



moulton niguel water district

BOARD OF DIRECTORS' MEETING MOULTON NIGUEL WATER DISTRICT

27500 La Paz Road, Laguna Niguel

August 17, 2017

6:00 PM

Approximate Meeting Time: 2 Hours

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 JULY 5, 2017 SPECIAL BOARD OF DIRECTORS' MEETING**

5. **MINUTES OF THE JULY 20, 2017 REGULAR BOARD OF DIRECTORS' MEETING**

INFORMATION ITEMS:

6. Monthly Financial Report

- a. Summary of Financial
- b. Budget Comparison Report
- c. Statement of Net Position
- d. Restricted Cash and Investments with Fiscal Agent
- e. Net Position
- f. Summary of Disbursements July 2017

7. Quarterly Capital Improvement Program Report
8. Quarterly Construction Progress Report
9. Quarterly Operations Report

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

PRESIDENT'S REPORT:

BOARD REPORTS:

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

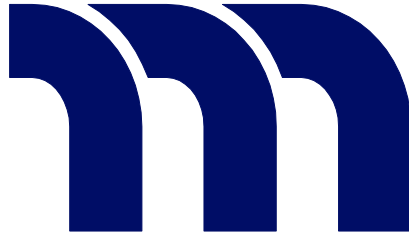
LATE ITEMS: (Appropriate Findings to be Made)

- 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

July 5, 2017

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 8:00 AM on July 5, 2017. There were present and participating:

DIRECTORS

Duane Cave	Director
Richard Fiore	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
Matt Collings	Assistant General Manager
Gina Hillary	Director of Human Resources
Jake Vollebregt	Director of Regional & Legal Affairs
Paige Gulck	Board Secretary
Trevor Agrelius	MNWD
Medha Patel	MNWD
Rod Woods	MNWD
Jeffrey Dunn	Best, Best, & Krieger
Doug Chotkevys	Chotkevys Consulting
Roger Faubel	Faubel Public Affairs
Jose Solorio	Nossaman, LLP

1. CALL MEETING TO ORDER

The meeting was called to order by Brian Probolsky at 8:16 a.m.

#4.

2. PUBLIC COMMENTS

None.

CLOSED SESSION

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Government Code Section 54956.9)

Name of case: SOCWA, City of Laguna Beach, South Coast Water District and Emerald Bay Service District v. Moulton Niguel Water District

Case number 30-2017-00923143-CU-BC-CJC

The Board entered closed session at 8:17 a.m. and exited at 9:29 a.m. Jeffrey Dunn stated that there was no reportable action.

ADJOURNMENT

The meeting was adjourned at 9:30 a.m.

Respectfully submitted,

Paige Gulck
Board Secretary



moulton niguel water district

DRAFT

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

July 20, 2017

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 July 20, 2017. 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
Gina Hillary	Director of Human Resources
Drew Atwater	Director of Planning
Rod Woods	Director of Engineering
Todd Novacek	Director of Operations
Paige Gulck	Board Secretary
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Johnathan Cruz	MNWD
Dori Dennis	MNWD
Medha Patel	MNWD
Lindsey Stuvick	MNWD
Alisha Winterswyk	Best, Best & Krieger
Joel Bishop	Member of the Public

#5.

1. CALL MEETING TO ORDER:

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

2. PLEDGE OF ALLEGIANCE:

Brian Probolsky led the Pledge of Allegiance.

3. PUBLIC COMMENTS:

None.

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 JUNE 15, 2017 REGULAR BOARD OF DIRECTORS' MEETING

5. ADOPTION OF INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR THE ETM PIPELINE REMOVAL IN SAN JUAN CREEK PROJECT (RESOLUTION 17-)

It is recommended that the Board of Directors approve the resolution entitled, "Approving the Mitigated Negative Declaration and the Mitigation, Monitoring, and Reporting Program for the ETM Pipeline Removal in San Juan Creek Projects (MNWD Project 2016.001)."

