



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

**THIS BOARD MEETING WILL INCLUDE TELECONFERENCING AT THE
FOLLOWING LOCATION:
3200 S LINCOLN AVE, STEAMBOAT SPRINGS, CO 80477**

- 1. CALL MEETING TO ORDER:**
- 2. PLEDGE OF ALLEGIANCE:**
- 3. MINUTE APPROVAL: (ROLL CALL VOTE)**

Minutes of the August 6, 2014 Special Meeting of the Board of Directors

Minutes of the August 11, 2014 Special Meeting of the Board of Directors

Minutes of the August 21, 2014 Regular Meeting of the Board of Directors

- 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) (ROLL CALL VOTE)

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. LONG RANGE WATER RESOURCE PLAN AGREEMENT AMENDMENT**

It is recommended that the Board of Directors approve Amendment No. 2 to the Agreement for Engineering Services with CDM Smith Inc. valued at \$13,065, for a total not-to-exceed agreement amount of \$246,203; authorize the General Manager to execute the Amendment; and authorize the General Manager to authorize change orders up to 10% of the agreement value.

6. EAST ALISO CREEK RESERVOIR RECOATING AND IMPROVEMENTS AGREEMENT

It is recommended that the Board of Directors approve the Engineering Services Agreement with Harper and Associates Engineering, Inc. in the amount of \$93,530; authorize the General Manager to execute the agreement; and authorize the General Manager or designee to execute agreement amendments up to 10% of the agreement amount.

7. PORTABLE GENERATOR PURCHASE

It is recommended that the Board of Directors approve the purchase of a new portable generator set from Cummins Cal Pacific for \$77,760.

8. FLEET VEHICLE PURCHASES

It is recommended that the Board of Directors authorize the purchase of two fleet vehicles from Theodore Robins Ford totaling \$53,571, the purchase of vehicle accessories in the amount of \$17,248 and the salvage of Unit 14.

9. AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR STRATEGIC REAL ESTATE CONSULTING

It is recommended that the Board of Directors approve Amendment No. 2 to the Professional Services Agreement with StarPointe Ventures valued at \$20,000 for a total not-to-exceed contract amount of \$63,200; and authorize the General Manager to execute the Amendment.

GENERAL MANAGER MATTERS:

10. WATER QUALITY, SUPPLY, AND INFRASTRUCTURE IMPROVEMENT ACT (RESOLUTION NO. 14-__)(ROLL CALL VOTE)

It is recommended that the Board of Directors approve the attached Resolution entitled, "In Support Of Proposition 1, The Water Quality, Supply and Infrastructure Improvement Act of 2014".

LEGAL MATTERS:

11. REVISION TO CONFLICT OF INTEREST CODE - DESIGNATED PERSONS, REPORTABLE INTERESTS APPENDICES (RESOLUTION NO. 14-__)(ROLL CALL VOTE)

Every two years, the Political Reform Act requires every local government agency to review its conflict of interest code and submit a notice to its code's reviewing body that specifies the code is accurate, or that the code needs to be amended. The deadline for this notification is October 1, 2014. If amendments are necessary, the revised code is submitted to the reviewing body for approval within 90 days from the date the biennial notice is filed. With the revision to the organizational structure at the District over the past two years, and to also track the requirements of the revised Procurement Policy, an amendment is necessary to revise the list of Designated Persons who will file annual Form 700 disclosure(s). Updates to the Reportable Interest categories have been made to provide examples and to create separate categories for Consultants who file.

It is recommended that the Board of Directors approve the resolution entitled “Adopting a Revised List of Designated Persons and Updated Reportable Interests for Conflict of Interest Code.

PRESIDENT'S REPORT:

BOARD REPORTS:

CLOSED SESSION:

12. 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 Paredes

13. 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):

i. 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, Mark Denny
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

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**

August 6, 2014

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 26161 Gordon Road, Laguna Hills, CA, California, at 5:30 PM on August 6, 2014. There were present and participating:

DIRECTORS

Scott Colton	Director
Richard Fiore	Director
Donald Froelich	Vice President
Larry Lizotte	Director
Larry McKenney	President
Brian Probolsky	Vice President (arrived at 5:45 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 and Operations
Paige Gulck	Board Secretary
Ruth Zintzun	MNWD
Todd Novacek	MNWD
Adrian Tasso	MNWD
Vivian Lim	MNWD
Brian Thomas	Public Financial Management
Michael Bell	Public Financial Management
Matt Weber	Downey Brand
Kevin Turner	Voit
Tim Strader Jr.	Starpointe Ventures
Patrick Strader	Starpointe Ventures

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1. CALL MEETING TO ORDER

The meeting was called to order by Larry McKenney at 5:35 p.m. Before starting closed session, Larry McKenney stated that a Legal Ad-Hoc committee consisting of Richard Fiore, Brian Probolsky, and himself would be convening to discuss procurement and future needs of legal services for the district.

