



**MINUTES  
of the  
JOINT MEETING OF THE  
FORT ORD REUSE AUTHORITY AND  
MARINA COAST WATER DISTRICT BOARDS  
Fort Ord Reuse Authority Conference Facility/Bridge Center  
August 13, 2010**



**1. CALL TO ORDER AND ROLL CALL OF BOTH BOARDS**

With a quorum present FORA Chair/Mayor Rubio called the August 2010 Joint Board of Directors meeting to order at 3:00 p.m. and requested a roll call of both Boards.

Fort Ord Reuse Authority Board of Directors:

Voting members present:

Chair/Mayor Ralph Rubio (City of Seaside)  
1<sup>st</sup> Vice Chair/Supervisor Dave Potter  
(County of Monterey)  
Councilmember Jim Ford (City of Marina)  
Mayor David Pendergrass  
(City of Sand City)  
Councilmember/Vice Mayor Nancy Serfidge  
(City of Monterey)

Mayor Sue McCloud  
(City of Carmel-by-the-Sea)  
Mayor Jerry Edelen (City of Del Rey Oaks)  
Councilmember Frank O'Connell  
(City of Marina)  
Councilmember Tom Mancini (City of Seaside)  
Mayor Pro Tem Bill Kampe  
(City of Pacific Grove)

Absent: Supervisor Jane Parker (County of Monterey), Supervisor Lou Calcagno (County of Monterey). Arriving late: Councilmember Janet Barnes

Non-voting members present:

Graham Bice University of California Santa Cruz, Kevin Saunders California State University Monterey Bay, Vicki Nakamura Monterey Peninsula College, COL Darcy Brewer United States Army, Gail Youngblood Base Realignment and Closure, Kenneth Nishi Marina Coast Water District.

Absent were representatives from the 17<sup>th</sup> Congressional District, the 15<sup>th</sup> State Senate District, the 27<sup>th</sup> State Assembly District, Monterey Unified School District, Monterey-Salinas Transit, and the Transportation Agency of Monterey County.

Marina Coast Water District Board of Directors:

President Kenneth Nishi  
Director Dan Burns

Director Thomas Moore  
Director Howard Gufstason

Absent: Vice President Bill Lee

With quorums of both boards present, FORA Chair Rubio opened the meeting.

2. **PLEDGE OF ALLEGIANCE**

Chair Rubio asked Co-Chair Kenneth Nishi, who agreed, to lead the Pledge of Allegiance.

3. **ACKNOWLEDGEMENTS** - None

4. **PUBLIC COMMENT PERIOD** - None

5. **OLD BUSINESS** - None

6. **NEW BUSINESS**

Item 6a - Ord Community and Marina Water/Wastewater Systems Proposed Budgets and Rates for FY 2010-2011:

Item 6a (1) - Presentation by Marina Coast Water District: Chair/Mayor Rubio introduced FORA Executive Officer Michael Houlemard who announced that Marina Coast Water District ("MCWD") would give a presentation on the proposed budget and rates for FY 2010-2011. Mr. Houlemard then introduced MCWD Finance Director Suresh Prasad. The Boards of both MCWD and FORA received a PowerPoint presentation and corresponding handouts requesting consideration of community rates, fees, and charges pertaining to the Community Water/Wastewater systems for the FY 2010/2011. Mr. Prasad noted that the Resolutions requesting both Boards approval were attached to the Board agenda. He further noted that the Resolutions for MCWD Nos. 2010-58 (compensation plan) and 2010-59, the capacity fee element of the budget. Mr. Prasad gave a history of the budget approval process noting that in 1998 both FORA and MCWD signed an agreement which requires annual approval of the compensation plan. In 2008, MCWD consultant Bartle Wells Associates completed a 5 year water and wastewater financial plan and rate study. Additionally, Mr. Prasad noted proposition 218 requires that for any operating rate increase on the Ord Community service area that resident's be notified. He stated that on May 21, 2010 residents were notified and a second notice mailed to district customers on June 25, 2010. Mr. Prasad noted that the budget assumptions included a customer water bill increase equal to 7.8% - \$3.61 and sewer bill increase of 7.8% - \$1.76 on average. There are surcharges that remain unchanged \$20.00 for water and \$5.00 for wastewater. He said that there were 1201 accounts that were un-metered and these were owned by the Army. Mr. Prasad presented a Water and Wastewater survey of surrounding jurisdictions and capacity charges (per EDU) which were fairly competitive on the water side. The sewer rates are higher because there are not enough customers to support the large extensive system. In summary, the rate increases are needed to maintain district operations and debt coverage requirements. He also noted that out of 2814 Ord Community customers only 7 protests had been received further stating that fifty percent plus one is necessary for a protest.

