



**AMENDED**  
**BOARD OF DIRECTORS' MEETING**  
**MOULTON NIGUEL WATER DISTRICT**  
**27500 La Paz Road, Laguna Niguel**  
**June 18, 2015**  
**6:00 PM**  
**Approximate Meeting Time: 2 Hours**

**1. CALL MEETING TO ORDER:**

**2. PLEDGE OF ALLEGIANCE:**

**3. MINUTE APPROVAL:**

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

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

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

MINUTES OF THE MAY 22, 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. 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.

**GENERAL MANAGER MATTERS:**

**ENGINEERING & OPERATIONS MATTERS:**

**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."

**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)."

**PRESIDENT'S REPORT:**

**BOARD REPORTS:**

**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

**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**

**May 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 10:00 AM on May 1, 2015. There were present and participating:

**DIRECTORS**

Scott Colton	Vice President
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
Larry Lizotte	Director
Brian Probolsky	Vice President (arrived at 10:06 a.m.)

Also present and participating were:

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

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Gina Hillary	Director of Human Resources
Marc Serna	Director of Engineering
Ruth Zintzun	Finance Manager
Kelly Salt	Best, Best, and Krieger
Michael Bell	Public Financial Management
Brian Thomas	Public Financial Management
Paige Gulck	Board Secretary
Drew Atwater	MNWD
Tim Bonita	MNWD
Doug Zytkevicz	MNWD
Frank Tedescucci	Aliso Viejo Country Club
Chris Lynch	Jones Hall
Tomoya Shimura	OC Register

### #3.

1. **CALL MEETING TO ORDER:**

*The meeting was called to order by Donald Froelich at 10:02 a.m.*

2. **PUBLIC COMMENTS:**

*None.*

**DISCUSSION / ACTION ITEMS:**

3. **2003 CERTIFICATES OF PARTICIPATION REFUNDING:**

It is recommended that the Board of Directors approve the resolution entitled, "Authorizing the Issuance and Sale of Water Revenue Refunding Bonds and Approving Related Agreements and Actions".

*Ruth Zintzun presented the 2003 Certificate of Participation Refunding. Chris Lynch also addressed the Board and briefly explained the legal documents that pertain to the COP. Discussion ensued regarding the legal documents and timeline.*

*Brian Probolsky arrived at 10:06 a.m.*

*MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY GARY KURTZ, ITEM 3 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

4. **CALPERS EMPLOYER PAID MEMBER CONTRIBUTIONS (RESOLUTION NO.15- ):**

It is recommended that the Board of Directors approve the resolution entitled, "Employer Paid Member Contributions Under the California Public Employees' Retirement System (CALPERS)".

*Joone Lopez stated that this item is being brought to the Board to ensure consistency between District documents and the terms agreed upon in the Memorandum of Understanding with the employee association.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY SCOTT COLTON, ITEM 4 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**5. WATER SHORTAGE CONTINGENCY PLAN IMPLEMENTATION  
(RESOLUTION NO.15- ):**

It is recommended that the Board of Directors approve the resolution entitled, "Declaring Water Shortage Stages 1 and 2".

*Joone Lopez gave brief background on the Water Shortage Contingency Plan (WSCP). Ruth Zintzun presented the WSCP Implementation. Discussion ensued about the WSCP Stages. Customer communication and outreach was also discussed.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY SCOTT COLTON, ITEM 5 WAS APPROVED AS PRESENTED. THE VOTE WAS SPLIT WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, AND LARRY LIZOTTE ALL VOTING 'AYE', DIRECTOR BRIAN PROBOLSKY VOTING 'NAY'.*

**ADJOURNMENT:**

*The meeting was adjourned at 11:56 a.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary







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

**May 14, 2015**

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 23700 Club House Dr, Laguna Niguel, CA 92677, California, at 10:45 AM on May 14, 2015. There were present and participating:

**DIRECTORS**

Duane Cave	Director
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
Larry Lizotte	Director

Also present and participating were:

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

Matt Collings	Assistant General Manager
Paige Gulck	Board Secretary
Eric Troll	El Niguel Country Club
Brian Archibald	El Niguel Country Club
Scot Dey	Mission Viejo Country Club

**1. CALL MEETING TO ORDER**

*The meeting was called to order by Donald Froelich at 10:45 a.m.*

**2. PUBLIC COMMENTS**

*None.*

**PRESENTATION ITEMS**

**3. Tour of Turf Removal Project**

*Eric Troll, General Manager of El Niguel Country Club, gave a tour of the landscaping*

