



**ENGINEERING & OPERATIONS  
BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
27500 La Paz Road, Laguna Niguel  
January 13, 2014  
9:00 AM  
Approximate Meeting Time: 3 Hours**

1. CALL MEETING TO ORDER
2. APPROVE THE MINUTES OF THE DECEMBER 16, 2013 ENGINEERING AND OPERATIONS BOARD OF DIRECTORS' MEETING

3. 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.*

**PRESENTATION ITEMS**

4. San Juan Basin Authority: Groundwater Management Plan
5. Engineering On-Call Services

**DISCUSSION ITEMS**

6. Request for New Position
7. Spoils Removal Service Agreements for Fiscal Years 2013-14 and 2014-15

**INFORMATION ITEMS**

8. Asset Management Plan Update
9. Operations Facilities Assessment Study (OFAS) Status Update

10. Quarterly Construction Progress Report
11. Quarterly Communications License Program Report
12. 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).



**MINUTES OF THE REGULAR MEETING  
OF THE ENGINEERING & OPERATIONS  
BOARD OF DIRECTORS  
OF THE  
MOULTON NIGUEL WATER DISTRICT**

**December 16, 2013**

A Regular Meeting of the Engineering & Operations 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 December 16, 2013. There were present and participating:

**DIRECTORS**

Donald Froelich	Vice President/Chair
Scott Colton	Director
Richard Fiore	Director
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
Todd Novacek	MNWD
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary

**1. CALL MEETING TO ORDER**

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

## #2.

2. APPROVE THE MINUTES OF THE NOVEMBER 18, 2013 ENGINEERING AND OPERATIONS BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY LARRY MCKENNEY AND SECONDED BY SCOTT COLTON, MINUTES OF THE REGULAR MEETING OF THE ENGINEERING AND OPERATIONS BOARD OF DIRECTORS DATED NOVEMBER 18, 2013 WERE APPROVED AS PRESENTED.*

3. PUBLIC COMMENTS

*None*

### **PRESENTATION ITEMS**

4. Operations Facilities Assessment Study (OFAS) Status Update

*Joone Lopez stated that the final report will be complete by the end of the month, along with an assessment of our property values. The Ad hoc committee will meet in January to review the report. Staff will hold a special board meeting in February.*

*Brian Probolsky arrived at 9:02 a.m.*

### **DISCUSSION ITEMS**

5. Interconnection Agreement with El Toro Water District and Santa Margarita Water District

*Joone Lopez stated that this item was brought to the Board in October. There were substantive changes to the language, which needed to be brought back for Board approval. Matt Collings summarized the changes to the agreement.*

6. Joint Transmission Main Quitclaim Deed

*Matt Collings discussed the background of the joint transmission main pipeline. Discussion ensued regarding the value of the property and necessity of the easement. Previous staff reports and aerials of the property were requested by the Board.*

7. Regional Lift Station Pump Replacement Contract

*Marc Serna provided background on the item. Staff has reevaluated the project and recommends rejecting all current bids, revising the scope, and coming back to the Board for approval at a later date.*

**8. Project Partners Contract Amendment No. 2**

*Joone Lopez stated that the Board approved two engineering positions for this fiscal year. The amendment to the contract is needed to support staff until the engineering positions are filled.*

**9. Dudek Contract Amendment for San Juan Creek Project**

*Matt Collings provided background on the project. Eva Plajzer added that Dudek's support helps with the grant application process. Discussion ensued regarding the grant and the application process.*

**10. Hydro Excavator Purchase**

*Matt Collings provided background on the item. Staff believes this purchase is critical and was included in the budget. Discussion ensued regarding the choice of vendor and product.*

**11. Wood Canyon Drive Emergency Repair**

*Matt Collings provided background on the item. Final repairs for the recycled water line break will be performed once the Board approves.*

**INFORMATION ITEMS****12. Residential Demand Modeling Update - Pilot Program**

*Joone Lopez stated that this item is a pilot program between MWDOC, MET, and MNWD. The item is for demand forecasting through a different system and vendor (ISD Analytics).*

*Matt Collings added that the value of this model to the water industry is under assessment and staff will continue to provide progress reports to the Board.*

