the City of Marina's 1st Avenue public right of way, to MCWD's main service lines. See Exhibit 2 for a preliminary concept of the water and sewer infrastructure proposed for MCWD ownership and operation.

B. DPR'S RESPONSIBILITIES

1. DPR shall acquire all necessary and required encroachment permits and permanent easements to install water, fire and sewer utility lines through the Caltrans Highway 1 Underpass right-of-way, through the City of Seaside road right of way, and through the City of Marina road right of way.

2. Prior to water and sewer line utility construction, DPR shall obtain MCWD acceptance of construction drawings indicating the construction specifications and details, pipe dimensions

and utility line hook up locations. The construction plans will be prepared consistent with this Agreement and the then-current MCWD standards and specifications.

3. DPR shall incur all costs for encroachment permitting. DPR shall incur all costs for the construction of all water and sewer utility lines, including but not limited to easements or other authorizations, through the above-mentioned road rights of way. DPR shall construct and install all underground water and sewer utility lines up to the MCWD points of connection to the public's pipeline networks.

4. In the event DPR should ever need to install an irrigation network at Fort Ord Dunes State Park and a non-potable source of water is available proximate to the project, DPR shall install the necessary utility lines at its sole expense to acquire and utilize non-potable water from MCWD in order for DPR to provide water for irrigation.

5. DPR, or its Contractor, shall provide all needed information and resources described by this Agreement to complete the Project work, including but not limited to AutoCAD as-built models, as-built drawings, all required easements (if any) in MCWD's favor, Engineers estimate of final costs to construct the project work, a Bill of Sale or other form of ownership conveyance acceptable to MCWD, and some form of surety to provide a 1-year warranty period, as provided in Section O. SURETIES of this agreement.

C. MCWD'S RESPONSIBLITIES

1. District's primary roles in the Development are to approve the plans for facilities, inspect the construction of the facilities in the public's right-of-ways, accept the transfer of ownership to the facilities, maintain and operate the MCWD-owned systems and facilities providing service to the Development, and to bill DPR for water and sewer service to the Project at rates set from time to time.

2. District shall review all utility construction plans and shall confer with DPR prior to construction. District will accept the design indicating that all utility construction plans and specifications meet MCWD specifications and or standards by MCWD's District Engineer signing the construction plans, which shall not be unreasonably withheld.

3. District shall provide DPR with an estimate for all applicable fees and charges, including but not limited to Capacity Charges, backflow-prevention/cross-connection charges, meter costs, and all other applicable fees and charges for service on the former Fort Ord (i.e. costs-to-connect), with the expectation that water and sewer utility service will be available approximately 60-to-90 days from DPR's request to initiate service.

4. Except as provided for within this Agreement, MCWD will deliver water, recycled water (when available) and provide sewer service to the Development only after conveyance of the facilities to MCWD and final MCWD Board Acceptance of the facilities, and payment of charges as required herein. Thereafter, MCWD will bill and serve the DPR directly for the services provided. Once the applicable costs-to-connect are determined by MCWD and paid in full by DPR, MCWD will immediately commence water service with the installation of the water meter(s). District shall provide sewer service upon installation of water meters and payment of all applicable fees.

5. District's obligations to provide services specified herein shall be subject to MCWD's rules, regulations, policies and ordinances, which may be updated from time to time with notice to DPR in compliance with applicable state law prior to adoption.

D. TERM

The term of this Agreement shall commence on October 1, 2020 (9:00 a.m.) and terminate on acceptance of facilities by MCWD. Notwithstanding anything herein to the contrary, the one-year warranty provided for in Section O. SURETIES shall survive termination of this agreement.,

E. DEVELOPMENT'S DESIGN AND CONSTRUCTION REQUIREMENTS

E.1 The Project's facilities shall be designed, constructed and be made operable in strict accordance with MCWD's requirements, which shall be a condition of the MCWD's acceptance of the system facilities under this Agreement. MCWD's requirements include, but are not limited to the following:

E.1.1 DPR shall design and construct the facilities in strict accordance with MCWD's most recent Procedures and Standards in effect at the time of application (contained in MCWD's Procedures, Guidelines, and Design Requirements) and any other applicable State Regulatory Agency requirements, whichever are most stringent. Any conflict in Development requirements shall be addressed during the plan review process or at such other times as any such conflict is discovered. A licensed civil engineer registered in the State of California shall prepare all plans and specifications for the Project.

E.1.2 DPR shall comply with MCWD's most recent Procedures and MCWD's most recent Standards in effect at the time of application when submitting project plans and specifications to the MCWD for review and consideration for acceptance. MCWD's review shall commence after MCWD determines compliance with MCWD's Procedures regarding the submittals and any other applicable State Regulatory Agency requirements, whichever are most stringent. MCWD acknowledges that upon the District Engineer's acceptance of the improvement plans DPR may rely on the water and sewer standards applied to the design and construction of the Project. MCWD review of the Project's plans and specifications shall commence after receipt of the initial deposit (see Paragraph E.1.6).

E.1.3 DPR shall comply with the most recent MCWD Water Code in effect at the time of application including, but not limited to, section 4.28 *Recycled Water*. More specifically, section 4.28.010 *Applicability* states that "[T]his chapter applies to publicly owned properties, to commercial, industrial and business properties, and to other such properties as may be specified from time to time by MCWD…." DPR asserts that no landscape irrigation is planned for this project. If, in the future, DPR desires to install permanent landscape irrigation network and MCWD has recycled water/non-potable water available near the project's point-of-connections, DPR will cooperate with MCWD as MCWD obtains all required permits for the on-site use of non-potable water. This shall include but is not limited to, complying with the California Department of Department of Drinking Water, the State of California Regional Water Quality Control Board and other regulatory agency requirements prior to constructing any non-potable water facilities.

E.1.4 District shall have the right to inspect the construction of the facilities and verify that construction conforms to the Project plans and specifications and MCWD standards; however, MCWD does not intend to inspect the construction of on-site water and sewer facilities except as described herein. District shall inspect all structures, dwelling units, and campground facilities for water-use fixtures including, zero water use urinals, hot water recirculation

systems, landscape irrigation using non-potable water installations, etc. District's right to inspect does not in any way eliminate or supersede any inspection obligations by the State or local Land Use Jurisdiction. District will inform DPR of required field changes. DPR shall be responsible for obtaining all easements or authorization to utilize publicly dedicated rights of way. Upon receipt of recorded private easements to serve the Project in accordance with the plans and specifications accepted by MCWD, MCWD will quitclaim any easements on DPR property within the project area not required to serve the Project and not required by MCWD.

E.1.5 All facilities shall be tested to meet MCWD requirements. No facilities or portion thereof will be accepted without meeting all MCWD test requirements. District shall have the right to inspect work in progress in the construction of either in-tract or out-of-tract water, recycled water and sewer infrastructure facilities or special fixtures, as described above.

E.1.6 DPR, on a phased basis if desired, agrees to pay all fees and charges, including plan check fees and construction inspection fees as required by MCWD for the Project. These fees will be determined by MCWD at the time the fees are due and payable. District will require a prepaid fee to cover staff time before preliminary level or concept level plan check begins. If the MCWD District Engineer determines consultant assistance is required for plan check review or portion thereof, DPR agrees to prepay the additional plan check fees if that cost exceeds the balance of any deposit then on file. District shall obtain DPR's acceptance for any future costs in excess of this amount, for which acceptance shall not be unreasonably withheld. Upon the execution of this Agreement by both parties, DPR shall deposit with MCWD the applicable administration and plan check fees. On a phased basis, MCWD shall require construction inspection fees before undertaking a construction inspection review of the proposed facilities. As a condition precedent to MCWD's obligation to undertake a construction inspection review of the proposed facilities, DPR shall provide to MCWD construction inspection fees estimated by MCWD to complete the construction, testing, and conveyance of the facilities. Any surplus plan check or construction inspection fees shall be returned to DPR, or at DPR's written request, held by MCWD and used to pay fees for later Development phases.

F. PROVISION OF NON-POTABLE WATER

DPR, and its successors or assignees (such as an owners association), agrees to take non-potable water for non-potable use if and when it becomes available. DPR asserts that no permanent landscape irrigation networks are currently planned for this project.

G. MCWD's NON-RESPONSIBILITY FOR ACTS OR OMISSIONS OF DPR, ETC.; DPR RESPONSIBLE FOR VERIFYING UNDERGROUND UTILITIES AND SURFACE OBSTRUCTIONS

District is not responsible, and does not assume any liability whatsoever, for acts and omissions of DPR, DPR's contractors, or any contractor's subcontractors or suppliers at any tier during the design and construction of the facilities. Any location of underground utility lines or surface obstructions given to the DPR or placed on the project drawing by MCWD are for DPR's convenience, and must be verified by DPR in the field. District assumes no responsibility for the sufficiency or accuracy of such information, lines, or obstructions.

H. PERMITS, EASEMENTS, AND RELATED COSTS

Except as otherwise provided in this Agreement, DPR shall obtain all necessary local, county, State, and federal permits (including encroachment permits) and conform to requirements thereof. DPR

shall obtain all easements and required authorizations to utilize existing public rights of way necessary for ingress and egress to and from the facilities for the purpose of installation, operation, maintenance, replacement and removal of said facilities and for the location of the facilities. Pipeline easements shall be a minimum of 20 feet in width or as otherwise directed by the District Engineer. Easements shall be in a form approved by MCWD and it shall be DPR's responsibility to have the approved easements recorded. DPR shall provide proof of recordation of the easements, in a form satisfactory to MCWD, prior to the MCWD's obligation to provide any of the services contemplated by this Agreement.

I. LICENSED CONTRACTOR

DPR, or its authorized representative (contractor, or subcontractors as the case may be) performing the work, shall be licensed under the provisions of the Business and Professions Code of the State of California to perform the specified work required for the Project. District reserves the right to waive this requirement at its sole discretion where permitted under state statute.

DPR, or its contractor, shall be skilled and regularly engaged in the installation of water, recycled and sewer systems. MCWD may request evidence that the constructing party has satisfactorily installed other projects of like magnitude or comparable difficulty. Upon request, contractors must furnish evidence of their qualifications to do the work in a form suitable to MCWD prior to the commencement of any work on the facilities.

J. PERFORMANCE

DPR agrees to promptly design and construct the facilities and, transfer the same to MCWD in accordance with the terms of this Agreement. If construction of the facilities have not been completed and accepted by MCWD within forty-eight (48) months from the date of execution of this Agreement (such date may be extended for delays beyond DPR's control and without the fault or negligence or of DPR or any Contractor or subcontractor or supplier at any tier), MCWD shall have the option to terminate this Agreement.

Until the completion and final acceptance by MCWD of all the items required under this Agreement, DPR will require the work to be under the Contractor's responsible care and charge. The Contractor shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

K. FINAL INSPECTION AND REIMBURSEMENT OF MCWD COSTS

The District Engineer for MCWD must inspect completed facilities, or portion thereof. District will not accept any facility until its Engineer has given written approval that it satisfies MCWD's requirements. DPR shall be responsible for all costs incurred by the MCWD that are associated with interim and final inspection, completion, additional construction, and testing of the facilities, subject to the limitations set forth in Article E *Design and Construction Requirements*. After the facilities are dedicated and accepted by MCWD, DPR shall reimburse MCWD for costs to correct any damages to facilities related to the construction of the Project caused by DPR or any authorized representative (DPR's contractor). This reimbursement obligation is limited to the warranty period described in Article P. *Warranties*. DPR shall remit to MCWD prior to the conveyance of the facilities to MCWD, payment of all costs due and unpaid under this Agreement over and above deposits previously paid

to MCWD. If there are surplus deposit funds or any refunds due DPR, then MCWD shall return to DPR the amount of such surplus or refunds upon acceptance by MCWD of all facilities required to be constructed under this Agreement.

L. CAPACITY CHARGE

The current capacity charges, as of July 1, 2020 for water and sewer services are $8,010 per EDU and $3,322 per EDU, respectively. Capacity charges as of October 26, 2021 for water and sewer are $11,699 per EDU and $3,012 per EDU, respectively. These charges are due prior the installation of water meters. District's Board of Directors reserves its right to review and revise these charges from time to time subject to applicable law and MCWD's approval procedures for such charges. DPR agrees to pay the capacity charge in effect at the time of providing services.

M. AS-BUILT PLANS, SPECIFICATIONS, VALUES, ETC.

DPR shall, as a condition of MCWD's acceptance of the facilities, provide to MCWD in accordance with MCWD Standards and Procedures the following:

- One set each of bond-paper drawing prints and AutoCAD digitized files of the As-Built improvement plans, which show all of the facilities as constructed and installed, and one hardcopy and one electronic copy of the specifications, and one hardcopy and one electronic copy of any contract documents used for the construction of the water, sewer and recycled water system facilities. Scanned and signed copies in Adobe Acrobat format are also required.
- One hardcopy and one electronic copy of a complete, detailed statement of account, the form and content to be provided by MCWD at the time of conveyance, of the amounts expended for the installation and construction of the facilities, with values applicable to the various components thereof, together with a list of any other materials and equipment (and their values) being transferred.
- Any other documents required by MCWD Standards and Procedures.

N. TRANSFER OF SYSTEM FACILITIES TO MCWD AFTER COMPLETION

DPR shall execute and obtain all signatures of all other parties having any interest (including any Deed of Trust) and deliver a conveyance satisfactory in form and content to MCWD. This conveyance shall transfer unencumbered ownership of all facilities required by this Agreement to MCWD together with all real property, interests in real property, easements and rights-of-ways (including any off-site easements or real property) , that are a part of, appurtenant to, or belonging to the Project now or hereafter served by the water, sewer and recycled water system facilities that are necessary or appropriate in the opinion of MCWD for the ownership and operation of the facilities. Provided all conditions set forth in this Agreement are satisfied, MCWD shall accept the conveyance. All costs of construction of the facilities, for which DPR is responsible, shall have been paid for by DPR, the time for release of the payment surety under Section O. shall have expired (or DPR shall provide other security acceptable to MCWD), and the title to all of the facilities and the interests in real property transferred shall be good, clear and marketable title, free and clear of all encumbrances, liens or charges. DPR shall pay costs of any title insurance deemed necessary by MCWD and is reasonable and customary for the insured transaction type. All construction, including final inspection punch list items must be completed prior to transfer, and the transfer shall not be completed until the conveyance transferring the water, sewer and recycled water system facilities has been formally

accepted by MCWD. After transfer, MCWD shall own and be free in every respect to operate and manage the facilities and to expand or improve, or interconnect the facilities with other adjacent facilities, as MCWD deems appropriate in its sole discretion.

O. SURETIES

DPR, or its Contractor as the case may be, shall furnish MCWD with a surety to secure the completion of and payment for the facilities as required to construct the Project as identified herein. The amount of the performance surety shall not be less than 100% of DPR's estimate of the total cost to construct all of the facilities required under this Agreement. The amount of the payment surety shall not be less than 100% of DPR's estimate of the total cost to construct all of the facilities required under this Agreement. Said estimated costs provided by DPR shall be provided to and approved by MCWD. The surety instrument shall be in a form satisfactory to MCWD such as a performance and payment bond, irrevocable letter of credit, cash deposit, or irrevocable construction "set-aside" letter. All surety instruments signed by an agent must be accompanied by a certified copy of the agent's authority to act.

DPR, or its Contractor, shall furnish MCWD with a Warranty bond or other surety instrument satisfactory to MCWD in the amount equal to twenty percent (20%) of the actual construction costs to secure DPR's performance under the Warranties article below.

P. WARRANTIES

DPR hereby warrants that as of the time of MCWD's acceptance of the conveyance of the facilities (or when DPR thereafter completes the installation of any works or components subsequently installed, repaired, or replaced) the facilities and all components thereof, will be in satisfactory working order and quality and free of any defect in equipment, material, or design furnished, or workmanship performed by the Contractor or any subcontractor or supplier at any tier; and that the facilities and all components thereof have been constructed and installed in compliance with all approved specifications and as-built plans being provided to MCWD, and in accordance with applicable requirements of MCWD and any other governmental agency having jurisdiction. DPR also warrants that as of the time of MCWD's acceptance of the conveyance of the facilities (or when DPR thereafter completes the installation of any works or components subsequently installed, repaired, or replaced) the facilities will operate in good and sufficient manner for the purposes intended for (a) one (1) year after the latter of (i) the date of acceptance, (ii) the expiration of all lien enforcement periods, or (iii) proof of conveyance of facilities, or (b) 180-days from the date new facilities are subsequently re-installed, repaired, or replaced and inspected and accepted by MCWD (hereafter *replacement facilities*), whichever of (a) or (b) occurs last. DPR shall remedy at the DPR's expense any failure to conform with any applicable requirement of MCWD, by any Contractor or any subcontractor or supplier at any tier, or any defect. If DPR fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice by MCWD or any other person or entity, MCWD shall have the right to replace, repair, or otherwise remedy the failure, defect, or damage at DPR's expense and DPR shall indemnify MCWD for all such costs (including MCWD's own labor costs) incurred.

Q. NO WATER, RECYCLED WATER, AND SEWER SERVICE PRIOR TO COMPLETION AND TRANSFER

DPR shall not allow any occupant or person to commence operations or use of any part of the facilities without the express written consent of MCWD. Such consent may not be unreasonably withheld. District may impose conditions or restrictions upon any consent to such prior service, such as posting a surety bond. District recognizes that the Development, and hence the facilities, may be built, accepted and transferred in multiple phases. Notwithstanding any of the foregoing, DPR may use the facilities before they are accepted for fire protection and construction purposes in all phases, subject to satisfaction of applicable testing.

R. INSURANCE

DPR agrees to have every Contractor performing work on the Project fully comply with all of the requirements in Exhibit 3.

S. TERMINATION

This Agreement may be terminated at any time by either party with or without cause by giving written notice to the other party, which shall be deemed effective pursuant to Sections D. and J. above (the "Termination Date").

T. AMENDMENT

This Agreement may be amended by written mutual consent of the parties hereto, including extending the term of this Agreement.

U. AUDITING, RECORDS AND INSPECTIONS

In the performance of this Agreement, DPR and MCWD shall keep books, records, and accounts of all activities related to the Agreement including, but not limited to, accounting for all hours worked by, and wages paid to, staff and other personnel used by MCWD in providing the services contemplated under this Agreement, in compliance with generally accepted accounting principles. Books, records and accounts related to the performance of this Agreement shall be open to inspection by MCWD during regular business hours by an authorized Port District representative and shall be retained by DPR for a period of three (3) years after termination of this Agreement.

V. DISPUTES

In the event of any dispute arising under this Agreement, the Project Representatives, as identified in Section FF. will confer with one another and attempt, in good faith, to resolve the dispute informally.

W. FORCE MAJEURE

Except for defaults of subcontractors, neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include, but are not limited to fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot,

freight embargo, terrorism, public regulated utility, or governmental statutes or regulations superimposed after the fact.

X. NOTICE

Any notice, request, demand or other communication required or permitted under this Agreement shall be in writing and deemed effective twenty-four (24) hours after having been deposited in the United States Mail, postage prepaid, registered or certified and addressed to the addressee at the address set forth in Section FF. below. Written notification will be completed after mutual acknowledgment by personal reply.

Y. ATTORNEY'S FEES AND COSTS

In the event of any action or proceeding arising out of the performance or interpretation of this Agreement, the prevailing party in such arbitration, action or proceeding shall be entitled to recover its reasonable attorneys' fees and costs.

Z. ENTIRE AGREEMENT

This Agreement represents the entire Agreement between the parties hereto regarding the matters set forth herein and supersedes all prior written or oral agreements between the parties. Any agreements or representations respecting any matter set forth herein not expressly set forth in this Agreement or in a subsequent written modification executed by both parties are null and void.

AA. GOVERNING LAW

This contract is governed by and shall be interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in the Superior Court of Monterey County.

BB. SEVERABILITY

If any portion of this Agreement is found void, unenforceable or conflicting with the laws of the State California, that portion will be severed from the Agreement. All other terms and conditions of the Agreement will remain in full force and effect.

CC. ASSIGNMENT

Neither party may assign this Agreement, in whole or in part, to a third party without written mutual consent of the other party. All assignments must be accomplished via a formal Agreement Amendment.

DD. AUTHORIZATION TO CONTRACT

MCWD shall provide DPR with a copy of a resolution order, motion, or ordinance adopted by the MCWD's Board of Directors authorizing the MCWD's Project Representative to execute this Agreement. Furthermore, the State of California and/or DPR shall provide MCWD with written confirmation that the DPR Project Representative has authority to execute this Agreement. Each party represents and warrants to the other parties that it has the requisite power and authority to enter into and execute this Agreement.

EE. MUTUAL INDEMNIFICATION

The State of California and DPR shall be responsible for, and MCWD shall not be held liable, answerable or accountable in any manner for any loss or expense by reason of any damage or injury to person or property, or both, provided or activities carried out as contemplated under this Agreement by the State of California, DPR, any political subdivision thereto, or any of their respective directors, agents, officers, representatives, employees, independent contractors, and successors and assigns (collectively, a "DPR Related Party"). The State of California and DPR shall protect, hold harmless, indemnify and defend the MCWD, its directors, officers, agents, employees, and successors and assigns from and against any and all actions, suits, claims, demands, costs, expenses, losses, or liabilities, in law or in equity, including, but not limited to injury to or death of any person, and damages to or destruction of property of any person, that may be asserted or claimed against MCWD, its directors, officers, agents, employees, and successors and assigns by any person, business, firm, association, entity, corporation, political subdivision, or other organization or person, arising out of activities carried out as contemplated under this Agreement by a DPR Related Party, so long as such actions, suits, claims, demands, costs, expenses, losses, or liabilities do not result from the sole negligence or willful misconduct of MCWD or any of its directors, officers, employees, agents or volunteers, provided that if such actions, suits, claims, demands, costs, expenses, losses, or liabilities arise from the negligence of the District or any of its directors, officers, employees, agents or volunteers (other than its or their sole negligence), then State of California and DPR's obligation hereunder shall be allocated in accordance with comparative negligence principles under California law.

District shall be responsible for, and State of California and DPR shall not be held liable, answerable or accountable in any manner for any loss or expense by reason of any damage or injury to person or property, or both, arising out of or related to activities carried out as contemplated under this Agreement by MCWD, its directors, officers, agents, employees, and successors and assigns. District shall protect, hold harmless, indemnify and, defend the State of California and DPR, its directors, officers, agents, employees, and successors and assigns from and against any and all actions, suits, claims, demands, costs, expenses, losses, or liabilities, in law or in equity, including, but not limited to injury to or death of any person, and damages to or destruction of property of any person that may be asserted or claimed against the State of California or DPR, their directors, officers, agents, employees, and successors and assigns by any person, business, firm, association, entity, corporation, political subdivision, or other organization or person, arising out of or related to any activities carried out as contemplated under this Agreement by the MCWD, so long as such actions, suits, claims, demands, costs, expenses, losses, or liabilities do not result from the sole negligence or willful misconduct of a DPR Related Party, provided that if such actions, suits, claims, demands, costs, expenses, losses, or liabilities arise from the negligence of a DPR Related Party (other than its or their sole negligence), then MCWD's obligation hereunder shall be allocated in accordance with comparative negligence principles under California law.

In addition to the foregoing, the State of California shall be liable, to the extent allowed by law and subject to California Government Code, Division 3.6, providing for the filing of tort claims against the State, for personal injuries or property damage resulting from the sole negligent or wrongful act or omission of any State employee while acting within the scope of his or her employment, arising out of this Agreement.

FF. PROJECT REPRESENTATIVES

DPR

Name: Monterey District Superintendent

Address: 2211 Garden Road, Monterey CA 93940

Telephone: (831) 649-2836

Email: general mailbox

MCWD

Name: Keith Van Der Maaten, MCWD General Manager

Address: 11 Reservation Road, Marina, CA 93933

Telephone: (831) 384-6131

Email: kvandermaaten@mcwd.org

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

State of California
Department of Parks and Recreation

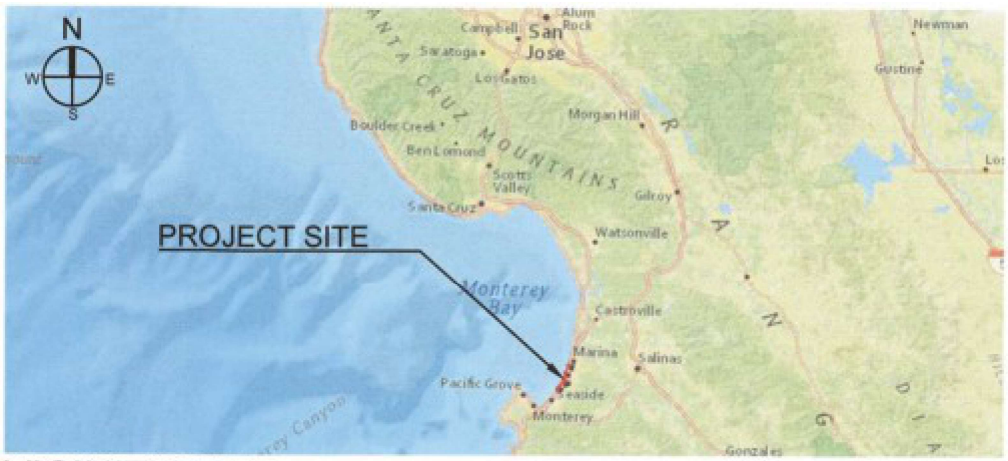
_____
Brent Marshall

Monterey District Superintendent

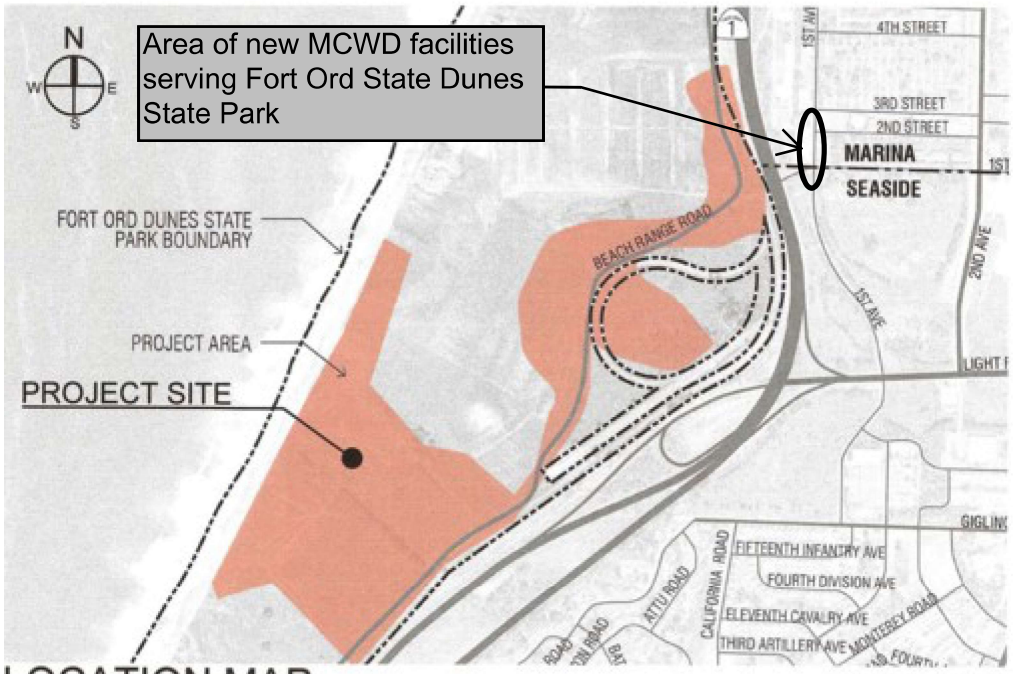
Marina Coast Water District

_____
Keith Van Der Maaten

MCWD General Manager



VICINITY MAP NOT TO SCALE



LOCATION MAP NOT TO SCALE

EXHIBIT 1

MARINA COAST WATER DISTRICT NEW FACILITIES MAP

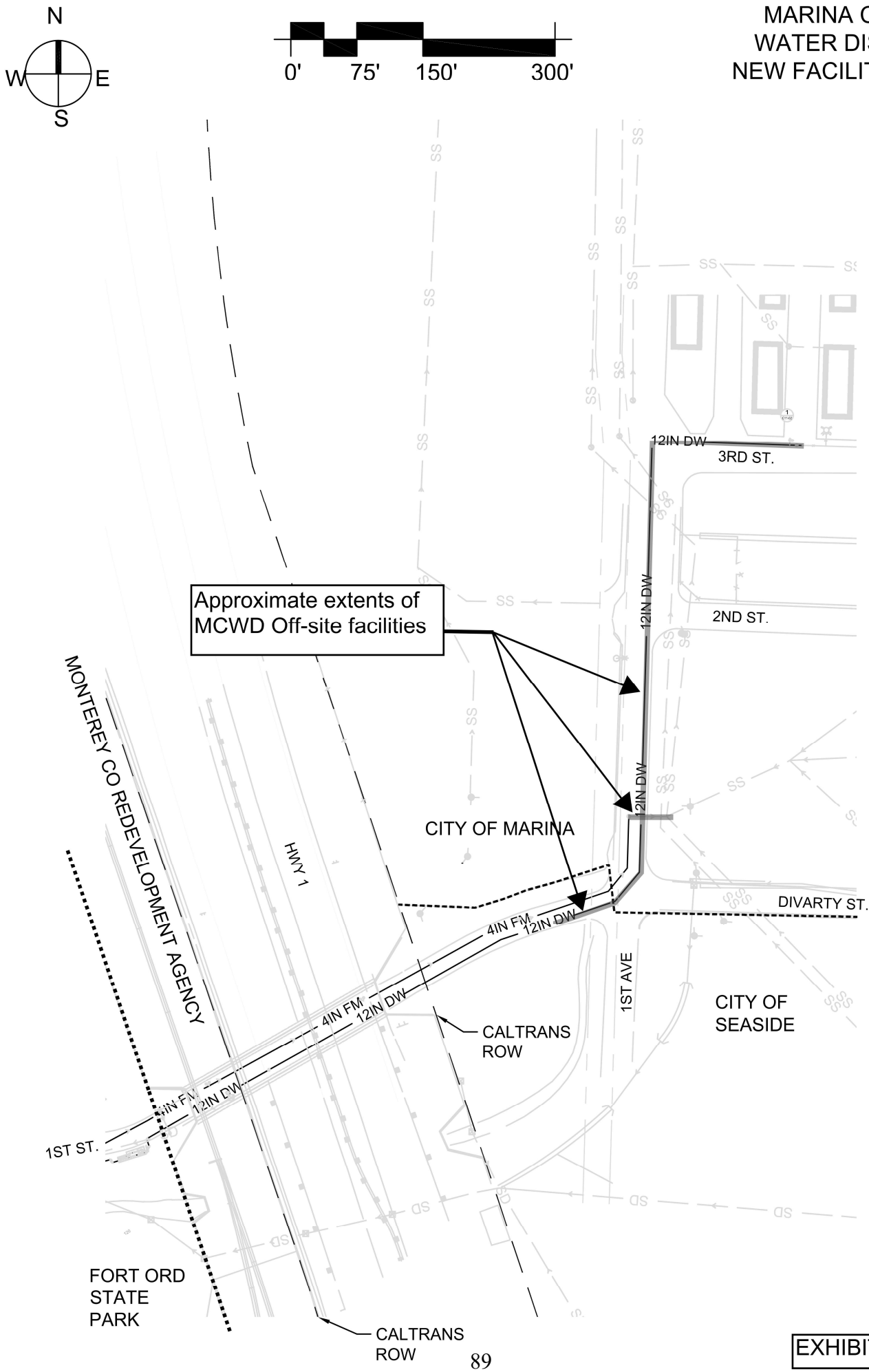


EXHIBIT 2

EXHIBIT 3

INSURANCE REQUIREMENTS
for Infrastructure Agreements

1. Workers' Compensation and Employer's Liability Insurance –

a. DPR shall require every Contractor to certify that it and all of its subcontractors are aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of any work under this Agreement.

b. DPR shall require every Contractor and all sub-contractors to insure (or be a qualified self-insured) under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof.

c. DPR's Contractor shall provide employer's liability insurance in the amount of at least $1,000,000 per accident for bodily injury and disease.

