



moulton niguel water district

BOARD OF DIRECTORS' MEETING MOULTON NIGUEL WATER DISTRICT

27500 La Paz Road, Laguna Niguel

July 21, 2016

6:00 PM

Approximate Meeting Time: 2 Hours

THIS BOARD MEETING WILL INCLUDE TELECONFERENCING AT THE FOLLOWING LOCATION: 9964 FAIRVIEW LAKE ROAD SW, PORT ORCHARD, WA, 98367

1. **CALL MEETING TO ORDER:**

2. **PLEDGE OF ALLEGIANCE:**

3. **PUBLIC COMMENTS:**

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

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

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.

4. **MINUTES OF THE JUNE 7, 2016 SPECIAL BOARD OF DIRECTORS MEETING**

5. **MINUTES OF THE JUNE 16, 2016 REGULAR BOARD OF DIRECTORS MEETING**

6. **MINUTES OF THE JUNE 27, 2016 SPECIAL BOARD OF DIRECTORS MEETING**

7. **2016 PUBLIC HEALTH GOALS REPORT**

It is recommended that the Board of Directors review the Public Health Goals Report and authorize the setting of a Public Hearing for August 18, 2016 to receive public testimony prior to consideration of approval of the Public Health Goals Report.

8. ALISO VILLAGE RECYCLED WATER EXTENSION CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to Paulus Engineering, Inc. in the amount of \$79,250; 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.

9. DEL AVION LIFT STATION AUXILIARY GENERATOR REPLACEMENT CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to Pacific Hydrotech Corporation in the amount of \$441,900; 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.

10. AMENDMENT NO. 5 TO AGREEMENT WITH ENVIRONMENTAL COMPLIANCE INSPECTION SERVICES (ECIS) FOR FOG INSPECTION SERVICES

It is recommended that the Board of Directors authorize the General Manager to execute Amendment No. 5 to the Agreement with ECIS for an amount not-to-exceed \$130,000 for Fiscal Year 2016-17.

11. FISCAL YEAR 2016-17 METER MAINTENANCE AND REPLACEMENT PROGRAM METER PURCHASE

It is recommended that the Board of Directors authorize meter and meter-related purchases for an amount not-to-exceed \$548,220 for Fiscal Year 2016-17.

12. REBATE APPLICATIONS FOR TURF REMOVAL

It is recommended that the Board of Directors consider the rebate applications for the identified projects without a limitation on the maximum allowable acreage for the projects and direct staff accordingly.

ENGINEERING & OPERATIONS MATTERS:

13. 2011 PRESSURE REDUCING STATION RELOCATION PROJECT CONSTRUCTION CONTRACT AWARD

It is recommended that the Board of Directors award the construction services contract to Ferreira Construction Co., Inc. in the amount of \$788,863; 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.

GENERAL MANAGER MATTERS:

LEGAL MATTERS:

14. CONDUCT PUBLIC HEARING AND CONSIDER ADOPTION OF RESOLUTION ADOPTING REPORT ON ANNUAL SEWER SERVICE CHARGES TO BE COLECTED ON THE TAX ROLLS AND PLACING SAID AMOUNTS ON THE TAX ROLLS FOR COLLECTION - LAGUNA SUR/MONARCH POINTS AREA

The Board will conduct a duly noticed public hearing. Upon completion of the hearing, the Board will consider adoption of a Resolution adopting the report containing a description of the parcels of real property subject to the sewer service charges for sewer service to parcels located in the area commonly known as the Laguna Sur/Monarch Points area. The Resolution also provides for the collection of said charges on the property tax statements on the tax rolls for 2016-17.

15. CONDUCT PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE TO INCREASE PER DIEM COMPENSATION FOR BOARD MEMBERS

The Board of Directors will conduct the duly noticed public hearing regarding the proposed Ordinance which would increase the amount of per diem compensation for the members of the Board of Directors for attendance at meetings of the Board or for each day's service rendered as a Director. Upon completion of the public hearing, the Board may consider adoption of the Ordinance to increase the amount of per diem compensation. Occurrences constituting District business, official duties or each day's service rendered as a "day of service" are defined and authorized by separate policy of the District and by law.

