

2003 Certificates of Participation Refunding

March 18, 2015



Moulton Niguel Water
Leading the Way in Service

2003 Certificates of Participation

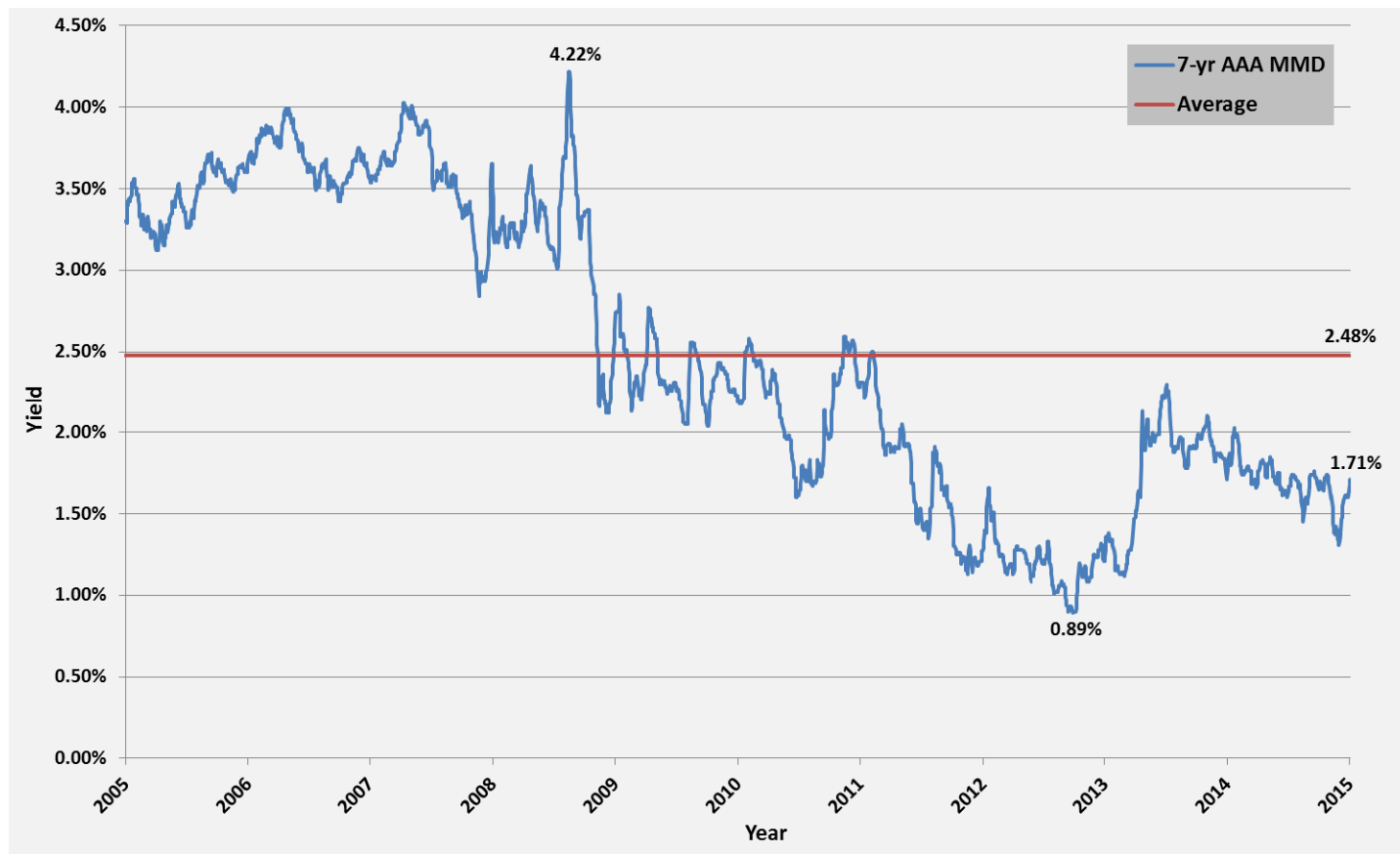
- Original amount of \$25,145,000
 - \$14,520,000 outstanding
 - Refunded 1993 bonds