2. Definitions – For purposes of this Exhibit, the following terms shall have the following respective meanings:
"Claim" - shall be used collectively to refer to and include any and all claims, demands, causes of action, damages, costs, attorneys' fees, expert fees, court costs, expenses, penalties, losses or liabilities, in law or in equity, of every kind and nature whatsoever.

3. Commercial General Liability and Automobile Liability Insurance - DPR will require their Contractor to provide and maintain the following commercial general liability and automobile liability insurance:

Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office Commercial ***General Liability*** Coverage (Occurrence Form CG 0001)

2. Insurance Services Office ***Automobile Liability*** Coverage (Form CA 0001), covering Symbol 1 (any auto) (owned, non-owned and hired automobiles)

Limits - The Consultant shall maintain limits no less than the following:

1. ***General Liability*** - Two million dollars ($2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial

General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the District) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

2. ***Automobile Liability*** - One million dollars ($1,000,000) for bodily injury and property damage each accident limit.

Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

1. The District, its directors, officers, employees, or authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the Contractors; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the District, its directors, officers, employees, or authorized volunteers.

2. For any claims related to this project, the Contractor's insurance shall be primary insurance as respects the District, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by the District, its directors, officers, employees, or authorized volunteers shall not contribute to it.

3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the District, its directors, officers, employees, or authorized volunteers.

4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. Each insurance policy required by this clause shall state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the District.

Such liability insurance shall indemnify the Contractor and his/her sub-contractors against loss from liability imposed by law upon, or assumed under contract by, the Contractor or his/her sub-contractors for damages on account of such bodily injury (including death), property damage, personal injury and completed operations and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-

owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation and removal of lateral support.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to the District.

4. Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be disclosed in writing to and approved by the District, which approval shall not be unreasonably withheld.

5. Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by the District.

6. Munitions and Explosives Coverage (MEC) - DPR will require their Contractor to maintain insurance that includes coverage for services and work in or around MEC, or claims, damage or injury related in any way to this Agreement which arise from MEC. The Marina Coast Water District, its officers, directors and employees and any of its authorized representatives and volunteers shall be named as additional insureds under all insurance maintained by Contractor related in any way to work performed by it on behalf of the Marina Coast Water District.

7. Builder's Risk Insurance - DPR or the DPR's Contractor will provide and maintain builder's risk insurance (or installation floater) covering all risks of direct physical loss, damage or destruction to the work in the amount specified by the District, to insure against such losses until final acceptance of the work by the District. Such insurance shall include[1] explosion, collapse, underground excavation and removal of lateral support. The District shall be a named insured on any such policy. The making of progress payments to the Contractor by the DPR shall not be construed as creating an insurable interest by or for the District or be construed as relieving the Contractor or his/her subcontractors of responsibility for loss from any direct physical loss, damage or destruction occurring prior to final acceptance of the work by the District.

8. Waiver of Rights of Subrogation - DPR will require their Contractor's insurer to waive all rights of subrogation against the District, its directors, officers, employees, or authorized volunteers.

9. Evidences of Insurance - Prior to the commencement of construction activities under this Agreement, the DPR will require their Contractor to file with the District a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative. Such evidence shall include an original copy of the additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 1-5.

DPR will require their Contractor, upon demand of the District, to deliver to the District such policy or policies of insurance and the receipts for payment of premiums thereon.

All insurance correspondence, certificates, binders, etc., shall be mailed to:

Marina Coast Water District
11 Reservation Road
Marina, CA 93933
Attn: Management Services Administrator

10. Sub-Contractors' Required Insurance Requirements - In the event that the Contractor employs sub-contractors as part of the work to be performed under this Agreement, it shall be DPR's responsibility to require and confirm that every Contractor requires each of its sub-contractor to meet the same minimum insurance requirements specified in this Exhibit for every Contractor.

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-C

Meeting Date: September 21, 2020

Prepared By: Brian True
Reviewed By: Michael Wegley

Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2020-59 to Accept the Infrastructure Improvements Installed Under a Water, Sewer, and Recycled Water Infrastructure Agreement between Marina Coast Water District and Shea Homes Limited Partnership for the Dunes 1C3 Development Project

Staff Recommendation: The Board consider adopting Resolution No. 2020-59 accepting the infrastructure improvements installed under the Water, Sewer, and Recycled Water Infrastructure Agreement between the Marina Coast Water District and Shea Homes Limited Partnership for the Dunes 1C3 development project.

Background: *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.*

Shea Homes Limited Partnership (Shea Homes, Developer), a California limited partnership, has constructed the Dunes on Monterey Bay 1C Phase 3 (Dunes 1C3) development project in the Ord service area within MCWD's jurisdiction. The project is complete and largely occupied. The project area is bounded by Imjin Parkway to the north, Moonshell Lane on the east, 8th Street to the south, and 2nd Avenue on the west. The District entered into an Infrastructure Agreement with the Developer in April 18, 2016 with the adoption of Resolution No. 2016-21. The infrastructure installation was completed in 2017 and the final easements and rights-of-way were completed in August 2020. Developer requests that, consistent with the Infrastructure Agreement, MCWD now accept the transfer of ownership of the installed water and sewer 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 appurtenances, and sanitary sewer pipelines and appurtenances. The Developer installed all improvements on behalf of MCWD within the tract with the exception of a potable water pipeline extension in the 9th Street future alignment. Depictions of the infrastructure to be owned by MCWD may be found within the attached Bill of Sale that includes Exhibits A, B, and C mapping the locations of the infrastructure. The total value of the infrastructure to be transferred to MCWD for ownership totals approximately $1,306,776.

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 several punch-list walk-throughs and the associated corrective work was completed within August 2020. An easement extension of the Recorded Final Map/PUE area for MCWD's potable water pipeline was needed; that easement was recorded in Monterey County in April 2020. All installed MCWD infrastructure assets are located within the public right-of-way, public utility easements recorded on the subdivision's Final Map, and private easements in MCWD's favor. A Bill of Sale is prepared for execution and is awaiting this Board-action for Acceptance (see attached). As-Built drawings for the improvements described above were received and accepted as adequate on September 3, 2020. A draft Warranty Bond has been provided (see attached); the value corresponds to 20% of the value of the installed infrastructure in accord with the Infrastructure Agreement. This listing of actions fulfills the District's requirements and conditions for accepting ownership of the installed infrastructure.

Based on the adequate completion of the above tasks and items, MCWD staff recommends that the MCWD Board of Directors accept ownership of the infrastructure installed on MCWD's behalf by Shea Homes for the Dunes 1C3 development project by adopting the provided Resolution.

Environmental Review Compliance: None required.

Financial Impact: __X__Yes _____No Funding Source/Recap: There is no direct cost to MCWD in these transactions; however, a slight increase in operational and maintenance costs in the near-term future may be reasonably anticipated within the Ord Water and Ord Sewer cost centers because of the additional infrastructure that becomes MCWD's responsibility.

Other Considerations: None recommended.

Material Included for Information/Consideration: Resolution No. 2020-59; Attachment 1 - Engineer's Estimate; Attachment 2 - Bill of Sale prepared for execution; and Attachment 3 - draft Warranty Bond.

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

Board Action

Motion By: _____Seconded By: _____No Action Taken:_____

Ayes:_____ Abstained:_____

Noes:_____ Absent:_____

September 21, 2020

Resolution No. 2020-59
Resolution of the Board of Directors
Marina Coast Water District
Accepting the Infrastructure Improvements Installed Under a
Water, Sewer, and Recycled Water Infrastructure Agreement
Between Marina Coast Water District and Shea Homes Limited Partnership for the
Dunes 1C3 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 September 21, 2020, via a video conference pursuant to Governor Newsom's Executive Order N-29-20, as follows:

WHEREAS, Shea Homes Limited Partnership, a California limited partnership (Developer), has constructed water and sewer infrastructure for their Dunes 1C3 development project in the Ord service area of MCWD's jurisdiction; and,

WHEREAS, the Developer entered into a Water, Sewer and Recycled Water Infrastructure Agreement with MCWD on April 18, 2016 with the adoption of Resolution No. 2016-21; and,

WHEREAS, construction of the water and sewer infrastructure is complete and the Developer has now satisfied all of the close-out conditions required by MCWD in the Infrastructure Agreement for the Dunes 1C3 development project; and,

WHEREAS, the Developer requests, in conformance with the Infrastructure Agreement, 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 and Sewer Infrastructure for the Dunes 1C3 development project and directs the General Manager and/or District Engineer to take all actions and execute all documents as may be necessary or appropriate to give effect to this resolution.

PASSED AND ADOPTED on September 21, 2020 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____

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. 2020-59 adopted September 21, 2020.

_____

Keith Van Der Maaten, Secretary

Prepared by Wood Rodgers
KMosca
8/31/2020

Engineer's Estimate of Construction Costs
SANITARY SEWER AND WATER SYSTEMS
PHASE 1C - THIRD PHASE
THE DUNES ON MONTEREY BAY
MARINA, CA

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
Water					
1.	8" PVC Water Pipe *(Including all appurtenances)*	5,703	LF	$36.00	$160,848.00
2.	12" PVC Water Pipe *(Including all appurtenances)*	1,548	LF	$54.00	$50,490.00
3.	Water Meter Vault	2	EA	$17,000.00	$34,000.00
4.	1" Water Service	87	EA	$2,500.00	$217,500.00
5.	Fire Hydrants	17	EA	$5,000.00	$65,000.00
6.	2" Blow-Off (DW)	7	EA	$3,500.00	$24,500.00
7.	Air Release Valve	1	EA	$3,500.00	$3,500.00
	Water Subtotal				**$555,838.00**
Reclaimed Water					
1.	4" PVC Reclaimed Water Pipe *(Including all appurtenances)*	1,066	LF	$28.00	$35,560.00
2.	8" PVC Reclaimed Water Pipe *(Including all appurtenances)*	497	LF	$55.00	$22,880.00
3.	2" Irrigation Service	1	EA	$1,500.00	$1,500.00
4.	2" Irrigation Service from Reclaimed Water Line	4	EA	$1,500.00	$6,000.00
5.	2" Blow-Off (RW)	2	EA	$3,500.00	$7,000.00
	Reclaimed Water Subtotal				**$72,940.00**
Sanitary Sewer					
1.	8" PVC Sanitary Sewer Pipe	3,166	LF	$40.00	$126,640.00
2.	12" PVC Sanitary Sewer Pipe	593	LF	$60.00	$35,580.00
3.	15" PVC Sanitary Sewer Pipe	821	LF	$75.00	$61,575.00
4.	Sanitary Sewer Manhole	22	EA	$5,500.00	$121,000.00
5.	Sanitary Sewer Service	139	EA	$1,175.00	$163,325.00
6.	Raise Existing Manhole	23	EA	$7,386.00	$169,878.00
	Sanitary Sewer Subtotal				**$677,998.00**
	Total Construction Costs				**$1,306,776**

BILL OF SALE

SEWER SYSTEM FACILITIES – Approximately 3,166 LF of 8-inch sewer main; approximately 593 LF of 12-inch sewer main; approximately 821 LF of 15-inch sewer main; approximately 22 sanitary sewer manholes; approximately 139 sewer service laterals (the "Sewer System Facilities")

For good and valuable consideration, receipt of which is hereby acknowledged, Shea Homes Limited Partnership, a California limited partnership ("SHLP"), does hereby transfer and convey to the Marina Coast Water District (the "District"), a County Water District organized under the laws of the State of California, and its successors and assigns, without recourse, covenant or warranty, express or implied, other than those contained herein and in that Construction and Transfer of Water, Sewer, and Recycled Water Infrastructure Agreement between the two parties dated October 5, 2014 ("Infrastructure Agreement"), all right, title, and interest in and to the sewer installation, including mains, manholes, laterals, and other appurtenances to said sewer installation, constructed and installed in accepted and recorded easements per Final accepted As-Built Plans dated February 23, 2016, Street Improvement Plans for The Dunes on Monterey Bay Phase 1 C – First Phase Record Drawings, Plan Sheets 1 through 50 as depicted on Exhibit A attached hereto. The fair market value of the Sewer System Facilities transferred to the District is **$677,998.00**.

WATER SYSTEM FACILITIES – Approximately 5,703 LF of 8-inch water main; approximately 1,548 LF of 12-inch water main; approximately 17 fire hydrants; approximately 87 - 1-inch water service lines; approximately 1 – 2-inch irrigation service lines (the "Water System Facilities")

For good and valuable consideration, receipt of which is hereby acknowledged, SHLP does hereby transfer and convey to the District, and its successors and assigns, without recourse, covenant or warranty, express or implied, other than those contained herein and in the Infrastructure Agreement, all right, title, and interest in and to the water installation, including mains, hydrants, laterals, valves, PRV's, and other appurtenances to said water installation, constructed and installed in accepted and recorded easements per Final accepted As-Built Plans dated February 23, 2016, Street Improvement Plans for The Dunes on Monterey Bay Phase 1 C – First Phase Record Drawings, Plan Sheets 1 through 50 as depicted on Exhibit B attached hereto. The fair market value of the Water System Facilities transferred to the District is **$555,838.00**.

RECYCLED WATER SYSTEM FACILITIES – Approximately 1,066 LF of 4-inch recycled water main; approximately 497 LF of 8-inch recycled water main; approximately 4 - 2-inch recycled water irrigation service line (the "Recycled Water System Facilities" and, together with the Sewer System Facilities and the Water System Facilities, the "Facilities")

For good and valuable consideration, receipt of which is hereby acknowledged, SHLP does hereby transfer and convey to the District, and its successors and assigns, without recourse, covenant or warranty, express or implied, other than those contained herein and in the Infrastructure Agreement, all right, title, and interest in and to the recycled water installation, including mains, laterals, valves, PRV's, and other appurtenances to said recycled water installation, constructed and installed in accepted and recorded easements per Final accepted As-Built Plans dated February 23, 2016, Street Improvement Plans for The Dunes on Monterey Bay

Phase 1 C – First Phase Record Drawings, Plan Sheets 1 through 50 as depicted on Exhibit C attached hereto. The fair market value of the Recycled Water System Facilities transferred to the District is **$72,940.00**.

This Bill of Sale is in accordance with and subject to the Infrastructure Agreement. SHLP represents and warrants that, to the knowledge of SHLP, SHLP has title to and the legal right to transfer and dispose of the Facilities. The transfer evidenced by this Bill of Sale is subject to the following conditions:

1. District represents and warrants to SHLP that, prior to its execution and delivery of this Bill of Sale, District has been given a sufficient opportunity to inspect and investigate the Facilities. Except as expressly set forth in the Infrastructure Agreement, District acknowledges that there are no other implied or express warranties regarding the Facilities.

2. By signing below, SHLP and District hereby further agree that nothing herein shall be construed as a sale, conveyance, transfer or assignment of any other equipment other than the Facilities.

3. If either party brings suit against the other to enforce or interpret this Bill of Sale, the prevailing party shall be entitled to reasonable attorneys' fees and such other relief as may be awarded by the court.

4. This Bill of Sale shall be governed by and construed in accordance with the laws of the State of California without regard to its choice of law or conflict of law principles.

5. If any provision of this Bill of Sale to any extent is found by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Bill of Sale shall not be affected thereby.

6. This Bill of Sale constitute the entire agreement between the parties concerning the subject matter hereof and has been entered into in reliance solely on the contents hereof and thereof. This Bill of Sale may not be amended or modified except in writing signed by both parties. This Bill of Sale supersede any previous agreements concerning the subject matter hereof, written or oral, between the parties hereto.

7. This Bill of Sale shall be binding upon the successors and assigns of the parties hereto. All representations, warranties, acknowledgments, covenants, releases, and waivers made by District in this Bill of Sale, and all disclaimers made by SHLP in this Bill of Sale, and all provisions of this Bill of Sale shall survive the execution and delivery of this Bill of Sale.

8. SHLP and District each warrant to the other that it is duly authorized to execute this Bill of Sale, and that such execution is binding upon it without further action or ratification. The parties acknowledge their intent that this Bill of Sale and any related signature or record shall be binding whether created, transmitted or effected by traditional or electronic means. This Bill of Sale may be executed in one or more identical counterparts, each of which when taken together will constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE OF SHLP:

SHEA HOMES LIMITED PARTNERSHIP
a California limited partnership

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

DATED: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of _____, a _____ which the person acted, executed the instrument.

I certify under PENALTY OF PURJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Notary Public in and for said State

CERTIFICATE OF ACCEPTANCE

As per Resolution No. 20 - _____ as set forth in the minutes of a meeting of the Board of Directors of the Marina Coast Water District held on _____, the above Bill of Sale for Sewer System, Water System and Reclaimed Water System Facilities, dated _____, is hereby accepted by order of the Board of Directors of the Marina Coast Water District, a County Water District organized under the laws of the State of California.

Date of Acceptance: _____

By: _____
General Manager
MARINA COAST WATER DISTRICT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

On _____, 2016, before me, Paula Riso , a Notary Public, personally appeared Keith Van Der Maaten , who proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of MARINA COAST WATER DISTRICT, a county water district and political subdivision of the State of California which the person acted, executed the instrument.

I certify under PENALTY OF PURJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Notary Public in and for said State

EXHIBIT A

SANITARY SEWER SYSTEM

THE DUNES ON MONTEREY BAY

PHASE 1C - THIRD PHASE

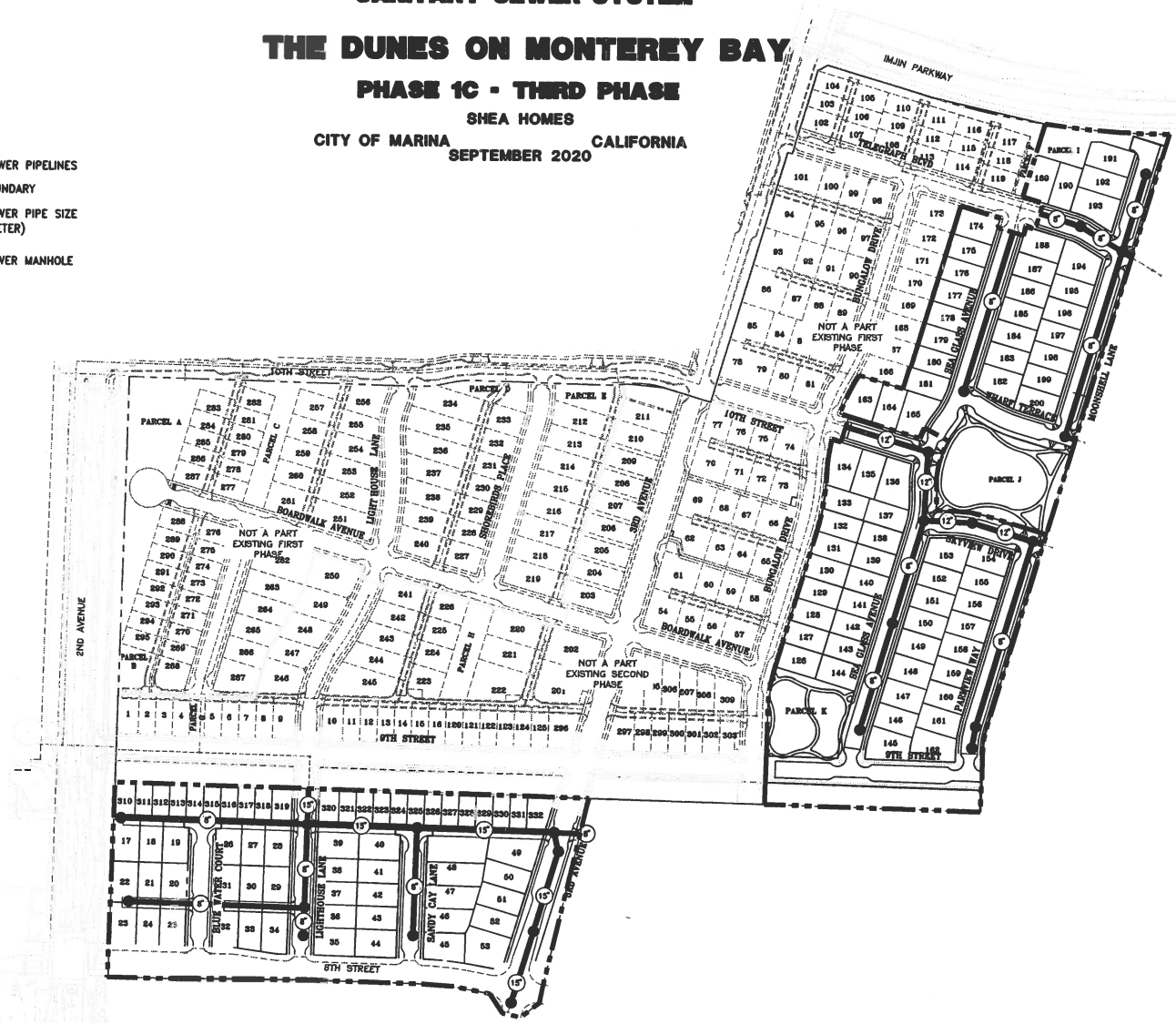
SHEA HOMES

CITY OF MARINA CALIFORNIA

SEPTEMBER 2020

LEGEND

- SANITARY SEWER PIPELINES
- PROJECT BOUNDARY
- (X) SANITARY SEWER PIPE SIZE (OF X" DIAMETER)
- SANITARY SEWER MANHOLE



100' 50' 0 100' 200'

SCALE: 1" = 100'

WOOD RODGERS
DEVELOPING INNOVATIVE DESIGN SOLUTIONS
4670 WILLOW ROAD, STE 125 TEL 925.847.1586
PLEASANTON, CA 94588 FAX 925.847.1587

EXHIBIT B

DOMESTIC WATER SYSTEM

THE DUNES ON MONTEREY BAY

PHASE 1C - THIRD PHASE

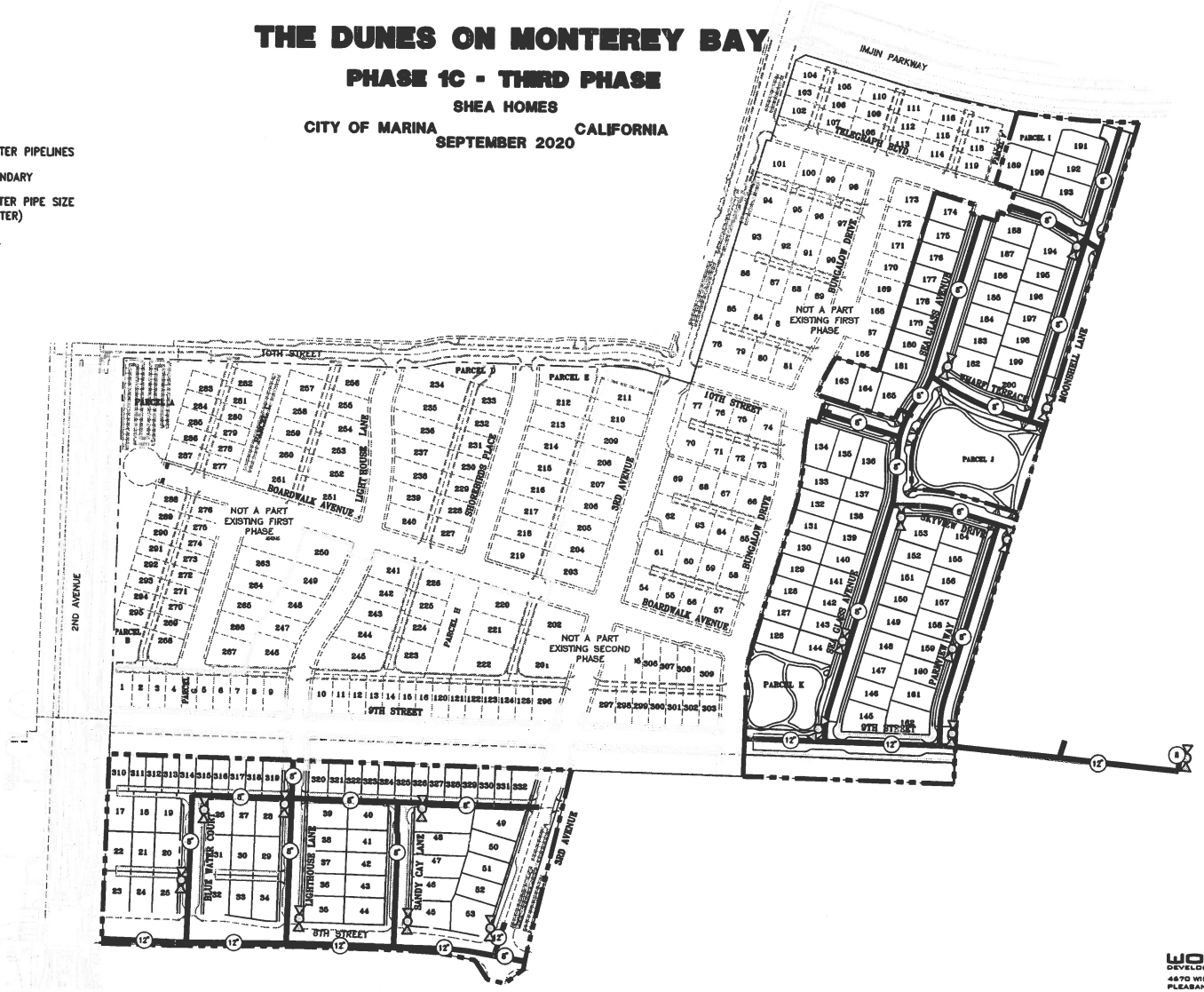
SHEA HOMES

CITY OF MARINA CALIFORNIA

SEPTEMBER 2020

LEGEND

- DOMESTIC WATER PIPELINES
- PROJECT BOUNDARY
- (X) DOMESTIC WATER PIPE SIZE (OF X" DIAMETER)
- FIRE HYDRANT



WOOD RODGERS
DEVELOPING INNOVATIVE DESIGN SOLUTIONS
4670 WILLOW ROAD, STE 125 TEL 925.847.1556
PLEASANTON, CA 94588 FAX 925.847.1557

EXHIBIT C

RECYCLED WATER SYSTEM

THE DUNES ON MONTEREY BAY

PHASE 1C - THIRD PHASE

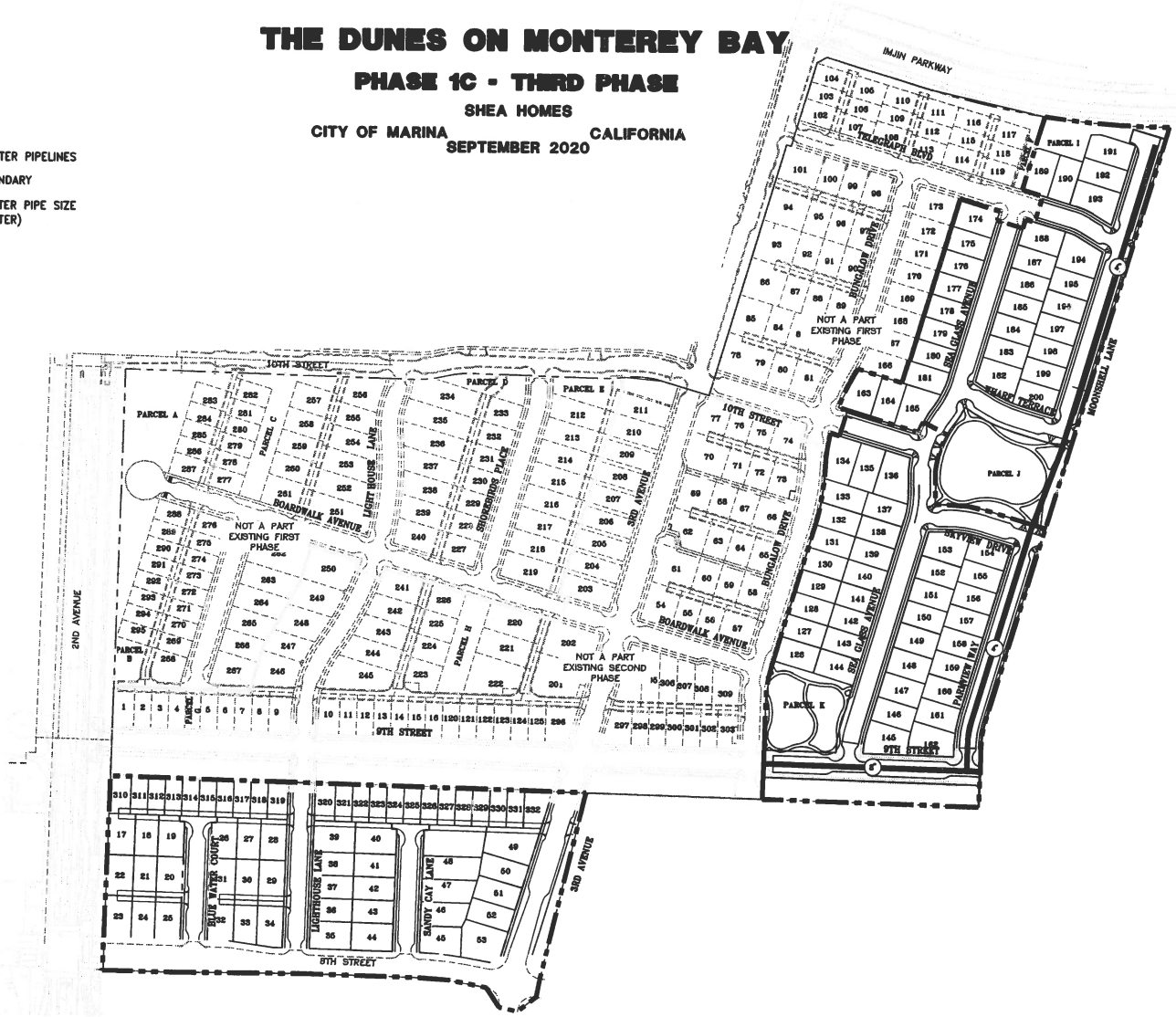
SHEA HOMES

CITY OF MARINA CALIFORNIA

SEPTEMBER 2020

LEGEND

- RECYCLED WATER PIPELINES
- PROJECT BOUNDARY
- (X) RECYCLED WATER PIPE SIZE (OF X" DIAMETER)



100' 50' 0 100' 200'

SCALE: 1" = 100'

WOOD RODGERS
DEVELOPING INNOVATIVE DESIGN SOLUTIONS
4670 WILLOW ROAD, STE 125 TEL 925.847.1556
PLEASANTON, CA 94588 FAX 925.847.1557

BOND NO.:
PREMIUM:

WARRANTY BOND

KNOW ALL PEOPLE BY THESE PRESENTS, That we, **Shea Homes Limited Partnership, a California limited partnership**, and **Argonaut Insurance Company**, a corporation duly licensed to do business in the State of **California**, as Surety, are held and firmly bound unto **Marina Coast Water District**, as Obligee in the penal sum of **Two Hundred Sixty-One Thousand Three Hundred Fifty-Five Dollars ($261,355)** to which payment well and truly to be made we do bind ourselves, our and each of our heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the said Principal provided Performance and Payment Bonds to the Obligee to guarantee completion of the following improvements:

> **Approximately 3,166 LF of 8-inch sewer main; approximately 593 LF of 12-inch sewer main; approximately 821 LF of 15-inch sewer main; approximately 22 sanitary sewer manholes; approximately 139 sewer service laterals; approximately 5,703 LF of 8-inch water main; approximately 1,548 LF of 12-inch water main; approximately 17 fire hydrants; approximately 87 - 1-inch water service lines; approximately 1 – 2-inch irrigation service lines; approximately 1,066 LF of 4-inch recycled water main; approximately 497 LF of 8-inch recycled water main; approximately 4 - 2-inch recycled water irrigation service line**

WHEREAS, the Obligee requires the Principal to furnish a bond conditioned to guarantee that said improvements shall be free of defects in workmanship and materials which may become apparent for a **one-year period** following the Obligee's acceptance of the improvements.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that, If the Principal shall indemnify the Obligee for all loss that the Obligee may sustain by reason of any defective materials or workmanship which become apparent during the said period then this obligation shall be void, otherwise to remain in full force and effect.