**13. Joint Powers Authority Quarterly Update**

*Matt Collings reviewed the quarterly update and provided highlights on the South Orange County Wastewater Authority (SOCWA), San Juan Basin Authority (SJBA), and Joint Regional Water Supply System (JRWSS).*

*Larry Lizzote left at 10:32 a.m.*

*Gary Kurtz left at 10:45 a.m.*

**14. Late Items (Appropriate Findings to be Made)**

*Staff has none.*

**#2.**

**ADJOURNMENT**

*The meeting was adjourned at 10:49 a.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary

DRAFT

# Moulton Niguel Water District



## STAFF REPORT

**TO:** Board of Directors **MEETING DATE:** January 13, 2013

**FROM:** Marc Serna, Director of Engineering and Operations  
Eva Plajzer, Assistant Director of Engineering  
Steve Merk, Inspection Supervisor

**SUBJECT:** Spoils Removal Service Agreements for Fiscal Years 2013-14 and 2014-15

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### **SUMMARY**

**Issue:** Request for Proposals for spoils removal services from the Plant 2A yard.

**Recommendation:** It is recommended that the Board of Directors award a two-year service agreement for Spoils Removal Services to Goodwin Construction for a not-to-exceed amount of \$81,000, and to KB Miramontes for a not-to-exceed amount of \$81,000; and authorize the General Manager to execute the service agreements on behalf of the District.

**Fiscal Impact:** Sufficient funds have been appropriated in the fiscal year (FY) 2013-14 operating budget for these services. Sufficient funds will be budgeted in the FY 2014-15 operating budget and presented for Board approval. The continuation of services for FY 2014-15 will not be authorized until the Board of Directors approves the FY 2014-15 operating budget.

### **BACKGROUND:**

Daily infrastructure repairs generate material (or spoils) as part of the District's operation and maintenance of the potable water, recycled water, and sanitary sewer systems. Spoils generally consist of wet clay/sand, concrete, and pavement. The material is stored in a bin until it becomes full and then removed and disposed of at an offsite location, such as the County dump. The District utilizes an outside contractor to dispose of the spoils in a legally, appropriate manner.

## #7.

The spoils material bin is a concrete block structure that can hold more than 110 cubic yards of material when completely full. At a minimum, the District fills the bin each month. The removal services are subject to the needs of the District and may require multiple removals, depending on the number and size of repairs completed during the month.

In order to streamline the removal process, staff determined that it would be beneficial to enter into multi-year service agreements for spoil removal. The scope of work for these services would include the equipment and labor necessary to separate, load, and remove the spoil material from the District's spoils bin. The material shall be disposed of at legally permitted disposal sites only, in accordance with any applicable laws and/or regulations, including State, Federal, County, municipal, or other applicable government requirements.

Staff issued an RFP for four removals in July 2013. Goodwin Construction was selected to provide these removals for \$6,500 per removal for a total of \$26,000. To date, three removals were performed and the service agreement will be completed by January 2014. In order to continue the spoils removal services, a new service agreement is needed.

### **DISCUSSION:**

Staff issued a request for proposals for the spoils removal services and on December 11, 2013, received three proposals for 25 removals. Table 1 below summarizes the received proposals:

<b>Table 1 Summary of Proposals</b>	
<b>Firm</b>	<b>Bid</b>
Goodwin Construction	\$162,000
KB Miramontes	\$162,000
Kennedy Pipeline	\$238,000

In order to provide removals for the remainder of this fiscal year, staff estimates that 8 removals will be needed. The remainder of the removals will be performed in FY 2014-15. Staff evaluated the proposals and determined that both Goodwin Construction and KB Miramontes provided very competitive proposals that meet District needs. Therefore, staff recommends that two service agreements for spoils removal be issued. Having two spoils removal services provides the District with the ability to evaluate both contractors over the specified time of the contract and also gives the District flexibility if one contractor is not available to provide services in the potential busy summer months.

