

AGENDA

Board of Directors' Meeting

October 15, 2009

1:30 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
October 15, 2009
1:30 p.m. (PDT)
Approximate Meeting Time: 2 -3 Hours**

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

I.	CALL MEETING TO ORDER	
II.	PLEDGE OF ALLEGIANCE	
III.	APPROVE MINUTES OF SEPTEMBER 17, 2009 BOARD OF DIRECTORS' MEETING AND SEPTEMBER 30, 2009 SPECIAL BOARD OF DIRECTORS' MEETING <u>ROLL CALL VOTE</u>	
IV.	PUBLIC COMMENTS	
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* 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 November 19, 2009 at the Moulton Niguel Water District.

* All votes must be by roll call vote.

VI. BOARD/COMMITTEE REPORTS

A. BOARD MEETINGS CHAIRMAN

Community Relations	Probolsky
Engineering & Facilities	Froelich
Finance & Audit	Buck
Investment	Lizotte
Personnel & Salary	McKenney

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

Legal & Legislation	McKenney
Rate Review	Kurtz

VII. CONSENT ITEMS

A. METERS IN SERVICE – September 2009

Description	Beginning of Month	Added/ (Subtracted)	End of Month	One Year Ago
Single Family	33,869	22	33,891	33,808
Multi Family	14,660	0	14,660	14,611
Commercial	2,834	1	2,835	2,793
Irrigation	2,634	0	2,634	2,622
Total	53,997	23	54,020	53,834
Est. Population	166,988	57	167,045	166,700

B. METER DISTRIBUTION * – September 2009

Size	Beginning of Month	Added/ (Subtracted)	End of Month	One Year Ago
5/8"	108	0	108	107
3/4"	36,578	- 1	36,577	36,634
1"	10,673	23	10,696	10,486
1½"	930	0	930	926
2"	4,945	0	4,945	4,931
2-1/2"	12	0	12	11
3"	78	0	78	74
4"	152	0	152	150
6"	315	0	315	311
8"	185	1	186	183
10"	21	0	21	21
Total	53,997	23	54,020	53,834

*Includes potable and recycled water meters.

C. WASTEWATER TREATMENT FLOWS (MGD) – September 2009

Description	Current Month	One Year Ago
Total Flow	13.3	13.6

D. POTABLE WATER IMPORTED – September 2009

Source	Current Month Average Flow (cfs)	Current Month Volume (af)	Since 7/01/08 To Date Volume (af)	Year Ago To Date Volume (af)
Joint Transmission Main	6.6	392.6	1,179.5	1,405.3
Allen-McColloch Pipeline	15.3	910.2	2,846.6	1,593.0
Central Intertie Pipeline	27.9	1,659.8	5,219.1	7,423.8
Interties	0.0	0.0	0.0	0.0
Total	49.8	2,962.6	9,245.2	10,422.1

E. RECYCLED WATER PRODUCED – September 2009

UOR Storage at End of Month: 144.9 af	Current Month Average Flow (mgd)	Current Month Volume (af)	Since 7/01/08 To Date Volume (af)	Year Ago To Date Volume (af)
Source				
Regional AWT	8.12	747.6	2,346.8	2,229.4
Plant 3A AWT	1.44	132.6	379.9	329.1
SCWD AWT**	0.33	30.4	97.0	91.8
Total Produced	9.89	910.6	2,823.7	2,650.3
To(-)/From(+) Storage	+1.13	+104.0	+424.6	+406.1
Total Delivered	11.02	1,014.6	3,248.3	3,056.4

**MNWD delivered recycled water to SCWD during month.

F. RECYCLED WATER GOALS – Thru September 2009

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	1,222	3,900	3,797

G. CUSTOMER SERVICE ACTIVITY – September 2009

	<u>September 2009</u>	<u>September 2008</u>
<u>Cross Connection</u>		
Backflow notices	631	843
Inspections	16	33
<u>Customer Inquiries</u>		
Board room use	7	8
Letters of credit	5	0
Record changes	102	120
Website hits	5,092	5,389
<u>Delinquent Accounts</u>		
Door hanger notices	884	960
Shut-offs	159	152
<u>Education Programs</u>		
Number of students	0	0
<u>Maintenance</u>		
Meter maintenance	176	290
Meter checks	175	238
Angle stop	18	29
Meter lids	116	164
Meter replacements	169	313
Meter box replacements	1	0
Vault replacements	1	2
<u>Meter Activity</u>		
Construction meters	39	41
Meter sales	22	5
New services	23	16
Turn-offs	210	203
Turn-ons	578	534
<u>Meters Read</u>		
Hand-held	1,419	5,601
Touch read	38,726	36,462
Radio-read	13,850	11,748
<u>Service Orders</u>		
Customer inquiries	72	51
Hydrants	4	8
Valve can/Manhole lids	7	3
Fire flow tests	3	1
Leaks	23	27
Pressure tests	19	22
Turn-offs for repairs	37	35
Site visits	1,861	51
Non-MNWD leaks/breaks	75	69
Water quality	0	1
Other service orders	2	10
<u>Total Service Orders</u>	2,878	1,390