PRESIDENT'S REPORT:

BOARD REPORTS:

CLOSED SESSION:

16. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9

Receipt of claim: Jayne Dove Saxe

Receipt of claim: Michael Nishiki

Receipt of claim: El Niguel Terrace Homeowners Association

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.



moulton niguel water district

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

June 7, 2016

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 3:00 PM on June 7, 2016. There were present and participating:

DIRECTORS

Duane Cave	Director
Scott Colton	Vice President
Donald Froelich	President
Larry Lizotte	Director

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
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Drew Atwater	MNWD
Jake Vollebregt	Best, Best, & Krieger

1. CALL MEETING TO ORDER

The meeting was called to order by Donald Froelich at 3:00 p.m.

2. PUBLIC COMMENTS

None.

CLOSED SESSION

3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation and initiation of litigation pursuant to paragraphs (2) and (4) of subdivision (d) of Government Code Section 54956.9

One potential case

The Board entered closed session at 3:01 p.m. and exited at 4:13 p.m. Donald Froelich stated that there was no reportable action.

ADJOURNMENT

The meeting was adjourned at 4:14 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary



moulton niguel water district

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

June 16, 2016

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 16, 2016. 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
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Drew Atwater	MNWD
Johnathan Cruz	MNWD
Megan Geer	MNWD
Tracy Ingebrigtsen	MNWD
Erik Anderson	WaterSmart
Michael Bell	Michael Bell Consulting, Inc.
Syrus Devers	Best, Best, & Krieger

#5.

Andrew Healy

HomeServe

1. **CALL MEETING TO ORDER:**

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

2. **PLEDGE OF ALLEGIANCE:**

3. **PUBLIC COMMENTS:**

Andrew Healy, from HomeServe provided comments on the company he works for and how their services could be beneficial to customers within the District.

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

Item #9 was pulled from the consent calendar by Brian Probolsky.

4. **MINUTES OF THE MAY 11, 2016 SPECIAL BOARD OF DIRECTORS MEETING**

5. **MINUTES OF THE MAY 19, 2016 REGULAR BOARD OF DIRECTORS MEETING**

6. **MINUTES OF THE MAY 25, 2016 SPECIAL BOARD OF DIRECTORS MEETING**

7. **UPDATED RESERVE POLICY ADOPTION**

It is recommended that the Board of Directors approve the updated Reserve Policy.

8. **UPDATED INVESTMENT POLICY ADOPTION**

It is recommended that the Board of Directors approve the updated Investment Policy.

10. **WATER SOFTENER RULES AND REGULATIONS REVISIONS**

It is recommended that the District's Rules and Regulations for Water and Sewer Services, Sections 5.B.2, 5.J.1.k, and 12, be modified and adopted by the Board as provided herein regarding the use of self-regenerating water softeners.

11. **ALERTOC MEMORANDUM OF UNDERSTANDING**

It is recommended that the Board of Directors authorize the General Manager or her designee to execute the AlertOC Memorandum of Understanding.

12. ANNUAL GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-17 (RESOLUTION 16-____)

It is recommended that the Board of Directors approve the resolution entitled, "Approving Appropriations Limit for Fiscal Year 2016-17 and Finding Compliance with Article XIII B of the Constitution of the State of California".

13. GENERAL OBLIGATION BOND TAX RATES FOR FISCAL YEAR 2016-17 (RESOLUTION 16-____)

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 2016-17".

14. SELECTION OF THE ANNUAL LUMP SUM PREPAYMENT OPTION FOR UNFUNDED ACCRUED LIABILITY TO CALPERS FOR FISCAL YEAR 2016-17

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 Fiscal Year (FY) 2016-17.

15. AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT - MICHAEL BELL MANAGEMENT CONSULTING, INC.

It is recommended that the Board of Directors approve Amendment No.1 to the Professional Services Agreement with Michael Bell Management Consulting for an amount of \$50,000 for a total not-to-exceed contract of \$230,000; and authorize the General Manager to execute the Agreement.

16. AMENDMENT NO. 5 TO PROFESSIONAL SERVICES AGREEMENT - PUBLIC FINANCIAL MANAGEMENT, INC.

It is recommended that the Board of Directors approve Amendment No. 5 to the Professional Services Agreement with Public Financial Management, Inc.; and authorize the General Manager to execute Amendment No. 5.

