



**BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
27500 La Paz Road, Laguna Niguel  
July 16, 2015  
6:00 PM  
Approximate Meeting Time: 2 Hours**

**1. CALL MEETING TO ORDER:**

**2. PLEDGE OF ALLEGIANCE:**

**3. MINUTE APPROVAL:**

- a. MINUTES OF THE JUNE 1, 2015 SPECIAL BOARD OF DIRECTORS MEETING
- b. MINUTES OF THE JUNE 8, 2015 SPECIAL BOARD OF DIRECTORS MEETING
- c. MINUTES OF THE JUNE 18, 2015 REGULAR BOARD OF DIRECTORS MEETING
- d. MINUTES OF THE JUNE 23, 2015 SPECIAL BOARD OF DIRECTORS MEETING

**4. PUBLIC COMMENTS:**

*Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting.*

*Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.*

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

*Consent items: Unless the General Manager or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Requests for discussion of any specific item should be made to the Presiding Officer in conjunction with the discussion of the consent motion.*

**5. FLORES AVENUE WATER MAIN CONSTRUCTION CONTRACT AWARD**

It is recommended that the Board of Directors award the construction services contract for the Flores Avenue 8" Water Main Installation Project No. 2014.018 to Ferreira Construction Co., Inc. in the amount of \$154,042; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

6. UTILITY MAIN BREAKER REPLACEMENTS CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract for the Utility Main Breaker Replacements Project No. 2014.005 to Southern Contracting Company in the amount of \$127,000; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

7. PUMP REFURBISHMENT SERVICE AGREEMENTS FOR FISCAL YEAR 2015-16 AND 2016-17

It is recommended that the Board of Directors approve and authorize the General Manager to execute the following agreement documents:

1) Pump Refurbishment Services Agreement with Evans Hydro, Inc. for a not-to-exceed amount of \$70,000 for FY 2015-16 and a not-to-exceed amount of \$90,000 for FY 2016-17 for a total two-year agreement amount of \$160,000.

2) Pump Refurbishment Services Agreement with Weber Water Resources for a not-to-exceed amount of \$30,000 for FY 2015-16 and a not-to-exceed amount of \$45,000 for FY 2016-17 for a total two-year agreement amount of \$75,000.

3) Pump Refurbishment Services Agreement with Pacific Coast Pump and Equipment for a not-to-exceed amount of \$30,000 for FY 2015-16 and a not-to-exceed amount of \$45,000 for FY 2016-17 for a total two-year agreement amount of \$75,000.

8. SPOILS REMOVAL SERVICE AGREEMENT FOR FISCAL YEAR 2015-16 AND 2016-17

It is recommended that the Board of Directors authorize the General Manager to execute a two year Spoils Removal Service Agreement with KB Miramontes, Inc., in the amount of \$95,000 per year, with a total not-to-exceed agreement amount of \$190,000.

9. DUMP TRUCK PURCHASE FOR FISCAL YEAR 2015-16

It is recommended that the Board of Directors approve the purchase of a 2016 Peterbilt Model 365 Dump Truck from Rush Truck Center for the amount of \$153,460.

10. BACKHOE PURCHASE FOR FISCAL YEAR 2015-16

It is recommended that the Board of Directors approve the purchase of a 2014 Caterpillar 420F2 Backhoe Loader from Quinn Company in the amount of \$125,118.43.

11. CROSS CONNECTION INSPECTION SERVICES AGREEMENT FOR PROJECT PARTNERS, INC.

It is recommended that the Board of Directors award the inspection services agreement to Project Partners, Inc. and authorize the General Manager to execute the agreement for a not-to-exceed fee of \$134,000 for fiscal year 2015-16.

**12. SELECTION OF THE ANNUAL LUMP SUM PREPAYMENT OPTION FOR UNFUNDED ACCRUED LIABILITY TO CALPERS FOR FY 2015-16**

It is recommended that the Board of Directors elect the annual lump sum prepayment option to pay for the unfunded accrued liability to CalPERS for FY 2015-16.

**ENGINEERING & OPERATIONS MATTERS:**

**13. CONDITION ASSESSMENT OF CENTRAL INTERTIE PIPELINE**

It is recommended that the Board of Directors approve the Professional Consulting Services Agreement with Pure Technologies U.S. Inc. in the amount of \$998,563; and authorize the General Manager to execute the agreement.

**14. FISCAL YEAR 2015-16 METER MAINTENANCE AND REPLACEMENT PROGRAM**

It is recommended that the Board of Directors authorize meter and meter-related purchases for an amount not-to-exceed \$859,000 for FY 2015-16.