2. PUBLIC COMMENTS

None.

CLOSED SESSION

3. 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*

A tour of the Gordon Road facility was provided.

Larry McKenney stated that no reportable action was taken on this item.

ADJOURNMENT

The meeting was adjourned at 9:50 p.m. and continued to August 11, 2014 at 5:30 p.m. with a location change to 27500 La Paz Road, Laguna Niguel, California, 92677.

Respectfully submitted,

Paige Gulck
Board Secretary



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

August 11, 2014

A continuance of the August 6, 2014 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, CA, California, at 5:30 PM on August 11, 2014. There were present and participating:

DIRECTORS

Scott Colton	Director
Richard Fiore	Director
Donald Froelich	Vice President
Larry Lizotte	Director
Larry McKenney	President
Brian Probolsky	Vice President (arrived at 5:45 p.m.)

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Paige Gulck	Board Secretary
Vivian Lim	MNWD

1. CALL MEETING TO ORDER

The meeting was called to order by Larry McKenney at 5:34 p.m.

2. PUBLIC COMMENTS

None.

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CLOSED SESSION

3. 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

Larry McKenney stated that no reportable action was taken on this item.

ADJOURNMENT

The meeting was adjourned at 7:49 p.m.

Respectfully submitted,

Paige Gulck
Board Secretary



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

August 21, 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 August 21, 2014. There were present and participating:

DIRECTORS

Scott Colton	Director
Richard Fiore	Director
Donald Froelich	Vice President (arrived at 5:45 p.m.)
Larry Lizotte	Director
Larry McKenney	President
Brian Probolsky	Vice President (arrived at 6:09 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
Ruth Zintzun	Finance Manager
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary
Michael Bell	Public Financial Management
Bob Gokoo	ACWA/JPIA
Drew Atwater	MNWD
Vivian Lim	MNWD
Wes Milbrand	Citizens' Advisory Committee Member
Jake Vollebregt	Member of the Public

#3.

1. CALL MEETING TO ORDER:

The meeting was called to order by Larry McKenney at 5:35 p.m.

2. PLEDGE OF ALLEGIANCE:

3. PUBLIC COMMENTS - CLOSED SESSION:

None.

4. CLOSED SESSION:

a. 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) United States, the States of California, Delaware, Florida, Illinois, Indiana, Nevada, New Mexico, New York, and Tennessee, the Commonwealths of Massachusetts and Virginia, and the District of Columbia ex rel. John Hendrix vs. J-M Manufacturing Company, Inc., d/b/a JM Eagle, a Delaware corporation, and Formosa Plastics Corporation, U.S.A., a Delaware corporation: Federal and State court cases

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

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

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

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

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

b. 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):

i. Discussion will concern: Government Code Section 54956.9(a)-(d)(1), Existing Litigation of SOCWA: One Case

South Orange County Wastewater Authority vs Michael Demaree, Does 1 through 25, related cross complaint (Orange County Superior Court)

ii. 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, Mark Denny
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

5. RETURN TO PUBLIC SESSION:

The Board of Directors returned to Public Session at 6:00 p.m.

6. REPORT OF CLOSED SESSION:

Larry McKenney stated that no reportable action was taken.

7. PUBLIC COMMENTS - OPEN SESSION:

Wes Milbrand, a member of the Citizens' Advisory Committee, attended the meeting to discuss Item 13 on the agenda.

8. MINUTE APPROVAL:

Minutes of the July 1, 2014 Special Board of Directors Meeting

Minutes of the July 17, 2014 Board of Directors Meeting

Minutes of the July 28, 2014 Special Board of Directors Meeting

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY LARRY LIZOTTE, MINUTES OF THE JULY 1, 2014 SPECIAL BOARD OF DIRECTORS MEETING, AMENDED MINUTES OF THE JULY 17, 2014 BOARD OF DIRECTORS MEETING, AND MINUTES OF THE JULY 28, 2014 SPECIAL BOARD OF DIRECTORS MEETING WERE APPROVED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY LIZOTTE, LARRY MCKENNEY ALL VOTING 'AYE'. DIRECTOR GARY KURTZ AND BRIAN PROBOLSKY WERE ABSENT.

