



**JOINT MEETING OF THE  
FORT ORD REUSE AUTHORITY AND  
MARINA COAST WATER DISTRICT  
BOARDS OF DIRECTORS**



**AGENDA**

**3:00–3:30 PM, Friday, June 10, 2011  
Carpenters Union Hall  
910 2<sup>nd</sup> Avenue \* Marina, CA 93933**

(It is the policy of the FORA Board to adjourn no later than 6:00 pm.)

\*Govt. Code 54954(b)(3) allows a board to meet outside its jurisdictional boundaries to participate in meetings or discussions of multiagency significance, provided Brown Act notice is provided by all bodies subject to the Act

- 1. CALL TO ORDER AND ROLL CALL OF BOTH BOARDS - 3:00 PM TIME CERTAIN**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ACKNOWLEDGEMENTS**
- 4. PUBLIC COMMENT PERIOD:** Members of the audience wishing to address the Board on matters within the jurisdiction of the Authority but not on the agenda may do so during the Public Comment Period. You may speak for a maximum of three minutes on any subject. Public comments on specific agenda items will be heard at the time the matter is being considered by the Board.
- 5. OLD BUSINESS - none**
- 6. NEW BUSINESS**
  - a. Ord Community and Marina Water/Wastewater Systems Proposed Budgets and Rates for FY 2011-2012
    - (1) Presentation by Marina Coast Water District **INFORMATION**
    - (2) PUBLIC HEARING – Proposition 218 Notice **PUBLIC HEARING**
    - (3) FORA Board Approval of Resolution Nos. 11-03 and 11-04 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer Services on the Former Fort Ord **ACTION**
    - (4) MCWD Board Consider Adoption of Resolution Nos. 2011-36 and 2011-37 (Ord Community Budget and Compensation Plan) **ACTION**
- 7. ANNOUNCEMENTS AND CORRESPONDENCE**
- 8. ADJOURNMENT**

*Information about items on this agenda or persons requesting disability related modifications and/or accommodations can contact the FORA Deputy Clerk at: 831-883-3672 \* 100 12<sup>th</sup> Street, Building 2880, Marina, CA 93933 or the MCWD offices 831-384-6131\* 11 Reservation Road, Marina, CA 93933 by 5:00 p.m. one business day prior to the meeting. Agendas can also be found on the FORA website: [www.fora.org](http://www.fora.org)*

<b>FORT ORD REUSE AUTHORITY BOARD REPORT</b>	
<b>NEW BUSINESS</b>	
<b>Subject:</b>	Ord Community and Marina Water/Wastewater Systems Proposed Budgets and Rates for FY 2011-2012
<b>Meeting Date:</b>	June 10, 2011
<b>Agenda Number:</b>	6a
<b>INFORMATION/ACTION</b>	

**RECOMMENDATION:**

1. Receive a Marina Coast Water District ("MCWD") FY 2011-2012 operating and capital budgets presentation (**Attachment A**) for proposed water, recycled water and wastewater collection systems and corresponding water and wastewater collection systems customer rates, and
2. Conduct a public hearing on the proposed changes in monthly rates, fees and charges for MCWD service areas (**Attachment B**), and
3. **Fort Ord Reuse Authority ("FORA") Board of Directors** approve Resolutions #11-03 and #11-04 (**Attachment C**) adopting a compensation plan and setting rates, fees and charges for basewide water, recycled water and sewer services on the former Fort Ord, and
4. **MCWD Board of Directors** adopt Resolutions #2011-36 and #2011-37 (Ord Community Budget and Compensation Plan (**Attachment D**)).

**BACKGROUND / DISCUSSION:**

Following the May 1997 FORA Board selection of MCWD to operate and own both the former Fort Ord water and wastewater collection systems, MCWD began service in July 1997. Between July 1997 and October 2001, MCWD operated the systems under Cooperative Agreement with the U.S. Army that defined terms of their operations and funding. Since November 2001, MCWD has owned the systems following the Economic Development Conveyance (U.S. Army to FORA to MCWD) of the related real and personal property associated with the network. MCWD bills former Fort Ord customers according to FORA Board annually approved rates.

The Water and Wastewater Oversight Committee ("WWOC"), advisory to the FORA Board on budgets and rates, met in March and April 2011 to receive presentations and to review/recommend action on MCWD's proposed FY 2011/12 budgets and rates. On April 13, 2011 the WWOC recommended the FORA Board approve the attached budgets and rates.

FORA staff and the WWOC recommend that the FORA Board receive the MCWD staff presentation and approve the adopting Resolutions. These Resolutions are provided to Board members in preparation for the MCWD presentation and requested Board action. To conserve resources, one copy of the budgets and rates package is provided - *please note it is referenced /appended to both resolutions.*

**FISCAL IMPACT:**

Reviewed by FORA Controller *M.F. for I.B.*

Staff time for this item is included in the approved FY 10-11 budget.

**COORDINATION:**

MCWD, WWOC, Administrative Committee, Executive Committee

Prepared by *Crissy Maras*

Crissy Maras

Approved by *Michael A. Houlemard, Jr.*

Michael A. Houlemard, Jr.

# **Ord Community Water/Wastewater Systems**

## **Compensation Plan**

**for FY 2011-2012**

**presented to**

**Fort Ord Reuse Authority**

**June 10, 2011**

**by**

**Marina Coast Water District**



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## Draft FY 2011-2012 Ord Community Service Area Budget Summary

Introduction. The purpose of this summary is to provide an overview of the FY 2011-2012 Budget document and the key assumptions used in developing this Budget document.

In, accordance with Article 7 of the Water Wastewater Facilities Agreement between Marina Coast Water District (MCWD) and Fort Ord Reuse Authority (FORA), the District maintains separate cost centers to ensure that revenues and expenses are appropriately segregated and maintained for the Marina systems, the Ord Community systems, and the accruing costs for the Regional Water Augmentation Project. On October 25, 2006, the MCWD Board adopted Ordinance No. 43 which also requires the cost centers to remain separated after the expiration of the Agreement between MCWD and FORA.

District costs that are not dedicated to a specific cost center are shared among the four primary cost centers – Marina Water, Marina Wastewater Collection, Ord Community Water and Ord Community Wastewater Collection. General overhead costs are also allocated in this manner which, in turn, creates efficiencies and cost savings for administrative functions for the two service areas that would otherwise not be realized. The District uses the operating expenses ratio to allocate the shared expenses. The allocation rate for the proposed fiscal year has changed based on previous year (FY 2009-2010) audited expenditure figures.

The FORA Board adopts the Ord Community budgets by resolution before MCWD Board adopts the entire budget, also by resolution.

A five-year financial plan and rate study was completed in 2008 and recommendations from the rate study are partially incorporated in this budget document.

### Cost Centers:

- Marina Water
- Marina Wastewater Collection (Sewer)
- Ord Community Water
- Ord Community Wastewater Collection (Sewer)
- Recycled Water
- Regional Project

### Assumptions:

- Revenues (proposed rate increase of 4.9%):
  - Ord Community Water \$5.515 million
  - Ord Community Wastewater Collection \$1.776 million
- Expenses:
  - Ord Community Water \$5.162 million
  - Ord Community Wastewater Collection \$1.162 million
  - Recycled Water \$0.421 million
  - Regional Project \$0.490 million

- Debt Service on loans (principal/interest):
  - Ord Community Water \$1.828 million
  - Ord Community Wastewater Collection \$0.731 million
  - Recycled Water \$0.325 million
- Capital Replacement Reserve Fund:
  - Ord Community Water \$0.200 million
  - Ord Community Sewer \$0.100 million

Ord Community Water Rates (monthly):

	FY 2010-2011	FY 2011-2012
Meter Service Charge	\$16.31	\$17.11
First Tier (0-8 hcf)	2.22	2.33
Second Tier (8-16 hcf)	3.12	3.27
Third Tier (16+ hcf)	4.02	4.22
Average Monthly bill (13 units)	\$49.67	\$52.10
Flat Rate Billing	80.40	84.34

Ord Community Wastewater Collection Rates (monthly):

	FY 2010-2011	FY 2011-2012
Monthly Flat Fee Bill	\$24.36	\$25.56

Capacity Charge:

- Ord Community Water Capacity Charge \$5,750\* per equivalent dwelling unit
  - Ord Community Wastewater Collection Capacity Charge \$2,150 per equivalent dwelling unit
- \* Ord Community water capacity charge includes future contributions from FORA towards RUWAP Project

Monthly Capital Surcharge\*:

- Ord Community Water Monthly Capital Surcharge for NEW Customers (\$20.00 per EDU)
  - Ord Community Wastewater Monthly Capital Surcharge for NEW Customers (\$5.00 per EDU)
- \* Monthly Capital Surcharge applies to all new customers effective July 2005.

Capital Improvement Programs:

- Ord Community Water \$4.932 million
- Ord Community Wastewater Collection \$1.475 million
- Recycled Water \$31.643 million
- Regional Project \$10.118 million

District Overhead:

- Support for a staff of 39 positions:
  - Administration – 10
  - Operations & Maintenance – 18
  - Laboratory – 2
  - Conservation – 2
  - Engineering – 7

**ORD COMMUNITY  
WATER & WASTEWATER SYSTEM  
RATES, FEES and CHARGES  
FY 2011 - 2012  
Effective July 1, 2011**

**Water Consumption Charge**

0 - 8 hcf	First Tier	2.33	per hcf
8 - 16 hcf	Second Tier	3.27	per hcf
16+ hcf	Third Tier	4.22	per hcf
	Monthly Capital Surcharge (New EDU)	20.00	per EDU
	Flat Rate	84.34	per unit

**Monthly Minimum Water Charges**

<u>Size</u>	<u>Fee</u>
5/8" or 3/4"	17.11 per month
1"	42.76 per month
1 1/2"	85.49 per month
2"	136.78 per month
3"	256.47 per month
4"	427.45 per month
6"	854.89 per month
8"	1,709.79 per month

**Monthly Minimum Sewer Charges**

Monthly Wastewater Charge	25.56	per EDU
Monthly Capital Surcharge (New EDU)	5.00	per EDU

**Temporary Water Service**

Meter Deposit Fee	\$650.00
Hydrant Meter Fee (Set/Remove Fee)	\$140.00 one time fee
Hydrant Meter Fee (Relocate Fee)	\$140.00 per occurrence
Minimum Monthly Service Charge	82.24 per month
Estimated Water Consumption Deposit	\$1,100.00 minimum

