

2016-2017 Proposed Ord Community Budget / Compensation Plan

Presentation to the FORA Board

May 13, 2016

- 1998 Water Wastewater Facilities Agreement
 - MCWD Reports the Ord Community Revenues / Expenses to the WWOC
 - WWOC Reviews the Ord Community Budget / Compensation Plan yearly and quarterly
 - FORA Board has three months from the time of receipt (March 10th) to adopt by ordinance the Compensation Plan

- February the WWOC reviewed MCWD's Five Year Capital Improvement Program (Master Plan)
- March 10th, the WWOC received the proposed Ord Community Budget/Compensation Plan
- The WWOC reviewed the plan in detail March 16th, April 8th, and May 2nd.

- The WWOC asked questions concerning:
 - Actual vs Proposed Budgets of Capital Improvements
 - How developer fees were related to capacity fees
 - How allocation of Water/Sewage percentages between Ord & Marina are determined
 - How the Proposition 218 rate increases tie to CIP
 - If any line items are used to pay for prior legal fees

WWOC voted unanimously 5-0 to:

- **Recommend Adoption of the Ord Community Budget / Compensation Plan** with no change to the capital charges and the following Note:

The rate increases authorized by the Proposition 218 process are scheduled over a five year period from start 2014 – 2018 end. The increases over this term are required to cover specific capital improvement projects (CIP) and operating costs. The improvements yet to be completed are provided in the Draft Five-Year Plan (Attachment C) and include:

	2016/17	17/18	18/19	19/20
Clark & Gigling Lift Station and Force Main				
Inter-Garrison Pipeline Upsizing, & Lightfighter Extension				
Demo D-Zone Reservoir				
Eastside Parkway (D-Zone Pipeline)				
SCSD Improvements –DRO				
South Boundary Rd Pipeline				
Improvements: Seaside Resort, Dunes, CSUMB				

Ground Rules:

- If FORA does not respond within three months, MCWD's last submitted compensation plan shall be deemed adopted (Section 7.2.1),
- MCWD can default to the previous year's budget (FY 15/16) and initiate dispute resolution, if not approved:
 - FORA Board must Identify specific line items for dispute
 - FORA Board must Provide specific reasons for denial
 - FORA Board must Provide specific remedies
- Sections 10.1 (& 5.4) govern budget disputes.
 - FORA Executive Officer & MCWD General Manager are authorized to resolve the dispute in 10 days; if not
 - The WWOC has 10 days to resolve; if not,
 - A voting member of the FORA board & A voting member of the MCWD board have 10 days to resolve; if not,
 - The Dispute goes to mediation with presiding judge of Monterey County

- Consider Resolution Nos. 16-XX and 16-XX Adopting a Compensation Plan for Base-wide Water and Sewer Services on the Former Fort Ord (**Attachment A and B**).
- Please note, there is no change in the capital charge from FY 2015-2016.

Questions?