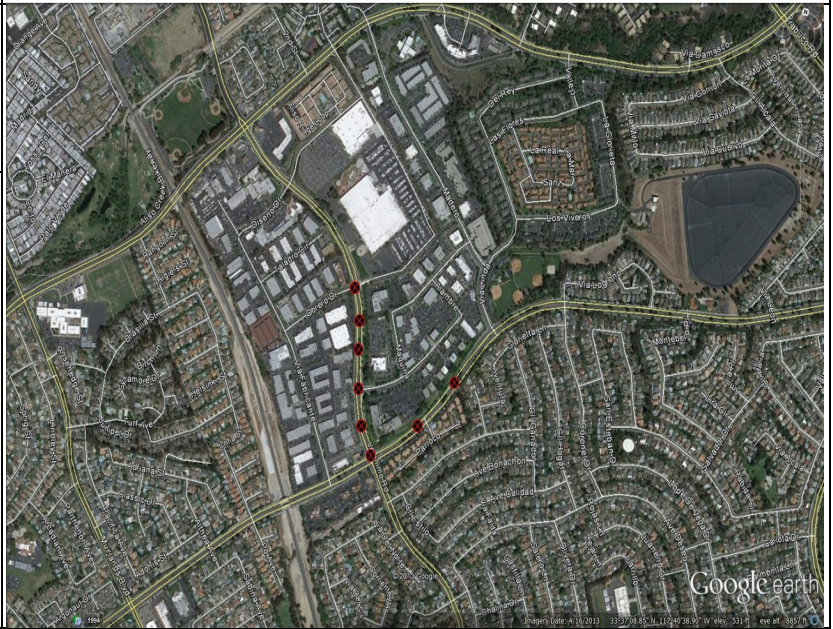



The costs for the agreements will be distributed between the two companies over two fiscal years. The second fiscal year will not be authorized until the Board of Directors approves the operating budget for FY 2014-15. Table 2 summarizes the cost for each agreement per fiscal year. Goodwin Construction is the current holder of the spoils removal service agreement at a cost of \$26,000. Table 2 does not include this cost; only the proposed costs for the remainder of the fiscal year.

<b>Table 2</b>		
<b>Summary of Service Agreement Costs per Fiscal Year</b>		
<b>Agreement Holder</b>	<b>FY 2013-2014</b>	<b>FY2014-2015</b>
Goodwin Construction	\$26,000	\$55,000
KB Miramontes	\$26,000	\$55,000



AS OF 01/02/14

<p>Project : Manhole Rehabilitation Program FY 12-13          Contract No: 2012.004          Contractor : Ayala Eng.          Engineer : District Staff</p>	<p><b>MANHOLE REHABILITATION PROGRAM FY 12-13</b></p>
<p><b>SCOPE OF WORK :</b> Continuing rehabilitation work on (8) manholes in Mission Viejo.</p>	
<p><b>DETAILS :</b></p> <p>Fund 07 Replace and Refurbishment</p> <p>Notice To Proceed 05/01/13</p> <p>Est. Completion Date 03/31/14</p> <p>Authorized Expense \$ 58,000</p> <p>Paid To Date \$ 32,822</p> <p>Percent Completed 50%</p>	
<p><b>NOTES :</b></p>	
<p>Project: Kite Hill PRS Relocation          Contract No: 2010.003          Contractor : Paulus Engineering Inc.          Engineer : Psomas</p>	<p><b>KITE HILL PRESSURE REDUCING STATION RELOCATION</b></p>
<p><b>SCOPE OF WORK :</b> Install a new pressure reducing station and approximately 670 lf of new 10" PVC pipeline.</p>	
<p><b>DETAILS :</b></p> <p>Fund 07 Replace and Refurbishment</p> <p>Notice To Proceed Pending</p> <p>Est. Completion Date 4/30/14</p> <p>Authorized Expense \$ 352,187</p> <p>Paid To Date \$ 170,152</p> <p>Percent Completed 90%</p>	
<p><b>NOTES :</b> Pressure reducing station online 12/24/13</p>	

Project: Rehabilitation of Southridge Reservoir  
 Contract No: 2013.003  
 Contractor: Advanced Industrial Services  
 Engineer: Harper and Associates