**GENERAL MANAGER MATTERS:**

**LEGAL MATTERS:**

**15. PUBLIC HEARING AND ANNUAL ADOPTION OF RESOLUTION FOR COLLECTION OF 2015-16 SEWER SERVICE CHARGES AND RATES FOR LAGUNA SUR/MONARCH POINT REORGANIZATION AREA ON PROPERTY TAX BILL**

The District is required to annually collect the sewer charges and rates set by South Coast Water District (SCWD) for the Reorganization Area. The District has continued the long-time practice of collecting those charges and rates on the tax roll, in lieu of monthly or bimonthly billings, as permitted under Health and Safety Code Sections 5471 et seq. A noticed public hearing is required for consideration of the tax roll collection procedure for 2015-16. Staff has made available the assessor parcel report that includes the 2015-16 sewer charges and rates previously adopted by SCWD. The sewer charges remain unchanged from the rates collected in 2015-16.

**RECOMMENDED ACTIONS:**

1. Conduct a Public Hearing on Fiscal Year 2015-16 Report for the Laguna Sur/Monarch Point Reorganization Area Tax Roll Collection Process – Staff/Legal Counsel enters Proof of Hearing Publication and Posting for the Record. Board President Opens The Hearing, Calls for Public Comments, receives any comments or protests, and closes the Hearing.
2. At the Conclusion of the Public Hearing, absent sufficient protest, adopt a resolution entitled, “Resolution of the Board of Directors of Moulton Niguel Water District Adopting Report of Annual Sewer Service Charges to be Collected via Property Tax Statements on Tax Roll for the Period Commencing July 1, 2015.”

**PRESIDENT'S REPORT:**

**BOARD REPORTS:**

**CLOSED SESSION:**

**16. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (ONE CASE)**

Pursuant to Government Code Section 54956.9 (A), a Closed Session will be conducted to confer with Legal Counsel- Existing Litigation (One Case):

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

**FUTURE AGENDA ITEMS (Any items added under this section are for discussion at future meetings only.):**

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

- a. Need to take immediate action; and
- b. Need for action came to District’s attention after Agenda Posting. [Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**ADJOURNMENT:**

The Board of Directors’ Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary’s office at (949) 831-2500 at least forty-eight (48) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least forty-eight (48) hours prior to the scheduled meeting.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 27500 La Paz Road, Laguna Niguel, CA (“District Office”). If such writings are distributed to members of the Board less than seventy-two (72) hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed except that, if such writings are distributed immediately prior to, or during the meeting, they will be available in the Board meeting room and on the District website at [www.mnwd.com](http://www.mnwd.com).



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

**June 1, 2015**

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 8:00 AM on June 1, 2015. There were present and participating:

**DIRECTORS**

|                 |                |
|-----------------|----------------|
| Duane Cave      | Director       |
| Scott Colton    | Vice President |
| Richard Fiore   | Director       |
| Donald Froelich | President      |
| Larry Lizotte   | Director       |
| Brian Probolsky | Vice President |

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

|               |                                      |
|---------------|--------------------------------------|
| Joone Lopez   | General Manager                      |
| Matt Collings | Assistant General Manager            |
| Marc Serna    | Director of Engineering & Operations |
| Gina Hillary  | Director of Human Resources          |
| Ruth Zintzun  | Finance Manager                      |
| Michael Bell  | Public Financial Management          |
| Paige Gulck   | Board Secretary                      |
| Tim Bonita    | Recording Secretary                  |
| Todd Novacek  | Assistant Director of Operations     |
| Eva Plajzer   | Assistant Director of Engineering    |

**1. CALL MEETING TO ORDER**

*The meeting was called to order by Donald Froelich at 8:05 a.m.*

**2. PUBLIC COMMENTS**

*None.*

**DISCUSSION ITEMS**

**3. Proposed Budget for Fiscal Year 2015/16**

*Joone Lopez gave a brief introduction of the budget. Staff presented the draft budget including the Administrative Budget, Finance Budget, Engineering and Operations Budget, and the Capital Improvement Program Budget. Discussion ensued regarding the various budgets.*

*Brian Probolsky left at 10:35 a.m.*

**ADJOURNMENT**

The meeting was adjourned at 11:15 a.m.