Construction Item	Estimated Amount
Central Intertie Pipeline Project	\$14,300,000
Sewage Treatment Plant 3A Solids Modifications	4,260,000
Joint Regional Treatment Plant Effluent Pipeline Parallel	2,070,000
Water Reclamation System	8,680,000
Saddleback Reclamation Project	2,039,000
Marina Hills Reclamation Project	2,214,000
AWMA Effluent Transmission Main Parallel	7,300,000
	<u>\$40,863,000</u>

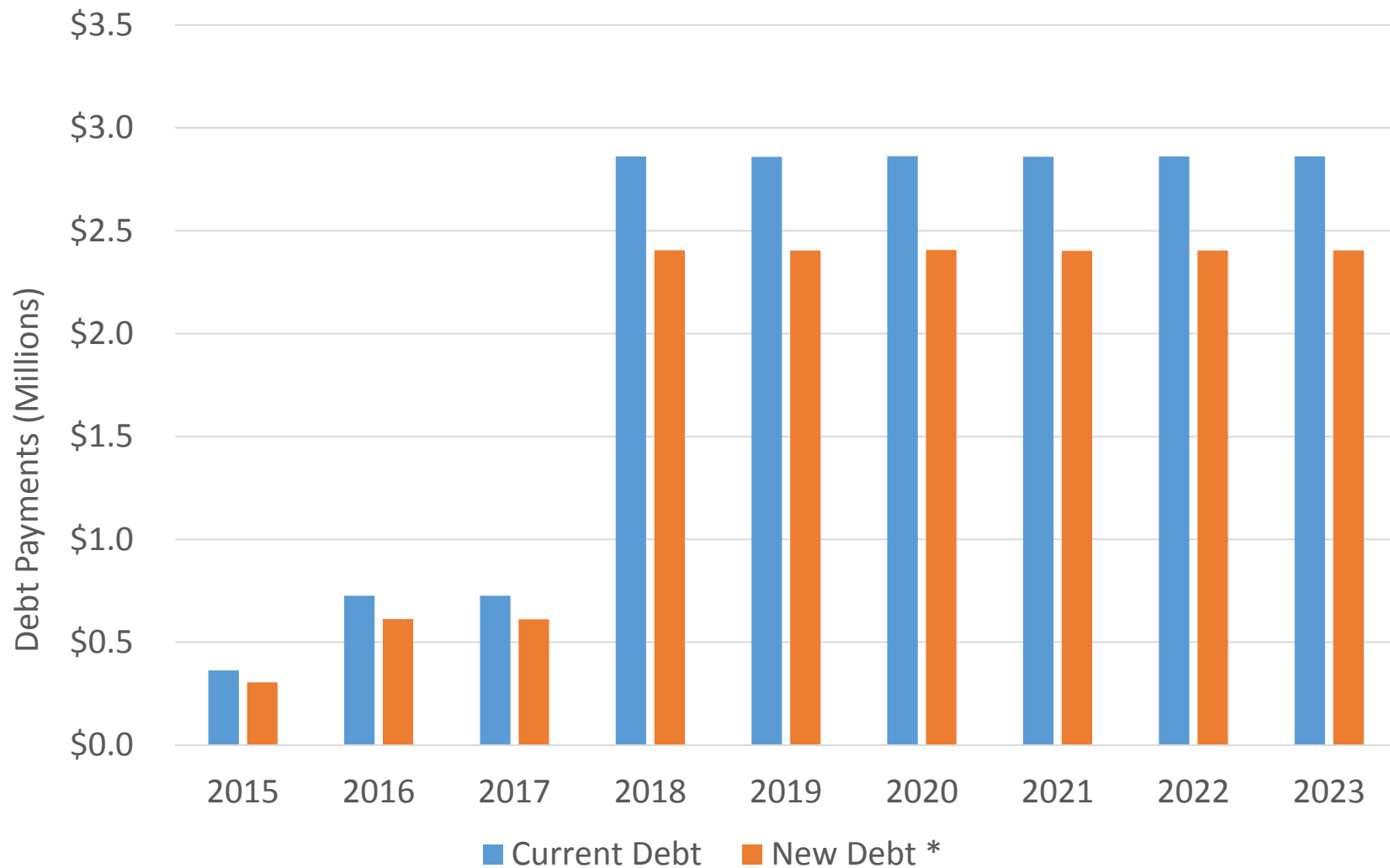
- Final maturity in 2023
- Eligible for refunding with tax-exempt debt

Current Interest Rates are Low

- Rates have decreased over the past 10 years



\$1.4 Million in Net Present Value Savings



* Subject to interest rates at the time of issuance

Team

Role	Firm
Issuer	Moulton Niguel Water District
Financial Advisor	Public Financial Management (PFM)
Disclosure/Bond Counsel	Jones Hall
District Counsel	Bowie, Arneson, Wiles & Giannone
Rating Agencies	Fitch Ratings Standard & Poor's
Underwriter	To be determined through competitive sale

Timeline

	Date	Action
	Wednesday, March 18, 2015	Kick-off
	Thursday, April 16, 2015	Board approval of Intent to Issue Bonds
Week of	Monday, May 4, 2015	Rating agency discussions
	Thursday, May 21, 2015	Board approval of refunding
Week of	Monday, June 8, 2015	Bond sale
Week of	Monday, June 22, 2015	Bond closing

Variance Procedure Revisions

March 18, 2015



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Definitions

- Variance
 - An allowable change to the factors that affect a customers water budget

- Adjustment
 - One time bill change by moving water usage from one tier to another

Variations

- Submit Variance Form
- Effective on the next bill

Residential	Commercial	Irrigation
Household size	Production capacity expansion	Landscape area
Landscape area	Increased staffing	
Care facility	New technology	
Medical needs		
Livestock		

Adjustments

- Most bill adjustments will only be made for one billing period

Residential	Commercial	Irrigation
Pool fill	Pool fill	Leak repair
Leak repair	Leak repair	New landscape establishment
New landscape establishment	New landscape establishment	New customer courtesy adjustment
New customer courtesy adjustment		
Irrigation timer malfunction		

Policy Changes

- New landscape establishment adjustment
- Most adjustments will only be made for one billing period
- Adjustments will not result in water use being moved to “in budget” tiers
- Clarity in procedures and requirements for variances and adjustments for all customer classes



FOR IMMEDIATE RELEASE:

March 17, 2015

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State Water Board Expands Water Use Restrictions in Response to Drought

Moulton Niguel Water District is Committed to Conservation, Reducing Community Water Use

Moulton Niguel, CA – The State Water Resources Control Board (State Water Board) today extended emergency drought regulations for statewide mandatory water conservation in response to California’s ongoing historic drought. The new regulations expand existing drought regulations enacted by the State Water Board in August 2014. Prior to the first round of regulations, Moulton Niguel Water District (MNWD) proactively implemented an innovative budget-based rate structure, which encourages conservation by providing customers with individualized water budgets. The District’s early action has helped achieve significant water use reductions and ultimately resulted in MNWD’s exemption from the State Water Board restrictions.

As a result of successful conservation initiatives, the State Water Board has continued to grant the District’s exemption, and customers will not be impacted by the extended regulations. However, MNWD urges the community to continue reducing water use and remain conservation-minded, especially as California moves into the dry months of the year.

“Conservation is the job of the full community. As we move into the summer and California’s drought presses on, it’s more important than ever that MNWD and its customers continue to make water use reduction a priority,” said MNWD General Manager Joone Lopez. “While we have been successful in achieving reductions with our initiatives, like our rate structure, it’s imperative that we continue to work together to push for further reductions in 2015.”

Despite population growth and a sustained economic recovery, MNWD’s implementation of a budget-based rate structure has resulted in a 26 percent reduction in water use since 2007, reduced outdoor water use by 22 percent, and resulted in more than 2,500 acre-feet of water supply savings. Still, as the state moves into its fourth consecutive year of drought and water supplies remain scarce, customers are encouraged to do their part to continue conserving water.

To help continue water conservation efforts, MNWD encourages customers to follow these best water management practices:

- ✓ Limits on watering hours and duration
- ✓ No excessive water flow or runoff
- ✓ No washing down hard or paved surfaces
- ✓ Obligation to fix leaks, breaks or malfunctions
- ✓ Re-circulating water required for water fountains and decorative water features

- ✓ Limits on washing vehicles, except by use of a hand-held bucket or hose equipped with a positive water shut-off nozzle (this does not apply to commercial car washes).
- ✓ Drinking water at restaurants served only upon request
- ✓ Commercial lodging establishments must provide option to not launder linen daily
- ✓ No installation of single pass cooling systems
- ✓ No installation of non-re-circulating water systems in commercial car wash and laundry systems
- ✓ Restaurants required to use water conserving dish wash spray valves

In addition to these best practices, MNWD is considering additional measures that may be taken as water supply shortages persist. The District continues to offer voluntary conservation programs, including turf removal rebates, home water surveys, sprinkler adjustments and more. These programs have proven effective in conservation efforts. For more information on voluntary conservation programs and practices, please visit <http://www.mnwd.com/rebates/>.

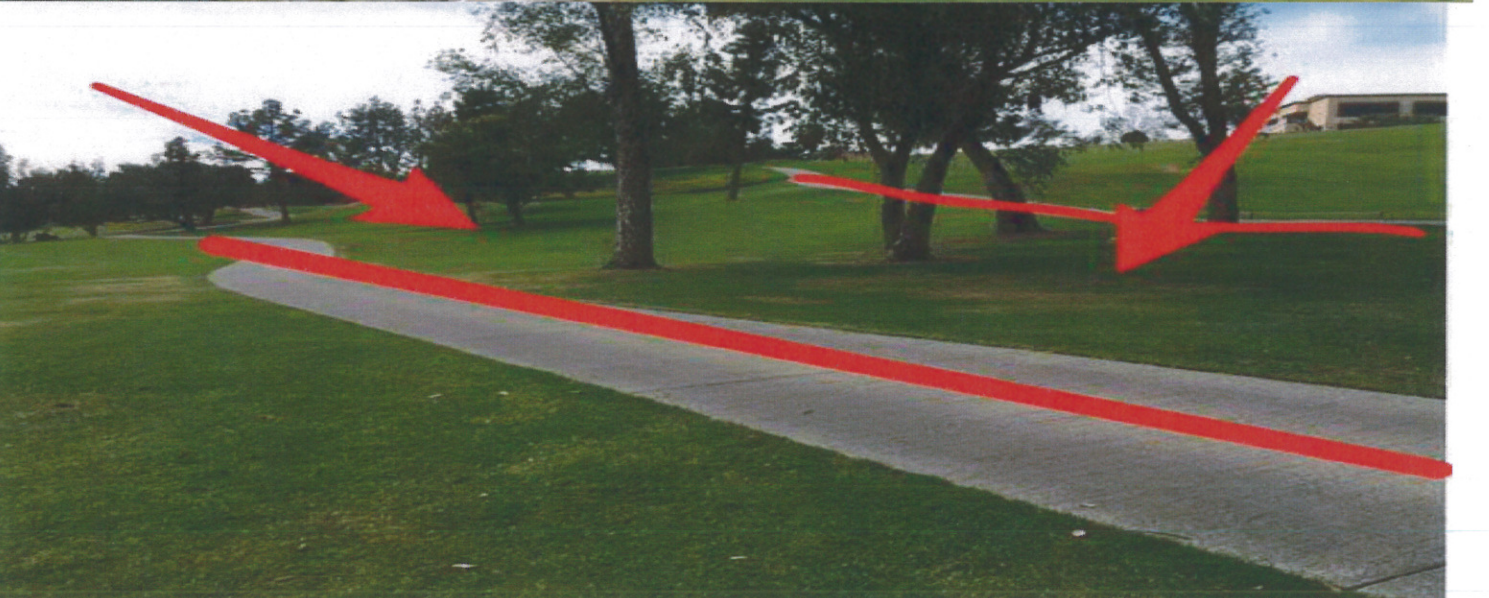
About MNWD

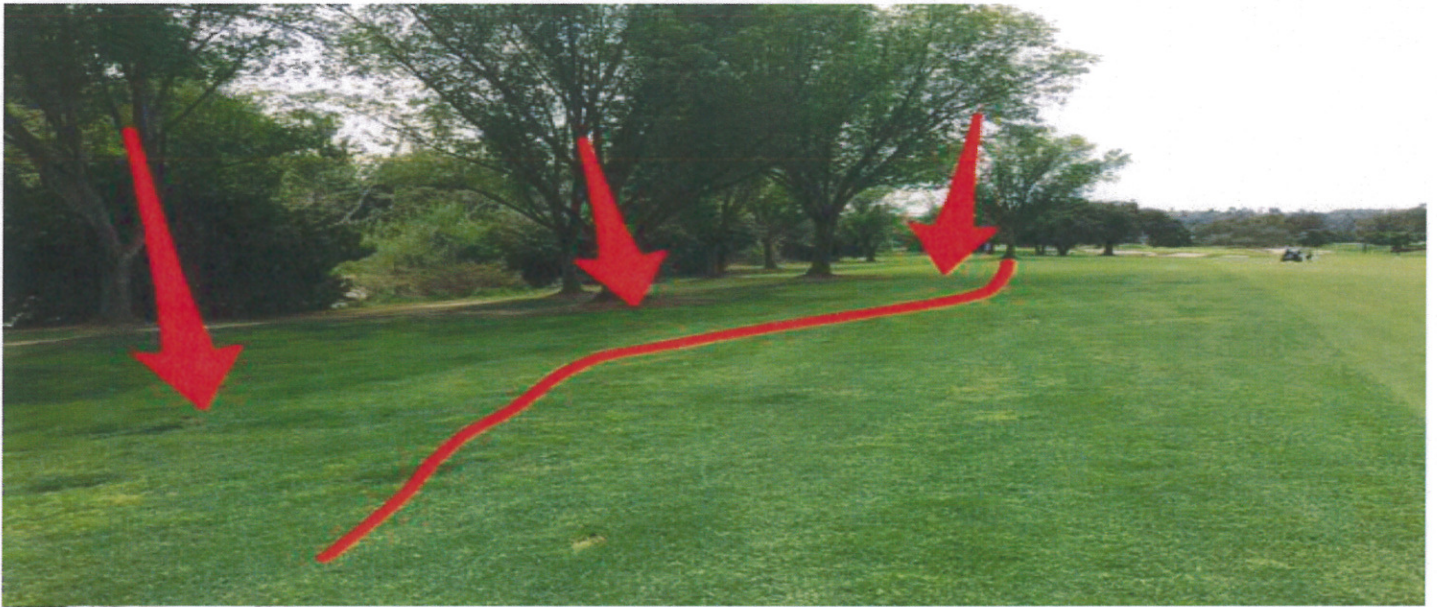
Moulton Niguel Water District (MNWD) provides drinking water, recycled water, and sewer service to more than 170,000 customers in Laguna Niguel, Aliso Viejo, Laguna Hills, Mission Viejo, and portions of the City of Dana Point. Approximately 25 percent of MNWD's water is provided through local water recycling programs. Approximately 75 percent of MNWD's water is imported from the Metropolitan Water District of Southern California – a regional water wholesaler that delivers water from Northern California and the Colorado River.

