

ENGINEERING AND OPERATIONS
BOARD OF DIRECTORS' MEETING
MOULTON NIGUEL WATER DISTRICT
27500 La Paz Road, Laguna Niguel
August 12, 2013
9:00 a.m.

Approximate Meeting Time: 2 Hours

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

1. Call Meeting to Order
2. Approve the Minutes of the July 15, 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. Fiscal Year 2013-2014 Meter Maintenance and Replacement Program

DISCUSSION ITEMS (Action will be taken when appropriate for certain items at the Thursday Board Meeting)

5. Baker Pipeline Capacity Transfer Agreement
6. Kite Hill Pressure Reducing Station Relocation, Project No. 2010.003 – Construction Services Contract Award
7. Fiscal Year 2013-2014 Fleet Replacement – Authorization of Purchase
8. Contract Services for Wastewater Pretreatment Program Inspection and FOG Program Compliance – Contract Award

9. Line Break Update – Laguna Hills

INFORMATION ITEMS

10. Quarterly Capital Improvement Program Status Report

11. Quarterly Operational Status 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]

13. 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) 643-2006 at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary seventy-two 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 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.

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

July 15, 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 July 15, 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	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Todd Novacek	Assistant Director of Operations
Ray McDowell	MNWD
Eva Plajzer	MNWD
Kelly Winsor	MNWD
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Brian Peck	Director of Engineering, SOCWA
Kelly Hubbard	WEROC
Leslie Gray	Board Secretary

1. Call Meeting to Order
2. Approve the Minutes of the June 17, 2013 Engineering and Operations Board of Directors' Meeting

MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY LARRY MCKENNEY, THE MINUTES OF THE JUNE 17, 2013 ENGINEERING AND OPERATIONS BOARD OF DIRECTORS MEETING WERE APPROVED AS PRESENTED.

3. Public Comments

None

PRESENTATION ITEMS

4. Presentation by Brian Peck, Director of Engineering for the South Orange County Wastewater Authority regarding Project Committee 17, Regional Treatment Plant, Disinfection System Alternatives

Brian Peck discussed the options of utilizing the current method of disinfection with Chlorine or upgrading to Sodium Hypochlorite.

Brian Probolsky arrived at 9:10 a.m.

The Board of Directors thanked Brian Peck for his presentation.

DISCUSSION ITEMS

5. Public Health Goals Tri-Annual Report

Joone Lopez reported that the Board will be asked to conduct a public hearing and adopt a resolution on July 18, 2013 to approve the 2013 Public Health Goals report. The Board requested that the Recommendations within the report be changed to state “meets or exceeds” all State of California Department of Public Health and United States Environmental Protection Agency drinking water standards set to protect public health.. The Board requested an additional change: “Therefore, the District is not proposing any further action to implement additional water treatment processes. The District will continue to monitor and test drinking water on a weekly basis to ensure all water quality standards are met and to assess the performance of current treatment processes to continue to provide high level water quality for the future.”

6. Transfer of Equipment (Potable Water Trailer) for FY2011 Urban Areas Security Initiative (UASI) – Agreement Approval

Joone Lopez introduced Kelly Hubbard of Water Emergency Response Organization of Orange County (WEROC) who was present to answer any questions the Board may have relative to the District’s acceptance of a water trailer for emergencies. The trailer will be stored at a secured site. The Board will be requested to authorize the General Manager to execute the agreement on Thursday. The Board thanked Kelly Hubbard for her explanation of how the trailer will operate.

7. Tree Maintenance Services for FY 2013/2014 – Contract Amendment

Joone Lopez stated that the Board approved a contract with Great Scott Tree Service, Inc. for FY 2012/13 with an option to extend the contact to FY 2013/14 based on performance. An Amendment is required to fund the tree maintenance service agreement

for the additional year. The Board will be requested to approve Amendment No. 1 to the Service Agreement with Great Scott Tree Service, Inc. for a not-to-exceed fee of \$71,490 for FY 2013/14 for a total agreement value of \$149,239; and authorize the General Manager to execute Amendment No. 1 to the Service Agreement.

8. Communication Cell Site License Program Support Services for FY 2013/2014 – Contract Amendment

Joone Lopez explained that Telecom Group Partners Corp (ATS) requires an extension to their contract as staff is proposing a budget of \$90,000 for FY 2013/14. ATS will continue to assist the District at a similar service level as the previous fiscal year. The Board will be requested to approve Amendment No. 4 to the Professional Services Agreement for a not-to-exceed fee of \$90,000 for FY 2013/14 for a total contract value of \$248,357, and authorize the General Manager to execute Amendment No. 4 to the Professional Services Agreement.

Scott Colton left at 10:08 a.m.

9. Contract Services for Professional Engineering Support and Recycled Water Contract Inspector for FY 2013/2014 – Contract Amendment

Joone Lopez reported that Project Partners has been assisting the Engineering staff on an out-source basis. District staff anticipates hiring a District employee to replace the contract staff by December 2013. The contract with Project Partners contains a 10-day termination clause, thus allowing the District to terminate the contracted position once the permanent hire is made. The Board will be requested to approve Amendment No. 1 to the Professional Services Agreement with Project Partners for a not-to-exceed fee of \$236,000 for FY 2013/14 for a total contract value of \$576,000; and authorize the General Manager to execute said Amendment.

10. Fire Hydrant Cleaning and Painting Services for FY 2013/2014 – Contract Amendment

Joone Lopez stated that the District operates and maintains over 7,000 potable water hydrants. Staff executed a contract with Ayala Engineering for \$30,010 for FY 2012/13 with an extension to FY 2013/14. Staff is recommending the Board approve Amendment No. 1 to the Service Agreement with Ayala Engineering for a not-to-exceed \$30,000 for FY 2013/14 for a total agreement value of \$60,010; and authorizes the General Manager to execute said Amendment No. 1.

INFORMATION ITEMS

11. Quarterly Construction Progress Report

Matt Collings reported on the East Aliso Creek Reservoir Recirculation Project. The structural work to the tank is complete and the timing for the replacement of the

circulation system is currently being scheduled. This tank will be recoated next fiscal year as well as some additional repairs.

12. Quarterly Report on Communications License Program

Matt Collings updated the Board on the communications program. Staff continues to assess internal and external processes for processing applications and agreements along with ATS and is always looking for improvements.

13. Late Items (Appropriate Findings to be Made)

None

Adjournment

Thereafter, the Regular Meeting of the Board of Directors of the Moulton Niguel Water District was adjourned at 10:24 a.m.

Respectfully submitted,

Leslie C. Gray
Board Secretary

Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013
FROM: Matt Collings, Director of Engineering and Operations
SUBJECT: Baker Water Treatment Plant – Baker Pipeline Capacity Transfer
Project No. 2006.071

SUMMARY:

Issue: Participation in the proposed Baker Water Treatment Plant (BWTP) will require the District to acquire capacity in the Baker Pipeline, the raw water delivery source for the BWTP.

Recommendation: The Board of Directors approves the Baker Pipeline Capacity Transfer Agreement (Agreement) subject to non-substantive changes approved by legal counsel and pending approval of final participation in the project; and authorizes the Board President to execute the Agreement.

Fiscal Impact: Funding for the Baker Pipeline Capacity purchase has been authorized by the Board of Directors and is included in the approved Fiscal Year 2013-2014 Budget. Funds will not be expended until final authorization of participation in the project is provided by the Board of Directors.

BACKGROUND:

The BWTP is a base-loaded surface water treatment plant intended to provide water system reliability to the participating water agencies, including the District. The District has executed a participation agreement with El Toro Water District (ETWD), Irvine Ranch Water District (IRWD), Santa Margarita Water District (SMWD), and Trabuco Canyon Water District (TCWD) for the development and operation of the BWTP. The project will allow for continuous delivery of water during an outage of the Metropolitan Water District (MWD) Diemer Treatment Plant in Yorba Linda. Additionally, during an emergency that impacts the delivery of untreated MWD water, the BWTP can continue to supply water to the project participants for approximately 2 months using the water from Irvine Lake as a supply.

The District is currently subscribed to 13 cubic feet per second (cfs) of the proposed 43.5 cfs plant. The District anticipates an increase in average day system reliability of

approximately 6 days for a total of 15 days of reliability. The project construction documents have been made available to the pre-qualified contractors, and bids are expected at the end of September. The District anticipates a final participation decision by the Board of Directors in November.

DISCUSSION:

Delivery of untreated MWD water or water from Irvine Lake to the BWTP is accomplished through the Baker Pipeline. The pipeline is a 12-mile pipeline extending from the Santiago Lateral near Irvine Lake. It was constructed in the early 1960s by the Santiago Aqueduct Commission (SAC), a joint-powers authority of which the District is a participating member. The District currently does not have capacity in any of the five reaches of the Baker Pipeline. The purpose of the Agreement is to allow the transfer of surplus capacity in the Baker Pipeline to agencies requiring capacity for participation in the BWTP. The District and other participating agencies executed a Memorandum of Understanding (MOU) in March 2010 outlining the basic terms of the capacity transfer. The Agreement, which is attached to this report, carried over the terms of the MOU, but will supersede the MOU upon execution.

The District and other participating agencies, including the respective legal counsels, have reviewed the Agreement. The significant terms of the Agreement include:

1. Section 2 – Quantity and Value of Capacity Rights: The participating agencies agreed to determine the depreciated value of the pipeline at its various reaches to establish a unit value for the pipeline. The total unit cost of the pipeline has been tentatively set at \$261,822 per cfs (refer to Exhibit 3A of the Agreement). The final cost will be adjusted to the July ENR index once published.
2. Section 3 – Purchases and Sales: This section summarizes, and includes by reference Exhibits 3B and 3C, the total exchanges of capacity and the total purchase price of that capacity. The District will acquire 13 cfs of the pooled capacity at a total anticipated cost of \$3.4 Million. The District is responsible for making payment upon the Notice of Award of the BWTP construction contract.
3. Section 5 – Pipeline Capacity to be Governed by SAC Agreement: Upon approval of the capacity transfers by SAC via an amendment, all parties to the Agreement will be responsible for their financial obligations as determined by the SAC governing board through their annual budget process.

The proposed agreement is being recommended for consideration in advance of the final participation decision by the Board of Directors, but would include a caveat that the execution of the Agreement is pending a final decision to participate in the BWTP. The participating agencies elected to move the Agreement forward for consideration to ensure the terms of the Agreement were acceptable to the participating agencies in advance of the final decision.

06/27/13 Draft
**AGREEMENT RELATING TO
BAKER PIPELINE CAPACITY TRANSFERS
AMONG BAKER WATER TREATMENT
PLANT PARTICIPANTS**

THIS AGREEMENT (“Agreement”), dated this _____ day of _____, 2013 (“Effective Date”), is made and entered into by and among EL TORO WATER DISTRICT (“ETWD”), IRVINE RANCH WATER DISTRICT (“IRWD”), MOULTON-NIGUEL WATER DISTRICT (“MNWD”), SANTA MARGARITA WATER DISTRICT (“SMWD”), each of the foregoing a California Water District formed under and existing pursuant to Section 34000 *et seq.* of the California Water Code, and TRABUCO CANYON WATER DISTRICT (“TCWD”), a County Water District formed under and existing pursuant to Section 30000 *et seq.* of the California Water Code, each sometimes individually referred to as a “PARTY” and collectively as the “PARTIES.” In addition, the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (“MWDOC”), a Municipal Water District formed under and existing pursuant to Section 71000 *et seq.* of the California Water Code, shall be a signatory to this Agreement for the limited purposes expressly stated herein.

