

# **AGENDA**

Board of Directors' Meeting

July 15, 2010

6:00 p.m.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 27500 La Paz Road, Laguna Niguel, CA ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed, except that, if such writings are distributed immediately prior to, or during, the meeting, they will be available in the Board meeting room.

**BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
27500 La Paz Road, Laguna Niguel  
July 15, 2010  
6:00 p.m. (PDT)  
Approximate Meeting Time: 2 Hours**

**\*THIS BOARD MEETING WILL INCLUDE TELECONFERENCING AT THE  
FOLLOWING LOCATION:  
12025 CEDAR SHORE ROAD, ELLISON BAY, WISCONSIN**

<b>I.</b>	<b>CALL MEETING TO ORDER</b>	
<b>II.</b>	<b>PLEDGE OF ALLEGIANCE</b>	
<b>III.</b>	<b>APPROVE MINUTES OF BOARD OF DIRECTORS' MEETING OF JUNE 17, 2010 &amp; CLOSED SESSION MINUTES OF APRIL 15, 2010 - <u>ROLL CALL VOTE</u></b>	
<b>IV.</b>	<b>PUBLIC COMMENTS</b>	
<b>V.</b>	<b>PRESIDENT'S REPORT</b>	
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	E. Recycled Water Produced – June 2010	5
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	<b>PUBLIC HEARINGS:</b>	
	A. <b>LAGUNA SUR/MONARCH POINT SEWER CHARGES ON TAX ROLL</b>	
	B. <b>2010 REPORT ON WATER QUALITY/PUBLIC HEALTH GOALS</b>	

\* Consent items: All items will be approved by Board action as received and filed. Requests for discussion of any specific item should be made to the President of the Board in conjunction with the discussion of the consent motion.

A copy of the agenda and attachments is available for review at the District office. The Board of Directors' Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary's office at (949) 643-2006 at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least seventy-two (72) hours prior to the scheduled meeting. The next Regular Board Meeting will be held at 6:00 p.m. on August 19, 2010 at the Moulton Niguel Water District.

\* All votes must be by roll call vote.

**VI. BOARD/COMMITTEE OR OTHER REPORTS**

A.	<u>BOARD MEETINGS</u>	<u>CHAIRMAN</u>
	Community Relations	Probolsky
	Engineering & Facilities	Froelich
	Finance & IT	Buck
	Investment	Lizotte
	Personnel & Salary	McKenney

B. STANDING COMMITTEES - (MEETINGS ON CALL OF CHAIRMAN)

Audit	Buck
Citizens' Advisory	Probolsky
Legal & Legislation	McKenney
Rate Review	Kurtz

**VII. CONSENT ITEMS**

A. METERS IN SERVICE – June 2010

Description	Beginning of Month	Added/ (Subtracted)	End of Month	One Year Ago
Single Family	33,972	8	33,980	33,869
Multi Family	14,710	0	14,710	14,651
Commercial	2,845	0	2,845	2,826
Irrigation	2,637	3	2,640	2,633
Total	54,164	11	54,175	53,979
Est. Population	167,387	21	167,408	166,964

B. METER DISTRIBUTION \* – June 2010

Size	Beginning of Month	Added/ (Subtracted)	End of Month	One Year Ago
5/8"	109	0	109	108
3/4"	36,543	2	36,545	36,586
1"	10,860	6	10,866	10,653
1½"	933	0	933	931
2"	4,950	4	4,954	4,940
2-1/2"	16	0	16	12
3"	80	0	80	77
4"	151	-1	150	152
6"	315	0	315	315
8"	186	0	186	184
10"	21	0	21	21
Total	54,164	11	54,175	53,979

\*Includes potable and recycled water meters.