17. REBATE APPLICATION FOR TURF REMOVAL

It is recommended that the Board of Directors consider the rebate application for the identified project without a limitation on the maximum allowable acreage for the project and direct staff accordingly.

MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY DUANE CAVE, CONSENT ITEMS 4 THROUGH 17 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'.

9. CUSTOMER PORTAL DASHBOARD VENDOR SELECTION

It is recommended that the Board of Directors authorize the General Manager to execute an agreement with Smart Utility Systems, for the purchase and installation of the Customer Portal Software Application, in the amount of \$83,800; and authorize the General Manager or designee to approve change orders up to 10% of the contract value.

This item was pulled by Brian Probolsky. Erik Anderson from WaterSmart provided comment on the item. Discussion ensued regarding the agreement.

Revised Action: It is recommended that the Board of Directors authorize the General Manager to execute an agreement with Smart Utility Systems, for the purchase and installation of the Customer Portal Software Application, in the amount of \$83,800; and to bring back to the Board any requests for change orders in the event that there are any such requests in the future.

MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY RICHARD FIORE, ITEM 9 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'.

GENERAL MANAGER MATTERS:

18. Brief Updates on Pending and General Matters - Information Only

Joone Lopez stated that the District received the Government Finance Officers Award certificate for the 2015 Comprehensive Annual Finance Report.

19. Legislative Update

Syrus Devers, from Best, Best, & Krieger, and Drew Atwater provided a legislative update. Discussion ensued regarding the legislative process.

20. Financial Banking Overview

Trevor Agrelius provided a financial banking overview.

ENGINEERING & OPERATIONS MATTERS:

21. 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 Company, Inc., for a

per-year not-to-exceed of \$750,000, to perform the subject services during Fiscal Year (FY) 2016-17 and FY 2017-18, for a total not-to-exceed agreement amount of \$1,500,000, with the option to renew for an additional one-year term.

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY SCOTT COLTON, ITEM 21 WAS APPROVED AS PRESENTED. THE VOTE WAS SPLIT WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY VOTING 'NAY'.

FINANCE & INFORMATION TECHNOLOGY MATTERS:

22. PUBLIC HEARING ON 2015 URBAN WATER MANAGEMENT PLAN AND ADOPTION OF A RESOLUTION APPROVING THE 2015 URBAN WATER MANAGERMENT PLAN (RESOLUTION 16-)

In accordance with Water Code sections 10608.26 and 10642, the District will conduct a public hearing on the 2015 Urban Water Management Plan. Following the public hearing, and subject to any modifications to the 2015 Urban Water Management Plan as directed by the Board of Directors as a result of the public hearing, it is recommended that the Board of Directors adopt the Resolution entitled, "Adopting the 2015 Urban Water Management Plan".

MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY DUANE CAVE, ITEM 22 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'.

23. WATER SHORTAGE CONTINGENCY PLAN CONTINUED IMPLEMENTATION (RESOLUTION 16-)

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

MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY DUANE CAVE, ITEM 23 WAS APPROVED AS PRESENTED. THE VOTE WAS SPLIT WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY VOTING 'NAY'.

24. ADOPTION OF UPDATED CAPACITY FEES (RESOLUTION 16-)

It is recommended that the Board of Directors adopt the resolution entitled, "Adopting Water and Wastewater Capacity Charges".

MOTION DULY MADE BY DUANE CAVE AND SECONDED BY SCOTT COLTON,

ITEM 24 WAS APPROVED AS PRESENTED. THE VOTE WAS SPLIT WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY VOTING 'NAY'.

25. FISCAL YEAR 2016-17 PROPOSED BUDGET (RESOLUTION 16-)

It is recommended that the Board of Directors approve the resolution entitled, "Approving a Budget Appropriation and Adopting the Operation Budget and Capital Improvement Program Budget for Fiscal Year 2016-17".

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY RICHARD FIORE, ITEM 25 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'.

LEGAL MATTERS:

26. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AMENDMENT TO THE GENERAL MANAGER'S CONTRACT

It is recommended that the Board of Directors consider, and possibly take action to approve, Amendment No. 5 to the Employment Contract for Services as General Manager of the Moulton Niguel Water District.

MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY DUANE CAVE, ITEM 26 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'.

PRESIDENT'S REPORT:

Donald Froelich attended Metropolitan Water District's 75 year celebration event. The keynote speaker was American Historian Dr. Kevin Starr. It was a great program.

