



**BOARD OF DIRECTORS' MEETING
MOULTON NIGUEL WATER DISTRICT
27500 La Paz Road, Laguna Niguel
December 18, 2014
5:30 PM
Approximate Meeting Time: 2 Hours**

1. CALL MEETING TO ORDER:

2. PLEDGE OF ALLEGIANCE:

3. MINUTE APPROVAL:

Minutes of the November 12, 2014 Special Board of Directors Meeting

Minutes of the November 20, 2014 Board of Directors Meeting

4. PUBLIC COMMENTS - CLOSED SESSION:

Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting.

Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.

CLOSED SESSION:

5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (SIX CASES)

Pursuant to Government Code Section 54956.9a, a Closed Session will be conducted to confer with Legal Counsel regarding the following cases:

a) Shapell Industries, Inc., a Delaware Corporation vs Moulton Niguel Water District (Orange County Superior Court)

b) Briosia Owners Association, a California Corporation vs Moulton Niguel Water District (Orange County Superior Court)

c) Cantora Community Association vs Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

d) Eckert, Repetti vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

e) Caito, Cenicerros vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

RETURN TO OPEN SESSION:

The Board of Directors will return to Open Session at 6:00 p.m.

PUBLIC COMMENTS - OPEN SESSION:

CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Engineering/Operations and Finance/IT Board meetings)

Consent items: Unless the 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. Requests for discussion of any specific item should be made to the Presiding Officer in conjunction with the discussion of the consent motion.

6. REBATE APPLICATION FOR TURF REMOVAL AND SYNTHETIC TURF

It is recommended that the Board of Directors consider the rebate application for the identified project without a limitation on the maximum allowable acreage for each project.

7. MNWD & ETWD INTER-TIE CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to T.E. Roberts, Inc. in the amount of \$362,400; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

8. LA SIENA MAINLINE CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to T.E. Roberts, Inc. in the amount of \$568,332; authorize the General Manager to execute the contract; and authorize the General Manager or designee to authorize change orders up to 10% of the contract value.

9. VALVE REPLACEMENTS CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to Paulus Engineering, Inc. in the amount of \$531,852; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

10. TREE MAINTENANCE MULTI-YEAR SERVICE AGREEMENT

It is recommended that the Board of Directors authorize the General Manager to execute an agreement with Great Scott Tree Maintenance, Inc., for a not-to-exceed amount of \$215,000 for Fiscal Years 2014-15 through 2016-17.

11. AMENDMENT NO. 1 TO ON-CALL ASPHALT AND CONCRETE REPAIR SERVICES FISCAL YEAR 2014-15 AND CHANGE OF CONTRACTOR

It is recommended that the Board of Directors approve Amendment No. 1 to the Agreement with Sander's Paving, Inc. valued at \$310,000 for a total not-to-exceed Agreement amount of \$380,000 for the 2014-15 Fiscal Year; and authorize the General Manager to execute the Amendment.

12. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2014

It is recommended that the Board of Directors receive and file the CAFR.

FINANCE & INFORMATION TECHNOLOGY MATTERS:

13. CONSIDERATION OF PUBLIC HEARING FOR ADOPTING RATE INCREASES IN WATER, SEWER, AND RECYCLED WATER SERVICE FEES

It is recommended that the Board of Directors Direct the General Manager to determine a Public Hearing date and finalize and mail the Notice a Public Hearing for Adopting Rate Increases in Water, Sewer, and Recycled Water Service Fees.

GENERAL MANAGER MATTERS:

PRESIDENT'S REPORT:

BOARD REPORTS:

CLOSED SESSION:

14. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(b)(1), a Closed Session will be conducted to confer with Legal Counsel regarding the following claim:

Claim of Joan Somo

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]

ADJOURNMENT:

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) 831-2500 at least forty-eight (48) 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 forty-eight (48) hours prior to the scheduled meeting.

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 seventy-two (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 and on the District website at www.mnwd.com.



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

November 12, 2014

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 AM on November 12, 2014. There were present and participating:

DIRECTORS

Scott Colton	Director
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
Larry Lizotte	Director
Brian Probolsky	Vice President

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Gina Hillary	Director of Human Resources
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary
Duane Cave	Member of the Public
Kurt Lind	Member of the Public
Dennis Linson	Member of the Public
Connie McKenney	Member of the Public
John Steward	Member of the Public

1. CALL MEETING TO ORDER

The meeting was called to order by Donald Froelich at 9:00 a.m.

2. PUBLIC COMMENTS

None.

DISCUSSION/ACTION ITEMS

3. BOARD OF DIRECTORS: DIVISION 6 APPOINTMENT PROCESS

The Board of Directors will conduct interviews with the potential candidates for the Division 6 seat. The Board of Directors will then deliberate for selection of a final candidate.

Donald Froelich outlined the selection process and started the interview process. All five candidates were interviewed by the Board.

4. ADOPTION OF RESOLUTION APPOINTING DIVISION 6 DIRECTOR

It is recommended that the Board of Directors approve the resolution entitled "Appointing Division 6 Director."

