

Water Augmentation:

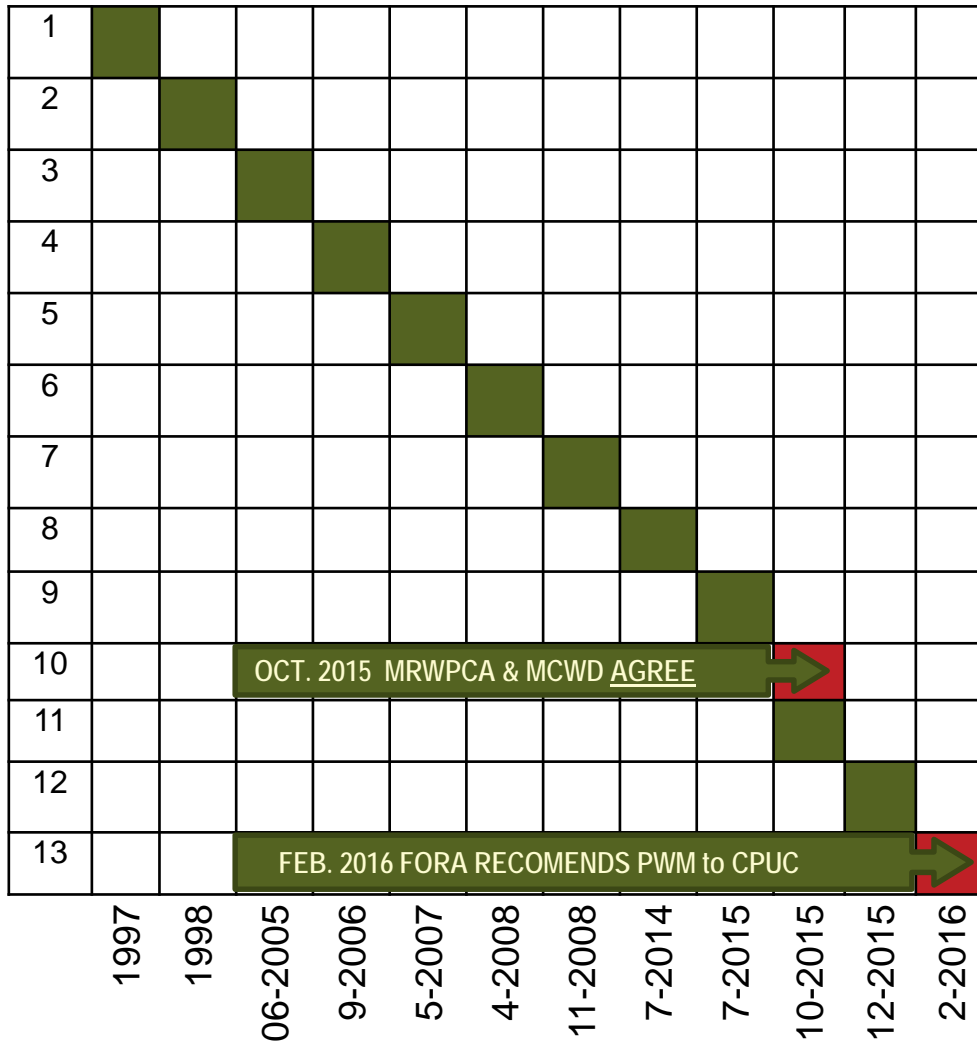
3-Party Pipeline Financing

Presentation to FORA Board
March 11, 2016

Today's Action Item:

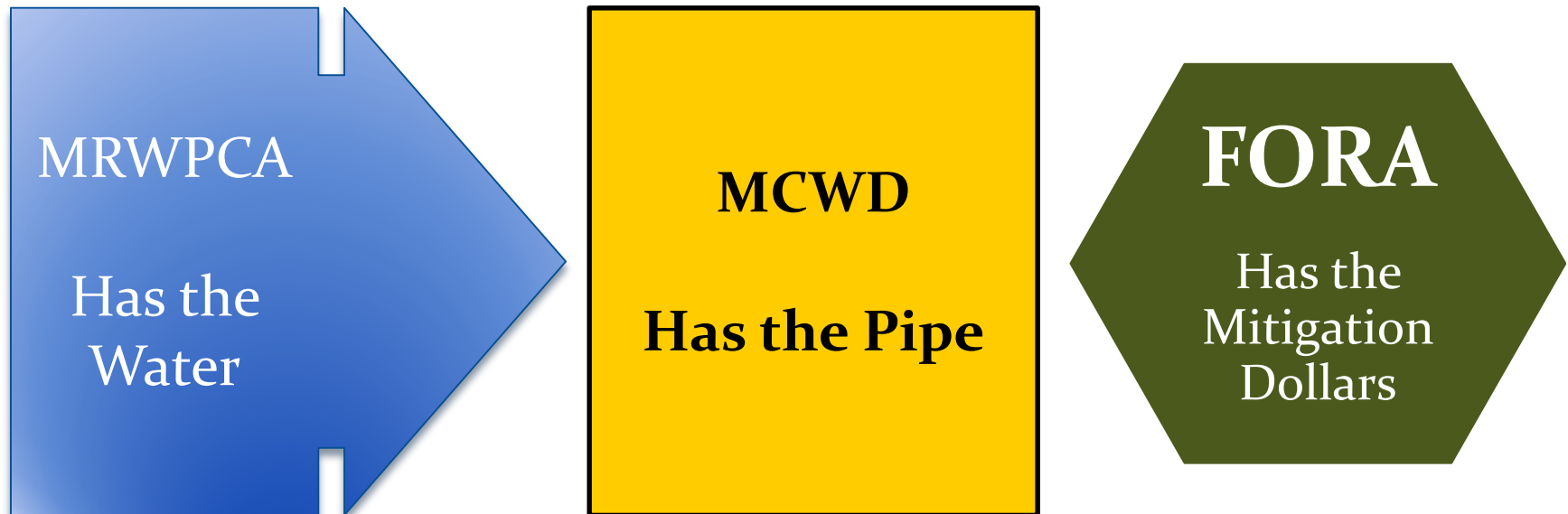
- 1) Authorize FORA Executive Officer to Negotiate an Agreement with MCWD not to exceed \$6M
 - Monies already allocated in CIP
 - Are being appropriately spent on mitigation
 - Helps the regional economy
 - No Action = **Risk losing this solution**

Background

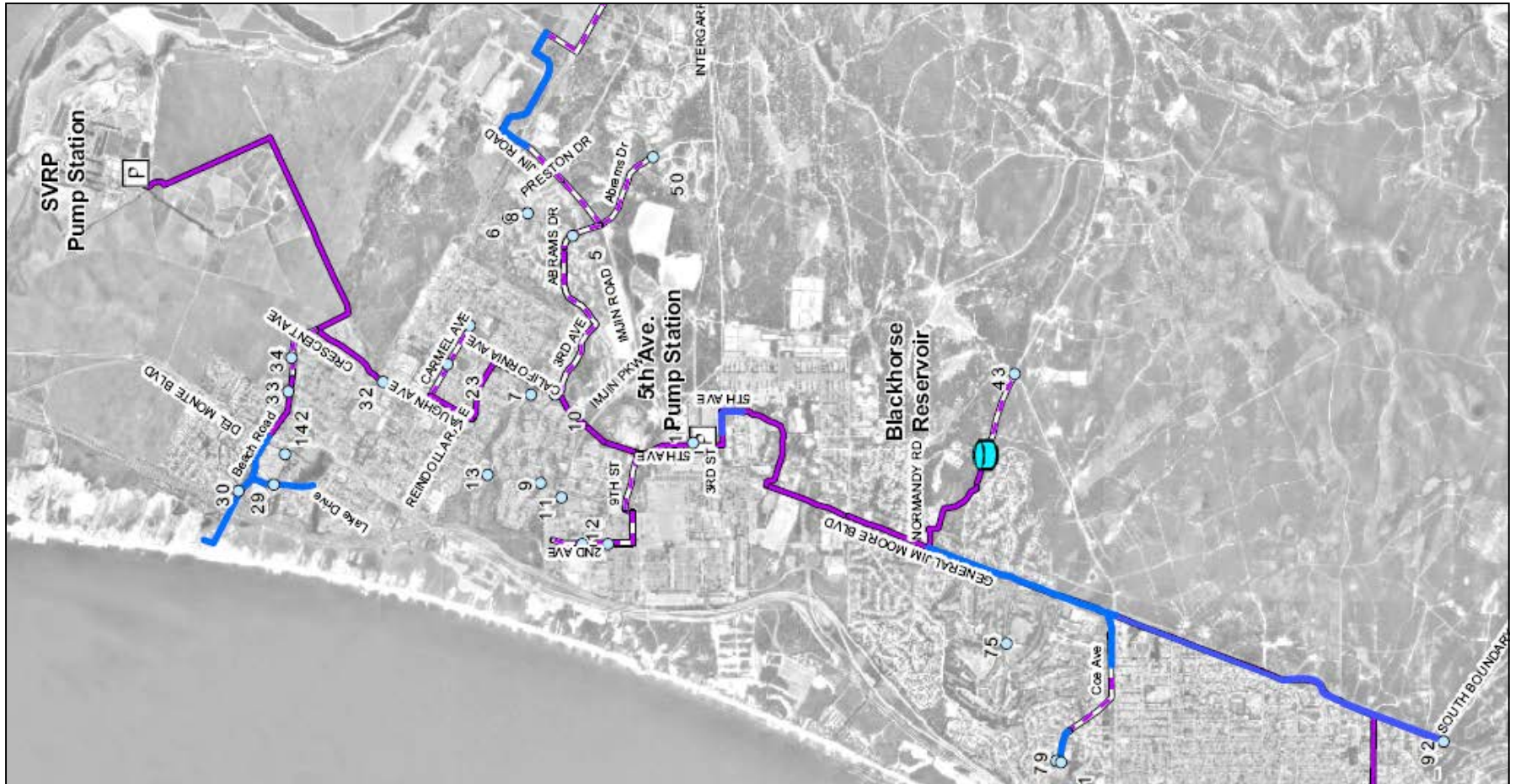


- 1) BRP estimates 2,400 AFY of mitigating water
- 2) RA and MCWD enter into Facilities Agreement
- 3) Joint FORA/MCWD Board approval of (RUWAP
- 4) MCWD updates RUWAP EIR & designs
- 5) Resolution 07-10 allocating 1,427 AFY recycled water to land use jurisdictions
- 6) FORA Board endorses Regional Plan
- 7) Resolution 08-07 endorsing the Regional Plan
- 8) MCWD presents alternatives
- 9) FORA Board receives presentations on 'all of the above' options, including recycled, desalination and conservation
- 10) **PCA Board approves Pure Water Monterey & 'Pipeline' Alignment with MCWD RUWAP: Resolution 2015-24**
- 11) Resolution 15-05 FORA Board unanimously endorsed Pure Water Monterey (PWM) project as a potential supplier of mitigation water
- 12) PCA and MCWD Boards Agreed on Terms for Advanced Treated Water Supply
- 13) Resolution 16-02 FORA Board unanimously recommended PWM to CPUC

Why The Three Parties?

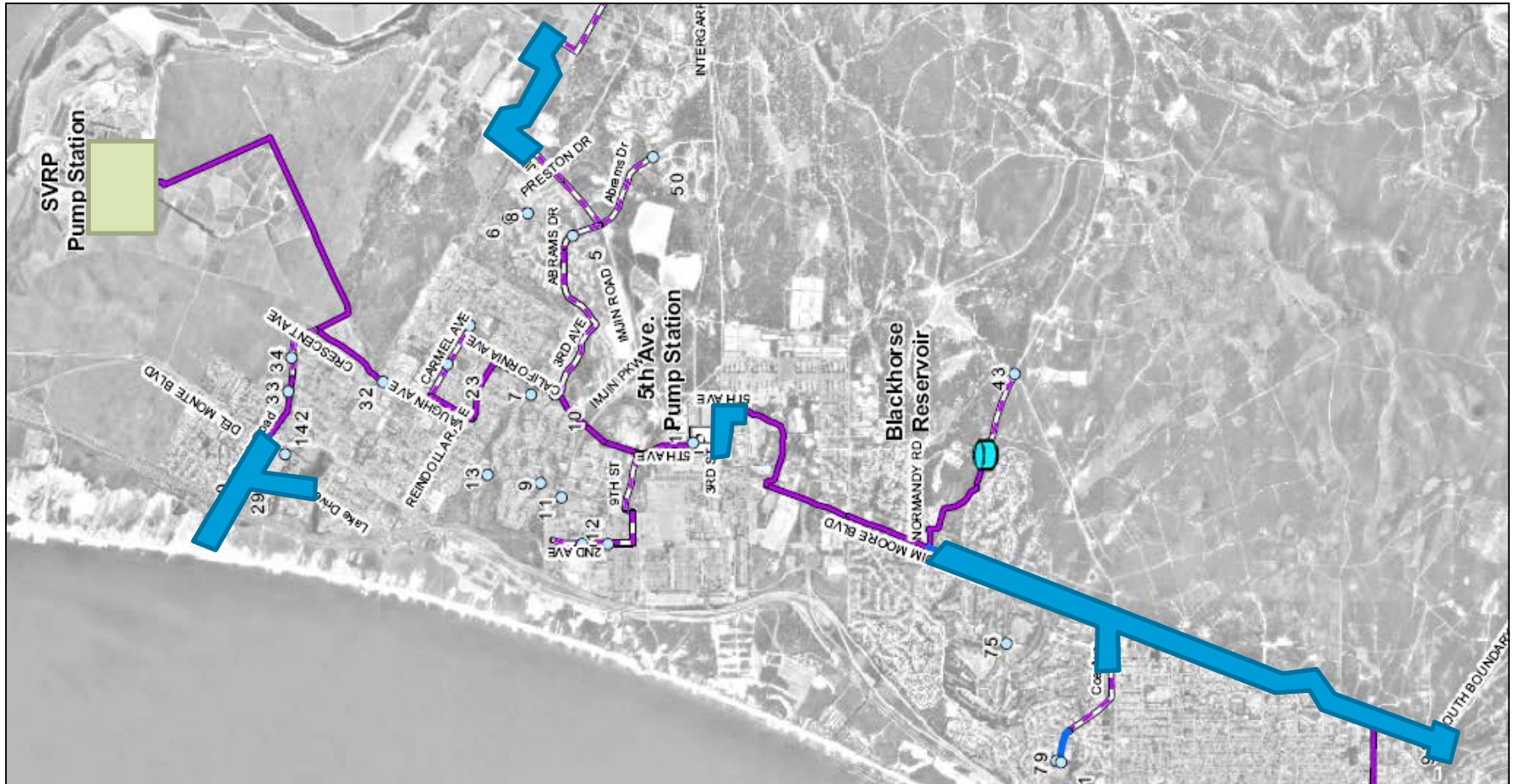


RUWAP Recycled



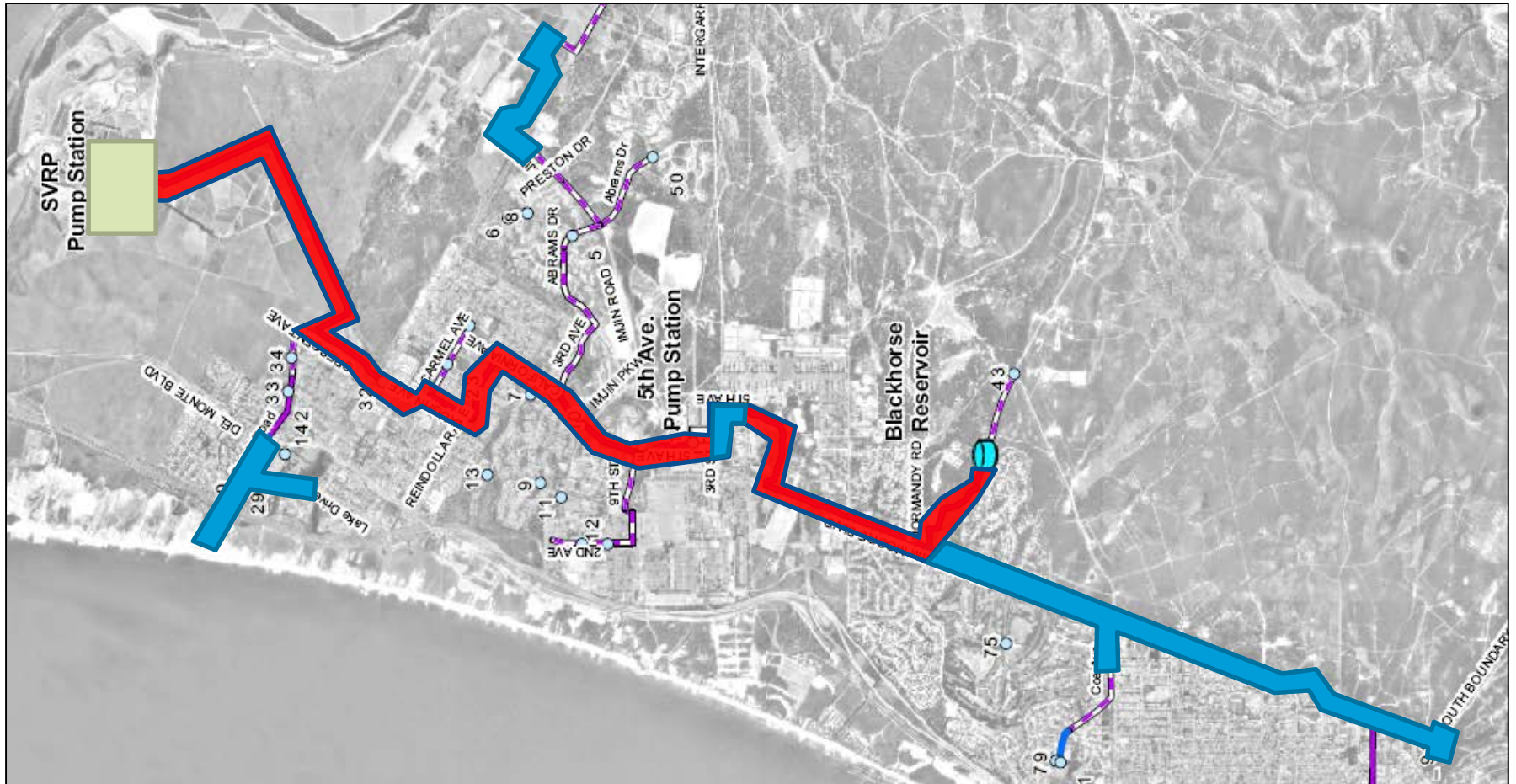
MCWD: 5 year Capital Improvement Plan

RUWAP Recycled



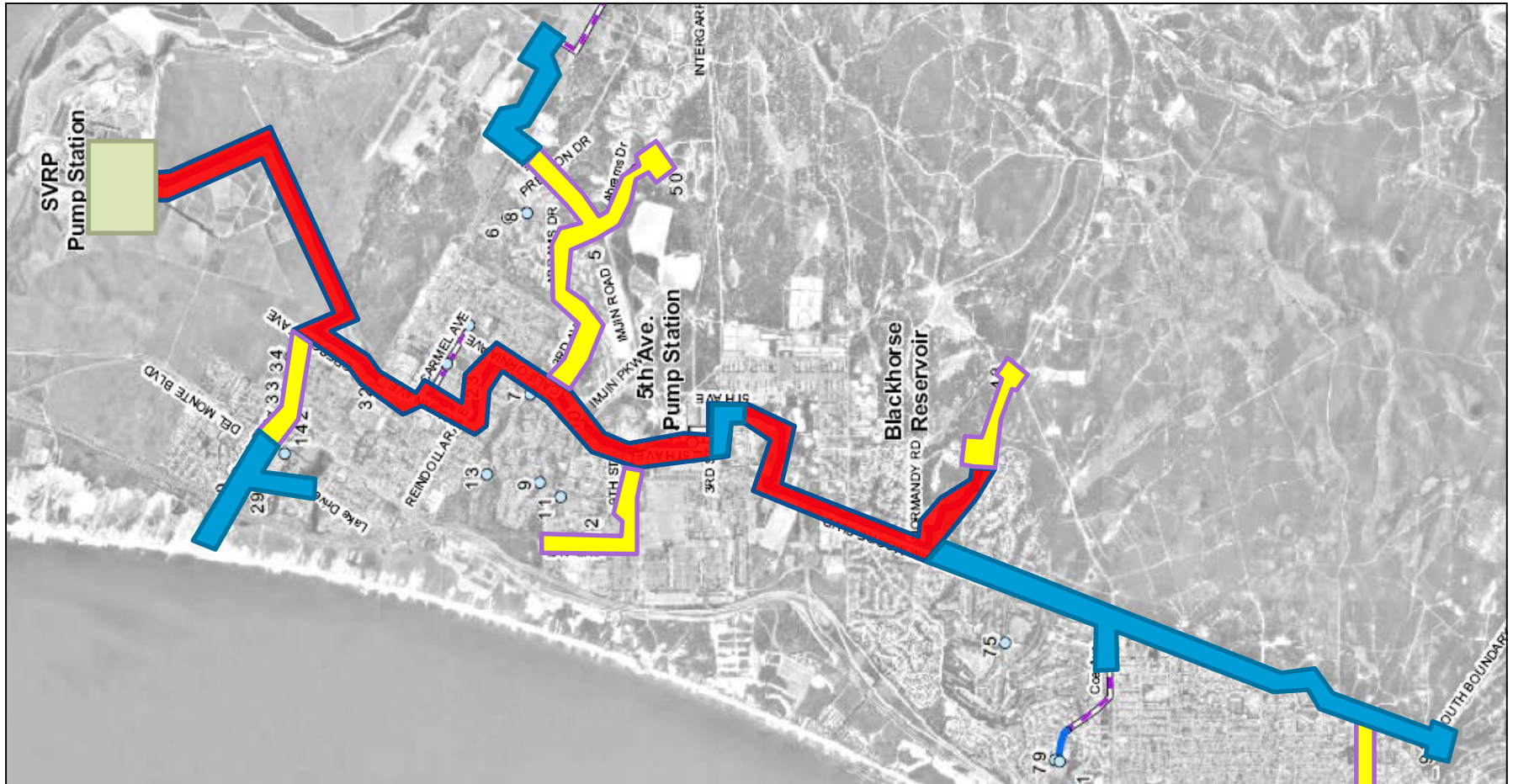
MCWD Existing Pipes

RUWAP Recycled



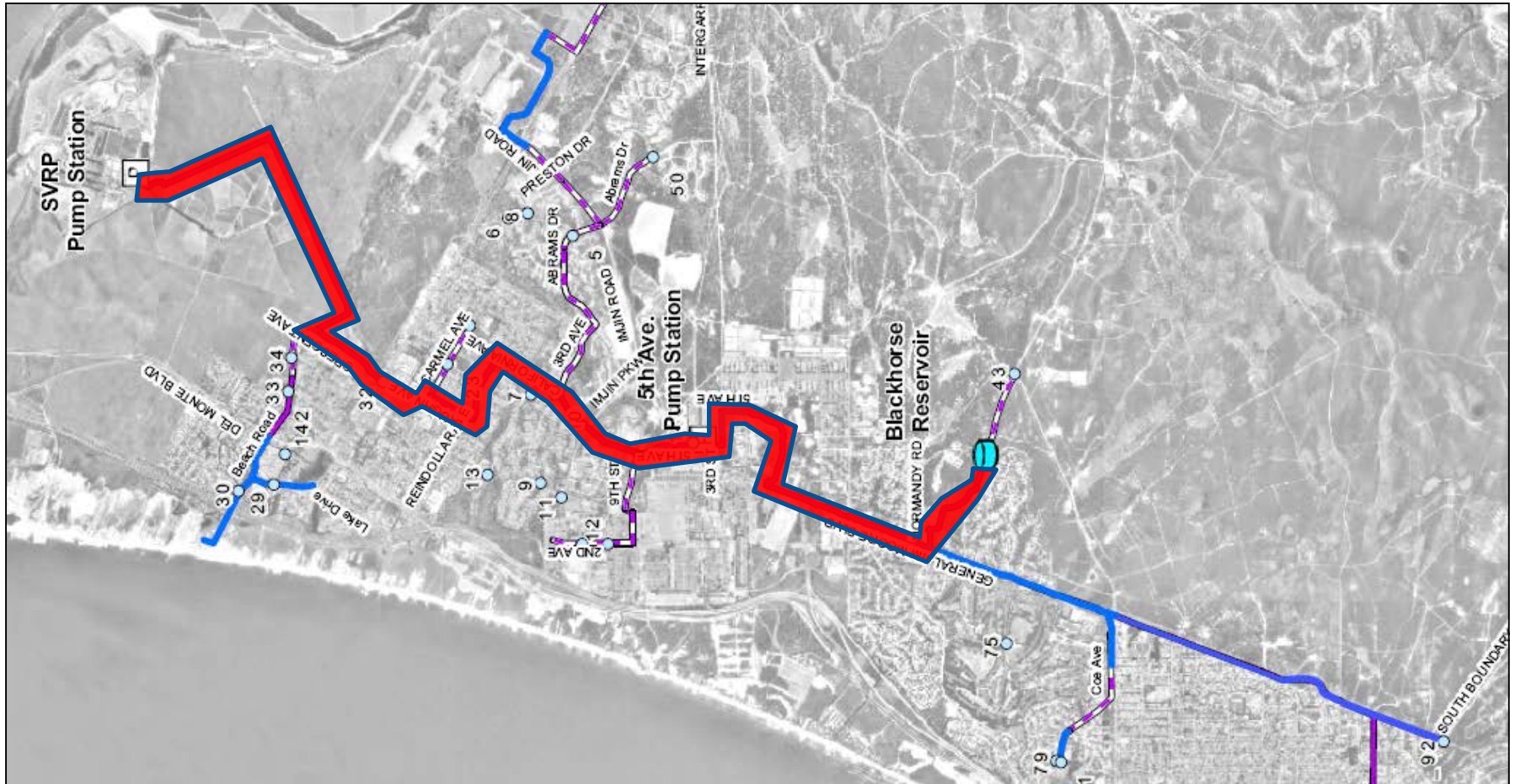
MCWD RUWAP Pipeline

RUWAP Recycled



MCWD Lateral Lines

RUWAP Recycled



Focused Funding on the RUWAP Pipeline

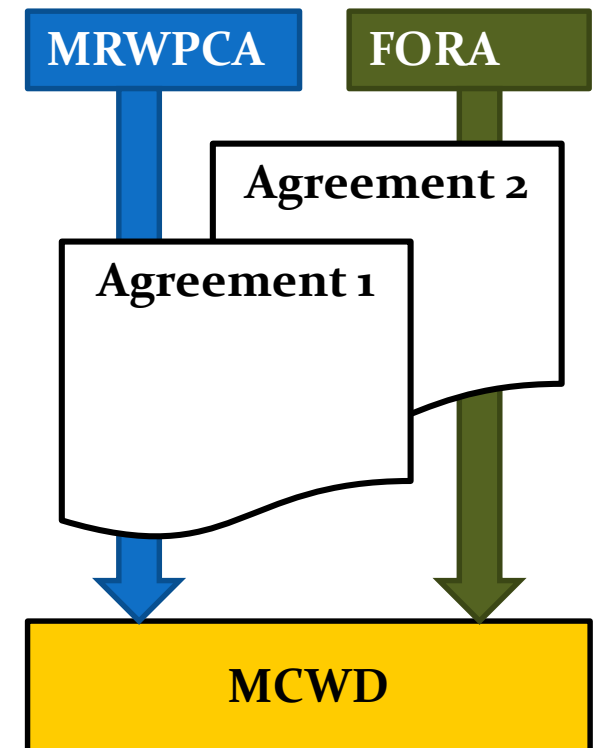
Pure Water Monterey (PWM)

- PWM and the RUWAP are separate projects
- They can share a pipeline & water type creating economies of scale
- Economies of Scale will be reached once MRWPCA, MCWD and FORA come to an agreement
- All jurisdictions can draw Advanced Treated Water from the RUWAP Pipeline.

Three Parties:

Two 2-party agreements

- **Agreement 1:**
 - *MRWPCA to supply water to MCWD*
 - *MRWPCA to share "Pipeline" costs*
- **Agreement 2:**
 - *Clarify existing agreements*
 - *Clarify how the \$24M set aside for Water Augmentation will be spent*
 - *Allow adjustment for conservation, gourd water recovery, etc...*



FORA Cash Flow:

Approved CIP Budget	\$8.63 M
Proposed Pipeline Funding	- \$6.00 M
Remaining Budget	+\$1.63 M

FORA Total yearly payments not to exceed:

- i. **\$1.5 M** in Fiscal Year 2016/2017
 - ii. **\$1.6 M** in Fiscal Year 2017/2018
 - iii. **\$1.9 M** in Fiscal Year 2018/2019
 - iv. **\$1.0 M** in Fiscal Year 2019/2020
- *FORA disbursements contingent upon actual FORA's actual receipt of revenues and fund availability*

Existing CIP Budget						
FY	15/16	16/17	17/18	18/19	19/20	Total
Water Augmentation	\$ 157,000	\$ 1,590,600	\$ 1,535,600	\$ 2,177,400	\$ 3,165,300	\$ 8,625,900
				Budget Through 2020		\$ 8,625,900

Staff Analyzed Estimated Project Costs and Schedule

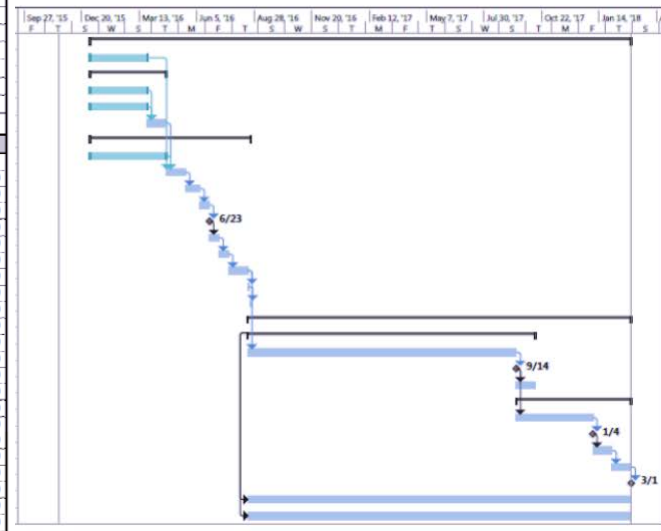
Marina Coast Water District Regional Urban Water Augmentation Project
Clean Water State Revolving Fund Project Report

Chapter 2
Project Report

Augmentation Project

Chapter 2
Project Report

REACH NO.	DESCRIPTION	TOTAL
1	Total O&M Cost (Annual)	\$3,396,000
2	Crescent Ave to Reservation Road (Sta. 121+00 to 148+80)	\$1,627,000
3	Reservation Road to Carmel Ave (Sta. 148+80 to 167+30)	\$843,000
4	Vaughn Ave to Reindollar Ave (Sta. 167+30 to 182+30)	\$505,000
5	Reindollar Ave to California Ave (Sta. 182+30 to 201+90)	\$840,000
6	California Ave to Future Rd' S of 3rd Ave (Sta. 201+90 to 224+88)	\$1,026,000
7	California Ave - Future Rd to Imjin Pkwy (Sta. 224+88 to 239+00)	\$619,000
8	California Ave - Imjin Pkwy to 8th St Cutoff (Sta. 239+00 to 265+00)	\$912,000
9	5th Ave - 8th St to 3rd St (Sta. 265+00 to 283+70)	\$635,000
10	3rd St & 5th Ave from 3rd St to the Library (Sta. 283+70 to 303+08)	INSTALLED \$0
11	5th Ave - 3rd St to Gen. Jim Moore Blvd (Sta. 303+08 to 334+70)	\$1,186,000
12	Gen. Jim Moore Blvd - Engineer Rd to Gigling Rd (Sta. 334+70 to 362+00)	\$1,007,000
13	Gen. Jim Moore Blvd - Gigling Rd to Normandy Rd (Sta. 362+00 to 389+45)	\$1,081,000
14	Normandy Road to Reservoir (Sta. A10+00 to A48+31)	\$1,307,000
	Bayonet & Blackhorse Golf Course Connection	\$44,000
	5th Avenue Pump Station (Sta 282+00) (3 - 450HP Pumps)	\$2,074,000
	Blackhorse Reservoir - 1.5 MG	\$2,500,000
17	Coe Avenue Lateral (Sta. A10+00 to A42+48)	\$311,000
18	Beach Road Lateral (Sta. G10+00 to Sta G50+80)	\$748,000
20	Carmel Avenue Lateral (Sta. F10+00 to F41+14)	\$616,000
21	Abrams Dr - Imjin Rd. to MacArthur Dr. (Sta. C10+00 to C23+22)	\$280,000
21A	Imjin Pkwy - Abrams Dr to Resevation Rd (3,500LF)	\$669,000
TOTAL DIRECT COST		\$22,331,000
	CONTINGENCIES	5% \$1,116,550
	SUBTOTAL	\$23,447,550
	GENERAL CONDITIONS	10% \$2,345,000
	SUBTOTAL	\$25,792,550
	GENERAL CONTRACTOR OH&P + RISK	15% \$3,517,000
	SUBTOTAL	\$29,310,000
	ESCALATION TO MID-POINT (2017)	3% \$879,000
	SUBTOTAL	\$30,189,000
	BID MARKET ALLOWANCE (Moderate Competition)	0% \$0
	TOTAL ANTICIPATED BID AMOUNT	\$30,189,000
	OWNER'S RESERVE FOR CHANGE ORDERS	5% \$1,509,000
	TOTAL ESTIMATED CONSTRUCTION COST	\$31,698,000



Action Items:

- 1) Authorize FORA Executive Officer to Negotiate an Agreement with MCWD not to exceed \$6M, based on:
 - Pure Water Monterey approval by CPUC.
 - MRWPCA agreement with MCWD finalized.
 - FORA funds applied directly to mitigation/debt service.
 - FORA EO recommends agreement to the Board.