C. WASTEWATER TREATMENT FLOWS (MGD) – June 2010

Description	Current Month	One Year Ago
Total Flow	13.190	13.504

D. POTABLE WATER IMPORTED – June 2010

Source	Current Month Average Flow (cfs)	Current Month Volume (af)	Since 7/01/10 To Date Volume (af)	Year Ago To Date Volume (af)
Joint Transmission Main	24.6	1,609.8	5,413.7	4,908.7
Allen-McColloch Pipeline	6.1	399.2	8,514.0	6,859.4
Central Intertie Pipeline	16.3	1,066.7	15,663.1	21,333.6
Interties	0.0	0.0	43.7	0.0
<b>Total</b>	<b>47.0</b>	<b>3,075.7</b>	<b>29,634.5</b>	<b>33,101.7</b>

E. RECYCLED WATER PRODUCED – June 2010

<b>UOR Storage at End of Month: 777.17 af</b>	Current Month Average Flow (mgd)	Current Month Volume (af)	Since 7/01/10 To Date Volume (af)	Year Ago To Date Volume (af)
Source				
Regional AWT	7.41	682.2	7,004.1	6,892.0
Plant 3A AWT	1.13	104.0	1,273.0	889.6
SCWD AWT**	-0.2	-1.8	-23.7	51.7
<b>Total Produced</b>	<b>8.52</b>	<b>785.3</b>	<b>8,258.1</b>	<b>7,833.3</b>
To(-)/From(+) Storage	1.03	94.8	-320.5	-68.62
<b>Total Delivered</b>	<b>9.55</b>	<b>881.0</b>	<b>7,938.4</b>	<b>7,764.6</b>

\*\*MNWD delivered recycled water to SCWD during month.

F. RECYCLED WATER GOALS – Thru June 2010

Fiscal Year	Users Planned	Users Online	Acreage Planned	Acreage Online
02-03	1,100	1,096	3,400	3,364
03-04	1,130	1,141	3,688	3,641
04-05	1,155	1,166	3,700	3,694
05-06	1,189	1,183	3,736	3,727
06-07	1,220	1,197	3,798	3,748
07-08	1,250	1,206	3,858	3,768
08-09	1,250	1,218	3,858	3,797
09-10	1,260	1,244	3,900	3,850

G. DISTRICT ACTIVITY – June 2010

	<u>June 2010</u>	<u>June 2009</u>
<u>Cross Connection</u>		
Backflow notices	943	651
Inspections	26	19
<u>Customer Inquiries</u>		
Board room use	6	8
Letters of credit	7	2
Record changes	121	126
Website hits	5,672	5,925
<u>Delinquent Accounts</u>		
Delinquent Notices	806	671
Shut-offs	111	101
<u>Education Programs</u>		
Number of students	0	528
<u>Maintenance</u>		
Meter maintenance	85	107
Meter checks	175	147
Angle stop	9	19
Meter lids	1	6
Meter replacements	110	68
Meter box replacements	4	0
Vault replacements	10	5
<u>Meter Activity</u>		
Construction meters	32	37
Meter sales	14	0
New services	11	1
Turn-offs	212	226
Turn-ons	648	597
<u>Meters Read</u>		
Hand-held	652	3,419
Touch read	39,034	38,140
Radio-read	14,446	12,393
<u>Service Orders</u>		
Customer inquiries	59	60
Hydrants	3	8
Valve can/Manhole lids	0	2
Fire flow tests	3	0
Leaks	12	10
Pressure tests	17	14
Turn-offs for repairs	32	25
Site visits	1,119	1,792
Non-MNWD leaks/breaks	33	65
Water quality	0	0
Other service orders	3	13
<u>Total Service Orders</u>	1,768	2,442



**VIII. GENERAL MANAGER'S REPORT**

*At this time, members of the public may present testimony as to why an item should be*

*removed from the Consent Calendar for separate discussion. Unless a member of the public, General Manager, or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote.*

A. SUMMARY AND DISCUSSION:

1. 2010 WATER BOND ACT – STATUS UPDATE
2. CAMP PENDLETON REGIONAL SEAWATER DESALINATION PROJECT
3. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) – UPDATE ON RESOLUTION WITH CLIENT AGENCIES COST FUNDING FOR MWDOC ACTIVITIES
4. WATER SUPPLY ALLOCATION UPDATE

B. LATE ITEMS (Appropriate Findings to be Made)

- a. Need to take immediate action; and
- b. Need for action came to District’s attention after Agenda posting  
[Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**IX. OPERATIONS MATTERS**

*At this time, members of the public may present testimony as to why an item should be removed from the Consent Calendar for separate discussion. Unless a member of the public, General Manager, or Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote.*

A. No report.

B. LATE ITEMS (Appropriate Findings to be Made)

- a. Need to take immediate action; and
- b. Need for action came to District’s attention after Agenda posting  
[Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**X. FINANCIAL MATTERS**