Respectfully submitted,

Paige Gulck  
Board Secretary

DRAFT



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

**June 8, 2015**

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

**DIRECTORS**

|                 |                |
|-----------------|----------------|
| Scott Colton    | Vice President |
| Richard Fiore   | Director       |
| Donald Froelich | President      |
| Larry Lizotte   | Director       |
| Brian Probolsky | Vice President |
| Duane Cave      | Director       |

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

|               |                           |
|---------------|---------------------------|
| Joone Lopez   | General Manager           |
| Matt Collings | Assistant General Manager |
| Paige Gulck   | Board Secretary           |
| Tim Bonita    | Recording Secretary       |
| Rhonda Himley | MNWD                      |

**1. CALL MEETING TO ORDER**

*The meeting was called to order by Donald Froelich at 8:38 a.m.*

**2. PUBLIC COMMENTS**

*None.*

**INFORMATION ITEMS**

**3. Update on Regional and Statewide Turf Removal Programs**

*Joone Lopez provided an update on the Metropolitan Water District of Southern California Turf Removal Program. Discussion ensued regarding the program's updated terms. Residential customers now have a rebate maximum of \$6,000 per property. Public Agencies can receive \$2/sq. ft. for the first 3,000 sq. ft. of turf removal and \$1/sq. ft. for any additional square footage of turf removed with a maximum rebate of \$50,000 per fiscal year. Commercial customers can receive \$1/sq. ft. with a maximum rebate of \$25,000 per fiscal year.*

**CLOSED SESSION**

**4. PURSUANT TO GOVERNMENT CODE SECTION 54957, A CLOSED SESSION WILL BE CONDUCTED FOR:**

Public Employee Performance Evaluation  
Title: General Manager

*The Board of Directors entered closed session at 9:06 a.m. and exited at 10:39 a.m.*

*Duane Cave arrived at 9:45 a.m.*

*Donald Froelich stated that there was no reportable action taken on this item. Richard Fiore and Donald Froelich will be the negotiating team for the General Manager's evaluation and compensation.*

**ADJOURNMENT**

*The meeting was adjourned at 10:41 a.m.*

Respectfully submitted,

Tim Bonita  
Recording Secretary





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

**June 18, 2015**

A Regular Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 6:00 PM on June 18, 2015. There were present and participating:

**DIRECTORS**

|                 |                                       |
|-----------------|---------------------------------------|
| Duane Cave      | Director                              |
| Scott Colton    | Vice President                        |
| Richard Fiore   | Director                              |
| Donald Froelich | President                             |
| Larry Lizotte   | Director                              |
| Brian Probolsky | Vice President (arrived at 6:08 p.m.) |

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

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

## #3.c.

1. **CALL MEETING TO ORDER:**

*The meeting was called to order by Donald Froelich at 6:00 p.m.*

2. **PLEDGE OF ALLEGIANCE:**

3. **MINUTE APPROVAL:**

MINUTES OF THE MAY 1, 2015 SPECIAL BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY SCOTT COLTON, MINUTES OF THE MAY 1, 2015 SPECIAL BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR GARY KURTZ AND BRIAN PROBOLSKY WERE ABSENT.*

MINUTES OF THE MAY 14, 2015 SPECIAL BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY DUANE CAVE, MINUTES OF THE MAY 14, 2015 SPECIAL BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR SCOTT COLTON ABSTAINED FROM THE VOTE. DIRECTOR GARY KURTZ AND BRIAN PROBOLSKY WERE ABSENT.*

MINUTES OF THE MAY 21, 2015 BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY LARRY LIZOTTE, MINUTES OF THE MAY 21, 2015 BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR GARY KURTZ AND BRIAN PROBOLSKY WERE ABSENT.*

MINUTES OF THE MAY 22, 2015 SPECIAL BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY SCOTT COLTON, MINUTES OF THE MAY 22, 2015 SPECIAL BOARD OF DIRECTORS' MEETING WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR GARY KURTZ AND BRIAN PROBOLSKY WERE ABSENT.*

4. **PUBLIC COMMENTS:**

*Larry Mckenney gave a brief update on the Metropolitan Water District's Conservation Program.*

*Brian Probolsky arrived at 6:08 p.m.*

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

*Staff asked to pull item 14 from the consent calendar.*

*The Board of Directors voted on the balance of 5 thru 13.*

*MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY DUANE CAVE, CONSENT ITEMS 5 THRU 13 WERE APPROVED 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.*

5. **ENCANTAMAR PIPELINE ABANDONMENT CONSTRUCTION CONTRACT AWARD**

It is recommended that the Board of Directors award the construction services contract for the Encantamar 16" Abandonment Project No. 2014.004 to Ferreira Construction Co., Inc. in the amount of \$68,786; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

6. **ON-CALL SERVICE AGREEMENT FOR SEWER LINE REPAIRS**

It is recommended that the Board of Directors authorize the General Manager to execute the On-Call Service Agreement for Sewer Short Liner Repairs with Tunnelworks Services, Inc., for the not-to-exceed amounts of \$125,000 for FY 2015-16 and \$50,000 for FY 2016-17, for a total not-to-exceed Agreement amount of \$175,000.

