



**BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
27500 La Paz Road, Laguna Niguel  
April 17, 2014  
5:30 PM  
Approximate Meeting Time: 2 Hours**

**1. CALL MEETING TO ORDER:**

**2. PLEDGE OF ALLEGIANCE:**

**3. MINUTE APPROVAL:**

Minutes of the March 20, 2014 Board of Directors' Meeting

**4. PUBLIC COMMENTS:**

*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.*

**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.*

**5. CONSULTANT SELECTION FOR THE ON-CALL PROFESSIONAL ENGINEERING SERVICES**

It is recommended that the Board of Directors approve the Agreements for Engineering Services for On-Call Professional Engineering Services with AKM Consulting Engineers, Inc., Lee & RO, Inc., and Tetra Tech; and authorize the General Manager to execute the agreements.

**6. REIMBURSEMENT AGREEMENT WITH CITY OF LAGUNA NIGUEL**

It is recommended that the Board of Directors approve the "Agreement Between City of Laguna

Niguel and Moulton Niguel Water District for Installation of Recycled Water Meters and Recycled Infrastructure in Conjunction with Construction of the Runoff Elimination Program for Crown Valley Parkway Medians” (Agreement) subject to non-substantive changes approved by the General Manager and Legal Counsel; and authorize the General Manager to execute the Agreement.

7. ON-CALL ASPHALT AND CONCRETE REPAIR SERVICES FOR FISCAL YEARS 2014/15 AND 2015/16

It is recommended that the Board of Directors authorize the General Manager to execute a contract with Ben’s Asphalt for a not-to-exceed amount of \$550,000 to perform the subject services during the 2014/15 Fiscal Year and an amendment to extend the contract for an additional year at a not-to-exceed amount of \$550,000 for the 2015/16 Fiscal Year.

8. AGREEMENT FOR PARTICIPATION AND CO-FUNDING IN MUNICIPAL WATER DISTRICT OF ORANGE COUNTY REBATE PROGRAM

It is recommended that the Board of Directors authorize the General Manager to execute the “Agreement for Participation and Co-Funding by Moulton Niguel Water District in Specified Municipal Water District of Orange County Rebate Programs” subject to non-substantive changes approved by Legal Counsel and the District staff.

9. REBATE APPLICATIONS FOR TURF REMOVAL AND SYNTHETIC TURF

In response to current drought emergency, it is recommended that the Board of Directors authorize the General Manager or her designee to consider the rebate applications for the identified customers without a limitation on the maximum allowable acreage for each rebate program.

10. AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT FOR PUBLIC FINANCIAL MANAGEMENT, INC.

It is recommended that the Board of Directors approve Amendment No. 2 to the Agreement for Professional Services with Public Financial Management, Inc.; authorize the General Manager to execute Amendment No. 2; and authorize the General Manager to amend the contract terms to reduce the scope of services and contract value.

**GENERAL MANAGER MATTERS:**

**PRESIDENT'S REPORT:**

**BOARD REPORTS:**

**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](http://www.mnwd.com).





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

**March 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 March 20, 2014. There were present and participating:

**DIRECTORS**

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

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
Eva Plajzer	MNWD
Ruby Yuen	MNWD
Brian Thomas	Public Financial Management
Bob Gokoo	ACWA/JPIA
Susan Hinman	Municipal Water District of Orange County
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary

### #3.

1. **CALL MEETING TO ORDER**

*The meeting was called to order by Larry McKenney at 5:30 p.m.*

2. **PUBLIC COMMENTS - CLOSED SESSION**

*None.*

3. **CLOSED SESSION:**

4. **RETURN TO PUBLIC SESSION**

5. **REPORT OF CLOSED SESSION:**

*Larry McKenney reported that the Claim from Mercury Insurance Group for Subrogation re: I. Yomorta was rejected by the Board. The vote was unanimous with Directors Scott Colton, Richard Fiore, Donald Froelich, Gary Kurtz, Larry Lizotte, Larry McKenney, and Brian Probolsky all voting 'Aye'.*

6. **PLEDGE OF ALLEGIANCE**

7. **MINUTE APPROVAL:**

*MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY GARY KURTZ, MINUTES OF THE FEBRUARY 12, 2014, SPECIAL BOARD OF DIRECTORS MEETING OPERATIONS FACILITIES ASSESSMENT STUDY WORKSHOP, AND MINUTES OF THE FEBRUARY 20, 2014, BOARD OF DIRECTORS MEETING WERE APPROVED WITH CHANGES. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

8. **PUBLIC COMMENTS - PUBLIC SESSION:**

*Susan Hinman thanked the District for its efforts in emergency preparedness. She also mentioned the water efficiency device rebate program which may become available at the beginning of April. Susan will be at the Municipal Water District of Orange County (MWDOC) budget meeting on March 25th unless she is called to jury duty.*

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

**9. AGREEMENT FOR CONSULTING SERVICES TO PERFORM A COST OF SERVICE AND RATE DESIGN STUDY**

It is recommended that the Board of Directors approve a Professional Services Agreement in an amount not-to-exceed \$146,000 with MWH Americas, Inc. (MWH) for the provision of a Water, Recycled Water, and Wastewater Cost of Service and Rate Design Study; and authorize the General Manager to execute change orders up to 10% of the contract value.