**#3.**

*project before, during, and after the turf removal process.*

**ADJOURNMENT**

*The meeting was adjourned at 11:55 a.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary

DRAFT



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

**May 21, 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 May 21, 2015. There were present and participating:

**DIRECTORS**

Duane Cave	Director
Scott Colton	Vice President
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
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
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Michael Bell	Public Financial Management
Paige Gulck	Board Secretary
Eva Plajzer	MNWD
Megan Geer	MNWD
Carole Wayman-Piascik	MNWD
Ruth Zintzun	MNWD
Megan Schneider	MNWD
Tim Bonita	MNWD
Ian Morgan	MNWD
Gloria Chan	MNWD
Kerry Worgan	CalPERS
Susan Hinman	MWDOC

### #3.

Steve Cienfuegos  
Greg Clements  
Matt Brooks

CAC Member  
CAC Member  
Sunset Landscaping

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 APRIL 16, 2015 BOARD OF DIRECTORS' MEETING

*MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY DUANE CAVE, MINUTES OF THE APRIL 16, 2015 BOARD OF DIRECTORS' MEETING WERE APPROVED AS AMENDED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.*

4. **PUBLIC COMMENTS:**

*Susan Hinman, Board Member of Municipal Water District of Orange County (MWDOC), provided an update on MWDOC programs.*

*Arnold Adler spoke in regards to the sewer rate increase.*

*Brian Probolsky arrived at 6:07 p.m.*

**PRESENTATION:**

5. CALPERS Presentation

*Kerry Worgan, from California Public Employees' Retirement System (CalPERS), presented changes to the retirement program. Discussion ensued regarding policy, risk pool, and demographic assumptions changes.*

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

6. **RESEARCH PARTNERSHIP ON REBATE PROGRAM INCENTIVES**

It is recommended that the Board of Directors approve the research Agreement with the University of California Riverside, for an amount not-to-exceed \$184,392; and authorize the General Manager to execute change orders up to 10% of the Agreement value.

*Donald Froelich pulled item 7 and Richard Fiore pulled item 6 from the consent calendar.*

*The Board discussed item 6. Discussion ensued regarding the two year study timeframe, cost, and scope of work.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY GARY KURTZ, ITEM 6 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

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

It is recommended that the Board of Directors consider the rebate applications for the identified project without a limitation on the maximum allowable acreage for each project and direct staff accordingly; and increase the maximum allowable acreage for residential applications to 3,000 square feet.

*Donald Froelich presented the new recommendations from discussion at the Finance Meeting on May 20, 2015.*

*Recommendation:  
Approve the applications for residential customers and Mission Viejo Country Club as listed in the staff report.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY LARRY LIZOTTE, APPLICATIONS FOR RESIDENTIAL CUSTOMERS AND MISSION VIEJO COUNTRY CLUB WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

*Recommendation:  
Approve the applications for the HOA's as listed in the staff report.*

*Richard Fiore recused himself from the discussion in regards to the HOAs rebates as his firm has provided legal services for the HOAs.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY SCOTT COLTON, APPLICATIONS FOR THE HOAS WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'. RICHARD FIORE WAS ABSENT.*

### #3.

*Recommendation:*

*Temporarily increase the maximum allowable acreage for residential customers to 3,000 square feet. The temporary increase will be in effect until the August 2015 Board meeting, where the Board will reconsider the increase. Staff will provide monthly information updates to the Board on residential customers whose applications exceed 1,000 square feet.*

*MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY DUANE CAVE, THE TEMPORARY INCREASE FOR THE MAXIMUM ALLOWABLE ACREAGE WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

#### **ENGINEERING & OPERATIONS MATTERS:**

##### **8. ON-CALL ASPHALT AND CONCRETE REPAIR SERVICES**

It is recommended that the Board of Directors authorize the General Manager to execute the On-Call Asphalt and Concrete Repair Agreement with A&Y, for a not-to-exceed amount of \$87,500 to perform asphalt and concrete repair services during the remainder of FY 2014-15 and a not-to-exceed amount of \$450,000 for FY 2015-16 for a total agreement amount of \$537,500.

*MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY LARRY LIZOTTE, ITEM 8 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

##### **9. AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES FOR FISCAL YEARS 2015-18**

It is recommended that the Board of Directors authorize the General Manager to execute a three year Landscape Maintenance Services Agreement with Sunset Landscape Maintenance, Inc., in the amount of \$161,094 per year, with a total not-to-exceed agreement amount of \$483,282.

*Matt Brooks from Sunset Landscape thanked the Board for the opportunity to work with the district.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY GARY KURTZ, ITEM 9 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**LEGAL MATTERS:**

**10. PUBLIC HEARING AND ADOPTION: UPDATED PRETREATMENT ORDINANCE OF RULES AND REGULATIONS - CONFORMITY TO REVISED SOCWA ORDINANCE (ORDINANCE NO. 15-2)**

This is the time and place for a public hearing on the Ordinance of Rules and Regulations for the Discharge of Wastewater to Sewerage Facilities of the Moulton Niguel Water District Service Area (Ordinance No. 15-2). The public hearing on the Pretreatment Ordinance is opened for public comments.

*There were no public comments.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY BRIAN PROBOLSKY, A SECOND READING OF THE COMPLETE TEXT OF ORDINANCE NO. 15-2 WAS CONDUCTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

The Presiding Officer then recites the complete title of the Ordinance: "Ordinance No. 15-2, Ordinance of Rules and Regulations for the Discharge of Wastewater to Sewerage Facilities of the Moulton Niguel Water District Service Area.

*MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY GARY KURTZ, A SECOND READING OF THE COMPLETE TEXT OF ORDINANCE NO. 15-2 WAS WAIVED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY BRIAN PROBOLSKY, ORDINANCE NO. 15-2, ORDINANCE OF RULES AND REGULATIONS FOR THE DISCHARGE OF WASTEWATER TO SEWERAGE FACILITIES OF THE MOULTON NIGUEL WATER DISTRICT SERVICE AREA," AND DIRECT SECRETARY/LEGAL COUNSEL TO PUBLISH AN ORDINANCE SUMMARY IN ACCORDANCE WITH THE CALIFORNIA WATER DISTRICT ACT WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**GENERAL MANAGER MATTERS:**

*Joone Lopez congratulated staff on receiving the Advanced Metering Infrastructure (AMI) grant from the Bureau of Reclamation in the amount of \$300,000.*

*The Live Smart event was May 16, 2015. It was a great event with over 600 people in attendance.*

### #3.

*The District will be going to all the city council meetings to provide an update on drought conditions and District's response. The Aliso Viejo council meeting is June 3, 2015.*

*A special board meeting will be held on May 22, 2015. Fran Spivy Weber, Vice Chair of the State Water Resources Control Board, will be in attendance to discuss the State's Emergency Drought Regulation.*

*Division 5 Town Hall will be held on June 3, 2015 from 6-8 p.m. in the Moulton Niguel Water District Boardroom.*

*The ACWA conference was the first week of May. The conference was very informative.*

*The Santa Ana Watershed Project Authority rate workshop was held on May 14, 2015. The next workshop will be held on May 27, 2015.*

*Special meetings have been scheduled for June 1, 2015, at 8:00 a.m. and June 8, 2015 at 8:30 a.m.*

#### **PRESIDENT'S REPORT:**

*Donald Froelich asked the General Manager to alter the District's letterhead to include board members' names.*

#### **BOARD REPORTS:**

*Richard Fiore gave an update from the Outreach Ad-hoc meeting.*

*Scott Colton encouraged everyone to cut back on water usage.*

*Duane Cave reported on the ACWA conference. The conference was educational. He congratulated the District on the AMI meter grant. The smart meters will need a communication program to help residents understand the technology. Duane attended the Aliso Viejo Community Association HOA meeting and spoke about the drought.*

#### **CLOSED SESSION:**

##### **11. 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 Sun K. Bae

*The Board enter closed session at 7:47 p.m. and exited at 7:53 p.m.*



*Donald Froelich reported that the Board rejected the claim of Sun K Bae.*

*THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, AND BRIAN PROBOLSKY ALL VOTING 'AYE'.*

**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 7:55 p.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary





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

**May 22, 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 1:00 PM on May 22, 2015. There were present and participating:

**DIRECTORS**

Duane Cave	Director
Scott Colton	Vice President
Richard Fiore	Director
Donald Froelich	President
Gary Kurtz	Director
Larry Lizotte	Director

Also present and participating were:

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

Joone Lopez	General Manager
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Ruth Zintzun	Finance Manager
Fran Spivy Weber	Vice Chair, SWRCB
Paige Gulck	Board Secretary
Megan Schneider	MNWD
Tim Bonita	MNWD
Gregg Hooper	MNWD
Rhonda Himley	MNWD
Anna Park	7 Hour Drive
Ed Lee	7 Hour Drive

**1. CALL MEETING TO ORDER**

*The meeting was called to order by Donald Froelich at 1:01 p.m.*

# #3.

## 2. PUBLIC COMMENTS

*Public comments were taken after the presentation. Ed Lee from 7 Hour Drive presented their company's water savings device.*

### **PRESENTATION ITEMS**

## 3. State Water Resources Control Board Emergency Drought Regulations Discussion

*Joone Lopez introduced Fran Spivy Weber, Vice Chair of the State Water Resources Control Board. A round of introductions took place. Discussion ensued regarding the emergency regulations set by the Governor. The District has to lower its water usage by 20% by February 2016.*

### **ADJOURNMENT**

*The meeting was adjourned at 2:55 p.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary

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

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MOULTON NIGUEL WATER DISTRICT  
APPROVING ITS APPROPRIATIONS LIMIT FOR FISCAL YEAR 2015-16 AND  
FINDING COMPLIANCE WITH ARTICLE XIII B OF THE CONSTITUTION  
OF THE STATE OF CALIFORNIA**

**WHEREAS**, the Board of Directors of the Moulton Niguel Water District (MNWD) has reviewed the financial affairs of MNWD and has reviewed the proposed Budget for the Fiscal Year 2015-16; and

**WHEREAS**, the Board of Directors desires to establish an Appropriations Limit for Fiscal Year 2015-16 for the purpose of complying with Article XIII B of the Constitution of the State of California; and

**WHEREAS**, the Board of Directors desires at this time to approve its Budget for the Fiscal Year 2015-16, as well as its Appropriations Limit for said Fiscal Year 2015-16;

**NOW, THEREFORE**, the Board of Directors of MNWD does RESOLVE, DETERMINE, and ORDER as follows:

**Section 1.** That an Appropriations Limit of **\$7,097,398** be and the same hereby is established as the limit to which funds derived from ad valorem taxes may be appropriated during the Fiscal Year 2015-16.

**Section 2.** That the Budget for the Fiscal Year 2015-16 be and the same hereby is approved by this Board of Directors which Budget is on file with the Treasurer of MNWD and is by this reference incorporated herein.

**Section 3.** That the Treasurer of MNWD be and the same is hereby authorized to file copies of said Budget with such other public agencies as may be necessary.

**#10.**

**ADOPTED, SIGNED and APPROVED** this 18<sup>th</sup> day of June, 2015.

**MOULTON NIGUEL WATER DISTRICT**

---

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

---

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

## RESOLUTION NO. 15-\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
MOULTON NIGUEL WATER DISTRICT SETTING TAX RATES FOR  
OUTSTANDING GENERAL OBLIGATION BONDS OF IMPROVEMENT DISTRICTS  
FOR FISCAL YEAR 2015-16**

**WHEREAS**, the Board of Directors of MOULTON NIGUEL WATER DISTRICT (sometimes the "District" herein) has considered the financial needs of the MOULTON NIGUEL WATER DISTRICT and its' IMPROVEMENT DISTRICT NOS. 6 and 7 for the 2015-16 Fiscal Year for payment of outstanding bonded indebtedness of such improvement districts, and the funds available and estimated to become available for meeting said financial needs; and

**WHEREAS**, pursuant to Section 37206 of the Water Code of the State of California, the Board of Directors of the District shall furnish to the Board of Supervisors of the County of Orange and the Auditor of the County of Orange an estimate in writing of the amount of money needed to be raised by the District during the 2015-16 Fiscal Year for the payment of outstanding voter approved general obligation bonded indebtedness of the District's improvement districts for the 2015-16 Fiscal Year.

