



**FORT ORD REUSE AUTHORITY
WATER/WASTEWATER OVERSIGHT COMMITTEE
MEETING MINUTES**

9:30 a.m., Wednesday, January 13, 2016 | FORA Conference Room
920 2nd Avenue, Suite A, Marina CA 93933

1. CALL TO ORDER

Chair Steve Endsley called the meeting to order at 9:48 a.m. The following were present:

Committee Members:

Mike Lerch, CSUMB
Steve Matarazzo, UCSC
Melanie Beretti, Monterey County
Elizabeth Caraker, City of Monterey
Rick Riedl, City of Seaside

FORA Staff:

Jonathan Brinkmann
Steve Endsley
Mary Israel
Michael A. Houlemard Jr.
Peter Said

Other Attendees:

Patrick Breen, MCWD
Keith Van der Maaten, MCWD
Kelly Cadiente, MCWD
Mike Wegley, MCWD
Chris Placco, CSUMB
Bob Schaffer
Wendy Elliott
Andy Sterbenz
Beth Palmer
Brian Boudreau

2. PLEDGE OF ALLEGIANCE

Executive Officer Michael Houlemard led the pledge of allegiance.

3. ACKNOWLEDGEMENTS, ANNOUNCEMENTS AND CORRESPONDENCE

Andy Sterbenz of Schaaf and Wheeler reminded the WWOC of a request sent out in October 2015 for planning departments of jurisdictions to submit development projects, Capital Improvement Projects (CIPs), road resurfacing, etc. projections. The request has not been fully responded to, so he reminds jurisdictions to turn them in so that the 20-year projection for the area can be prepared.

4. PUBLIC COMMENT PERIOD

None.

5. APPROVAL OF MEETING MINUTES

a. April 29, 2015 Minutes

MOTION: Steve Matarazzo moved, seconded by Melanie Beretti to approve the April 29, 2015 Water/Wastewater Oversight Committee minutes.

MOTION PASSED. Rick Riedl abstained.

b. August 5, 2015 Minutes

MOTION: Steve Matarazzo moved, seconded by Melanie Beretti to approve the August 5, 2015 Water/Wastewater Oversight Committee minutes.

MOTION PASSED UNANIMOUSLY.

c. October 14, 2015 Minutes

MOTION: Rick Riedl moved, seconded by Chris Placco to approve the October 14, 2015 Water/Wastewater Oversight Committee minutes.

MOTION PASSED UNANIMOUSLY.

d. December 11, 2015 Water/Wastewater Oversight Committee Meeting of the Whole Notes Notes were received.

6. BUSINESS ITEMS

a. Review Jan-Feb-March WWOC Work Plan Schedule

Project Specialist Peter Said presented the Workplan that was accepted by the WWOC in the July 2015 meeting. He noted some differences in the February 2016 through April 2016 work program activities and those that are currently proposed in the Marina Coast Water District (MCWD) Fiscal Year (FY) 2016-2017 Budget Calendar (agenda item **6b**).

b. Review Schedule for Budget Approval Process

Peter Said reviewed the MCWD Budget Schedule provided by MCWD earlier and included in the meeting Agenda Packet. WWOC members raised concern that the March 9th, 2016 date for "Distribute Ord Community Draft Budget to WWOC" would limit the FORA Board of Directors to less than three months review period because a second vote, if needed, would occur in the Board Meeting on June 10th. Kelly Cadiente of MCWD assured the group that the date "3/9/2016" was a typographical error, and that MCWD's intention is to distribute the Ord Community Draft Budget to WWOC on March 10th. She also clarified that the Budget Worksheet works like a Master Plan and is used to schedule their budgets. WWOC members asked how FORA staff will assess the completeness of the submittal. Peter Said offered to return a presentation of the process to the committee. The WWOC discussed the meaning of "completeness" of a budget. Mike Lerch requested that changes to the budget in subsequent versions are only those changes requested by the WWOC after the first draft on March 10th. Assistant Executive Officer Steve Endsley suggested that a FORA decision by June 30th may be the best that can be achieved, and he expects all parties to act in good faith to iron out the document (referring to the Water/Wastewater Facilities Agreement section 7.1.3.1 – 7.1.3.4 and 7.2.1).

c. Set 2016 Schedule ACTION

Steve Endsley announced that the Administrative Committee have requested a second review of the Three Party Planning effort and requested the WWOC members attend as well. The meeting is scheduled for Wednesday, February 3rd, 2016.

Chris Placco suggested the May 2nd tentative meeting date be added to the 2016 WWOC Meeting Schedule as "tentative."

MOTION: Steve Matarazzo moved, seconded by Mike Lerch to approve the 2016 Meeting Schedule with the February 3, 2016 special joint meeting and the May 2, 2016 tentative meeting added.
MOTION PASSED UNANIMOUSLY.

7. ITEMS FROM MCWD

a. Review Financial Audit

Kelly Cadiente presented the clean audit and pointed members to review pages 1 and 2 which reported “no findings.” In “Activities” and “Analysis,” she pointed out that the anticipated loan for Marina and Ord Community water is not in place because the costs were contained, and the 2006 participation bonds of \$42 Million and \$29 Million for Ord Community Water and Sewer were refinanced in 2015 so the interests dropped from 4.8 to 3.6.

Principal Planner Jonathan Brinkmann asked if litigation doesn’t result in repaying the balance of the Regional Project fund, is there a plan? Kelly Cadiente replied that there are many scenarios for the outcome, so they do not have a plan and will react when they know; in the worst case, they will not recoup the funds. Steve Matarazzo asked where that is in the budget. She pointed the committee to page 49 of the FY 2014/2015 outflow, regional capital and financing activities for the cost during one year.

Jonathan Brinkmann asked what the New Water Fund means. Kelly Cadiente clarified that it is the Regional Urban Water Augmentation Project (RUWAP) and the debt is the pipeline, built with Capital Improvement Projects (CIPs) on the General Jim Moore Boulevard expansion.

b. Ord Community Annexation Report

Mike Wegley presented the annexation planning process to the WWOC as he had in the December 11, 2015 meeting of the whole. He added that the MCWD Board of Directors (Board) has new members and that they will be brought up to current information about the annexation process. Melanie Beretti asked what the timeline is for annexation. Mike Wegley said that steps are to talk it through with the new Board, then negotiate with the stakeholders, then do a CEQA report for the set area, then enter into review with Local Agency Formation Commission of Monterey County (LAFCO). Steve Endsley offered that FORA staff are available to facilitate the negotiations with stakeholders. Steve Matarazzo said he would email Mike Wegley about the logical boundaries in his jurisdiction. Mike Lerch asked what rate structures are being considered for the future area. Kelly Cadiente replied that previous LAFCO processing on the subject laid plans for separate cost centers and the current Board is open to cost centers remaining separate but with different rates in different sections. Mike Lerch asked what Board structure changes would be made. Andy Sterbenz suggested the Board have 5 Board members “at large” and every Ord Community member could vote in the election. Steve Endsley suggested that LAFCO may order all customers access to a vote. Jonathan Brinkmann asked how MCWD plans to set the boundaries for wastewater. Mike Wegley said that they have not set meeting dates for the discussion, but Keith Van der Maaten would lead that step.

8. ITEMS FROM COMMITTEE MEMBERS

None.

9. ADJOURNMENT

MOTION: Steve Matarazzo moved and Mike Lerch seconded that the meeting be adjourned at 10:56 a.m.

MOTION PASSED UNANIMOUSLY.