**Repair, Replacement and Maintenance of Private Fire Hydrants (Monthly Charge)**

Single/Double Outlet, All Sizes	\$13.50 per month
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**Capacity Charges (Effective Date: July 1, 2011)**

Water	\$5,750.00 per edu
Sewer	\$2,150.00 per edu



**MARINA & ORD COMMUNITY  
WATER & WASTEWATER SYSTEM  
RATES, FEES and CHARGES  
FY 2011 - 2012  
Effective July 1, 2011**

**Labor Charges**

General Manager	\$183.69 per hour
Deputy General Manager/District Engineer	\$122.48 per hour
Director of Administrative Services	\$90.12 per hour
Capital Projects Manager	\$76.68 per hour
Associate Engineer	\$71.88 per hour
Assistant Engineer	\$60.78 per hour
Engineering Administrative Assistant	\$52.91 per hour
O&M Superintendent	\$86.58 per hour
Assistant O&M Superintendent	\$86.58 per hour
Operations & Maintenance System Operator 3	\$72.03 per hour
Operations & Maintenance System Operator 2	\$66.15 per hour
Operations & Maintenance System Operator 1	\$59.86 per hour
Conservation Coordinator	\$70.25 per hour
Conservation Specialist	\$54.68 per hour

**Equipment Charges**

Work Truck	\$20.00 per hour
Backhoe Tractor	\$30.00 per hour
Vactor Truck	\$30.00 per hour
Dump Truck	\$30.00 per hour
Ground Penetrating Radar Uit	\$10.00 per hour

**Miscellaneous Charges**

Photocopy Charges	\$0.10 per copy
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**Water Meter Installation Fee**

(includes box and meter)

<u>Size</u>	<u>Fee</u>
5/8" or 3/4"	\$350.00
1"	\$400.00
1 1/2"	\$450.00
2"	\$700.00
3" or Larger	

Actual direct and indirect cost to district.

Advance payment to be based on estimated cost.

**Other Fees and Charges**

Preliminary Project Review Fee (large projects)	\$500.00
Plan Review Fees:	
Existing Residential Modifications	\$200.00 per unit plus additional fees
Existing Commercial Modifications	\$400.00 per unit plus additional fees
Plan Review	\$500.00 per unit plus additional fees
Water/Sewer Permit Fee	\$30.00 each
Small Project Inspection Fee (single lot)	\$400.00 per unit
Large Project Inspection Fee (large projects)	\$500.00 per unit plus 3% of water & sewer construction cost
Building Modification/Addition Fee	\$200.00 per unit
Deposit for a Meter Relocation	\$200.00 deposit, plus actual costs
Mark and Locate Fee (USA Markings)	\$100.00 first mark and locate at no-charge, each additional for \$100
Backflow/Cross Connection Control Fee	\$45.00 per device
Additional Backflow/Cross Connection Device	\$30.00 per device
Deposit for New Account	\$35.00 per edu
Meter Test Fee	\$15.00 for 3/4" meter, actual cost for 1" and larger
Returned Check Fee	\$15.00 per returned item
Basic Penalty	10% of the delinquent amount
Additional Penalty	1.50% per month of the delinquent amount

# **Ord Community Water System**

**MARINA COAST WATER DISTRICT  
ORD COMMUNITY WATER SYSTEM OPERATIONS  
PROPOSED BUDGETS**

**EXHIBIT W-1**

	<b>Adopted Budget Ord Community Water Expenses FY 2010-2011</b>	<b>Proposed Budget Ord Community Water Expenses FY 2011-2012</b>
<b>Administration/Management</b>		
Personnel	\$676,570	\$570,330
Expenses	\$647,280	\$686,940
Insurance	\$55,300	\$67,500
Legal	\$57,500	\$62,100
Interest Expense	\$689,800	\$1,158,750
subtotal	\$2,126,450	\$2,545,620
<b>Operations &amp; Maintenance</b>		
Personnel	\$979,650	\$1,115,890
Maintenance Expenses	\$161,900	\$223,990
Power Costs	\$437,750	\$490,250
Annual Maintenance	\$50,000	\$50,000
subtotal	\$1,629,300	\$1,880,130
<b>Laboratory</b>		
Personnel	\$152,880	\$157,530
Equipment/Expenses	\$39,489	\$44,010
Lab Contract Services	\$21,000	\$36,000
subtotal	\$213,369	\$237,540
<b>Conservation</b>		
Personnel	\$125,750	\$144,550
Expenses	\$64,370	\$64,205
subtotal	\$190,120	\$208,755
<b>Engineering</b>		
Personnel	\$314,860	\$264,830
Expenses	\$15,032	\$4,180
Outside Consultants	\$56,000	\$21,000
subtotal	\$385,892	\$290,010
<b>Total Operating Expenses</b>	<b>\$4,545,131</b>	<b>\$5,162,055</b>

WORKING DRAFT

B	G	L	M	W	X	Y	Z	AA	AB	AD
3	Marina Coast Water District									[WITHIN
4	5-Year Capital Improvement Plan									COST CENTER]
5										Programmed
6		Original	JAN 2011	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	OUT	Overall Project
7	CIP #	Cost	Cost	Proposed	Proposed	Proposed	Proposed	Proposed	YEARS	Cost Estimate
45	Ord Community Water 03-00-160-000									
47	FY 2010/2011 (Active Projects)									
49	WD-0201 IOP Building I (FORA)	3,000,000	3,000,000	842,400						842,400
50	OW-0170 Well 34 (deep aquifer at Well 32 site) (Construct)	1,650,000	1,650,000	1,040,000						1,040,000
51	GW-0201 2010 - Urban Water Mgmt. Update	300,000	300,000	31,200						31,200
52	GW-0200 Integrated Regional Water Management Plan - Update	100,000	100,000	62,400						62,400
53	NA Basewide Environmental Insurance [50% OW, 50% OS]	82,632	82,632	10,329	10,329	10,329	10,329			41,316
54	FY 2011/2012 (Planned Year)									
56	OW-116 Eastern Distribution System (Prop 50 funded) Walkin Gate Well and Distribution Pipe; 1st Year - Design and C	4,250,000	4,250,000	2,600,000						2,600,000
57	OW-0119 Replace D & E Reservoir (Demolition phase) [CIP No. 4.04, 3.07]	actual	8,300,000	124,800						124,800
58	GW-0211 RD Integration Planning	200,000	200,000	124,800						124,800
60	GW-0112 "A1/A2" Zone Tanks & B/C Booster Sta @ CSUMB; 1st Year - Design, 2nd Year - Construct	6,684,000	8,010,600		779,784	4,595,526				5,375,310
61	OW-0128 Lightfighter "B" Zone Pipeline Extension (Design)	75,000	89,900		97,236					97,236
62	OW-0128 Lightfighter "B" Zone Pipeline Extension (Construct)	231,000	276,900		299,495					299,495
63	OW-0167 2nd Ave extension to Gigling Rd	170,850	204,800		221,512					221,512
64	OW-0122 Replace D & E Reservoir Off-Site Piping	140,000	167,800		181,492					181,492
65	GW-0211 Regional Desal (RD) Integration w/ Potable System (Design 1st year, Construct 50% 2nd year, Construct 50%	21,000,000	21,000,000		2,044,224	11,811,072	12,283,515			26,138,811
66	OW-0206 Inter-Garrison Road Pipeline Replacement (in lieu of ASP booster until B tanks installed); 1st Year - Design, 2n	600,000	600,000		162,240	506,189				668,429
67	OW-0169 Intergarrison Road PRV	122,000	146,300				171,150			171,150
68	WD-0202 IOP Building II; 1st Year - Design, 2nd Year - Construct	1,800,000	1,800,000		157,697	893,618				1,051,315
69	WD-0200 Long-Term Facilities Planning	120,000	120,000		70,088					70,088
70	WD-0106 Corp Yard (Demolition/Construct)	450,000	450,000		262,829					262,829
71	WD-0115 SCADA System Improvements - Phase I	500,000	500,000		292,032					292,032
72	WD-0115 SCADA System Improvements (Increase Security, Integrate w/Regional Desal)	300,000	300,000			182,228				182,228
73	WD-0110 Asset Management Program - Phase II	255,000	255,000		148,936					148,936
74	WD-0110 Asset Management Program - Phase III	250,000	250,000			151,857				151,857
75	OW-0200 Surplus Area 2 Pipelines	773,000	926,500		1,002,102					1,002,102
76	OW-0201 Gigling Transmission from D Booster to JM Blvd	93,960	124,100			139,596				139,596
77	OW-0211 Eastside Road (D-Zone pipeline); 1st Year - Design, 2nd Year - Construct	2,300,000	2,300,000			388,078	2,287,073			2,675,152
78	OW-0127 Fire Flow Improvements - Commercial on CSU; 1st Year - Design, 2nd Year - Construct	488,000	644,300		108,712	640,679				749,391
79	OW-0203 7th Avenue and Gigling Rd; 1st Year - Design, 2nd Year - Construct	171,000	225,800			38,099	224,531			262,630
80	OW-0118 "B4" Zone Tank @ East Garrison (+ Demolish Travel Camp Tank); 1st Year - Design, 2nd Year - Construct	1,898,050	2,274,800				399,179	2,352,496		2,751,675
81	OW-0204 2nd Ave connection, Reindollar to Imjin	1,000,000	1,000,000				1,169,859			1,169,859
82	OW-0205 Demolish Bayview Reservoir	150,000	198,100				231,749			231,749
83	OW-0166 CSU Fireflow Improvements	96,000	115,100				134,651			134,651
84	OW-0208 Fire Flow Improvements - Commercial Fire Flow to Stockade	461,000	608,600				711,976			711,976
85	OW-0209 Fire Flow Improvements - Residential Fire Flow between UV and Seaside Gateway	142,500	188,200				220,167			220,167
86	OW-0164 Reservation Rd to Imjin Main Improvements (2,800 lf of 12"); 1st Year - Design, 2nd Year - Construct	379,000	454,300					552,725	574,834	1,127,560
87	GW-0123 "B2" Zone Tank @ CSUMB; 1st Year - Design, 2nd Year - Construct	1,610,000	1,929,600					211,289	1,197,303	1,408,592
88	OW-0202 South Boundary Road Pipeline (DRO In-Tract) (20% allocation for up-sizing, if needed)	1,000,000	1,198,500					218,724	1,289,012	1,507,736
89	OW-0131 Abrams Road Pipeline in CSU East Housing Area; 1st Year - Design, 2nd Year - Construct	114,570	151,300					27,612	162,726	190,338
90	GW-0112 "A2" Zone Tank @ CSUMB; 1st Year - Design, 2nd Year - Construct	1,610,000	1,929,600					211,289	1,245,195	1,456,484
91	OW-0165 Rehabilitate/Replace Well 29 & TCE Treatment; 1st Year - Design, 2nd Year - Construct	1,158,000	1,528,700					278,985	1,644,149	1,923,134
92	OW-0210 Sand Tank Demolition; 1st Year - Design, 2nd Year - Construct	286,000	345,200					62,998	371,270	434,268
93	GW-0210 Reservoir A3 (1.6 MG); 1st Year - Design, 2nd Year - Construct	2,301,000	2,757,700					301,965	1,779,579	2,081,544
94	OW-0212 Reservoir "D2"; 1st Year - Design, 2nd Year - Construct	2,375,000	2,846,400					540,241	3,061,363	3,601,604
95	OW-0129 Rehabilitate Well 31; 1st Year - Design, 2nd Year - Construct	1,177,500	1,554,500					283,693	1,671,898	1,955,591
96	OW-0214 Imjin Road, Reservation to Imjin Pkwy realignment; 1st Year - Design, 2nd Year - Construct	700,000	839,000					153,116	902,362	1,055,478
97	OW-0215 Booster Station @ UCMBEST Add'l Pump Cap.; 1st Year - Design, 2nd Year - Construct	1,140,000	1,366,300					249,347	1,469,485	1,718,831
98	OW-0171 Eucalyptus Rd Pipeline	1,735,000	2,079,400						2,631,104	2,631,104
99	OW-0121 "C2" to "B4" Pipeline and PRV Station	1,037,000	1,242,900						1,572,665	1,572,665
100	OW-0213 Reservoir B4/B5 to East Garrison Pipeline	188,000	225,400						285,203	285,203
101	OW-0216 UCMBEST Pipeline	296,500	355,400						449,694	449,694
102	OW-0217 Imjin Road @ Airport Area	1,000,000	1,198,500						1,516,485	1,516,485
103	OW-0218 Golf Boulevard Transmission Line	796,000	954,000						1,207,114	1,207,114
104	OW-0219 "B5" Zone Tank @ East Garrison	2,301,000	2,757,700						3,489,370	3,489,370
105	OW-0220 Blanco/Imjin Connector - road project pending change	473,000	473,000						598,496	598,496