*At this time, members of the public may present testimony as to why an item should be removed from the Consent Calendar for separate discussion. Unless a member of the public, General Manager, or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote.*

A. CONSENT CALENDAR ITEMS: (ROLL CALL VOTE)

1. RECEIVE AND FILE SUMMARY OF DISBURSEMENTS IN THE AMOUNT OF \$5,633,791 DATED JUNE 30, 2010.
2. SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) FISCAL YEAR 2010/11 OPERATIONS & MAINTENANCE AND CAPITAL PROJECTS COMMITTEE BUDGETS

SUMMARY AND DISCUSSION:

The SOCWA Board of Directors reviewed and adopted the Fiscal Year 2010/11 Project Committee Budget on June 3, 2010 subject to Member Agency Board Approval. The O&M Project Committee Budget totaled \$15,465,800 and the Capital Projects Budget totaled \$11,347,700 for a combined budget total of \$26,813,500. The District's adopted Operating & Capital Improvements Budgets include the District's obligation to SOCWA for its' portion of SOCWA O&M and Capital Project costs. Ratification of SOCWA's Budgets are required by participating Member Agencies.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS APPROVE THE SOCWA FISCAL YEAR 2010/11 BUDGETS AS PRESENTED.

3. SAN JUAN BASIN AUTHORITY (SJBA) FISCAL YEAR 2010/11 OPERATIONS & MAINTENANCE BUDGET

SUMMARY AND DISCUSSION:

The Board of Directors of the San Juan Basin Authority (SJBA) approved the Fiscal Year 2010/11 Operations & Maintenance (O&M) Budget at their June 15, 2010 meeting. The total Project Committee Budget amounted to \$649,500. The District's adopted Operating Budget includes the District's obligation to SJBA for its' portion of SJBA O&M costs. Ratification of SJBA's Budget is required by participating Member Agencies.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS APPROVE THE SJBA FISCAL YEAR 2010/11 BUDGET AS PRESENTED.

4. JOINT REGIONAL WATER SUPPLY SYSTEM (JRWSS) FISCAL YEAR 2010/11 OPERATIONS & MAINTENANCE AND CAPITAL PROJECTS COMMITTEE BUDGETS

SUMMARY AND DISCUSSION:

The South Coast Water District (SCWD) Board of Directors approved the proposed Fiscal Year 2010/11 Operations & Maintenance (O&M) Budget at their Board Meeting on June 17, 2010 and the Capital Budget for the Joint Regional Water Supply System (JRWSS) at their Board Meeting on June 29, 2010. The total O&M Budget amounted to \$1,967,464 and the Capital Projects Budget amounted to \$6,094,000. The District's adopted Operating & Capital Improvements Budgets include the District's obligation to SCWD-JRWSS for its' portion of O&M and Capital Project costs. Ratification of SCWD-JRWSS budgets are required by participating Member Agencies.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS APPROVE THE JRWSS FISCAL YEAR 2010/11 BUDGETS AS PRESENTED.

B. LATE ITEMS (Appropriate Findings to be Made)

- a. Need to take immediate action; and
- b. Need for action came to District's attention after Agenda posting)  
[Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**XI. ENGINEERING MATTERS**

*At this time, members of the public may present testimony as to why an item should be removed from the Consent Calendar for separate discussion. Unless a member of the public, General Manager, or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote.*

A. CONSENT CALENDAR ITEMS: (ROLL CALL VOTE)

1. CAPITAL CONSTRUCTION PROJECTS' STATUS AND PROJECT BUDGET SUMMARY

RECEIVE AND FILE.

2. MOULTON RANCH III HOMEOWNERS ASSOCIATION (HOA) RECYCLED WATER PIPELINE, CONTRACT 2010.016

The District solicited proposals for engineering services to prepare construction documents to install a recycled water pipeline to serve the Moulton Ranch III Homeowners Association (HOA). The Moulton Ranch III HOA is located in Laguna Hills near the intersection of Oso Parkway and Bridlewood Drive. The HOA currently utilizes approximately 55 acre-feet per year of potable water through 16 services. The scope of work includes engineering services to prepare plans and specifications for approximately 4,800 linear feet of pipeline, permit assistance, and construction support services.