SIGNED AND SEALED This _____ day of _____, 2020.

Principal

By _____
Name: _____
Its: _____

By _____
Name: _____
Its: _____

Surety

By _____
Edward C. Spector, Attorney-in-Fact

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-D Meeting Date: September 21, 2020

Prepared By: Michael Wegley Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2020-60 to Approve Utility Agreement No. MCWD-2020-1 with the City of Marina for the Imjin Parkway Widening Project

Staff Recommendation: Staff recommends that the Board of Directors consider adopting Resolution No. 2020-60 approving Utility Agreement No. MCWD-2020-1 with the City of Marina for the estimated contract total amount of $23,100 to adjust 7 blow offs and 8 air release valves and 6 gate valves to grade.

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 and Analysis: MCWD's Regional Urban Water Augmentation Project (RUWAP) Distribution Pipelines Project will construct new potable water and recycled water mains in Imjin Parkway from Abrams Drive to Reservation Road. These pipelines will be constructed prior to the City of Marina's Imjin Parkway Widening Project from Imjin Road to Reservation Road.

The proposed Utility Agreement is to reimburse Marina for all costs associated with adjusting 7 blow offs, 8 air release valves and 6 gate valves to grade for the Imjin Parkway Widening Project. The total cost of the work is estimated to be $23,100 summarized by the following scope:

107	ADJUST BLOW OFF VALVE TO GRADE	7	EA	$ 1,000.00	$ 7,000.00
108	ADJUST AIR RELIEF VALVE TO GRADE	8	EA	$ 1,000.00	$ 8,000.00
109	ADJUST GATE VALVE TO GRADE	6	EA	$ 1,000.00	$ 6,000.00
				10% CONTINGENCY	$ 2,100.00
				TOTAL	$ 23,100.00

The current schedule for construction of the RUWAP improvements in Imjin Parkway is between November 2020 and January 2021. The Imjin Parkway Widening Project is in the process of certifying the Right-of-Way with Caltrans and construction is anticipated to begin in March 2021.

MCWD staff have reviewed the City of Marina's scope for the work described above for the Utility Agreement and find the fees for the anticipated items to be reasonable. The Utility Agreement and Notice to Owner are attached.

Staff is recommending that the Board adopt Resolution No. 2020-60 to enter into an agreement with the City of Marina as described above.

Environmental Review Compliance: The City of Marina, as Lead Agency, is responsible for environmental compliance for the Imjin Parkway Widening Project.

Financial Impact: ___X___Yes _____No Funding Source/Recap: Funding for this project comes from the Capital Improvement Budget for the Imjin Parkway Pipeline, Reservation Road to Abrams Drive, OW-0193, and the RUWAP Distribution Mains Project, RW-0157.

Other Considerations: The Board may desire to consider other alternatives to adopting the motion as recommended by staff including:

1. Modifying or conditioning the action; or,
2. Direct further staff work; or,
3. Deny the action.

Material Included for Information/Consideration: Resolution No. 2020-60; Attachment 1 - Utility Agreement; and, Attachment 2 - Notice to Owner.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

September 21, 2020

Resolution No. 2020-60
Resolution of the Board of Directors
Marina Coast Water District
Approving Utility Agreement No. MCWD-2020-1 with the City of Marina
for the Regional Urban Water Augmentation Project Distribution Mains within the
Imjin Parkway Widening Project

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), at a meeting duly called and held on September 21, 2020, via a videoconference pursuant to Gov. Newsom's Executive Order N-29-20, as follows:

WHEREAS, MCWD's Regional Urban Water Augmentation Project (RUWAP) Distribution Pipelines Project will construct new potable water and recycled water mains in Imjin Parkway from Abrams Drive to Reservation Road; and,

WHEREAS, the potable water and recycled water pipelines will be constructed prior to the City of Marina's Imjin Parkway Widening Project from Imjin Road to Reservation Road; and,

WHEREAS, the proposed Utility Agreement is to reimburse Marina for all costs associated with adjusting 7 blow offs, 8 air release valves and 6 gate valves to grade for the Imjin Parkway Widening Project; and,

WHEREAS, MCWD staff have reviewed the City of Marina's scope for the work described above for the Utility Agreement and find the costs for the anticipated items to be reasonable.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Marina Coast Water District does hereby approve Utility Agreement No. MCWD-2020-1 with The City of Marina for the estimated contract total amount of $23,100 to adjust 7 blow offs, 8 air release valves and 6 gate valves to grade.

PASSED AND ADOPTED on September 21, 2020, by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____
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. 2020-60 adopted September 21, 2020.

_____
Keith Van Der Maaten, Secretary

Exhibit 14-F Utility Agreements

UTILITY AGREEMENTS

City of Marina

UTILITY AGREEMENT

County	Route	P.M.	Project #
Monterey	Imjin Parkway	N/A	RSTPL – 5416 (011)
Fed. Aid. No.: RSTPL – 5416 (011)			
Owner's File: N/A			
FEDERAL PARTICIPATION: On the Project: Yes ☐ No ☒ **On the Utilities: Yes ☐ No ☒**			

UTILITY AGREEMENT NO. MCWD-2020-01

The City of Marina hereinafter called "LOCAL AGENCY" proposes to widen Imjin Parkway to accommodate two additional travel lanes, one new lane in each direction. In addition, the project will install roundabouts, raised medians, bike lanes, a multi-use path, bus stops, landscaping, and utility modifications on Imjin Parkway in the City of Marina, Monterey County, California.

And: **Marina Coast Water District**

hereinafter called "OWNER," owns and maintains water facilities; within the limits of LOCAL AGENCY's project that requires relocation and/or adjustment of said facilities to accommodate LOCAL AGENCY's project.

It is hereby mutually agreed that:

I. WORK TO BE DONE:
In accordance with Notice to Owner No. MCWD-2020-01 dated 09/09/2020 , LOCAL AGENCY shall relocate OWNER's sanitary and force main sewer facilities and water appurtenances as shown on LOCAL AGENCY's contract plans for the improvement of Imjin Parkway, which by this reference are made a part hereof. OWNER hereby acknowledges review of LOCAL AGENCY's plans for work and agrees to the construction in the manner proposed.

Deviations from the plan described above initiated by either the LOCAL AGENCY or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the LOCAL AGENCY and agreed to/acknowledged by the OWNER, will constitute an approved revision of the plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to written execution by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner. OWNER shall have the right to inspect the work during construction. Upon completion of the work by LOCAL AGENCY, OWNER agrees to accept ownership and maintenance of the

constructed facilities, and relinquishes to LOCAL AGENCY ownership of the replaced facilities except in the case of liability determined pursuant to Water Code 7034 or 7035.

II. LIABILITY FOR WORK

Existing force main and gravity sewer facilities are located in their present position pursuant to rights superior to those of the LOCAL AGENCY and will be relocated at LOCAL AGENCY’s expense.

The existing potable and recycled water facilities are located within the LOCAL AGENCY's right of way under permit and will be relocated at OWNER's expense under the provisions of Sections (673) and (680) of the Streets and Highways Code.

III. PERFORMANCE OF WORK

OWNER shall have access to all phases of the relocation work to be performed by LOCAL AGENCY, as described in Section I above, for the purpose of inspection to ensure that the work is in accordance with the specifications contained in the Highway Construction Contract; however, all questions regarding the work being performed will be directed to LOCAL AGENCY's Resident Engineer for their evaluation and final disposition.

IV. PAYMENT FOR WORK

It is understood and agreed that the LOCAL AGENCY will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the LOCAL AGENCY for all accrued depreciation of the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

The OWNER shall pay its share of the actual cost of said work included in the LOCAL AGENCY's highway construction contract within 90 days after receipt of LOCAL AGENCY's bill; compiled on the basis of the actual bid price of said contract. The estimated cost to OWNER for the work being performed by the LOCAL AGENCY's highway contractor is $ 23,100. See Engineer's Estimate item # 107, #108, and #109, and cost includes 10% project contingency.

In the event actual final relocation costs as established herein are less than the sum of money advanced by OWNER to LOCAL AGENCY, LOCAL AGENCY hereby agrees to refund to OWNER the difference between said actual cost and the sum of money so advanced. In the event that the actual cost of relocation exceeds the amount of money advanced to LOCAL AGENCY, in accordance with the provisions of this Agreement, OWNER hereby agrees to reimburse LOCAL AGENCY said deficient costs upon receipt of an itemized bill as set forth herein.

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of LOCAL AGENCY's request of $23,100 to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

If LOCAL AGENCY's project which precipitated this Agreement is canceled or modified so as to

eliminate the necessity of work by OWNER, LOCAL AGENCY will notify OWNER in writing, and LOCAL AGENCY reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of LPA under the terms of this Agreement are subject to the acceptance of the Agreement by LPA Board of Directors or the Delegated Authority (as applicable), the passage of the annual Budget Act by the State Legislature, and the allocation of those funds by the California Transportation Commission.

Where OWNER has prior rights in areas which will be within the highway right of way and where OWNER's facilities will remain on or be relocated on LOCAL AGENCY highway right of way, a Joint Use Agreement or Consent to Common Use Agreement shall be executed by the parties.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, BA, are also incorporated into this agreement. The BA requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

Owner understands and acknowledges that this project is subject to the requirements of the BA law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance and will demonstrate BA compliance by collecting written certification(s) from the vendor(s) or by collecting written certification(s) from the manufacturer(s) (the mill test report (MTR).

All documents obtained to demonstrate BA compliance will be held by the OWNER for a period of three (3) years from the date the final payment was received by the OWNER and will be made available to STATE or FHWA upon request.

One set of copies of all documents obtained to demonstrate BA compliance will be attached to, and submitted with, the final invoice.

This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department’s guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

If, in connection with OWNER’s performance of the Work hereunder, LOCAL AGENCY provides to OWNER any materials that are subject to the Buy America Rule, LOCAL AGENCY acknowledges and agrees that LOCAL AGENCY shall be solely responsible for satisfying any and all requirements relative to the Buy America Rule concerning the

materials thus provided (including, but not limited to, ensuring and certifying that said materials comply with the requirements of the Buy America Rule).

LOCAL AGENCY further acknowledges that OWNER, in complying with the Buy America Rule, is expressly relying upon the instructions and guidance (collectively, "Guidance") issued by LOCAL AGENCY and its representatives concerning the Buy America Rule requirements for utility relocations within the State of California. Not withstanding any provision herein to the contrary, OWNER shall not be deemed in breach of this Agreement for any violations of the Buy America Rule if OWNER's actions are in compliance with the Guidance.

IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

LOCAL AGENCY	**MARINA COAST WATER DISTRICT (OWNER)**
By: _____	By: _____
Brian McMinn Public Works Director/City Engineer	Michael Wegley District Engineer
Date: _____	Date: _____

Distribution: 1) Owner, 2) Utility Coordinator, 3) DLAE –File, 4) District Utility Coordinator – File

NOTICE TO OWNER – LOCAL ASSISTANCE

LAPM 14-D (NEW 05/2019)

Number: MCWD-2020-01

CITY OF MARINA

COUNTY	ROUTE/STREET	POST MILE	PROJECT NUMBER
MONTEREY	IMJIN PARKWAY	N/A	RSTPL-5416(011)

Federal Aid Number: RSTPL-5416(011)

Owner's Plan Number: N/A

Date: 09/09/2020 "On-System": ☐ YES ☒ NO

To: Michael Wegley
Marina Coast Water District
11 Reservation Road, Marina, CA 93933

Because of the transportation project to
Improve Imjin Parkway to accommodate two additional travel lanes, install roundabouts, raised medians, bike lanes, a multi-use path, bus stops, landscaping, and utility modifications
In Marina, Monterey, which affects your facilities: sanitary sewer force main, gravity sewer structure, water valve lids as shown on Map UT-01 through UT-11 and US-01 through US-02.

You are hereby ordered to: allow the project contractor to relocate and/or adjust your underground and surface sewer and water facilities in accordance with the Kimley-Horn plans dated August 30, 2020.

Your work schedule shall be from: 03/01/2021 to 11/01/2023

The City of Marina will notify Michael Wegley at 831-883-5925, 336 hours prior to initial start of work, and an additional 72 hours notification for subsequent starts when the work schedule is interrupted.

Existing force main and gravity sewer facilities are located in their present position pursuant to rights superior to those of the LOCAL AGENCY and will be relocated at LOCAL AGENCY's expense.

The existing potable and recycled water facilities are located within the LOCAL AGENCY's right of way under permit and will be relocated at OWNER's expense under the provisions of Sections (673) and (680) of the Streets and Highways Code.

Owner Rep: Michael Wegley
Public Works Coordinator
(Rep's address if differ from the above)

cc: Resident Engineer
Permits

By _____
Local Agency Director

THIS NOTICE DOES NOT CONSTITUTE A PERMIT. OBTAIN AN ENCROACHMENT PERMIT BEFORE STARTING WORK.

Distribution: 1) Owner, 2) Utility Coordinator – File, 3) RE – File
4) DLAE – File, 5) District Utility Coordinator - File

Return to Agenda

Marina Coast Water District
Agenda Transmittal

Agenda Item: 11-E Meeting Date: September 21, 2020

Submitted By: Kelly Cadiente Approved By: Keith Van Der Maaten

Agenda Title: Consider Adoption of Resolution No. 2020-61 to Award Contract to Raftelis Financial Consultants, Inc. to Provide a Recycled Water Rate Fee Study to the District

Staff Recommendation: The Board of Directors adopt Resolution No. 2020-61 to approve professional services agreement with Raftelis Financial Consultant, Inc. (Raftelis) to provide a recycled water rate study to the District in the amount of $48,677, plus a 20% contingency of $9,735, and authorize the General Manager to execute the contract and all necessary documents.

Background: *Strategic Plan, Goal No. 4 – To manage the District's finances in the most effective and fiscally responsible manner.*

On August 13, 2020, the District issued a Request for Proposals (RFP) for a recycled water rate study in preparation for the sale of recycled water upon completion of the Reginal Urban Water Augmentation Project.

Discussion/Analysis: Staff is requesting the Board consider adoption of Resolution No. 2020-61 to approve a contract with Raftelis Financial Consultant, Inc. to provide a recycled water rate study to the District. Previously, staff issued an RFP with a proposal due date of September 9, 2020. Three proposals were received and evaluated by staff. The proposals were evaluated based on the following criteria:

- Qualifications of firm
- Related Experience
- References
- Completeness of Response/Ability to understand District's Needs
- Reasonableness of Cost and Price

Staff concluded that while all three consulting firms were qualified and two of the three firms had recently provided rate consultant services for the District, Raftelis had the most complete proposal by providing specific deliverables for every task in their proposal.

Staff also recommends a 20% contingency in the amount of $9,735 for any unforeseen or additional requests made of the consultant which often happens as a result from input from the Board and public at the public workshops.

Environmental Review Compliance: None.

Financial Impact: __X__Yes _____No Funding Source/Recap: Funded through FY 2020/2021 Operating Budget of the Central Marina and Ord Community water cost centers.

Material Included for Information/Consideration: Resolution No. 2020-61; Proposal Evaluation Matrix; and, Raftelis Financial Consultants, Inc. Proposal.

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

Board Action

Motion By_____ Seconded By_____ No Action Taken_____

Ayes_____ Abstained_____

Noes_____ Absent_____

September 21, 2020

Resolution No. 2020-61
Resolution of the Board of Directors
Marina Coast Water District
Award a Contract with Raftelis Financial Consultants, Inc. to
Provide a Recycled Water Rate Study to the District

RESOLVED by the Board of Directors ("Directors") of the Marina Coast Water District ("District"), regular meeting duly called and held on September 21, 2020, via video conference pursuant to Governor Newsom's Executive Order N-29-20 as follows:

WHEREAS, on August 13, 2020, the District issued a Request for Proposals (RFP) for a recycled water rate study in preparation of the sale of recycled water upon completion of the Reginal Urban Water Augmentation Project; and,

WHEREAS, staff issued a Request for Proposals (RFP) with a proposal due date of September 9, 2020 and received and reviewed three proposals; and,

WHEREAS, staff has reviewed the proposals and recommends Board approval of a contract with Raftelis Financial Consultants, Inc. to provide a recycled water rate study to the District.

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 Raftelis Financial Consultants, Inc. in the amount of $48,677 and a 20% contingency in the amount of $9,735 to provide a recycled water rate study to the District.

PASSED AND ADOPTED on September 21, 2020 by the Board of Directors of the Marina Coast Water District by the following roll call vote:

Ayes: Directors_____

Noes: Directors_____

Absent: Directors_____

Abstained: Directors_____

_____
Thomas P. Moore, President

ATTEST:

_____
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. 2020-61 adopted September 21, 2020.

_____

Keith Van Der Maaten, Secretary

MARINA COAST WATER DISTRICT
2020 Recycled Water Rate Study Matrix

Firm	Locale	Rank	Qualification of Firm	# of Personnel	Related Experience	References	Completeness of Response/Ability to Understand District's Needs	Reasonableness of Cost and Price
Bartle Wells Associates	Berkeley, CA	3	More than 50 years experience specializing in utility rate consulting.	2	Recently performed the MCWD Capacity Fee study in conjunction Akel Engineering, Inc.'s completion of the District's Master Plans.	Worked well with District staff in the past.	Response was not as complete as the other responses. There was no breakdown of hours per task and did not indicate its unique understanding of the District as the recent Capacity Fee rate consultant.	155 hours = **$29,525** (includes $1,000 of estimated expenses.)
Carollo Engineers	Walnut Creek, CA	2	Engineering firm established in 1933 (87 years) and have provided financial services to utilities nationally and throughout CA for over 30 years.	5	Provided financial planning services for over 300 utilities in CA over past 5 years including MCWD. Over 30 water rate studies over the past 2 years.	Worked well with District staff in the past.	While response was complete, Carollo did not indicate how it has a unique understanding of the District as the previous rate study consultant and the design firm of the RUWAP. Will tailor rate model and revenue calculator to the District.	418 hours = **$79,739** (includes $7,834 which includes $13/hr. PECE and assumes Carollo Project Manager will be present for all Board Workshops.) Seems high based on their knowledge of the RUWAP and the District.
Raftelis Financial Consultants, Inc.	Los Angeles, CA	1	Firm founded in 1993 (27 years) with local and national experience. Co-authored many of the industry's leading guidebooks regarding wastewater and water financial issues and rate setting.	7	The Principal on the project has conducted more than 200 water, wastewater, and recycled water studies. Project Manager has over 20 years experience in public sector consulting.	References were verified and gave high recommendations. Board workshops were run in a very professional manner. "Their work product was far and above past studies from other consultants."	Response was complete. Provided deliverables information for each task. Will tailor rate model and revenue calculator to the District.	211 hours = **$48,677** (includes $4,177 associated with potential travel and $10/hr. technology charge.)

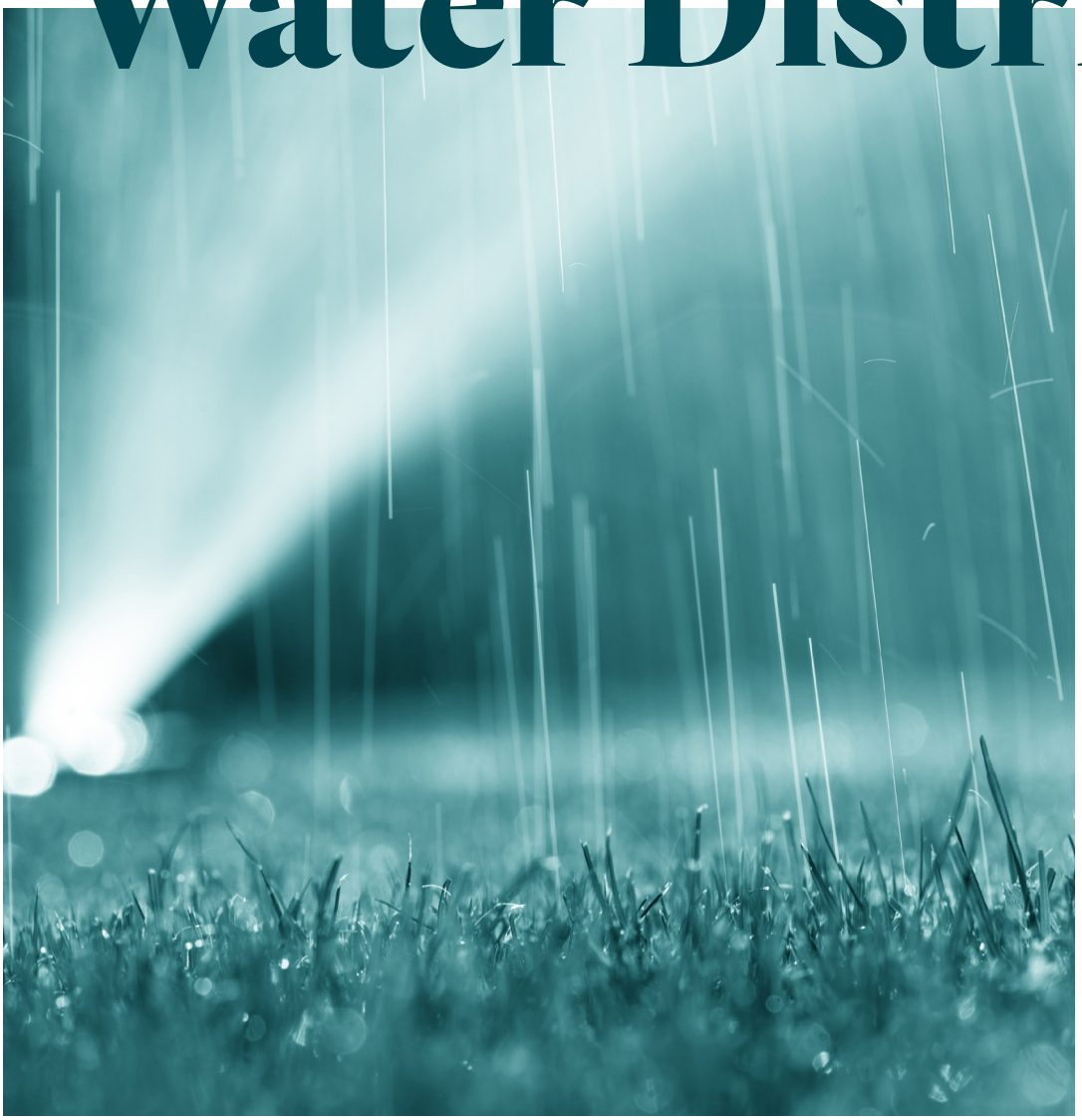
RAFTELIS

Raftelis Financial Consultants, Inc.
Kevin Kostiuk, Manager
445 S. Figueroa Street, Suite 1925
Los Angeles, CA 90071
213.262.9309

Proposal for Recycled Water Rate Study

SEPTEMBER 9, 2020

Marina Coast Water District



Diversity and inclusion are an integral part of Raftelis' core values.

We are committed to doing our part to fight prejudice, racism, and discrimination by becoming more informed, disengaging with business partners that do not share this commitment, and encouraging our employees to use their skills to work toward a more just society that has no barriers to opportunity.

REGISTERED MUNICIPAL ADVISOR

Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

Title Page

PROPOSAL FOR RECYCLED WATER RATE STUDY

Firm Name:
Raftelis Financial Consultants, Inc.
(DBA Raftelis)

Contact Person:
Kevin Kostiuk
Manager
445 S. Figueroa Street, Suite 1925
Los Angeles, CA 90071
213. 262.9309

Proposal Date:
September 9, 2020

Table of Contents

September 9, 2020

Marina Coast Water District
Attention: Kelly Cadiente, Director of Administrative Services
11 Reservation Road
Marina, CA 93933

Subject: Proposal for Recycled Water Rate Study

Dear members of the selection committee :

Raftelis is pleased to present this proposal to conduct a recycled water financial analysis, cost of service, and rate study for Marina Coast Water District (District). This study will include a benchmarking component for financial and rate comparisons against public agency recycled water purveyors, and a model training component to address the specific needs of the District. We believe that our unique combination of qualifications, resources, experience, and knowledge will provide value to the District and its recycled water customers.

Raftelis has the largest practice in California, and the country, specializing in financial and rate consulting for water, wastewater, and recycled water utilities. We are confident in our ability to develop a sustainable recycled water utility financial plan, and an optimal rate structure to comply with Proposition 218, and achieve the District's goals. We have assisted numerous agencies in California and across the United States with successfully implementing new utility enterprise services and implementing rate structures that fund new capital infrastructure. We have conducted many similar water and recycled water studies, including projects for El Toro Water District, Soquel Creek Water District, and the City of Camarillo, among others.

I will serve as Project Director and will be responsible for the project's success to your satisfaction. I have 20 years of public-sector consulting experience and have worked on more than 200 rate studies throughout California. Kevin Kostiuk will serve as Project Manager for this engagement, managing the day-to-day tasks of the project and ensuring that it stays on schedule, on budget, and effectively meets the District's objectives. Kevin has 12 years of professional experience with a focus on water cost of service, drought rate modeling, water budget rate structures, and groundwater fee analysis. Steve Gagnon, PE (AZ) will provide a critical review of the methodology and results and serve as Technical Reviewer. Steve has 20 years experience in financial analysis and environmental engineering and has extensive experience on similar studies. Staff consultants from our Los Angeles office will assist in conducting analyses and preparing project deliverables.

Given the ongoing COVID-19 pandemic and emergency health orders, all meetings are proposed to be virtual/web-based, with the exception of the Public Hearing outlined as Task 9. Our fee proposal reflects this assumption. Should the current public health circumstances change, Raftelis will gladly work with the District to attend public workshops on-site.

Raftelis is proud of the team and resources we can offer the District on this engagement. We are committed to conducting the project within the proposed time period. Our proposal is firm and valid for a period of 90 days. I am authorized to negotiate on behalf of and to contractually bind Raftelis. Should you have any questions, please do not hesitate to contact me.

Sincerely

Sanjay Gaur
Vice President
Office: 213 262 9304 / Mobile: 213 327 4405 / Email: sgaur@raftelis.com

Qualifications of the Firm

RAFTELIS IS THE TRUSTED ADVISOR TO UTILITIES AND THE PUBLIC SECTOR.

+ VISIT **RAFTELIS.COM** TO LEARN MORE

Number of Employees: 141

Office Providing the Work:
445 S. Figueroa Street,
Suite 1925
Los Angeles, CA 90071

Raftelis provides utilities and public-sector organizations with insights and expertise to help them operate as high-performing, sustainable entities providing essential services to their citizens. We help our clients solve their financial, organizational, technology, and communication challenges, achieve their objectives, and, ultimately, make their communities better places to live, work, and play.

THE DISTRICT & RAFTELIS

The Right Fit

We believe that Raftelis is the right fit for this project. We provide several key factors that will benefit the District and help to make this project a success.

RESOURCES & EXPERTISE

This project will require the resources necessary to effectively staff the project and the skill sets to complete all of the required components.

With more than 120 consultants, Raftelis has the largest water-industry financial and rate consulting practice in the nation. Our depth of resources will allow us to provide the District with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

DEFENSIBLE RECOMMENDATIONS

When your elected officials and customers are considering the validity and merit of recommended changes, they want to be confident that they were developed by experts using the latest industry standard methodology.

Our senior staff is involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). Raftelis' staff members have also co-authored many industry standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the District informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

HISTORY OF SIMILAR SUCCESSES

An extensive track record of past similar work will help to avoid potential pitfalls on this project and provide the know-how to bring it across the finish line.

Raftelis staff has assisted 1,200+ public agencies and utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives. Our extensive experience will allow us to provide innovative and insightful recommendations to the District and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

USER-FRIENDLY MODELING

A modeling tool that your staff can use for scenario analysis and financial planning now and into the future will be key for the District going forward.

Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

RATES THAT ARE ADOPTED

For the study to be a success, rates must be successfully approved and implemented.