BOARD REPORTS:

Duane Cave attended the ACC-OC meeting on June 9th. ACWA President Kathy Tiegs gave a great presentation. Duane also attended the Metropolitan District of Orange County OC Water Summit on May 20th.

Richard Fiore stated that he participated in the Capistrano Unified School Districts Principal for a Day program. It was a great experience.

CLOSED SESSION:

27. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9

Receipt of claim: Don and Laryn Kaiser

The Board entered closed session at 7:47 p.m. and exited at 8:00 p.m. Jeff Ferre made the following report. In regard to Item 27, Receipt of claim for Don and Laryn Kaiser, a motion was made by Director Probolsky, seconded by Director Colton, to reject the claim of Don and Laryn Kaiser and to send the applicable notice to the claimants.

THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, 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 8:01 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary



moulton niguel water district

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

June 27, 2016

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 26161 Gordon Road, Laguna Hills CA. 92653, California, at 6:00 PM on June 27, 2016. 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 6:35 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
Jake Vollebregt	Best, Best, & Krieger (General Counsel)
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Drew Atwater	MNWD
Johnathan Cruz	MNWD

1. CALL MEETING TO ORDER

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

#6.

2. PUBLIC COMMENTS

None.

DISCUSSION ITEMS

3. **CONDUCT PUBLIC HEARING AND CONSIDERATION OF INCREASES IN SEWER FEES – LAGUNA SUR/MONARCH POINT**

The Board will conduct a public hearing pursuant to the requirements of Proposition 218. Following the close of the public hearing, and if a majority protest does not exist, the Board will consider taking action to adopt increases in the sewer service fees in the Laguna Sur/Monarch Point area. The increased fees are the result of increased fees imposed by the South Coast Water District and then passed through to Laguna Sur/Monarch Point customers.

Donald Froelich opened the public hearing. No members of the public were in attendance and the District has received no protests on the item. Upon hearing no public comments, the hearing was closed.

MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY DUANE CAVE, THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

CLOSED SESSION

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

Significant exposure to litigation and initiation of litigation pursuant to paragraphs (2) and (4) of subdivision (d) of Government Code Section 54956.9

One potential case

Brian Probolsky arrived at 6:35 p.m.

The Board entered closed session at 6:08 p.m. and exited at 7:05 p.m. Donald Froelich stated that there was no reportable action.

ADJOURNMENT

The meeting was adjourned at 7:06 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

DRAFT

RESOLUTION NO. 16-_____**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, 2016****(LAGUNA SUR/MONARCH POINT LAFCO REORGANIZATION RO96-05)**

WHEREAS, the Moulton Niguel Water District (“MNWD”) 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 parcels of real property located in an area 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 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 MNWD thereafter provided for the collection of the Reorganization Sewer Service Charges, as revised from time to time by SCWD, via the property tax roll;

WHEREAS, SCWD most recently revised the Reorganization Sewer Service Charges for the Property for years 2016-17 in June, 2016 (“2016 SCWD Rate Revisions”);

WHEREAS, MNWD adopted Ordinance No. 16-01 authorizing the 2016 SCWD Rate Revisions for the Property;

#14.

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;

WHEREAS, a report (“Report”) has been filed with the District Secretary containing a description of the parcels of real property subject to the Reorganization Sewer Service Charges and amount of the corresponding Reorganization Sewer Service Charges to be to be imposed thereon for Fiscal Year 2016-2017 and effective July 1, 2016, 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 21, 2016, 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 of Directors has determined and hereby finds that protests have not been made by the owners of a majority of the separate parcels or property described in the Report; and

WHEREAS, the Board finds it in MNWD’s best interest to collect the Reorganization Sewer Service Charges in accordance with the 2016 SCWD Rate Revisions on the tax roll, which charges shall constitute a lien against the parcel or parcels of land described in the Report in accordance with California Health and Safety Code sections 5473 *et seq.*

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

Section 1. The forgoing Recitals are hereby made findings and determinations of the Board of Directors and are incorporated herein.

Section 2. The Board hereby adopts the Report attached as Exhibit A to this Resolution, which Report contains a description of the parcels of real property comprising the Property for which the Reorganization Sewer Service Charges shall be imposed and collected via the secured property tax roll and containing the amount of the charges for each parcel effective July 1, 2016, computed in conformity with the schedule of rates and charges approved by the Board pursuant to MNWD Ordinance No. 16-01.