**NOW, THEREFORE**, the Board of Directors of MOULTON NIGUEL WATER DISTRICT does hereby resolve, determine and order as follows:

**Section 1.** That the amount of money necessary to be raised by ad valorem assessments upon the taxable property (land only) within the IMPROVEMENT DISTRICT NO. 6 of MOULTON NIGUEL WATER DISTRICT as revenue to pay the voter approved indebtedness for said improvement district for the 2015-16 Fiscal Year is the sum of \$4,043,131. The estimated tax rate to be levied shall be .0008980 percent (.08980%) of taxable land value. The tax rate herein is levied pursuant to Section 93 and 93.61 (a)(1) of the Revenue and Taxation Code for the purpose of paying voter approved indebtedness of the MOULTON NIGUEL WATER DISTRICT for IMPROVEMENT DISTRICT NO. 6.

**Section 2.** That the amount of money necessary to be raised by ad valorem assessments upon the taxable property (land only) within the IMPROVEMENT DISTRICT NO. 7 of MOULTON NIGUEL WATER DISTRICT as revenue to pay the voter approved indebtedness for said district for the 2015-16 Fiscal Year is the sum of \$940,139. The estimated tax rate to be levied shall be .0006204 percent (.06204%) of taxable land value. The tax rate herein is levied pursuant to Section 93 and 93.61 (a) (1) of the Revenue and Taxation Code for the purpose of paying voter approved indebtedness of the MOULTON NIGUEL WATER DISTRICT for IMPROVEMENT DISTRICT NO. 7.

**Section 3.** That the Secretary and Acting Treasurer of the District are hereby requested to furnish a certified copy of this Resolution to the Auditor of the County of Orange.

**#11.**

**APPROVED, ADOPTED and SIGNED** this 16th day of April, 2015.

**MOULTON NIGUEL WATER DISTRICT**

By: \_\_\_\_\_  
President  
MOULTON NIGUEL WATER DISTRICT  
and of the Board of Directors thereof

By: \_\_\_\_\_  
Secretary  
MOULTON NIGUEL WATER DISTRICT  
and of the Board of Directors thereof



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

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MOULTON NIGUEL WATER DISTRICT  
APPROVING A BUDGET APPROPRIATION AND ADOPTING THE OPERATING  
BUDGET AND CAPITAL IMPROVEMENT PROGRAM BUDGET  
FOR FISCAL YEAR 2015-16**

**WHEREAS**, the Board of Directors of the Moulton Niguel Water District (“Board of Directors”) held multiple public meetings to review and discuss the proposed Fiscal Year 2015-16 Operating Budget and Capital Improvement Budget.

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

**SECTION 1.** A certain document now on file in the Finance Division of the Moulton Niguel Water District entitled, “Moulton Niguel Water District Operating and Capital Improvement Program Budget,” is hereby made part of this Resolution.

**SECTION 2.** Said Operating and Capital Improvement Budget is hereby adopted for the Fiscal Year beginning July 1, 2015, and ending June 30, 2016, and consists of the estimated and anticipated expenditures and revenues for the Fiscal Year for all funds.

**SECTION 3.** The expenditure amounts designated to each fund for which they are designated and such appropriations shall not be increased except as provided herein.

**SECTION 4.** The appropriations for each fund may only be increased or decreased by the Board of Directors by passage of a resolution amending the Budget except as provided herein.

**SECTION 5.** The following controls are hereby placed on the use and transfers of budgeted funds:

- A. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board of Directors or General Manager as described below. The General Manager may authorize all transfers of funds from category to category within the same fund. The General Manager may delegate authority to transfer funds between categories as necessary.
- B. The General Manager may authorize out-of-state travel for appropriate training and education of staff or for public safety and/or emergency services purposes in compliance with applicable District policies.

# #15.

- C. The Board of Directors must authorize any increase in the number of authorized regular full time personnel positions in addition to those identified in Section 1 (Staffing Plan) of the Budget document.
- D. The General Manager is authorized to employ during the fiscal year(s) covered by this Budget, the number and classifications of such full time and part time employees as are shown in the Budget, all subject to the total number of authorized positions. The General Manager may also authorize the hiring of temporary or part time staff provided that the total to be obligated and expended within any fund as set forth in said Budget for the category of "Salaries" does not exceed the budgeted and appropriated amount, as the same may be amended by the Board of Directors.

**SECTION 6.** All appropriations for the Capital Improvement Projects remaining unexpended on June 30, 2015, are hereby appropriated for such Capital Projects for the 2015-16 Fiscal Year.

**SECTION 7.** All appropriations and outstanding encumbrances for non-Capital Projects as of June 30, 2015, expire as of said date.

**SECTION 8.** The legal level of budgetary control is at the fund level. Budgets may not legally be exceeded at the fund level without appropriate authorization by the Board of Directors.