**WORKING DRAFT**

	B	G	L	M	W	X	Y	Z	AA	AB	AD
3		Marina Coast Water District									[WITHIN
4		5-Year Capital Improvement Plan									COST CENTER]
5											Programmed
6											Overall Project
7		CIP #	Original	JAN 2011	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	OUT	Cost Estimate
		Project Description	Cost	Cost	Proposed	Proposed	Proposed	Proposed	Proposed	YEARS	
106	OW-0221	Reservoir B Supply Line	194,490	256,800							
107	OW-0XX	Eastern Well Field - ROLLUP thru well 39 (Includes Well 33 Phases 2 and 3)Need to split out)	26,081,390	30,186,100						324,934	324,934
108	OW-0XX	Eastern Well Field - ROLLUP thru well 43 (Need to split out)	20,238,000	23,423,000						38,195,046	38,195,046
109	GW-0300	Ord Water Master Plan	250,000	250,000			281,216			29,637,567	29,637,567
110											281,216
111		TOTAL - Ord Community Water			4,835,929	5,729,996	19,106,520	18,484,858	5,444,478	95,276,857	148,878,639
112											
197											
198		Recycled Water Project 05-00-160-000									
200		FY 2010/2011 (Active Projects)									
202	RW-0156	Recycled Trunk Main and Booster, MRWPCA to Normandy (Design)	400,000	444,800	462,592						462,592
203	RW-0155	RW Project Management (90% split)	250,000	250,000	234,000						234,000
204	RW-0155	Armstrong Ranch Annexation (Proj Mgmt; Prlim Des; Env. Doc) [10%-45%-45% split]	142,000	142,000	59,436						59,436
205		FY 2011/2012 (Planned Year)									
207	RW-0156	Recycled Trunk Main and Booster, MRWPCA to Normandy (Construction)	21,325,000	23,709,200	24,657,568						24,657,568
208	RW-0156	Blackhorse Reservoir	5,387,500	5,989,900	6,229,496						6,229,496
210	RW-0156	Construction - Recycled Water Facilities (25% first yr, 75% second yr)	37,000,000	44,343,500			12,470,102	38,906,717			51,376,819
211	RW-0156	Recycled Laterals-Ord	6,192,000	6,884,300				8,053,657			8,053,657
212	RW-0159	Marina Airport / Imjin Road Recycled Water Pipeline (design)	2,150,000	2,390,400				419,464	2,472,044		2,891,509
213	RW-0156	Recycled Main thru Marina Heights (upsize)	2,397,600	2,665,700						3,372,961	3,372,961
214	RW-0156	Recycled Lateral thru University Villages (upsize)	1,440,000	1,601,000						2,025,776	2,025,776
215	RW-0300	Recycled Water Master Plan	100,000	100,000			112,486				112,486
216											
217											
218		TOTALS - Recycled Water Project			31,643,092	0	12,582,588	47,379,839	2,472,044	5,398,737	99,476,300
219											
220											
221											
222		Regional Desalination Project 06-00-160-000									
224		FY 2010/2011 (Active Projects)									
226	RD-0101	Regional Desalination - Project Management	7,600,000	7,600,000	1,976,000	2,055,040	2,137,242	2,222,731			8,391,013
227	RD-0102	Regional Desalination - Pre-Design (including Permitting & RoW/Easements)	11,600,000	11,600,000	8,082,880	4,140,365					12,223,245
228	RD-0103	Regional Desalination - Final Design (including Bid Support)	20,100,000	20,100,000		16,305,120	5,652,442				21,957,562
229	RW-0155	Armstrong Ranch Annexation (Proj Mgmt; Prlim Des; Env. Doc) [10%-45%-45% split]	142,000	142,000	59,436						59,436
230		FY 2011/2012 (Planned Year)									
232			0	0							
233			0	0							
235	RD-0104	Regional Desalination - Construction (including Construction Management)	#####	171,000,000			96,175,872	100,022,907			196,198,779
236											
237											
238		TOTALS - Regional Desalination Project			10,118,316	22,500,525	103,965,555	102,245,638	0	0	238,830,034
239											
240											
241											
242											
243		SUMMARY - CIP									
244											
245		01 - MARINA WATER			704,808	1,077,578	4,383,886	3,670,431	2,090,227	3,945,956	15,872,885
246		03 - ORD COMMUNITY WATER			4,835,929	5,729,996	19,106,520	18,484,858	5,444,478	95,276,857	148,878,639
247		02 - MARINA SEWER			703,352	383,265	2,713,650	2,032,623	472,402	0	6,305,292
248		04 - ORD COMMUNITY SEWER			1,459,985	915,152	6,326,795	15,294,361	1,151,959	12,827,173	37,975,426
249		05 - RECYCLED WATER PROJECT			31,643,092	0	12,582,588	47,379,839	2,472,044	5,398,737	99,476,300
250		06 - REGIONAL DESALINATION PROJECT			10,118,316	22,500,525	103,965,555	102,245,638	0	0	238,830,034
251											
252		TOTAL CIP PROGRAM			49,465,482	30,606,516	149,078,994	189,107,752	11,631,110	117,448,723	547,338,576
253											

**MARINA COAST WATER DISTRICT  
ORD COMMUNITY WATER SYSTEM OPERATIONS  
REVENUE PROJECTIONS**

**EXHIBIT W-3**

		<b>Adopted FY 2010-2011</b>	<b>Proposed FY 2011-2012</b>
	<b>Number of water services</b>		
	# Flat Rate Customers	1,200	1,200
	# Metered Customers	2,988	2,808
	<b>Total Customers</b>	<b>4,188</b>	<b>4,008</b>
	<b>Annual Water Usage (in AF)</b>		
	Metered use	1,650	1,790
	Unmetered use / Losses	800	800
	<b>Total Water Usage</b>	<b>2,450</b>	<b>2,590</b>
	<b>Monthly Service Charges</b>		
	Flat Rate Billing	\$80.40	\$84.34
	Metered Service Charge - 3/4" Meter	\$16.31	\$17.11
	<b>Monthly Quantity Rates</b>		
	Tier 1 (0-8 hcf)	\$2.22	\$2.33
	Tier 2 (8 - 16 hcf)	\$3.12	\$3.27
	Tier 3 (16+ hcf)	\$4.02	\$4.22
	<b>Monthly Capital Surcharge (per EDU)</b>	<b>\$20.00</b>	<b>\$20.00</b>
	<b>Annual Revenue Calculations</b>		
	Flat Rate Accounts	1,203,000	1,253,000
	Metered Accounts	3,170,000	3,196,000
	Capacity Fee (\$5,750 per EDU)	40,000	50,000
	Capital Surcharge Revenue	72,000	80,000
	Other Fees & Charges	84,500	975,880
A	<b>Total Operating Revenue</b>	<b>\$4,569,500</b>	<b>\$5,554,880</b>
B	Funding - New Source	10,808,993	4,035,929
C	Grant Revenues	0	800,000
D	Non-operating Revenue (Interest Income)	90,000	90,000
E	<b>TOTAL REVENUE (A through D)</b>	<b>\$15,468,493</b>	<b>\$10,480,809</b>
F	Operating Expenditures	4,203,131	4,820,055
G2	CIP Projects	10,808,993	4,835,929
G3	General Capital Outlay	132,200	95,600
I	Costs for Bond Issuance	0	0
J1	Debt Service	327,234	669,350
K	Capital Replacement Reserve Fund	200,000	200,000
L	<b>Payments to Land Use Jurisdictions/FORA</b>		
	Reimb. to Land Use Agencies (5% of OR)	140,000	140,000
	FORA Admin/Liaison Fees	25,000	25,000
	Reimbursements to FORA (5% of OR)	140,000	140,000
	Mmbrshp on FORA Bd. of Directors (1% of OR)	37,000	37,000
M	<b>TOTAL EXPENDITURES (F through L)</b>	<b>\$16,013,558</b>	<b>\$10,962,934</b>
	<b>USE OF RESERVES</b>	<b>\$545,065</b>	<b>\$482,125</b>
	<b>NET REVENUE (E-M)</b>	<b>\$0</b>	<b>\$0</b>