Brian Probolsky arrived at 6:09 p.m.

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

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY SCOTT COLTON, CONSENT CALENDAR ITEMS 9, 10, AND 11 WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTOR GARY KURTZ WAS ABSENT.

9. ON-CALL SERVICE AGREEMENT FOR MANHOLE REHABILITATION PROGRAM, PROJECT NO. 2014.009

It is recommended that the Board of Directors award the service agreement for the Manhole Rehabilitation Program to Ayala Engineering for a total not-to-exceed amount of \$600,000 (\$300,000 per year) during Fiscal Years 2014-15 and 2015-16; and authorize the General Manager to execute the agreement.

10. AMENDMENT TO ENGINEERING DESIGN SERVICES AGREEMENT FOR THE PRESSURE REDUCING STATIONS RELOCATION PROJECT

It is recommended that the Board of Directors approve Amendment No. 4 to the Engineering Design Services Agreement with Tetra Tech, Inc. valued at \$9,400, for a total not-to-exceed contract amount of \$143,700; authorize the General Manager to execute the Amendment.

11. BULK FUEL DELIVERY SERVICES AGREEMENT

It is recommended that the Board of Directors award a two-year service agreement to Nickey Petroleum Co., Inc. for a total not-to-exceed amount of \$680,000 (\$340,000 per year) for the purchase and delivery of unleaded fuel, diesel fuel, and motor oil lubricants during Fiscal Years 2014-15 and 2015-16; and authorize the General Manager to execute the agreement.

12. REVISED RESERVE POLICY

It is recommended that the Board of Directors approve the revised Reserve Policy.

This item was discussed after Item 15.

Staff presented the revised cash flow model from the August 20, 2014 Finance and Information Technology meeting and the revised reserve policy. Discussion ensued regarding projections for the cash flow model and recommended revisions to the reserve policy. The Board gave direction to continually evaluate and make recommendations on the rate stabilization reserve.

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY RICHARD FIORE, ITEM 12 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTOR GARY KURTZ WAS ABSENT.

GENERAL MANAGER MATTERS:

13. AT-LARGE ELECTIONS

Recommend action: As directed by the Board of Directors

Wes Milbrand and Jake Vollebregt, members of the public, spoke in favor of the at-large election. After discussion, there was no action taken on this item. Staff was instructed to bring this item back to the Board in September.

Larry Lizotte left the meeting at 6:55 p.m.

ENGINEERING & OPERATIONS MATTERS:

14. DESIGNATION OF APPLICANT'S AGENT FOR FEMA GRANT

It is recommended that the Board of Directors adopt Resolution 14-___ designating District agent for Hazard Mitigation Grant Program and execution of application and authorizing other actions in connection with the grant program application.

Joone Lopez and Matt Collings provided a brief background on the item.

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY SCOTT COLTION, ITEM 14 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTORS GARY KURTZ AND LARRY LIZOTTE WERE ABSENT.

FINANCE & INFORMATION TECHNOLOGY MATTERS:

15. AMENDMENT NO. 1 TO AGREEMENT WITH MWH AMERICAS, INC.

It is recommended that the Board of Directors authorize the General Manager to execute Amendment No. 1 to the Agreement with MWH for an amount not-to-exceed \$17,000.

Joone Lopez provided a brief background on the item. MWH is completing a drought rate analysis for the District. Staff recommends an amendment to the agreement with MWH for an amount not-to-exceed \$17,000.

MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY SCOTT COLTION, ITEM 15 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY MCKENNEY, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTORS GARY KURTZ AND LARRY LIZOTTE WERE ABSENT.

PRESIDENT'S REPORT:

Larry McKenney asked for other General Manager Matters at this time.

Joone Lopez stated that a MWDOC Ad Hoc committee for the MET representative selection process is meeting on August 27, 2014.

Joone Lopez stated that the South Orange County Agencies Meeting is set for September 16, 2014 at noon.

Staff is working with El Toro Water District and Santa Margarita Water District to do a joint presentation for the Mission Viejo City Council. The date is tentatively set for September 2, 2014.