RECOMMENDED ACTION:

THE BOARD OF DIRECTORS AWARD THE CONTRACT FOR ENGINEERING SERVICES FOR THE MOULTON RANCH III HOMEOWNERS ASSOCIATION RECYCLED WATER PIPELINE TO PSOMAS FOR AN AMOUNT NOT-TO-EXCEED \$38,547, AND APPROVE AN EXPENSE AUTHORIZATION IN THE AMOUNT OF \$50,000. THIS PROJECT WILL BE FINANCED FROM FUND 12 – WATER SUPPLY RELIABILITY FUND.

B. LATE ITEMS: (Appropriate Findings to be Made)

- a. Need to take immediate action; and
- b. Need for action came to District's attention after Agenda posting)  
[Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**XII. LEGAL MATTERS**

A. PUBLIC HEARING AND ANNUAL ADOPTION OF RESOLUTION FOR COLLECTION OF SEWER SERVICE CHARGES FOR LAGUNA SUR/MONARCH POINT REORGANIZATION AREA ON PROPERTY TAX BILL

SUMMARY AND DISCUSSION:

The Laguna Sur/Monarch Point Reorganization Area was detached from South Coast Water District (“SCWD”) and annexed into MNWD, effective April, 1997. SCWD continues to provide sewer service to the Reorganization Area through contract with MNWD. As part of the terms and conditions of the reorganization, MNWD continues the prior SCWD practice of collecting such service charges and rates on the tax roll, and the Auditor-Controller of the County of Orange includes a reference on the tax bills to this effect. SCWD has increased the annual sewer service charges and rates for years 2009/10 through 2012/13, in June 2009. At the June Board Meeting, the Board adopted a resolution to continue the practice of collecting these sewer service charges on the tax roll, in lieu of monthly or bimonthly billings, as permitted under Health and Safety Code Sections 5471 *et seq.* The collection procedure under Health and Safety Code Section 5473 *et seq.* requires SCWD to prepare a report of the Assessor parcel numbers and corresponding sewer service charges and rates, and MNWD to notice a Public Hearing on the report and thereafter adopt the report after the Hearing in the absence of majority protests to the tax roll collection procedure.

Pursuant to the resolution adopted at the June meeting, a Public Hearing was called for consideration of the tax roll collection procedure. Notice of the hearing has been published, as required by law, and staff has made available the Assessor parcel report, including the 2010/11 sewer charges and rates, in compliance with the statute. The Board will conduct the Public Hearing, receive comments, or protests if any, and adopt a resolution included as **Attachment L-1** to the Agenda to continue collection of the sewer service charges and rates for the Reorganization Area on the property tax bills.

RECOMMENDED ACTIONS: (BY ROLL CALL VOTE)

1. CONDUCT A PUBLIC HEARING ON FISCAL YEAR 2010/2011 REPORT FOR THE LAGUNA SUR/MONARCH POINT REORGANIZATION AREA TAX ROLL COLLECTION PROCESS:

*BOARD PRESIDENT OPENS THE HEARING, CALLS FOR PUBLIC COMMENTS, RECEIVES ANY COMMENTS OR PROTESTS, AND CLOSSES THE HEARING*

2. AT THE CONCLUSION OF THE PUBLIC HEARING, ABSENT SUFFICIENT PROTEST, ADOPT A RESOLUTION ENTITLED, “RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT SETTING 2010/2011 SEWER SERVICE CHARGES FOR SPECIFIED PARCELS (LAGUNA SUR/MONARCH POINT PROPERTY) TO BE COLLECTED VIA PROPERTY TAX STATEMENTS ON THE 2010/2011 TAX ROLL, DIRECTING FILING OF WRITTEN REPORT WITH SECRETARY AND CALLING A HEARING THEREON.”

- B. PUBLIC HEARING: 2010 REPORT ON WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS

SUMMARY AND DISCUSSION

Pursuant to the federal Safe Drinking Water Act, as well as implementing State legislation contained in Health and Safety Code Section 116470 *et seq.*, public water systems serving more

than 10,000 service connections, upon detection of certain drinking water contaminants, must prepare a brief written report every three years. The California Environmental Protection Agency Office of Environmental Health Hazard Assessment has established Public Health Goals with respect to certain of these constituent contaminants and there are established federal contaminant level goals.