RECITALS:

WHEREAS, the PARTIES are developing a facility known as the “Baker Water Treatment Plant,” or “Baker WTP,” pursuant to the Baker WTP Agreement (defined below); and

WHEREAS, the proposed Baker WTP will be supplied with untreated water purchased from The Metropolitan Water District of Southern California and conveyed via the Santiago Lateral to the site of the Baker WTP by means of the 12-mile pipeline, known as the “V.P. Baker Pipeline” or “Baker Pipeline.” Under certain hydraulic conditions, the Baker Pipeline can also be supplied, or in other hydraulic conditions could, with the addition of certain improvements be supplied with untreated water from Irvine Lake, through the Irvine Lake Pipeline; and

WHEREAS, the Baker WTP Agreement provides that each PARTY, in order to use its Baker WTP capacity, shall have secured, separately from the Baker WTP Agreement and through a means permitted under the SAC Agreement, “matching” rights to capacity or additional capacity through Reaches 1U, 2U, 3U, 4U and 5U of the Baker Pipeline at least sufficient to utilize the nominal flow rate corresponding to such PARTY’s Baker WTP capacity; and

WHEREAS, the Baker Pipeline, formerly known as the “Santiago Aqueduct Pipeline,” was built and is operated and managed by the Santiago Aqueduct Commission (“SAC”), a joint exercise of powers agency formed by agreement on September 11, 1961, as amended, of which the PARTIES and MWDOC, along with other agencies, are members; and

WHEREAS, on an aggregate basis in each pipeline reach, there are excess Baker Pipeline capacities held by one or more PARTIES sufficient to offset the shortfall amounts of those

PARTIES who do not have current capacities sufficient to match their WTP capacity; and

WHEREAS, in lieu of negotiating individual capacity transactions, the PARTIES have decided to initially satisfy the Baker WTP matching-capacity requirement for all PARTIES in a single transaction, by entering into this Agreement to collectively implement Baker Pipeline capacity purchases and sales among themselves on a pooled basis, to report such transactions to SAC, and to request that SAC make its future calculations of Baker Pipeline cost-sharing in a manner as provided herein that will recognize such purchases and sales and will not adversely affect other SAC capacity holders; and

WHEREAS, in order to establish the current hydraulic capacity of the Baker Pipeline as a basis for determining the appropriate capacity transfer amounts to satisfy the matching requirement, the PARTIES conducted an hydraulic analysis in 2009, which identified some variations between the hydraulic capacities and the current contractual capacities of the pipeline reaches; and

WHEREAS, the PARTIES have entered into the Baker Pipeline Capacity Transfer Memorandum of Understanding dated March 25, 2010, (the "MOU") in order to set forth the material terms of their agreement to implement transfers of pipeline capacity; and

WHEREAS, the PARTIES desire to enter into this Agreement to supersede the MOU and set forth the material terms and supplemental terms for the Baker Pipeline capacity transfers; and

WHEREAS, the permanent assignment of Pipeline Capacity as set forth in this Agreement requires MWDOC's prior written approval, which is provided by MWDOC's authorized signature below.

NOW, THEREFORE, in consideration of the promises and covenants herein contained, the PARTIES agree as follows:

AGREEMENT:

Section 1. Definitions.

1.1 "Baker Pipeline" shall have the meaning specified in the Baker WTP Agreement.

1.2 "Baker WTP" shall have the meaning specified in the Baker WTP Agreement.

1.3 "Baker WTP Agreement" means that certain agreement entered into among the PARTIES and MWDOC, entitled "Agreement For Construction, Operation and Maintenance of Baker Water Treatment Plant," dated December 15, 2008, as amended by Amendment No. 1 thereto, dated December 23, 2009, and as may be hereafter amended.

1.4 "ENR Index" means, as of any date, the Construction Cost Index value published by the *Engineering News Record* for the Los Angeles Area.

- 1.5 “Pipeline Capacity” means capacity in the Baker Pipeline, identified by reach.
- 1.6 “SAC” shall have the meaning specified in the Baker WTP Agreement.
- 1.7 “SAC Agreement” shall have the meaning specified in the Baker WTP Agreement.
- 1.8 “Sale Date” means the date of the notice of award of the contract for construction of the Baker WTP.
- 1.9 “WTP Capacity Right” shall have the same meaning as the term “Capacity Right” specified in the Baker WTP Agreement.
- 1.10 “2009 Study” means the Baker Pipeline hydraulic and capacity valuation analysis, performed by and on behalf of the PARTIES and compiled in a memorandum dated October 23, 2009. The 2009 Study summary table is set forth in Exhibit “1” attached hereto and incorporated herein by this reference.

Section 2. Quantity and Value of Pipeline Capacity Rights To Be Transferred.

2.1 The PARTIES agree that for purposes of this Agreement, the existing contractual capacity rights in the Baker Pipeline, including all SAC participants and reflecting successors in interest to such capacity rights, are as specified in the “Existing Ownership Capacities” table set forth in Exhibit “2A,” which exhibit is attached hereto and incorporated herein by this reference. The PARTIES acknowledge that such capacities shown in Exhibit “2A” are derived from the capacities set forth by Amendment No. 3 to the SAC Agreement, dated November 1, 1978, with subsequent transactions reported to SAC as reflected in the letter of “Clarification of the Second and Subsequent Amendments to the Santiago Aqueduct Commission Joint Powers Agreement Tables 12, 13 and 14,” issued by MWDOC in 1984, and in the May 16, 1988 and January 25, 2007 SAC “Description of V.P. Baker Aqueduct System” tables. The PARTIES acknowledge that the hydraulic analysis in the 2009 Study has been taken into account to derive the modified existing contractual capacity rights set forth in Exhibit “2B,” attached hereto and incorporated herein by this reference. It is further acknowledged that the revised ownership capacity rights with non-participant adjustment have been calculated as shown in Exhibit “2C,” attached hereto and incorporated herein by this reference.

2.2 The PARTIES agree that the Pipeline Capacity sales and purchases herein are being made on a pooled basis, with the amount to be sold or purchased by each PARTY identified by pipeline reach in the “Proposed Ownership Capacities” table in Exhibit “2D,” attached hereto and incorporated herein by this reference. The PARTIES acknowledge and agree that the purchase and sale amounts set forth in the “Proposed Ownership Capacities” table have been calculated to produce the minimum transfers necessary to result in all PARTIES’ satisfaction of their current Baker WTP matching-capacity requirements, with adjustments as necessary to hold the capacity flow and percentage values (total and by reach) of those SAC capacity holders and beneficial holders who are not PARTIES at the same levels as their current flow and percentage values with no resultant increase in SAC cost-sharing obligations. Subject to Section 5.3 hereof, the PARTIES acknowledge their mutual intention to enable the transfers

made herein to be accomplished as sales and purchases made by separate transaction affecting only the participating buying and selling parties, and reported to SAC, as permitted by the Capacity Agreement (defined in Section 5.4 hereof).

2.3 The PARTIES agree that Exhibit “3A,” attached hereto and incorporated herein by this reference, identifies the Pipeline Capacity prices, by pipeline reach, for purposes of the purchases and sales implemented under this Agreement. Pursuant to the MOU, such prices were derived from the 2009 Study, providing the value, in 2009 dollars, of the Pipeline Capacity in cubic feet per second (CFS) by reach. It is further acknowledged and agreed that the 2009 dollar valuation has been adjusted by the change in the ENR Index from the date of the 2009 Study, agreed to be 9,764, to the ENR Index effective July 1, 2013, agreed to be <To Be Inserted When Available>. Such ENR Index-adjusted Pipeline Capacity prices, which are to be used to calculate the corresponding purchase and sale prices for each PARTY, are set forth in Exhibit “3A.”

Section 3. Purchases and Sales.

3.1 Exhibit “3B,” attached hereto and incorporated herein by this reference, sets forth the capacities to be transferred. Each PARTY agrees to sell any and all Pipeline Capacity amounts as to which it is designated as a “seller” in Exhibit “3B,” and agrees to purchase any and all Pipeline Capacity amounts as to which it is designated as a “purchaser” in Exhibit “3B”. All such sales and purchases are agreed by the PARTIES to be made simultaneously on a pooled basis. All such sales and purchases are agreed by the PARTIES to be made on the Sale Date.

3.2 Exhibit “3C,” attached hereto and incorporated herein by this reference, sets forth the aggregated purchase and sale prices, by PARTY, of the capacities to be purchased and sold. Each PARTY purchasing any Pipeline Capacity pursuant to Section 3.1 shall remit to IRWD full payment for its purchase price amount as stated in the Exhibit “3C” table. Payment shall be due in full by the 45th day after the Sale Date. By the 60th day after the Sale Date, IRWD shall remit to each PARTY selling any Pipeline Capacity pursuant to Section 3.1 the sale price amount identified for that PARTY in the Exhibit “3C” table.

3.3 Pursuant to Section 8.1 of the WTP Agreement, IRWD will substitute a new Table C into the Baker WTP Agreement to show the revised Pipeline Capacities resulting from the implementation of this Agreement.

Section 4. Future Changes in WTP Capacity.

4.1 This Agreement is being entered into only to satisfy the WTP Capacity-matching requirements as of the Sale Date, inclusive of any changes in WTP Capacity Rights that occurred under Section 5.9 of the Baker WTP Agreement. If any PARTY subsequently exercises its right to transfer, sell or lease all or a portion of its WTP Capacity Rights pursuant to Section 5.1, 5.2 or 5.3 of the Baker WTP Agreement, such PARTY and the acquiring party (whether or not the acquiring party is a PARTY) shall be responsible for including as a part of their transaction, by separate agreement, any Pipeline Capacity that is necessary for the use of the WTP Capacity Right being transferred, sold or leased and for reporting the same to SAC, and the PARTIES to this Agreement who are not involved in that transaction shall have no responsibility therefor nor

right of approval thereof, nor shall there be any need for an amendment to this Agreement.

4.2 If the Baker WTP Agreement is terminated under Section 5.9.5 thereof, this Agreement shall be null and void and shall be deemed not to have taken effect. If the Baker WTP Agreement is terminated other than as provided by Section 5.9.5 thereof, the Pipeline Capacity transfers made hereunder shall remain in effect and shall not be affected thereby, except as may otherwise be mutually agreed to between or among any PARTIES in separate agreement(s).

Section 5. Pipeline Capacity To Be Governed By SAC Agreement; MWDOC Approval.

5.1 Except as expressly otherwise provided herein, the Pipeline Capacity shall not be governed by or subject to any provisions of the Baker WTP Agreement, and shall as to operations, cost responsibilities and in all other respects remain subject to the SAC Agreement and any applicable agreements amending or relating thereto.

5.2 The PARTIES may not consent to or approve any amendment to the SAC Agreement that would materially adversely affect the use of the Pipeline Capacity as contemplated in the Baker WTP Agreement.

5.3 The PARTIES agree that IRWD shall report the sales and purchases effected by this Agreement to SAC, and that SAC is hereby authorized by the PARTIES to recognize the Pipeline Capacity transfers under this agreement. The PARTIES acknowledge and agree that they will seek and support an amendment or letter of clarification to the SAC Agreement to: (1) modify the description of the Baker Pipeline to incorporate the hydraulic analysis from the 2009 Study; and (2) as a matter of information, only, and not required for the validity of the sales and purchases effected by this Agreement, conform the SAC Agreement capacity tables to reflect the sales and purchases effected by this Agreement. The sharing of maintenance and other costs under the SAC Agreement shall recognize the sales and purchases effected by this Agreement, commencing upon the effective date of such amendment or letter of clarification to the SAC Agreement or the date of the filing of a notice of completion for the Baker WTP, whichever first occurs, and it is further agreed by the PARTIES that they will authorize and give direction to SAC to the effect that prorations and adjustments of maintenance and other costs as needed, shall be made as of such date. Exhibits "4A," "4B," "4C" and "4D," attached hereto and incorporated herein by this reference, modify the corresponding tables in Exhibits "2A," "2B," "2C" and "2D," respectively, by applying adjustments to the percentage cost-sharing obligations as necessary to result in no increase in SAC cost-sharing obligations of those SAC capacity holders and beneficial holders who are not PARTIES and thereby deriving the percentages (total and by reach) in Exhibit "4D" that will be used for purposes of calculating all of the SAC percentage-ownership-based cost-sharing obligations.

5.4 The PARTIES (including some of the PARTIES' predecessor agencies), MWDOC and certain other parties entered into an agreement, effective December 29, 1978, entitled "Water Capacity Agreement, Operation and Maintenance of System, Irvine Park To El Toro Reservoir Area" (the "Capacity Agreement"), which provides, among other things, that permanent assignment of any Pipeline Capacity shall be subject to the prior written approval of MWDOC and that any assignee shall sign an assumption of all obligations set forth in the

Capacity Agreement. MWDOC hereby approves the permanent assignment of Pipeline Capacity made pursuant to this Agreement, also referred to herein as “purchases and sales.”

5.5 Each PARTY purchasing any Pipeline Capacity pursuant to Section 3.1 hereof hereby agrees to assume all obligations set forth in the Capacity Agreement, the SAC Agreement and all other existing agreements governing the Pipeline Capacity, as they pertain to the Pipeline Capacity so purchased.

Section 6. MOU Superseded.

Upon the Effective Date, this Agreement shall supersede and replace the MOU.

Section 7. Interpretation.

This Agreement shall not be construed against any PARTY preparing it, but shall be construed as if all of the PARTIES prepared it.

Section 8. Successors and Assigns; No Third Party Beneficiaries.

This Agreement shall be binding upon and shall inure to the benefit of each of the PARTIES and MWDOC, and each of their respective successors, assigns, trustees or receivers. All the covenants contained in this Agreement are for the express benefit of each and all such Parties and MWDOC. This Agreement is not intended to benefit any third parties.

Section 9. Severability.

Should any provision of this Agreement be held invalid or illegal, such invalidity or illegality shall not invalidate the whole of this Agreement, but, rather, the Agreement shall be construed as if it did not contain the invalid or illegal part, and the rights and obligations of the PARTIES and MWDOC shall be construed and enforced accordingly, unless that provision declared to be invalid or illegal is so material that its omission deprives any PARTY or MWDOC of the basic benefit of their bargain or renders the remainder of this Agreement meaningless.