Section 3. 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 21, 2016, and to take whatever other action is required by the County of Orange Auditor-Controller (or other County officers) in regard thereto.

Section 4. On or before the 10th day of August, 2016, the Secretary is hereby authorized and directed to file a copy of the Report, in either written or electronic form, with the County of Orange Auditor-Controller (or such other County officers as may request same), or such other date as may be permitted by the County of Orange Auditor-Controller or such other County officers.

Section 5. The Board of Directors hereby requests the County of Orange Auditor-Controller (and such other County officers as required) to collect the Reorganization Sewer Service Charges on the 2016-2017 tax bills for the taxable parcels in MNWD identified in the Report. Such Reorganization Sewer Service Charges shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for MNWD, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties to be levied on and collected from the owners of said parcels.

ADOPTED, SIGNED and APPROVED this 21th day of July 2016.

MOULTON NIGUEL WATER DISTRICT

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

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

#14.

Exhibit A

Report of Assessor Parcels – Reorganization Sewer Service Charges Fiscal Year 2016-17

ORDINANCE NO. 16-___

**ORDINANCE OF THE BOARD OF DIRECTORS OF
MOULTON NIGUEL WATER DISTRICT
TO INCREASE THE AMOUNT OF PER DIEM FOR
MEMBERS OF THE BOARD OF DIRECTORS**

WHEREAS, Water Code Section 20200 *et seq.* sets forth the authority and procedure for establishing per diem compensation for the Board of Directors for attendance at meetings of the Board or for each day's services rendered as a Director. Occurrences constituting District business, official duties or each day's service rendered as a Director, as a "day service" are defined and authorized by separate policy of the District and by law; and

WHEREAS, the Water Code authorizes an increase in the per diem compensation that may be received by the Board of Directors up to an amount equal to five percent (5%) for each calendar year since the effective date of the last increase, and limits the total compensation that may be received to a maximum of ten (10) days per calendar month; and

WHEREAS, prior to last year, the Board of Directors had not taken any action to increase the per diem compensation for 8 years. It was not until 2015 that the Board took any action to increase the amount from \$199.50 per day to \$215.00 per day; and

WHEREAS, the Board of Directors seeks to increase the amount of compensation in accordance with the provisions of the Water Code; and

WHEREAS, in accordance with Section 20203 of the Water Code and Section 6066 of the Government Code, a public hearing was held on July 21, 2016, at 6:00 p.m., or soon thereafter as practicable, at the meeting room of the Board of Directors of the District at 27500 La Paz Road, Laguna Niguel, CA 92677, and a notice of said hearing was duly published in the *Orange County Register*, a newspaper of general circulation, once a week for two weeks as follows: on June 23, 2016 and June 30, 2016.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The amount of compensation to be received by members of the Board for each day's attendance at meetings of the Board, or for each day's service rendered as a Director, shall be in the amount of Two Hundred and Twenty Dollars (\$220.00). Said increase of approximately two and one half percent (2.5%) does not exceed an amount equal to five percent (5%) for each calendar year since the date of the last adjustment.

Section 2. In accordance with Section 20202 of the Water Code, no member of the Board of Directors shall receive the compensation set forth in Section 1 of this Ordinance for more than ten (10) days in any calendar month.

Section 3 Any actual expenses, including mileage, incurred by members of the Board with respect to services rendered as a Director shall be reimbursed by the District upon

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presentation of satisfactory evidence thereof and compliance with the applicable rules and regulations of the District.

Section 4. All ordinances, resolutions, or administrative actions by the Board of Directors, or parts thereof, that are inconsistent with any provision of this Ordinance are hereby superseded only to the extent of such inconsistency, including District Ordinance No. 15-3 which is superseded in its entirety and shall be of no further force or effect.

Section 5. Pursuant to Section 20204 of the Water Code, this Ordinance shall take effect sixty (60) days from the date of adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Moulton Niguel Water District held on July 21, 2016 by the following vote:

Duane Cave:
Scott Colton:
Richard Fiore:
Donald Froelich:
Gary Kurtz:
Larry Lizotte:
Brian Probolsky:

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