



moulton niguel water district

BOARD OF DIRECTORS' MEETING MOULTON NIGUEL WATER DISTRICT

27500 La Paz Road, Laguna Niguel

December 15, 2016

6:00 PM

Approximate Meeting Time: 1 Hour

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 NOVEMBER 16, 2016 FINANCE AND INFORMATION TECHNOLOGY BOARD OF DIRECTORS' MEETING

5. MINUTES OF THE NOVEMBER 17, 2016 REGULAR BOARD OF DIRECTORS' MEETING

6. PLANT 3A FLOOD PROTECTION CONTRACT AWARD

It is recommended that the Board of Directors award the vegetation management contract to Habitat Restoration Sciences, Inc. in the amount of \$152,500; 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. CROWN VALLEY RESERVOIRS RE-COATING CONSTRUCTION CONTRACT ADJUSTMENT

It is recommended that the Board of Directors increase the construction contract for J. Colon Coatings, Inc. by \$336,101 for a total contract amount of \$1,762,141.

8. SMART TIMER PROGRAM CONTRACT AWARD

It is recommended that the Board of Directors approve the agreement for 12 months with Valley Soil, Inc. with the subcontractor of Rachio for the do not exceed amount of \$480,113 to administrate the new Regional Smart Timer Program. It is also recommended that the Board of Directors direct staff to engage in program agreements with Santa Margarita Water District and Irvine Ranch Water District for the District to administrate the new regional smart timer program.

9. AUDIT REPORTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

It is recommended that the Board receive and file the following reports:

- Comprehensive Annual Financial Report (“CAFR”), including auditors’ opinion on the fair presentation of the financial statements
- Single Audit Report, including auditors’ report on internal control
- Audit communication letter
- Article XIII-B Appropriations Limit Calculation report.

10. 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 project and direct staff accordingly.

GENERAL MANAGER MATTERS:(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

PRESIDENT'S REPORT:

BOARD REPORTS:

CLOSED SESSION:

11. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section: 54956.8

Property: Real Estate related to City of San Juan Capistrano's Water and Sewer Systems

Agency Negotiator: Joone Lopez - Moulton Niguel Water District

Negotiating Parties: Moulton Niguel Water District and City of San Juan Capistrano

Under Negotiation: Terms for Proposed Acquisition of Property

12. 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: Sara Geiss

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

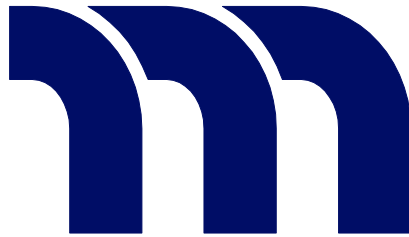
LATE ITEMS: (Appropriate Findings to be Made)

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

November 16, 2016

A Regular Meeting of the Finance & Information Technology Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 8:30 AM on November 16, 2016. 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/Chair (arrived at 9:03 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
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Drew Atwater	Director of Planning
Jake Vollebregt	Director of Regional & Legal Affairs
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Johnathan Cruz	MNWD
Ian Morgan	MNWD
Medha Patel	MNWD
Carole Wayman-Piascik	MNWD
Roger Alfaro	Vavrinek, Trine, Day & Company, LLP
Jessica Anderson	Vavrinek, Trine, Day & Company, LLP

#4.

Jayson Schmidt
Kerry Worgan

Chandler Asset Management
CalPERS

1. CALL MEETING TO ORDER

The meeting was called to order by Richard Fiore at 8:31 a.m.

2. PUBLIC COMMENTS

None.

PRESENTATION ITEMS

4. Quarterly Investment Report - Chandler Asset Management

This item was taken first on the agenda. Jayson Schmidt presented the Quarterly Investment Report. Key topics presented were the account profile and the economic update.

DISCUSSION ITEMS

5. Adoption of Amended Conflict of Interest Code

Matt Collings provided details on the item. Staff recommends that the Board of Directors approve the resolution entitled, "Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974." Discussion ensued regarding the Conflict of Interest Code.

INFORMATION ITEMS

7. Monthly Financial Report

Trevor Agrelius presented the Monthly Financial Report. Brian Probolsky arrived at 9:03 a.m. This item continued after item 3.

3. CalPERS Update

Kerry Worgan, from California Public Employees' Retirement Systems (CalPERS), presented an update on the retirement program. Discussion ensued regarding changes to the discount rate and funded status.

DISCUSSION ITEMS CONTINUED

6. Draft Audit Reports for the Fiscal Year Ended June 30, 2016

Trevor Agrelius provided details on the Draft Audit Reports. Discussion ensued regarding the reports.