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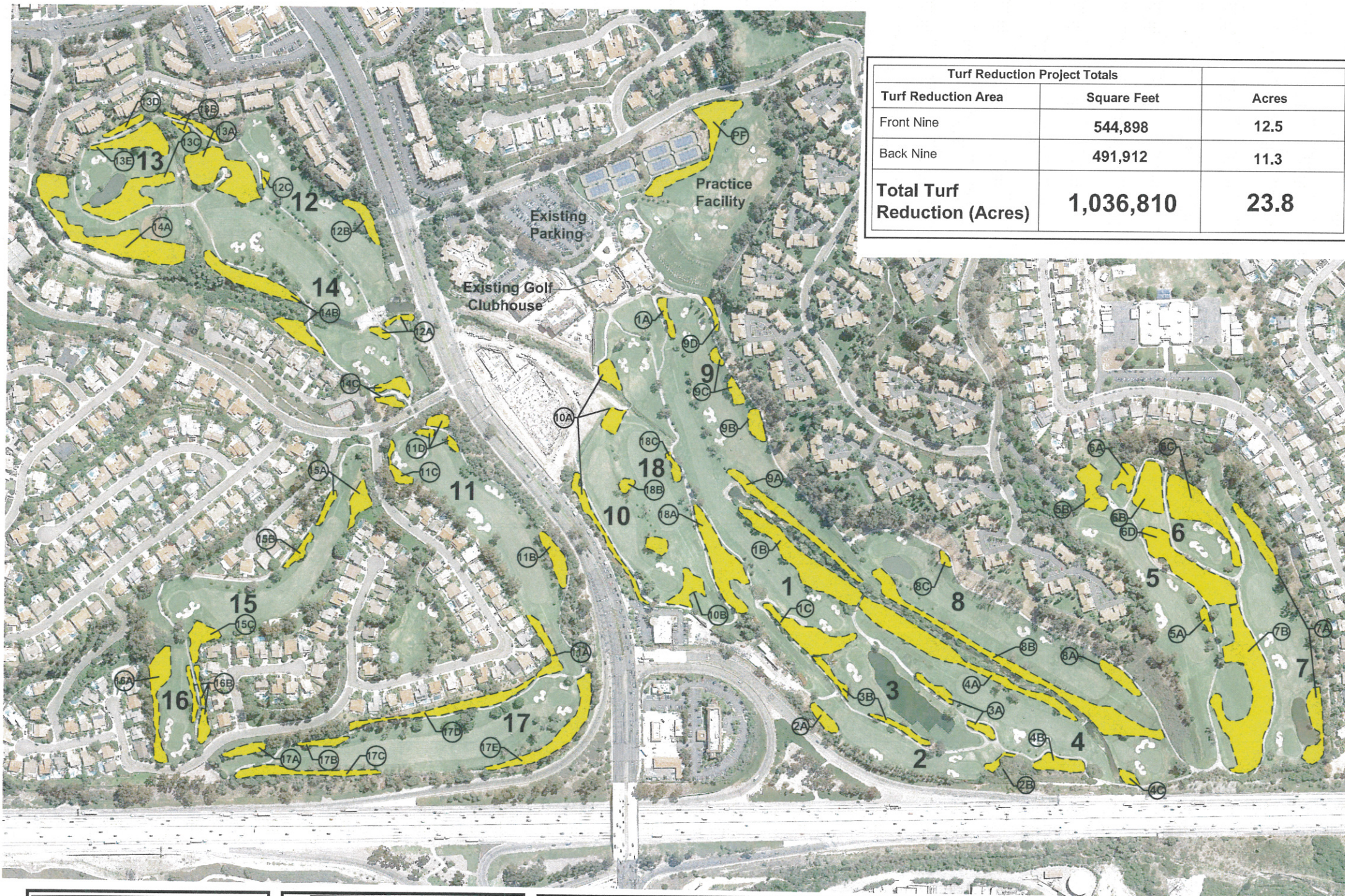








MISSION VIEJO COUNTRY CLUB TURF REDUCTION PLAN



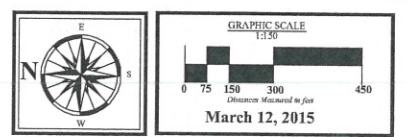
Turf Reduction Project Totals		
Turf Reduction Area	Square Feet	Acres
Front Nine	544,898	12.5
Back Nine	491,912	11.3
Total Turf Reduction (Acres)	1,036,810	23.8

Front Nine Turf Reduction Square Footage Totals		
Hole	Designated Area	Square Footage
1	A	4,645
	B	45,942
	C	26,893
2	A	6,708
	B	3,222
3	A	12,263
	B	5,862
4	A	52,116
	B	11,827
	C	3,596
5	A	3,320
	B	11,053
6	A	7,442
	B	21,227
	C	37,214
7	A	30,204
	B	81,327
	C	43,521
8	A	9,281
	B	54,237
	C	2,217
9	A	19,890
	B	7,391
	C	7,002
	D	3,376
Practice	PF	33,122
Front Nine Total		544,898

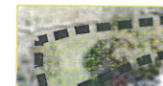
Back Nine Turf Reduction Square Footage Totals		
Hole	Designated Area	Square Footage
10	A	28,748
	B	11,881
11	A	11,164
	B	12,104
	C	6,122
	D	8,968
12	A	5,716
	B	9,448
	C	2,001
13	A	40,930
	B	7,763
	C	29,268
	D	5,021
	E	20,890
14	A	59,355
	B	34,580
	C	10,399
15	A	14,509
	B	5,288
	C	11,646
16	A	21,894
	B	12,985
17	A	6,485
	B	5,358
	C	16,778
	D	22,348
	E	28,390
18	A	35,077
	B	3,016
	C	3,780
Back Nine Total		491,912




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Legend

 Existing Irrigated Area to be Removed

 Hole Number