Even the most comprehensive rate study is of little use if the recommendations are not approved and implemented. Raftelis has assisted numerous agencies with getting proposed rates successfully adopted. We develop a message regarding the changes that is politically acceptable and convey that message in an easy-to-understand manner. We focus on effectively communicating with elected officials about the financial consequences and rationale behind recommendations to ensure stakeholder buy-in and successful rate adoption.

Leading the industry

Raftelis staff shape industry standards for water and wastewater utility finance and management through our active leadership in AMWA, AWWA, WEF, and EPA. Leadership positions and projects for these organizations include:

AMWA

- INSIGHT database and survey

AWWA

- President
- Asset Management Committee - 1 member
- Benchmarking Committee - 1 member
- Finance, Accounting, and Management Controls Committee - Chair and 2 members
- Management and Leadership Division - Vice Chair & Trustee
- Rates and Charges Committee - Chair and 4 members
- Strategic Management Practices Committee - Chair
- Co-lead biennial *National Water & Wastewater Rate Survey*

WEF

- Finance and Administration Subcommittee - Chair
- Technical Practices Committee - 1 member
- Utility Management Committee - 5 members
- WEFTEC Conference Planning Committee - 1 member

EPA

- Environment Financial Advisory Board - 1 member

We wrote the book

Raftelis staff have co-authored many of the industry's leading guidebooks regarding water and wastewater financial and management issues, including:

- *Affordability of Wastewater Service* (WEF)
- *Manual of Practice No. 27, Financing and Charges for Wastewater Systems* (WEF)
- *Manual M1, Principles of Water Rates, Fees and Charges* (AWWA)
- *Manual M5, Water Utility Management* (AWWA)
- *The Effective Water Professional* (WEF)
- *Water and Wastewater Finance and Pricing: The Changing Landscape*
- *Water and Wastewater Rate Survey* (conducted and published collaboratively with AWWA and Raftelis)
- *Water Rates, Fees, and the Legal Environment* (AWWA)

How we stack up

27 years serving the public sector

OUR TEAM INCLUDES

120+ consultants focused on finance/management/communication/technology for the public sector

5 chairs & **20** members of AWWA and WEF utility finance and management committees and subcommittees

& the President of AWWA

RAFTELIS HAS PROVIDED ASSISTANCE FOR

1,200+ public agencies and utilities

that serve more than

25% of the U.S. population

including the agencies serving

38 of the nation's 50 largest cities

In the past year alone, we worked on

900+ projects for **600+** agencies in **44** states

References

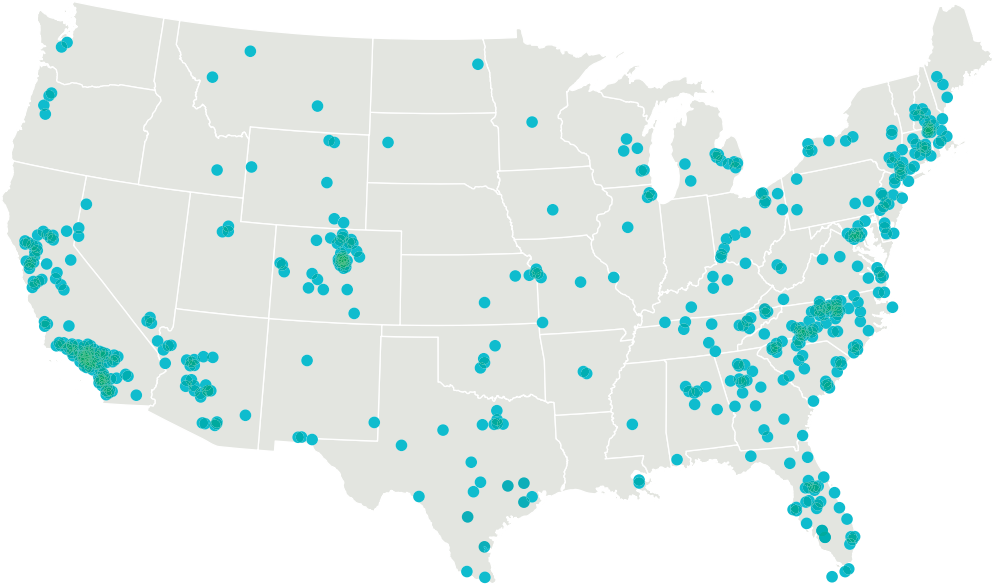
RAFTELIS HAS THE MOST EXPERIENCED UTILITY FINANCIAL AND MANAGEMENT CONSULTING PRACTICE IN THE NATION.

Our staff has assisted more than 1,200 public agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 900 financial/organizational/technology consulting projects for over 600 agencies in 44 states, the District of Columbia, and Canada.

THIS MAP AND THE MATRIX ON THE FOLLOWING PAGES SHOW SOME OF THE CLIENTS THAT WE HAVE ASSISTED.

Raftelis has provided financial/ organizational/technology assistance to utilities serving more than

25% of the U.S. population



California Experience

This table lists the California utilities that Raftelis has assisted over the past five years on financial, rate, and/or management consulting projects.

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Alameda County Water District		●		●		●	●	●	●			
Anaheim, City of				●		●	●	●				
Arroyo Grande, City of				●		●	●	●				
Atwater, City of				●	●	●		●				
Bakersfield, City of		●		●		●		●				
Benicia, City of									●			
Beverly Hills, City of		●		●		●	●	●	●		●	
Borrego Water District			●	●		●						
Brea, City of				●		●		●				
Brentwood (CA), City of				●		●	●	●				
CAL FIRE/San Luis Obispo								●				
Calleguas Municipal Water District		●		●		●	●	●				
Camarillo, City of		●		●		●		●	●			
Carlsbad Municipal Water District		●		●		●	●	●				
Casitas Municipal Water District				●		●		●				
Castaic Lake Water Agency			●	●		●	●	●	●			
Central Basin Municipal Water District		●		●			●	●				
Central Contra Costa Sanitary District				●		●		●				
Channel Islands Beach Community Services District				●		●		●				
Chino Hills, City of				●		●		●				
Chino, City of				●		●		●				
Chowchilla, City of				●		●	●	●				
Corona, City of						●			●			
County of San Diego				●				●		●		
Crescenta Valley Water District				●		●		●				
Cucamonga Valley Water District				●		●						
Del Mar Union School District		●										
Delta Diablo Sanitation District											●	
East Bay Municipal Utility District				●				●	●			
East Orange County Water District				●		●		●	●			
East Valley Water District				●		●	●	●				
Eastern Municipal Water District				●								
El Toro Water District				●		●		●				
Elk Grove Water District	●			●		●	●	●	●			
Elsinore Valley Municipal Water District				●		●			●			
Escondido, City of		●		●		●	●	●	●			
Galt, City of		●		●		●		●	●			
Glendora, City of						●						
Goleta Water District				●		●	●	●				
Goleta West Sanitary District			●	●		●	●	●	●			
Helix Water District				●		●		●				
Henderson, City of				●		●		●	●			
Hollister, City of				●		●		●	●			
Holtville, City of				●				●				
Huntington Beach, City of				●		●	●	●				
Imperial County				●		●		●				
Inland Empire Utilities Agency				●								

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Leucadia Wastewater District				●		●						
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●				●				
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Agency				●		●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Pomona, City of				●		●		●	●			
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●	●	●			
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				
Salton Community Services District				●				●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial and Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development / Impact Fees	Stormwater Utility Develoment	Organizational Optimization	Water/Wastewater Utility Valuation
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Department		●	●	●		●	●	●	●			
San Dieguito Water District				●		●		●				
San Elijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
Sonoma, City of				●		●		●				
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●				●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●			●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

Here, we have provided descriptions of three projects that we have worked on that are similar in scope to the District's project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

City of Camarillo

CALIFORNIA

Reference: Mark S. Uribe, Assistant Director of Finance
601 Carmen Drive, Camarillo, CA 93010
P: 805.388.5358 / E: muribe@cityofcamarillo.org
Number of Years as Customer: Client since 2011

In 2011, the City of Camarillo (City) engaged Raftelis to conduct a comprehensive water and wastewater rate study to independently assess and evaluate existing water and wastewater rates for compliance with industry standards and California regulations, and to develop a financial plan to ensure financial sufficiency while minimizing rate impacts to the greatest degree possible. The study included a comprehensive review of the water and wastewater enterprises' revenue requirements, a review of the City's user classification and usage patterns, a cost of service analysis, the development of water and wastewater connection fees, the design of water and wastewater rates, and the analysis of customer impacts along with a rate survey of neighboring agencies. The City had significant capital improvement projects scheduled in the immediate future (FY 2012 to FY 2014); to smooth out customer impacts while sufficiently maintaining the utility's systems, Raftelis developed water and wastewater financial plan models to evaluate different CIP scenarios, financing options, and associated financial impacts. Raftelis recommended water and wastewater rate schedules for a two-year period effective January 2012 and 2013, which were approved by the City Council in November 2011. Since 2011 Raftelis has updated the City's rates annually and is currently re-evaluating the financial plans and rates for calendar year 2021.

El Toro Water District

CALIFORNIA

Reference: Dennis Cafferty, Assistant General Manager/ District Engineer
24251 Los Alisos Boulevard, Lake Forest, CA 92630
P: 949.837.7050 ext 223 / E: dcafferty@etwd.com / F: 919.837.7092
Number of Years as Customer: Client since 2005

Raftelis has assisted El Toro Water District (District) with the development of its rates on an ongoing basis since 2006. At that time, the District had not updated its water and wastewater rates or rate structure in more than 10 years and was operating at a deficit. Raftelis prepared a 12-year financial plan evaluating the operating and capital expenses, debt service, and reserve requirements. A cost of service analysis was conducted to review the equity of the rates and existing rate structures. The adopted rates, resulting from the cost of service study in 2006, unbundled rate components to convey the true cost of various service components and to continue to equitably pass on the cost of water, wastewater, and recycled water services to users.

In 2009, the District engaged Raftelis to design a water budget rate structure for its residential and irrigation accounts to help promote water-use efficiency. Raftelis designed a water budget rate structure which ensured revenue stability, financial sufficiency, and provided the appropriate price signal for different supply costs and conservation program funding for the District. The following outlines the methodology used to develop the water budget rate structure:

- Indoor allocations varied by the number of occupants and outdoor allocations varied based on weather data and irrigable area
- The irrigable area was determined by taking the total parcel area less the building area acquired from the Assessors' Secured Roll
- The allocation budgets considered irrigation efficiency and type of landscape

Next, Raftelis developed a water budget rate model that allowed the District to quickly view the impacts of alternative rates and budgets, to aid policy makers in making well-informed decisions in a timely manner. This tool proved invaluable when presenting the results in a graphical format to the District Board of Directors because it enabled them to easily see the impacts of different water budgets on their customers in real-time. As a result, the Board adopted the water budget rate structure in June 2010. To minimize rate shock to upper-tier users, Raftelis developed a three-phase implementation plan that slowly phased in Tier 3 and Tier 4 rates. The rate unbundling and phase-in implementation plan were found beneficial and useful for the District during public outreach and rate implementation. The findings and recommendations resulting from the Study were summarized and documented in the Study Report.

Since the water budget rate study, each year Raftelis was retained by the District to conduct the cost of service annual study to update its water and wastewater rates. In 2012, the District engaged Raftelis to conduct a recycled water financial plan study to evaluate the impacts of the recycled water expansion on the Water and Wastewater Enterprises.

In late 2014 and early 2015, California experienced one of the most severe droughts in state history. The District purchases 100

percent of its potable water supply from the Metropolitan Water District of Orange County (MDWOC), a wholesale customer of the Metropolitan Water District of Southern California (MWD). To address water supply issues, MWD developed the Water Supply Allocation Plan (WSAP) which provides reduced allocations to wholesale customers within MWD's service area. In turn, on January 20, 2015, MWDOC adopted a methodology to determine the allocation to its member agencies. Member agencies, such as the District, can purchase water above the allocation, but such purchases are subject to severe penalties. The District engaged Raftelis to conduct a drought rate study to determine the indoor and outdoor drought factor adjustments necessary to encourage conservation among its residential and irrigation customers and to develop penalty rates for commercial customers in order to achieve the required reductions in consumption under increasing levels of drought. As part of the study, Raftelis conducted financial impact analysis on revenues, expenditures, and net revenues for each drought stage. The study analyzed the impacts if: 1) customers continued to consume at normal (non-drought) levels, or 2) customers reduced consumption by the amount required. The methodology and results of the Study were documented in the drought study report and submitted to the District to support the adoption of the District's "Water Conservation & Water Supply Shortage Ordinance" in 2015.

In 2017, the District retained Raftelis to conduct Rate Study Introduction Workshop for its employees. The District also requested Raftelis' services for its annual rate update study for water and recycled water services, and cost of service analysis for its sewer services. Raftelis presented the results of the study to District staff using the Rate Model to run rate scenarios and customer impact analysis. The results of the study were documented in the Final Report submitted to the District in April 2017 and the rates were adopted July 1, 2017.

Soquel Creek Water District

CALIFORNIA

Reference: Leslie Strohm, Finance and Business Services Manager
5180 Soquel Drive, Soquel, CA 95073
P: 831.475.8501 ext 132 / E: leslies@soquelcreekwater.org
Number of Years as Customer: Client since 2017

Soquel Creek Water District (District) provides potable water service to roughly 40,400 people through 15,800 connections in Santa Cruz County. The District relies solely on local groundwater to meet customer demand of approximately 3,100 acre feet per year.

In September 2017, the District contracted with Raftelis to conduct a Rate Structure Evaluation Study (Study) to assess the feasibility of a CustomerSelect style rate structure. Goals of the evaluation include examining an alternative rate structure that will balance conservation among customers and revenue stability to the agency. The Study objectives included evaluating various pricing and policy objectives related to a CustomerSelect rate structure and developing a framework for modeling and implementing a CustomerSelect rate structure for residential users. Raftelis produced a report which presented the Study work and resulting decisions and recommendations. The project includes numerous meetings with the District's Board of Directors as well as the District's Water Rates Advisory Committee (WRAC).

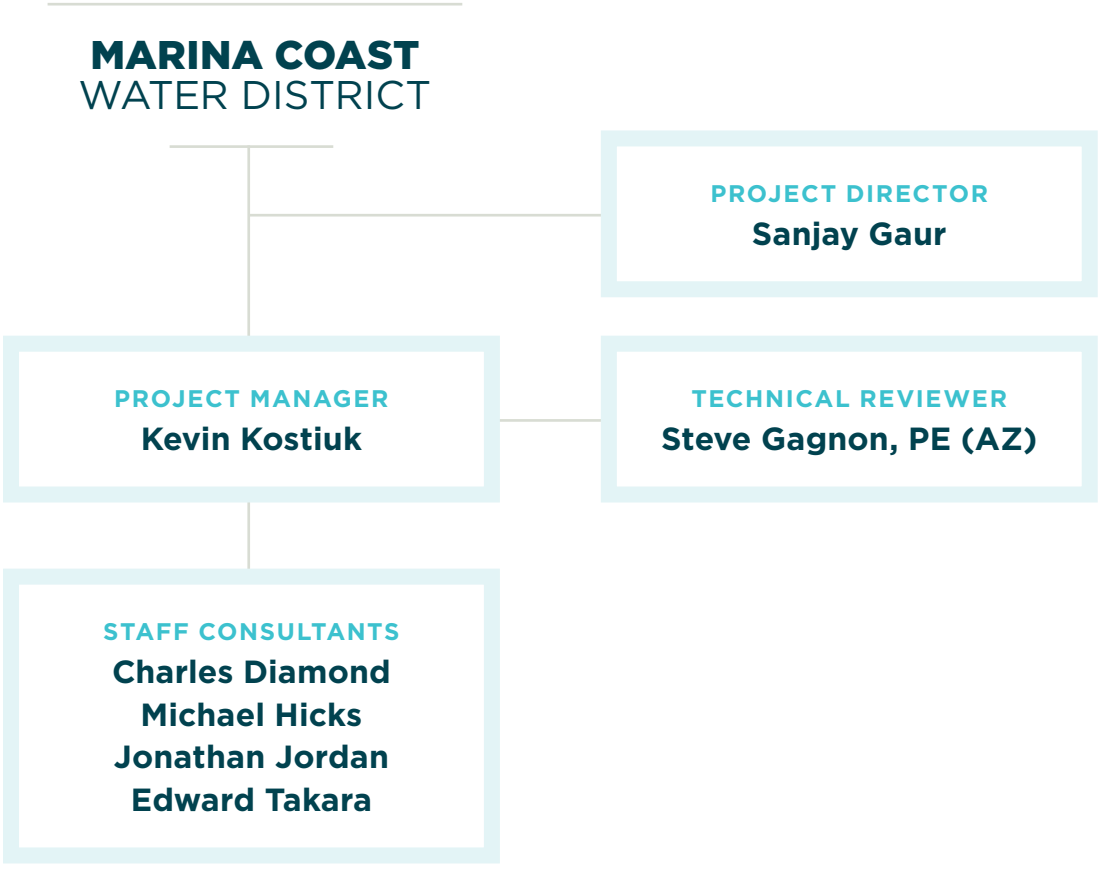
In 2018, Raftelis was contracted with the District to perform a cost of service and rate study to include development of tiered rates, CustomerSelect rates, and a long term financial plan. Special considerations included financial sufficiency due to a long-term supplemental supply project; defensibility due to recent litigation and challenges to the District's past rates; and affordability for low volume and median water users whose essential water use maintains the District within the sustainable yield of the groundwater basin. Rates were presented at multiple Board meetings throughout 2018 with rates adopted in February 2019. Currently, Raftelis is assisting in an updated analysis of the District's $100 million supplemental supply project.

Qualifications of Professional Staff

WE HAVE DEVELOPED A TEAM OF CONSULTANTS WHO SPECIALIZE IN THE SPECIFIC ELEMENTS THAT WILL BE CRITICAL TO THE SUCCESS OF THE DISTRICT'S PROJECT.

Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the District with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our project team. On the following pages, we have included resumes for each of our team members as well as a description of their role on the project.



Availability to Meet Schedule

Based on the extensive experience of our firm and our project team members successfully providing the requested services for numerous utilities across North America, we are extremely confident in our ability to provide the District with the requested services in a timely and efficient manner. Raftelis places a high priority on being responsive to our clients and therefore each of our project schedules. We actively manage each work effort associated with the scope of services, and we actively manage each consultant's project schedule to ensure appropriate availability for addressing client needs. Our project team's current workload will allow them to begin work on the project immediately and all team members have the availability to provide the requested services for the project.

Throughout project execution, we also have several internal measures in place to ensure that we meet our clients' deadlines. Weekly forecast meetings are conducted every Monday to monitor manager and consultant time for the coming week. During this time, managers can delegate work to ensure the suitable level of hours is devoted to your project to complete the project on schedule. Three-month forecast meetings are conducted once a month to ensure appropriate availability of managers and consultants for current projects.

Sanjay Gaur

PROJECT DIRECTOR

Vice President

Specialties

- Proposition 218 rate compliance
- Financial analysis
- Cost-of-service studies
- Conservation rate structure design
- Capacity fee studies
- Cost benefit analysis
- Econometric analysis

Professional History

- Raftelis: Vice President (2015-present); Senior Manager (2012-2014); Manager (2009-2012)
- Red Oak Consulting, Division of Malcolm Pirnie (2007-2009)
- MuniFinancial (2005-2006)
- A & N Technical Services (1999-2003)
- United States Peace Corps, Bulgaria (1995-1997)

Education

- Master of Public Administration, Public Administration/International Development, Kennedy School of Government - Harvard University (2003)
- Master of Science, Applied Economics - University of California, Santa Cruz (1994)
- Bachelor of Arts, Economics & Environmental Studies - University of California, Santa Cruz (1992)

Professional Memberships

- AWWA: Rates & Charges Committee
- California Society of Municipal Finance Officers

Professional Recognition

- Who's Who in America, 63rd Edition (2009)
- Finalist, National Venture Competition (2003); Goldman Sachs Foundation
- Roy Environmental Fellowship (2002), Kennedy School of Government, Harvard University
- Kennedy School of Government, Harvard University Academic Scholarship (2001-2003)
- United States Peace Corps - Certificate of Outstanding Service (1997)

ROLE

Sanjay will be responsible for overall project accountability and will be available to provide quality assurance and control, industry perspective, and insights into the project.

PROFILE

Sanjay has over 20 years of public-sector consulting experience, primarily focusing on providing financial and rate consulting services to water and wastewater utilities. His experience includes providing rate structure design, cost-of-service studies, financial analysis, cost benefit analysis, capacity fee studies, conservation studies, and demand forecasting for utilities spanning the west coast. He has also international experience in water and wastewater rate studies, including the country of Belize and Grenada. He has provided consulting service to over 100 different agencies. Sanjay is considered one of the leading experts in developing rates that meet Proposition 218 requirements, has exceptional public speaking skills and, due to these qualities, he is often sought out to provide assistance on rate studies that are complex and controversial. He has often provided his insight into utility rate and conservation-related matters for various publications and industry forums including: authoring articles in *Journal AWWA*; being quoted in various newspaper articles including the *Los Angeles Times* and the *New York Times*; participating in a forum regarding the future of water in Southern California sponsored by the Milken Institute; being quoted on National Public Radio; speaking at various industry conferences including American Water Works Association (AWWA), the Utility Management Conference, Association of California Water Agencies, and California Society of Municipal Finance Officers; and, co-authoring several industry guide books including AWWA's *Manual M1 Principles of Water Rates, Fees and Charges, 7th Edition* as well as AWWA's *Water Rates, Fees, and the Legal Environment, Second Edition*. Sanjay co-authored a chapter entitled, "Understanding Conservation and Efficiency Rate Structures," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Sanjay is also active in a number of utility-related associations, including serving as a member of AWWA's Rates and Charges Committee.

KEY PROJECT EXPERIENCE

Alameda County Water District (CA)

Sanjay has provided financial and rate consulting experience to Alameda County Water District (District) since 2010. During these years, Sanjay has been the project manager on numerous studies, including the evaluation of different types of conservation rates, development of a 25-year financial model that assists the District in evaluating different financial risks, development of drought rates, and public outreach to stakeholders. During these projects, Sanjay has led a series of workshops with the Executive Management and the Board of Directors in evaluating and identifying which financial/rate solutions meet their objectives.

East Bay Municipal Utility District (CA)

Since 2013, Sanjay has provided consulting services to East Bay Municipal Utility District (District).He successfully accomplished several objectives for the District and served as the project manager for a comprehensive water and wastewater cost-of-service study. The last comprehensive cost-of-service study was done in 2000. As part of the study, Raftelis thoroughly examined the District's cost structure, analyzed water and wastewater flow and customers data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. One of the key deliverables was the administrative record, which is a document that clearly explains how the rates are derived and is a critical document to support the requirements of Proposition 218.

Castaic Lake Water Agency (CA)

Castaic Lake Water Agency is a wholesale water agency that is a member of the State Water Contractor. Since 2012, Sanjay has provided numerous consulting services including the evaluation of different types of wholesale rates, a financial model, annexation fees, capacity fees, and other financial consulting services. Sanjay has made numerous presentations to the Board of Directors and has secured their supports on critical matters.

City of San Juan Capistrano (CA)

In 2012, City of San Juan Capistrano (City) was in the midst of a legal lawsuit over its water rates. A group of taxpayers sued the City over its water rates, saying they did not comply with Proposition 218. The City sought out an expert rate consultant to assist them in developing new rates that will meet the stringent requirements of the taxpayer group and City Council. The City hired Raftelis and Sanjay served as the project manager for this significant project. The project required a series of six City Council Workshops, with each one lasting over 3 hours. In addition, two members of the City Council were active in supporting the lawsuit against the City. Sanjay was successful in mustering support for the new rates and developing the new standard associated with the administrative record. The rates were approved and the President of the Taxpayer association expressed his support of the new rates.

City of Long Beach (CA)

In 2016, the City of Long Beach hired Raftelis in conducting a comprehensive rate study that meets the heightened standard associated with Proposition 218. Given the large percentage of the population at the poverty rate, the City was concerned about affordability, revenue stability due to the recent drought, and developing a strong nexus associated with its water and wastewater rates. Sanjay served as the project manager and successfully assisted the City in adopting rates that meet their requirements. Since then, Sanjay has provided financial and rate consulting services to the City, including how to fund stormwater services.

Fallbrook Public Utility District (CA)

Fallbrook Public Utility District (District) provides water, recycled water, and wastewater services. The District has a complex rate structure due to the fact that it provides both domestic service, special agricultural rates from the San Diego County Water Authority, normal agricultural service, and a combination of these services to the same meter. Given the recent lawsuit associated with San Juan Capistrano, the District was interested in developing a comprehensive rate study that can fund a new source of water supply and cost-of-service rate study that can justify the different types of rates. In 2016, Sanjay served as the project manager on this study and was successful in developing a 180-page administrative record that clearly explains the nexus requirement associated with Proposition 218 and the adoption of the five years of rates.

Placer County Water Agency (CA)

Placer County Water Agency (Agency) provides four major types of water services: treated retail, untreated retail, treated wholesale, and untreated wholesale. Given the complexity of the system, the agency has over 50 different types of rates. The agency has evolved over the last 60 years of existence and has acquired numerous neighboring agencies. Given the San Juan Capistrano ruling, the Agency was interested in consolidating and developing a clear rationale behind the complex services it provides. The Agency sought out Sanjay to be the project manager on this significant study in

redeveloping all the different water rates. Sanjay conducted a series of workshops with Executive Management in developing a rationale and logic behind the services it provides. The 150-page administrative record was well received by the Board of Directors and they were pleased with this study. The new rates were approved in 2017.

Las Virgenes Municipal Water District (CA)

Since 2008, Sanjay has provided financial and rate consulting services to Las Virgenes Municipal Water District (District). This include assisting the District in adopting a controversial rate increase, the evaluation and implementation of a water budget rate structure, capacity fees for water and wastewater services, and other financial related matters. The District receives water from only one source, Metropolitan Water District of Southern California. With the desire to implement a water budget tiered rate, Sanjay assisted the District in establishing tiered rates that meet the requirements of Proposition 218.

City of Santa Cruz (CA)

Since 2012, Sanjay has provided financial and rate consulting services to the City of Santa Cruz (City). This includes developing a financial model that can evaluate different water demand factors and associated drought rates, reserve policies, a comprehensive rate study, drought rates, capacity fees and other financial/rate matters. The drought rates study was particularly complex. The City experienced a significant drought and had to allocate water. Water use was already at a historical low level and residential water use was one of the lowest in California. With the desire of refunding a debt and low commodity revenues sales, the City needed to adopt drought rates within a short time period. Sanjay was successful in adopting 5 stage drought rates and was able to assist the City in at this critical time. Lastly, Sanjay assisted the City in redeveloping its rate structure so that it would meet the values of the community, while remaining both be financially sustainable and meeting the requirements of Proposition 218.

Rancho California Water District (CA)

Sanjay has provided consulting services to Rancho California Water District (District) since 2007. During this time, he has assisted the District in the development of a water budget rate structure. The project required the consultant to develop a flexible water budget model that could determine multiple blocks widths and allocations. The team was successfully able to accomplish this task and assisted the District in implementing the new water budget rate structure. The rates where successfully adopted in November 2009.

Sanjay also assisted the District in the development of a New Water Demand Offset Fee. The New Water Demand Offset Program is a form of funding for conservation measures that will help to create sustainable, zero water footprint development. New developments will pay fees called New Water Demand Offset Fees to create potable water savings in the existing system to support water demand generated by new developments. Water savings can be achieved by converting irrigation accounts to recycled water or installing high efficiency retrofits to replace inefficient fixtures for existing accounts in the District. Lastly, Sanjay has provided consulting services on Capacity Fee studies and updating water rates.

Western Municipal Water District (CA)

Since 2009, Sanjay has provided consulting services to Western Municipal Water District (District). Sanjay successfully accomplished several objectives for the District including the implementation of water budget rates, which included facilitating and leading a discussion on the policy options associated with the development of water budget rates. Based on these policy options, a water budget model was developed that evaluated different allocation factors for indoor and outdoor water use, determined rate components for the corresponding tiers, and developed the corresponding rates and customer impacts.

In addition, Sanjay served as the project manager for the development of a financial model for the District. The model has the capability of examining the 14 different fund centers of the District, develop and save different Capital Improvement Plan scenarios, examine the financial consequences of these scenarios and compare the results. In addition,

the model has the ability aggregate the fund centers by water, wastewater, or by the whole District. The model is currently being utilized by the District to examine long term health of the District.

Lastly, Sanjay conducted a Capacity Fee study for the District, which included water, wastewater, and recycled water. The prior Capacity Fee was outdated and significant changes were required. This study included public outreach to the Business Industry Association. Since then, Sanjay has provided assistance to the District in updating its water rates and developing the administrative record required.