**REHABILITATION OF SOUTHRIDGE  
 RESERVOIR**

**SCOPE OF WORK :** Recoat interior and exterior



**DETAILS :**

Fund 07 Replace and Refurbishment  
 Notice To Proceed Pending  
 Est. Completion Date 12/31/14  
 Authorized Expense \$ 480,000  
 Paid To Date \$ 12,000  
 Percent Completed 1%

**NOTES :** Contract was awarded on 11/21/13;  
 Notice to proceed is pending contract approval.

Southridge and Wood Canyon Reservoirs

Project :Rehabilitation of Wood Canyon Reservoir  
 Contract No: 2013.011  
 Contractor : Advanced Industrial Services  
 Engineer : Harper and Associates

**REHABILITATION OF WOOD CANYON  
 RESERVOIR**

**SCOPE OF WORK :** Recoat interior and exterior



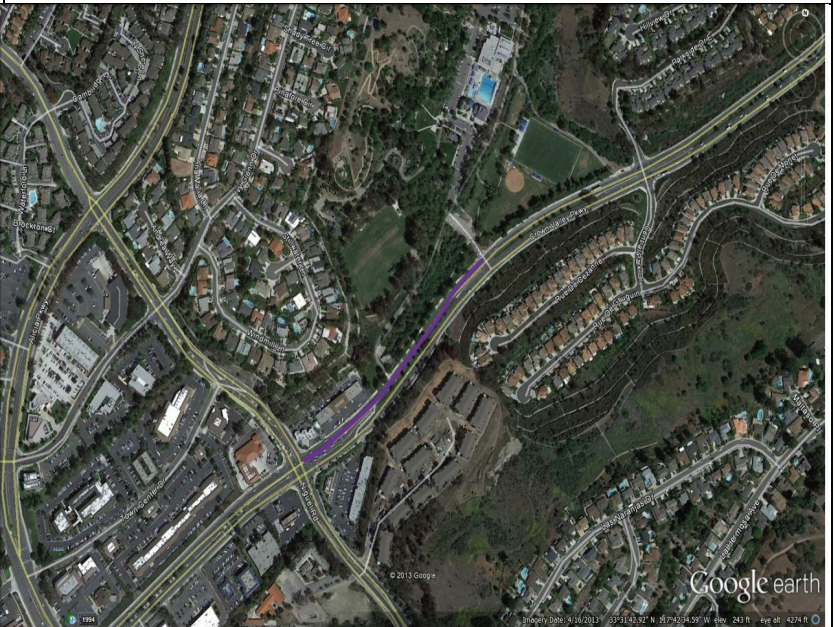

**DETAILS :**

Fund 07 Replace and Refurbishment  
 Notice To Proceed Pending  
 Est. Completion Date 12/31/14  
 Authorized Expense \$ 715,000  
 Paid To Date \$ 12,000  
 Percent Completed 1%

**NOTES :** Contract was awarded on 11/21/13;  
 Notice to proceed is pending contract approval.

Wood Canyon and Southridge Reservoir  
 Area Map

Figure 1  
 Location Map  
 Southridge and Wood Canyon  
 Reservoirs Rehabilitation  
 Contract No. 2013.003 & 2013.011

<p>Project: El Niguel RW Pipeline Replacement  Contract No: 2011.031  Contractor : Paulus Engineering Inc.  Engineer : Psomas</p>	<p><b>EL NIGUEL RW PIPELINE REPLACEMENT</b></p>
<p><b>SCOPE OF WORK :</b> Remove and Replace approx. 1,300 ft. of 8” Recycled water mainline with 12” Recycled water main.</p>	
<p><b>DETAILS :</b></p> <p>Fund 07 Replace and Refurbishment</p> <p>Notice To Proceed Pending</p> <p>Est. Completion Date 06/30/14</p> <p>Authorized Expense \$ 475,000</p> <p>Paid To Date \$ 36,000</p> <p>Percent Completed 1%</p>	
<p><b>NOTES :</b> Notice to proceed pending contract approval</p>	
<p>Project East Aliso Creek Res. Recirculation Project  Contract No: 2011.038  Contractor : Crosno  Engineer : District Staff</p>	<p><b>EAST ALISO CREEK RESERVOIR RECIRCULATION PROJECT</b></p>
<p><b>SCOPE OF WORK :</b> Install sample ports, man ways, railing and recirculation and injection system.</p>	
<p><b>DETAILS :</b></p> <p>Fund 07 Replace and Refurbishment</p> <p>Notice To Proceed 05/01/13</p> <p>Est. Completion Date 04/30/14</p> <p>Authorized Expense \$ 141,000</p> <p>Paid To Date \$ 78,350</p> <p>Percent Completed 50%</p>	
<p><b>NOTES :</b> Structural work to the tank is complete. Replacement of the circulation system is currently scheduled for early 2014</p>	