7. **AMENDMENT NO. 6 TO AGREEMENT WITH ATS COMMUNICATIONS FOR FY 2015-16**

It is recommended that the Board of Directors approve Amendment No. 6 with ATS Communications for a not-to-exceed amount of \$90,000 for FY 2015-16 for a total contract value of \$428,357; and authorize the General Manager to execute Amendment No. 6 to the Professional Services Agreement.

**8. SECURITY SERVICES FOR FISCAL YEAR 2015-16**

It is recommended that the Board of Directors approve Amendment No. 4 with G4S to extend the term of the agreement to June 30, 2016 and increase the agreement total by an amount up to \$65,000 for a total not-to-exceed agreement amount of \$315,000.

**9. AMENDMENT NO. 1 TO THE CONSULTING SERVICES AGREEMENT - WARE MALCOMB**

It is recommended that the Board of Directors approve Amendment No. 1 to the Consulting Services Agreement with Ware Malcomb for an amount not-to-exceed \$98,500 for a total contract amount of \$124,000; authorize the General Manager to approve change orders up to 10% of the total contract value; and authorize the General Manager to execute Amendment No. 1.

**10. ANNUAL GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2015-16 (RESOLUTION NO. 15-\_\_\_\_\_)**

It is recommended that the Board of Directors approve the resolution entitled, "Approving Appropriations Limit for Fiscal Year 2015-16 and Finding Compliance With Article XIII B of the Constitution of the State of California."

**11. GENERAL OBLIGATION BOND TAX RATES FOR FISCAL YEAR 2015-16 (RESOLUTION NO. 15-\_\_\_\_\_)**

It is recommended that the Board of Directors approve the resolution entitled, "Setting Tax Rates for Outstanding General Obligation Bonds of Improvement Districts for Fiscal Year 2015-16."

**12. AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT - PUBLIC FINANCIAL MANAGEMENT, INC.**

It is recommended that the Board of Directors approve Amendment No. 4 to Professional Services Agreement with Public Financial Management, Inc., and authorize the General Manager to execute Amendment No. 4.

**13. PROFESSIONAL SERVICES AGREEMENT - MICHAEL BELL MANAGEMENT CONSULTING, INC.**

It is recommended 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.

**14. REBATE APPLICATIONS FOR TURF REMOVAL AND SYNTHETIC TURF INSTALLATION**

It is recommended that the Board of Directors (1) consider the rebate applications for the identified project and direct staff accordingly and (2) make appropriate modifications to the turf removal program.

*Staff pulled this item from the consent calendar due to changes in the recommendation. Revisions to the recommendations are as follows:*

- 1. The Board approved the rebate applications that were presented.*
- 2. 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.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY LARRY LIZOTTE, ITEM 14 WAS APPROVED AS AMENDED. 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.*

**GENERAL MANAGER MATTERS:**

*Joone Lopez discussed the Western Municipal Water District tour and presented the Board with dates for the tour. The date was set for July 9, 2015 from 8:30-11:30 a.m.*

*The Consumer Confidence Report is now posted on our website.*

*The State Water Resource Control Board has started discussions on the conservation pricing regulations. Staff is working on submitting comments.*

*The final 3A agreement with Santa Margarita Water District was handed out. No substantial changes.*

*Supervisor Lisa Bartlett has asked South County Agencies to attend a planning meeting on July 8, 2015 to discuss the drought. She plans to convene a drought workshop in September.*

*July 10, 2015, the District will be represented on the Water Advisory Committee of Orange County panel to discuss experiences with the drought.*

*July 29, 2015, is the Policy Forum dinner. Felicia Marcus, the Chair of the State Water Resources Control Board will be the keynote speaker.*

*The Department of Water Resources film crew will be working with staff to film a turf removal project at a residential property in our District for the Save our Water campaign.*

**FINANCE & INFORMATION TECHNOLOGY MATTERS:**

**15. FISCAL YEAR 2015-16 PROPOSED BUDGET (RESOLUTION NO. 15-\_\_\_\_)**

It is recommended 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."

*MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY BRIAN PROBOLSKY, ITEM 15 WAS APPROVED 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.*

**LEGAL MATTERS:**

**16. LAGUNA SUR SEWER RATES (RESOLUTION NO. 15-\_\_\_\_)**

It is recommended 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)."

*Director Richard Fiore disclosed that Laguna Sur HOA is a current client of his firm but that he sees no conflict issue with his participation.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY LARRY LIZOTTE, ITEM 16 WAS APPROVED 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.*

**PRESIDENT'S REPORT:**

*None.*

**BOARD REPORTS:**

*Scott Colton stated that he attended the Santiago Aqueduct Commission meeting. He reported that the cathodic protection project went well but there will be further evaluations.*

**CLOSED SESSION:**

**17. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Pursuant to Government Code Section 54956.9(b)(1), a Closed Session will be Conducted to confer with Legal Counsel regarding the following claim:

Claim of Joan Somo

*The Board entered closed session at 6:50 p.m. and exited at 7:09 p.m.*

*Pat Giannone reported that the Board approved a six month tolling agreement between Joan Somo and the District as recommended by ACWA JPIA, and authorized the General Manager to execute the agreement.*

*MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY DUANE CAVE, 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.*

**FUTURE AGENDA ITEMS (Any items added under this section are for discussion at future meetings only.):**

*None.*

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

*Staff has none*

**ADJOURNMENT:**

*The meeting was adjourned at 7:11 p.m.*

Respectfully submitted,

Tim Bonita  
Recording Secretary







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

**June 23, 2015**

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 9:45 AM on June 23, 2015. There were present and participating:

**DIRECTORS**

|                 |                |
|-----------------|----------------|
| Duane Cave      | Director       |
| Richard Fiore   | Director       |
| Donald Froelich | President      |
| Scott Colton    | Vice President |

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

|             |                                      |
|-------------|--------------------------------------|
| Marc Serna  | Director of Engineering & Operations |
| Paige Gulck | Board Secretary                      |

**1. CALL MEETING TO ORDER**

*The meeting was called to order by Donald Froelich at 9:45 a.m.*

**2. PUBLIC COMMENTS**

*None.*

**PRESENTATION ITEMS**

**3. Tour of Baker Water Treatment Plant**

*IRWD provided a tour of the Baker Water Treatment Plant.*

**ADJOURNMENT**

*The meeting was adjourned at 10:55 a.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary

DRAFT

**RESOLUTION NO. 15-\_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MOULTON NIGUEL WATER DISTRICT  
ADOPTING REPORT OF ANNUAL SEWER SERVICE CHARGES TO  
BE COLLECTED VIA PROPERTY TAX STATEMENTS ON TAX ROLL  
FOR THE PERIOD COMMENCING JULY 1, 2015**

**(LAGUNA SUR/MONARCH POINT LAFCO REORGANIZATION RO96-05)**

**WHEREAS**, the Moulton Niguel Water District (MNWD or District) is a California Water District organized and existing under the California Water District Law (California Water Code Section 34000 *et seq.*), and all of the land within the boundaries of said District are located in the County of Orange, State of California;

**WHEREAS**, pursuant to Orange County Local Agency Formation Commission (LAFCO) Reorganization RO96-05, certain real property commonly known as the Laguna Sur/Monarch Point area (“Property”) was detached from South Coast Water District (SCWD) and annexed to Moulton Niguel Water District (MNWD), subject to the terms and conditions approved by LAFCO for Reorganization RO96-05. Reference is made to the map and legal description depicting the boundaries of the Property under Reorganization RO96-05 attached to LAFCO’s Certificate of Completion recorded on April 30, 1997;

**WHEREAS**, included within the terms and conditions of Reorganization RO96-05 is the requirement that SCWD continue to provide for sewage collection, conveyance, treatment and disposal services to the Property, and annually furnish MNWD with SCWD’s authorized sewer service charges (“Reorganization Sewer Service Charges”) in sufficient time for MNWD to arrange for the continued collection of such charges on the tax roll;

**WHEREAS**, after individual notice to property owners of parcels within the Property, a public hearing pursuant to Health and Safety Code Section 5473, *et seq.*, and adoption of Ordinance No. 180 entitled “An Ordinance of the Board of Directors of South Coast Water District Establishing Method for Billing Sewer Service Charges for the Fiscal Year Commencing July 1, 1995,” on July 25, 1995, as thereafter supplemented by SCWD Ordinance Nos. 186 and 188 and subsequent ordinances and resolutions, SCWD approved the Reorganization Sewer Service Charges to be collected from parcels within the Property via the property tax statements on the tax roll, and the District thereafter provided for the collection of the Reorganization Sewer Service Charges, as revised from time to time by SCWD, via the property tax statements on the tax roll;