INFORMATION ITEMS CONTINUED

8. Water Usage Update

Drew Atwater presented the Water Usage Update. The District exceeded its current conservation target by achieving 16% for October 2016.

9. Outreach Update

Medha Patel, Drew Atwater and Johnathan Cruz provided an Outreach update regarding the upcoming Customer Portal.

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

None.

11. Late Items (Appropriate Findings to be Made)

Staff has none.

ADJOURNMENT

The meeting was adjourned at 11:48 a.m.

Respectfully submitted,

Tim Bonita
Recording Secretary



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

November 17, 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 November 17, 2016. 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/Chair (arrived at 6:12 9.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
Drew Atwater	Director of Planning
Jake Vollebregt	Director of Regional & Legal Affairs
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Johnathan Cruz	MNWD
Tracy Ingebrigtsen	MNWD
Medha Patel	MNWD
David Sumner	Member of the Public

#5.

Mark Waite

WaterSmart Software

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:**

David Sumner provided public comment. Mark Waite, from Watersmart Software also provided public comment.

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

4. **MINUTES OF THE OCTOBER 10, 2016 SPECIAL BOARD OF DIRECTORS' MEETING**

5. **MINUTES OF THE OCTOBER 20, 2016 REGULAR BOARD OF DIRECTORS' MEETING**

6. **SEWER LINING CONSTRUCTION CONTRACT AWARD**

It is recommended that the Board of Directors award the construction services contract to Insituform Technologies, LLC in the amount of \$99,800; authorize the General Manager to execute the contract; and authorize the General Manager or designee to approve change orders up to 15% of the contract value.

7. **AGREEMENT AMENDMENTS FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES**

It is recommended that the Board of Directors approve Amendment No. 1 with Tetra Tech, Inc. for \$200,000 for a total contract value not-to-exceed \$700,000; approve Amendment No. 2 with Lee & Ro, Inc. for \$200,000 for a total contract value not-to-exceed \$950,000; and approve Amendment No. 2 with AKM Consulting Engineers for \$200,000 for a total contract value not-to-exceed \$950,000.

8. **ADOPTION OF AMENDED CONFLICT OF INTEREST CODE (RESOLUTION 16-___)**

It is recommended that the Board of Directors approve the resolution entitled, "Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974."

MOTION DULY MADE BY LARRY LIZOTTE AND SECONDED BY SCOTT COLTON, CONSENT ITEMS 4 THROUGH 8 WERE APPROVED AS PRESENTED. THE VOTE

WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, AND LARRY LIZOTTE ALL VOTING 'AYE'. DIRECTOR GARY KURTZ ABSTAINED FROM VOTING ON ITEMS 4 AND 5. DIRECTOR BRIAN PROBOLSKY WAS ABSENT.

FINANCE & INFORMATION TECHNOLOGY MATTERS:

9. CONSIDERATION AND POSSIBLE ACTION TO APPROVE UPDATED BUDGET FOR OPERATIONS CENTER AND CONSOLIDATION IMPROVEMENT PROJECT

Matt Collings provided information on the item. Brian Probolsky arrived at 6:12 p.m. Discussion ensued regarding the project budget.

After discussion, it was the consensus of the Board to receive and file the update to the budget for the operations center and consolidation improvement project.

GENERAL MANAGER MATTERS:(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

a. Update on review of Easement and Quitclaim Policy

Joone Lopez and Jeff Ferre went over the current policy and recommended that the current resolution be updated to clarify authorization of District staff to execute documentation for real property acquisition and disposition. The Board directed that a draft of the updated resolution be brought back for consideration.

PRESIDENT'S REPORT:

No report.

BOARD REPORTS:

No reports.

CLOSED SESSION:

10. 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: Jiachen Fu (Geico)

Receipt of claim: Sarah Morin

The Board entered closed session at 6:34 p.m. and exited at 6:44 p.m. Jeff Ferre made the following report:

#5.

In regard to the receipt of claim from Jiachen Fu (Geico), a motion was made by Director Cave, seconded by Director Fiore, to reject the claim as directed by the District's insurance carrier and to provide the appropriate notice to the claimant and to request that the District's insurance carrier work with the claimant towards a possible resolution.

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

In regard to the receipt of claim from Sarah Morin, a motion was made by Director Cave, seconded by Director Colton, to reject the claim as directed by the District's insurance carrier and to provide the appropriate notice to the claimant and to request that the District's insurance carrier work with the claimant towards a possible resolution.

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 6:46 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary