Marina Coast Water District: 
A California Special District

ORD COMMUNITY WATER AUGMENTATION

DIRECTORS
Dr. THOMAS P. MOORE
President
JAN SHRINER
Vice President
HOWARD GUSTAFSON
WILLIAM Y. LEE
PETER LE

Interim General Manager
Mr. Brian C. Lee
MCWD Boundaries and Service Areas
MCWD Revenue Sources

Fees and rates (which must be related to the cost of the service provided):

- Water rates and sewage collection fees
- Meter charges
- Special surcharges
- Capacity charges
- State and Federal Grants
- Service fees (inspections, plan checks, etc.)
## MCWD Statistics

<table>
<thead>
<tr>
<th>Feature</th>
<th>Total</th>
<th>Central Marina</th>
<th>Ord Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (2011)</td>
<td>34,258</td>
<td>19,695</td>
<td>14,563</td>
</tr>
<tr>
<td>Employees</td>
<td>34 FTE</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Connections</td>
<td>8,224</td>
<td>3,890</td>
<td>4,008</td>
</tr>
<tr>
<td>2011-2012 Revenue</td>
<td>$14.2 million</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>2011-2012 Expenses</td>
<td>$15.7 million</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>2011-2012 Capital Improvements</td>
<td>$5 million</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Net Assets, June 30, 2012</td>
<td>$132.5 million</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Debt as of June 30, 2012</td>
<td>$46.7 million</td>
<td>---</td>
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</tbody>
</table>
### MCWD Statistics, con’t.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Total</th>
<th>Central Marina</th>
<th>Ord Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Wells</td>
<td>8</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Storage Tanks</td>
<td>8 (11.2 MG)</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Lift Stations</td>
<td>19</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>Water Pipe</td>
<td>223 miles</td>
<td>50.4 miles</td>
<td>172.6 miles</td>
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<tr>
<td>Sewer Collection Pipe</td>
<td>154.6 miles</td>
<td>41.1 miles</td>
<td>113.5 miles</td>
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<tr>
<td>Booster Stations</td>
<td>6</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Emergency Generators</td>
<td>17 (1 port.)</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>Hypochlorite Generators</td>
<td>4</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Pressure Reducing Valve</td>
<td>19</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Stations</td>
<td></td>
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</tbody>
</table>
Significant Ord Capital Projects

- Replaced 3 and Refurbished 3 wastewater lift stations
- Reconfigured system between Ord wells and sand tank
- Installed safer chlorination systems
- Replaced two elevated storage tanks with seismically safer tanks
- UCMBEST fire flows project drilled under Reservation Rd
- Completed RUWAP Programmatic EI R
- Tried to Develop the Regional Desal Project
- Prevented sewer line from severing Hwy 1 in Seaside
- Replaced a defective Ord well
- Installed a new Ord well to serve East Garrison
- Installed new wastewater lift station to serve East Garrison
Examples of capital projects

Old D Tank

New D Tank & Pump Station

Water Pump Station

GJM Pipeline
Components of a Capacity Charge

1. An amount needed to pay for any required increase in the capacity of the water and wastewater systems that results from the new development.

2. An amount that represents a fair share buy-into the existing water and wastewater systems.

Across the nation, developers routinely pay capacity charges and roll them into the price of the real estate they sell.
### Capacity Charge per EDU by year

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</thead>
<tbody>
<tr>
<td>Charge</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$3,800</td>
<td>$3,800</td>
<td>$3,800</td>
<td>$3,800</td>
<td>$7,800</td>
<td>$7,900</td>
<td>$7,900</td>
<td>$7,900</td>
</tr>
</tbody>
</table>
## Recent Capital Improvement Project Expenditures

Including equipment replacement, Armstrong Ranch Property Acquisition and MCWD’s share of IOP