EXHIBIT W-4

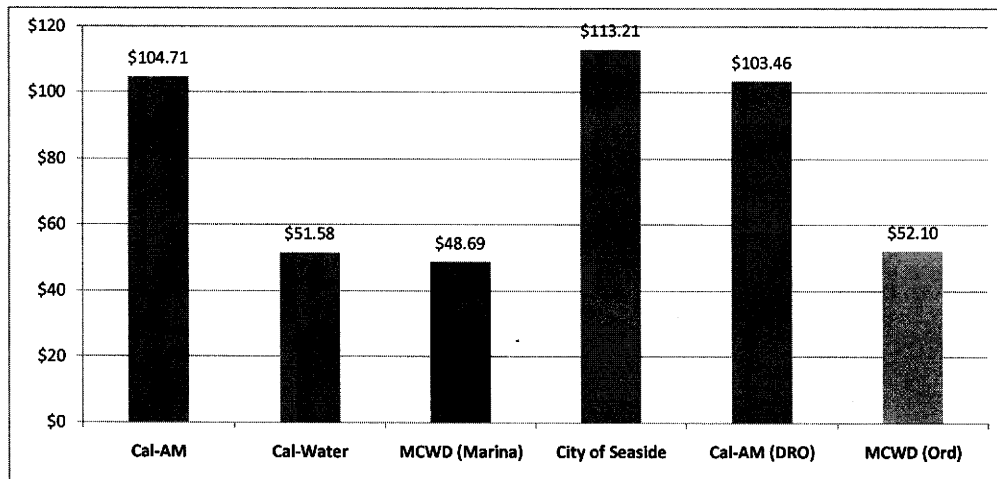
MONTHLY WATER RATES FOR REGION SURROUNDING THE ORD COMMUNITY

Revised March 16, 2011

TYPE OF FEE	CAL-AM	California Water Service Company	Proposed MCWD City of Marina <sup>2</sup>	City of Seaside	City of Del Rey Oaks (Cal-Am)	Proposed MCWD Ord Community <sup>3</sup>	Median Rates
Quantity Rate per 100 cu.ft.							
1st tier	\$0.2798	\$1.8545	\$2.18	\$3.44	\$0.2798	\$2.33	\$2.02
2nd tier	\$0.4068	\$1.9521	\$2.66	\$7.44	\$0.4068	\$3.27	\$2.31
3rd tier	\$0.8136	\$2.1864	\$4.85	\$12.06	\$0.8136	\$4.22	\$3.20
4th tier	\$1.6272			\$17.19	\$1.6272		\$1.63
5th tier	\$2.8475			\$23.60	\$2.8475		\$2.85
6th tier				\$30.78			
Breakpoint for 1st tier	40	600	800	400	40	800	500
Breakpoint for 2nd tier	80	1,100	1,600	1,000	80	1,600	1,050
Breakpoint for 3rd tier	120	1700+	1600+	2,000	120	1600+	1,600
Breakpoint for 4th tier	160			3,000	160		
Breakpoint for 5th tier	200			4,000	200		
				4,000 +			
Meter Service Charge per month							
3/4-inch	\$13.29	\$23.82	\$17.95	\$18.63	\$13.29	\$17.11	\$17.53
Service Charge (hcf)		0.200					\$0.20
Service Charge (monthly)	3.8100	1.060			2.5600		\$2.56
Surcharges (%)	7.6280				7.6280		\$7.63
Surcharges	3.71	-1.163			3.71		\$3.71
For illustrative purposes only, monthly rates based on 13 hcf/month, or 0.358 acre feet/year	\$104.71	\$51.58	\$48.69	\$113.21	\$103.46	\$52.10	\$64.35

- 2. Proposed rates effective as of July 1, 2011.
- 3. Proposed rates effective as of July 1, 2011.

MONTHLY WATER RATES FOR REGION SURROUNDING THE ORD COMMUNITY - 13 hcf



2010 Ord Community Water Consumption vs. Allocation (in Acre Feet per year)

EXHIBIT W-5

Entity	2009 Consumption	2010 Consumption	Fort Ord Reuse Plan Allocation (AFY)	% of
<b>OMC</b>				
Nonresidential	45	45		
Residential	124	182		
Residential (e)	410	410		
Irrigation	39	39		
<b>Subtotal</b>	<b>618</b>	<b>676</b>	<b>1,577.0 (1) (4)</b>	<b>43%</b>
Construction Water - Army	40	3		
<b>CSUMB</b>				
Main Campus	52	136		
CSUMB Housing (metered)	221	232		
CSUMB Housing (e)	159	0		
CSUMB Irrigation	35	35		
CSUMB Irrigation (e)	95	0		
<b>Subtotal</b>	<b>562</b>	<b>403</b>	<b>1,035.0</b>	<b>39%</b>
<b>UC MBEST</b>				
County	2	3	230.0	
County/State Parks	4	10	710.0 (7)	
Cty/Del Rey Oaks	0	0	45.0	
Cty/Monterey	0	0	242.5 (6)(7)	
Cty/Marina (Sphere)	0	0	65.0	
<b>Subtotal</b>	<b>6</b>	<b>13</b>	<b>1,302.5</b>	<b>1%</b>
<b>Seaside</b>				
Golf Course	1	349		
MPUSD	94	100		
Brostrom	64	60	85.0 (4)	
Thorson	60	60	120.0 (3)	
Seaside Highlands	178	166		
Monterey Bay Land, LLC	0	0	114.0 (5)	
Other	7	5	693.0 (7)	
<b>Subtotal</b>	<b>404</b>	<b>740</b>	<b>1,012.0 (4)</b>	<b>73%</b>
Construction Water - Seaside	27	51		
<b>Marina</b>				
Preston/Abrams	195	177		
Airport	8	10		
Other	69	69		
<b>Subtotal</b>	<b>272</b>	<b>256</b>	<b>1,325.0 (7)</b>	<b>19%</b>
Construction Water - Marina	18	15		
<b>Total</b>	<b>1,947</b>	<b>2,157</b>	<b>6,251.5</b>	<b>35%</b>
Assumed Line Loss	129 (8)	232 (8)	348.5 (7)	
Total Extracted	2076	2389		
Reserve	4524	4211	0 (7)	
<b>Total</b>	<b>6600</b>	<b>6600</b>	<b>6,600</b>	

**Notes:**

(e) indicates water use is estimated; meters are not installed.

**Footnotes:**

(1) The 1996/1998 FORA Board Allocation Plan reflects 1410 afy that considers future conservation on the POM Annex. The OMC's current reservation of 1577 afy reflects the decrease of 38 afy and 114 afy (see footnote [4]) from the original 1729 afy. The FORA Board has not yet revised the allocation numbers to reflect this change.

(3) The Sunbay/Thorson property was given its own allocation (120 afy) as part of the transfer of real estate from the US Army to the Southwest Sunbay Land Company.

(4) Seaside's original allocation of 710 afy was augmented by 38 afy by agreement with the OMC and Brostrom, and by 114 afy under final terms of the land exchange agreement among the City of Seaside, Monterey Bay Land, LLC and the US Army.

(5) 114 afy of Monterey Bay Land, LLC controlled potable water includes the proviso that the City of Seaside shall use no less than 39 afy of such water for affordable or workforce housing.

(6) The FORA Board approved an additional 17.5 afy for Del Rey Oaks on 05/13/2005.

(7) In January 2007, the FORA Board changed the 150 afy interim use loans to Marina, Seaside, Del Rey Oaks and Monterey County in October 1998 to add to their permanent allocations.

(8) Line loss figures include water transferred from Ord to Marina system through the inter-tie. The transferred numbers are tracked in the SCADA system and will be repaid back to Ord from Marina over time.



# **Ord Community Wastewater System**

**MARINA COAST WATER DISTRICT  
ORD COMMUNITY WASTEWATER SYSTEM OPERATIONS  
PROPOSED BUDGETS**

	<b>Adopted Budget Ord Community Wastewater Expenses FY 2010-2011</b>	<b>Proposed Budget Ord Community Wastewater Expenses FY 2011-2012</b>
<b>Administration/Management</b>		
Personnel	\$189,310	\$116,190
Expenses	\$95,660	\$80,440
Insurance	\$15,500	\$13,750
Legal	\$16,100	\$12,650
Interest Expense	\$257,700	\$466,340
subtotal	\$574,270	\$689,370
<b>Operations &amp; Maintenance</b>		
Personnel	\$230,490	\$233,100
Maintenance Expenses	\$52,200	\$96,520
Power Costs	\$62,900	\$57,100
Annual Maintenance	\$30,000	\$10,000
subtotal	\$375,590	\$396,720
<b>Engineering Department</b>		
Personnel	\$94,480	\$68,820
Expenses	\$1,510	\$1,100
Outside Consultants	\$54,800	\$5,500
subtotal	\$150,790	\$75,420
<b>TOTAL</b>	<b>\$1,100,650</b>	<b>\$1,161,510</b>