Section 10. Governing Law.

This Agreement shall be construed and enforced pursuant to the laws of the State of California. Any action or proceeding brought to enforce this Agreement, or related to this Agreement, shall be brought in Orange County, California, notwithstanding Code of Civil Procedure Section 394.

Section 11. Dispute Resolution.

The PARTIES and MWDOC, referred to in this Section as “SIGNATORIES” or singularly “SIGNATORY,” desire to resolve as quickly and as amicably as possible any disputes as to the meaning of any portion of this Agreement, the validity of any determination or calculation, or the rights or obligations of the SIGNATORIES pursuant hereto. Therefore, prior to initiation by a SIGNATORY of any litigation or other proceeding in connection with this

Agreement, the SIGNATORIES shall meet and make good-faith efforts to resolve any such disputes on an informal basis. The SIGNATORY that first raises a claim against another SIGNATORY(IES) in connection with a dispute shall be responsible for providing written notice to such other SIGNATORY(IES) and thereby initiating the informal dispute resolution efforts. Such informal efforts may include mediation of the dispute if agreed by the SIGNATORIES involved in the dispute. Not sooner than thirty (30) days after diligent efforts to resolve a dispute have been initiated, if the SIGNATORIES have been unable to resolve the dispute on such informal basis, any SIGNATORY involved in the dispute may, in its discretion and after providing written notice to the other SIGNATORY(IES) that the informal dispute-resolution efforts are being terminated, proceed to take any and all such action to enforce or protect its rights as permitted by law and/or this Agreement. If a SIGNATORY initiates informal dispute-resolution with respect to a dispute, any statutory limitation for filing of a court action or commencement of any other proceeding shall be tolled for a period of days equal to the number of days that elapsed between delivery of the notice initiating informal dispute-resolution and the notice terminating informal dispute-resolution.

Section 12. Amendments.

Except as provided in this Agreement, this Agreement may be amended or supplemented only by a written agreement among the PARTIES and if, and only if, any Pipeline Capacity assignment is modified or MWDOC's rights and obligations are affected by such agreement, MWDOC.

Section 13. Entire Agreement.

Each PARTY and MWDOC represents, warrants and agree that no promise or agreement not expressed herein has been made to them, that this Agreement contains the entire agreement among them pertaining to the matters described herein, that this Agreement supersedes any and all prior agreements or understandings among them with respect to these matters unless otherwise provided herein, and that in executing this Agreement, each is relying solely on its own judgment and knowledge and no signatory is relying on any statement or representation made by any other signatory or its representatives concerning the subject matter, basis or effect of this Agreement other than as set forth herein.

Section 14. Attorneys' Fees.

If any PARTY to this Agreement or MWDOC is required to initiate or defend any action or proceeding, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a PARTY or MWDOC entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation.

Section 15. Notices.

All notices that may or are required to be given pursuant to this Agreement shall be deemed sufficiently given if in writing and if either served personally upon the recipient or mailed by certified or registered mail to:

- | | |
|--------------|---|
| If to ETWD: | El Toro Water District
24251 Los Alisos Boulevard
Lake Forest, CA 92630
Attn: General Manager |
| If to IRWD: | Irvine Ranch Water District
15600 Sand Canyon Ave.
P.O. Box 57000
Irvine, CA 92619-7000
Attn: General Manager |
| If to MNWD: | Moulton Niguel Water District
27500 La Paz Road
P.O. Box 30203
Laguna Niguel, CA 92607-0203
Attn: General Manager |
| If to SMWD: | Santa Margarita Water District
26111 Antonio Parkway
P.O. Box 7005
Mission Viejo, CA 92690-7005
Attn: General Manager |
| If to TCWD: | Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA 92679
Attn: General Manager |
| If to MWDOC: | Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708
Attn: General Manager |

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first hereinabove written.

EL TORO WATER DISTRICT

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

IRVINE RANCH WATER DISTRICT

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

MOULTON NIGUEL WATER DISTRICT

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

SANTA MARGARITA WATER DISTRICT

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

TRABUCO CANYON WATER DISTRICT

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

MUNICIPAL WATER DISTRICT OF ORANGE
COUNTY

By _____
President

By _____
Secretary

APPROVED AS TO FORM:

By _____

Exhibit 1

2009 Study – Summary Table

BAKER PIPELINE CAPACITY TRANSFERS

CAPACITY BY REACH - BASED ON 43.5 CFS TO WTP - MODIFICATION TO STAKEHOLDER CAPACITIES ONLY - WITHOUT HYDRAULIC CONTROL STRUCTURE ON SANTIAGO LATERAL WITH FOREBAY AT BAKER WTP	REACH	1U	2U	3U	4U	5U
LENGTH (Feet)		9,400	10,425	7,950	28,500	6,070
DIAMETER (Inches)		54	39	39	39	39
HGL AT START (Feet)		832	816	788	770	703
HGL AT END (Feet)		816	788	770	703	690

AGENCY	ALLOCATION BY REACH (CFS)
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Non-Stakeholders to Baker WTP						
East Orange County Water District	Capacity Allocation Per Agreement	10.00	-	-	-	-
	Revised Capacity Allocation	10.00	-	-	-	-
The Irvine Company	Capacity Allocation Per Agreement	2.50	-	-	-	-
	Revised Capacity Allocation	2.50	-	-	-	-
County of Orange	Capacity Allocation Per Agreement	1.00	1.06	1.06	1.06	-
	Revised Capacity Allocation	1.00	1.28	1.18	1.18	-

Stakeholders to Baker WTP						
Santa Margarita Water District	Capacity Allocation Per Agreement	25.39	25.39	25.39	25.39	25.43
	Revised Capacity Allocation	23.75	30.56	28.28	28.28	31.87
	Capacity in Baker WTP / Pipeline	13.00	13.00	13.00	13.00	13.00
	Surplus/Deficit	10.75	17.56	15.28	15.28	18.87
Irvine Ranch Water District*	Capacity Allocation Per Agreement	57.40	12.50	12.50	12.50	7.51
	Revised Capacity Allocation	53.70	15.05	13.92	13.92	9.42
	Capacity in Baker Pipeline	46.50	14.50	10.50	10.50	10.50
	Surplus/Deficit	7.20	0.55	3.42	3.42	-1.08
Trabuco Canyon Water District**	Capacity Allocation Per Agreement	8.61	6.55	6.55	6.55	6.55
	Revised Capacity Allocation	8.05	7.89	7.30	7.30	8.21
	Capacity in Baker Pipeline	8.00	8.00	8.00	8.00	8.00
	Surplus/Deficit	0.05	-0.11	-0.70	-0.70	0.21
EI Toro Water District	Capacity Allocation Per Agreement	-	-	-	-	-
	Revised Capacity Allocation	-	-	-	-	-
	Capacity in Baker WTP / Pipeline	5.00	5.00	5.00	5.00	5.00
	Surplus/Deficit	-5.00	-5.00	-5.00	-5.00	-5.00
Moulton Niguel Water District	Capacity Allocation Per Agreement	-	-	-	-	-
	Revised Capacity Allocation	-	-	-	-	-
	Capacity in Baker WTP / Pipeline	13.00	13.00	13.00	13.00	13.00
	Surplus/Deficit	-13.00	-13.00	-13.00	-13.00	-13.00
TOTAL - Calculated Revised Allocation		99.00	54.78	50.68	50.68	49.50

* IRWD capacity in reaches 1U and 2U includes ILP and Ag use

** TCWD capacity includes 6 cfs to Dimension WTP and 2 cfs to Baker WTP

BAKER WTP SUPPLY (CFS) = 43.50

Baker Pipeline Valuation

	Reach 1U	Reach 2U	Reach 3U	Reach 4U	Reach 5U	TOTAL
Value of Pipeline in each Reach (\$)	\$2,649,672	\$3,439,625	\$2,623,023	\$5,802,030	\$1,235,731	\$15,750,081
Per Agreement Unit Cost by Reach (\$/cfs)	\$25,259.03	\$75,596.15	\$57,648.86	\$127,517.14	\$31,284.33	\$317,305.51
Revised Unit Cost by Reach (\$/cfs)	\$26,764.36	\$62,789.80	\$51,756.57	\$114,483.62	\$24,964.26	\$280,758.62

Total Capacity in each Reach per Agreement dated 5/16/88	104.90	45.50	45.50	45.50	39.50
Total Capacity in each Reach - Revised	99.00	54.78	50.68	50.68	49.50

COST BALANCE BASED ON CAPACITY PURCHASES

VALUE CHANGE BY REACH (\$)**

	Stakeholders to Baker WTP					SUM
Per Agreement	\$641,327	\$1,919,386	\$1,463,704	\$3,237,660	\$795,560	
Revised	\$635,654	\$1,918,856	\$1,463,676	\$3,237,597	\$795,611	
Baker Cost	\$347,937	\$816,267	\$672,835	\$1,488,287	\$324,536	
Surplus/Deficit	\$287,717	\$1,102,589	\$790,840	\$1,749,310	\$471,076	\$4,401,532 SMWD
	\$1,449,868	\$944,952	\$720,611	\$1,593,964	\$234,945	
	\$1,437,246	\$944,986	\$720,451	\$1,593,612	\$235,163	
	\$1,244,543	\$910,452	\$543,444	\$1,202,076	\$262,125	
	\$192,703	\$34,534	\$177,007	\$391,536	-\$26,961	\$768,819 IRWD
	\$217,480	\$495,155	\$377,600	\$835,237	\$204,912	
	\$215,453	\$495,411	\$377,823	\$835,730	\$204,957	
	\$214,115	\$502,318	\$414,053	\$915,869	\$199,714	
	\$1,338	-\$6,907	-\$36,230	-\$80,139	\$5,242	-\$116,696 TCWD
	-	-	-	-	-	
	-	-	-	-	-	
	\$133,822	\$313,949	\$258,783	\$572,418	\$124,821	
	-\$133,822	-\$313,949	-\$258,783	-\$572,418	-\$124,821	-\$1,403,793 ETWD
	-	-	-	-	-	
	-	-	-	-	-	
	\$347,937	\$816,267	\$672,835	\$1,488,287	\$324,536	
	-\$347,937	-\$816,267	-\$672,835	-\$1,488,287	-\$324,536	-\$3,649,862 MNWD
						\$0

NET DIFFERENCE

*** Negative Values = Paid By, Positive Values = Paid To

Exhibit 2A

Existing Ownership Capacities

and

Exhibit 2B

Modified Ownership Capacities (Per 2009 Hydraulic Study)

EXHIBIT 2
BAKER PIPELINE CAPACITY OWNERSHIP RIGHTS

EXHIBIT 2A Existing Ownership Capacities (per Section 2.1 of this Agreement)					
	Reach 1U	Reach 2U	Reach 3U	Reach 4U	Reach 5U
Length (LF)	9,400	10,425	7,950	28,500	6,070
HGL Elev at End of Reach ¹	815	786	765	723	715
Agency	CFS	CFS	CFS	CFS	CFS
East Orange County Water District	10.00	-	-	-	-
The Irvine Company	2.50	-	-	-	-
County of Orange	1.00	1.06	1.06	1.06	-
Irvine Ranch Water District	57.40	12.50	12.50	12.50	7.51
Santa Margarita Water District	25.39	25.39	25.39	25.39	25.43
Trabuco Canyon Water District	8.61	6.55	6.55	6.55	6.55
El Toro Water District	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-
Total Capacity	104.90	45.50	45.50	45.50	39.49

¹ Beginning HGL elevation of 832 at OC-33

EXHIBIT 2B Modified Ownership Capacities (Per 2009 Hydraulic Analysis)					
	Reach 1U	Reach 2U	Reach 3U	Reach 4U	Reach 5U
Length (LF)	9,400	10,425	7,950	28,500	6,070
HGL Elev at End of Reach ¹	816	788	770	703	690
Agency	CFS	CFS	CFS	CFS	CFS
East Orange County Water District	10.00	-	-	-	-
The Irvine Company	2.50	-	-	-	-
County of Orange ²	1.00	1.28	1.18	1.18	-
Irvine Ranch Water District	53.70	15.05	13.92	13.92	9.42
Santa Margarita Water District	23.75	30.56	28.28	28.28	31.87
Trabuco Canyon Water District	8.05	7.89	7.30	7.30	8.21
El Toro Water District	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-
Total Capacity	99.00	54.78	50.68	50.68	49.50

¹ Beginning HGL elevation of 832 at OC-33

² County of Orange capacities over-allocated in reach 2U, 3U, and 4U from existing ownership capacities as defined in Exhibit 2A. See Exhibit 2C for adjustment to match existing ownership capacities.