The Board deliberated on the candidates and appointed Duane Cave to the Division 6 Director seat.

MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY GARY KURTZ, THE RESOLUTION ENTITLED, "APPOINTING DIVISION 6 DIRECTOR", WAS APPROVED AS AMENDED, NAMING DUANE CAVE AS THE NEW DIRECTOR. THE VOTE WAS UNANIMOUS WITH DIRECTORS DONALD FROELICH, SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

5. ADOPTION OF RESOLUTION HONORING MR. WAYNE CLARK FOR 35 YEARS OF SERVICE TO MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

It is recommended that the Board of Directors approve the resolution entitled "Honoring Mr. Wayne Clark for 35 years of service to Municipal Water District of Orange County."

Joone Lopez stated that Wayne Clark from MWDOC is retiring after 35 years of service. The District is presenting a resolution at his retirement party on November 19, 2014.

MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY SCOTT COLTON, THE RESOLUTION ENTITLED, "HONORING MR. WAYNE CLARK FOR 35 YEARS OF SERVICE TO MUNICIPAL WATER DISTRICT OF ORANGE COUNTY", WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DONALD FROELICH, SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

ADJOURNMENT

The meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Paige Gulck
Board Secretary

DRAFT



**DRAFT
 MINUTES OF THE REGULAR MEETING
 OF THE BOARD OF DIRECTORS OF THE
 MOULTON NIGUEL WATER DISTRICT**

November 20, 2014

A Regular 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 5:30 PM on November 20, 2014. There were present and participating:

DIRECTORS

Duane Cave	Director
Scott Colton	Director
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
Larry Lizotte	Director
Brian Probolsky	Vice President (arrived at 5:51 p.m.)

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Kelly Winsor	Assistant to the General Manager
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary
Vivian Lim	Recording Secretary
Eva Plajzer	MNWD
Drew Atwater	MNWD
Ruth Zintzun	MNWD
Michael Bell	Public Financial Management
Matt Weber	Downey Brand (via phone)
Kevin Turner	Voit
Bob Gokoo	ACWA/JPIA
Carol Lagner	Member of Citizens' Advisory Committee

#3.

Nate Getz
Brian Lochrie

Xylem
Poseidon Water

1. **CALL MEETING TO ORDER:**

The meeting was called to order by Donald Froelich at 5:30 p.m.

2. **PLEDGE OF ALLEGIANCE:**

3. **MINUTE APPROVAL:**

Minutes of the October 10, 2014 Special Board of Directors Meeting

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY SCOTT COLTON, MINUTES OF THE OCTOBER 10, 2014 SPECIAL MEETING OF THE BOARD OF DIRECTORS WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTORS DUANE CAVE, AND GARY KURTZ ABSTAINED. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

Minutes of the October 16, 2014 Board of Directors Meeting

Minutes of the October 29, 2014 Special Board of Directors Meeting

Minutes of the October 31, 2014 Special Board of Directors Meeting

MOTION DULY MADE BY GARY KURTZ AND SECONDED BY SCOTT COLTON, MINUTES OF THE OCTOBER 16, 2014 REGULAR MEETING OF THE BOARD OF DIRECTORS, MINUTES OF THE OCTOBER 29, 2014 SPECIAL MEETING OF THE BOARD OF DIRECTORS, AND MINUTES OF THE OCTOBER 31, 2014 SPECIAL MEETING OF THE BOARD OF DIRECTORS WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR DUANE CAVE ABSTAINED. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

4. **PUBLIC COMMENTS:**

Donald Froelich stated that the Board will take public comment for closed session at this time:

None.

Donald Froelich stated that the Board will take public comment for open session when they return.

CLOSED SESSION:

5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (SIX CASES)

Pursuant to Government Code Section 54956.9a, a Closed Session will be conducted to confer with Legal Counsel regarding the following cases:

a) Shapell Industries, Inc., a Delaware Corporation vs Moulton Niguel Water District (Orange County Superior Court)

b) Briosa Owners Association, a California Corporation vs Moulton Niguel Water District (Orange County Superior Court)

c) Cantora Community Association vs Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

d) Eckert, Repetti vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

e) Caito, Cenicerros vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)

Brian Probolsky arrived at 5:51 p.m.

Closed session ended at 5:56 p.m.

Donald Froelich stated that there was no reportable action taken on this item.

RETURN TO OPEN SESSION:

The Board of Directors will return to Open Session at 6:00 p.m.

Donald Froelich stated that the Board will take public comment for open session at this time.

Brian Lochrie from Poseidon Water presented information regarding the Carlsbad desalination plant.

CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Engineering/Operations and Finance/IT Board meetings)

Brian Probolsky requested to pull Item 7 for discussion. Scott Colton requested to pull Item 8 for discussion.

6. BYPASS PUMP PURCHASE

It is recommended that the Board of Directors approve the purchase of a new bypass pump from Xylem / Godwin for \$143,900.