**WORKING DRAFT**

B	G	L	M	W	X	Y	Z	AA	AB	AD	
3	Marina Coast Water District									[WITHIN	
4	5-Year Capital Improvement Plan									COST CENTER]	
5										Programmed	
6										Overall Project	
7	CIP #	Project Description	Original Cost	JAN 2011 Cost	FY 11/12 Proposed	FY 12/13 Proposed	FY 13/14 Proposed	FY 14/15 Proposed	FY 15/16 Proposed	OUT YEARS	Cost Estimate
151	Ord Community Sewer	04-00-000-000									
153	FY 2010/2011 (Active Projects)										
155	OS-0150	East Garrison LS Improvements (Construct)	800,000	863,900	898,456						898,456
156	WD-0201	IOP Building I (FORA)	3,000,000	3,000,000	171,600						171,600
157	NA	Basewide Environmental Insurance [50% OW, 50% OS]	82,632	82,632	10,329	10,329	10,329	10,329			41,316
158											
159	FY 2011/2012 (Planned Year)										
161	OS-0200	Clark LS Improvement (Construct)	350,000	350,000	364,000						364,000
162	OS-0208	Parker Flats Collection System; 1st year - Design, 2nd year - Construct	100,000	100,000	15,600	91,936					107,536
163											
165	OS-0153	Misc. Lift Station Improvements; 1st year - Planning/Design, 2nd year - Construct	2,158,700	2,330,900		504,220	2,097,556				2,601,777
167	OS-0147	Ord Village Sewer Pipeline & Lift Station Impr Project; 1st year - Planning, 2nd year - Design, 3rd year - Constr	555,000	599,300		64,820	67,413	560,877			693,110
168	WD-0202	IOP Building II ; 1st Year - Design, 2nd Year - Construct	1,800,000	1,800,000		32,124	189,315				221,438
169	WD-0200	Long-Term Facilities Planning	120,000	120,000		14,277					14,277
170	WD-0106	Corp Yard (Demolition/Construct)	450,000	450,000		53,539					53,539
171	WD-0115	SCADA System Improvements Phase I	500,000	500,000		59,488					59,488
172	WD-0115	SCADA System Improvements (Increase Security, Integrate w/Regional Desal)	300,000	300,000			37,121				37,121
173	WD-0110	Asset Management Program - Phase II	255,000	255,000		30,339					30,339
174	WD-0110	Asset Management Program -- Phase III	250,000	250,000			30,934				30,934
175	OS-0154	Del Rey Oaks -- Collection System (Planning)	50,000	50,000		54,080					54,080
176	GS-0200	Odor Control Project; Design/Construct	100,000	100,000			67,492				67,492
177	OS-0214	Intergarrison/8th Ave SS (for Eastside Pkwy developments); Design/Construct	1,000,000	1,000,000			1,124,864				1,124,864
178	OS-0202	DRO Gravity Sewer Main and GJMB Improvements 1st year - Design, 2nd year - Construct	8,984,000	10,677,900			1,801,678	10,617,888			12,419,566
179	OS-0152	Booker, Hatten, Neeson LS Improvements Project; 1st year - Design, 2nd year - Construct	400,000	432,000			72,891	429,572			502,463
180	OS-0203	Giggling LS and FM Improvements; 1st year - Design, 2nd year - Construct	1,470,400	1,587,700			267,892	1,578,777			1,846,669
181	OS-0205	Imjin LS & Force Main Improvements -- Phase I; 1st year - Design, 2nd year - Construct	1,750,000	1,981,500			334,338	1,970,364			2,304,701
182	OS-0204	CSUMB Developments [9,14,18]; 1st year - Design, 2nd year - Construct	435,300	470,100			82,493	486,156			568,649
183	OS-0207	Seaside Resort, East & Affordable Housing Sewer Imps. Project; 1st year - Design, 2nd year - Construct	232,500	251,100				44,063	259,676		303,739
184	OS-0206	Fitch Park Sewer Improvements	88,400	95,500				116,190			116,190
185	OS-0148	Marina Heights Sewer Pipeline Improvements Project [6,21]; 1st year - Design, 2nd year - Construct	583,000	629,500				110,464	651,001		761,464
186	OS-0149	Univeristy Villages Sewer Pipeline Replacement Projects [7,11,12,15]; 1st year - Design, 2nd year - Construct	329,400	355,700				62,418	367,849		430,267
187	OS-0151	Cypress Knolls Sewer Pipeline Improvements Project; 1st year - Design, 2nd year - Construct	69,600	75,200				13,724	80,879		94,603
188	OS-0209	Imjin LS & Force Main Improvements -- Phase II (Design)1st year - Design, 2nd year - Construct	500,000	566,200				103,330	608,960		712,290
189	OS-0210	1st Ave Sewer Pipeline Replacement Project [2020]	285,200	308,000					389,718		389,718
190	OS-0211	Gen'l Jim Moore Sewer Pipeline Replacement Project [2020]	34,800	37,600					47,576		47,576
191	OS-0212	Gen'l Jim Moore Sewer Pipeline Replacement Project III [2020]	131,000	141,500					179,043		179,043
192	OS-0213	MRWPCA Buy-In	8,300,000	8,300,000					10,502,148		10,502,148
193	OS-0300	Ord Wastewater Master Plan	200,000	200,000			224,973				224,973
194											
195		TOTALS - Ord Community Sewer			1,459,985	915,152	6,326,795	15,294,361	1,151,959	12,827,173	37,975,426
196											

**MARINA COAST WATER DISTRICT  
ORD COMMUNITY WASTEWATER SYSTEM OPERATIONS  
PROJECTED NET REVENUE**

**EXHIBIT WW-3**

		<b>Adopted FY 2010-2011</b>	<b>Proposed FY 2011-2012</b>
	Estimated # of EDU's	5,860	5,595
	Flat Rate Billing per EDU	\$24.36	\$25.56
	Monthly Capital Surcharge (per EDU)	\$5.00	\$5.00
	Annual Revenue - Flat Rate Billing	1,715,000	1,713,300
	Capacity Fee (\$2,150 per EDU)	30,000	10,000
	Capital Surcharge Revenue	10,000	18,000
	Other Fees & Charges	17,800	19,300
<b>A</b>	<b>Total Operating Revenue</b>	<b>1,772,800</b>	<b>1,760,600</b>
<b>B</b>	<b>Funding - New Source</b>	<b>2,005,796</b>	<b>1,459,985</b>
<b>C</b>	<b>Non-Operating Revenue (Interest Income)</b>	<b>27,000</b>	<b>43,000</b>
<b>D</b>	<b>TOTAL REVENUE (A+B+C)</b>	<b>\$3,805,597</b>	<b>\$3,263,585</b>
<b>E1</b>	<b>Operating Expenditures</b>	<b>1,088,650</b>	<b>1,149,510</b>
<b>F1</b>	<b>CIP Projects</b>	<b>2,005,796</b>	<b>1,459,985</b>
<b>F2</b>	<b>General Capital Outlay</b>	<b>26,400</b>	<b>15,400</b>
<b>F3</b>	<b>Costs for Bond Issuance</b>	<b>0</b>	<b>0</b>
<b>F4</b>	<b>Debt Service (principal)</b>	<b>176,114</b>	<b>264,250</b>
<b>G</b>	<b>Capital Replacement Reserve Fund</b>	<b>100,000</b>	<b>100,000</b>
<b>H</b>	<b>Reimb. To Land Use Agencies (5% of OR)</b>	<b>12,000</b>	<b>12,000</b>
<b>I</b>	<b>TOTAL EXPENDITURES (E through H)</b>	<b>\$3,408,960</b>	<b>\$3,001,145</b>
<b>J</b>	<b>NET REVENUE (D-I)</b>	<b>\$396,637</b>	<b>\$262,440</b>

MONTHLY WASTEWATER COLLECTION RATES FOR REGION SURROUNDING THE ORD COMMUNITY

Revised March 17, 2011

SERVICE DESCRIPTION	City of Pacific Grove <sup>1</sup>	City of Monterey <sup>2</sup>	City of Salinas <sup>3</sup>	SCSD City of Seaside <sup>4</sup>	SCSD City of Del Rey Oaks <sup>5</sup>	Proposed MCWD City of Marina <sup>6</sup>	Proposed MCWD Ord Community <sup>7</sup>
Residential - per Living Unit	\$22.20	\$5.18	\$4.20	\$7.97	\$7.97	\$8.71	\$25.56
Business - 15 employees	\$30.71	\$7.17	\$5.81	\$11.02	\$11.02	\$13.07	\$38.34
Church - over 100 members	\$30.71	\$7.17	\$5.81	\$11.02	\$11.02	\$8.71	\$25.56
Laundromat - each washing machine	\$12.40	\$2.89	\$2.35	\$4.45	\$4.45	\$5.23	\$15.34
General Hospital - each bed	\$33.95	\$7.93	\$6.42	\$12.18	\$12.18	\$6.97	\$20.45
Motel/hotel - each room	\$9.16	\$2.14	\$1.73	\$3.29	\$3.29	\$2.18	\$6.39
Restaurant - each seat	\$3.98	\$0.93	\$0.75	\$1.43	\$1.43	\$0.61	\$1.79
High School/University - each student/faculty	\$0.37	\$0.09	\$0.07	\$0.13	\$0.13	\$0.61	\$1.79
Supermarket - 30 Employees	\$144.95	\$33.85	\$27.42	\$52.02	\$52.02	\$26.13	\$76.68

<sup>1</sup>Rate is 185% of MRWPCA rate

<sup>2</sup>Rate is 43.2% of MRWPCA rate

<sup>3</sup>Rate is 35% of MRWPCA rate

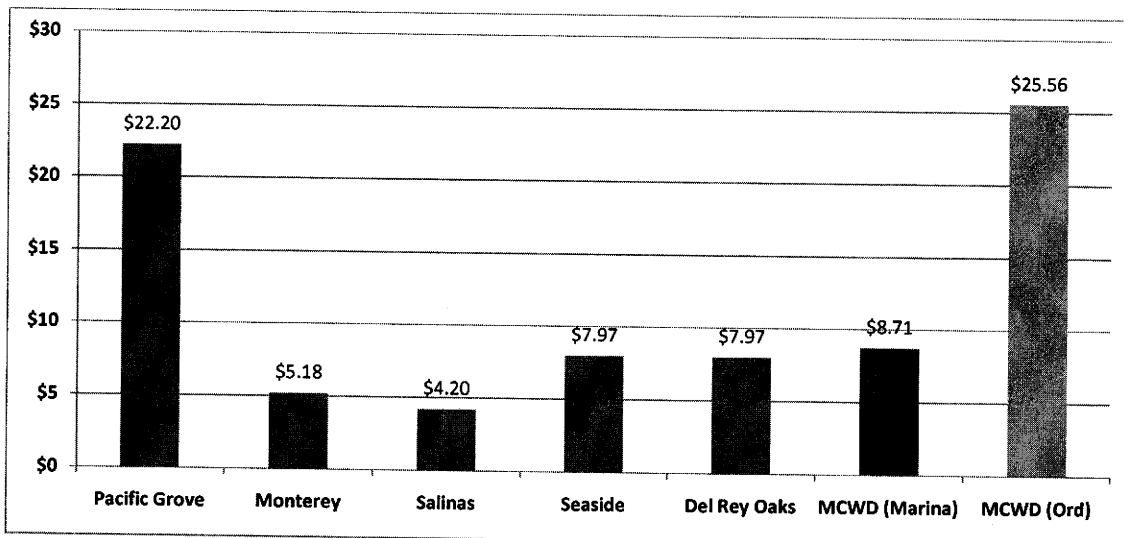
<sup>4</sup>Rate is 66.4% of MRWPCA rate

<sup>5</sup>Rate is 66.4% of MRWPCA rate

<sup>6</sup>Rate is \$8.95 per Equivalent Dwelling Unit (74.6% of MRWPCA rate - Residential Rate) is proposed for FY 2011/2012

<sup>7</sup>Rate is \$26.26 per Equivalent Dwelling Unit (218.8% of MRWPCA rate - Residential Rate) is proposed for FY 2011/2012

As District customer base grows in the next few years, the monthly wastewater collection rate could possibly be reduced.