PROJECT LIST

- Alameda County Water District (CA) - Financial plan study and annual updates, conservation tiered rate feasibility analysis, drought rate study, water cost-of-service and rate study, and other ad-hoc support
- American Water Company (CA) - Water rate study
- Country of Belize - Water and wastewater rate study
- Borrego Water District (CA) - Financial planning study, groundwater sustainability plan, water rate study, and basin management evaluation
- City of Calexico (CA) - Water and sewer rate study
- City of Camarillo (CA) - Water and wastewater rate study, financial plan study, and cost-of-service study
- Carpinteria Sanitary District (CA) - Sewer rate and fee study
- Central Basin Municipal Water District (CA) - Financial plan
- City of Chino Hills (CA) - Water budge rate design, financial plan study and cost-of-service and rate design
- City of Chowchilla (CA) - Water and wastewater rate study
- Coastside County Water District (CA) - Water rate study
- Contra Costa Water District (CA) - Financial plan study, water rate study and drought rates study
- City of Corona (CA) - Water budget rate study, wastewater capacity fees study
- Cucamonga Valley Water District (CA) - Financial plan, water conservation rate study, and drought rates
- East Bay Municipal Utility District (CA) - Water and wastewater cost-of-service and rate study
- Eastern Municipal Water District (CA) - Water budget study and financial plan study
- East Orange County Water District (CA) - Water budget study, sewer capacity fees study, and financial plan study
- Elsinore Valley Municipal Water District (CA) - Financial model, drought rate analysis, water and recycled water rate study, capacity fee study, and wastewater rate study
- City of El Segundo (CA) –-Water and wastewater rate study
- El Toro Water District (CA) - Water budget study and recycled water financial plan study
- City of Escondido (CA) - Water and wastewater rate study and capacity fees study
- Fallbrook Public Utilities District (CA) - Water, wastewater and recycled water rate study
- City of Glendora (CA) - Water budget feasibility study
- Country of Grenada - Water and wastewater rate study
- City of Gridley (CA) - Water rate study
- Helix Water District (CA) - Water rate and cost-of-service study
- Hi-Desert Water District (CA) - Water rate study
- City of Hollister (CA) - Sewer rate and impact fee study, water rates study, and capacity fee study
- City of Huntington Beach (CA) - Sewer rate study, water budget rate study, and financial plan study
- Imperial County Gateway County Service Area(CA) - Water and wastewater rate study
- Indio Water Authority (CA) - User fee study and water rate study
- Inland Empire Utilities Agency (CA) - Conservation rate structure workshop and financial plan study
- Inyo County Water Department (CA) - Water rate study
- Irvine Ranch Water District (CA) - Conservation study
- Jurupa Community Services District (CA) - Water budget study and water and wastewater rate study
- La Habra Heights County Water District (CA) - Wheeling rate study and financial plan study
- La Puente Valley County Water District (CA) - Water rate and fee study

- Las Virgenes Municipal Water District (CA) - Water budget rate study, water, recycled water and wastewater financial plan and rate studies, capacity fees study
- City of Livermore (CA) - Water cost-of-service study
- City of Livingston (CA) - Water rate study
- City of Lomita (CA) - Water rate workshop
- City of Long Beach (CA) - Water, recycled water and wastewater financial plan and rate studies
- Los Alamos Community Services District (CA) - Water and wastewater rate study
- Los Angeles Department of Water and Power (CA) - Daily demand estimates
- City of Lynwood (CA) - Cost allocation plan
- City of Malibu (CA) - Wastewater and recycled water rate study
- Mammoth Community Water District (CA) - Water rate study
- City of Merced (CA) - Water and sewer rate and impact fee study
- Mesa Consolidated Water District (CA) - Financial plan study, cost comparison study, water and recycled water cost-of-service and rate design study
- Metropolitan Water District of Southern California (CA) - Drought allocation model, long range financial plan, and cost-of-service evaluation
- Mill Valley - Tamalpais Community Services District (CA) - Financial plan study
- Mojave Water Agency (CA) - Financial plan study, financial impact analysis for water exchange and leasing programs and water reliability rate development
- Modesto Irrigation District (CA) - Stormwater fee study
- Montecito Water District (CA) - Water rate study
- Monterey Peninsula Water Management District (CA) - Water budget study
- Municipal Water District of Orange County (CA) - Conservation potential study and rate study
- City of Newport Beach (CA) - Water rate study
- City of Palo Alto (CA) - Water and wastewater cost-of-service and rate study
- Pasadena Water and Power (CA) - Water cost-of-service and rate design study
- Placer County Water Agency (CA) - Cost-of-service, rate, and financial plan study
- City of Pleasanton (CA) - Water and wastewater rate study
- City of Pomona (CA) - Rate study
- City of Port Hueneme (CA) - Water and solid waste rate study
- City of Orange (CA) - Water and sanitation rate study
- Rancho California Water District (CA) - Water budget rate study, water demand offset fees, commercial water budget revision study, alternative water supply feasibility analysis
- City of Reno (NV) - Wastewater rate study
- City of Rio Vista (CA) - Water and sewer rate and impact fee study
- Salton Community Services District (CA) - Sewer rate study
- City of San Clemente (CA) - Water and wastewater rate study
- San Diego County Water Authority (CA) - Indexing model and wholesale water rate
- City of San Juan Capistrano (CA) - Water rate study
- Santa Ana Watershed Project Authority (CA) - Financial model and wastewater rate study
- Santa Clara Valley Water District (CA) - Project evaluation - water conservation project
- Santa Clarita Valley Water Agency (CA) - Wholesale water rate study, Drought Rates, Rate Analysis, and Facility Capacity Fees
- Santa Clarita Water District (CA) - Retail water rate study
- City of Santa Cruz (CA) - Financial plan, water budget feasibility analysis, cost-of-service and rate study, drought rate study, capacity fees update and water demand offset fees analysis, and alternative water supply feasibility analysis
- City of Santa Monica (CA) - Rate study for the Groundwater Sustainability Plan
- Scotts Valley Water District (CA) - Water and recycled water rate study
- City of Seal Beach (CA) - Water rate study
- City of Shasta Lake (CA) - Water rate study and water and wastewater capacity fee study
- City of Sierra Madre (CA) - Water and sewer rate study

- City of Signal Hill (CA) - Water rate and cost-of-service study
- City of Simi Valley (CA) - Sewer rate study
- Soquel Creek Water District (CA) - Water rate structure study
- South Coast Water District (CA) - Water budget assessment
- South Mesa Water Company (CA) - Rate structure and recycled water rate study
- City of South Gate (CA) - Water impact fee
- Sunnyslope County Water District (CA) - Water rates and capacity fees
- Temescal Valley Water District (CA) - Water and sewer rate study and capacity fee study
- Trabuco Canyon Water District (CA) - Water rate study
- City of Thousand Oaks (CA) - Water and wastewater cost-of-service and financial plan study
- City of Ventura (CA) - Water and wastewater rate study
- City of Vista (CA) - Sewer rate and connection fee study
- Victor Valley Wastewater Reclamation Authority (CA) - Wholesale wastewater rate study and connection fee study
- Walnut Valley Water District (CA) - Water rate study
- City of Watsonville (CA) - Utility enterprise rate study
- West Basin Municipal Water District (CA) - Wholesale water rate study and desalination financial evaluation
- Western Municipal Water District (CA) - Financial plan, capacity fees, and water budget rate studies
- City of Westminster (CA) - Water rate study
- Yorba Linda Water District (CA) - Sewer and water budget rate study, financial plan study, and cost-of-service rate study
- Zone 7 Water Agency (CA) - Cost-of-services study and water rate study update

PUBLICATIONS

- “Mandates and Messaging: How Californians Responded to the State’s Historical Drought," Journal - American Water Works Association, Volume 111, Issue 3, 2019
- “California Water Rate Trends: Maintaining Affordable Rates in a Volatile Environment," Journal - American Water Works Association, Volume 109, Number 9, 2017
- “M1 Principles of Water Rates, Fees and Charges,” Journal - American Water Works Association, 7th Edition, 2017
- “Committee Report: Ripples from the San Juan Capistrano Decision,” Journal - American Water Works Association, Volume 108, 2016
- “The Drought is Over - Now is The Time to Develop Drought Rates,” CSMFO Magazine, 2016
- “Developing Drought Rates: Why Agencies Should Prepare for a Not-So-Rainy Day," Journal AWWA, Volume 108, 2016
- “There’s Opportunity in the San Juan Capistrano Rates Decision,” California-Nevada Section AWWA, Volume 29, Number 4, 2015
- “California Water Rate Trends,” Journal - American Water Works Association, Volume 107, Number 1, 2015
- “Water and Wastewater Finance and Pricing: The Changing Landscape," 4th Edition, 2015
- “Why do Water Agencies need Reserves?," Journal - American Water Works Association, Volume 106, Number 11, 2014
- “Conservation Rates Offer Options,” CA/NV Section of American Water Works Association, Volume 28, Number 2, 2014
- “California Water Rate Trends,” Journal - American Water Works Association, Volume 105, Number 3, 2013
- “Water Rates, Fees and the Legal Environment," American Water Works Association, 2nd Edition, 2010
- “Water Conservation Made Legal: Water Budgets and California Law," Journal - American Water Works, 101:4,p.85-89, 2009
- “Policy Objectives in Designing Water Rates," Journal of American Water Works, 99:5 p.112- 116, 2005
- “Adelman and Morris Factor Analysis of Developing Countries," The Journal of Policy Modeling, Vol. 19, Issue 4, pp. 407-415, 1997

Kevin Kostiuk

PROJECT MANAGER

Manager

Specialties

- Water & Drought rate design
- Water budget rate structures
- Utility cost-of-service
- Sustainable Groundwater Management Act
- Data analysis
- Environmental policy analysis

Professional History

- Raftelis: Manager (2020-present); Senior Consultant (2014-2019); Consultant (2014-2015)
- Turner New Zealand, Inc.: Director of Operations (2009-2012); Accounting Manager (2007-2009)
- Lesley, Thomas, Schwarz & Postma, Inc.: Staff Accountant (2007)

Education

- Master of Environmental Management - Duke University (2014)
- Bachelor of Arts in Business-Economics & History - University of California, Santa Barbara (2006)

ROLE

Kevin will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the District's objectives. He will also lead the consulting staff in conducting analyses and preparing deliverables for the project. Kevin will serve as the District's main point of contact for the project.

PROFILE

Kevin has a background in economics and accounting and possesses extensive analytical skills. His expertise lies in water resources management, environmental economics, environmental policy, and federal water supply and flood control policy. Kevin is a member of the American Water Works Association (AWWA) Young Professionals and the Young Professionals Summit Committees in conjunction with the AWWA Utility Management Conference (UMC). He has authored an article on potable reuse in Journal AWWA discussing the treatment, financing structures, and pricing of treated water at advanced purification treatment plants; an article on municipal water demand pattern changes during the recent State-wide drought; and an article on proactive financial planning in times of drought for California Society of Municipal Finance Officers (CSMFO) Magazine. Most recently Kevin presented at the AWWA UMC discussing a recent evaluation of the conceptual CustomerSelect rate model for Soquel Creek Water District.

KEY PROJECT EXPERIENCE

Crescenta Valley Water District (CA)

Kevin developed a combined water and sewer financial plan and rate model for the Crescenta Valley Water District (District) in 2016. The cost-of-service and rate study included several workshops with the District Board which culminated in structural changes to the District's existing water and sewer rate structures. In addition to the tiered water rate structure, which was ultimately adopted, Kevin developed a water budget rate model for evaluation by District staff and the District Board.

Prior to the cost-of-service and rate study, Kevin performed an economic analysis for the District to determine the feasibility of offsetting imported water supply with the production of local groundwater. Kevin created a customized model for the District to use under different scenarios of capital requirements, lease options, and contract lengths. As part of the study, he reviewed the District's prior consultant's work, determined internal rate of returns, calculated the net present value of district savings, and determined the cost at which the District should lease water rights for groundwater production.

East Valley Water District (CA)

Raftelis contracted with East Valley Water District (District) in 2014 to develop budget-based rates to replace the District's existing uniform rate structure. Kevin assisted the District with design and implementation of budget-based water rates for their 23,000 accounts including residential, commercial and irrigation customers. The study included creation of a long-term financial plan and full cost-of-service study for the water enterprise. Kevin developed the 10 year financial plan model, rate model, and water budget model for the District.

Kevin worked closely with the District's finance, IT, and, billing departments in the early stages to analyze customer account level data including monthly use. He also worked with the District's GIS and other outside consultants to develop the water budget model using irrigable landscape area, customer class, assessor parcel number (APN), etc. for construction of indoor and outdoor allocations, or budgets.

The project incorporated significant public outreach whereby Raftelis led meetings with ratepayers to receive input, provide study updates, and answer questions of the public. The ratepayer meetings assisted adoption of the new rate structure and implementation. The rate structure that the Board adopted allows for the most precise, scientific and equitable design of rate structures, tailored specifically to an individual account.

Goleta Water District (CA)

Kevin completed a full water cost-of-service study for the Goleta Water District (District) which included design of inclining tiered rates for their single-family residential class, as well as agricultural rates for two classes. Complexities in customer classes' access to District water supplies, interruptibility during times of drought, and benefit (or lack thereof) from treatment made the analysis unique and challenging. The study included development of a long term financial plan model, rate model, and corresponding bill impacts.

To achieve the District's demand reduction targets as outlined in their Drought Management Plan, the District wished to explore drought rates/drought surcharges to curb demand. Ultimately, Kevin developed three options of revenue neutral drought surcharges for the Board's consideration. These various options ranged from targeted surcharges on an inter and intra-class basis, to a surcharge applied to non-drought commodity rates, to a uniform commodity surcharge irrespective of customer class or use. The proposed rates and drought surcharges were adopted and implemented July 1, 2015.

City of Redlands (CA)

Kevin updated prior financial plans developed by Raftelis for the City of Redlands (City) for their water and sewer enterprises. The update included building in more flexibility to the model for ease of use and for future updates, as well as, making the model dashboards more user friendly.

The state-wide drought in California called for a mandatory 25% reduction for all water service agencies in the state. The City's target was to reduce residential consumption by 35%. Kevin assisted the City in design and implementation of drought surcharges to achieve a 35% reduction and to recover lost revenue from reduced water sales.

Additional work for the City included updating the City's Storm Drain Impact Fee and miscellaneous fee for National Pollutant Discharge Elimination System (NPDES) inspections as part of the MS4 permit requirement. The storm drain fee had not been reevaluated in 20 years. Additionally, the City had recently completed a Storm Drain Master Plan which called for $83 million in improvements to system deficiencies. Kevin developed a methodology to retain the existing impact fee structure while updating the fee paid by different land use classes.

In 2015 and 2016 Kevin developed a water budget rate model for the City to evaluate a new rate structure. The model integrated with the existing water financial plan model and designed parallel water budget rates for consideration by City staff and the Council.

City of Camarillo (CA)

Raftelis has provided rate consulting services to the City of Camarillo (City) for the past seven years with Kevin serving as lead analyst the past three years. In the current rate cycle Kevin serves as project manager. The City adopts rates on a two-year cycle and the most recent study included rebuilding long term financial plan models, revising the wastewater utility's rate structure, and performing a cost-of-service analysis for the sewer utility. Kevin has made presentations to the City Manager, City's Utility Committee, and City Council in consecutive years. Kevin successfully presented rates to City Council in December 2016, November 2017, and November 2018.

During the height of the most recent state-wide drought, the City contracted with Raftelis to evaluate emergency drought rates as a conservation and revenue recovery tool. Kevin adapted the existing financial plan model and developed multiple scenarios based upon the City's water supply condition stages. Kevin developed drought rates utilizing the City's financial plan at each stage and estimating water reductions. The rates were not adopted prior to the end of the state-wide drought however the drought tool is available for quick implementation should drought conditions return. Raftelis is currently contracted with the City for another two-year rate and capacity fee study for 2019 with Kevin as project manager.

City of Tustin (CA)

Raftelis contracted with the City of Tustin (City) to develop a 10-year financial plan and evaluate a budget-based rate structure for its customers. Kevin worked extensively with City staff, Raftelis' data services team, and outside consultants of the City to develop the water budget allocation and rate model for the City's approximately 14,000 customer accounts. As part of the model build, data from GIS consultants had to be organized and validated for each of the City customers' parcels. Raftelis' data services team worked internally to ensure matches between assessor's data and GIS data for integration to the water budget model. Rates and customer impacts have been presented to City staff and a public outreach campaign is being devised in anticipation of the council workshop. The project is ongoing.

Placer County Water Agency (CA)

In 2015 Placer County Water Agency (PCWA) contracted with Raftelis to evaluate its water system. PCWA provides retail and wholesale water service to treated water and raw water users throughout western Placer County. In Phase I of the project Kevin evaluated the current system's four service zones and numerous service classes and customer classes. Raftelis then provided recommendations to consolidate and simplify the water system organization and structure. In Phase II Raftelis performed a cost allocation study between the four proposed classes of service to identify the cost of providing service to these distinct users. Phase III consisted of performing cost-of-service analyses for PCWA's four service classes and developing corresponding rates. The study was completed in October 2017 with new organization, rate structures, and associated rates implemented January 1, 2018.

Additional to the water system evaluation and cost-of-service study, Kevin developed a water budget model for PCWA's internal use. The water budget model allows PCWA to examine their Single Family Residential (SFR) customer's usage patterns relative to efficiency standards, climate, and account level characteristics. The model will aid in water management and give insight into water demand pattern changes with the Agency's new rate structure and rates.

Mammoth Community Water District (CA)

Raftelis provided the Mammoth Community Water District (District) with a 10-year financial plan model for both the water and wastewater enterprises, as well as performing a cost-of-service analysis for the water enterprise. The district carries out operating and capital activities that are indirectly assigned to the two enterprises. Kevin worked with District staff to carry out a cost allocation study to distribute administrative costs appropriately. Raftelis recommended changes to the water rate structure as part of the study to simplify the rates and make them more legally defensible.

The study took place at the height of the statewide drought and as part of the project Kevin developed drought rates for the District to implement in times of mandatory conservation or water supply shortage. Being an agency with a large seasonal population Raftelis worked with staff to determine the most appropriate and effective means of charging the drought rates. Kevin designed drought rates for each stage of the District's water conservation plan, effective on the meter-based fixed charge of a customer's bill. This ensured that every connection in the water system shared in the burden caused by the drought, irrespective of water use. Raftelis also evaluated existing capacity fees for both enterprises. This task is ongoing. The water rates, wastewater rates, and drought rates were adopted and implemented January 2016.

In 2018 the District again contracted with Raftelis to conduct a wastewater cost-of-service and rate study as well as a capacity fee study for both utilities. Raftelis developed updated water and wastewater capacity fees which meet the District's financial and policy objectives. Capacity are scheduled for adoption in Summer 2019. The cost-of-service study is ongoing.

Borrego Water District (CA)
Raftelis contracted with the Borrego Water District (District) to evaluate the impact of county growth projections as well as the Sustainable Groundwater Management Act (SGMA) of 2014. Kevin utilized the existing financial plan model, water supply analyses provided by other District consultants, and assumptions on land acquisitions to determine the effect of SGMA on long term water rates. The Borrego Groundwater Basin is critically over drafted, and users will need to decrease water production significantly to achieve sustainable yield by 2040. This will require the District to reduce per capita water use and acquire production credits within the basin by fallowing agricultural land. Kevin estimated water rates in each year through 2040 incorporating assumptions on groundwater production, market values of land in the basin, debt financing, and water source alternatives.

In 2017 Kevin examined the affordability of water rates charged to the District's customers. The assessment analyzed both existing and future rates and affordability under the SGMA scenario identified in 2016. The affordability assessment relied upon the SGMA Impact Assessment and corresponding demand projections, basin yield assumptions, financing assumptions, and projected rates to the year 2040. The project allowed the District to understand affordability of existing rates and water allocation and to estimate the affordability impacts of SGMA compliance in the Borrego Groundwater Basin over the long term.

Borrego Valley Groundwater Sustainability Agency (CA)
Raftelis was contracted by the Borrego Valley Groundwater Sustainability Agency (Agency) to develop a financial planning model and fee options for the new entity as mandated by the Sustainable Groundwater Management Act (SGMA). Tasks included working with the core project team to develop policy options for fee structuring and various fee recovery mechanisms. Project deliverables included a financing plan memorandum, an Excel-based financial plan Model, operating and administrative budget creation, and a user manual for the Excel Model. The deliverables were used in the submission of the Groundwater Sustainability Plan (GSP) to the State Department of Water Resources (DWR) in 2019.

Soquel Creek Water District (CA)
The Soquel Creek Water District (District) contracted with Raftelis in 2017 to evaluate a novel rate structure for its ratepayers. Kevin participated in several workshops with the District's citizen Water Rates Advisory Committee and Board of Directors to develop of policy framework for the rate structure and conduct pricing objectives exercises with both groups. Kevin developed a report for the District which informed the rate design in 2018.

In 2018 Raftelis contracted with the District for a long-term financing plan and rate study. Kevin served as the assistant project manager and oversaw the model creation for the financial plan, tiered rate model, and CustomerSelect rate model. The District adopted our recommended three years of rates in February 2019.

Summerland Sanitary District (CA)
Raftelis contracted with the Summerland Sanitary District (District) in 2016 to perform a cost-of-service and rate study for wastewater services. The study included a 10 year financial plan model, cost-of-service analysis, and review of the existing equivalency definitions for the District's user classes. Additional work included adoption of a formal financial reserves policy to ensure long term fiscal health as well as updates and additions to the District's miscellaneous fee schedule. Kevin served as project manager and lead analyst for the project and held several meetings with District staff, the Finance Committee, and the Board of Directors. Five years of rates were adopted in December 2017.

Monterey County Water Resources Agency - New Source Water Evaluation (CA)
In 2017, Kevin performed a cost analysis and evaluation of new source waters from recycled water for its coastal agricultural users. Recycled water production from the several sources will require new infrastructure, treatment, and maintenance. Kevin built an electronic model which incorporated different climate scenarios, costs of capital, operating, maintenance, and treatment, and the water available from all sources under different weather conditions and water rights.

The project is ongoing with a series of meetings with the Agency's agricultural customers, County Board of Supervisors, and stakeholder agencies.

City of Buenaventura (Ventura)

Raftelis developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. Raftelis also assisted the City of Buenaventura (City) with developing different water and wastewater rate alternatives with various scenarios based upon estimated water sales and capital improvement plan (CIP) funding. The study is being conducted with several meetings and input from stakeholders comprised of customers within the City. Raftelis educates the Water Commission on the basics of rates, cost allocations, and rate design to obtain their buy-in using the dashboards in the rate models that were developed. This allows us to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. As of May 2019 the studies are ongoing.

City of Riverside (CA)

Kevin completed a study for the City of Riverside (City) to determine the value of an elevation fee credit for present and future customers in a special district. The project required calculation of asset replacement values for infrastructure serving the special district, specific to booster capacity, and within the context of a historical assessment. The findings from the study were used to defend the City's move to assess its elevation fee schedule.

City of Simi Valley (CA)

The City of Simi Valley (City) had last raised sewer rates in fiscal year 2008-2009 and was facing a backlog of sewer system improvements and repair and replacement. Kevin updated the existing sewer financial plan with recent data, as well as updated the cost-of-service analysis. As part of the study, tier definitions were changed for non-residential customers to reduce the base charge on small users without impacting revenue recovery. Working with City staff, and with presentations to City management, Raftelis assisted in getting Council authorization for proposition 218 notices of a rate increase to the City's customers. The revenue increases will allow the City to commence the public works department's capital improvement schedule while maintaining reserve funds at target levels.

City of Henderson (NV)

Kevin created water and wastewater rate and financial planning models for the City of Henderson (City) as well as updated their water and sewer system development charges. The project created a combined model for the water and sewer enterprises which incorporated finance department reporting tools. The combined model allows the utility (water and sewer) to be viewed as a one, with impacts and reporting available to the user. The models will be used over the next 10 years to calculate water and wastewater rates as well as to create annual financial statements.

City of Corona (CA)

Kevin assisted the City of Corona (City) in updating its financial plans for the water and reclaimed water enterprises. The study included performing cost-of-service analyses for both utilities and updating the water budget rate structure. In addition, Kevin developed a framework and corresponding rates for contract reclaimed water customers.

City of Raleigh Public Utilities Department- American Rivers (NC)

Kevin served as project leader for a study of alternatives to meet Raleigh's long term water supply shortfall. The project examined four options in extending the life of the existing federal reservoir, thereby postponing capital expenditures on a new raw water supply. Results were delivered to city staff, their consultants and the United States Army Corps of Engineers.

Lower Cape Fear Water Quality Trading Program - The Nature Conservancy (NC)

To reduce nutrient loading and decrease utility costs, The Nature Conservancy proposed a Water Fund to improve water quality through improved agricultural practices on private landholdings in the watershed. Kevin was in charge of researching comparable programs and providing options for a financial mechanism and governance approach between various stakeholders in the region including utilities, agriculture, environmental organizations and community groups.

City of San Jose (CA)

Raftelis contracted with the City in 2016 to perform a cost-of-service and rate study for the City's water enterprise. The study included creation of a 10 year financial plan model, cost-of-service analysis, and redesign of the City's water rate structures. Kevin as lead analyst developed the financial plan model and worked closely with City staff to incorporate the City's budgetary information as part of the planning exercise. Additionally, Kevin worked with the City's water resources manager and water system engineer to identify future supply and demand in each of the City's different service areas, with differentiated water rates for each area. At the conclusion of the study Kevin held a session to train staff on use of the electronic financial plan model. The project was completed in 2017.

Santa Cruz Mid-County Groundwater Agency (CA)

Raftelis was contracted by the Agency to evaluate funding criteria for Santa Cruz Mid-County Groundwater Sustainability Agency (GSA) fees and calculate preliminary fees. Kevin served as the project manager. Raftelis conducted multiple meetings and webinars with County staff and the Advisory Committee to produce a financial budget for management activities, discuss fee structure options, and develop a pricing objectives exercise for the GSA Board. The project culminated with fee analysis and production of a White Paper to assist the Agency in navigating their financing plan as part of the GSP submittal process, as well as recovering costs of management over the long term. The project is complete as of May 2019.

PROJECT LIST

- Antelope Valley (CA) - East Kern Water Agency
- Citrus Heights Water District (CA) - Groundwater supply analysis
- Coastside County Water District (CA) - Water rate study
- Elsinore Valley Municipal Water District (CA) - Drought surcharge study
- La Canada Irrigation District (CA) - Water cost-of-service and rate study
- City of Lancaster (CA) - Wastewater cost-of-service study
- Madera County Groundwater Sustainability Agencies (CA)
- Montecito Basin Groundwater Sustainability Agency (CA)
- City of Torrance (CA) - Wastewater cost-of-service and rate study
- Triunfo Sanitation District (CA) - Water rate study
- Ventura County Waterworks District No. 8 Simi Valley (CA)

Steve Gagnon PE (AZ)

TECHNICAL REVIEWER
Senior Manager

ROLE

Steve will provide oversight for the project ensuring it meets both Raftelis and industry standards.

PROFILE

Steve has 20 years of experience in financial analysis and environmental engineering. His broad range of experience includes water and wastewater rate studies, capacity fees, and utility valuations. Steve has also performed strategic financial analysis of water sourcing alternatives and costing of ground water remediation alternatives, asset inventory and condition assessments, utility performance metrics, and earned value analysis. He has also managed the construction and installation of water treatment equipment and overseen Superfund remediation for the U.S. Army.

KEY PROJECT EXPERIENCE

Utility Rate Studies and Long-Range Planning Experience

City of San Diego (CA)
The City of San Diego (City) is considering a renewable energy project to take landfill gas and create electricity. Steve prepared a financial model evaluating three alternatives: 1) do nothing and purchase electricity from a regional provider, 2) enter into a contract with a private entity to run and the renewable energy facility and sell electricity to the City at an agreed upon rate, 3) to purchase the facility and run it with City staff. The analysis gives the City a range of acceptable electricity rates for negotiating with a private party for option 2.

Delta Diablo Sanitary District (CA)
Steve, as a sub-consultant to HDR, is preparing the financial analysis for a potential food waste to energy project in which the Delta Diable Sanitary District (District) would take food waste slurry, convert it to biogas and sell electricity. There are many unknowns in the project including exact operations and maintenance costs and the tipping fee from the nearby landfill. Steve is performing a Monte Carlo simulation to help the District visualize the probability of a financially viable project given all the unknowns.

Running Springs Water District (CA)
Steve is assisting the Running Springs Water District (District) establish water and wastewater rates and evaluate the financial health of the Fire and Ambulance Department. The District is unique in that many residents are absentee owners of vacation homes. As such, the District is maintaining a higher than average level of fixed charges for both water and sewer to equitably distribute costs among full-time and part time residents. Steve also prepared a 10-year financial plan for the Fire and Ambulance Department showing its financial health under different

Specialties
- Utility cost-of-service & rate structure studies
- Conservation rate studies
- Economic feasibility studies
- Capital budgeting studies
- Wastewater rate studies
- Capital recovery/capacity fee studies
- Survey research of water & wastewater utility characteristics & rates

Professional History
- Raftelis: Senior Manager (2020-present); Manager (2017-2019); Senior Consultant (2014-2016)
- APTwater, Inc. (Now Ultura): project manager (2011-2014)
- PBS&J (now ATKINS): project manager - Utility Finance (2005-2011)
- Earth Tech (now AECOM): Senior project manager (2004-2005)
- Malcolm Pirnie, Inc. (now ARCADIS): Consultant (2002-2003)
- National Parks Conservation Association - Business Plan Initiative: Business Plan Consultant (2000)
- U.S. Army Corps of Engineers - New England Division: project manager (1995-1999)
- Geophex, Limited: Graduate Research Assistant (1994)

Education
- Master of Business Administration - University of Southern California (2001)
- Master of Science in Environmental Engineering - University of Massachusetts (1995)
- Bachelor of Science in Civil Engineering - University of Massachusetts (1994)

Certifications
- Registered Professional Environmental Engineer in Arizona
- Series 50 Municipal Advisor Representative

Professional Memberships
- AWWA

property tax, other revenue and expenses assumptions, including fire engine replacement.

Encina Wastewater Authority (CA)

Steve is helping the Encina Wastewater Authority (Authority) analyze the Net Present Value of three large capital investments: 1) their co-generation facility, 2) the heat dryer and 3) the fats, oils and greases (FOG) receiving facility that supports Encina's co-digestion facility operation. For the co-gen facility, the analysis involves calculating the Net Present Value of electricity purchase costs with and without the co-gen facility. The heat dryer analysis involves calculating the equivalent annual cost of operating solely the centrifuge (with the associated disposal cost of sludge) versus operating the heat dryer and its reduced sludge disposal costs. Lastly, he is helping the Authority analyze its options for alternative digester fuels for co-digestion to enhance digester gas production - FOG versus beer waste - based on the tipping fees and associated maintenance costs of each.

Hi-Desert Water District (CA)

Steve is helping the Hi-Desert Water District (District) establish defensible and affordable water rates for a District with a high number of low-income residents. The study includes an update of their miscellaneous fees. The District has one main source of water, which limits the rate differentiation between tiers. The study includes an extensive outreach program to educate customers as to the need for rate adjustments.

City of Port Hueneme (CA)

The City of Port Hueneme (City) has some of the highest water rates in the area due to the amount of capital reinvestment needed to maintain the system. Steve is helping City Council and Staff assess the impacts of their decisions, including capital reinvestment, loan refinancing and fixed charge pricing on customer bills. The study included a rate workshop with City Council to show the Council the effects of their decisions.

Mesa Water District (CA)

Mesa Water District (District) prides itself on the fact that it is no longer dependent on imported water. Steve helped the District revise their water and recycled water rates in a few months during a fast-paced rate study. The study included over 10 financial plan options for the Board to select from.

City of Pomona (CA)

Steve is currently helping the City of Pomona (City) establish water, recycled water and wastewater rates. He is establishing defensible tiered rates based on the City's multiple sources of water and use characteristics. He is also establishing pumping charges based on the costs associated with serving water to high elevation customers. The engagement includes working with rate committee members, Staff and council members to ascertain their rate setting goals. It also includes a 10-year financial plan and modeling rates under industry standard reserve targets.

City of Lakewood (CA)

Steve helped the City of Lakewood (City) develop cost-of-service based tiered water rates. Of note, Steve recommended revising the current practice of providing free water for the first four units of water in single family first tier. To ease the impacts of this change, the City decided to transition the rates over a 5-year period. The study included a full five-year financial plan and a review and recommendations on reserve levels.

