

EXHIBIT "C" TO THE RULES AND REGULATIONS
OF THE MOULTON NIGUEL WATER DISTRICT
FOR WATER AND SEWER SERVICE

**PROCEDURE FOR ACQUISITION OF RIGHT-OF-WAY
FOR WATER AND SEWER FACILITIES FOR SUBDIVISION,
PLANNED DEVELOPMENTS, AND SIMILAR PROJECTS.**

SECTION 1

Initially, such project shall be approved as a tentative tract map or as a planned unit development for a parcel or parcels of previously subdivided property.

SECTION 2

The water and sewer system shall be designed by the engineer for the developer and approved by the District Engineer. Thereafter, the engineer for the developer shall prepare the water and sewer improvement plan as well as legal descriptions, sketches, and a project or area map depicting the general area and the right-of-way necessary to be conveyed to the District.

SECTION 3

During the preparation of the Improvement Plans, the District will approve such plans for the purpose of right-of-way acquisition. At this point the engineer for the developer shall prepare legal description, sketches, and an area map depicting the right-of-way to be conveyed to the District.

SECTION 4

Upon completion of the foregoing, the District engineer will approve the legal sketches and the area of project maps depicting the project and the right-of-way acquisition, as well as the general area.

SECTION 5

The documents described in Section 4 will be delivered to the engineer for the developer for subsequent delivery to the developer for approval, including processing of applicable documents for conveyance of right-of-way to District for the purpose of obtaining a current title report in a form acceptable to District at the cost of developer, which title report shall be of current date and in favor of the benefit of the District.

SECTION 6

The plans and documents hereinabove described shall be approved by developer and the title company to be used by the developer in regard to the project. (Presumably the preparation of all legal descriptions involved would have been coordinated previously by the engineer for the developer with the District Engineer and the title company to be used by the developer as far as the project.) If at this time any changes occur in regard to legal descriptions, sketches, or the area depicting the right-of-way to be conveyed to the District, such shall be approved by the District Engineer.

SECTION 7

The developer shall then submit to the District Engineer a current title report in the form of a lot book report, the beneficiary of which shall be designated as Moulton Niguel Water District, reflecting all liens. Concurrently, the developer shall submit to the District Engineer executed grants of easements or grant deeds of sites, prepared on the form of Moulton Niguel Water District, as well as subordination agreements pertaining to the conveyance of any easements and partial reconveyances where a fee interest in a site is to be conveyed to the District.

SECTION 8

The District shall then approve the legal descriptions attached to the documents proposing to convey the necessary easements or interest in real property to the District. Also, the District Engineer shall certify that the documents cover all needed rights-of-way or sites necessary for the facilities required to be dedicated to the District. These documents shall then be delivered by the District Engineer to Legal Counsel for approval as to form. Following approval by Legal Counsel, the easements or interest in real property shall be accepted by the General Manager or a Director of Engineering, Assistant General Manager, the Legal Counsel, or Secretary for the District. (In a given instance there may be adequate security or guarantee given by an individual or concern in lieu of obtaining the necessary subordination agreements or partial reconveyances. This procedure shall not be utilized without express approval of the Board of Directors.)

SECTION 9

After approval by Legal Counsel and the acceptance on behalf of the District, the documents shall be delivered to the County Recorder for recordation. Concurrently, a policy of title insurance shall be requested. Where legal descriptions have been prepared in a manner which relates to a final tract map to be recorded, such documents shall be delivered

to the particular title company on the condition that the easements shall be recorded free and clear of outstanding deeds of trust concurrent with or immediately following the recordation of the final tract map. Upon recordation, all documents shall be returned to the Secretary.

SECTION 10

Upon receipt of the documents from the County Recorder, the General Manager, the District Engineer, and the developer will be advised of the fact that all necessary right-of-way has been acquired by receiving a confirmed copy of the documents.

12-18-03

Recording Requested by:
MOULTON NIGUEL WATER DISTRICT

Return to:
Moulton Niguel Water District
c/o Patricia B. Giannone
4920 Campus Drive
Newport Beach, CA 92660

Exempt Govt.
Code § 6103

RESOLUTION NO. 03-37

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT AUTHORIZING AND DIRECTING THE
GENERAL MANAGER, ASSISTANT GENERAL MANAGER, DIRECTOR OF
ENGINEERING, SECRETARY OR ASSISTANT SECRETARY TO ACCEPT AND
CONSENT TO RECORDATION OF GRANT DEEDS AND EASEMENT DEEDS TO
SAID DISTRICT, AND TO GRANT AUTHORIZED QUITCLAIM DEEDS**

WHEREAS, the Moulton Niguel Water District ("MNWD") is a California water district duly formed, organized and existing pursuant to an under the provisions of Division 13 of the Water Code of the State of California;

WHEREAS, MNWD previously adopted Resolution No. 81-29 on June 18, 1981, authorizing and directing the general manager, director of engineering, secretary or assistant secretary to consent to recordation of grant deeds, easement deeds and/or easement deeds on behalf of MNWD; and

WHEREAS, Section 27281 of the Government Code of the State of California provides that deeds or grants conveying any interest in or easement upon real property to a governmental agency for public purposes shall not be accepted for recordation without the consent of the grantee evidenced by a certificate or resolution of acceptance attached to or printed on the deed or grant, or by general resolution authorizing an officer or agent to accept and consent to such deed grants.

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

Section 1. MNWD's General Manager, Assistant General Manager, Director of Engineering, Secretary and any Assistant Secretary are hereby authorized as officers or agents of

MNWD to accept and consent to authorized grant deeds or grants conveying any easement within real property to MNWD.

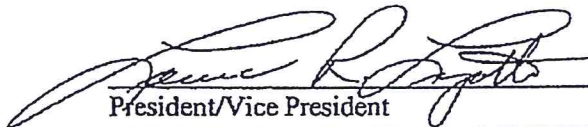
Section 2. MNWD's General Manager, Assistant General Manager, Director of Engineering, Secretary and any Assistant Secretary are hereby authorized to execute a certificate of acceptance as provided for in Government Code Section 27281, certifying that the interest in real property conveyed by any deed is accepted by the officer or agent executing the certificate on behalf of MNWD as grantee pursuant to authority conveyed by this Resolution and further certifying that the grantee consents to recordation of said deed.

Section 3. MNWD's General Manager, Assistant General Manager, Director of Engineering, Secretary and any Assistant Secretary are hereby authorized to grant quitclaim deeds in the event such is authorized and determined to be in the best interests of MNWD.


Section 4. MNWD hereby rescinds Resolution No. 81-29, effective the date of recordation of this Resolution.

ADOPTED, SIGNED and APPROVED this 18th day of December, 2003.

MOULTON NIGUEL WATER DISTRICT



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



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

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

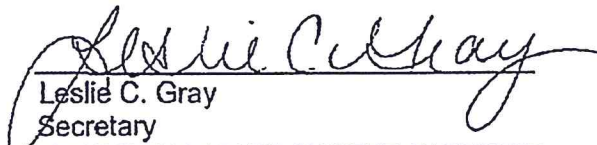
I, LESLIE C. GRAY, Secretary of the Board of Directors of the MOULTON NIGUEL WATER DISTRICT, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said District at a regular meeting of said Board held on the 18th day of December, 2003 and that it was so adopted by the following vote:

AYES: LIZOTTE, BUCK, FIORE, ELLSWORTH, KURTZ, JONES,
STEWART

NOES:

ABSTAIN:

ABSENT:


Leslie C. Gray
Secretary
MOULTON NIGUEL WATER DISTRICT
and of the Board of Directors thereof

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On Dec. 18, 2003 before me, Leslie Gray, notary public,
personally appeared Larry R. Lizotte, personally known to me (or
~~proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) ~~is/are~~
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same
in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Leslie C. Gray (SEAL)



STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On Dec. 18, 2003 before me, Leslie C. Gray, notary public,
personally appeared Frank Bailey, personally known to me (or
~~proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) ~~is/are~~
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same
in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Leslie C. Gray (SEAL)





LEGISLATIVE AND REGULATORY AFFAIRS

TO: Board of Directors MEETING DATE: November 14, 2016

FROM: Jake Vollebregt, Director of Regional and Legal Affairs
Drew Atwater, Director of Planning
Johnathan Cruz, Financial Planning Manager

SUMMARY

This is an update on legislative and regulatory affairs affecting the District. District personnel participate in meetings, conferences, and hearings. A summary of these events is included in the last section of this document.

LEGISLATIVE UPDATE

Open and Transparent Water Data Act – Assembly Bill 1755 (Dodd)

AB 1755 has been chaptered. The act requires the Department of Water Resources, by January 1, 2018, to create, operate, and maintain a statewide integrated water data platform that, among things, would integrate existing water and ecological data information from multiple databases and provide data on completed water transfers and exchanges.

The data would include information from the State Water Project and federal Central Valley project; streamflow conditions from the United States Geological Survey; fish abundance from California's Department of Fish and Wildlife, as well as the U.S. Fish and Wildlife Service, the Forest Service and the National Oceanic and Atmospheric Administration; and information on water transfers and exchanges.

<http://ctweb.capitoltrack.com/public/publishbillinfo.aspx?bi=AVernESFdg%2fRUy8O61GV8y55UQhR3o9BQBuqAGcWtHihJqumKBiwh35SmWL0GUVZ>

Housing: water meters: multiunit structures – SB 7 (Wolk)

SB 7 has been chaptered. This bill encourages the conservation of water in multifamily residential buildings by requiring the owner of any multiunit residential and/or mixed-use development constructed after January 1, 2018 to install individual or submeters that measure the quantity of water supplied to each dwelling.

<http://ctweb.capitoltrack.com/public/publishbillinfo.aspx?bi=YQBxmfSng2w4AIRBAj36To19A%2fjT5W5gOWZLA%2btMDIc92OBWtTEhKF%2fuKVp6Pfo>

Help for Failing Water Agencies – Senate Bill 552 (Wolk)

SB 552 has been chaptered. This bill allows the SWRCB to bring in an outside contractor to help struggling water agencies meet water standards. The act authorizes the state board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water.

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB552

Drought/Excessive Water Use by Urban Water Retailers – Senate Bill 814 (Hill)

SB 814 has been chaptered. This bill allows local urban water retailers to define excessive use and authorize them to impose block tier rate structures, water budgets, and rate surcharges over and above base rates for excessive water use by residential customers as methods for identifying and discouraging excessive water use. The bill also authorizes urban water retailers to penalize and deter excessive water use as infractions or impose administrative penalties.

<http://ctweb.capitoltrack.com/public/publishbillinfo.aspx?bi=sW8rb5OpjRZ5pmMKhpdAb9jiRflbAxtFXZ8bJOFvo%2fE%2fDDtYQULwXlxKs3Q1pj96>

Irrigation Water for Users Friant-Kern Canal – Assembly Bill 935 (Salas)

AB 935 has been chaptered. The bill requires DWR to allocate up to \$7 million in state funds for the Friant-Kern Canal Restoration Project. The project would build pumps to move water north to about Terra Bella via reverse flow pump-back facilities. The water would be pumped out of the lower San Joaquin River and into the California Aqueduct on the west side of the San Joaquin Valley, transported south to the Cross Valley Canal, then east to the Friant-Kern Canal. The funds would need to be appropriated by the Legislature in next year's budget.

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB935

Capturing Stormwater – Assembly Bill 2594 (Gordon)

AB 2594 has been chaptered. This bill authorizes water agencies to collect urban stormwater and then use it in accordance with a stormwater resource plan before the water reaches a natural channel. Legitimate uses include reuse, recharging groundwater basins, selling it, or using it to boost water quality.

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB2594

EXECUTIVE ACTION

Little Hoover Commission

The Little Hoover Commission has initiated a new study of special districts. The Commission's first hearing was held on October 27. The subject of the hearing was how special districts are adapting their services and infrastructure investments to account for climate change. As part of the study, the Commission will hold additional hearings on other subjects regarding special districts.

REGULATORY UPDATE

Drought Emergency Regulations

Current drought regulations are set to expire in February 2017. DWR and SWRCB are evaluating the performance of statewide conservation, and determining whether the current self-certification method is adequate.

DWR and the SWRCB are preparing a draft report of recommendations on the Long-Term Efficiency Framework. The Urban Advisory Group and the Agricultural Advisory Group will be meeting on November 18, 2016 to review the draft report. The draft framework is due to the Governor no later than January 10, 2017. This framework is expected to be enacted through legislation during the 2017 legislative session.

Direct Potable Reuse Recycling Criteria

The State of California's Division of Drinking Water (DDW) released a draft report September 8, 2016 on the feasibility of developing statewide regulations for direct potable reuse of recycled water. The SWRCB recommended additional studies to support the development of DPR criteria. The SWRCB is monitoring the progress of a number of WE&RF research projects that are planned or underway that could help fill knowledge gaps. The recommended topics for research include source control, water quality monitoring, potential disease risks, and chemical persistence. The SWRCB is consulting with a panel of experts before publishing a final report to the state legislature by December 2016.

Legislative and Regulatory Affairs Report

November 14, 2016

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Direct Potable Reuse (DPR) is the introduction of highly purified recycled water directly into the raw water supply for a water treatment plant, or into the downstream of a water treatment plant. The main difference between DPR and indirect potable reuse (IPR) is that DPR lacks an environmental buffer before the water is retreated and distributed to consumers.

ENGAGEMENTS

Senate Subcommittee: On Friday, October 7, Drew Atwater and Jake Vollebregt attended and participated in public comment at the State Senate Subcommittee hearing on Modernizing Government in Los Angeles. The subject of the hearing was implementation of SB 272, a bill that requires local agencies to publish a catalogues of enterprise information systems within their control. The hearing included testimony from a number of officials and NGOs, including Mayor Frank Ury of Mission Viejo and Patrick Atwater from the California Data Collaborative.

GovOps: On Wednesday, October 19, Joone Lopez, Drew Atwater, and Jake Vollebregt met with Stuart Drown and Zachary Townsend. Mr. Drown is Governor Brown's Deputy Secretary for Innovation and Accountability. Mr. Townsend is Governor Brown's Chief Data Officer.

UAG: On Thursday, October 20, Joone Lopez participated in the third meeting of the Urban Advisory Group in Sacramento, assembled pursuant to Executive Order B-37-16.

OC/IE Long-Term Efficiency Framework: On November 8, 2016, MNWD hosted a discussion on the Long-Term Efficiency Framework. DWR and the SWRCB were represented by Peter Brostrom and Erik Ekdahl, respectively. The event was attended by more than 50 representatives from Orange County/Inland Empire water agencies. The event was held at the City of Santa Ana Corporate Yard.

UAG/AAG: On November 18, 2016, Joone Lopez will participate in a joint meeting in of the Agricultural Advisory Group and the Urban Advisory Group in Sacramento.

MOULTON NIGUEL WATER DISTRICT

OPERATIONS CENTER AND CONSOLIDATION PROJECT
BUDGET UPDATE SUMMARY

	Oct-16	Nov-16	Expended to Date
Design	\$ 950,000	\$ 950,000	\$ 136,982
Planning/CEQA	\$ 350,000	\$ 350,000	\$ 252,297
Project Management	\$ 250,000	\$ 250,000	\$ 30,000
Construction	\$ 22,700,000	\$ 22,700,000	\$ -
Construction Contingency	\$ 2,270,000	\$ 4,540,000	\$ -
Permits and Fees	\$ 1,170,000	\$ 800,000	\$ 8,245
FF&E	\$ 1,650,000	\$ 1,650,000	\$ -
Legal	\$ 100,000	\$ 100,000	\$ 2,135
Testing & Inspection	\$ 300,000	\$ 300,000	\$ -
Builders Risk Insurance	\$ 60,000	\$ 60,000	\$ -
Utility	\$ 50,000	\$ 50,000	\$ -
Misc and Reimbursables	\$ 150,000	\$ 150,000	\$ -
TOTAL	\$ 30,000,000	\$ 32,000,000	\$ 429,659