Exhibit 2C

Revised Ownership Capacities With Non-Participant Adjustment

and

Exhibit 2D

Proposed Ownership Capacities

EXHIBIT 2
BAKER PIPELINE CAPACITY OWNERSHIP RIGHTS

EXHIBIT 2C Revised Ownership Capacities With Non-Participant Adjustment ¹					
	Reach 1U	Reach 2U	Reach 3U	Reach 4U	Reach 5U
Length (LF)	9,400	10,425	7,950	28,500	6,070
HGL Elev at End of Reach ²	816	788	770	703	690
Agency	CFS	CFS	CFS	CFS	CFS
East Orange County Water District	10.00	-	-	-	-
The Irvine Company	2.50	-	-	-	-
County of Orange ³	1.00	1.06	1.06	1.06	-
Irvine Ranch Water District ⁴	53.70	15.11	13.95	13.95	9.42
Santa Margarita Water District ⁴	23.75	30.69	28.35	28.35	31.87
Trabuco Canyon Water District ⁴	8.05	7.92	7.32	7.32	8.21
El Toro Water District	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-
Total Capacity	99.00	54.78	50.68	50.68	49.50

¹ Non-participant (East Orange County Water District, The Irvine Company, County of Orange) existing Baker Pipeline ownership capacities remain unchanged in each pipeline reach as defined in Exhibit 2A.

² Beginning HGL elevation of 832 at OC-33

³ County of Orange capacity rights in Reach 2U, 3U, and 4U adjusted from revised ownership capacity rights as defined in Exhibit 2B to match existing ownership capacities as defined in Exhibit 2A.

⁴ Ownership capacity in pipeline reach 2U, 3U, and 4U for Irvine Ranch Water District, Santa Margarita Water District, and Trabuco Canyon Water District adjusted from revised capacity allocation totals as defined in Exhibit 1 to include County of Orange over-allocation as defined in Exhibit 2B.

EXHIBIT 2D Proposed Ownership Capacities					
	Reach 1U	Reach 2U	Reach 3U	Reach 4U	Reach 5U
Length (LF)	9,400	10,425	7,950	28,500	6,070
HGL Elev at End of Reach ¹	816	788	770	703	690
Agency	CFS	CFS	CFS	CFS	CFS
East Orange County Water District ²	10.00	-	-	-	-
The Irvine Company ²	2.50	-	-	-	-
County of Orange ²	1.00	1.06	1.06	1.06	-
Irvine Ranch Water District ³	46.50	14.59	10.54	10.54	10.50
Santa Margarita Water District ³	13.00	13.08	13.05	13.05	13.00
Trabuco Canyon Water District ³	8.00	8.05	8.03	8.03	8.00
El Toro Water District ⁴	5.00	5.00	5.00	5.00	5.00
Moulton Niguel Water District ⁴	13.00	13.00	13.00	13.00	13.00
Total Capacity	99.00	54.78	50.68	50.68	49.50

¹ Beginning HGL elevation of 832 at OC-33

² Non-participant (East Orange County Water District, The Irvine Company, County of Orange) proposed ownership capacities match existing ownership capacities in each pipeline reach as defined in Exhibit 2A.

³ Proposed ownership capacity in pipeline reach 2U, 3U, and 4U for Irvine Ranch Water District, Santa Margarita Water District, and Trabuco Canyon Water District adjusted from revised capacity allocation totals as defined in Exhibit 1 to include County of Orange over-allocation as defined in Exhibit 2B.

⁴ Total capacity in each pipeline reach match totals as defined in Exhibit 1 for El Toro Water District and Moulton Niguel Water District.

Exhibit 3A

Baker Pipeline Capacity Valuation Analysis (2009 and July 1, 2013)

EXHIBIT 3A

BAKER PIPELINE CAPACITY VALUATION ANALYSIS (2009 AND JULY 1, 2013)

REACH	1U	2U	3U	4U	5U	TOTAL
LENGTH (ft)	9,400	10,425	7,950	28,500	6,070	62,345
PROPOSED CAPACITY ALLOCATION (cfs)	99.00	54.78	50.68	50.68	49.50	-
PIPE DIAMETER	54	39	39	39	39	-
YEAR INSTALLED	1963	1981	1981	1963	1963	-
2013 Construction Cost	\$5,357,083	\$4,290,890	\$3,272,190	\$11,730,491	\$2,498,389	\$27,149,043
2013 Undepreciated Value	\$7,232,062	\$5,792,702	\$4,417,456	\$15,836,163	\$3,372,825	\$36,651,208
2013 Depreciated Value	\$2,410,687	\$3,321,149	\$2,532,675	\$5,278,721	\$1,124,275	\$14,667,507
2013 Depreciated Value per cfs	\$24,350.38	\$60,627	\$49,974	\$104,158	\$22,713	\$261,822

Assumptions include the following:

	2009	2013
Pipeline Useful Life (Years):	75	75
Pipe Unit Cost (per inch-diameter-foot)	\$10.00	\$ 10.55 (Adjusted for June 2013 LA ENR)
Design/Contingency Factor:	1.35	1.35

Formulas for Calculating Cost are as follows:

2013 Construction Cost = Pipe Length * Pipe Diameter * 2013 Pipe Unit Cost

2013 Undepreciated Value = 2013 Construction Cost * Design/Contingency Factor

2013 Depreciated Value = 2013 Undepreciated Value * [(Pipeline Useful Life - Years in Service)/Pipeline Useful Life]

December 2009 LA ENR = 9,764

June 2013 LA ENR = 10,305

Exhibit 3B

Baker Pipeline Summary of Pipeline Capacity Transfers, By Reach

EXHIBIT 3B

BAKER PIPELINE SUMMARY OF CAPACITY TRANSFERS, BY REACH

REACH		1U	2U	3U	4U	5U
LENGTH (ft)		9,400	10,425	7,950	28,500	6,070
PROPOSED CAPACITY ALLOCATION (cfs)		99.00	54.78	50.68	50.68	49.50
AGENCY	BAKER PIPELINE CAPACITY ALLOCATION (cfs) ¹					
East Orange County Water District	Existing Ownership Capacity ²	10.00	-	-	-	-
	Proposed Ownership Capacity ⁴	10.00	-	-	-	-
	Surplus/(Deficit)	0	-	-	-	-
The Irvine Company	Existing Ownership Capacity ²	2.50	-	-	-	-
	Proposed Ownership Capacity ⁴	2.50	-	-	-	-
	Surplus/(Deficit)	0	-	-	-	-
County of Orange	Existing Ownership Capacity ²	1.00	1.06	1.06	1.06	-
	Proposed Ownership Capacity ⁴	1.00	1.06	1.06	1.06	-
	Surplus/(Deficit)	0	0	0	0	-
Irvine Ranch Water District	Revised Ownership Capacity ³	53.70	15.11	13.95	13.95	9.42
	Proposed Ownership Capacity ⁴	46.50	14.59	10.54	10.54	10.50
	Surplus/(Deficit)	7.20	0.52	3.41	3.41	(1.08)
Santa Margarita Water District	Revised Ownership Capacity ³	23.75	30.69	28.35	28.35	31.87
	Proposed Ownership Capacity ⁴	13.00	13.08	13.05	13.05	13.00
	Surplus/(Deficit)	10.75	17.61	15.30	15.30	18.87
Trabuco Canyon Water District	Revised Ownership Capacity ³	8.05	7.92	7.32	7.32	8.21
	Proposed Ownership Capacity ⁴	8.00	8.05	8.03	8.03	8.00
	Surplus/(Deficit)	0.05	(0.13)	(0.71)	(0.71)	0.21
El Toro Water District	Revised Ownership Capacity ³	-	-	-	-	-
	Proposed Ownership Capacity ⁴	5.00	5.00	5.00	5.00	5.00
	Surplus/(Deficit)	(5.00)	(5.00)	(5.00)	(5.00)	(5.00)
Moulton Niguel Water District	Revised Ownership Capacity ³	-	-	-	-	-
	Proposed Ownership Capacity ⁴	13.00	13.00	13.00	13.00	13.00
	Surplus/(Deficit)	(13.00)	(13.00)	(13.00)	(13.00)	(13.00)

¹ Positive Values indicate Baker Pipeline Capacity to be sold. Negative Values indicated Baker Pipeline Capacity to be purchased.

² Existing ownership capacity per Exhibit 2A.

³ Revised ownership capacity per Exhibit 2B.

⁴ Proposed ownership capacity per Exhibit 2D.

Exhibit 3C

Pipeline Capacity Purchase and Sale Prices, By Party

EXHIBIT 3C

PIPELINE CAPACITY PURCHASE AND SALE PRICES, BY PARTY

AGENCY	CAPACITY PURCHASES (PAYMENTS)	CAPACITY REVENUE (RECEIPTS)	CAPACITY TRANSFER NET COST
East Orange County Water District	\$ -	\$ -	\$ -
The Irvine Company	\$ -	\$ -	\$ -
County of Orange	\$ -	\$ -	\$ -
Irvine Ranch Water District	\$ (24,530)	\$ 732,438	\$ 707,908
Santa Margarita Water District	\$ -	\$ 4,116,212	\$ 4,116,212
Trabuco Canyon Water District	\$ (117,315)	\$ 5,987	\$ (111,328)
El Toro Water District	\$ (1,309,109)	\$ -	\$ (1,309,109)
Moulton Niguel Water District	\$ (3,403,683)	\$ -	\$ (3,403,683)

Footnotes:

- (1) Positive Values indicate net payments to the Agency.
Negative Values indicate net payments from the Agency.

Exhibit 4A

Contractual Pipeline Capacities (Existing) -- Maintenance Shares, Total and By Reach

and

Exhibit 4B

**Modified Pipeline Capacities (Per 2009 Study Hydraulic
Analysis) -- Maintenance Shares, Total and By Reach**

EXHIBIT 4
BAKER PIPELINE MAINTENANCE SHARES

Exhibit 4A Contractual Pipeline Capacities (Existing) -- Maintenance Shares, Total and By Reach ¹												
	Reach 1U		Reach 2U		Reach 3U		Reach 4U		Reach 5U		Total Pipeline	
Length (LF)	9,400		10,425		7,950		28,500		6,070		62,345	
	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length Total	%
East Orange County Water District ¹	94,000	9.53%	-	-	-	-	-	-	-	-	94,000	2.80%
The Irvine Company ¹	23,500	2.38%	-	-	-	-	-	-	-	-	23,500	0.70%
County of Orange ¹	9,400	0.95%	11,051	2.33%	8,427	2.33%	30,210	2.33%	-	-	59,088	1.76%
Irvine Ranch Water District	539,560	54.72%	130,313	27.47%	99,375	27.47%	356,250	27.47%	45,586	19.02%	1,171,085	34.87%
Santa Margarita Water District	238,666	24.20%	264,691	55.80%	201,851	55.80%	723,615	55.80%	154,360	64.40%	1,583,184	47.14%
Trabuco Canyon Water District	80,934	8.21%	68,284	14.40%	52,073	14.40%	186,675	14.40%	39,759	16.59%	427,724	12.74%
El Toro Water District	-	-	-	-	-	-	-	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-	-	-	-	-	-	-	-
Total	986,060	100%	474,338	100%	361,725	100%	1,296,750	100%	239,704	100%	3,358,581	100%

¹ The Baker Pipeline maintenance share, by capacity holder, is based upon the percentage of the sum of the capacity * length in each pipeline reach divided by the total capacity * total length of the Baker Pipeline. Capital improvement and replacement costs are determined by the maintenance share percentage in each pipeline reach where capital improvements or replacement costs occur, as defined by the SAC Agreement.

Exhibit 4B Modified Pipeline Capacities (Per 2009 Study Hydraulic Analysis) -- Maintenance Shares, Total and By Reach ¹												
	Reach 1U		Reach 2U		Reach 3U		Reach 4U		Reach 5U		Total Pipeline	
Length (LF)	9,400		10,425		7,950		28,500		6,070		62,345	
	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length Total	%
East Orange County Water District	94,000	10.10%	-	-	-	-	-	-	-	-	94,000	2.58%
The Irvine Company	23,500	2.53%	-	-	-	-	-	-	-	-	23,500	0.64%
County of Orange	9,400	1.01%	13,344	2.34%	9,381	2.33%	33,630	2.33%	-	-	65,755	1.80%
Irvine Ranch Water District	504,780	54.24%	156,897	27.47%	110,664	27.47%	396,720	27.47%	57,179	19.03%	1,226,240	33.60%
Santa Margarita Water District	223,250	23.99%	318,588	55.79%	224,826	55.80%	805,980	55.80%	193,451	64.38%	1,766,095	48.39%
Trabuco Canyon Water District	75,670	8.13%	82,253	14.40%	58,035	14.40%	208,050	14.40%	49,835	16.59%	473,843	12.98%
El Toro Water District	-	-	-	-	-	-	-	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-	-	-	-	-	-	-	-
Total	930,600	100%	571,082	100%	402,906	100%	1,444,380	100%	300,465	100%	3,649,433	100%

¹ Based on revised ownership capacities as defined in Exhibit 2B per the 2009 Hydraulic Analysis

Exhibit 4C

**Revised Pipeline Capacities With Non-Participant
Adjustment -- Maintenance Shares, Total and By Reach**

and

Exhibit 4D

Proposed Pipeline Capacities -- Maintenance Shares, Total and By Reach

EXHIBIT 4
BAKER PIPELINE MAINTENANCE SHARES

Exhibit 4C Revised Pipeline Capacities With Non-Participant Adjustment -- Maintenance Shares, Total and By Reach												
	Reach 1U		Reach 2U		Reach 3U		Reach 4U		Reach 5U		Total Pipeline	
Length (LF)	9,400		10,425		7,950		28,500		6,070		62,345	
	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length Total	%
East Orange County Water District ¹	94,000	9.53%	-	-	-	-	-	-	-	-	94,000	2.58%
The Irvine Company ¹	23,500	2.38%	-	-	-	-	-	-	-	-	23,500	0.64%
County of Orange ²	9,400	0.95%	11,051	2.33%	8,427	2.33%	30,210	2.33%	-	-	59,088	1.62%
Irvine Ranch Water District	504,780	54.24%	157,522	27.58%	110,902	27.53%	397,575	27.53%	57,179	19.03%	1,227,958	33.65%
Santa Margarita Water District	223,250	23.99%	319,943	56.02%	225,383	55.94%	807,975	55.94%	193,451	64.38%	1,770,002	48.50%
Trabuco Canyon Water District	75,670	8.13%	82,566	14.46%	58,194	14.44%	208,620	14.44%	49,835	16.59%	474,885	13.01%
El Toro Water District	-	-	-	-	-	-	-	-	-	-	-	-
Moulton Niguel Water District	-	-	-	-	-	-	-	-	-	-	-	-
Total	930,600	99.23%	571,082	100.39%	402,906	100.24%	1,444,380	100.24%	300,465	100%	3,649,433	100%
Adjustment ³	0	0.77%	0	-0.39%	0	-0.24%	0	-0.24%	0	0%	0	0%

¹ East Orange County Water District and The Irvine Company proposed ownership capacities and maintenance shares in Reach 1U held to existing ownership capacities as defined in Exhibit 2A and existing maintenance shares as defined in Exhibit 4A.

² County of Orange capacities and maintenance shares in Reach 1U, 2U, 3U, and 4U held to existing ownership capacities as defined in Exhibit 2A and existing maintenance shares as defined in Exhibit 4A.

³ Adjustment is the difference from holding the County of Orange ownership capacities and maintenance shares in reach 1U, 2U, 3U, and 4U, and the East Orange County Water District and The Irvine Company ownership capacities and maintenance shares in reach 1U as defined in Exhibit 2B and Exhibit 4B to existing ownership capacities and maintenance shares as defined in Exhibit 2A and Exhibit 4A. Adjustment is proportionally distributed among Irvine Ranch Water District, Santa Margarita Water District, and El Toro Water District.

Exhibit 4D Proposed Pipeline Capacities -- Maintenance Shares, Total and By Reach												
	Reach 1U		Reach 2U		Reach 3U		Reach 4U		Reach 5U		Total Pipeline	
Length (LF)	9,400		10,425		7,950		28,500		6,070		62,345	
	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length	%	Capacity * Length Total	%
East Orange County Water District ¹	94,000	9.53%	-	-	-	-	-	-	-	-	94,000	2.58%
The Irvine Company ¹	23,500	2.38%	-	-	-	-	-	-	-	-	23,500	0.64%
County of Orange ¹	9,400	0.95%	11,051	2.33%	8,427	2.33%	30,210	2.33%	-	-	59,088	1.62%
Irvine Ranch Water District	437,100	47.45%	152,101	26.52%	83,793	20.73%	300,390	20.73%	63,735	21.21%	1,037,119	28.42%
Santa Margarita Water District	122,200	13.34%	136,359	23.65%	103,747	25.61%	371,925	25.61%	78,910	26.26%	813,141	22.28%
Trabuco Canyon Water District	75,200	8.15%	83,921	14.64%	63,839	15.81%	228,855	15.81%	48,560	16.16%	500,375	13.71%
El Toro Water District	47,000	5.05%	52,125	9.13%	39,750	9.87%	142,500	9.87%	30,350	10.10%	311,725	8.54%
Moulton Niguel Water District	122,200	13.13%	135,525	23.73%	103,350	25.65%	370,500	25.65%	78,910	26.26%	810,485	22.21%
Total ²	930,600	100%	571,082	100%	402,906	100%	1,444,380	100%	300,465	100%	3,649,433	100%

¹ Non-participants (East Orange County Water District, The Irvine Company, County of Orange) proposed maintenance share percentages match existing maintenance share percentages in each pipeline reach as defined in Exhibit 4A. Proposed total maintenance share percentages match revised total maintenance share percentages as defined in Exhibit 4C.

² Total capacity * length in each pipeline reach held at revised ownership capacities in Exhibit 4B.

Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013

FROM: Matt Collings, Director of Engineering and Operations
Eva Plajzer, Assistant Director of Engineering
Ray McDowell, Superintendent of Engineering

**SUBJECT: Construction Services Contract for Kite Hill Pressure Reducing Station Relocation
Project No. 2010.003**

SUMMARY:

Issue: Staff issued a Notice Inviting Sealed Proposals (Bids) for the relocation of the Kite Hill Pressure Reducing Station.

Recommendation: The Board of Directors awards the Construction Services Contract to Paulus Engineering in the amount of \$219,300; authorizes the General Manager to execute the contract pending the execution of the easement with Kite Hill HOA; increases the project expense authorization from \$80,000 to \$352,187; and authorizes the General Manager or designee to authorize contract change orders up to 10% of the contract value from the project contingency.

Fiscal Impact: None. Sufficient funds have been budgeted for Project No. 2010.003 in the approved Fiscal Year 2013-2014 Budget. The 10-year Capital Improvement Program had a total project budget of \$400,000.

BACKGROUND:

In late 1977, the District installed a pressure reducing station at the intersection of Alicia Parkway and Kite Hill Drive South. The pressure reducing station is the primary feed for the entire Kite Hill community. The only additional services available to the area are a pressure reducing station from the 30-inch Central Intertie Pipeline off Niguel Road and a high-low interconnection to the 450-zone at the intersection of Jaeger Drive and Brant Lane. These additional connections require staff to manually open valves and operate the facilities to provide service to the Kite Hill community. Exhibit A shows the location of the Kite Hill PRS and adjacent facilities.

The pressure reducing station relocation is being proposed for a variety of factors that have been evaluated by staff, including:

- Age of the existing valves and piping within the vault;
- Safety concerns regarding appropriate access to the facility off Alicia Parkway;
- Critical nature of the facility as the primary service to the Kite Hill Community;
- The current vault design is not consistent with current District standards to provide appropriate maintenance.

Staff is proposing to have a new pressure reducing station that is consistent with current District standards constructed along Auklet Lane out of the travel lanes that allows for an improved design with hatched access. The existing facility will be abandoned at its current location per City of Laguna Niguel requirements as the facility is located in a public street.

In order to construct the PRS along Auklet Lane, an easement of about 348 square feet will be required from the Kite Hill Homeowners Association (HOA). The District completed its negotiations with the HOA for the easement and is in the process of finalizing recordation documents to be submitted to the County of Orange. The easement will be recorded before the construction contract is executed.

DISCUSSION:

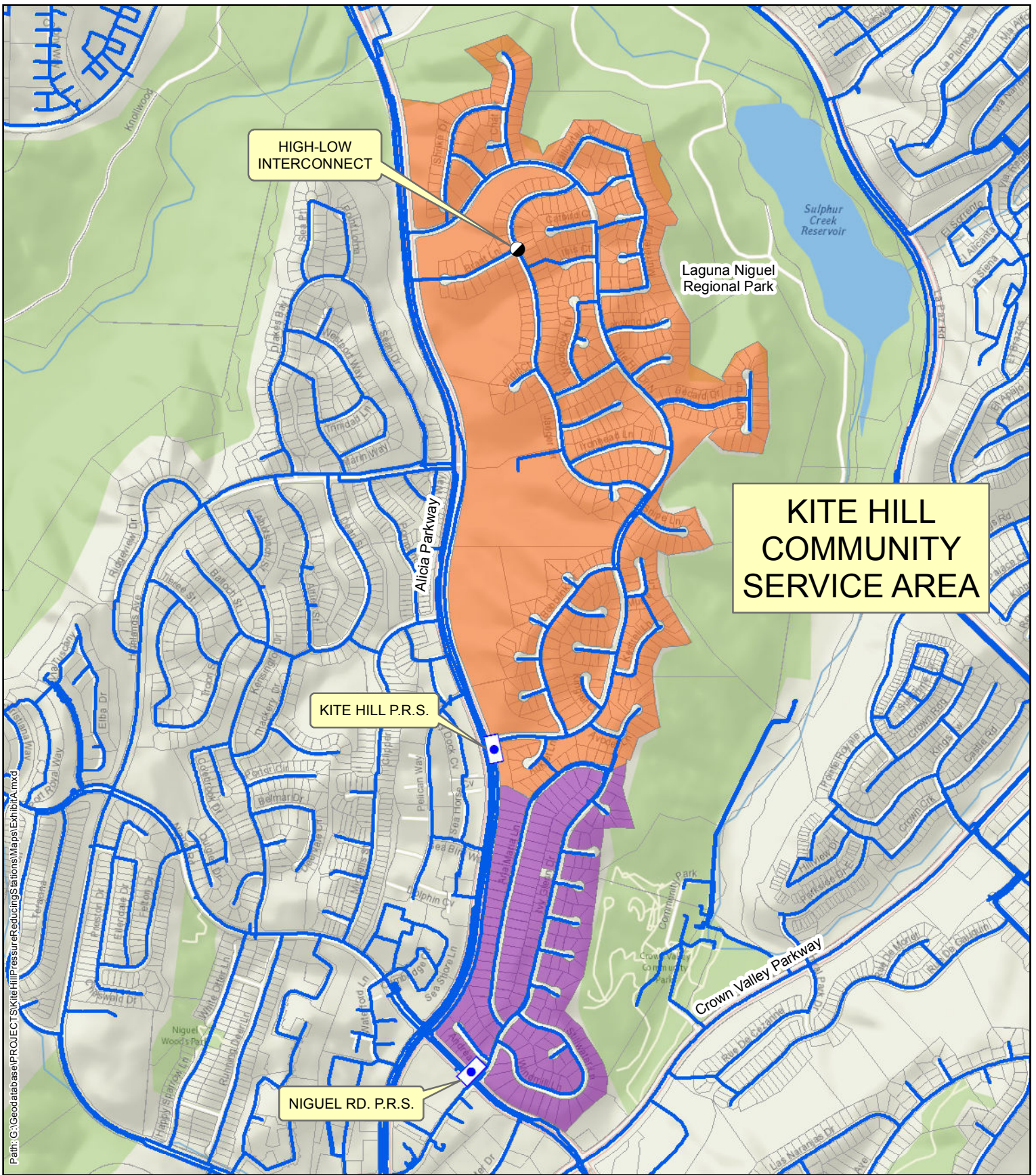
The District requested bids, and on July 25, 2013, received four sealed bids for the subject contract. The table below summarizes the received bids:






Firm	Bid
Paulus Engineering	\$219,300
L & S Construction	\$237,415
Kennedy Pipeline	\$308,515
T. E. Roberts	\$313,560
Engineer's Estimate	\$257,000

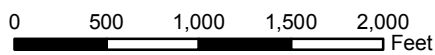
Staff reviewed the bids and determined that the lowest responsible and responsive bidder is Paulus Engineering. Staff has completed its review of the contract documents and has determined that they are in order.

SUMMARY OF PROJECT BUDGET:

	Previously Approved	Requested Amount	Total Amount	Expended to Date
Project Items				
Engineering Services	\$70,957	\$0	\$70,957	\$46,312
Construction	\$0	\$219,300	\$219,300	\$0
Permit Fees	\$0	\$10,000	\$10,000	\$0
Property Acquisition	\$5,000	\$0	\$5,000	\$0
Contingency	\$1,053	\$20,887	\$21,930	\$0
District Labor & Other	\$3,000	\$22,000	\$25,000	\$0
Totals	\$80,000	\$272,187	\$352,187	\$46,312



-  Pressure Reducing Station
-  Potable Water Mains
-  Kite Hill HOA Service Area
-  Non HOA Service Area
-  Parcels



Scale = 1:12,500

**EXHIBIT A
VICINITY MAP**

**Kite Hill Pressure Reducing
Station (PRS) Relocation
Project No. 2010.003**



Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013

FROM: Matt Collings, Director of Engineering and Operations
Megan Geer, Contracts and Procurement Manager
Tona Nelson, Purchasing Agent

SUBJECT: Fleet Replacement for Fiscal Year 2013-2014

SUMMARY:

Issue: Purchase of four service trucks and one pool car vehicle and salvage of eight vehicles.