City of Orange (CA)

Steve is helping the City of Orange (City) update its water rates and rate structure to ensure that rates are based on cost-of-service principles. The study includes a financial plan to fully fund operational and capital expenses and reserves. Steve also helped the City establish wastewater rates for its sanitation enterprise. The rates were revised to reflect sewer whereas they were previously based on water use.

Channel Islands Beach Community Services District (CA)

Steve helped the Channel Islands Beach Community Services District (District) establish equitable water and wastewater rates. Particularly noteworthy in this study was a class of customers that required the District to reserve capacity in the water treatment plant for possible future growth. Steve explained the cost causation-based rate for this customer class at Board meetings and the Public Hearing. Steve also held special web-based workshops with this customer class to explain cost-of-service principles and the basis for the rates.

City of Shasta Lake (CA)

The City of Shasta Lake's (City) water revenue dropped significantly during the recent drought - while their water costs increased due to emergency water purchases from expensive sources. In addition, the City's infrastructure was over 80 years old which necessitated significant capital expenditures. Steve worked with City staff to develop a water financial plan that fully funded their capital program, reserves and operational expenses. The financial plan called for a 30% revenue increase in one year. Steve presented the basis for revenue adjustments and rate development at a well-attended public hearing at City Hall.

Santa Fe Irrigation District (CA)

Santa Fe Irrigation District (District) has one of the largest per capita water use rates in the State due to its large lots, many of which have orchards and other agriculture requiring irrigation. Steve worked with City Staff and Board members to establish water cost-of-service based rates which included a complete restructuring of their fixed charges so that the District could pass through their fixed wholesaler charges. The consumption rates were based on the peaking characteristics of each class. Steve presented at a contentious Public Hearing, in which that rates were adopted, to answer Board and the Public's questions.

City of Encinitas (San Dieguito Water District, CA)

Steve helped the City of Encinitas (City) establish water rates that are based on cost-of-service principles. Cost-of-service based rates creates large bill impacts for the agricultural class. Steve worked with City staff and the Board rate setting committee to evaluate rates and explain rate setting basics to the committee and public in a Proposition 218 public hearing.

Trabuco Canyon Water District (CA)

Steve helped the Trabuco Canyon Water District (District) establish water, wastewater and recycled water rates. The Trabuco Canyon Water District's revenue plummeted significantly during the recent drought. Steve helped the District established rates, including drought rates, that fully funded operations, capital expenses and reserves. The District previously had a 7-tier rate structure. Steve helped the district establish a 4-tier rate structure in which the rates were based on the supply costs and peaking costs to serve water in each tier - as required by Proposition 218. The study started with a pricing objectives exercise so that the Board could communicate its most important rate setting goals. Steve presented financial plan options and rate study results and a public hearing.

Sweetwater Authority (CA)

Steve is evaluated water rates, including drought rates, for the Sweetwater Authority in light of recent legal concerns over their current rate structure. The evaluation includes a cost-of-service study to clearly demonstrate the nexus between the rate for each single-family tier and the associated costs to serve that tier. The study started by soliciting input from Board members regarding their water pricing objectives so that rates could be designed accordingly. Steve concluded the study with presentations to the District Board of Directors and the Public.

Moulton Niguel Water District (CA)

Steve prepared water and wastewater capacity fees and miscellaneous fees in June of 2016. The water and wastewater capacity fees were calculated using the buy-in methodology and varied by meter size. The Moulton Niguel Water District (District) also decided to implement a water demand offset fee for new water connections based on the premise that the

recycled water system offsets potable water use and benefits potable water users. Steve attended Board meetings to help staff explain the rationale and basis for the capacity fees.

Steve also helped calculate miscellaneous fees by interviewing staff to assess the time and effort involved with the fees, benefit burden rates and material charges to properly calculate over three dozen fees for the water and wastewater systems. The deliverable included an excel model with which the District could update the miscellaneous fees in the future.

City of Henderson (NV)

Steve is creating water and wastewater rate and financial planning models for the City of Henderson as well as updating their water and sewer system development charges. The models will be used over the next 5 to 10 years not only to calculate water and wastewater rates but also to create yearly financial statements.

City of Redlands (CA)

Steve updated the City of Redland's (City)water and wastewater rates and development impact fees. The rate study process included workshops with the City's Utility Advisory Committee in which he presented the basics of rate setting and the financial environment of the utilities. The interactive workshops solicited input from committee members and staff regarding revenue adjustments and rates.

Rainbow Municipal Water District (CA)

Steve created water conservation-based sewer rates to complement the Rainbow Municipal Water District's (District) conservation-based water rate structure. These rates will be based on the actual water usage of each customer within the District. In addition, appropriate sewage strengths will be incorporated into the District's sewer user rates.

County of San Diego (CA)

Steve prepared integrated financial models for a landmark study for the County of San Diego. The study will not only be updating the sewer user, capacity, and annexation fees for the nine dependent sewer districts but will also include the economic analysis of creating one "super sanitation district." Long-range financial plans will be prepared for all of the districts as well as the super district including 10 years of operational and capital costs.

Town of Quartzsite (AZ)

Steve performed a third-party rate review of a recently completed water and wastewater rate study for the Town of Quartzsite (Town). The Town is concerned with insuring that their winter RV population is paying their fair share of the water and sewer expenses.

Town of Parker (AZ)

Steve updated the Town of Parker's (Town) water rates. One of the Town's main concerns was the fairness and equity of water system cost distribution given the Town's large population of Native Americans who do not pay sales or utility taxes yet benefit from Town parks and other Town amenities. He also helped the Town establish operating and capital reserves.

Walnut Valley Water District (CA)

Steve performed the Walnut Valley Water District's (District) first professional rate study which included updating the rate structure. Steve created a three-tier residential rate structure to help decrease discretionary consumption and ensure the District avoids or reduces water purchase surcharges from the Metropolitan Water District. He presented his findings to District staff and the District's Board of Directors.

Fallbrook Public Utility District (CA)

With water shortages looming in Southern California, this progressive water and sewer district asked for help creating water conservation-based sewer rates to complement their conservation-based water structure. Steve created rates based

on the actual water usage of each customer within the Fallbrook Public Utility District (District). In addition, appropriate sewage strengths were incorporated into the District's sewer user rates.

Otay Water District (CA)

The Otay Water District (District) performs an update to their capacity and annexation fees every five years. In this update they changed their capacity fee from an incremental fee based on future costs to a combined fee structure using replacement costs less depreciation. They are also revised their annexation fee to recover taxes and availability charges paid by existing users who are currently inside the District's boundaries. In addition, they added a new water supply fee to recover the expansion costs of their water system. This is a new fee that addresses the issue of new development bringing their own water supply or pay for offsets.

Steve was also the lead economist on a fast track study to assist the District in adding further conservation incentives into their potable and reclaimed water user rates. Specifically, he added rate blocks into their non-residential and landscaping user rate structures based on specific base extra capacity cost allocations per user class. In addition, he assisted the District in the preparation of a drought/shortage rate structure that overlays their new conservation rate structure. This drought rate structure is based on the guidelines provided by the Metropolitan Water District of Southern California and the San Diego County Water Authority.

Rowland Water District (CA)

Steve updated the Rowland Water District's (District) water rates for the second time. The District had several concerns for the most recent study which included a large debt issue for a recycled water system as well as staff increases and wholesale water rate increases. The model helped the district size its debt issue by performing a rate sensitivity analysis to the size of the debt issue.

Olivenhain Municipal Water District (CA)

Steve created a drought rate model to help the Olivenhain Municipal Water District (District) develop a drought rate ordinance. The model calculated commodity rate adjustments for four drought stages. It allowed for customer voluntary cutbacks in consumption as well as cutbacks due to higher water prices using the price elasticity of water. The model will help ensure the District maintains adequate revenue in times of drought.

Steve helped the District update their wastewater rates and developed a customized model for its unique rate structure. The District's residential rates are a flat charge per Equivalent Dwelling Unit (EDU) and the commercial rate structure includes a service charge per EDU and a variable rate based on measured water consumption.

Steve also prepared valuation calculations for the system capacity required for update of water and wastewater connection and annexation fees for the District. The analysis showed that the District would benefit by changing capacity fee calculation methodologies from a growth method to a combined method, thereby imposing less restrictions on the use of capacity fee revenue.

Steve modeled the long-term cost of several different water sources for the District. Options included purchasing treated water, expanding their water treatment plant and purchasing untreated water from the Metropolitan Water District or partnering with other local agencies to desalinate ocean water. The model contained many variable inputs to allow "what-if" scenario analysis. Although purchasing treated water was the least costly option, the authority favored plant expansion due to other benefits such as reliability of water supply.

City of Poway (CA)

Steve completely rebuilt the City of Poway's water and wastewater rate models to reflect the latest rate setting practices.

Helix Water District (CA)
Steve created an economic model to add life-line and a water waster tier to the Helix Water District's (District) three-tier rate structure. In addition, budget-based water rates were created for all irrigation accounts. The District is transitioning slowly to budget-based rates due to staffing limitations. In 2010 they will implement budget-based rates for all commercial accounts.

Steve also performed all of the economic modeling in the preparation of the District's first Capacity Fee study. The capacity fee was designed to collect a buy-in portion based on replacement costs of the District's current water system and the incremental cost of adding a new water supply, the El Monte Valley Ground Water Recharge project.

City of Anaheim (CA)
Steve prepared a commercial and residential wastewater rate study for the City of Anaheim (City). The proposed rate structure was based on water consumption to replace the antiquated structure based on the number of toilets. Proper water use and wastewater return to sewer analysis is required to ensure proper revenue generation for the City.

City of Coronado (CA)
Steve is helping restructure the City of Coronado's wastewater rates from a flat parcel-based fee for residential users to one with a consumption-based charge and a fixed charge.

City of Lemon Grove (CA)
Steve helped update the commercial and residential wastewater rates for the City of Lemon Grove. The rate structure included 20 different user classes for residential, commercial, and institutional customers.

Western Municipal Water District (CA)
Steve prepared a long-range financial plan to help ensure the Western Municipal Water District's (District) financial health. Based on the District's five-year CIP, inflationary water rate adjustments, and reserve policies, the plan showed that a debt issue was needed to execute the CIP and maintain adequate reserves.

Julian and Pine Valley Sanitation Districts (CA)
Steve updated the wastewater rates and connection fees for both sanitation districts. The wastewater fees had not been updated for several years in one district and over 15 years in the other necessitating large rate increases. He developed a few different scenarios which included postponing CIP projects or lowering reserve balances, to ease ratepayers into higher rates.

San Antonio Water System (TX)
Steve prepared a sewer impact fee economic model and study for the City of San Antonio. This included a valuation of the system's facilities using several asset-based approaches. Ultimately the total net book value without depreciation was selected as the basis for the valuation of the System's assets. In addition, an equity residual model was prepared that included the allocation of the present value of past and future debt service payments. The study also analyzed a number of impact fee structures to determine the most fair and equitable fee.

La Habra Heights County Water District (CA)
Steve assisted with the update in water user rates, capacity charges, and long-range financial plan for the La Habra Heights County Water District (District). The 2001 study set the District's user rates for five years and expired in 2005. The District had recently completed an updated Water Master Plan and wished to incorporate the new cost of replacement capital facilities for the next 10 years into their long-range financial plan and user rates.

City of La Habra (CA)
Steve helped prepare the City of La Habra's (City) first professional sewer user rate study. This study followed industry standards and an EPA approved rate structure. The City plans to create a formal enterprise fund for their sewer utility to

properly finance their sewer operations and maintenance. He developed the long-range financial plan modeled year-end cash reserves to ensure execution of the City's $21 million capital improvement program and to fund operations and maintenance.

City of Webster (TX)
Steve is constructing a stormwater model for the City of Webster (City). The rates are based on the impervious surface of each parcel. The City plans using water meters to bill customers.

City of Norman (OK)
Steve is constructing a stormwater rate model for the City of Norman. The model is constructed in several different ways to allow the city council to choose from alternative rate structures, including the contentious issue of whether or not Oklahoma University, which owns large parcels of impervious surface area, will support the stormwater utility.

Boxelder County (UT)
Steve assisted Boxelder County in the determination of how they will finance their required stormwater improvements. They plan to create a stormwater utility through diverse funding sources including impact and user fees, a community financing district, and grants and loans. The goal of this study was to identify and size a system of improvements which will achieve the greatest defined economic benefit (both local and regional) per dollar of cost, based on the 100-year floodplain extents.

City of Fullerton (CA)
Steve conducted a field audit to determine appropriate return to sewer flows as well as fats, oils and greases surcharge rates for the top 50 industrial water customers in the City of Fullerton.

Utility and Water Right Valuations Experience

Blue Plains Wastewater Treatment (DC)
Steve is valuing the largest advanced wastewater treatment plant in the world (370 MGD) using several different valuation methods for Metropolitan Washington Council of Governments. The study values capacity rights in a treatment plant shared by several users. Valuation methodologies include original cost, reproduction cost, and market comparables.

Metro Wastewater Joint Powers Authority (CA)
Steve updated a prior valuation study which values treatment capacity in the San Diego Metropolitan Wastewater System. The valuation study considered several different valuation methodologies including the asset approach, prior sale (market comparables); buyer's avoided cost, seller's potential future cost and alternative investment value.

City of Pico Rivera (CA)
Steve is slated to help the City of Pico Rivera value groundwater pumping rights. Groundwater pumping rights will likely be valued using both a market comparables approach and a buyer's avoided cost approach.

Other Financial and Management Experience

Town of Parker (AZ)
Steve is performing a benchmarking analysis of the Town of Parker's (Town) water, parks and recreation and streets departments due to efficiency concerns. The study will compare the Town's cost efficiency with other small towns.

Marine Corps Base Camp Pendleton (CA)
Steve led an asset inventory and condition assessment of the water and wastewater systems on Marine Corps Base Camp Pendleton. The inventory included field visits and literature reviews to document and describe the extent and condition of all utility assets. Asset data was compiled in a database and linked to GIS mapping.

Olivenhain Municipal Water District (CA)
Steve developed an economic model that evaluates the cost benefit analysis of four different water supply options including desalinization, increased use of recycled water, and expansion of their existing water treatment plant using membrane technology. Proposed funding levels were prepared for the long-range financial plan to match projects against the revenue levels necessary to support them.

Confidential Fortune 500 Aerospace Corporation (CA)
Steve created an excel based financial model to cost and budget one of the largest corporate environmental liabilities - a nine-mile long plume of rocket fuel-related contamination - underlying several cities in southern California. Remediation strategies were constantly changing and, thus, the model simulated costs for numerous remediation alternatives. The model also allowed for monthly and yearly budgeting and total clean-up expenditures.

Earth Tech (CA)
Steve developed an Operation Excellence Plan to ensure client satisfaction on the execution of a multimillion-dollar Master Services Agreement with a Fortune 500 Aerospace Corporation. The plan provided guidance in many areas including QA/QC, client feedback, staff allocation, etc. The plan also included performance measures to evaluate client satisfaction, program success, and failures.

Otay Water District (CA)
Steve assisted in facilitating performance metric workshops with the Otay Water District management staff. The workshops discussed performance metric basics, analyzed dozens of performance metrics, how to calculate them, and eventually helped staff narrow down the metrics they believed were best for their utility.

Keweenaw National Historical Park, National Park Service (MI)
Steve coauthored a business plan submitted to the U.S. Congress to seek additional funding to expand a national park in Michigan. The business plan included a historical cost accounting analysis of prior fund use and projected future fund needs.

U.S. Army Sudbury Annex Superfund Site (MA)
Steve was the project manager for the remediation and real estate transfer of a 2,000-acre army ammunition depot and research installation in central Massachusetts. Steve oversaw project funds, environmental studies, and construction contracts with consulting firms and partnered with the U.S. EPA to determine clean-up goals and strategies.

PROJECT LIST

- City of Anaheim (CA) - Wastewater rate study
- Boxelder County (CO) - Stormwater funding research
- Blue Plains Wastewater Treatment Plant (DC) - Valuation study
- Confidential Fortune 500 Aerospace Corporation (CA) - Strategic remediation financial planning and analysis
- City of Coronado (CA) - Wastewater rate study
- Earth Tech (CA) - Operation excellence plan
- Fallbrook Public Utility District (CA) - Water conservation-based sewer rates
- City of Fullerton (CA) - Sewer fee assessment
- Helix Water District (CA) - Conservation based water rates; capacity fee study
- Julian and Pine Valley Sanitation Districts (CA) - Wastewater rate study
- Keweenaw National Historical Park, National Park Service (MI) - Business plan
- City of La Habra (CA) - Sewer rate study and long-range financial plan
- La Habra Heights County Water District (CA) - Water user rate study and long-range financial plan
- City of Lemon Grove (CA) - Wastewater rate study
- Marine Corps Base Camp Pendleton (CA) - Utility privatization

- Metro Wastewater Joint Powers Authority (CA) - Valuation of treatment capacity
- City of Norman (OK) - Stormwater rate study
- Olivenhain Municipal Water District (CA) - Drought water rates; wastewater rate update; capacity and annexation fee update; long-term water planning financial model; water supply cost benefit analysis
- Otay Water District (CA) - Capacity fees update; water rate structure update and drought phasing plan; performance metrics
- Town of Parker (AZ) - Water rate study; benchmarking and efficiency analysis
- City of Pico Rivera (CA) - Valuation of groundwater
- pumping rights
- City of Poway (CA) - Water and wastewater rate models
- Town of Quartzsite (AZ) - Third party rate review
- Rainbow Municipal Water District (CA) - Water conservation-based sewer rates
- Rowland Water District (CA) - Water rate study
- San Antonio Water System (TX) - Sewer impact fee study
- County of San Diego (CA) - Sewer utility rate study
- Sweetwater Authority (CA) - Water rate study
- U.S. Army Sudbury Annex Superfund Site (MA) - Base realignment and closure
- Walnut Valley Water District (CA) - Water rate study
- City of Webster (TX) - Stormwater rate study
- Western Municipal Water District (CA) - Long-range financial plan

Charles Diamond

STAFF CONULTANT

Consultant

Specialties

- Utility financial analysis
- Data collection & analysis
- Statistical analysis

Professional History

- Raftelis: Consultant (2019-present); Associate Consultant (2017-2018)
- UC Santa Barbara Department of Economics: Teaching Assistant (2017)
- UC Santa Barbara Earth Research Institute: Graduate Student Assistant (2015-2017)
- The Nature Conservancy: Science & Stewardship Practitioner (2013-2015)

Education

- Master of Environmental Science & Management (Water Resources Management) - University of California, Santa Barbara (2017)
- Bachelor of Science in Environmental Economics & Policy - University of California, Berkeley (2013)

ROLE

Charles will work at the direction of Kevin in conducting analyses and preparing deliverables for the project.

PROFILE

Charles has a background in natural resource economics and water resources management. His expertise lies in financial modeling and data analysis. He joined Raftelis initially in 2017 as an associate consultant upon receiving a master's degree from University of California Santa Barbara's Bren School of Environmental Science and Management. Charles has developed financial models and conducted analyses for water and wastewater rate studies as well as capacity fee studies.

KEY PROJECT EXPERIENCE

Alameda County Water District (CA)

Alameda County Water District (ACWD) engaged Raftelis in 2017 to provide multi-year rate design and financial advisory services. Charles provided ACWD staff with technical support in updating the existing financial plan model that Raftelis had developed for ACWD's previous financial plan update. Additionally, Charles designed alternative inclining tiered rates for consideration by the ACWD Board and developed drought rates to be activated during ACWD's varying drought stages as defined in the agency's Urban Water Management Plan. Charles developed a study report for ACWD staff that outlined the financial plan update and the newly proposed drought rates. Charles also assisted other Raftelis staff in conducting a facility capacity fee study for ACWD during this time.

Antelope Valley-East Kern Water Agency (CA)

The Antelope Valley-East Kern Water Agency (Agency) engaged Raftelis in 2019 to provide an annual update of the Agency's five-year financial plan and to propose rates for 2020. Mr. Diamond served as lead analyst on the study update. He updated the existing financial plan model, and also worked with Agency staff to evaluate potential rate structure alternatives to be considered in future years. Mr. Diamond developed a study report to document the key results of the study.

Antelope Valley State Water Contractors Association (CA)

The Antelope Valley State Water Contractors Association (AVSWCA) engaged Raftelis in 2018 to conduct a financial analysis study to develop a proposed replacement water assessment for groundwater users in the area. Charles conducted financial analyses necessary to develop an equitable and defensible replacement water assessment that accounts for State Water Project costs incurred by AVSWCA's member agencies. As the lead analyst on the project, Charles developed an Excel-based replacement water assessment model and drafted a study report for AVSWCA staff.

City of Brentwood (CA)

The City of Brentwood (City) engaged Raftelis to conduct a water and wastewater rate study. In 2017, Raftelis helped the City evaluate the current water and wastewater utilities' cost-of-service and adjusted rates accordingly. Recently Charles

updated a financial plan model and performed a cost-of-service analysis for the City's wastewater utility. Charles assisted with the update of existing rates as well as the development of a proposed alternative rate structure and rates.

City of Dixon (CA)

The City of Dixon (City) engaged Raftelis in 2018 to conduct a water rate study to develop updated water rates for the City's water utility. Charles developed a 10-year financial plan model, performed a cost-of-service analysis, and developed a five-year schedule of proposed water rates. Charles also assisted in the preparation of presentation materials for water rate workshops with the City Council.

City of El Monte (CA)

The City of El Monte (City) engaged Raftelis in 2019 to conduct a water rate study. Mr. Diamond attended meetings with City staff, collected and reviewed necessary data for the study, developed a user-friendly five-year financial plan model, and developed a proposed rate schedule over a five-year period. Additionally, Mr. Diamond developed water shortage rates to be implemented by the City during times of declared water supply shortages. He also developed a Cost Allocation Plan model in concurrence with the water rate study to assist the City in allocating personnel costs associated with providing water service to the City's water utility.

La Cañada Irrigation District (CA)

La Cañada Irrigation District (District) engaged Raftelis to conduct a water rate study. Since the last rate study was performed in 2008, Raftelis helped the District evaluate the cost-of-service and adjusted rates accordingly. In 2017, Charles developed a financial plan model for the District to support the financial plan development for fiscal years 2018 to 2027. Charles also recently performed a cost-of-service analysis to assist with the update of the District's rates.

City of Long Beach (CA)

The City of Long Beach (City) engaged Raftelis in 2018 to develop an updated financial plan model for the City's water and wastewater utilities. Raftelis had previously conducted a comprehensive water and wastewater cost-of-service rate study in 2016 for the City. Charles developed an updated financial plan model to be used by City staff in future financial planning efforts. The financial plan model was designed specifically to facilitate ease of use and understanding while providing for convenient and flexible scenario analysis. Charles worked with City staff to provide customized model features with specific functionalities based on requests and input from City staff.

Olivenhain Municipal Water District (CA)

Olivenhain Municipal Water District (District) engaged Raftelis in 2019 to conduct a comprehensive water rate study. As a member agency of the San Diego County Water Authority (SDCWA), the District provides water service to over 80,000 people in northern San Diego County. Raftelis had conducted the previous cost-of-service analysis and rate study for the District in 2014. As part of the rate study effort, Charles developed a new financial plan model for the District's water enterprise, performed a cost-of-service analysis, and developed updated tiered rates based on current customer usage characteristics. Additionally, Charles assisted in redesigning the District's water supply shortage rates, which are activated during periods of reduced water demand in order to recover reduced revenues from volumetric rates.

National Water and Sewerage Authority of Grenada (Eastern Caribbean)

The National Water and Sewerage Authority of Grenada (NAWASA) engaged Raftelis in 2019 to conduct a water and sewer rate study for the eastern Caribbean country of Grenada's national water and sewer utility. Mr. Diamond developed a water and wastewater financial plan and rate model in Microsoft Excel and travelled out to Grenada for a week of onsite meetings with NAWASA staff. Mr. Diamond worked directly with NAWASA staff to develop and refine model results, and assisted with the development of a study report to document the key results of the study.

Rancho California Water District (CA)

Rancho California Water District (District) engaged Raftelis in 2017 to conduct a water capacity fees study. Raftelis reviewed and updated the existing methodology for calculating the District's water capacity fees, developed a water

capacity fee model for use in calculating updated capacity fees. As part of the study, Charles developed the water capacity fee model, calculated updated water capacity fees, and drafted the study report.

The District engaged Raftelis in 2018 to conduct a two-year water, recycled water, and wastewater rate study. Raftelis developed a cost-of-service rate model to allocate costs and calculate rates for fiscal years 2019 and 2020. Charles assisted with rate model revisions, prepared presentation materials for meetings with the District's Board of Directors, and drafted the rate study report.

Santa Ana Watershed Project Authority (CA)

The Santa Ana Watershed Project Authority (Authority) engaged Raftelis in 2017 to develop a rate model for the Inland Empire Brine Line, which is a pipeline used to divert non-reclaimable wastewater of high brine content from the upper Santa Ana River Basin. Raftelis reviewed and recommended changes to the Authority's reserve policies, developed a 10-year financial plan for the Brine Line Enterprise Fund, performed a multi-year cost-of-service analysis, and developed a rate model for use in calculating rates assessed to the Brine Line's dischargers. Additionally, Raftelis assessed and recommended potential methodologies to be used in the development of long-term capacity leasing rates and rental charges. Charles developed the financial plan, assisted with the cost-of-service analysis and rate calculation, drafted the study report, and attended multiple meeting with the Authority's staff.

City of Simi Valley (CA)

The City of Simi Valley (City) engaged Raftelis in 2019 to conduct a water rate study for the City's water utility. The Study included the development of a five-year financial plan, a cost-of-service analysis, and the development of proposed water rates over a five-year period. Mr. Diamond served as lead analyst and conducted the vast majority of the technical analyses required for the study.

City of Sonoma (CA)

The City of Sonoma (City) engaged Raftelis in 2018 to conduct a water rate study for the City's water utility. The study included the development of a five-year financial plan, a cost-of-service analysis, and the development of proposed water rates for fiscal years 2019-2023. Charles processed and analyzed account level billed water consumption data, assisted in development of the water rate model, and drafted the water rate study report.

PROJECT LIST

- Borrego Water District (CA) – Water affordability assessment
- Castaic Lake Water Agency (CA) – Facility capacity fee update study
- City of Huntington Beach (CA) – Water rate study update
- Cucamonga Valley Water District (CA) –Multi-year water and drought rate study
- County of Inyo (CA) – Water rate study
- City of Lincoln (CA) – Water rate study
- Marin Municipal Water District (CA) – Miscellaneous fee study
- Mojave Water Agency (CA) – Strategic financial plan
- Sacramento Suburban Water District (CA) – Water rate study
- Santa Rosa Plain, Sonoma Valley, & Petaluma Valley Groundwater Sustainability Agencies (CA) – Groundwater sustainability agency fee analysis and rate setting services
- South Mesa Water Company (CA) – Water rate study and connection fee update
- City of Thousand Oaks (CA) – Water financial plan update and wastewater cost-of-service rate study
- City of Ventura (CA) – Water and wastewater rate study
- Victor Valley Wastewater Reclamation Authority (CA) – Wastewater rate study and capacity fee study

Michael Hicks

STAFF CONSULTANT
Associate Consultant

Specialties
- Utility rate analysis
- Expense management
- Statistical analysis

Professional History
- Raftelis: Associate Consultant (2019-present)
- Conservice: Utility Rate Analyst (2018-2019)

Education
- Bachelor of Science in Math & Atmospheric & Oceanic Science - University of California, Los Angeles (2018)

ROLE

Michael will work at the direction of Kevin in conducting analyses and preparing deliverables for the project.

PROFILE

Michael has a background in utility management and operations. His primary expertise lies in statistical analysis, utility rate analysis, and expense management. He initially joined Raftelis in 2019 as an associate consultant after working as a rate analyst for Conservice where he assisted development companies and property managers throughout the US in managing their utilities expenditures and utility billing procedures. Michael has also worked with UCLA's marine operations team where he assisted the Lab in collecting and analyzing submesoscale features such as fronts and eddies in the Santa Monica Bay region.

KEY PROJECT EXPERIENCE

City of Long Beach (CA)
Michael served as the lead analyst on a project with the City of Long Beach in conducting a rate/ benchmarking survey of twenty-one different water and wastewater utilities. The project involves the analysis of rates for the typical residential customer, water supply mix, asset value for the last 10 years, population, and debt amount. The update was based on multiple publicly available information sources such as the City's CAFR, urban water management plan, and websites. Mr. Hicks also developed a model to efficiently summarize the information.

Mesa Water District (CA)
Michael served as the lead analyst on a project with Mesa Water District to conduct a market research on special districts and cities to identify member agencies who have more than 3,000 connections and a revenue base made up of 80 % retail water sales. The project involved analyzing data from the Department of Water Resources and California State Controller's Office.

Michael served as the lead analyst to perform a Water Cost Comparison Study update for Mesa Water District. The study utilizes the most recent data obtained from the California State Controller's office and the Municipal Water District of Orange County. It summarizes background information regarding water rates and identifies a set of indicators to measure the efficiency of water districts operations. The update was based on multiple publicly available databases.

South Mesa Water Company (CA)
Michael assisted South Mesa Water Company in conducting a Water Rate Study and Connection Fee Update. The project included developing a new financial planning and rate model for the District. Using the model, Raftelis developed the required rate increase scenarios which were based on the City's capital obligations, projected expenditures and projected debt issuance.

La Habra Heights Community Water District and Rowland Water District (CA)
Michael served as the lead analyst for La Habra Heights Community Water District and Rowland Water District in conducting a Wheeling Water Rate Study. He developed the model to calculate rates that allow both districts to sufficiently recover the costs associated with wheeling water by reviewing the capital costs and creating a fair and equitable wheeling rate that compensated LHHCWD for the use of its assets.

City of Palo Alto (CA)

Michael served as an associate consultant for the City of Palo Alto in conducting their Wastewater Cost of Service Study. He assisted in the development of a comprehensive cost of service section of the model that determines the equity and sufficiency of the City's current wastewater rate structure to aid in the recommendation for any necessary changes that must be made to ensure the defensibility of the rate structure and the rates under the new legal environment for wastewater rates.

City of Westminster (CA)

Michael is currently serving as an associate consultant for the City of Westminster (City) in conducting a water rate study and cost-of-service analysis for water service. He has currently developing a financial planning tool for the city to analyze their retail water sales, operational expenses, and capital & debt obligations. He will develop a comprehensive cost-of-service section of the model that determines the equity and sufficiency of the City's current rate structure and Retail water sales and recommend necessary changes to ensure the defensibility of the rate structure and the rates under the new legal environment for water rates.