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY LARRY LIZOTTE, THE BOARD OF DIRECTORS APPROVED CONSENT ITEMS 6 AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

7. MATHIS-OSO BYPASS CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to Paulus Engineering, Inc. in the amount of \$639,700; authorize the General Manager to execute the contract; and authorize the General Manager or designee to authorize change orders up to 10% of the contract value.

Brian Probolsky discussed the amount of the contract.

MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY GARY KURTZ, THE BOARD OF DIRECTORS APPROVED CONSENT ITEMS 7 AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

8. REBATE APPLICATION FOR TURF REMOVAL AND SYNTHETIC TURF

It is recommended that the Board of Directors authorize the General Manager or her designee to consider the rebate application for the identified project without a limitation on the maximum allowable acreage for each project.

Scott Colton discussed the rebate request. Joone Lopez provided clarification regarding the inspection process and request.

MOTION DULY MADE BY GARY KURTZ AND SECONDED BY BRIAN PROBOLSKY, THE BOARD OF DIRECTORS APPROVED CONSENT ITEMS 8 AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

CLOSED SESSION

The Board of Directors continued the closed session item from the Wednesday, November 19, 2014 Finance and Information Technology meeting at 6:25 p.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS, Pursuant to Government Code Section 54956.8

*Property: 4 Liberty, Aliso Viejo, 92656
Under Negotiation: Price and terms of payment
Real Property Negotiators: Joone Lopez, Matt Collings, Kevin Turner, Mike Hartel*

Closed session ended at 8:15 p.m.

Donald Froelich stated that no reportable action was taken on this item.

GENERAL MANAGER MATTERS:

- 9. SURPLUS OF DISTRICT PROPERTIES AT 27500 LA PAZ ROAD IN LAGUNA NIGUEL AND 26161 GORDON ROAD IN LAGUNA HILLS (RESOLUTION 14-)

It is recommended that the Board of Directors adopt the resolution entitled, “Surplus of District Properties Located in Laguna Niguel and Laguna Hills.”

MOTION DULY MADE BY GARY KURTZ AND SECONDED BY DUANE CAVE, THE BOARD OF DIRECTORS APPROVED THE RESOLUTION ENTITLED, “SURPLUS OF DISTRICT PROPERTIES LOCATED IN LAGUNA NIGUEL AND LAGUNA HILLS” AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY.

LEGAL MATTERS:

Pat Giannone stated that there were no legal matters.

PRESIDENT'S REPORT:

Donald Froelich stated that he attended the Drought Partnership Showcase Ribbon Cutting Ceremony held the Laguna Hills High School Athletic Fields earlier today, and it went exceptionally well thanks to Joone Lopez, Kelly Winsor, and Paige Gulck. Representatives from the California State Assembly Office, California State Senate Office, Association of California Water Agencies, Metropolitan Water District of Southern California, and Municipal Water District of Orange County as well as school officials, city officials, and students attended. It was a great partnership.

BOARD REPORTS:

Gary Kurtz stated that he attended the MET dedication event for Jack Foley on November 17, 2014, recognizing Foley’s dedication and service to the water industry.

#3.

Richard Fiore attended the Independent Special Districts of Orange County meeting on October 30, 2014 where Carolyn Emery, Executive Officer of the Orange County Local Agency Formation Commission, did a presentation on sharing services among districts.

Brian Probolsky will recuse himself for the SOCWA portion of the closed session due to his employment with the County of Orange.

CLOSED SESSION:

10. CONFERENCE INVOLVING A JOINT POWERS AGENCY: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)

Pursuant to Government Code Section 54956.96 (a) (1) and (b), Closed Sessions will be conducted for the following purposes (Legal Counsel in attendance):

a. Discussion will concern: Conference with Real Property Negotiators, conveyance of AWMA Bridge/easement to County of Orange PROPERTY - the AWMA Bridge and associated easement is located at the intersection of AWMA Road and Alicia Parkway at the entrance to the County's Woods Canyon/Aliso Canyon Wilderness Parks

NEGOTIATING PARTIES - SOCWA, County of Orange/Stacy Blackwood, Stephen Franks

SOCWA NEGOTIATORS - General Manager, Interim General Manager, Director of Operations

UNDER NEGOTIATION - Price, terms of payment

Name of MNWD representative on SOCWA Board: Director Larry Lizotte

Donald Froelich stated that there was no reportable action taken on this item.

11. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(b)(1), a Closed Session will be conducted to confer with Legal Counsel regarding the following claim:

Claim of CalWest Properties

Closed session ended at 8:32 p.m.

President Donald Froelich reported that the Board of Directors rejected the claim of CalWest Properties/Saddleback Technology Park Association as to those portions that were not time barred, and authorized return of the claim as a late claim as to those portions that were filed un-timely, pursuant to notice prepared by Staff in consultations with legal counsel.

LATE ITEMS: (Appropriate Findings to be Made)

Staff has none.

ADJOURNMENT:

The meeting was adjourned at 8:34 p.m.

Respectfully submitted,

Vivian Lim
Recording Secretary

DRAFT