6. FISCAL YEAR 2017-18 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 \$440,000 for Fiscal Year 2017-18.

7. REQUEST FOR APPROVAL TO JOIN THE ORANGE COUNTY 800MHZ RADIO SYSTEM

It is recommended that the Board of Directors approve and authorize the General Manager to execute the following agreement documents:

1) Joint Agreement for the Operation, Maintenance and Financial Management of the Orange County 800MHz Countywide Coordinated Communications System (November 2004)

2) Amendment to the Joint Agreement for the Operation, Maintenance and Financial Management of the Orange County 800MHz Countywide Coordinated Communications

System (June 2015)

3) New Participating Agency Rider to Joint Agreement for the Operation, Maintenance and Financial Management of the Orange County 800MHz Countywide Coordinated Communications System

MOTION DULY MADE BY SCOTT COLTON AND SECONDED BY BRIAN PROBOLSKY, CONSENT ITEMS 4 THROUGH 7 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'.

LEGAL MATTERS:

8. PUBLIC HEARING AND ANNUAL ADOPTION OF RESOLUTION FOR COLLECTION OF 2017-18 SEWER SERVICE CHARGES AND RATES FOR LAGUNA SUR/MONARCH POINT REORGANIZATION AREA ON PROPERTY TAX BILL

RECOMMENDED ACTIONS:

1. Conduct a Public Hearing on Fiscal Year 2017-18 Report for the Laguna Sur/Monarch Point Reorganization Area Tax Roll Collection Process – Staff/Legal Counsel enters Proof of Hearing Publication and Posting for the Record. Board President Opens The Hearing, Calls for Public Comments, receives any comments or protests, and closes the Hearing.

2. At the Conclusion of the Public Hearing, and after consideration by the Board, it is recommended that the Board adopt a resolution entitled, “Adopting Report of Annual Sewer Service Charges to be Collected via Property Tax Statements on Tax Roll for the Period Commencing July 1, 2017.”

UPON HEARING NO PROTEST, MOTION DULY MADE BY DUANE CAVE AND SECONDED BY RICHARD FIORE, ITEM 8 WAS APPROVED AS PRESENTED. A ROLL CALL VOTE WAS TAKEN AND 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:(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

9. LONG-TERM EFFICIENCY FRAMEWORK

Recommended Action: As directed by the Board of Directors

#5.

Joone Lopez provided an update on the long-term efficiency framework legislation. Discussion ensued regarding the legislation and framework. There was no action taken on this item.

PRESIDENT'S REPORT:

No report.

BOARD REPORTS:

No reports.

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

None.

LATE ITEMS: (Appropriate Findings to be Made)

None.

ADJOURNMENT:

The meeting was adjourned at 6:16 p.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

MOULTON NIGUEL WATER DISTRICT
Summary of Financial Results
August 17, 2017

Unaudited results of operations for the year ended June 30, 2017, are summarized below.

Total operating revenues were \$57.8 million for the year, which came in at 102% of the budget. Total operating expenses ended at \$66.6 million, which amounted to 95% of the approved budget. Total Net Income (Loss) for the year ended was (\$0.4) million.

Water Purchases and Wastewater Treatment expenses totaled \$34.8 million, which is approximately 52% of the total operating expenses of \$66.6 million.

Investment income ended at (\$0.5) million for the year, which was impacted by an unrealized loss (change in market value) of (\$2.3) million. Excluding the market fluctuations, the District had realized gains of \$1.8 million, which was consistent with the District's projections.

As part of the Government Accounting Standards Board (GASB) Statement No. 68, the District is required to recognize the net pension liability on its financial statements. The effect can be seen on both the income statement and the statement of net position. Because the entry to record the change in the net pension liability is not a cash transaction, the District provides the amount on the bottom of the budgetary to actual schedules as "Other non-cash expenses." The current year adjustment resulted in an additional \$1.5 million in pension expense, while in the prior fiscal year, the District recorded a \$1.0 million credit.

The District currently has \$6.6 million available in the Water Efficiency Fund for new projects, rebate applications or additional programs. The remaining fund balance takes into account \$0.7 million in water efficiency program commitments already approved by the Board.