Las Virgenes Municipal Water District (CA)

Mr. Hicks is currently serving as an associate consultant for the Las Virgenes Municipal Water District in conducting a Water Sanitation and Recycled Water Financial Plan and Cost of Service Analysis. He has currently developing a financial planning tool for the city to analyze their potable water, recycled water and sanitation enterprise funds. He is also developing a comprehensive cost of service section of the model that determines the equity and sufficiency of the City's current rate structure that will assist in recommending the necessary changes to ensure the defensibility of the rate structure for each enterprise.

Placer County Water Authority (CA)

Michael is currently serving as the lead analyst for Placer County Water Authority (Authority) and in conducting a water capacity fee study for their Upper Zone 6 service area. The project includes developing a new financial planning and rate model for the Authority. Using the model, Raftelis will be able to develop the required rates to capture new development's share of current facilities and the need for new facilities to accommodate growth.

RELEVANT PROFESSIONAL EXPERIENCE

Conservice: Utility Rate Analyst (2018-2019)

Michael previously worked for the utility management company Conservice as part of the rates and budget teams. There he assisted multifamily and commercial property managers in managing their expenses, forecasting their future utility expenditures, and auditing their utility bills.

Jonathan Jordan

STAFF CONSULTANT

Associate Consultant

Specialties

- Data Collection and Analysis
- Data Modeling
- Visualization and report generation

Professional History

- Raftelis: Associate Consultant (2020-present)
- GEOVision Geophysical Services: Project Geophysicist (2015-2020)
- Signal Hill Petroleum, Inc.: Intern Data Analyst (2013)

Education

- Master of Science in Geological Sciences/Geophysics -California State University at Long Beach (2019)
- Bachelor of Science in Geophysics – University of California at Riverside (2012)

Professional Memberships

- AGU
- AEG
- EEGS (Former)
- AAPG (Former)

ROLE

Jonathan will work at the direction of Kevin in conducting analyses and preparing deliverables for the project

PROFILE

Jonathan has a background in geophysics and GIS, working nationwide as a project geophysicist for a consulting firm based out of Southern California. He has been involved with data processing, data analysis, and reporting of various types of data to help solve complex geophysical problems in the engineering, environmental, and geotechnical fields. Jonathan's varied experience has allowed him to develop reports and products for over 50 projects, utilizing multi-method approaches to serve client needs best.

KEY PROJECT EXPERIENCE

City of Malibu (CA)

Jonathan is currently serving as the analyst on a project with the City of Malibu (City) in conducting a rate update for the City's wastewater operation. Jonathan assisted in updating its financial plans, rates, and debt repayment for the wastewater and recycled water enterprises. Furthermore, Jonathan is assisting the City wastewater fee charges onto the LA County Assessor property roll.

City of Santa Cruz (CA)

The City of Santa is currently updating their financial model to evaluate different water demand factors and associated drought rates, reserve policies, a comprehensive rate study, drought rates, capacity fees, and other financial/rate matters. The City experienced a significant drought and had to allocate water. Water use was already at a historically low level, and residential water use was one of the lowest in California. With the desire to refund a debt and low commodity revenues sales, the City needed to adopt drought rates within a short time period. Jonathan is currently working with the City and project manager to assist with completing the 2021 update.

CA Rate Survey (CA)

Jonathan is currently the analyst conducting a water rate survey for large water enterprises in California. The project involves surveying rates from select water districts, which will be available for qualitative and quantitative analyses. Using the database, Raftelis will be able to deploy functional data visualizations to clients and the general public rapidly and efficiently.

Edward Takara

STAFF CONSULTANT

Associate Consultant

Specialties

- Data Collection and Analysis
- Data Modeling
- Visualization and report generation

Professional History

- Raftelis: Associate Consultant (2020-present)
- Conservice: Rate Analyst (2017-2020)

Education

- Bachelor of Science in Finance – San Francisco State University (2013)

ROLE

Edward will work at the direction of Kevin in conducting analyses and preparing deliverables for the project.

PROFILE

Edward has a background in utility rates. He has experience in evaluating utility billing for properties and residents as well as the structuring of rate charges to clients. Before joining Raftelis as an Associate Consultant he worked as a rate analyst for Conservice where he assembled and updated the rate structures that property management would use to recoup utility expenditures. Edward would also perform monthly and quarterly reviews for properties to ensure efficient recovery of utility expenses were occurring.

KEY PROJECT EXPERIENCE

East Bay Municipal Utility District (CA)

Edward was the analyst conducting a rate survey for East Bay Municipal Utility District. East Bay MUD was in the middle of evaluating their costs of operations. To assist with the evaluation process the project involved surveying five nearby wastewater treatment plants to determine how much of the monthly costs were due to treatment versus collection for operations and capital needs

City of Tracy (CA)

Edward is currently serving as the analyst on a project with the City of Tracy to update their wastewater rates. The project involves updating the financial plan, revenue, debt payments and various capital improvement project scenarios. The finished model will support the updated rates and allow the City of Tracy to maintain the current infrastructure while initiating needed Capital projects.

Yorba Linda Water District (CA)

Edward is currently serving as the analyst on a project with Yorba Linda Water District. The project reviews the current asset, debt obligations and calculating the Equivalent Dwelling Units to determine a new wastewater connection fee for the District.

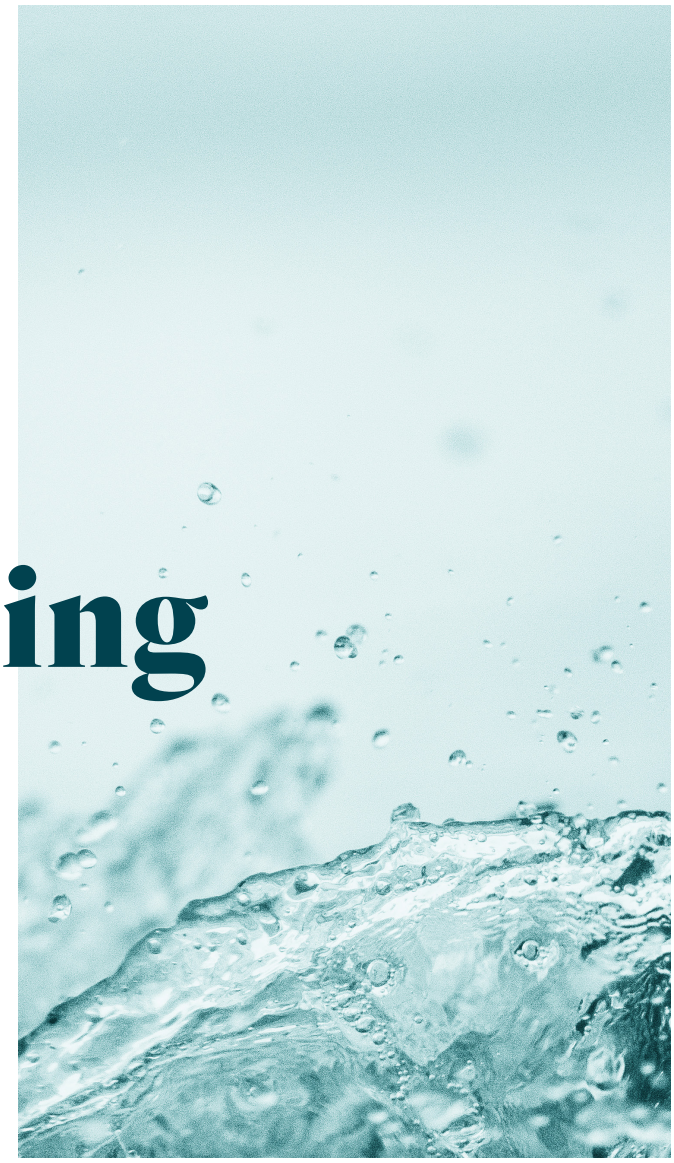
West Basin Municipal Water District (CA)

Edward is currently an analyst for the West Basin Municipal Water District. West Basin is evaluating the costs and benefits of implementing ocean water desalination as a source of water supply. The project involves evaluating the affordability of rates when desalination costs implemented. The affordability of rates will be reviewed for households in 10 different service areas. With this review it will be determined if certain thresholds of affordability are met for those residents. Heat maps have been created with the Tableau visualization tools. Various metrics are displayed geographically based on hourly wages, proportional burden on income, etc.

Subcontractors

We will not use any subcontractors for this project. We are confident based on our extensive experience and resources that we can successfully complete this project to the satisfaction of the District using in-house staff.

Project Understanding



Marina Coast Water District (District or MCWD) provides water, wastewater, and recycled services to approximately 8,200 connections to a population of about 40,000 residents. The District, located on the coast of Monterey Bay and the northwest end of Salinas valley, serves the City of Marina and the Ord Community within an area of about 4.5 square miles. The District procures its 4,200 acre-feet of water supply annually from groundwater wells pumping the Salinas Valley Groundwater Basin. The District, in partnership with Monterey One Water (M1W), has developed the Regional Urban Water Augmentation Project (RUWAP) to supplement its water supply with purified recycled water. The primary goal of RUWAP is to assist the District in meeting overall water needs of its service area by delivering purified recycled water produced at the M1W treatment plant to landscape irrigation users in the MCWD service area. This project will provide the District up to 1,427 AFY of additional water supply.

The District seeks to conduct a comprehensive Recycled Water Rate Study. The District desires that the recycled water rates recover the cost of service of providing water to landscape irrigation users not accounted for by development costs or recycled water capacity fees. The District wishes to calculate updated rates to equitably recover all expenditures, present, and future, to maintain a strong financial position. At the completion of the project, the rate model update will consider ongoing and future Capital Improvement projects, such as the recently awarded Phase II RUWAP project that augments the recycled water supply by 2021. The scope of work includes the structuring of utility rates and the strategic planning of the financial plans in a manner that will strengthen the enterprise fund of the District.

The primary objectives of the Recycled Water Rate Study Update are to:

1. Develop a long-term financial plan for the recycled water enterprise to adequately fund operations, the capital improvement program (CIP), debt service, and cash reserves
2. Calculate recycled water rates and propose a rate structure that equitably recovers the full cost of service, incorporates strategic tools, and complies with Proposition 218
3. Conduct benchmarking exercises to evaluate recycled water system cost and recycled water rates compared to surrounding public agency recycled water purveyors
4. Train staff in utilizing the financial plan and rate model for future updates and scenario analysis

Project Approach

Our approach entails several distinct and interrelated work efforts. Raftelis will work with District staff on an ongoing basis via scheduled web conferences (webinars) and, if public health and safety permit, on-site meetings, to achieve project milestones on time and complete the study on schedule. Raftelis will develop recycled water rates according to the American Water Works Association (AWWA) 's M1 Manual, which is the textbook used by rate practitioners so that the costs of water service are recovered from customer classes in proportion to the cost of serving those customers. Raftelis will use the six steps described below to develop rates that comply with Proposition 218, industry standards, and the District's goals and objectives.

1. Due Diligence and Policy Review

Raftelis will start the rate-making process with a due diligence phase to understand the underlying goals for the rate study. This phase primarily consists of a kick-off meeting with District staff and a review of all relevant master planning documents and available reports related to the recycled water system, in addition to financial, customer, and water use data.

2. Financial Plan Development

Raftelis will determine future revenue needs (revenue requirements) to sufficiently fund operations and maintenance (O&M) expenses, system distribution capital outlay, a future replacement and refurbishment (R&R) capital program, debt coverage requirements, and reserve funding. To ascertain the utility's financial condition, we will evaluate current and projected revenues, water demand, expenses, and the appropriate use of debt.

3. Cost of Service Analysis

The annual costs of providing recycled water services will be allocated adequately with service requirements – i.e., how customers use recycled water system infrastructure. Costs are functionalized, then allocated to system cost components, and finally, recovered according to the AWWA M1 Manual.

4. Rate Design

Properly designed rates support and optimize a blend of various utility objectives, such as fairness and equity, revenue stability, and ease of implementation. Raftelis will develop rate alternatives according to the District's existing rate structure for recycled water service, as well as alternative rate structure approaches. Rate design options will consider industry standards and defensibility in light of recent legal challenges and Proposition 218.

5. Study Report

The last step of the rate-making process documents the study results in a Study Report to inform ratepayers about the proposed changes, the rationale and justifications behind the changes, and their anticipated financial impacts in lay terms. The Study Report serves as the District's administrative record to justify the proposed rates and to comply with the requirements of Proposition 218. Provided there is no majority protest of noticed customers, the Board of Directors may adopt the proposed rates at a public hearing at least 45 days after mailing notification to all properties served.

The results of even the most comprehensive study can be lost if consensus with the District's constituency is not achieved. Rate communications must be clear, straightforward, and simple. Raftelis has assisted hundreds of agencies with implementing rates and is well known for presenting thoughtful and concise presentations. Raftelis will assist the District with its public outreach efforts at a rate workshop, as well as with a presentation of the study to Board of Directors.

6. Model Update and Training

Upon completion of the study and the adoption of rates, Raftelis will revise the financial plan and rate model to reflect the selected rate structure. This model update will ensure staff can use the tool for future planning purposes. During this task, we will conduct a model training session with the appropriate District staff.

Scope of Work/ Work Plan

A note on COVID- 19: For this proposal, we have assumed web conferences for all engagements with the District except for the Public Hearing. If circumstances change due to California's COVID-19 response, we can work with the District to reassess our meeting structure.

TASK 1

Project Initiation, Project Management, and Data Collection

Kick-Off Meeting and Data Collection

To begin the study, Raftelis will prepare a detailed data request list that will identify the information required to complete the various analyses for all phases of the study. The data request will include historical and current revenues, recycled water usage, revenue and expense budgets, reserve policies, billing and collection procedures, customer account information, capital improvement plans, master plans, estimated growth in the District's service areas, and any projected changes in water demand, among other data. Prior to the kick-off meeting, Raftelis will perform a preliminary review of the initial data.

We believe a productive kick-off meeting is the most effective way to begin a study of this nature. It provides a forum to discuss goals and objectives, policies, and methodologies, as well as finalize the work schedule to ensure that the project progresses as smoothly as possible. Raftelis will prepare a meeting agenda and send it to the District before the meeting. Following the meeting, Raftelis will prepare detailed meeting minutes.

Given the ongoing COVID-19 pandemic, Raftelis proposes to conduct the project kick-off meeting via webinar. Since March, our proposed project team has held several web-based rate study kick-off meetings successfully.

Project Management

Our management approach stresses transparency, communication, teamwork, objectivity, and accountability to meet project objectives. Management responsibilities extend to general administrative duties such as client correspondence, billing, and project documentation, as well as administration of the study schedule and project plan. Throughout the study, the Raftelis team will schedule interim status webinars to discuss project progress, the schedule, and present preliminary results.

Quality Assurance/ Quality Control Process

In every project, we implement a systematic program of quality assurance to ensure consistency, accuracy, and validity. Our proposed Technical Reviewer, Steve Gagnon PE (AZ), will ensure that the cost of service and rate model developed is accurate and based on sound rate-making principles and standard industry practice. He will also ensure that the Study Report is prepared to address the nexus between costs and rates that meet the requirements of Proposition 218. This additional level of project oversite guarantee that all final deliverables are of high quality and meet the high standard that our clients expect from Raftelis.

Meetings

One (1) web-based kick-off meeting

Deliverables

Data request list; kick-off meeting agenda, presentation materials, and meeting minutes

TASK 2

Financial Plan Model Development

This task will determine additional revenue required to ensure the financial integrity of the District's recycled water utility. Raftelis will project existing rate revenue, allowing assessment of the current rate structure's performance as a baseline for our recommendations. Raftelis will make conservative recycled water sales assumptions with input from District staff. By making revenue adjustments, we establish the funding requirements that the recommended rates will need to achieve to fully fund system costs and other costs resulting from future system costs.

Other operating and non-operating revenues and operating expenses will be projected over a 10-year period via a cash flow analysis. The cash flow analysis will inform the required revenue adjustments while minimizing rate fluctuations. We will incorporate any recommended revisions to reserve policies in the cash flow analysis. The 10-year financial plans will also model the sources and uses of funds for each reserve. For a typical capital reserve, the sources of funds include system development charges (capacity/ impact fees), cash reserves, debt proceeds, and grant funding. Modeling the yearly ending balance in the capital reserve allows stakeholders to determine the rate impacts of various capital improvement plan scenarios and assess

the proper use of debt and reserves to fund capital projects, particularly the recycle water distribution system.

The financial plan will be presented in an easy-to-use and easy-to-understand format on an interactive dashboard. The dashboard will allow users to vary assumptions (CIP funding, debt, water use, revenue adjustments) to appreciate the effects of changes in real-time. Several features of the model's dashboard will include:

- Flexibility to change assumptions such as recycled water sales, CIP levels, and revenue adjustments
- Error flagging of results such as: failure to meet debt coverage, unmet reserve targets, etc.
- Financial metric displays (operating reserve, debt service coverage, reserve levels)
- Sensitivity analyses that can be viewed immediately

Our model will allow the District to analyze different capital investment or recycled water use scenarios. Our model dashboards have proven particularly useful when making presentations to policymakers, allowing them to appreciate the impacts of their decisions fully and instantly. The figure on the following page shows an example of our typical model dashboard.

Meetings
Three (3) webinars with District staff

Deliverables
Recycled water financial plan model in Microsoft Excel

TASK 3

Cost of Service Analysis

We will review current recycled water rates, the prior model, reserve goals, and the CIP. The cost of service analysis will provide rate defensibility considering Proposition 218 and will determine the total cost to serve each customer class. The cost of service analysis will be based on industry standards and methodologies approved by the AWWA and described in the M1 Manual, as well as our own Raftelis text titled *Water and Wastewater Finance and Pricing*. Recycled water expenses will be allocated to cost components, including capacity-related costs, commodity costs, customer costs, conservation costs, and other direct and indirect costs consistent with industry standards. The recommended rate structures for the recycled water utility will be based on the cost of service.

Raftelis will incorporate the District's policy considerations, as well as current federal, state, and local rules and regulations, such as Proposition 218.

Meetings
Web meetings with District staff as needed to discuss the cost of service analysis

Deliverables
Cost of service analysis in Microsoft Excel

TASK 4

Rate Design

Raftelis will develop recycled water rate models with the flexibility to evaluate varying fixed and variable revenue recovery. We will calculate rates after discussing pricing objectives with District staff. Pricing objectives help to inform the balance of fixed charges, variable charges, and rate structure. We design our rate models to allow for multiple rate scenario analyses, for example:

- Different levels of baseline recycled water demand - an optimistic, most likely, and pessimistic scenario
- Ability to evaluate various CIP scenario impacts to forecasted rates

Meetings
Two (2) webinars with District staff; two (2) web-based workshops with the Board and the Public

Deliverables
Rate models and customer bill impacts for all three enterprises in Microsoft Excel for the recycled water utility.

TASK 5

Rate Study Report

To comply with Proposition 218 requirements, Raftelis will prepare a Rate Study Report documenting the rate study for the District's recycled water utility. The draft Study Report will include an executive summary highlighting the major objectives and decisions reached during the development of rates. The main body of the report will include: a brief physical description of the recycled water system; service area description; an overview of operation and maintenance expenses; the capital improvement plan; the current and proposed financial plans; the cost of service analysis; and rate design and the proposed rates. The report will also contain a discussion on rate structure selection, rate design assumptions, and methodologies used to develop the rates. The methodology describing the cost of service and rate calculations will be described in detail so that the nexus between costs and rates are clearly defined. We will submit a draft report to District staff and the District's legal counsel for review and comment. Raftelis will incorporate revisions into the Final Report.

Meetings
One (1) web meeting with District staff to discuss edits and comments to the draft report; one (1) web-based workshop with the Board of Directors and the Public

Deliverables
Draft and Final Study Reports

TASK 6

Benchmarking Recycled Water System Costs

Raftelis will conduct a benchmarking survey of current recycled water system costs against industry standards. These costs will include operations, capital, and bonded debt. Raftelis has assisted other agencies in California with similar tasks. For example, Raftelis has recently assisted Mesa Water District with comparing the system costs for special districts within the Municipal Water District of Orange County (MWDOC), using information from the California State Controller's Office (CSO) financial and debt databases. We also publish the nationally recognized biennial *Water*

Raftelis will develop a customized financial model for the District that incorporates a dashboard to allow you to easily run scenarios and see the impacts in real time.

Shown below is a sample dashboard that we developed for another project.

and Wastewater Rate Survey in collaboration with AWWA, and the *California-Nevada Water and Wastewater Rate Survey*, which is co-published with the CA-NV AWWA. Raftelis will utilize this data, where appropriate, to provide benchmarks.

Meetings
One (1) webinar with District staff to review results

Deliverables
Benchmarking exercise results

TASK 7

Benchmarking Recycled Water Rates (Rate Survey)

Raftelis will work with District staff to conduct a recycled water comparative rate survey. We will sample up to six agencies in Santa Cruz and Monterey Counties in addition to up to six other comparable agencies in California. Raftelis has extensive experience in conducting rate surveys, as we partner with the AWWA to conduct a biennial nationwide study of water and wastewater rates and with CA-NV AWWA to survey water and wastewater utilities in California and Nevada. Some of the data collected from the national survey may be of great use in the public outreach portion of the rate implementation. This provides Raftelis with extensive survey experience, a national database, and numerous contacts throughout the industry that will be invaluable in collecting financial and rate information for the rate survey and the system cost benchmarking.

Meetings
One (1) webinar with District staff to review results

Deliverables
Benchmarking rate survey results

TASK 8

Public Hearing

Proposition 218 requires specific procedures to be followed for the adoption of new rates and charges for parcel related services, which includes recycled water service. Once the notices have been posted to the District's ratepayers, a Public Hearing to adopt or reject the rates may be scheduled as early as 45 days after mailing. Raftelis will be available to attend, and if desired, present the study results at a Proposition 218 hearing in which we will address Board and general public questions and comments. Presentation materials will be provided to District staff well before the Public Hearing for review.

Meetings
One (1) on-site Public Hearing for rate adoption

Deliverables
Presentation materials, if necessary

TASK 9

Model Update and Training

After rate adoption, Raftelis will update the financial plan and rate model to reflect the adopted rates and rate structure so that future revenue and expense projections are consistent with the new rates. Upon completion of the model update, Raftelis will conduct a model training session so that the District can independently update the model as needed and run scenario analysis for future needs. Throughout the model development process, we will share the model and model functionalities with staff so that the webinar training session acts as the culmination of ongoing training and to address final questions related to the model update and functionality.

Meetings
One (1) webinar with District staff

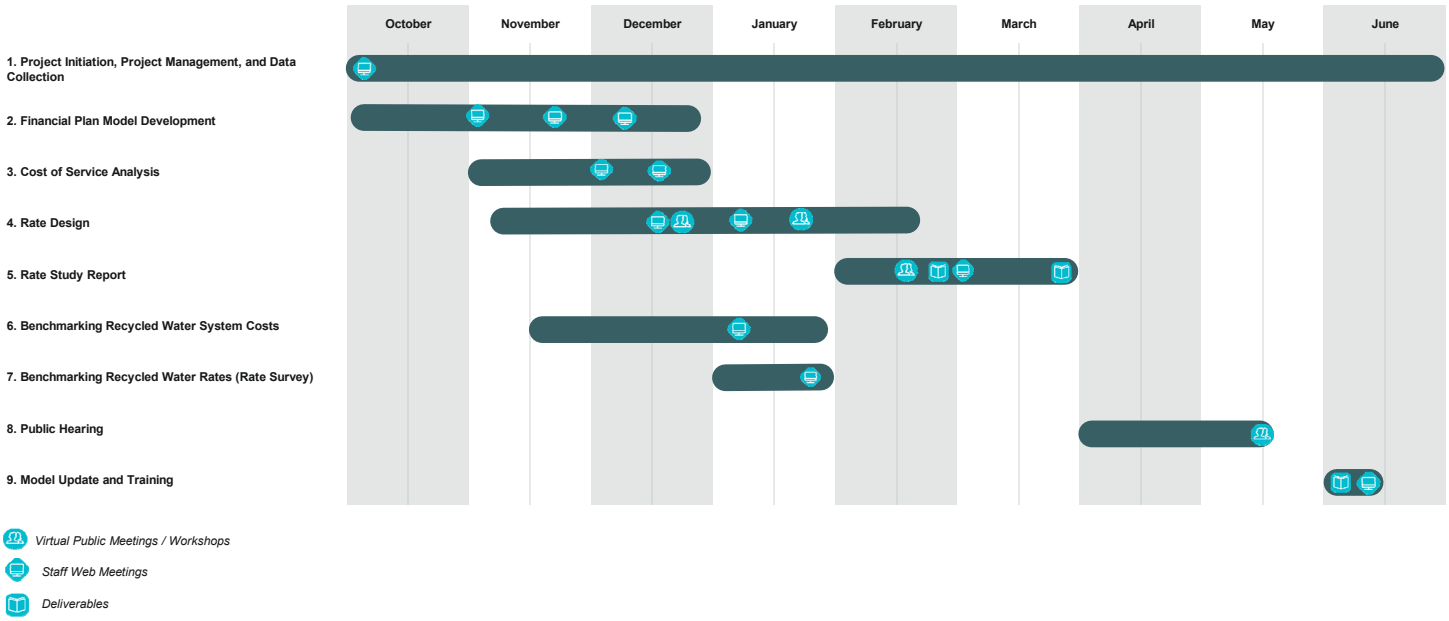
Deliverables
Final Financial Plan and Rate Model in Microsoft Excel

Records and documentation that the District is expected to provide

- Revenues and expense budgets for the recycled water enterprise
- Comprehensive Annual Financial Reports
- Recycled water capital outlay and capital improvement plans
- Recycled water asset database
- Customer account and water use data
- Water purchase data
- Water purchase contract/agreement information
- Current rate schedule
- Any adopted reserve policies
- Adopted rate ordinances
- Recycled water master plan(s)
- Any inter-agency cost allocation or cost-sharing information related to recycled water
- Recycled water system peaking characteristics

Schedule

Raftelis will complete the scope of services within the timeframe shown in the schedule below. The proposed schedule assumes a notice-to-proceed by the beginning of October 2020 and that Raftelis will receive required data in a timely manner and be able to schedule meetings as necessary. Project completion is estimated for June 2021.



Agreement

We have reviewed the District's proposed agreement included with the RFP, and would like to request the following edits to items 1 and 2 as shown in red below. Please let us know if the District has any concerns about these edits. As requested, evidence of insurance and IRS form W-9 are included in the following pages.

1. ~~When the law establishes a professional standard of care for Consultant's services,~~ T~~t~~o the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless the Marina Coast Water District, its directors, officers, employees, or authorized volunteers from all claims and demands of all persons ~~that arise out of, pertain to, or relate to the~~ caused by Consultant's negligence, recklessness, or willful misconduct in the performance (or actual or alleged nonperformance) of the work under this agreement. Consultant shall defend itself against any and all ~~liabilities~~, third party claims, losses, damages, and costs ~~arising out of or alleged to arise out of~~ caused by Consultant's improper performance or non-performance of the work hereunder, and shall not tender such claims to District nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity. Provided, however, the indemnity and duty to defend contained herein shall not apply to any claims, demands, losses, damages and costs caused by the sole negligence of the Marina Coast Water District.

2. ~~Other than in the performance of professional services,~~ T~~t~~o the fullest extent permitted by law, Consultant will defend, indemnify and hold harmless the Marina Coast Water District, its directors, officers, employees, and authorized volunteers from all claims ~~and demands of all persons arising out of the performance of the work, including but not limited to claims by the Consultant or Consultant's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of the Marina Coast Water District, its directors, officers, employees, or authorized volunteers.~~ or liability for employment or employee benefit obligations of Consultant's employee, Subcontrator, or any of the parties for whom Consultant is responsible.

Client#: 1722483 RAFTEFIN

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/20/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Linda Rolfe
Cameron M Harris & Co, LLC Div USI Ins 6100 Fairview Road Ste 1400 Charlotte, NC 28210	PHONE (A/C, No, Ext): 980-265-5804 FAX (A/C, No): E-MAIL ADDRESS: linda.rolfe@usi.com

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Raftelis Financial Consultants, Inc. 227 West Trade Street, Ste. 1400 Charlotte, NC 28202	INSURER A : National Fire Insurance Co. of Hartford	20478
	INSURER B : Continental Insurance Company	35289
	INSURER C : American Casualty Company of Reading PA	20427
	INSURER D : Continental Casualty Company	20443
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC OTHER:			6076000011	01/21/2020	01/21/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$1,000,000 $500,000 $15,000 $1,000,000 $2,000,000 $2,000,000
D	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY			6076000025	01/21/2020	01/21/2021	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$1,000,000 $ $ $
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $10000			6076000039	01/21/2020	01/21/2021	EACH OCCURRENCE AGGREGATE	$5,000,000 $5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		6076305637 6076000042	01/21/2020 01/21/2020	01/21/2021 01/21/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$1,000,000 $1,000,000 $1,000,000
D	Prof. Liability			652071235	01/21/2020	01/21/2021	$5,000,000 Occurrence $5,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

Raftelis Financial Consultants, Inc.
227 W. Trade Street Suite 1400
Charlotte, NC 28202-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Raftelis Financial Consultants, Inc

2 Business name/disregarded entity name, if different from above
Raftelis

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☑ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
227 West Trade Street, Suite 1400

Requester's name and address (optional)

6 City, state, and ZIP code
Charlotte, NC 28202

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
[ ][ ][ ] - [ ][ ] - [ ][ ][ ][ ]

or

Employer identification number
2 0 - 1 0 5 4 0 6 9

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶ Matthew Raftelis Date ▶ 1.3.20

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

Cost

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task and the hourly billing rates for our project team members. Expenses include costs associated with travel and a $10 per hour technology charge covering computers, networks, telephones, postage, etc.

Tasks	Webinars	Public Meetings	Hours						Total Fees & Expenses
			PD	PM	TR	SC	Admin	Total	
1. Project Initiation, Project Management, and Data Collection	1	0	4	6	2	6	5	23	**$4,890**
2. Financial Plan Model Development	3	0	2	12	2	24	0	40	**$8,840**
3. Cost of Service Analysis	2	0	2	4	1	12	0	19	**$4,225**
4. Rate Design	2	2	4	8	1	10	0	23	**$6,479**
5. Rate Study Report	1	1	2	12	0	26	2	42	**$9,377**
6. Benchmarking Recycled Water System Costs	1	0	2	8	0	16	0	26	**$5,730**
7. Benchmarking Recycled Water Rates (Rate Survey)	1	0	0	4	0	10	0	14	**$2,950**
8. Public Hearing	0	1	2	12	0	2	0	16	**$4,517**
9. Model Update and Training	1	0	0	2	0	6	0	8	**$1,670**
Total Estimated Meetings / Hours	**12**	**4**	**18**	**68**	**6**	**112**	**7**	**211**	
Hourly Billing Rate			**$295**	**$240**	**$265**	**$185**	**$80**		
Total Professional Fees			**$5,310**	**$16,320**	**$1,590**	**$20,720**	**$560**	**$44,500**	

PD - Sanjay Gaur, Vice President
PM - Kevin Kostiuk, Manager
TR - Steve Gagnon, Senior Manager
SC - Staff Consultants
Admin - Administrative Staff

Total Fees	**$44,500**
Total Expenses	**$4,177**
Total Fees & Expenses	**$48,677**

Staff Report

Return to Agenda

Marina Coast Water District
Staff Report

Agenda Item: 12-A Meeting Date: September 21, 2020

Prepared By: Kelly Cadiente Approved By: Keith Van Der Maaten

Agenda Title: Fiscal Impact of COVID-19 Report

Summary: The Board of Directors requested monthly reports on the possible impact to the District's finances due to COVID-19.