Recommendation: The Board of Directors authorizes vehicle purchases with Santa Margarita Ford for four vehicles, including body accessories, totaling \$138,847.40, and with Tuttle Click Ford for one vehicle totaling \$21,155.15; and authorizes salvage of eight vehicles – Units 40, 43, 45, 87, 85, 1004, 1005, and 1008.

Fiscal Impact: None. Sufficient funds were budgeted in the 2013-14 Fiscal Year Adopted Budget.

BACKGROUND:

The District has 99 vehicles in its fleet. In the current fiscal year budget, District staff has proposed to replace four existing vehicles that have reached the end of their service life and purchase one new District pool vehicle. The current District policy is to work towards a goal of 15-years and/or 150,000 miles for each service vehicle prior to replacement.

The requests for the four vehicle replacements and one additional pool vehicle were discussed at the Budget Workshop in June 2013. Additional information is provided below for each vehicle. Requirements and specifications for the new vehicles were developed by fleet maintenance staff, in conjunction with the field staff, based on the needs to support essential District field functions.

COMPARATIVE PRICE ANALYSIS:

Based on District requirements, a request was issued to local dealerships including Tuttle Click Ford of Irvine, Santa Margarita Ford of Rancho Santa Margarita, Orange Coast Dodge of San Juan Capistrano, Mc Peek’s Dodge of Anaheim, Chevrolet of Irvine and Connell Chevrolet of Costa Mesa. All dealerships responded to the specifications and provided their best government price concession.

A breakdown of each dealership proposal for vehicles (out-the-door costs, including taxes and fees) is listed below:

Replacement of Unit 40 – Facilities Maintenance

Unit 40 is a 2006 Chevrolet 1500 Hybrid with 66,500 miles and has been utilized by the Facilities Maintenance department. It is used for a variety of duties including: pump maintenance projects, standby duties, and emergency response. This vehicle primarily carries tools for maintenance projects, basic safety equipment and is utilized to tow District equipment during emergency situations. Unit 40 is one of two hybrid vehicles within the District’s fleet, and has experienced a large number of transmission related issues since its purchase. Staff is not recommending expending any more funds to extend the life of the vehicle. Unit 40 is proposed to be salvaged.

The replacement for the existing Unit 40 is proposed to be a 2013 Ford F-250 Gas XL Super Cab with Utility Body or equal. The quotes provided by the various dealers are listed below.

2013 Ford F-250 Gas XL Super Cab with Utility Body or Equal:

Santa Margarita Ford	\$36,941.51
Tuttle Click Ford	\$37,419.95
Mc Peek Dodge	\$44,615.99
Orange Coast Dodge	\$49,566.99
Chevrolet of Irvine	\$49,821.84
Connell Chevrolet	Declined to bid

Replacement of Unit 43 – Water Distribution

Unit 43 is a 1999 Chevrolet 3500 with 95,700 miles. This vehicle has satisfied its useful life and has experienced an increase in maintenance over the past 2 to 3 years. Water Distribution has utilized this vehicle for 14 years in a variety of roles. The vehicle has been primarily used for checking reservoir site water quality, maintenance projects at District potable water facilities, and assisting with traffic control set ups. The vehicle carries tools, basic safety equipment and water quality sampling equipment. The new truck will possess increased capacity to tow District equipment and to meet the increased maintenance demands in regards to air/vac

valve maintenance and Reservoir Maintenance System refurbishment. Unit 43 is proposed to be salvaged.

The replacement for the existing Unit 43 is proposed to be a 2013 Ford F-350 XL Diesel with Utility Body or equal. The quotes provided by the various dealers are listed below.

2013 Ford F-350 XL Diesel with Utility Body or Equal:

Santa Margarita Ford	\$48,157.31
Tuttle Click Ford	\$48,229.00
Orange Coast Dodge	\$51,492.15
Irvine Chevrolet	\$51,846.00
Mc Peek Dodge	\$59,935.79
Connell Chevrolet	Declined to bid

Replacement of Unit 45 – Customer Service

Unit 45 is a 1998 Toyota T-100 with 132,000 miles. This vehicle has been primarily used for meter repair and service, field service calls and emergency response. The new vehicle will be used for the same duties and will carry basic hand tools and safety equipment. This vehicle has satisfied its useful life of 15 years and is due for replacement as a result of increased maintenance and wear due to age and mileage. This is one of the oldest trucks in the District’s light truck fleet. Unit 45 is proposed to be salvaged.

The replacement for the existing Unit 45 is proposed to be a 2013 Ford F-150 XL with Utility Body or equal. The quotes provided by the various dealers are listed below.

2013 Ford F-150 XL with Utility Body or Equal:

Santa Margarita Ford	\$22,640.15
Tuttle Click Ford	\$25,637.15
Mc Peek Dodge	\$33,079.43
Orange Coast Dodge	\$34,510.75
Irvine Chevrolet	\$41,139.60
Connell Chevrolet	Declined to bid

Replacement of Unit 87- Engineering

Unit 87 is a 1998 Toyota T-100 with 91,000 miles. This vehicle has satisfied its useful life of 15 years. This vehicle is used for responding to requests for USA dig alert service, providing traffic control assistance during emergencies and performing inspection services. The new vehicle will be used in the same capacity. It will carry hand tools, line locating equipment and basic safety equipment. It has experienced

an increase in maintenance due to wear and tear and is ready to be replaced. Unit 87 is proposed to be salvaged.

The replacement for the existing Unit 87 is proposed to be a 2013 Ford F-150 XL Super Cab with Utility Body or equal. The quotes provided by the various dealers are listed below.

2013 Ford F-150 XL Super Cab with Utility Body or Equal:

Santa Margarita Ford	\$31,108.43
Tuttle Click Ford	\$34,320.35
Chevrolet of Irvine	\$38,435.34
Orange Coast Dodge	\$43,192.99
Mc Peek Dodge	\$50,539.91
Connell Chevrolet	Declined to Bid

New Pool Vehicle

The District has numerous occasions when an additional pool vehicle is needed for employees who are traveling between District locations or attending business and professional development meetings off site.

The new pool vehicle is proposed to be a 2014 Ford Escape S FWD or equal. The quotes provided by the various dealers are listed below.

2014 Ford Escape S FWD or equal:

Tuttle Click Ford	\$ 21,155.15
Santa Margarita Ford	\$ 21,191.87
Orange Coast Dodge	\$ 22,083.15
Mc Peek Dodge	\$ 22,254.59
Connell Chevrolet	\$ 25,732.00
Chevrolet of Irvine	\$ 26,765.00

Salvage of Existing Vehicles

In addition to the four vehicles that will be salvaged when the replacement vehicles are purchased, these vehicles are proposed to be salvaged:

1. Unit 85 – 1998 Ford Explorer with 109,000 miles
2. Unit 1004 – 2004 Mercury Mini Van with 90,000 miles
3. Unit 1005 – 2001 Chevy Venture with 63,000 miles
4. Unit 1008 – 2002 Ford F-150 with 175,000 miles

These vehicles no longer meet District needs and have increased maintenance requirements. These vehicles will be salvaged upon Board approval.

Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013

FROM: Matt Collings, Director of Engineering and Operations
Brad Bruington, Utilities Maintenance Superintendent

SUBJECT: Amendment No. 1 to the Annual Fats, Oils, and Grease (FOG) Source Control Program Service Agreement for Fiscal Year 2013/2014

SUMMARY:

Issue: Amendment No. 1 is required to fund the FOG Source Control Program for Fiscal Year (FY) 2013-14.

Recommendation: The Board of Directors approves Amendment No. 1 to the Professional Services Agreement with Environmental Compliance Inspection Services (ECIS) for a not-to-exceed fee of \$140,000 for FY 2013/2014 for a total agreement value of \$278,000; and authorizes the General Manager to execute Amendment No. 1.

Fiscal Impact: The funds for this amendment have been included in the Fiscal Year 2013-14 Operating Budget.

BACKGROUND:

In execution of the District's Sewer System Management Plan (SSMP), the District performs monthly inspections of approximately 300 grease control devices within the District. Additionally, the Fats, Oils, and Grease (FOG) Program requires the District to perform bi-annual inspections of approximately 430 Food Service Establishments within the District to review Kitchen Best Management Practices (BMP), check for proper posters, employee training and other documentation required in the District's FOG policy. These services are critical to protect the District's wastewater collection system from potential blockages by ensuring appropriate grease protection at the various Food Service Establishments. Per the District's FOG Policy, the Food Service Establishments also pay an annual permit fee as part of their permit renewal. The District collected approximately \$30,000 in permit fees in FY 2012/13 to offset the costs of implementation of the FOG Program.

DISCUSSION:

Environmental Compliance Inspection Service (ECIS) has been providing wastewater pretreatment inspection for the District for approximately 10 years via a contract with the South Orange County Wastewater Authority (SOCWA). At the beginning of Fiscal Year 2010-2011, the District contracted directly with ECIS. ECIS has tremendous experience with the issues and concerns related to the existing pretreatment program within the District's service area and the surrounding communities. ECIS contracts with South Coast Water District, City of Laguna Beach, City of Newport Beach, and City of Buena Park, among others. Further, ECIS has been integral in the implementation of the FOG program and will continue to play a key role in the review, update, and implementation of a revised policy. This particular contract requires a firm that has a well-developed reputation with the District's existing restaurants and will represent the District in a professional and courteous manner while remaining steadfast in execution of District Policy. ECIS continues to demonstrate their capability in representing the District appropriately.

District staff requested a proposal from ECIS in 2012 to provide the necessary services for two one-year terms for FY2012/13 and 2013/14. The agreement for FY2012/13 was executed in August 2012 for \$138,000 with approximately \$93,330 expended. ECIS provided satisfactory performance this past year and qualifies for a contract extension for FY2013/14. For FY2013/14, staff proposes to allocate \$112,000 to perform the grease control device inspections and \$28,000 to assist with implementation of the District's FOG Policy, for a total fiscal year commitment of \$140,000. The total contractual amount will be increased to \$278,000.

The services provided by ECIS include: monthly grease interceptor inspection numbering approximately 600-620 lids opened for inspection; bi-annual kitchen inspection at each of the Districts 400+ restaurants to check for proper posters; and, employee training and other documentation required in the Districts FOG policy.

ECIS fees are based on number of inspections required to review all grease control devices and each food service establishment. ECIS fees have not changed over the past three years of service working directly with the District. In addition to the services identified above, ECIS's industry experience has been a tremendous resource to the District as staff reviews the FOG Policy or reviews various tenant improvements.

Moulton Niguel Water District



STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013

FROM: Matt Collings, Director of Engineering and Operations
Eva Plajzer, Assistant Director of Engineering

SUBJECT: Quarterly Capital Improvement Program Progress Report –
Fiscal Year 2012-13, Fourth Quarter and Fiscal Year End

SUMMARY:

Issue: The District's staff is responsible for executing the Capital Improvement Program (CIP) as adopted by the Board of Directors. This quarterly report is for April, May and June of Fiscal Year 2012-13.

Recommendation: Information Purposes Only

Fiscal Impact: The fiscal impact for each project is presented to the Board of Directors on a project by project basis. The collective impact for Fiscal Year 2012-13 is \$28,754,927 if fully expensed.

DISCUSSION:

The Board of Directors approved a FY2012-13 budget in June 2012. Table 1 summarizes the budget.

Table 1
Adopted Budget by Fund
Fiscal Year: July '12 to June '13

Item/Fund	Fiscal Year Adopted Budget	Fiscal Year Expenditures Through Fourth Quarter
Replacement and Refurbishment Project - Fund 07	\$12,505,889	\$3,067,392
SOCWA & JRWSS - Fund 07	\$8,049,333	\$5,073,418
Water Supply Reliability Projects - Fund 12	\$6,810,668	\$1,155,853
Planning and Construction - Fund 14	\$1,389,037	\$139,149
Total FY 2012-13 Proposed Budget	\$28,754,927	\$9,435,812

Several of the projects in this Fiscal Year budget, such as SOCWA, JRWSS, and the Baker Water Treatment Plant, are managed by other entities, with the District primarily providing funding through a project agreement or a joint powers entity. For these projects, staff primarily reviews deliverables and invoices, but does not actively manage the projects. These projects total \$13.5 million for the Fiscal Year 2012-13 budget. The remainder of the budget, \$15.3 million, is executed by MNWD staff. After completion of the fourth quarter of the fiscal year, about 33% of the CIP budget has been expended to date.

Staff has prioritized the projects within the CIP to maximize the resources available to effectively execute the projects. Table 2 lists the projects in the 10-year Capital Improvement Program and their implementation status.