VIII. GENERAL MANAGER'S REPORT

A. CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO SUBDIVISION (b) OF GOVERNMENT CODE SECTION 54956.9: (ONE POTENTIAL CASE)
(Attachment under separate cover)

B. SUMMARY AND DISCUSSION:

1. WATER SUPPLY ALLOCATION/USAGE UPDATE
2. SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)
3. LEGISLATIVE UPDATE
4. ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO)/ MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) GOVERNANCE STUDY UPDATE
5. UPDATE ON THE NEW DIRECTOR OF FINANCE/TREASURER

C. 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

A. STORAGE AREA NETWORK (SAN), JOB NO. 2009.068

SUMMARY AND DISCUSSION:

This project was presented at the Engineering Board meeting on October 13, 2009. This project consists of purchasing hardware and software to allow the District to separate its server storage from the servers, to cluster the storage, and use it efficiently.

The District received the following proposals:

<u>VENDOR</u>	<u>PROPOSAL</u>
Compellant QS-20	\$64,964.00
LeftHand Network P4300	\$61,303.00
Dell Equallogic PS6000e	\$54,015.00
Project Budget	\$100,000.00

Proposed Funding from Fund 14 - Planning and Construction Fund.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THAT THE BOARD OF DIRECTORS APPROVE THE PROPOSAL FROM LEFTHAND NETWORK (HP) FOR \$61,303.00, APPROVE THE BUDGET OF \$100,000, AND THE

FUNDING FROM FUND 14 - PLANNING AND CONSTRUCTION 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]

X. FINANCIAL MATTERS

A. SUMMARY OF DISBURSEMENTS DATED SEPTEMBER 30, 2009

1. The Board of Directors will review the Summary of Disbursements dated September 30, 2009, for the month of September 2009 operations. The total disbursements for the period amounted to \$6,073,221.38 applicable to the following funds:

a.	General Fund	3,451,157.49
b.	Planning & Construction	275.00
c.	Replacement & Refurbishment Fund	187,041.47
d.	SRF Fund	816,562.74
e.	Water Supply Reliability Fund	1,584,937.93
f.	2003 COPS Refunding	3,000.00
g.	CIEDB Loan	30,246.75

2. The major expenditures include the following:

a.	Municipal Water District of Orange County (MWDOC)	
	July Water Purchases 3,181 AF	1,862,475.50
	June Recycled Rebates 646.2 AF	(99,514.80)
	July Capacity Charges	29,604.87
	July RTS Charges	57,380.00
	July SCP Operation Surcharge	15,201.45
b.	Santa Margarita Water District	
	Contract No. 2008.032 Upper Chiquita Reservoir	
	June 2009 Invoice	861,549.73
	July 2009 Invoice	722,547.70
c.	State Water Resources Control Board	
	1995 SRF Loan C-06-4150-110	
	Principal	425,813.56
	Interest	71,528.08

d.	State Water Resources Control Board	
	1998 SRF Loan C-06-4150-130	
	Principal	266,387.99
	Interest	52,833.11

These expenditures, pursuant to Board authorization, were previously reviewed and approved on a weekly basis by the Director of Finance/Treasurer.