Staff will be presenting a rate study update to the City of Laguna Hills at the council meeting on September 23, 2014.

Staff is giving a tour of MNWD facilities to the City of Laguna Niguel on Friday, August 22, 2014.

Larry McKenney reported that the water bond passed the legislature last week. The District may want to consider developing District-wide speaking points on the topic.

BOARD REPORTS:

Richard Fiore stated that the Independent Special Districts of Orange County (ISDOC) quarterly meeting on July 31, 2014 had Neal Kelley from the County of Orange as a presenter. It was an excellent presentation regarding voting statistics and political demographics.

CLOSED SESSION:

16. 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

Item 16 was removed from the agenda.

LATE ITEMS: (Appropriate Findings to be Made)

Staff has none.

ADJOURNMENT:

The meeting was adjourned at 8:55 p.m.

Respectfully submitted,

Paige Gulck
Board Secretary



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** September 18, 2014

FROM: Joone Lopez, General Manager
Drew Atwater, Sr. Financial Analyst

SUBJECT: Water Quality, Supply, and Infrastructure Improvement Act
(Resolution No. 14-__)

SUMMARY:

Issue: The 2014 Water Quality, Supply, and Infrastructure Improvement Act (Proposition 1) of 2014 is on the November 2014 ballot.

Recommendation: It is recommended that the Board of Directors approve the attached Resolution entitled, "In Support Of Proposition 1, The Water Quality, Supply and Infrastructure Improvement Act of 2014".

Fiscal Impact: No Impact.

BACKGROUND:

In 2009, the California State Legislature adopted a comprehensive package with regards to the Sacramento-San Joaquin Bay Delta with policy goals of habitat restoration and statewide water reliability. One part of the package was an \$11.14 billion water bond to fund both in delta habitat conservation and restoration, in addition to statewide water reliability and quality projects. Originally, the Bond was to appear on the November 2010 ballot but it was first moved to 2012 and then again pushed back to 2014. In 2013, the State Legislature and the Governor started discussion on the appropriateness of the size and scope of the Water Bond. After almost 2 years of discussions, the Legislature reached a compromise Water Bond at \$7.545 Billion. The bipartisan legislation passed the Senate 37-0 and the Assembly 77-2.

The new bond includes \$7.12 billion in new debt, plus the repurposing of existing unspent bond funds of \$425 million for a total of \$7.545 billion. None of the repurposed bond funds will be taken from existing projects. The bond provides for water use efficiency and recycling, groundwater cleanup and management and \$2.7 billion for additional water storage. It invests in safe drinking water, particularly in

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disadvantaged communities, and provides for watershed restoration and increased flows in some of California's most important rivers and streams. An attached table compares the previous and current water bond major expenses.

DISCUSSION:

State Advocacy Provisions:

State laws provide strict prohibitions on campaign and measure advocacy. State law prohibits the use of district resources to engage in political advocacy or campaign activities either in support of or in opposition to any measure or candidate before the voters. This prohibition extends to the use of public resources to disseminate advocacy materials prepared by others and promotional campaign materials prepared using public funds. Public resources may be used for purely informational activities and educational efforts regarding a ballot measure provided that the information is factual and impartial. Additionally, a local agency may take a position on a ballot measure; respond to inquiries about a measure, provided the response is a fair representation of the facts; and share the agencies views on and analyses of the measure's impacts and merits. In any permissible communication, inflammatory and argumentative language must not be used and the communications must not encourage the public to adopt the agency's view or to take action related to the measure.

Attachments:

1. Table Comparing 2009 & 2014 Water Bond
2. Resolution in Support of the 2014 Water Quality, Supply, and Infrastructure Improvement Act