Under the supervision of the Director of Customer Service, the District, in consultation with SOCWA, which provides water testing services to the District, prepared the *Moulton Niguel Water District 2010 Report on Water Quality Relative to Public Health Goals*. The applicable regulations include a public participation requirement, and a notice of the Public Hearing was posted and published in accordance with statutory requirements. **Attachment L-2** to the Agenda is a copy of the 2010 Report, and the resolution accepting and filing the 2010 Report. Mr. Brennon Flahive will be in attendance at the Board meeting to review the Report contents.

**RECOMMENDED ACTIONS: (BY ROLL CALL VOTE)**

1. STAFF, MR. FLAHIVE: REVIEW CONTENT OF 2010 REPORT ON WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS WITH BOARD
2. CONDUCT A PUBLIC HEARING ON 2010 REPORT ON WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS :  
  
*BOARD PRESIDENT OPENS THE HEARING, CALLS FOR PUBLIC COMMENTS, RECEIVES ANY COMMENTS OR PROTESTS, AND CLOSES THE HEARING*
3. THE BOARD OF DIRECTORS ADOPTS A RESOLUTION ENTITLED, “RESOLUTION OF THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT APPROVING 2010 REPORT ON WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS.”

C. DISCUSSION AND CONSIDERATION OF COMMUNICATIONS LEASE POLICY AND REQUEST FOR COMMUNITY RADIO ANTENNA

SUMMARY AND DISCUSSION:

Legal Counsel and Staff will discuss possible issues and questions relative to application of Communications Lease Policy to request for community radio antenna with the Board.

**RECOMMENDED ACTION: (BY ROLL CALL VOTE)**

THE BOARD OF DIRECTORS DENY REQUEST FOR WAIVER OF COMMUNICATIONS POLICY TERMS, LEASE FOR COMMUNITY RADIO ANTENNA.

D. LATE ITEMS: (Appropriate Findings to be Made)

- a. Need to take immediate action; and
- b. Need for action came to District’s attention after Agenda posting)  
[Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**MOULTON NIGUEL WATER DISTRICT  
NOTICE OF ADDITIONAL AGENDA ITEM FOR  
BOARD OF DIRECTORS MEETING OF  
THURSDAY, JULY 15, 2010**

ADD AS **ITEM D** TO LEGAL AGENDA, THE FOLLOWING:

- D. ADOPTION OF REVISED RESOLUTION APPROVING AMENDED AND RESTATED ORANGE COUNTY COUNCIL OF GOVERNMENTS (OCCOG) JOINT POWERS AGREEMENT AND AUTHORIZING EXECUTION BY INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC)

SUMMARY AND DISCUSSION:

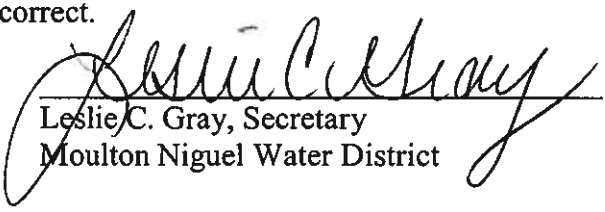
The Board adopted a resolution at their regular meeting of June 17, 2010, to approve the OCCOG Joint Powers Agreement and authorize MNWD's execution of that agreement. Subsequently, ISDOC clarified that its members were not actual parties executing the agreement – only ISDOC is a party, in essence acting as the representative entity for its membership. The ISDOC membership approved 2010 collective dues of \$5,000 for ISDOC membership in OCCOG. The Board will be asked to adopt a revised resolution that approves the joint powers agreement, and correctly authorizes ISDOC's execution of that agreement, and which will rescind the prior resolution on the item adopted in June.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS ADOPTS A REVISED RESOLUTION TO APPROVE AND AUTHORIZE THE EXECUTION OF THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ESTABLISHING THE ORANGE COUNTY COUNCIL OF GOVERNMENTS AND AUTHORIZE ISDOC'S EXECUTION OF SUCH AGREEMENT.

I certify that this Notice of Additional Agenda Item was provided to each member of the Board of Directors and posted at the Moulton Niguel Water District posting location for the District's agenda at least 72 hours prior to 6:00 p.m., on July 15, 2010.

I hereby declare the foregoing is true and correct.

  
Leslie C. Gray, Secretary  
Moulton Niguel Water District