HIGHLIGHTS:

During the fourth quarter of Fiscal Year 2012-13, these major activities were performed within the Capital Improvement Program:

- 6 additional projects were completed:
 - 2010.025 – Galivan Pump Replacement
 - 2011.017 – Regional Park RW Valve Replacement
 - 2011.019 – Mathis Reservoir Coating
 - 2011.030 – National Park Easement Abandonment
 - 2011.071 – Colinas Bridge Retrofit
 - 2012.003 – Upper Salada Muffin Monster No. 2
- 7 projects are under construction

- Awarded contract to Psomas for design services for these projects:
 - 2012.009 – Beacon Hill Pump Station Pump/Generator Replacement
 - 2012.021 – Regional Lift Station Pumps 4&5 Replacement
 - 2012.024 – Upper Salada Lift Station Auxiliary Generator Replacement
 - 2012.028 – Generator At Bear Brand Reservoir
 - 2012.029 – Generator At Bridlewood Takeout
 - 2012.030 – Generator At Marguerite Reservoir
 - 2012.031 – Generator At Mathis Res Pump Station
 - 2012.032 – Generator At Saddleback Reservoir Pump Station
 - 2012.033 – Generator At Seville Reservoir
 - 2012.035 – Main Office Backup Generator
 - 2012.036 – Plant 2a Backup Generator

- Design work continued on 22 additional existing projects.

- Staff continues to perform various administrative activities for the CIP including:
 - Continue to develop contractual vehicles for the execution of the CIP
 - ERP functionality
 - Records management

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2012 TO JUNE 2013

PROJECT NUMBER	PRJT MGR	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	APPROVED EXPENSE AUTHORIZATION	EXPENDED	REMAINING	ESTIMATED
							FROM INCEPTION TO DATE	CONTRACTUAL AMOUNT	COMPLETION DATE
COMPLETED PROJECTS									
2009014	EP	14	EL DORADO PS EVALUATION	2009	\$130,300	\$130,200	\$124,921	\$0	12/31/12
2009107	SLM	07	CROWN VALLEY WIDENING RELOCATION	2009	\$210,000	\$210,000	\$170,901	\$2,644	12/31/12
2010015	EP	12	CHARLES ROAD RW EXTENSION	2010	\$490,141	\$490,141	\$477,090	\$0	12/31/12
2010019	SLM	07	CV PKWY VALVE REPLACEMENT	2010	\$831,000	\$831,000	\$792,958	\$0	12/31/12
2010025	LAB	07	GALIVAN PUMP REPLACEMENT	2010	\$260,000	\$86,615	\$80,707	\$0	6/30/13
2011011	EP	07	INSPECT 54 CIP LINE ANTONIA-BRIDL	2011	\$320,000	\$285,806	\$238,674	\$5,935	12/31/12
2011017	JRM	07	REGIONAL PK 16 VALVE TO RW LINE I	2011	\$35,000	\$35,000	\$29,414	\$0	6/30/13
2011019	JRM	07	MATHIS RES COATING & SAFETY IMPROV	2011	\$550,000	\$550,000	\$403,616	\$6,288	6/30/13
2011020	JRM	07	MATHIS RESERVOIR VALVE REPLACEMENT	2011	\$42,000	\$42,000	\$32,820	\$12,421	12/31/12
2011021	JRM	07	SEVILLE RES 1&2 INT/EXT COATING	2011	\$925,000	\$950,000	\$930,785	\$8,525	12/31/12
2011022	JRM	07	SHEEP HILLS RES VALVE REPLACEMENT	2011	\$36,000	\$36,000	\$26,228	\$0	12/31/12
2011025	LAB	07	EL TORO TIE-IN PWPS REFURBISHMENT	2011	\$135,200	\$135,200	\$100,046	\$0	12/31/12
2011030	MC	07	NATIONAL PARK EASEMENT ABANDONMENT	2011	\$38,000	\$38,000	\$39,059	\$0	6/30/13
2011036	JRM	07	LOS SERRANOS LN/VISTA VERMOSA SEWE	2011	\$515,000	\$515,000	\$446,405	\$2,311	12/31/12
2011071	MM	07	COLINAS BRIDGE RETROFIT	2011	\$342,000	\$342,000	\$273,380	\$7,263	12/31/13
2011094	GM	07	PLC PANEL REPLACEMENT-SC2 OSO PKWY	2011	\$0	\$2,000	\$1,202	\$0	12/31/12
2011096	GM	07	PLC PANEL REPLACEMENT-BEAR BRAND R	2011	\$0	\$10,000	\$12,320	\$0	12/31/12
2011097	GM	07	PLC PANEL REPLACEMENT-SEVILLE RES	2011	\$0	\$10,000	\$12,859	\$0	12/31/12
2011104	GM	07	PLC PANEL REPLACEMENT-NORTHERLY TA	2011	\$0	\$12,500	\$1,372	\$0	12/31/12
2011105	GM	07	PLC PANEL REPLACEMENT-LA PAZ UNDER	2011	\$0	\$12,500	\$12,701	\$0	12/31/12
2011106	GM	07	PLC PANEL REPLACEMENT-DEL AVION MA	2011	\$0	\$12,500	\$10,363	\$0	12/31/12
2011107	GM	07	PLC PANEL REPLACEMENT-ALISO SUMMIT	2011	\$0	\$10,000	\$0	\$0	12/31/12
2011108	GM	07	PLC PANEL REPLACEMENT-MATHIS PS	2011	\$0	\$23,000	\$19,258	\$0	12/31/12
2011110	GM	07	PLC PANEL REPLACEMENT-UPPER SALADA	2011	\$0	\$5,000	\$0	\$0	12/31/12
2011132	JLS	07	DAISY FIELD 8 EASEMENT REFURB	2011	\$30,000	\$30,000	\$1,991	\$0	7/31/12
2011133	JLS	07	ST ANNES 8 EASEMENT REFURB	2011	\$44,000	\$90,000	\$105,603	\$509	8/30/12
2012001	RRG	14	SOUTHERLY ISOLATION VAULT FENCING	2012	\$14,000	\$14,000	\$9,577	\$0	10/31/12
2012002	JRM	14	REGIONAL LS 60" SEWER MANHOL	2012	\$0	\$20,000	\$12,500	\$7,000	12/30/12
2012003	LAB	07	UPPER SALADA MUFFIN MONSTER NO. 2	2012	\$20,000	\$20,000	\$11,713	\$185	12/31/12
2012027	JRM	07	PID PS 14" MAIN REFURBISHMENT	2013	\$70,000	\$70,000	\$4,274	\$0	6/30/13
2012006	EP	12	FY 2012-13 RECYCLED WATER RETROFITS	2012	\$100,000	\$19,000	\$8,999	\$0	6/30/14
Subtotal					\$5,137,641	\$5,037,462	\$4,391,734	\$53,080	

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2012 TO JUNE 2013

PROJECT NUMBER	PRJT MGR	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	APPROVED EXPENSE AUTHORIZATION	EXPENDED FROM INCEPTION TO DATE	REMAINING CONTRACTUAL AMOUNT	ESTIMATED COMPLETION DATE
PROJECTS CANCELED AT END OF FISCAL YEAR									
2012032	GM	14	GENERATOR AT SADDLEBACK RESERVOIR PS	2012	\$25,000				Canceled
2011035	MM	07	SPATIAL DOCUMENT MANAGEMENT	2011	\$80,000				Canceled
2011111	MM	07	OCTA-METROLINK UTILITY RELOCATE	2011	\$1,000,000	\$35,000			Canceled
2011130	LAB	07	BIG NIGUEL PUMP 1 REFURB	2011	\$11,000	\$11,000			Canceled
2012014	MM	07	GIS METER POPULATION	2012	\$82,000				Canceled
2012015	MM	07	GIS-ASSET MANAGEMENT DATABASE LINK	2012	\$70,000				Canceled
2012017	MAL	07	LOWER SALADA LS ENGINE REFURB & FUEL TANK COVER F	2012	\$45,000				Canceled
2012022	MAL	07	ROLLING HILLS PS ENGINE REFURBISHMENT	2012	\$40,000				Canceled
2012023	MAL	07	SAN JOAQUIN LS ENGINE REFURB & FUEL TANK COVER RE	2012	\$45,000				Canceled
PROJECTS UNDER CONSTRUCTION									
2010021	LAB	07	MOULTON PEAK IRRIGATION PUMP REPLACEMENT	2010	\$20,000	\$20,000	\$11,807	\$0	12/31/13
2010033	MG	07	NEW DISTRICT ENTERPRISE SOFTWARE	2010	\$3,375,000	\$3,000,000	\$1,238,926	\$1,589,942	12/31/14
2011016	GM	07	PLC PANEL REPLACEMENT	2011	\$400,000	\$400,000	\$162,517	\$25,808	6/30/14
2011024	MG	07	BOARDROOM ENHANCEMENTS	2011	\$179,000	\$179,000	\$106,421	\$61,194	6/30/14
2011038	EP	14	E ALISO CRK RES RECIRCULATION SYST	2011	\$141,000	\$141,000	\$80,783	\$0	12/31/13
2011109	GM	07	PLC PANEL REPLACEMENT-RANCHO PS	2011	\$0	\$23,000	\$20,439	\$515	12/31/12
2012004	BAB	07	MH REHABILITATION PROGRAM - FY12-13 Stonehill	2012	\$190,925	\$190,925	\$38,129	\$174,550	12/31/13
Subtotal					\$4,305,925	\$3,953,925	\$1,659,023	\$1,852,010	

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FISCAL YEAR: JULY 2012 TO JUNE 2013

PROJECT NUMBER	PRJT MGR	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	APPROVED EXPENSE AUTHORIZATION	EXPENDED	REMAINING	ESTIMATED
							FROM INCEPTION TO DATE	CONTRACTUAL AMOUNT	COMPLETION DATE
PROJECTS IN PROGRESS/UNDER DESIGN									
2006038	BLD	07	REPLACE DIGITAL LINES W/WIRELESS N	2006	\$2,500,000	\$1,900,000	\$1,415,267	\$5,873	12/31/13
2006071	MTC	12	BAKER PIPELINE REGIONAL TREATMENT	2006	\$26,000,000	\$6,050,000	\$2,165,325	\$0	12/31/15
2006099	MTC	12	ETWD/MNWD INTERTIE W/30 DIEMER PI	2006	\$456,000	\$56,000	\$1,877	\$0	12/31/13
2007030	RH	07	RANCHO RESERVOIR IRRIGATION SYSTEM	2007	\$80,000	\$35,430	\$26,491	\$0	12/31/12
2008049	MTC	12	SOUTH ORANGE COASTAL OCEAN DESAL	2008	\$800,000	\$660,000	\$662,419	\$0	12/31/15
2009115	JRM	07	SAN JUAN CREEK 30 EFFLUENT TM	2009	\$800,000	\$313,791	\$145,214	\$172,656	12/31/14
2009167	MM	07	GEODATABASE REDEVELOPMENT	2009	\$200,000	\$50,000	\$41,000	\$0	12/31/12
2010003	JRM	14	KITE HILL P.R. RELOCATION	2010	\$350,000	\$80,000	\$46,312	\$22,480	12/31/12
2010013	JRM	12	LA PAZ BRIDGE CROSSING RW PIPELINE	2010	\$370,000	\$115,000	\$54,429	\$51,108	12/31/12
2010017	JRM	07	OPERATIONS FACILITY DRAINAGE IMPRO	2010	\$775,000	\$150,000	\$101,236	\$0	6/30/14
2010018	EP	07	MATHIS-OSO BY-PASS	2010	\$200,000	\$40,000	\$21,980	\$16,698	6/30/14
2011010	EP	07	HILLARY PRS REPLACEMENT	2011	\$350,000	\$34,800	\$17,860	\$20,583	6/30/14
2011012	EP	07	LARGO PRS REPLACEMENT	2011	\$350,000	\$34,800	\$17,860	\$20,583	6/30/14
2011014	EP	07	SEISMIC & STRUCTURAL ASSESS STEEL	2011	\$217,192	\$217,192	\$134,110	\$114,045	12/30/12
2011015	EP	07	WILKES PRS REPLACEMENT	2011	\$350,000	\$34,800	\$17,860	\$20,583	6/30/14
2011026	LAB	07	RANCHO UNDERGROUND PWPS REFURBISHM	2011	\$200,000	\$5,000	\$4,619	\$0	12/31/12
2011031	EP	07	EL NIGUEL RW LINE REHABILITATION	2011	\$300,000	\$0	\$17,822	\$18,820	12/31/13
2011056	EP	12	RW SYSTEM EXT (1500LF @4 LOCATIONS	2011	\$500,000		\$16,381	\$0	12/31/13
2012005	EP	07	PLANT 3A EFFLUENT TM ANALYSIS/REHAB	2012	\$150,000	\$150,000	\$111,290	\$48,393	6/30/14
2012007	LAB	07	LOWER SALADA LS VENTILATION UNIT REPLACEMENT	2012	\$110,000	\$19,000	\$3,117	\$0	6/30/14
2012008	LAB	07	REGIONAL LS VENTILATION UNIT REPLACEMENT	2012	\$110,000	\$19,000	\$3,117	\$0	6/30/14
2012009	LAB	07	BEACON HILL PS PUMP/GENERATOR REPLACEMENT	2012	\$575,000	\$95,817		\$91,254	6/30/14
2012021	LAB	07	REGIONAL LIFT STATION PUMPS 4&5 REPLACEMENT	2012	\$320,000	\$40,785		\$38,843	6/30/14
2012024	LAB	07	UPPER SALADA LF AUX. GENERATOR REPLACEMENT	2012	\$375,000	\$52,042		\$49,564	6/30/14
2012028	GM	14	GENERATOR AT BEAR BRAND RESERVOIR	2012	\$25,000	\$15,844		\$15,088	6/30/14
2012029	GM	14	GENERATOR AT BRIDLEWOOD TAKEOUT	2012	\$25,000	\$15,844		\$15,088	6/30/14
2012030	GM	14	GENERATOR AT MARGUERITE RESERVOIR	2012	\$25,000	\$15,844		\$15,088	6/30/14
2012031	GM	14	GENERATOR AT MATHIS RES PS	2012	\$25,000	\$15,844		\$15,088	6/30/14
2012033	GM	14	GENERATOR AT SEVILLE RESERVOIR	2012	\$25,000	\$15,844		\$15,088	6/30/14
2012034	EP	14	LA PAZ/MOLTON PW SYSTEM RECONFIGURATION	2012	\$500,000	\$19,000	\$5,435		6/30/14
2012035	GM	14	MAIN OFFICE BACKUP GENERATOR	2012	\$170,000	\$59,547		\$56,711	6/30/14
2012036	GM	14	PLANT 2A BACKUP GENERATOR	2012	\$200,000	\$19,342		\$18,421	6/30/14
2012037	JRM	07	OSO PKWY 12" RW MAIN RELOCATION	2013	\$192,000	\$20,660			12/31/14
Subtotal					\$37,625,192	\$10,351,226	\$5,031,021	\$842,058	