<table>
<thead>
<tr>
<th>Year</th>
<th>Ord Community</th>
<th>Regional Desal Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$27.7 Million</td>
<td>$18.4 Million</td>
</tr>
<tr>
<td>2012</td>
<td>$4,334,961</td>
<td>$2,453,288</td>
</tr>
<tr>
<td>2011</td>
<td>$4,223,810</td>
<td>$8,219,661</td>
</tr>
<tr>
<td>2010</td>
<td>$6,940,702</td>
<td>$3,949,629</td>
</tr>
<tr>
<td>2009</td>
<td>$6,895,397</td>
<td>$2,150,372</td>
</tr>
<tr>
<td>2008</td>
<td>$5,306,326</td>
<td>$1,595,929</td>
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</tbody>
</table>
Ord Community Groundwater Usage Since 2004

Acre Feet Consumed

Year

Total Consumption

Groundwater Limit
Figures are based on a dwelling unit using 13 HCF per month.
Major Current Challenges

- Seawater Intrusion in the SVGB
- We have just one major water source: the Salinas Valley Groundwater Basin (SVGB)
  - Limited to 6,600 AFY for Ord Community
- The scheduled sunset of FORA in 2020
- Growth projections for the Ord Community
  - the 1997 Fort Ord reuse plan calls for 2,700 AFY more water than is available from the SVGB
- Recovery of $18 million from failed Regional Desalination Project
Major Current Challenges, con’t.

• Identify and pursue an additional source of potable water. Unfortunately, the choices are limited:
  – Capture and treat surface waters
  – Desalinate seawater
  – Reclaim water from wastewater

• Replacement or rehabilitation of aged pipelines and other infrastructure
Possible Water Source Project - 1

RUWAP

- Program level EIR exists
- 1,200 AFY desal project and 1,200 AFY reclaimed water project
- 1,200 AFY reclaimed demand does not currently exist on Ord Community
- Estimated total cost: $40 RW + $32 Desal = $72 million
- Operating cost multiplier: 3.5X
- Requires significant cooperation from MRWPCA
- Cal Am desal project could interfere with MCWD 1,200 AFY desal project
- Wastewater flows historically decreasing
Possible Water Source Project - 2

• Replace RUWAP with 2,400 AFY desal project
  - Puts all your eggs in one basket
  - Estimated cost: $60 million
  - Operating cost multiplier: 4X
  - Increased likelihood that Cal Am desal project interferes
  - Requires significant cooperation from MRWPCA for brine disposal
Possible Water Source Project - 3

- **Surface Water Treatment Project**
  - In very conceptual stages
  - No EIR has been performed
  - Estimated cost: $100+ million
  - Operating Cost Multiplier: 3.5X
  - Plant capacity vs storage tradeoff
  - Affected by river timing and occasional drought conditions
Biggest Challenge of All

- Regardless of which project is pursued, **who is going to pay for the 2,400 AFY of augmented water?** Here are your choices:
  - Developers
  - Future customers ($7500 per account just for RUWAP)
  - Current customers ($18K per account for RUWAP)
  - Government (FORA, grants, no-interest loans, land use jurisdictions, other?)
Questions?
City of Marina Sub-allocations
Total allocations = 1325 AF
Remaining allocations = 17.2 AF

- Rock Rose Garden, 4.9
- MPC-12th St. Campus, 7
- Cypress Knolls, 156.1
- Pre-existing Use, 221.1
- Marina Heights, 292.2
- University Villages, 593
- Promontory, Remaining, 17.2

33.3%
City of Seaside Sub-allocations
Total allocations=1012 AF
Remaining allocations=225 AF

Bayonet/Blackhorse Golf (TEMPORARY ALLOCATION), 430
Seaside Highlands, 168.5
Seaside Resort, 161.4
MPUSD, 81
Main Gate, 149
Bay View Park, 84.8
Monterey College of Law, 2.8
Monterey Peninsula College, 9.7
Chartwell School, 6.4
Other, 3
Remaining, 225.4
County of Monterey Sub-Allocations

Total allocations = 720 AF
Remaining allocations = 192.5 AF

- East Garrison, 470
- MPC, 52.5
- Ord Market, 5
- Remaining, 192.5