For the year, the District's total cash balance experienced a planned decrease by \$13.1 million. This planned spenddown focused on the capital improvement plan. The District spent over \$23.0 million on capital projects during the year, while also paying approximately \$10.0 million towards scheduled debt service payments.

The District's net pension liability increased by \$4.7 million, from \$12.9 million to \$17.6 million. This can be attributed to CalPERs reducing the discount rate used in the actuarial reports, and investment returns that were less than expected over the past couple of years. The net pension liability for June 30, 2017, is based on the CalPERs measurement at June 30, 2016, so the returns seen for fiscal year 2016-17, which were much stronger, did not impact this balance.

The Districts total liabilities decreased by \$7.6 million, while overall net position (fund balance) decreased by (\$0.4) million.

All District fiscal agent reserves are properly funded and meet the reserve requirements in the bond indentures. The portfolio maintains a very secure AA+ average credit rating.

The Board has established a target reserve level of \$64.8 million, and as of June 30, 2017, the District held \$73.9 million in reserves.

Moulton Niguel Water District
All Funds - Budget Comparison Report
Twelve Months Ended June 30, 2017

	1	2	3	=3-1	=1/3
Description	Fiscal Year to Date Actuals	Prior Fiscal Year to Date Actuals	Current Year Approved Budget	Current Year Budget Balance	% of Actuals to Budget
ALL FUNDS					
Operating Revenues					
Water Sales	\$ 26,224,008	\$ 25,277,296	\$ 28,338,290	\$ 2,114,282	93%
Recycled Water Sales	5,030,973	4,850,326	5,489,814	458,841	92%
Sewer Sales	20,156,723	18,963,978	18,911,865	(1,244,858)	107%
Water Efficiency	5,925,577	4,534,832	3,303,844	(2,621,733)	179%
Other Operating Income	417,705	415,565	491,585	73,880	85%
A Total Operating Revenue	57,754,985	54,041,998	56,535,398	(1,219,587)	102%
Operating Expenses					
Salaries	11,364,062	10,767,039	11,950,943	586,881	95%
PERs Employer Contributions ¹	1,541,072	1,758,939	1,564,665	23,593	98%
Defined Contribution 401A	172,298	161,217	281,004	108,706	61%
Educational Courses	34,775	27,199	54,080	19,305	64%
Travel & Meetings	258,331	207,093	278,020	19,689	93%
Recruitment & Employee Relations	19,418	19,753	78,397	58,979	25%
General Services ²	408,982	639,709	394,750	(14,232)	104%
Annual Audit	39,078	61,139	53,000	13,922	74%
Member Agencies O&M	458,052	1,193,413	692,228	234,176	66%
Dues & Memberships ³	103,927	109,033	101,745	(2,182)	102%
Election Expenses	12,707	-	83,000	70,293	15%
Consulting Services	1,813,112	2,627,084	2,615,400	802,288	69%
Equipment Rental	15,509	58,111	69,000	53,491	22%
District Fuel	220,605	200,596	340,000	119,395	65%
Insurance - District	373,859	378,516	443,170	69,311	84%
Insurance - Personnel	315,414	365,547	480,546	165,132	66%
Insurance - Benefits	2,658,042	2,469,634	3,106,144	448,102	86%
Legal Services - Personnel	28,088	6,841	50,000	21,912	56%
Legal Services - General ⁴	270,977	264,553	430,000	159,023	63%
District Office Supplies	679,025	767,496	853,750	174,725	80%
District Operating Supplies	377,942	389,549	390,450	12,508	97%
Repairs & Maintenance - Equipment ⁵	709,239	672,990	628,769	(80,470)	113%
Repairs & Maintenance - Facilities ⁶	4,116,820	3,539,852	3,447,205	(669,615)	119%
Safety Program & Compliance Requirements ⁷	298,298	332,064	191,650	(106,648)	156%
Wastewater Treatment ⁸	10,315,343	9,504,261	9,480,876	(834,467)	109%
Special Outside Assessments	108,054	188,136	240,000	131,946	45%
Utilities	1,883,528	2,104,023	2,373,260	489,732	79%
Water Purchases	24,411,717	23,729,595	25,826,808	1,415,091	95%
Meter / Vault Purchases	593,902	723,310	615,000	21,098	97%
Water Efficiency	2,004,512	4,737,268	2,898,457	893,945	69%
Other Operating Expenses ⁹	1,025,761	20,573	-	(1,025,761)	n/a
B Total Operating Expenses	66,632,449	68,024,530	70,012,317	4,405,629	95%
A-B Operating Income (Loss)	(8,877,464)	(13,982,532)	(13,476,919)	(5,625,216)	66%
Non-Operating Revenues (Expenses)					
Property Tax Revenue	26,434,110	25,298,065	27,069,573	635,463	98%
Investment Income ¹⁰	(485,048)	4,139,088	2,348,860	2,833,908	-21%
Property Lease Income	1,772,941	1,623,544	1,569,878	(203,063)	113%
Interest Expense	(5,210,340)	(5,232,879)	(5,466,157)	(255,817)	95%
Misc. Non-Operating Income	4,967,969	9,599,705	3,718,464	(1,249,505)	134%
Capacity fees	331,393	1,046,335	468,818	137,425	71%
C Total Non-Operating Revenue (Expenses)	27,811,025	36,473,859	29,240,618	1,429,593	95%
A-B+C Change in All Funds	\$ 18,933,560	\$ 22,491,326	\$ 15,763,699	\$ (4,195,623)	
Other Non Cash Expenses					
Depreciation	17,811,064	17,123,278	-	(17,811,064)	n/a
GASB 68 Pension Expense Adjustment ¹¹	1,493,201	(1,026,434)	-	(1,493,201)	n/a
D Total Change in Net Position	\$ (370,705)	\$ 6,394,483	\$ 15,763,699	\$ 15,108,643	