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PROJECT NUMBER	PRJT MGR	FUND	PROJECT DESCRIPTION	YEAR PROJECT APPROVED	TOTAL PROJECT AMOUNT	APPROVED EXPENSE AUTHORIZATION	EXPENDED	REMAINING	ESTIMATED
							FROM INCEPTION TO DATE	CONTRACTUAL AMOUNT	COMPLETION DATE
FUTURE PROJECTS									
FY12-13 PROJECT RANK									
2011033	MM	07	ASSET MANAGEMENT PROGRAM	2011	\$110,000				73%
		07	RESERVOIR RECOATING		\$4,500,000				73%
		07	RESERVOIR RECOATING - RW		\$3,312,000				73%
2012038	MTC	12	UPPER CHIQUITA ENVIRONMENTAL MITIGATION	2012	\$250,000				73%
	BAB	07	MH REHABILITATION PROGRAM		\$450,000				67%
		14	CLOR-TEC BUILDING DESIGN PLAN		\$100,000				67%
2012010	EP	07	CVP 16-INCH PW LINE REHABILITATION	2012	\$650,000				67%
2012011	EP	07	EASEMENT REHABILITATION PROGRAM - Phase 1	2012	\$7,850,000				67%
2011034	MM	07	GIS VIEWER AND CONFIGURATION	2011	\$60,000				67%
	EP	07	REGIONAL LS FORCE MAIN REPLACEMENT		\$1,100,000				67%
		07	EASEMENT REHABILITATION PROGRAM - Phase 2		\$6,000,000				63%
		07	LINDA VISTA DR SEWER LINING		\$302,000				63%
	EP	07	LOWER SALADA LS FORCE MAIN REPLACEMENT		\$1,100,000				63%
2009010	MM	14	MISSION HOSPITAL SECONDARY FEED	2009	\$200,000				63%
		07	STEEL TANKS SEISMIC & STRUCT RETROFITS - PW		\$1,800,000				63%
		07	STEEL TANKS SEISMIC & STRUCT RETROFITS - RW		\$1,200,000				63%
		14	WATER MASTER PLAN		\$500,000				63%
2011077	JRM	14	MOULTON PEAK RADIO TOWER IMPROVEME	2011	\$115,000	\$20,000	\$0	\$0	60%
2012026	JRM	07	VALVE REPLACEMENT PROJECT	2012	\$3,000,000				60%
		14	WASTEWATER MASTER PLAN		\$500,000				60%
		07	CORROSION CONTROL PROGRAM		\$150,000				57%
2011032	EP	07	OLD RANCH ROAD EASEMENT REFURBISHM	2011	\$100,000				57%
		12	PRESSURE REDUCING STATION AT SADDLEBACK RW RES		\$200,000				57%
		14	RECYCLED MASTER PLAN		\$300,000				57%
2012012	MM	07	FIELD GIS - SEWER LINE CLEANING & MH	2012	\$28,000				53%
2012013	MM	07	FIELD GIS - VALVE TURNING DATA SOFTWARE	2012	\$25,000				53%
		07	NATIONAL PARK SEWER LINING		\$253,000				53%
		07	SEWER LINING PROJECT		\$2,100,000				53%
2011043	JRM	14	3A OUTFALL LINE VALVES	2011	\$410,000				50%
2011037	SLM	07	MISSION VIEJO HS LINE/VAULT REFURB	2011	\$160,000				50%
		07	VAULT REMOVAL (11 SITES)		\$400,000				50%
	MM	14	GIS - RW IRRG USE ARE MAP		\$50,000				43%
		12	SOUTH COUNTY PIPELINE TAKEOUT FACILITY		\$2,200,000				43%
2010001	EP	14	650-ZONE NIGUEL ROAD INTERTIE	2010	\$640,000				40%
		07	HIGHLAND PUMP PRESSURE RELIEF TO 650 ZONE		\$150,000				40%

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2011040	EP	14	RES&PUMP LS SITE ACCESS	2011	\$170,000				40%
		14	SECURITY ENHANCEMENTS		\$1,000,000				40%
2011045	JRM	14	N ALISO LS BY-PASS & SITE IMPROVEM	2011	\$200,000	\$20,000	\$9,584	\$0	37%
		14	OSO-TRABUCO SEWER CONNECTION		\$107,000				37%
		07	RESERVOIR SITE OVERFLOW AND DRAINAGE IMPROVEMENTS		\$400,000				37%
		14	OSO CREEK SEWER PARALLEL PIPELINE		\$1,200,000				33%
		07	PZ450 ALISO CREEK POTABLE LINE RELOCATION		\$255,000				33%
2011028	LAB	07	VALENCIA LS REFURBISHMENT	2011	\$149,000	\$15,000	\$0	\$0	33%
2012016	LAB	07	LITTLE NIGUEL PS ROOF REPLACEMENT	2012	\$20,000				30%
		14	MARGUERITE/OSO CIP TAKEOUT		\$2,500,000				30%
2012019	LAB	07	NORTH ALISO LS ROOF REPLACEMENT	2012	\$20,000				30%
2012025	LAB	07	UPPER SALADA LS ROOF REPLACEMENT	2012	\$20,000				30%
2012018	LAB	07	MOULTON LF ROOF REPLACEMENT	2012	\$20,000				27%
	LAB	07	MAIN OFFICE A/C UNITS REPLACEMENT		\$133,000				20%
	MM	07	MATHIS PUMP IMPROVEMENTS		\$400,000				20%
Subtotal					\$46,859,000				

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SOCWA & JRWSS PROJECTS									REMAINING BALANCE
JRWSS13	07	SCWD/JRWSS CAPITAL PROJECT	2012	\$28,812,095	\$2,703,433	\$2,549,223	N/A	\$154,210	
SOCWA108	07	2012/2013 SOCWA CAPITAL PC 2(R)	2012	\$11,275,175	\$1,723,500	\$267,596	N/A	\$1,455,904	
SOCWA109	07	2012/2013 SOCWA PC 3A(R)	2012	\$13,386,143	\$553,600	\$114,643	N/A	\$438,957	
SOCWA110	07	2012/2013 SOCWA CAPITAL PC 15(R)	2012	\$7,989,960	\$1,132,300	\$869,266	N/A	\$263,034	
SOCWA111	07	2012/2013 SOCWA CAPITAL PC 17(R)	2012	\$30,167,787	\$1,936,500	\$1,272,690	N/A	\$663,810	
Subtotal					\$91,631,160	\$8,049,333	\$5,073,418	\$2,975,915	
PLACEHOLDER PROGRAMS									REMAINING BALANCE
	14	UNANTICIPATED PROJECTS FUND 14	2012	\$6,000,000	\$250,000	\$20,000	N/A	\$230,000	
	07	UNANTICIPATED PROJECTS FUND 7	2012	\$21,000,000	\$1,000,000	\$312,801	N/A	\$687,199	
	14	AMP BOOSTER PS	2012	\$2,000,000	\$0		N/A	N/A	
	07	PW PROJECTS PER ASSET MANAGEMENT MODEL	2012	\$11,996,000	\$0		N/A	N/A	
	07	RW PROJECT PER ASSET MANAGEMENT MODEL	2012	\$7,536,000	\$0		N/A	N/A	
	07	WW PROJECT PER ASSET MANAGEMENT MODEL	2012	\$5,962,000	\$0		N/A	N/A	
Subtotal					\$54,494,000	\$1,250,000	\$332,801	\$917,199	
TOTAL					\$241,450,918	\$28,742,946	\$16,477,580		



Moulton Niguel Water District

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 12, 2013
FROM: Matt Collings, Director of Engineering and Operations
SUBJECT: Quarterly Operational Status Reports

SUMMARY:

Issue: The District's Quarterly Operational Status Reports are provided as an attachment to this Staff Report. This quarterly report is for April, May, and June of Fiscal Year 2012-13.

Recommendation: Information Purposes Only

Fiscal Impact: None

Previously Related Action: N/A

BACKGROUND/DISCUSSION:

The District Activity section of the report, which includes Water Use Efficiency related activity, website related information. has been removed from the quarterly report, and will be included in a quarterly report at the Community Relations Board Meeting. Some highlights to note this quarter include:

- The District continues to add service connections, primarily for new developments in Aliso Viejo and Mission Viejo.
- The District saw a reduction of imported water by approximately 1,000 acre-feet over the course of the Fiscal Year compared to the previous year.
- The increase in the interties to other Districts for the potable water tables shows the flow being delivered to the El Toro Water District to support their operation while repairs were being made to an existing pump station. As of July, the District is no longer supplying water to El Toro Water District. The District provided about 780 acre-feet during the duration of the repairs.
- Wastewater flows show an increase in the daily average from last year.
- Recycled water deliveries have increased by more than 2,000 acre-feet in comparison to last fiscal year. This is likely a result of drier weather and an increase in the number of recycled water service connections.

District staff will be available to answer questions during the meeting regarding the Quarterly Operational Status Report.

RECOMMENDATION:

For Information Purposes Only.

METERS IN SERVICE

FOURTH QUARTER 12/13

Description	Meters Added/(Subtracted) this Quarter	Total Meters at End of Quarter	Total Meters One Year Ago
Single Family	8	33,735	33,663
Multi Family	19	15,541	15,410
Commercial	5	2,885	2,869
Irrigation	(1)	2,662	2,655
Total	31	54,823	54,597

Total population as of 2010 Census: 163,805

POTABLE WATER IMPORTED

FOURTH QUARTER 12/13

Source	Current Quarter Volume (af)	Year to Date Volume (af)	Previous Year to Date Volume (af)
Joint Transmission Main	1,114.2	4,859.0	3,034.8
Allen-McColloch Pipeline	2,087.7	7,146.9	6,515.2
Central Intertie Pipeline	4,666.6	12,193.0	14,668.2
**Interties to MNWD	0	0	285.0
Interties to Other Districts	(270.7)	(752.2)	(18.4)
Total	7,597.8	23,446.7	24,484.8

WASTEWATER TREATMENT FLOWS (MGD)

FOURTH QUARTER 12/13

Description	Capacity Ownership (MGD)	Current Quarter Daily Average (MGD)	Previous Year Daily Average (MGD)
Plant 3A	5.75	1.94	1.953
Joint Regional	12.0	8.67	8.97
JB Latham	3.0	2.458	1.306
Coastal	1.96	0	0
Total Flow	22.71	13.068	12.229

RECYCLED WATER PRODUCED

FOURTH QUARTER 12/13

Source	Current Quarter Volume (af)	Year to Date Volume (af)	Previous Year to Date Volume (af)
Regional AWT	2,031.7	6,579.7	4,863.7
Plant 3A AWT	149.1	663.4	827.0
SCWD AWT **	31.6	4.0	(11.1)
Total Produced	2,212.4	7,247.1	5,679.6
From Other Sources	40.8	293.9	1.9
To(-)/From(+) Storage	151.3	46.0	(174.8)
Total Delivered	2,404.5	7,587.0	5,506.7

**To MNWD (+) / From MNWD (-)