

**MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
MOULTON NIGUEL WATER DISTRICT**

**NOVEMBER 17, 2011**

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 9:00 a.m. on November 17, 2011. There were present and participating:

**DIRECTORS**

LARRY MCKENNEY	President
SCOTT COLTON	Director
RICHARD S. FIORE	Director
DON FROELICH	Vice President
GARY R. KURTZ	Director
LARRY R. LIZOTTE	Director
BRIAN PROBOLSKY	Vice President

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL**

ROBERT C. GUMERMAN	General Manager
MATT COLLINGS	Director of Engineering & Operations
DAVID D. CAIN	Director of Finance/Treasurer
CHARLES J. ROY	Director of Customer Service
PAT GIANNONE	Bowie, Arneson, Wiles & Giannone
EVA PLAJSER	MNWD
LESLIE GRAY	Board Secretary

**PUBLIC MEMBERS**

LOREN LILLISTRAND	Lillistrand & Associates
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Absent was:

There were no absences.

President Larry McKenney presided and Leslie Gray recorded the minutes of the meeting. President McKenney then led the Pledge of Allegiance.

## ACTION ITEMS:

### GENERAL MANAGER'S REPORT

- SOCWA PC 15, Coastal Treatment Plant - it was decided that a Special Engineering & Operations Workshop be scheduled in January to further discuss options.
- Update on WBBRS Implementation - Director Probolsky suggested an outside auditor be hired to oversee the courtesy adjustments the Customer Service staff is granting to customers as a protection method for staff.

### CONSENT CALENDAR ITEMS

- The Board approved Consent Calendar Items 6 through 18 as presented.
- Director Lizotte requested that the JRWSS Joint Transmission Main be discussed next month. Director Froelich concurred and asked that the item be placed on the December Engineering and Operations agenda. President McKenney also requested that a briefing regarding the Governance operation of the system be made at the meeting in December as well.

### MINUTE APPROVAL

#### APPROVAL OF MINUTES OF REGULAR AND CLOSED SESSION OF THE BOARD OF DIRECTORS' MEETING OF OCTOBER 20, 2011

President McKenney reported that he would entertain a motion to approve the minutes of the Regular and Closed Session meeting of October 20, 2011.

THEREAFTER, UPON MOTION MADE BY DIRECTOR COLTON AND SECONDED BY DIRECTOR FROELICH, THE BOARD OF DIRECTORS APPROVED THE MINUTES OF THE REGULAR AND CLOSED SESSION BOARD OF DIRECTORS' MEETING OF OCTOBER 20, 2011 WITH DIRECTOR KURTZ ABSTAINING.

### PUBLIC COMMENTS

President McKenney opened the Public Comments portion of the meeting and asked if there were any public comments.

Hearing no public comments, President McKenney closed the Public Comments portion of the meeting.

## GENERAL MANAGER'S REPORT

Dr. Gumerman reported on numerous ongoing projects at the South Orange County Wastewater Authority (SOCWA).

Director Probolsky arrived at 9:05 a.m.

Dr. Gumerman stated that the District owns capacity in PC 15, Coastal Treatment Plant; however, it doesn't contribute any flow to that Plant through an 18" line. The commitment for capital over the next 10 years is approximately \$6.5 million, regardless if the District contributes any flow or not. A lengthy discussion ensued and it was decided that a Special Engineering & Operations Workshop be scheduled in January to further discuss options.

Dr. Gumerman gave an update on the status of the WBBRS Water Efficiency Fund. The Ad Hoc Committee will meet on November 23 and make recommendations to the entire Board in December. Director Probolsky suggested an outside auditor be hired to oversee the courtesy adjustments the Customer Service staff is granting to customers as a protection method for staff.

Dr. Gumerman will forward the California Forward Initiative to the Board of Directors for their information. This Initiative will be on the November 2012 ballot.

Dr. Gumerman mentioned that the third meeting of the Nine South County Agencies will meet on January 25, 2012. There will be a continuing dialogue on a cost sharing agreement with the nine south county agencies and MET on the second lower-cross feeder.

Dr. Gumerman stated that it came to his attention that the District needed to designate a Board Member as a voting delegate for the general session of the upcoming ACWA Conference on November 30, 2011, and if necessary, on December 1, 2011.

A discussion ensued and the Board of Directors delegated President McKenney as voting delegate.

## CONSENT ITEMS

President McKenney asked if there were any items the Directors would like to pull off the Consent Calendar. Hearing none, President McKenney reported that he would entertain a motion to approve the Consent Calendar Items.

MOTION MADE BY DIRECTOR KURTZ AND SECONDED BY DIRECTOR FROELICH, THE BOARD OF DIRECTORS APPROVED CONSENT ITEMS 6 THROUGH 18 AS PRESENTED WITH PRESIDENT MCKENNEY ABSTAINING FROM ITEM 11.

Director Lizotte requested that the JRWSS Joint Transmission Main be discussed next month. Mr. Collings stated that he planned to keep the Board of Directors updated on the 10-year cash flow projections and planning efforts. Director Froelich concurred and requested that this item be agendized on the December Engineering and Operations agenda. President McKenney also requested that a briefing regarding the Governance operation of the system be made at the meeting in December as well.

#### PRESIDENT'S REPORT

President McKenney reported on the MWDOC Elected Officials meeting on November 3. Two meetings are scheduled per year for elected officials with the spring meeting focused on the budgeting process and the fall meeting focusing on policy issues.

President McKenney also reported on the current happenings at WACO.

President McKenney reminded everyone present of the Southern California Water Committee Annual Dinner this evening, thus the reason for the change in the meeting time today to allow those interested in attending the dinner to do so.

#### BOARD REPORTS

Directors Kurtz and Colton attended the Orange County Water District Groundwater Replenishment System tour.

#### LATE ITEMS

President McKenney asked if there were any late items to come before the Board.

There were none.

#### ADJOURNMENT

Thereafter, the Special Meeting of the Board of Directors of the Moulton Niguel Water District was adjourned at 10:40 a.m.

Respectfully submitted,



Leslie C. Gray  
Board Secretary