Jim Heltzman, General Manager for MCWD asked if anyone had questions about metered accounts or unmetered accounts. Brian True, Capital Projects Manager for MCWD clarified that the Army has roughly 1200 unmetered accounts, however all the new construction will have meters installed. Progress is being made on having meters installed in the Army housing and working diligently toward having zero unmetered water accounts. Mr. True further stated that close to \$30M of improvements have been made on the former Fort Ord.

Chair Rubio asked if there were any questions from the Board members present. Councilmember Mancini stated that he had concerns about the rate increases since 1998. Colonel Brewer stated that \$36,000 per month is being paid out of the Army's housing projects. Mr. True stated that there were nominal costs associated with installation of meters. Colonel Brewer also stated that he would prefer the housing to be "smart-metered" in order to have the ability to run reports. The discussion included questions regarding higher rates for Preston Park vs. central Marina to which Mr. Prasad answered that Preston Park is former Fort Ord property, while central Marina is "old" Marina. Former Fort Ord has 23 lift

stations and not enough customers yet to support the infrastructure, while Marina has only 6 or 7 lift stations supporting it. The entire system still needs to be maintained even though there are not enough customers to support it.

Item 6a (2) - PUBLIC HEARING – Proposition 218 Notice: MCWD President Kenneth Nishi opened the public hearing. MCWD counsel Anne Secker reminded all that written protests could still be submitted. Jan Shriner a resident of Marina commented on the struggling community and the economic crisis young families are facing including the rate hikes proposed by MCWD. No further comments from the public were made.

Item 6a (3) - FORA Board Approval of Resolution Nos. 10-10 and 10-11 Adopting a Compensation Plan and Setting Rates, Fees and Charges for Base-Wide Water, Recycled Water and Sewer: Chair Rubio called for the question to entertain a FORA Board motion. **Motion to approve was made by 1<sup>st</sup> Vice Chair/Supervisor Potter, seconded by Mayor McCloud, and carried unanimously.**

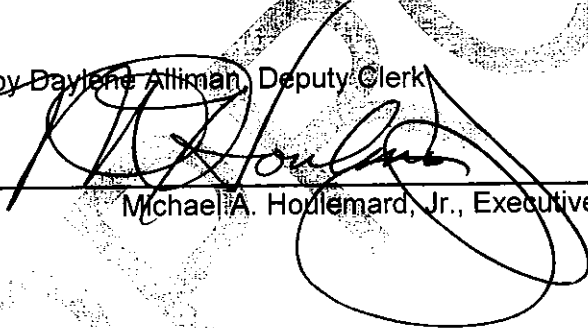
Item 6a (4) - Services on the Former Fort Ord MCWD Board Consider Adoption of Resolution Nos. 2010-58 and 2010-59 (Ord Community Budget and Compensation Plan): President Kenneth Nishi requested MCWD Board approval. **Motion to approve was made by Howard Gufstason, seconded by Dan Burns, and carried unanimously.**

7. **ANNOUNCEMENTS AND CORRESPONDENCE** - None

8. **ADJOURNMENT** - There being no further joint Board business, Chair Rubio adjourned the meeting at 3:28 p.m.

Minutes prepared by Daylene Alliman, Deputy Clerk

Approved by \_\_\_\_\_

  
Michael A. Houlemard, Jr., Executive Officer/Clerk