**SECTION 9.** The Board of Directors does hereby approve and adopt the General Unit, Supervisory Unit and Exempt Employees' Job Classification Salary Schedules effective June 27, 2014, for Fiscal Year 2015-2016.

**APPROVED, ADOPTED and SIGNED** this 16th day of April, 2015.

**MOULTON NIGUEL WATER DISTRICT**

By: \_\_\_\_\_  
President  
MOULTON NIGUEL WATER DISTRICT  
and of the Board of Directors thereof

By: \_\_\_\_\_  
Secretary  
MOULTON NIGUEL WATER DISTRICT  
and of the Board of Directors thereof



**RESOLUTION NO. 15-\_\_****RESOLUTION OF THE BOARD OF DIRECTORS OF  
MOULTON NIGUEL WATER DISTRICT  
SETTING 2015-16 SEWER SERVICE CHARGES AND USAGE RATES FOR  
SPECIFIED PARCELS (LAGUNA SUR/MONARCH POINT PROPERTY) TO BE  
COLLECTED VIA PROPERTY TAX STATEMENTS ON THE TAX ROLL,  
DIRECTING FILING OF WRITTEN REPORT AND CALLING A HEARING  
THEREON****(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 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 annual sewer service charges and usage rates (together the “Reorganization Sewer Service Charges”) in sufficient time for MNWD to arrange for the continued collection of such charges via property tax statements 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 fiscal years 2013-14 and 2014-15 in July, 2013 (“2013 SCWD Rate Revisions”);

# #16.

**WHEREAS**, MNWD adopted Ordinance No. 13-01 authorizing the 2013 SCWD Rate Revisions for the Property, and the fiscal year 2014-15 rates so authorized will continue to apply in fiscal year 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**, Section 5473 of the Health and Safety Code provides that a district electing to have such charges collected via the property tax statements on the tax roll shall cause a written report (“Report”) to be filed each year containing a description of each parcel and the amount of the charges for each parcel for the year; and

**WHEREAS**, pursuant to Section 5473.1 of the Health and Safety Code, the Secretary of MNWD must cause a notice of the filing of the Report and of the time and place of a public hearing on the proposed Reorganization Sewer Service Charges to be published.

**NOW, THEREFORE**, the Board of Directors of MNWD does hereby **RESOLVE, DETERMINE AND ORDER** as follows:

**Section 1.** In accordance with the provisions of Health and Safety Code Section 5473 *et seq.*, the General Manager, or her designees, are hereby directed to file with the Secretary of the District the written Report containing a description of each parcel of real property as to which the Reorganization Sewer Service Charges, are proposed to be collected via the property tax statements on the tax roll, and the amount of the charges for each such parcel, commencing July 1, 2015.

**Section 2.** Thursday, the 16<sup>th</sup> day of July 2015, at the hour of 6:00 p.m., or as soon thereafter as possible, in the Board Meeting Room of MNWD, 27500 La Paz Road, Laguna Niguel, California 92677, be and the same are hereby fixed by the Board as the time and place for hearing and consideration by this Board of all objections or protests, if any, to the Report.

**Section 3.** The Secretary of the District and Legal Counsel are hereby authorized and directed to publish notice of the filing of the Report and the time and place of the hearing pursuant to Health and Safety Code Section 5473.1 and Government Code Section 6066, in substantially the form attached to this Resolution as *Exhibit A* (subject to any adjustments to the Reorganization Sewer Service Charges as may be approved by SCWD prior to publication, to be determined by the General Manager, or her designees), in a newspaper of general circulation printed and published within MNWD and the Property. Additionally, the Secretary is hereby authorized and directed to post a copy of this Resolution at the District offices and on the District website at [www.MNWD.com](http://www.MNWD.com).

**Section 4.** The election made in Section 1 of this Resolution to have the Reorganization Sewer Charges for parcels within the Property as listed in the Report to be

prepared each year, collected via the property tax statements on the tax roll, shall remain in effect until this Resolution is rescinded.

**Section 5.** The General Manager, or her designees, and the Secretary are hereby authorized and directed to file a certified copy of this Resolution with the County of Orange Auditor-Controller, and such other officers of the County of Orange if so required by such officers.

