

RESOLUTION NO. 15-08

A RESOLUTION OF THE GOVERNING BODY OF THE FORT ORD REUSE AUTHORITY TO AUTHORIZE FORT ORD REUSE AUTHORITY PARTICIPATION IN THREE-PARTY JOINT WATER AUGMENTATION PLANNING.

THIS RESOLUTION is adopted with reference to the following facts and circumstances:

- A. Pursuant to Section 3.2.2 of the 1998 Water/Wastewater Facilities Agreement ("Facilities Agreement"), the Fort Ord Reuse Authority ("FORA") has determined that new additional facilities capable of delivering 2,400 acre-feet per year ("AFY") of water for the redevelopment of the Fort Ord Community are required; and
- B. Pursuant to Section 3.2.1 of the Facilities Agreement, the Marina Coast Water District ("MCWD") is required to plan, design, and construct the new water facilities; and
- C. Pursuant to Section 7.1.2 of the Facilities Agreement, MCWD must be allowed to recover all of its direct and indirect, short term and long term costs of the new water facilities; and
- D. The FORA and MCWD Board of Directors approved the recycled/desalinated two component recommendation to implement the Fort Ord Water Augmentation Program ("Hybrid Alternative") on June 10, 2005 at a joint meeting of the Boards to provide 2,400 AFY of water for the redevelopment of the Fort Ord Community; and
- E. FORA's adopted Fiscal Year 2015/2016 and 2014/2015 Capital Improvement Program discussion on water augmentation states, "MCWD is still contractually obligated to provide an augmented source for the former Fort Ord as distinct from the Regional Project. The proposed CIP defaults to the prior Board approved 'hybrid' project that MCWD has performed CEQA for and is contractually obligated to implement"; and
- F. MCWD is working collaboratively with FORA and with the Monterey Regional Water Pollution Control Agency ("MRWPCA") to carry out MCWD's contractual obligation to provide 1,427 AFY of recycled water for the Ord Community; and
- G. MCWD Interim General Manager Bill Kocher wrote a July 13, 2015 letter to the FORA Executive Officer providing notice that the MCWD Board determined not to adopt FORA's proposed resolutions and submitted the matters to dispute resolution in accordance with Section 10.1 of the Facilities Agreement; and
- H. MCWD General Manager Keith Van Der Maaten wrote an August 4, 2015 letter to the FORA Executive Officer accepting FORA's request to do joint planning for the Regional Urban Water Augmentation Project ("RUWAP"); and
- I. An element of the process is that FORA and MCWD would conduct water augmentation with MRWPCA collaboration to explore water augmentation options; and

- J. General principles to the three-party joint water augmentation planning include:
1. Explore most cost and technically efficient mix of reclaimed (tertiary), advance treatment (pure water); conservation; desal; and other water sources.
 2. Emphasize economies of scale that lower the cost burden on ratepayers and end users.
 3. MRWPCA, MCWD and FORA would contribute up to \$157,000 each to the planning process, MCWD will lower its planning line item to \$157,000 from \$470,000.
 4. FORA Board endorses three-party RUWAP Planning process based on consultation with MRWPCA and MCWD.
 5. All agreements on funding, budgeting, CEQA processing, and other deal points will be returned to the three Boards for specific approvals.
 6. FORA commits to actively discuss how its mitigation dollars may, in part, be applied to the RUWAP process, at all times subject to specific Board approval.
- K. The intended result of the planning study would be to present recommended options to the FORA, MCWD, and MRWPCA Boards to inform them of options and request direction.

NOW THEREFORE the Board hereby resolves that:

1. The Board approves of a planning process designed to provide detailed analysis and a report leading to an "all of the above" approach to satisfying the Fort Ord Water Augmentation Program as an acceptable resolution to the budget dispute.
2. The Board approves revisions to the CIP to move \$157,000 from FY 18/19 to FY 15/16 (**Exhibit A**) for Water Augmentation, allowing FORA to participate in joint water augmentation planning with MCWD and MRWPCA.
3. The Board authorizes the Executive Officer to expend up to \$157,000 (approximately 1/3 of the total costs) to jointly fund the water augmentation planning process. The total cost of planning will not exceed \$470,000 after adding together FORA, MCWD, and MRWPCA's contributions.
4. FORA will provide a portion of funding, participate in consultant selection, and coordinate at the staff level.

ADOPTED this 9th day of October, 2015 by the Fort Ord Reuse Authority by the following roll call votes listed by name:

AYES: O'CONNELL, EDELEN, RUBIO, LUCIUS, BEACH, MORTON, PARKER,
PENDERGRASS, POTTER, HAFFA, PHILLIPS, GUNTER, OGLESBY

NOES: NONE

ABSTENTIONS: NONE

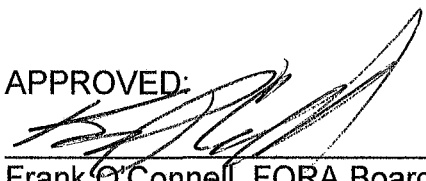
ABSENT: NONE

ATTEST:



Michael A. Houlemard, Jr.,
Executive Officer

APPROVED:



Frank O'Connell, FORA Board Chair