This report includes the following:

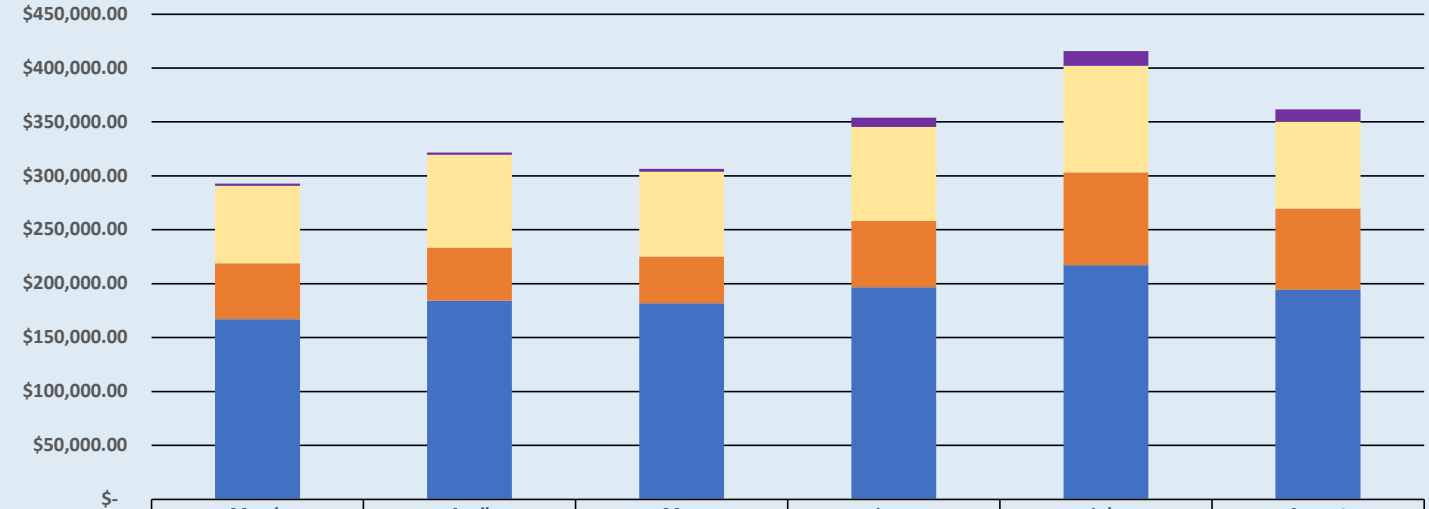
- Monthly revenues for the months during the pandemic
- Customer accounts aging information including changes from month to month
- Monthly customer payments comparison for the months March through August of 2019 and 2020

Water residential revenue for both Central Marina and the Ord Community steadily increased through July but decreased somewhat in the month of August. Business and government water revenue decreased during the during the first three to four months of the pandemic but have rebounded somewhat in June, July, and August.

Accounts Receivable balances for both Central Marina and the Ord Community have increased during the pandemic $104,983 and $394,222, respectively. Central Marina's increase in large part is attributable to a few multi-residential accounts, however in the case of the Ord Community; there are contributing factors other than COVID-19 which have caused the increases such the payment delay from Monterey Bay Military Housing and a growing customer base.

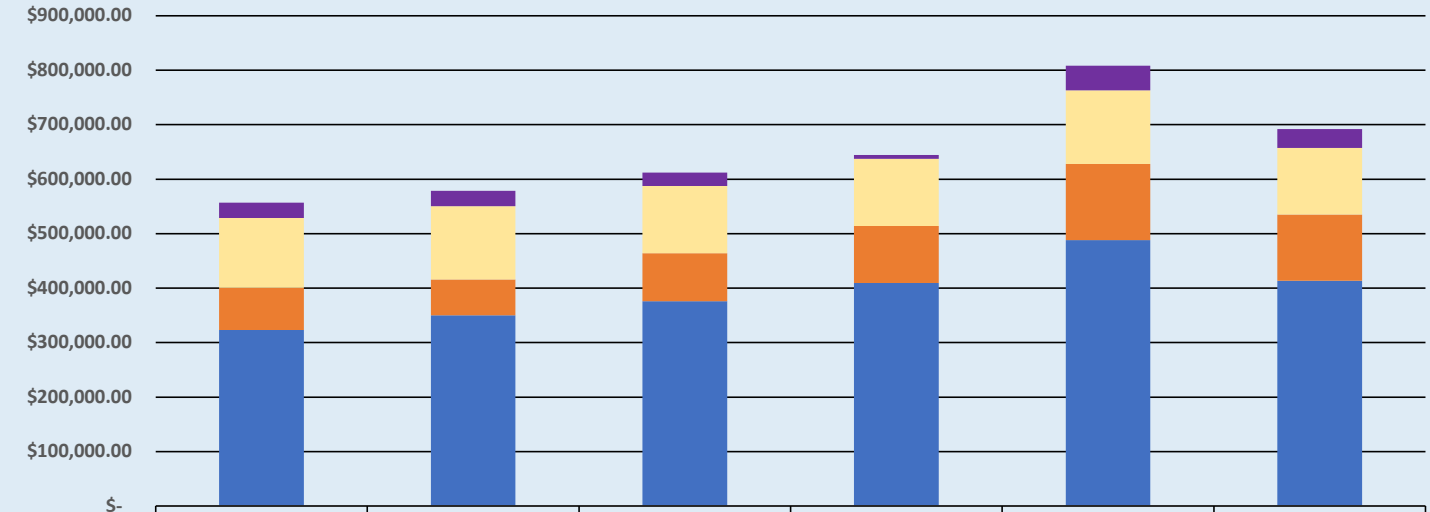
Customer payments for both Central Marina have increased in 2020 from 2019 for the months of March through August $18,386 and $151,067, respectively during the pandemic.

Central Marina Water Revenues
March 1, 2020 - August 31,2020

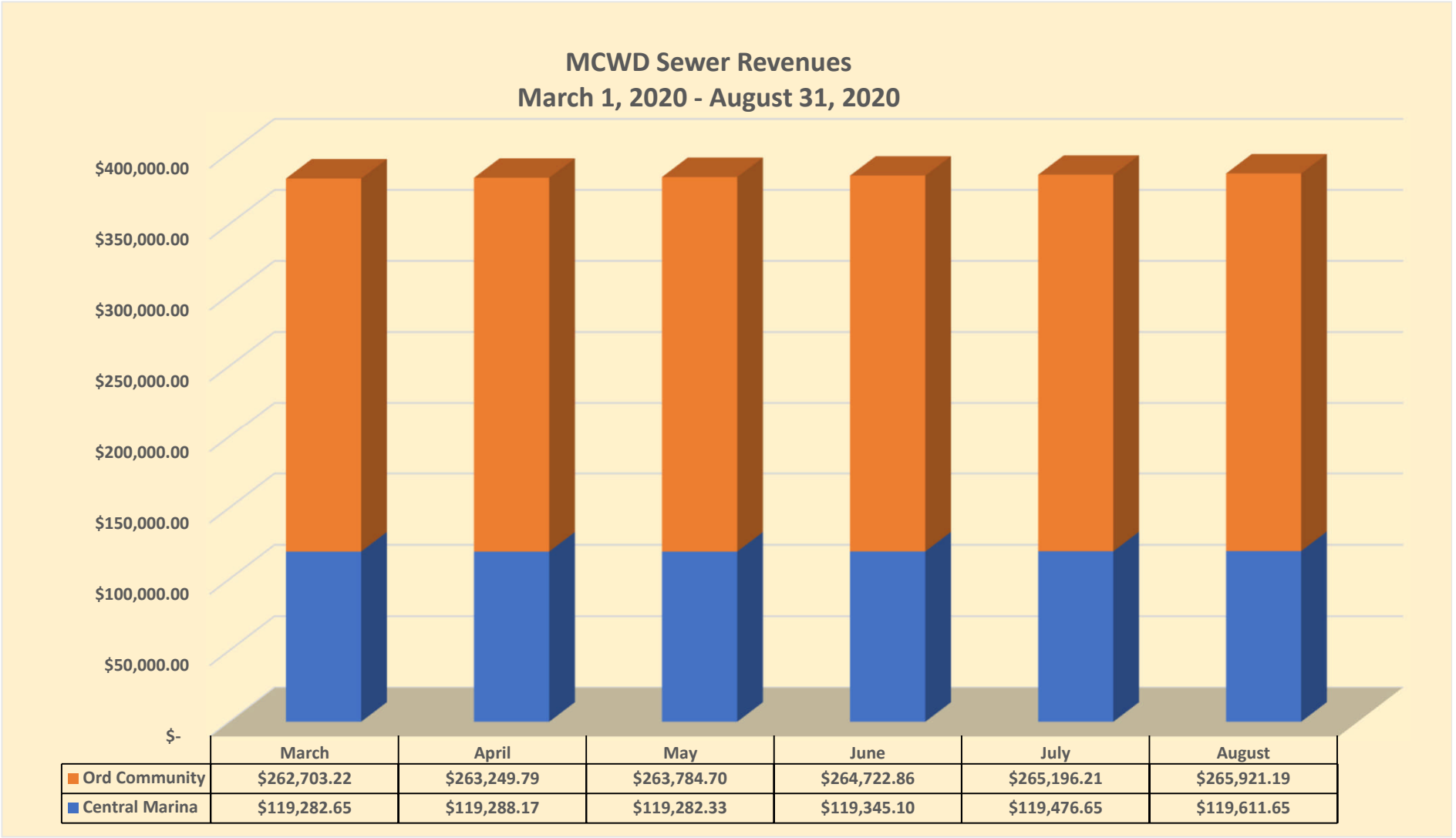


	March	April	May	June	July	August
Government	$2,082.69	$2,199.53	$2,681.08	$8,375.25	$13,586.13	$11,344.27
Multiples	$71,831.26	$86,182.79	$78,597.85	$87,366.97	$98,755.54	$80,699.32
Business	$51,839.34	$49,101.90	$43,414.04	$61,302.08	$86,073.91	$75,076.74
Residential	$166,956.53	$184,263.74	$181,864.34	$196,780.25	$217,199.72	$194,559.93

Ord Community Water Revenues
March 1, 2020 - August 31, 2020



	March	April	May	June	July	August
Government	$28,705.32	$28,205.14	$24,812.12	$7,117.78	$45,626.05	$34,741.52
Multiples	$127,466.37	$134,402.07	$123,469.80	$123,338.62	$134,837.97	$121,642.40
Business	$77,760.83	$66,012.14	$88,048.44	$104,917.17	$139,750.23	$121,974.19
Residential	$323,154.92	$350,068.79	$375,972.19	$409,233.62	$488,106.15	$413,442.67



	March	April	May	June	July	August
Ord Community	$262,703.22	$263,249.79	$263,784.70	$264,722.86	$265,196.21	$265,921.19
Central Marina	$119,282.65	$119,288.17	$119,282.33	$119,345.10	$119,476.65	$119,611.65

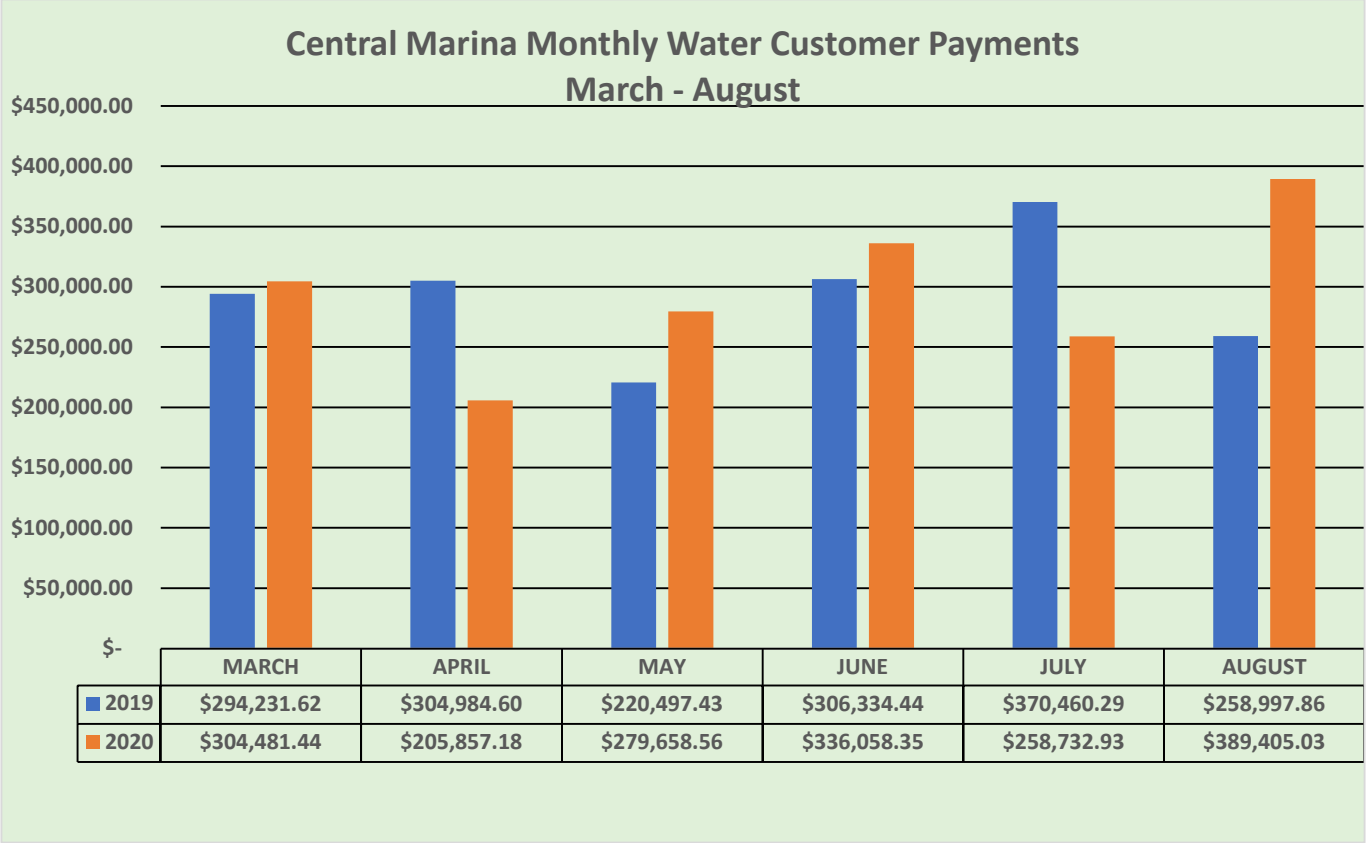
MARINA COAST WATER DISTRICT
CUSTOMER ACCOUNTS AGING REPORT
March 9, 2020 - September 9, 2020

Central Marina

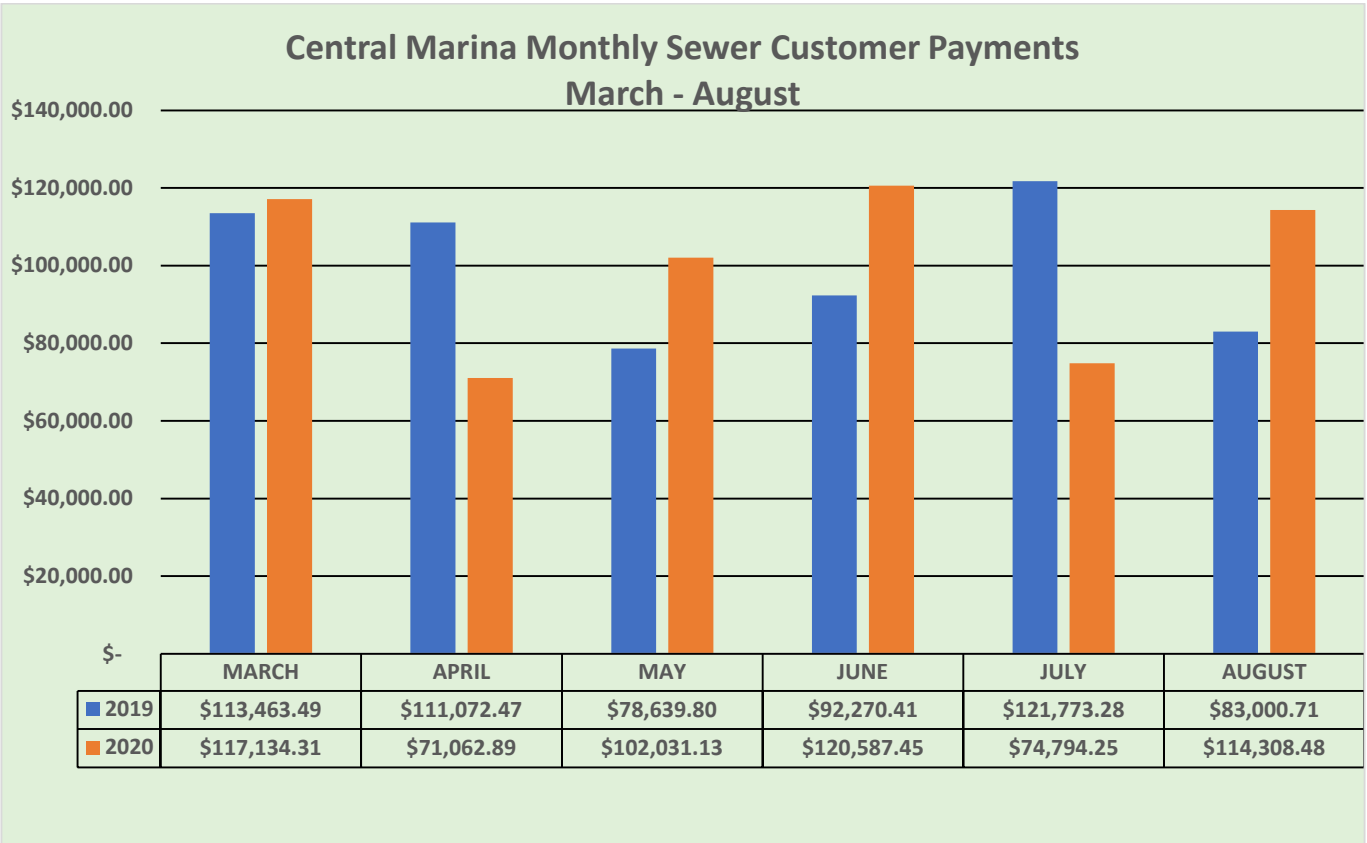
Aging Date	Balance 30 to 60 Days	Balance 60 to 90 Days	Balance 90 to 120 Days	Balance over 120 Days	Totals
3/9/2020	$ 35,543.27	$ 3,875.86	$ 4,293.09	$ 1,611.13	$ 45,323.35
4/9/2020	$ 33,044.70	$ 18,181.54	$ 5,496.77	$ 5,547.47	$ 62,270.48
5/9/2020	$ 28,890.08	$ 20,642.06	$ 17,487.23	$ 9,091.91	$ 76,111.28
6/9/2020	$ 39,927.48	$ 25,974.41	$ 15,855.18	$ 22,165.01	$ 103,922.08
7/9/2020	$ 43,632.74	$ 22,222.86	$ 15,085.37	$ 32,877.48	$ 113,818.45
8/9/2020	$ 45,054.24	$ 29,946.55	$ 18,451.47	$ 45,986.88	$ 139,439.14
9/9/2020	$ 43,548.42	$ 24,815.16	$ 24,374.86	$ 57,567.51	$ 150,305.95
April Change	$ (2,498.57)	$ 14,305.68	$ 1,203.68	$ 3,936.34	$ 16,947.13
%	-7%	369%	28%	244%	37%
May Change	$ (4,154.62)	$ 2,460.52	$ 11,990.46	$ 3,544.44	$ 13,840.80
%	-13%	14%	218%	64%	22%
June Change	$ 11,037.40	$ 5,332.35	$ (1,632.05)	$ 13,073.10	$ 27,810.80
%	38%	26%	-9%	144%	37%
July Change	$ 3,705.26	$ (3,751.55)	$ (769.81)	$ 10,712.47	$ 9,896.37
%	9%	-14%	-5%	48%	10%
August Change	$ 1,421.50	$ 7,723.69	$ 3,366.10	$ 13,109.40	$ 25,620.69
%	3%	35%	22%	40%	23%
September Change	$ (1,505.82)	$ (5,131.39)	$ 5,923.39	$ 11,580.63	$ 10,866.81
%	-3%	-21%	24%	20%	7%

Ord Community

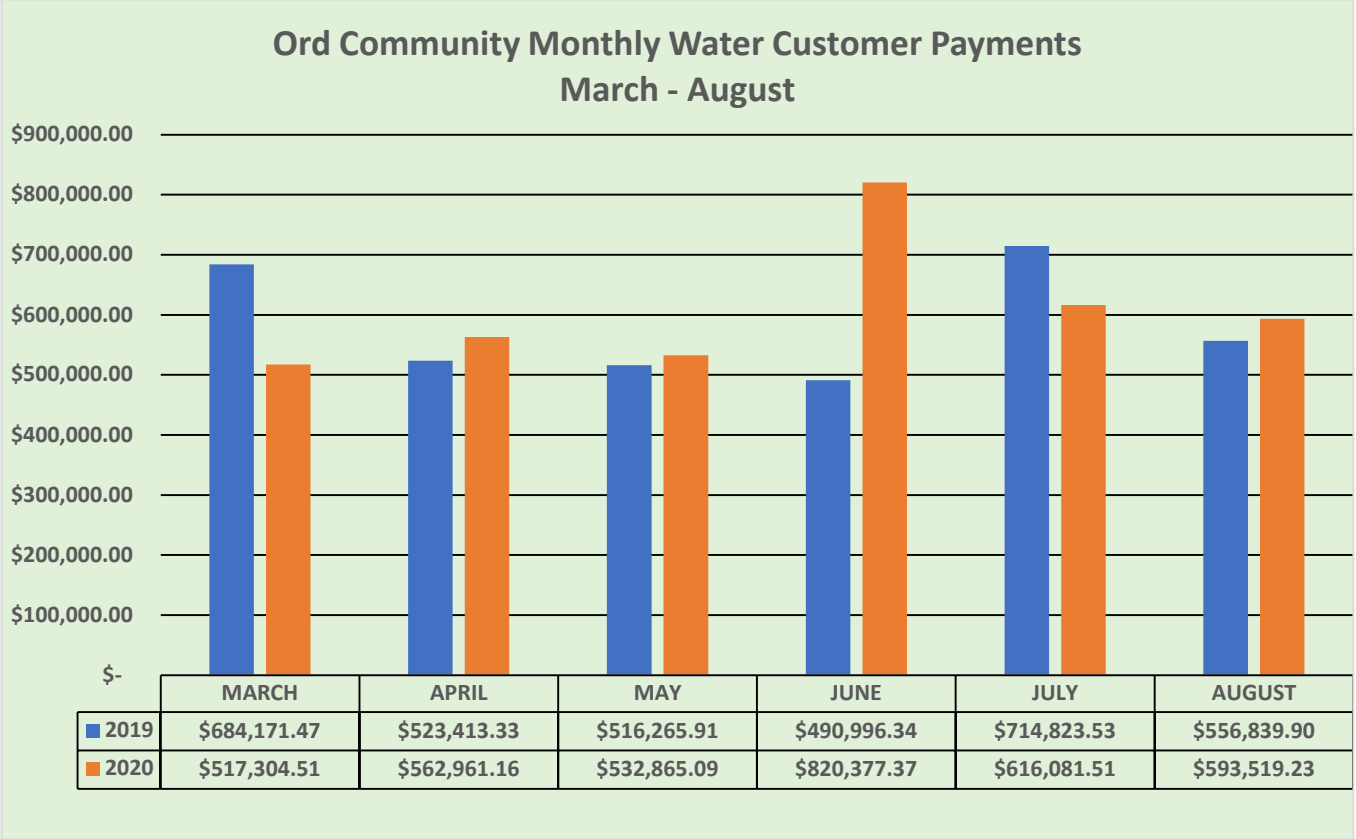
Aging Date	Balance 30 to 60 Days	Balance 60 to 90 Days	Balance 90 to 120 Days	Balance over 120 Days	Totals
3/9/2020	$ 78,063.43	$ 38,972.14	$ 27,577.38	$ 736,205.62	$ 880,818.57
4/9/2020	$ 183,093.08	$ 36,958.46	$ 34,182.46	$ 763,144.50	$ 1,017,378.50
5/9/2020	$ 81,034.10	$ 50,592.95	$ 28,286.58	$ 796,635.38	$ 956,549.01
6/9/2020	$ 204,477.47	$ 36,657.50	$ 40,258.61	$ 819,592.36	$ 1,100,985.94
7/9/2020	$ 73,155.37	$ 36,455.57	$ 22,504.91	$ 846,761.28	$ 978,877.13
8/9/2020	$ 110,662.92	$ 39,168.25	$ 30,354.44	$ 861,384.93	$ 1,041,570.54
9/9/2020	$ 289,279.76	$ 47,257.11	$ 26,094.02	$ 882,409.83	$ 1,245,040.72
April Change	$ 105,029.65	$ (2,013.68)	$ 6,605.08	$ 26,938.88	$ 136,559.93
%	135%	-5%	24%	4%	16%
May Change	$ (102,058.98)	$ 13,634.49	$ (5,895.88)	$ 33,490.88	$ (60,829.49)
%	-56%	37%	-17%	4%	-6%
June Change	$ 123,443.37	$ (13,935.45)	$ 11,972.03	$ 22,956.98	$ 144,436.93
%	152%	-28%	42%	3%	15%
July Change	$ (131,322.10)	$ (201.93)	$ (17,753.70)	$ 27,168.92	$ (122,108.81)
%	-64%	-1%	-44%	3%	-11%
August Change	$ 37,507.55	$ 2,712.68	$ 7,849.53	$ 14,623.65	$ 62,693.41
%	51%	7%	35%	2%	6%
September Change	$ 178,616.84	$ 8,088.86	$ (4,260.42)	$ 21,024.90	$ 203,470.18
%	62%	17%	-16%	2%	16%



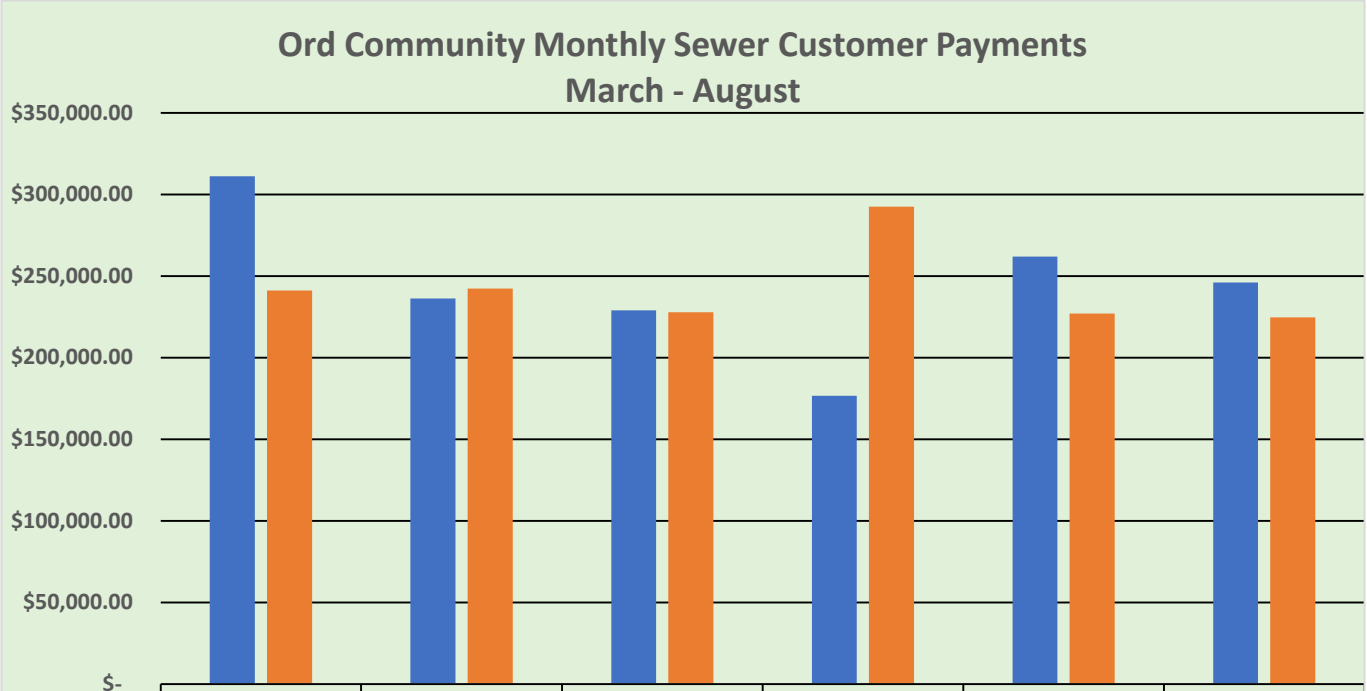
	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
2019	$294,231.62	$304,984.60	$220,497.43	$306,334.44	$370,460.29	$258,997.86
2020	$304,481.44	$205,857.18	$279,658.56	$336,058.35	$258,732.93	$389,405.03



	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
2019	$113,463.49	$111,072.47	$78,639.80	$92,270.41	$121,773.28	$83,000.71
2020	$117,134.31	$71,062.89	$102,031.13	$120,587.45	$74,794.25	$114,308.48



	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
2019	$684,171.47	$523,413.33	$516,265.91	$490,996.34	$714,823.53	$556,839.90
2020	$517,304.51	$562,961.16	$532,865.09	$820,377.37	$616,081.51	$593,519.23



	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
2019	$311,105.16	$236,212.92	$228,959.75	$176,665.75	$261,786.14	$245,929.85
2020	$241,074.86	$242,199.40	$227,843.31	$292,463.65	$226,904.83	$224,641.82