**ADOPTED, SIGNED and APPROVED** this 18th day of June 2015.

**MOULTON NIGUEL WATER DISTRICT**

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

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

**APPROVED AS TO FORM:**

BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel - MOULTON NIGUEL WATER DISTRICT

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

**Exhibit A****MOULTON NIGUEL WATER DISTRICT  
• NOTICE OF PUBLIC HEARING •****LAGUNA SUR/MONARCH POINT REORGANIZATION AREA  
2015-2016 ANNUAL SEWER SERVICE CHARGES AND USAGE RATES TAX ROLL  
COLLECTION**

Notice is hereby given pursuant to California Health and Safety Code Section 5473.1 of a public hearing to be held by the Board of Directors of the Moulton Niguel Water District (MNWD) (Laguna Niguel, California) on **July 16, 2015, at 6:00 pm**, or as soon thereafter as possible, in the Board Meeting Room located at 27500 La Paz Road, Laguna Niguel, California 92677. Said hearing is to be held for the purpose of considering approval of a written report pertaining to certain property generally known as the “Laguna Sur/Monarch Point LAFCO 96-05 Reorganization Area,” which property is provided sewer service by **South Coast Water District (SCWD)**, but is within MNWD, pursuant to the terms of LAFCO Reorganization No. 96-05, and to consider public comments and all objections or protests regarding use of the County of Orange property tax roll for continuing the current practice of billing sewer service charges and usage rates for sewer collection, treatment and disposal services. The following sewer service charges and rates have been proposed by **SCWD** to be collected on the property tax roll for **2015-16** (no change from the 2014-15 charges and rates):

**The proposed amounts are the maximum charges and rates that SCWD will consider.** If approved, the charges and rates on all tables below will be effective as of July 1, 2015, pursuant to MNWD Ordinance No. 13-01.

**TABLE 1: PROPOSED ANNUAL SEWER SERVICE CHARGE – RESIDENTIAL**

<b>SERVICE</b>	<b>CURRENT CHARGES</b>	<b>PROPOSED 2015-16</b>
Single Family Detached	\$446.46	\$446.46

**TABLE 2: PROPOSED SEWER USAGE RATES – RESIDENTIAL  
SINGLE FAMILY DETACHED**

(1 unit of water = 748 gallons)

<b>CURRENT RATES Per Unit of Water</b>	<b>PROPOSED 2015-16 Per Unit of Water</b>
\$1.20	\$1.20

**TABLE 3: PROPOSED ANNUAL SEWER SERVICE CHARGES – HOMEOWNERS’  
ASSOCIATION/CONDOMINIUMS**

<b>SERVICE</b>	<b>CURRENT CHARGES</b>	<b>PROPOSED 2015-16</b>
Duplex, 2 units	\$296.53	\$296.53
Triplex, 3 units	\$309.89	\$309.89



SERVICE	CURRENT CHARGES	PROPOSED 2015-16
Fourplex, 4 units	\$314.19	\$314.19
5 or more units	\$231.91	\$231.91
Association Guardhouse	\$446.46	\$446.46
Association Recreation Area (no food service)	\$446.46	\$446.46

**TABLE 4: PROPOSED ANNUAL SEWER USAGE RATES – HOMEOWNERS’ ASSOCIATION**  
 (1 unit of water = 748 gallons)

SERVICE	CURRENT RATES Per Unit of Water	PROPOSED 2015-16 Per Unit of Water
Master Metered Condominium Units	\$1.20	\$1.20
Association Guardhouse	\$6.62	\$6.62
Association Recreation Area (no food service)	\$6.62	\$6.62

For more information on the sewer charges and rates for the Reorganization Area, please call MNWD customer service at (949) 851-1300. All communications regarding the sewer charges and rates, or the public hearing, including protests against collection of the charges and rates on the property tax bill, should be made in writing to the attention of the General Manager at the MNWD address above. Protests must be received in writing prior to the conclusion of the public hearing, and include the owner’s name and address and assessor parcel number, the owner’s original signature, and a statement of protest as to the property tax bill collection process. Email protests or other electronic protests are not valid and cannot be accepted as official protests. Protest letters will be tabulated and presented to the MNWD Board at the public hearing on the tax roll collection process. MNWD will count one written protest per property address. If written protests are not filed by a majority of record owners of property in the Laguna Sur/Monarch Point area, the MNWD Board will be authorized to adopt the report and collect the charges and rates using the property tax bill collection process.

*Paige Gulck*

---

s/Secretary  
 MOULTON NIGUEL WATER DISTRICT