	SB7x 2 Previous Bond on the November 2014 ballot)	Proposition 1 (Current Bond on the November 2014 Ballot)
Water Quality/Clean and Safe Water	\$1.455 Billion	\$1.420 Billion (Chapters 5 & 10)
Water Quality in Disadvantaged Communities	\$90 Million (Chapter 5)	
State Water Pollution Control Revolving Fund Small Community Grant Fund	\$75 Million (Chapter 5)	\$260 Million (Chapter 5)
Safe Drinking Water (Public Infrastructure Improvements)	\$290 Million (Chapter 5)	\$260 Million (Chapter 5)
Groundwater Quality	\$1.0 Billion (Chapter 10)	\$900 Million (Chapter 10)
Watersheds	\$1.785 Billion (Chapter 9)	\$1.3575 Billion (Chapter 6)
Regional Watershed Funds	\$1.535 Billion	\$597.5 Million
		\$277.5 Million is being given to specific outside of Delta conservancies and \$120 Million is dedicated for urban creeks. (Chapter 6)
State Obligations	\$250 Million Funding is allocated for Klamath River dam Removal	\$475 Million Includes funding the State's obligation for the Central Valley Project Improvement Act, interstate compacts, and multiparty water quantification settlement agreement (Chapter 6)
Natural Resource Agency Support of State Conservancies	\$250 Million	
Miscellaneous	\$250 Million	\$285 Million for CDFW for watershed restoration projects (Chapter 6)
Regional Water Security/ Water Supply Reliability	\$2.65 Billion	\$1.535 Billion (Chapter 7 & 9)
Integrated Water Management Plans	\$1.4 Billion (Chapter 6)	\$510 Million (Chapter 7)
Orange County's IRWMP Allocation	\$128 Million allocated to Santa Ana Region which includes all of Orange County	\$63 Million of the \$510 Million is designated to the Santa Ana subregion & \$52.5 Million is designated to the San Diego subregion
Water Conservation	\$250 Million (Chapter 11)	\$100 Million (Chapter 7)

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Multi-benefit Stormwater Management Projects		\$200 Million (Chapter 7)
Water Recycling & Advanced Treatment Technology Projects	\$1.0 Billion (Chapter 11)	\$725 Million (Chapter 9)
Delta Sustainability	\$2.25 Billion (Chapter 7)	\$422.5 Million (Chapter 7 & 11)
Ecosystem Restoration	\$1.5 Billion	\$87.5 Million to CFWD for Delta ecosystem restoration & \$50 Million available to the Delta
Flood/ Levee Improvements		\$295 Million
Water Storage	\$3.0 Billion (Chapter 8)	\$2.7 Billion (Chapter 8)
Continuous Appropriations Provisions	Includes continuous appropriation	Includes continuous appropriation
Eligible Storage Projects	Surface Storage Groundwater Storage Groundwater aquifer remediation or contamination prevention Conjunctive use & reservoir reoperation Local and regional surface storage projects that improve operation of water systems	Surface Storage Groundwater Storage Groundwater aquifer remediation or contamination prevention Conjunctive use & reservoir reoperation Local and regional surface storage projects that improve operation of water systems
Flood Control & Stormwater Management		\$100 Million (Chapter 11)
Total Investment (Billions)	\$11.14 Billion	\$7.545 Billion

RESOLUTION NO. 14- __

RESOLUTION OF BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT IN SUPPORT OF PROPOSITION 1, THE WATER QUALITY, SUPPLY AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014

WHEREAS, California is in a severe, multi-year drought and faces a growing list of challenges associated with aging infrastructure, climate change, population growth and other factors; and

WHEREAS, water managers and top leaders including Governor Jerry Brown agree that we need a comprehensive, statewide water plan to create a more resilient water system and meet the coequal goals of improved water supply reliability and ecosystem health; and

WHEREAS, the Legislature has approved and Governor Brown has signed the Water Quality, Supply and Infrastructure Improvement Act of 2014, which will appear as Proposition 1 on the November 4 ballot and provide much-needed funding to advance a statewide comprehensive water plan to secure our water future; and

WHEREAS, if approved by voters, the measure would provide \$7.545 billion in bond funding for new surface and groundwater storage projects, regional water reliability, sustainable groundwater management and cleanup, water recycling, water conservation, watershed protection and safe drinking water, particularly for disadvantaged communities, and other programs the Association of California Water Agencies and its members have long advocated as a part of a statewide comprehensive plan; and

WHEREAS, ACWA's Board of Directors voted unanimously to formally support Proposition 1 in a special meeting on Aug. 19;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Moulton Niguel Water District formally supports the Proposition 1, the Water Quality, Supply and Infrastructure Improvement Act of 2014 on the November ballot.

ADOPTED, SIGNED and APPROVED this 18th day of September, 2014.

President/Vice President
MOULTON NIGUEL WATER DISTRICT and
the Board of Directors thereof

Secretary/Assistant Secretary
MOULTON NIGUEL WATER DISTRICT and
the Board of Directors thereof

RESOLUTION NO. ~~142~~-_____

RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT ADOPTING A REVISED LIST OF DESIGNATED PERSONS AND UPDATED REPORTABLE INTERESTS FOR CONFLICT OF INTEREST CODE

WHEREAS, the Board of Directors of Moulton Niguel Water District ("MNWD" or "District") previously adopted MNWD's Conflict of Interest Code (MNWD Code) pursuant to the Political Reform Act, California Government Code Section 810000, *et seq.* ("Act") and Section 18730 of the regulations established by the Fair Political Practices Commission, California Administrative Code Title 2, Section 18109, *et seq.* ("FPPC Regulations"), which incorporated the standardized conflict of interest code set forth under the FPPC Regulations. Capitalized terms not otherwise defined in this Resolution shall have the meanings set forth in the Act and the FPPC Regulations;

WHEREAS, the Board of Directors last revised Appendix A-1 to the MNWD Code, entitled Designated Persons for Disclosure Purposes, by adoption of Resolution No. ~~120-2234~~ on October ~~1821~~, 201~~20~~, to reflect job title revisions and/or add staff positions to the list of Designated Persons; and

WHEREAS, pursuant to the Act's requirement for biennial review of local conflict codes, the Board of Directors has considered changes to the list of Designated Persons in Appendix A-1 to the MNWD Code to reflect the most current employee positions as well as to conform with District procurement policies, such appendix to be revised as set forth in Attachment 1 to this Resolution, and has considered updates to Appendix A-2, Financial Interests That Must Be Reported - Designated Persons, such appendix to be revised as set forth in Attachment 2, to this Resolution.

NOW, THEREFORE, the Board of Directors of the Moulton Niguel Water District does hereby **RESOLVE, DETERMINE** and **ORDER** as follows:

Section 1. Appendix A-1 (Designated Persons for Disclosure Purposes) as set forth in Attachment 1 to this Resolution and by this reference incorporated herein, is approved by the Board of Directors, and is incorporated in the MNWD Code, and supersedes Appendix A-1 to the MNWD Code as that appendix is set forth in Resolution No. ~~120-2234~~. Appendix A-2 (Financial Interests That Must Be Reported - Designated Persons) as set forth in Attachment 2 to this Resolution and by this reference incorporated herein, is approved by the Board of Directors, and is incorporated in the MNWD Code, and supersedes Appendix A-2 to the MNWD Code as that appendix is currently forth therein.

Section 2. Except for the revision to Appendix A-1 and Appendix A-2 of the MNWD Code set forth in Attachment 1 and Attachment 2 to this Resolution, all other terms set forth in the MNWD Code remain unchanged, and in full force and effect.

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#11.

ADOPTED, SIGNED and APPROVED this 18th day of ~~October~~September, ~~2012~~2014.

MOULTON NIGUEL WATER DISTRICT

President
MOULTON NIGUEL WATER DISTRICT
and Board of Directors thereof

Secretary
MOULTON NIGUEL WATER DISTRICT
and Board of Directors thereof

APPROVED AS TO FORM:

BOWIE, ARNESON, WILES & GIANNONE
Legal Counsel -Moulton Niguel Water District

By _____
Patricia B. Giannone

ATTACHMENT 1

APPENDIX A-1
DESIGNATED PERSONS FOR DISCLOSURE PURPOSES¹

<u>Designated Position</u>	<u>Disclosure Categories</u>	<u>Schedules Associated</u>
Accounting Supervisor	1,2,3	All
Assistant Director of Engineering	1,2,3	All
Assistant Director of Operations	1,2,3	All
Assistant to the General Manager	1,2,3	All
Board Secretary	1,2,3	All
Contracts and Procurement Manager	1,2,3	All
Controller	1,2,3	All
Director of Engineering and Operations	1,2,3	All
Director of Human Resources	1,2,3	All
Finance Manager	1,2,3	All
Information Technology Manager	1,2,3	All
Human Resources Manager	1,2,3	All
Controller	1,2,3	All
Board Secretary	1,2,3	All
Purchasing Agent	1,2,3	All
Principal Engineer	1,2,3	All
Purchasing Agent	1,2,3	All
Safety and Risk Manager	1,2,3	All
Superintendent	1,2,3	All
Water Use Efficiency Manager	1,2,3	All
Purchasing Agent	1,2,3	All
Assistant to the General Manager	1,2,3	All
Legal Counsel	1,2,3	All
Consultant* (excluding any consultant who is an official who manages public investments)	1,2,3 ,4,5	All

*Consultants who are included in the list of designated persons as determined by the General Manager shall disclose pursuant to the disclosure categories in this Code, subject to the following limitation: The General Manager may determine in writing that a particular consultant, although a “designated person,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Code.

¹ Officials Who Manage Public Investments

#11.

The Moulton Niguel Water District has determined the following positions listed below manage public investments and will file a **Form 700** Statement of Economic Interests (or such other FPPC designated form) in accordance with Government Code Section 87200 and FPPC Regulation 18720. This filing is in lieu of any filing of a **Form 700** Statement of Economic Interests as a designated person. Such officials shall report all the financial interests required by Form 700, and not those more limited interests listed on Appendix A-2 to this Code.

- a. Members of the Board of Directors
- b. General Manager
- ~~c.~~ Assistant General Manager
- ~~d.~~ Director of Finance/Treasurer; Acting Treasurer
- ~~e.~~ Finance Manager
- ~~f.~~ Consulting investment advisors/managers
- ~~g.~~ Consulting financial advisors/managers

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ATTACHMENT 2

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APPENDIX A-2

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**FINANCIAL INTERESTS THAT MUST BE REPORTED -
DESIGNATED PERSONS**

Category 1:

Interests in real property located within the ~~jurisdiction-District~~ other than ~~your a~~ principal residence.

Category 2:

Investments or business positions in or income (including loans, gifts and travel payments) from business entities which manufacture, distribute, lease, retail, or sell materials, machinery, parts or equipment which are, or which have been or foreseeably could be, utilized or procured by the District, including but not limited to those set forth below:

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- Water quality equipment and supplies
- Cathodic protection equipment and supplies
- Landscape supplies
- Pipes, valves, fittings, pumps, meters and similar items
- Construction and maintenance equipment and supplies
- Chemicals
- Motor vehicles and specialty vehicles, parts and supplies
- Petroleum products
- Safety equipment and supplies
- Office equipment and supplies
- Computer hardware and software
- Printing, reproduction or photographic equipment and supplies
- Periodicals, books, newspapers
- Educational equipment and supplies
- Medical supplies and informational materials
- Food supplies

Investments or business positions in business entities are reportable only to the extent that they do business with the District, or they have done business with the District during the two years prior to the time that a Reporting Statement is required to be filed by this Code, or ~~they plan to~~ it is reasonably foreseeable they could do business with the District. Income is not reportable where the income is received from a source which is not doing business with the District, ~~not planning to do business with the District,~~ or has not done business with the ~~Authority-District~~ during the two years prior to the time that a Reporting Statement is required to be filed under this Code, or it is not reasonably foreseeable a source could do business with the District.

Category 3:

Investments or business positions in or income (including loans, gifts, and travel payments) from business entities which ~~are contractors, engineers, appraisers or special consultants engaged in the performance or work or services utilized by the District.~~ contract or subcontract for, or consult in, the performance of work or services which are, or which have been or foreseeably could be, utilized or procured by the District, including, but not limited to, any of the following:

- Water quality testing
- Cathodic protection services
- Engineering, architectural and construction inspection services
- Construction and maintenance services
- Public utilities
- Security services
- Financial audit and accounting services
- Banking, savings and loan services
- Insurance services
- Communication services
- Employment and temporary help services
- Transportation and lodging services
- Food services

Investments or business positions in business entities are reportable only to the extent that they do business with the District, they have done business with the District during the two years prior to the time that a Reporting Statement is required to be filed by this Code, or ~~they plan it is reasonably foreseeable they could to~~ do business with the District. Income is not reportable where the income is received from a source which is not doing business with the District, ~~not planning to do business with the District,~~ or has not done business with the District during the two years prior to the time that a Reporting Statement is required to be filed under this Code, or it is not reasonably foreseeable a source could do business with the District.

Category 4:

Investments in or income (including loans, gifts and travel payments) from business entities which manufacture, distribute, lease, retail, or sell materials, machinery, parts or equipment which are recommended or suggested by you in your capacity as a consultant to the District, including, but not limited to, the items listed under Category 2.

Category 5:

Investments in or income (including loans, gifts and travel payments) from business entities which contract or subcontract for, or consult in, the performance of work or services which are recommended or suggested by you in your capacity as a consultant to the District, including, but not limited to, the items listed under Category 3.

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