Moulton Niguel Water
Leading the Way in Service

MINUTES OF THE REGULAR MEETING OF THE FINANCE & INFORMATION TECHNOLOGY BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT

June 17, 2015

A Regular Meeting of the Finance & Information Technology Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 8:30 AM on June 17, 2015. There were present and participating:

DIRECTORS

Duane Cave	Director
Scott Colton	Vice President
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director (via teleconference)
Larry Lizotte	Director
Brian Probolsky	Vice President/Chair

Also present and participating were:

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Ruth Zintzun	Finance Manager
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Michael Bell	Public Financial Management
Brian Thomas	Public Financial Management
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Drew Atwater	MNWD
Megan Schneider	MNWD
Carole Wayman-Piascik	MNWD

1. CALL MEETING TO ORDER

The meeting was called to order by Brian Probolsky at 8:32 a.m.

2. APPROVE THE MINUTES OF THE MAY 20, 2015 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY SCOTT COLTON, MINUTES OF THE MAY 20, 2015 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.

3. PUBLIC COMMENTS

None.

DISCUSSION ITEMS

4. Fiscal Year 2015-16 Proposed Budget

The Board was given a handout with the updated staffing plan for Fiscal Year 2015-16. Staff recommends that the Board of Directors approve the resolution entitled, "Approving a Budget Appropriation and Adopting the Operating Budget and Capital Improvement Program Budget for Fiscal Year 2015-16." Discussion ensued regarding the budget.

5. Annual Gann Appropriations Limit for Fiscal Year 2015-16

Ruth Zintzun gave a brief update on the Annual Gann Appropriations Limit for Fiscal Year 2015-16. Staff recommends that the Board of Directors approve the resolution entitled, "Approving Appropriations Limit for Fiscal Year 2015-16 and Finding Compliance With Article XIIIB of the Constitution of the State of California." Discussion ensued regarding how the Appropriations Limit amounts were established.

6. General Obligation Bond Tax Rates for Fiscal Year 2015-16

Ruth Zintzun gave an update on the General Obligation Bond Tax Rates for Fiscal Year 2015-16. Staff recommends that the Board of Directors approve the resolution entitled, "Setting Tax Rates for Fiscal Year 2015-16." Discussion ensued about the tax rates.

7. Laguna Sur Sewer Rates

Richard Fiore recused himself from discussion on Laguna Sur Sewer Rates as his firm has provided legal services for the HOA. Staff recommends that the Board of Directors

approve the resolution entitled, "Setting Fiscal Year 2015-16 Sewer Service Charges and Usage Rates for Specified Parcels in Laguna Sur/Monarch Point Property to be Collected via Property Tax Statements on the FY 2015-16 Tax Roll, Directing Filing of Written Report and Calling a Hearing thereon (Laguna Sur/Monarch Point LAFCO Reorganization RO96-05)." Discussion ensued regarding the background and history of the Laguna Sur/Monarch Point Reorganization Area.

10. Rebate Applications for Turf Removal and Synthetic Turf Installation

This item was taken after Item #7. Richard Fiore returned to the meeting. Matt Collings gave an update on the Turf Removal Program. Staff recommends that the Board of Directors (1) consider the rebate applications for the identified project without a limitation on the maximum allowable acreage for each project and direct staff accordingly and (2) remove the maximum allowable acreage limitation for all projects. Discussion ensued regarding the rebate program. The cap for maximum allowable acreage limits for all projects was set at 25,000 sq. ft. until the August Board meeting, where Staff will provide a status update on funding from Metropolitan Water District of Southern California.

8. Amendment No. 4 to Professional Services Agreement - Public Financial Management, Inc.

Staff recommends that the Board of Directors approve Amendment No. 4 to the Professional Services Agreement with Public Financial Management, Inc. for a total amount of $20,000, and authorize the General Manager to execute Amendment No. 4. Discussion ensued regarding the Amendment terms.

9. Professional Services Agreement - Michael Bell Management Consulting, Inc.

Staff recommends that the Board of Directors approve a Professional Services Agreement with Michael Bell Management Consulting for an amount not-to-exceed $180,000 for continued technical and management support of District financial activities; and authorize the General Manager to execute the Agreement. Discussion ensued regarding the Agreement.

INFORMATION ITEMS

11. Update on Bond Issuance

Ruth Zintzun provided an update on the Bond Issuance.

12. Outreach Update

Joone Lopez and Richard Fiore provided an update on outreach planning.

13. Monthly Financial Report

Ruth Zintzun presented the monthly financial report.

14. Future Agenda Items (Any items added under this section are for discussion at future meetings only)

None.

15. Late Items (Appropriate Findings to be Made)

Staff has none.

CLOSED SESSION:

16. PURSUANT TO GOVERNMENT CODE SECTION 54957.6, A CLOSED SESSION WILL BE CONDUCTED FOR:

Conference with Labor Negotiators

District Representatives: Donald Froelich & Richard Fiore

Unrepresented Employee: General Manager

The Board entered closed session at 10:08 a.m. and exited at 11:33 a.m.

OPEN SESSION:

17. CONSIDERATION OF AN AMENDMENT TO THE GENERAL MANAGER'S CONTRACT

Amend the General Manager's Contract

The Board amended the General Manager's contract to reflect an annual compensation increase of 7.5%, a signing bonus of $5,000.00, and a Fastrak assigned to the General Manager's vehicle.

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY BRIAN PROBOLSKY, THE GENERAL MANAGER'S CONTRACT WAS AMENDED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. DIRECTOR GARY KURTZ WAS ABSENT.

ADJOURNMENT

The meeting was adjourned 11:36 a.m.

Respectfully submitted,

Tim Bonita
Recording Secretary