**NOTICE OF PUBLIC HEARING  
ON PROPOSED CHANGES IN RATES, FEES AND CHARGES  
FOR MARINA COAST WATER DISTRICT SERVICE AREAS**

**Marina and the Ord Service Area**

**(Proposition 218 Notice)**

**Public Hearing for Marina Service Area: June 14, 2011, 7:00 p.m., MCWD Office, 11 Reservation Road, Marina, CA**

**Public Hearing for Ord Service Area: June 10, 2011, 3:00 p.m., Carpenters Union Hall, 910 2<sup>nd</sup> Avenue, Marina, CA**

The Marina Coast Water District (MCWD) proposes to update the water and wastewater rates, fees and charges in order to be able to continue to operate, maintain and improve the District's water and wastewater facilities for the areas MCWD serves in Marina and on the former Fort Ord. The area the District serves on the former Ft. Ord is known as the "Ord Service Area." Except as changed by these updates, other existing rates, fees and charges will remain in effect. Changes to rates, fees and charges for the Ord Service Area require approval by both MCWD and the Fort Ord Reuse Authority (FORA).

**PROPOSED INCREASE FOR WATER AND WASTEWATER RATES.** The District currently charges customers a monthly fee for water based on the amount of the water consumed. The monthly consumption rate is currently an inclining block with three tiers. The District currently charges a flat rate for wastewater services. The District proposes to increase water and wastewater rates as set forth herein.

**PROPOSED INCREASE FOR WATER AND WASTEWATER SERVICE FEES.**

The District currently charges monthly service fees as a condition of service, based on the cost of labor and materials necessary to provide the services. The District proposes to increase water and wastewater service fees as set forth herein.

**REASON FOR THE INCREASES.** Since the last rate increase, the costs of energy, labor, raw materials and all other components necessary to provide water and wastewater services and to maintain and repair the facilities used to provide such services have increased. The proposed 4.9% for FY 2011/2012 and 5.0% for FY 2012/2013 increases are based on information presented by engineering and financial advisors to the Boards of Directors of FORA and MCWD demonstrating the need to increase rates, fees and charges to maintain water and wastewater services within the MCWD's existing service areas. The specific information relating to the need for the rate increase as well as the calculation of the amount of the increase is on file at the MCWD's office.

**HOW THE RATES, FEES AND CHARGES WERE CALCULATED.** A study has been conducted by an independent consulting firm. That study concluded that rates higher than the proposed rates will provide enough funds for the District to recover the cost of operation & maintenance and administration. The District has determined certain cost areas to reduce in order to propose rates lower than rates recommended in the study. All rates, fees and charges are calculated based on the cost to provide services. The water rates are calculated based on the amount of water used. Wastewater rates are calculated based on the amount of wastewater discharged, measured by equivalent dwelling units (one residence equals one dwelling unit).

**PROPOSED CHANGE IN WATER AND WASTEWATER RATES.**

**CENTRAL MARINA MONTHLY WATER RATES**

EXISTING RATE	PROPOSED RATE
<b>Water Consumption Charge</b>	<b>Water Consumption Charge</b>
\$2.08 per hcf (0-8 hcf)	Effective July 1, 2011
\$2.53 per hcf (9-16 hcf)	\$2.18 per hcf (0-8 hcf)
\$4.62 per hcf (16 + hcf)	\$2.66 per hcf (9-16 hcf)
	\$4.85 per hcf (16 + hcf)
	Effective July 1, 2012
	\$2.29 per hcf (0-8 hcf)
	\$2.79 per hcf (9-16 hcf)
	\$5.09 per hcf (16 + hcf)

One hcf, or hundred cubic feet, is 748 gallons

**CENTRAL MARINA MONTHLY WASTEWATER RATES**

EXISTING RATE	PROPOSED RATE
\$8.30 per equivalent dwelling unit	Effective July 1, 2011
	\$8.71 per equivalent dwelling unit
	Effective July 1, 2012
	\$9.15 per equivalent dwelling unit

**CENTRAL MARINA MONTHLY WATER SERVICE FEES**

EXISTING FEE	METER SIZE	PROPOSED FEE (Effective July 1, 2011)	PROPOSED FEE (Effective July 1, 2012)
\$17.11	5/8" or 3/4"	\$17.95	\$18.85
\$42.75	1"	\$44.85	\$47.09
\$85.51	1-1/2"	\$89.70	\$94.19
\$136.80	2"	\$143.50	\$150.68
\$256.50	3"	\$269.07	\$282.52
\$427.50	4"	\$448.45	\$470.87
\$855.00	6"	\$896.90	\$941.75
\$1,710.01	8"	\$1,793.80	\$1,883.49
\$78.40	Temporary Water Service	\$82.24	\$86.35

**ORD SERVICE AREA MONTHLY WATER RATES**

EXISTING RATE	PROPOSED RATE
<p><b>Water Consumption Charge</b></p> <p align="center">\$2.22 per hcf (0-8 hcf)                      \$3.12 per hcf (9-16 hcf)                      \$4.02 per hcf (16 + hcf)</p> <p><b>Monthly Flat Rate Billing</b></p> <p align="center">\$80.40 per unit without meter</p> <p><b>Monthly Capital Surcharge Billing (for new connection)</b></p> <p align="center">\$20.00 per edu per month</p>	<p><b>Water Consumption Charge</b></p> <p>Effective July 1, 2011</p> <p align="center">\$2.33 per hcf (0-8 hcf)                      \$3.27 per hcf (9-16 hcf)                      \$4.22 per hcf (16 + hcf)</p> <p>Effective July 1, 2012</p> <p align="center">\$2.45 per hcf (0-8 hcf)                      \$3.43 per hcf (9-16 hcf)                      \$4.43 per hcf (16 + hcf)</p> <p><b>Monthly Flat Rate Billing</b></p> <p>Effective July 1, 2011</p> <p align="center">\$84.34 per unit without meter</p> <p>Effective July 1, 2012</p> <p align="center">\$88.56 per unit without meter</p> <p><b>Monthly Capital Surcharge Billing (for new connection)</b></p> <p>Effective July 1, 2011</p> <p align="center">\$20.00 per edu per month</p> <p>Effective July 1, 2012</p> <p align="center">\$20.00 per edu per month</p>

One hcf, or hundred cubic feet, is 748 gallons, edu - equivalent dwelling unit

**ORD SERVICE AREA MONTHLY WASTEWATER RATES**

EXISTING RATE	PROPOSED RATE
<p align="center">\$24.36 per equivalent dwelling unit</p> <p><b>Monthly Capital Surcharge Billing (for new connection)</b></p> <p align="center">\$5.00 per edu per month</p>	<p>Effective July 1, 2011</p> <p align="center">\$25.56 per equivalent dwelling unit</p> <p>Effective July 1, 2012</p> <p align="center">\$26.84 per equivalent dwelling unit</p> <p><b>Monthly Capital Surcharge Billing (for new connection)</b></p> <p>Effective July 1, 2011</p> <p align="center">\$5.00 per edu per month</p> <p>Effective July 1, 2012</p> <p align="center">\$5.00 per edu per month</p>



**ORD SERVICE AREA MONTHLY WATER SERVICE FEES**

<b>EXISTING FEE</b>	<b>METER SIZE</b>	<b>PROPOSED FEE (Effective July 1, 2011)</b>	<b>PROPOSED FEE (Effective July 1, 2012)</b>
\$16.31	5/8" or 3/4"	\$17.11	\$17.97
\$40.76	1"	\$42.76	\$44.90
\$81.50	1-1/2"	\$85.49	\$89.76
\$130.39	2"	\$136.78	\$143.62
\$244.49	3"	\$256.47	\$269.29
\$407.48	4"	\$427.45	\$448.82
\$814.96	6"	\$854.89	\$897.63
\$1,629.93	8"	\$1,709.79	\$1,795.28
\$78.40	Temporary Water Service	\$82.24	\$86.35

**PUBLIC HEARING – ORD SERVICE AREA.** The MCWD Board and the FORA Board will hold a public meeting at 3:00 p.m. on June 10 2011 at the Carpenters Union Hall at 910 2<sup>nd</sup> Avenue, Marina, California. At the hearing, FORA and the MCWD will consider all protests against the proposed increases in rates, fees and charges. If written protests against any proposed change are presented by a majority of owners and tenants who pay their bills directly to MCWD, FORA and MCWD will not impose the change.

**PUBLIC HEARING – CENTRAL MARINA SERVICE AREA.** The MCWD Board will hold a public meeting at 7:00 p.m. on June 14, 2011 at the MCWD Office at 11 Reservation Road, Marina, California. At the hearing, the MCWD will consider all protests against the proposed increases in rates, fees and charges. If written protests against any proposed change are presented by a majority of owners and tenants who pay their bills directly to MCWD, MCWD will not impose the change.

**PROTESTS TO PROPOSED CHARGES.** If you are the owner of record of a parcel or parcels served by the MCWD or you are a tenant who makes payment directly to the MCWD for rates, fees and charges for water and wastewater services, you may submit a protest against the proposed rates, fees and charges by filing a **written protest** with the District at or before the time set for the public hearing. If written protests are presented by a majority of owners, including tenants who make direct payment to MCWD, MCWD and FORA will not impose the new rates, fees and charges. A protest must contain a description of the parcel or parcels in which the party signing the protest has an interest, sufficient to identify the parcel(s). If the party signing the protest is not shown on the last equalized assessment roll of Monterey County as the owner of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner of the parcel(s) or is a tenant who makes payments directly to the MCWD for water and wastewater rates, fees and charges (a copy of recent MCWD bill would be sufficient evidence). Only one protest per property will be counted. Protests regarding the proposed charges may be mailed or personally delivered to: **Marina Coast Water District, 11 Reservation Road, Marina, CA 93933-2099, and must be received by the time set for the public hearing.**

If you have any questions about this notice, please call MCWD at (831) 384-6131 during regular business hours.

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**PROTEST FORM**

Name: \_\_\_\_\_

Address of Parcel (Service Address): \_\_\_\_\_

Assessor's Parcel Number (if known): \_\_\_\_\_

Reason for Protest: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Resolution No. 11-03**  
Resolution of the Board of Directors  
Fort Ord Reuse Authority  
Adopting the Budget and the Ord Community Compensation Plan for FY 2011-2012  
not including Capacity Charges

June 10, 2011

RESOLVED by the Board of Directors (“Directors”) of the Fort Ord Reuse Authority (“FORA”), at a regular meeting duly called and held on June 10, 2011 at the business office of FORA at 910 2<sup>nd</sup> Avenue, Marina California as follows:

WHEREAS, Marina Coast Water District (“District”) Staff prepared and presented the draft FY 2011-2012 Budget (**Attachment A**) which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a “Water/Wastewater Facilities Agreement” (“the Agreement”) on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, short-term and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for 2011-2012 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable MCWD to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The rates, fees and charges adopted by FORA apply only to the area within FORA’s jurisdictional boundaries; and,

WHEREAS, the Water/Wastewater Oversight Committee of FORA and the MCWD full Board have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and MCWD have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and MCWD cooperated in the conveyance to MCWD of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA’s jurisdiction; and,

WHEREAS, MCWD has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, FORA and MCWD have agreed that water conservation is a high priority, and have implemented a water conservation program in the Ord Community service area that includes public education, various incentives to use low-flow fixtures, and water-conserving landscaping. The rates, fees and charges adopted by this Resolution are intended to support the water conservation program and encourage water conservation, pursuant to sections 375 and 375.5 of the California Water Code. This conservation program and these rates, fees and charges are in the public interest, serve a public purpose, and will promote the health, welfare, and safety of Ord Community, and will enhance the economy and quality of life of the Monterey Bay community; and,

WHEREAS, estimated revenues from the rates, fees and charges will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed, will not be used for any purpose other than that for which the fee or charge was imposed, will not exceed the proportional cost of the service attributable to each identified parcel upon which the fee or charge is proposed for imposition and no fee or charge will be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question; and,

WHEREAS, after a public meeting based upon staff's recommendations, the Board has determined that the Budget and Compensation Plan, including the rates, fees and charges therein, should be adopted as set forth on **Attachment A** to this Resolution; and,

WHEREAS, FORA has held a joint hearing with the District on the rates, fees and charges, not including Capacity Charges, for the Compensation Plan pursuant to and in accordance with Section 6 of Article XIID of the California Constitution; and

WHEREAS, at the joint hearing, the Board heard and considered all protests to the Compensation Plan and the rates, fees and charges proposed and finds that written protests were submitted by less than a majority of the record owners of each identified parcel upon which the fee or charge is proposed for imposition; and,

WHEREAS, Capacity Charges for the FY 2011-2012 are the subject of and will be adopted by a separate Resolution; and,

WHEREAS, FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community under FORA's jurisdiction, and that in adopting rates and charges for that area, the District is acting as a responsible agency and relying on FORA's compliance with the requirements of the California Environmental Quality Act ("CEQA"); that the District has previously adopted rates, fees and charges for its jurisdictional service area; and that, in approving rates, fees and charges for the area of Ord Community within the jurisdiction of the U.S. Army, the District is acting to provide continued water, recycled water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS,

1. The Board of Directors of the Fort Ord Reuse Authority does hereby approve and adopt FY 2011-2012 Budget and Compensation Plan, not including Capacity Charges for water, recycled water and wastewater services to the Ord Community.
2. The District is authorized to charge and collect rates for provision of water and wastewater services within the boundaries of FORA in accordance with the rates, fees and charges set forth in **Attachment A**, not including Capacity Charges. The District is further authorized to use the same rates, fees and charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
3. The rates, fees and charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed.

PASSED AND ADOPTED on June 10, 2011, by the Board of Directors of the Fort Ord Reuse Authority by the following roll call vote:

Ayes: Directors \_\_\_\_\_  
Noes: Directors \_\_\_\_\_  
Absent: Directors \_\_\_\_\_  
Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Dave Potter, Chair

ATTEST:

\_\_\_\_\_  
Michael A. Houlemard, Jr., Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Fort Ord Reuse Authority hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 11-03 adopted June 10, 2011.

\_\_\_\_\_  
Michael A. Houlemard, Jr., Secretary

**Resolution No. 11-04**

Resolution of the Board of Directors  
Fort Ord Reuse Authority

Adopting the Capacity Charge element of the Budget and the Ord Community Compensation  
Plan for FY 2011-2012

June 10, 2011

RESOLVED by the Board of Directors (“Directors”) of the Fort Ord Reuse Authority (“FORA”), at a regular meeting duly called and held on June 10, 2011 at the business office of FORA at 910 2<sup>nd</sup> Avenue, Marina California as follows:

WHEREAS, Marina Coast Water District (“District”) Staff prepared and presented the draft FY 2011-2012 Budget which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a “Water/Wastewater Facilities Agreement” (“the Agreement”) on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, short-term and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for 2011-2012 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable the District to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The rates, fees and charges adopted by FORA apply only to the area within FORA’s jurisdictional boundaries; and,

WHEREAS, a financing study prepared by Citigroup Global Markets Inc. in 2005 for the District recommended the adoption of capacity charges as an element of financing capital facilities for water and wastewater services to the Ord Community; and,

WHEREAS, the Water/Wastewater Oversight Committee of FORA and the District full Board have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and the District have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and the District have cooperated in the conveyance to the District of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA’s jurisdiction; and,

WHEREAS, the District has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, capacity charges are imposed as a condition of service to customers. The charges are not imposed upon real property or upon persons as an incident of real property ownership; and,

WHEREAS, estimated revenues from the capacity charges will not exceed the estimated reasonable costs of providing the facilities and services for which the charges are imposed; and,

WHEREAS, the capacity charges and have not been calculated nor developed on the basis of any parcel map, including any assessor's parcel map; and,

WHEREAS, no written requests are on file with the District for mailed notice of meetings on new or increased fees or service charges pursuant to Government Code Section 66016. At least 10 days prior to the meeting, the District made available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service; and

WHEREAS, the amount of the increase in capacity charges exceeds the percentage increase in the Implicit Price Deflator for State and Local Government Purchases, as determined by the Department of Finance. As a result, the District cannot charge the increased capacity fee to any school district, county office of education, community college district, state agency, or the University of California before first negotiating the increases with those entities in accordance with District Code section 6.16.020 and Government Code section 54999.3. Although these sections also apply to California State University at Monterey Bay, the District has complied with its obligation to negotiate with it and can charge the increased amounts to CSUMB as a result of and as limited by a Settlement Agreement and Mutual Release dated June 1, 2006, by which the District and California State University made an agreement regarding the amount of all future capacity charges. Accordingly, the District can charge the increased capacity charges as limited by the Settlement Agreement and Mutual Release immediately to CSUMB. The increased capacity charges to any other school district, state agency, county office of education, community college district or the University of California will be effective only when negotiations are concluded with those entities; and,

WHEREAS, after a public meeting and based upon staff's recommendations, the Board has determined that the capital elements of the Budget and Compensation Plan, including the capacity charges therein, should be adopted as set forth on **Attachment A** to this Resolution; and

WHEREAS, the capacity charges set forth on **Attachment A** to this Resolution have not changed from those approved in the FY 2010-2011 Budget and Compensation Plan; and,

WHEREAS, Government Code Section 54999.3 requires that before imposing certain capital facilities fees on certain educational and state entities, any public agency providing public utility service must negotiate with the entities receiving the service; and

WHEREAS, FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community under FORA's jurisdiction, and that in adopting rates and charges for that area, the District is acting as a responsible agency and relying on FORA's compliance with the requirements of the California Environmental Quality Act ("CEQA"); that the District has previously adopted rates, fees and charges for its jurisdictional service area; and that, in

approving rates, fees and charges for the area of Ord Community within the jurisdiction of the U.S. Army, the District is acting to provide continued water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS,

1. The Board of Directors of the Fort Ord Reuse Authority does hereby approve and adopt the capital elements of the FY 2011-2012 Budget for water, recycled water and wastewater services to the Ord Community.
2. The capital elements of the compensation plan for the area of Ord Community within FORA's jurisdiction, including capacity charges, set forth on **Attachment A** to this Resolution are hereby approved and adopted. The District is authorized to charge and collect capacity charges for provision of water and wastewater services within the boundaries of the Fort Ord Reuse Authority in accordance with the schedule set forth in **Attachment A**. The District is further authorized to use the same charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
3. The charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the charges are imposed.
4. The District will comply with the requirements of Government Code section 54999.3 before imposing a capital facilities fee (as defined in Government Code section 54999.1) on any school district, county office of education, community college district, the California State University, the University of California or state agency.

PASSED AND ADOPTED on June 10, 2011, by the Board of Directors of the Fort Ord Reuse Authority by the following roll call vote:

Ayes: Directors \_\_\_\_\_  
Noes: Directors \_\_\_\_\_  
Absent: Directors \_\_\_\_\_  
Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
Dave Potter, Chair

ATTEST:

\_\_\_\_\_  
Michael A. Houlemard, Jr., Secretary

CERTIFICATE OF SECRETARY

The undersigned Secretary of the Board of the Fort Ord Reuse Authority hereby certifies that the foregoing is a full, true and correct copy of Resolution No. 11-04 adopted June 10, 2011.