**WHEREAS**, SCWD most recently revised the Reorganization Sewer Service Charges for the Property for years 2013-14 and 2014-15 in July, 2013 (“2013 SCWD Rate Revisions”);

# #15.

**WHEREAS**, MNWD adopted Ordinance No. 13-01 authorizing the 2013 SCWD Rate Revisions for the Property, and the 2014-15 rates so authorized will continue to apply in 2015-16 and thereafter until otherwise adjusted by SCWD in the future and implemented by MNWD;

**WHEREAS**, the Board of Directors of MNWD (the “Board”) finds it in MNWD’s best interest to continue to collect the Reorganization Sewer Service Charges on the tax roll via the property tax statements;

**WHEREAS**, by Resolution No. 15-20 adopted on June 18, 2015, the Board elected to continue to have the Reorganization Sewer Service Charges for parcels within the Property collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, general taxes pursuant to Section 5473 *et seq.* of the California Health and Safety Code, effective July 1, 2015, subject to a public hearing thereon and the consideration of all protests and objections to such collection practice;

**WHEREAS**, pursuant to Resolution No. 15-20 a report (“Report”) has been filed with the District Secretary containing a description of such parcels and the corresponding Reorganization Sewer Service Charges to be collected effective July 1, 2015, which Report is attached hereto as Exhibit A and incorporated herein by this reference;

**WHEREAS**, pursuant to Health and Safety Code Section 5473.1, the filing of the Report and notice of public hearing thereon was duly noticed as required by law by publication once each week for two successive weeks in the *Orange County Register*, a newspaper of general circulation, printed and published in the Property boundaries, such hearing to be held on July 16, 2015, at 6:00 p.m. (or as soon thereafter as practicable) at the Board Meeting Room located at 27500 La Paz Road, Laguna Niguel, California 92677;

**WHEREAS**, at the time set, the duly noticed public hearing was held and all persons interested were given an opportunity to be heard concerning the Report and to submit any objections or protests to the Report; and

**WHEREAS**, the Board finds it in MNWD’s best interest to continue to collect the Reorganization Sewer Service Charges in accordance with the 2013 SCWD Rate Revisions on the tax roll via the property tax statements.

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

**Section 1.** The Recital clauses and findings set forth above are incorporated herein.

**Section 2.** The Board hereby determines that protests to the Report were not made by the owners of a majority of separate parcels of the Property described in the Report.

**Section 3.** The Board hereby adopts the Report attached as Exhibit A to this Resolution containing a description of the parcels comprising the Property for which the Reorganization Sewer Service Charges shall be collected via property tax statements on the tax

roll and containing the amount of the charges for each parcel effective July 1, 2015, computed in conformity with the schedule of rates and charges approved by the Board pursuant to MNWD Ordinance No. 13-01, which ordinance adopted the SCWD 2013 Rate Revisions, as described above in the Recitals.

**Section 4.** The Secretary is hereby authorized and directed to endorse on the Report a statement that the Report was adopted by this Board of Directors on July 16, 2015, and to take whatever other action is required by the County of Orange Auditor-Controller (or other County officers) in regard thereto.

**Section 5.** The Secretary is hereby authorized and directed to file a copy of the Report with the County of Orange Auditor-Controller (or such other County officers as may request same).

**Section 6.** The County of Orange Auditor-Controller (and such other County officers as required) be, and hereby is, ordered and directed to add the Reorganization Sewer Service Charges to the 2015-2016 secured tax roll in accordance with the Report.

**Section 7.** The Secretary shall cause a copy of this Resolution and the Report, in either written or electronic form, to be filed with the County of Orange Auditor-Controller (or such County officers as required) on or before August 10, 2015, or such other date as permitted by the County officers.

**#15.**

**ADOPTED, SIGNED and APPROVED** this 16<sup>th</sup> day of July 2015.

**MOULTON NIGUEL WATER DISTRICT**

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

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

**APPROVED AS TO FORM:**

BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel - MNWD

By: \_\_\_\_\_  
Patricia B. Giannone

**Exhibit A**

**Report of Assessor Parcels – Reorganization Sewer Service Charges Fiscal Year 2015-16**