B. FINANCIAL STATEMENTS

SUMMARY AND DISCUSSION:

The Financial Statements, dated September 2009, were reviewed by the Board of Directors at its Finance and Audit Board of Directors' Meeting on October 14, 2009.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THAT THE BOARD OF DIRECTORS RECEIVE AND ORDER FILED:

1. SUMMARY OF DISBURSEMENTS DATED SEPTEMBER 30, 2009; and
2. FINANCIAL STATEMENTS DATED SEPTEMBER 30, 2009.

C. 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

A. ROLLING HILLS HOMEOWNERS' ASSOCIATION (HOA) RECYCLED WATER PIPELINE DESIGN, CONTRACT 2009.052

SUMMARY AND DISCUSSION:

Proposals were solicited for engineering services to prepare contract documents, construction plans and specifications, and provide construction phase services for the construction of approximately 2,100 feet of recycled water pipeline from the existing 695 pressure zone service line near Crown Valley Parkway, including at least nine (9) new services. Proposals were received on October 6, 2009:

RCE Consultants, Inc.	\$ 24,000
Hunsaker & Associates	\$ 52,367
Psomas	\$ 53,459
Tetra Tech, Inc.	\$ 58,000
Engineer (District Staff)	\$ 80,000

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT AWARD ENGINEERING SERVICES FOR THE ROLLING HILLS HOA RECYCLED WATER PIPELINE EXTENSION, CONTRACT 2009.052 TO RCE CONSULTANTS, INC. IN THE AMOUNT OF \$24,000 AND APPROVE A PROJECT BUDGET FOR THIS FISCAL YEAR

IN THE AMOUNT OF \$30,000. THIS PROJECT WILL BE FINANCED FROM FUND 14 - PLANNING AND CONSTRUCTION FUND.

B. EARTHQUAKE PREPAREDNESS ENHANCEMENT PHASE C, CONTRACT 2002.014

SUMMARY AND DISCUSSION:

Bids were solicited to install seismic-controlled valves at four (4) potable water reservoir sites to complete the final phase earthquake preparedness enhancements for the water storage retrofits throughout the District. Bids were opened on October 1, 2009 as follows:

F.T. Ziebarth	\$ 208,700.00
Pascal & Ludwig	\$ 219,678.00
Schuler Engineering	\$ 234,719.00
S.S. Mechanical	\$ 236,000.00
R.C. Foster Corp.	\$ 239,694.00
T.E. Roberts, Inc.	\$ 240,936.00
Doty Bros.	\$ 258,750.00
Don Peterson	\$ 263,934.02
Paulus Engineering	\$ 287,973.62
Bebek Company	\$ 292,900.00
Engineer (District Staff)	\$ 250,000.00
Fiscal Year 2009-2010 Budget	\$ 300,000.00

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT AWARD THE CONSTRUCTION CONTRACT FOR THE EARTHQUAKE PREPAREDNESS ENHANCEMENT PHASE C, CONTRACT 2002.014 TO F.T. ZIEBARTH IN THE AMOUNT OF \$208,700 AND APPROVE A PROJECT BUDGET IN THE AMOUNT OF \$265,000. THIS PROJECT WILL BE FINANCED FROM FUND 14 - PLANNING AND CONSTRUCTION FUND.

C. 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. ADOPTION OF RESOLUTION TO APPROVE DOCUMENTS FOR PARTICIPATION IN THE PROPOSITION 1A SECURITIZATION PROGRAM

SUMMARY AND DISCUSSION:

The Board previously authorized submission of an application for participation in the Proposition 1A Securitization Program at the September Board Meeting after a presentation of the program by staff and financial advisors. In order to complete documentation for actual participation, adoption of the Resolution included as **Attachment L-1** to this Agenda is required. The Resolution approves the form of a purchase/sale agreement for the District's Proposition 1A Receivable- i.e., the right to receive ad valorem property tax revenues allocated to the District during Fiscal Year 2009-2010. The Resolution and the Purchase/Sale Agreement, including all attachments must be in the forms presented, which were drafted by the joint powers financing authority that will sell bonds to fund the purchase price of the Proposition 1A Receivables from agencies throughout the state. Staff's Report is included as **Attachment L-2** to the Agenda for further details and information.

RECOMMENDED ACTIONS: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS ADOPTS RESOLUTION NO. 09-___ ENTITLED "BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH" .

B ADOPTION OF RESOLUTION TO EXPRESS SUPPORT FOR THE HUNTINGTON BEACH DESALINATION PLANT PROJECT OF POSEIDON RESOURCES

SUMMARY AND DISCUSSION:

Included as **Attachment L-3** is a Resolution of support for the Poseidon Resource's planned water desalination plant in Huntington Beach, authorizing the Board President to advocate and send written expressions of support for the project.

RECOMMENDED ACTION: (ROLL CALL VOTE)

THE BOARD OF DIRECTORS ADOPTS RESOLUTION NO. 09-___ ENTITLED "A RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT SUPPORTING THE CONSTRUCTION AND OPERATION OF THE PROPOSED HUNTINGTON BEACH WATER DESALINATION FACILITY" .

C. 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)