\_\_\_\_\_  
Michael A. Houlemard, Jr., Secretary



June 10, 2011

Resolution No. 2011-36  
Resolution of the Board of Directors  
Marina Coast Water District  
Adopting the Budget and the Ord Community Compensation Plan for FY 2011-2012  
not including Capacity Charges

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 10, 2011 at the Carpenter’s Union Hall at 910 2<sup>nd</sup> Avenue, Marina California as follows:

WHEREAS, Marina Coast Water District (“District”) Staff prepared and presented the draft FY 2011-2012 Budget (**Attachment A**) which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a “Water/Wastewater Facilities Agreement” (“the Agreement”) on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, short-term and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for 2011-2012 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable MCWD to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The rates, fees and charges adopted by FORA apply only to the area within FORA’s jurisdictional boundaries; and,

WHEREAS, the Water/Wastewater Oversight Committee of FORA and the MCWD full Board have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and MCWD have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and MCWD cooperated in the conveyance to MCWD of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA’s jurisdiction; and,

WHEREAS, MCWD has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, FORA and MCWD have agreed that water conservation is a high priority, and have implemented a water conservation program in the Ord Community service area that includes public education, various incentives to use low-flow fixtures, and water-conserving landscaping. The rates, fees and charges adopted by this Resolution 2011-36 are intended to support the water conservation program and encourage water conservation, pursuant to sections 375 and 375.5 of the California Water Code. This conservation program and these rates, fees and charges are in the public interest, serve a public purpose, and will promote the health, welfare, and safety of Ord Community, and will enhance the economy and quality of life of the Monterey Bay community; and,

WHEREAS, estimated revenues from the rates, fees and charges will not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed, will not be used for any purpose other than that for which the fee or charge was imposed, will not exceed the proportional cost of the service attributable to each identified parcel upon which the fee or charge is proposed for imposition and no fee or charge will be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question; and,

WHEREAS, after a public meeting based upon staff's recommendations, the Board has determined that the Budget and Compensation Plan, including the rates, fees and charges therein, should be adopted as set forth on **Attachment A** to this Resolution; and,

WHEREAS, FORA has held a joint hearing with the District on the rates, fees and charges, not including Capacity Charges, for the Compensation Plan pursuant to and in accordance with Section 6 of Article XIID of the California Constitution; and

WHEREAS, at the joint hearing, the Board heard and considered all protests to the Compensation Plan and the rates, fees and charges proposed and finds that written protests were submitted by less than a majority of the record owners of each identified parcel upon which the fee or charge is proposed for imposition; and,

WHEREAS, Capacity Charges for the FY 2011-2012 are the subject of and will be adopted by a separate Resolution; and,

WHEREAS, FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community under FORA's jurisdiction, and that in adopting rates and charges for that area, the District is acting as a responsible agency and relying on FORA's compliance with the requirements of the California Environmental Quality Act ("CEQA"); that the District has previously adopted rates, fees and charges for its jurisdictional service area; and that, in approving rates, fees and charges for the area of Ord Community within the jurisdiction of the U.S. Army, the District is acting to provide continued water, recycled water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA

pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS,

1. The Board of Directors of the Marina Coast Water District does hereby approve and adopt FY 2011-2012 Budget and Compensation Plan, not including Capacity Charges for water, recycled water and wastewater services to the Ord Community.
2. The District is authorized to charge and collect rates for provision of water and wastewater services within the boundaries of FORA in accordance with the rates, fees and charges set forth in **Attachment A**, not including Capacity Charges. The District is further authorized to use the same rates, fees and charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
3. The rates, fees and charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the rates, fees or charges are imposed.

PASSED AND ADOPTED on June 10, 2011, 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 \_\_\_\_\_

\_\_\_\_\_  
William Y. Lee, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2011-36 adopted June 10, 2011.

\_\_\_\_\_  
Jim Heitzman, Secretary

June 10, 2011

Resolution No. 2011-37  
Resolution of the Board of Directors  
Marina Coast Water District  
Adopting the Capacity Charge element of the Budget and the Ord Community Compensation  
Plan for FY 2011-2012

RESOLVED by the Board of Directors (“Directors”) of the Marina Coast Water District (“District”), at a regular meeting duly called and held on June 10, 2011 at the Carpenter’s Union Hall at 910 2<sup>nd</sup> Avenue, Marina California as follows:

WHEREAS, Marina Coast Water District (“District”) Staff prepared and presented the draft FY 2011-2012 Budget which includes projected revenues, expenditures and capital improvement projects for the Ord Community Water, Recycled Water and Wastewater systems, including the area within the jurisdiction of FORA and the area remaining within the jurisdiction of the U.S. Army; and,

WHEREAS, FORA is authorized by the FORA Act, particularly Government Code 67679(a)(1), to arrange for the provision of water and wastewater services to the Ord Community; and

WHEREAS, the District and FORA, entered into a “Water/Wastewater Facilities Agreement” (“the Agreement”) on March 13, 1998, and have subsequently duly amended the Agreement; and,

WHEREAS, the Agreement provides a procedure for establishing budgets and compensation plans to provide for sufficient revenues to pay the direct and indirect, short-term and long-term costs, including capital costs, to furnish the water and wastewater facilities; and,

WHEREAS, the Agreement, as amended, provides that FORA and the District will each adopt the annual Budget and Compensation Plan by resolution; and,

WHEREAS, the proposed Budget and Compensation Plan for 2011-2012 provides for funds necessary to meet operating and capital expenses for sound operation and provision of the water, recycled water and wastewater facilities and to enable the District to provide continued water, recycled water and sewer services within the existing service areas on the former Fort Ord. The rates, fees and charges adopted by FORA apply only to the area within FORA’s jurisdictional boundaries; and,

WHEREAS, a financing study prepared by Citigroup Global Markets Inc. in 2005 for the District recommended the adoption of capacity charges as an element of financing capital facilities for water and wastewater services to the Ord Community; and,

WHEREAS, the Water/Wastewater Oversight Committee of FORA and the District full Board have reviewed the proposed Budget and Compensation Plan; and,

WHEREAS, pursuant to the Agreement, FORA and the District have adopted and implemented and acted in reliance on budgets and compensation plans for prior fiscal years; and,

WHEREAS, pursuant to the Agreement, FORA and the District have cooperated in the conveyance to the District of easements, facilities and ancillary rights for the water, recycled water and wastewater systems on the area of the former Fort Ord within FORA’s jurisdiction; and,

WHEREAS, the District has provided water and wastewater services on the former Fort Ord by contract since 1997, and currently provides water and wastewater services to the area of the former Fort Ord within FORA's jurisdiction under the authority of the Agreement, and provides such services to the portion of the former Fort Ord still under the Army's jurisdiction by contract with the Army; and,

WHEREAS, capacity charges are imposed as a condition of service to customers. The charges are not imposed upon real property or upon persons as an incident of real property ownership; and,

WHEREAS, estimated revenues from the capacity charges will not exceed the estimated reasonable costs of providing the facilities and services for which the charges are imposed; and,

WHEREAS, the capacity charges have not been calculated nor developed on the basis of any parcel map, including any assessor's parcel map; and,

WHEREAS, no written requests are on file with the District for mailed notice of meetings on fees or service charges pursuant to Government Code Section 66016. At least 10 days prior to the meeting, the District made available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service; and

WHEREAS, the amount of the increase in capacity charges exceeds the percentage increase in the Implicit Price Deflator for State and Local Government Purchases, as determined by the Department of Finance. As a result, the District cannot charge the increased capacity fee to any school district, county office of education, community college district, state agency, or the University of California before first negotiating the increases with those entities in accordance with District Code section 6.16.020 and Government Code section 54999.3. Although these sections also apply to California State University at Monterey Bay, the District has complied with its obligation to negotiate with it and can charge the increased amounts to CSUMB as a result of and as limited by a Settlement Agreement and Mutual Release dated June 1, 2006, by which the District and California State University made an agreement regarding the amount of all future capacity charges. Accordingly, the District can charge the increased capacity charges as limited by the Settlement Agreement and Mutual Release immediately to CSUMB. The increased capacity charges to any other school district, state agency, county office of education, community college district or the University of California will be effective only when negotiations are concluded with those entities; and,

WHEREAS, after a public meeting and based upon staff's recommendations, the Board has determined that the capital elements of the Budget and Compensation Plan, including the capacity charges therein, should be adopted as set forth on **Attachment A** to this Resolution; and

WHEREAS, the capacity charges set forth on **Attachment A** to this Resolution have not changed from those approved in the FY 2010-2011 Budget and Compensation Plan; and,

WHEREAS, Government Code Section 54999.3 requires that before imposing certain capital facilities fees on certain educational and state entities, any public agency providing public utility service must negotiate with the entities receiving the service; and

WHEREAS, FORA is the lead agency for the adoption of rates, fees and charges for the area of the Ord Community under FORA's jurisdiction, and that in adopting rates and charges for that area, the District is acting as a responsible agency and relying on FORA's compliance with the requirements of the California Environmental Quality Act ("CEQA"); that the District has previously adopted rates, fees and charges for its jurisdictional service area; and that, in

approving rates, fees and charges for the area of Ord Community within the jurisdiction of the U.S. Army, the District is acting to provide continued water and sewer service within existing service areas on the Ord Community, and that such action is exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS,

1. The Board of Directors of the Marina Coast Water District does hereby approve and adopt the capital elements of the FY 2011-2012 Budget for water, recycled water and wastewater services to the Ord Community.
2. The capital elements of the compensation plan for the area of Ord Community within FORA's jurisdiction, including capacity charges, set forth on **Attachment A** to this Resolution are hereby approved and adopted. The District is authorized to charge and collect capacity charges for provision of water and wastewater services within the boundaries of the Fort Ord Reuse Authority in accordance with the schedule set forth in **Attachment A**. The District is further authorized to use the same charges in providing services to the area of Ord Community within the jurisdiction of the U.S. Army.
3. The charges authorized by this Resolution shall not exceed the estimated reasonable costs of providing the services for which the charges are imposed.
4. The District will comply with the requirements of Government Code section 54999.3 before imposing a capital facilities fee (as defined in Government Code section 54999.1) on any school district, county office of education, community college district, the California State University, the University of California or state agency.

PASSED AND ADOPTED on June 10, 2011, by the Board of Directors of the Fort Ord Reuse Authority by the following roll call vote:

Ayes: Directors \_\_\_\_\_  
Noes: Directors \_\_\_\_\_  
Absent: Directors \_\_\_\_\_  
Abstained: Directors \_\_\_\_\_

\_\_\_\_\_  
William Y. Lee, President

ATTEST:

\_\_\_\_\_  
Jim Heitzman, 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. 2011-37 adopted June 10, 2011.

\_\_\_\_\_  
Jim Heitzman, Secretary