# Moulton Niguel Water District

## STAFF REPORT

**TO:** Board of Directors **MEETING DATE:** January 13, 2013

**FROM:** Marc Serna, Director of Engineering and Operations  
Eva Plajzer, Assistant Director of Engineering

**SUBJECT:** Quarterly Communications License Program Report

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**SUMMARY:**

Issue: The District staff is responsible for administering the Communications License Program per the Communication License Agreement and License Policy adopted by the Board of Directors in March 2012.

Recommendation: This is an information item only.

Fiscal Impact: The Communication License Program is a revenue generating activity that has historically generated up to \$1.5 million per year.

**BACKGROUND:**

In the 1990s, the District approved the first communication facility to be constructed at one of the District’s sites. As the communication industry grew, the District was repeatedly approached about use of District sites. The District developed the Communications License Program (Program) with a primary objective to provide an economic benefit to the District’s ratepayers through a monthly lease program. The District’s first responsibility is to provide water and wastewater service to its customers, and development of the Program should not interfere with the District’s ability to provide that quality service. With those objectives in place, the District’s Board of Directors (Board) approved a Communications Lease Agreement and Lease Policy, which was implemented on January 1, 2001, and updated to a Communication License Agreement and License Policy on March 15, 2012. Since that time, the District’s Program has grown to include 56 agreements with various amendments on several of those agreements. These communications facilities are distributed among 17 of the District’s sites. The Program currently generates about \$1.5 million in revenue for the District each Fiscal Year.

# #11.

## DISCUSSION:

During the period covered by this quarterly update (October, November, and December) staff has performed various internal and external activities for the Program:

Program implementation activities:

- Continue to assess internal and external procedures for processing applications and agreements to identify improvements

Program administration activities:

- Four new applications for improvements or lease amendments were received:
  - Edison on behalf of Sprint
  - AT&T - 2
  - Verizon
- Application fees received to date for the Fiscal Year 2013-14 are \$2,600
- Expenses for the program for the Fiscal Year 2013-14 to date include:
  - Estimated cost of \$41,410 paid to ATS Communications (ATS) for program support.
  - Approximately 768 staff hours for administration, submittal review, inspections, billing, etc.
- Continued processing 29 existing applications; 6 applications were completed during this reporting period
- Continued lease amendment negotiations on Verizon, AT&T, and T-Mobile leases; Currently, 10 leases are under amendment negotiations
- Inspected cell carrier improvements at various sites
- Continued discussions with T-Mobile regarding the potential lease terminations arising from their attempt to transfer their leases to Crown Castle, a third party property management company. This type of lease transfer is prohibited in our leases. On October 15, 2013, we received back rent payment from T-Mobile for a six month period from March 2013 through August 2013.
- AT&T is also attempting to transfer one lease to Crown Castle. On December 12, 2013, we sent letters notifying AT&T and Crown Castle that this type of transfer is prohibited in our leases and continue discussions with AT&T and Crown Castle.
- Continue to work with Sprint and Verizon regarding the damage notices issued for East Aliso Creek Reservoir. Both carriers have conduit trays on the roof of the reservoirs. During the last inspection, bending of the roof plates was observed. Staff requested that the carriers remove the trays from the roof. Sprint began the removal process of the roof trays.
- Sprint notified the District that it will cease operating its Nextel network. At this time, Sprint notified us that it plans to end the leases at three facilities: Seville Reservoir, Crown Valley Reservoir, and East Aliso Creek Reservoir. ATS has identified a potential lease transfer to AT&T at the Seville site. Staff is working with Sprint and ATS to negotiate this transaction request.