*Brian Probolsky pulled Items 9 and 10 from the consent calendar.*

*Brian Probolsky asked for any follow-up answers relating to an optional contract extension. Matt Collings stated that the topic was discussed with MWH and that language has been drafted for the option of additional services.*

*MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY GARY KURTZ, ITEM 9 WAS APPROVED WITH THE DRAFTED LANGUAGE. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**10. AGREEMENT FOR INDEPENDENT AUDIT SERVICES**

It is recommended that the Board of Directors approve a Professional Services Agreement in an amount not-to-exceed \$119,000 with Lance, Soll & Lunghard, LLP for the provision of independent audits.

*Brian Probolsky asked that the contract be identified as a three-year contract in the approval and minutes.*

*MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY GARY KURTZ, ITEM 10 WAS APPROVED WITH THE ADDITION OF A CLARIFICATION STATEMENT OF A THREE YEAR SERVICE AGREEMENT. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**GENERAL MANAGER MATTERS:**

*Joone Lopez reported on the South Orange County Operations Managers Meeting.*

*The Orange County Fire Authority called for help during the recent rain storm. Joone Lopez would like to recognize staff efforts in this collaboration.*

### #3.

*The South Orange County's Agencies meeting is March 25, 2014 and the topic is MWDOC's budget.*

*The Reliability Planning Group meeting was March 12, 2014. Matt Collings hosted the kickoff meeting to discuss the framework of the group, water use efficiency, and response to the drought.*

*Santa Margarita Water District Finance meeting is March 21, 2014. Scott Colton and Gary Kurtz are attending. This is to start discussions on recycled water projects in the region and how all agencies can collaborate.*

*The WaterReuse Conference was in Newport Beach this past week. Larry McKenney participated in a "town hall" panel.*

*Staff attended the ACWA Symposium in Sacramento where discussions on California's Department of Public Health Clean Water Act occurred. This may impact staff's certifications. Staff will follow-up with any changes that may arise.*

*The Spring ACWA conference is the first week of May in Monterey. If you'd like to attend, please let Paige know.*

*The District is working with the City of Mission Viejo, El Toro Water District, Trubuco Canyon Water District, and Santa Margarita Water District to set up a workshop regarding water efficiency measures and programs available to the city. A workshop will be held sometime in April.*

*Richard Fiore stated that at the Mission Viejo Council Meeting on March 3, 2014, the City passed a Resolution 14-07 calling for a 20 percent voluntary reduction in water usage.*

*The District is also participating in discussions with the City of Laguna Hills and Saddleback School District for rebate programs regarding turf removal and installation of synthetic turf. They are also looking for assistance with recycled water retrofitting.*

*The Aliso Viejo and Laguna Niguel Chambers of Commerce started a joint legislative forum. MNWD will be presenting on April 4, at 7:15 a.m. on the drought and the District's priorities.*

*Clarification was sent on the questions raised by our Citizens' Advisory Committee regarding the recent article in the Orange County Register on Metropolitan Water District's (MWD) extra funding.*

#### **LEGAL MATTERS:**

*None.*



**PRESIDENT'S REPORT:**

*Larry McKenney stated he attended the California Association of Sanitation Agencies (CASA) conference in Washington DC during the last week of February. The conference was well organized and very informative.*

*The WaterReuse conference had excellent technical information, and seems to be pushing for both direct and indirect potable reuse in the region, with potential benefits to this District.*

*The California Water Policy conference is at Claremont McKenna College on April 3 and 4, 2014. There are still a few seats available.*

*Southern California Water Committee is currently reviewing the water bond and drought legislation. Several bills are being proposed relative to the water bond package that is scheduled to be on the November ballot. Drought legislation for federal drought relief is working its way through Congress. The State recently passed some drought relief bills and the Governor has signed them.*

*John Withers has asked for support in his re-election for the Local Agency Formation Commission (LAFCO). Verbal support of this vote was given by the Board.*

**BOARD REPORTS:**

*Donald Froelich reported that the speaker for the next Water Advisory Committee of Orange County's (WACO) meeting will be Michael Giancola, Chief Executive Officer for the County of Orange.*

*Donald Froelich attended the Planning and Operations committee meeting at MWDOC. John Kennedy from Orange County Water District (OCWD) presented on groundwater issues and the necessity for Metropolitan Water District water. John Kennedy will be presenting at WACO in May. Also at the meeting, the Irvine Ranch Water District's Strand Ranch program was approved.*

*Donald Froelich also attended the MWDOC workshop with MWD directors regarding the budget discussion. The presentation on water supply conditions was excellent. He attended the Public Affairs committee as well.*

*Richard Fiore stated that during the general manager's report it was mentioned that on March 3, the City of Mission Viejo passed a resolution for voluntary reduction of water usage. The District supports their conservation efforts during the drought and for further information, customers can visit the city's website at [www.cityofmissionviejo.org/green](http://www.cityofmissionviejo.org/green).*

**#3.**

*Scott Colton attended the Santiago Aqueduct Commission meeting. The Board approved an engineering firm to check the condition of the pipe. The cost of the repair is about \$600,000.*

**LATE ITEMS: (Appropriate Findings to be Made)**

*Staff has none.*

**ADJOURNMENT**

*The meeting was adjourned at 6:55 p.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary

DRAFT