Note: Totals may not sum due to rounding.

- Prior year actuals include member contributions for Tier I and II employees.
- Bank fees increased due to higher usage of customer e-payments. The District is restructuring the fee portfolio structure to reduce future bank fees.
- District staff participated in more AWWA classes than anticipated.
- Detail of Legal Services - General can be found on the next page.
- One of the District's Vac Con vehicles needed significant repairs, including a fan assembly and an engine rebuild.
- Emergency repair services and paving work is captured here, both of which incurred high levels of activity during fiscal year 16-17.
- The SWRCB Water System Fees increased this FY, from \$10k in FY 15-16 to \$91k in FY 16-17.
- The District submitted an additional payment to SOCWA as a result of the FY 15-16 use audit.
- The District expensed a project that had previously been recorded as construction in progress.
- Investment income is comprised of realized income of \$1,791,559 and unrealized income (loss) of (\$2,276,607).
- The District recorded \$1.5M for non-cash pension expenses for the FY 16-17 GASB 68 entry, compared to a \$1.0M credit in FY 15-16.

#6.b.

Moulton Niguel Water District
All Funds - Budget Comparison Report
Twelve Months Ended June 30, 2017
Legal Services - General

Firm	General ¹²	Water Use		Total ¹⁴
		Efficiency ¹²	Capital ¹³	
Best Best & Krieger LLP	\$ 251,350	\$ 19,627	\$ 30,467	\$ 301,444
Budget Amount	420,000	10,000	-	430,000
Budget Balance	\$ 168,650	\$ (9,627)	n/a	\$ 159,023

Note: Totals may not sum due to rounding.

12. Legal Services - General on the previous page is made up of the General balance of \$251,350 and the \$19,627 Water Use Efficiency balance, for a total of \$270,977.

13. Capital legal services represent legal services rendered during construction and are capitalized by the District as part of the project. Each project budgets for legal expenses separately and are not included as part of this schedule.

14. Total budget balance remaining excludes the \$30,467 as the budget for legal services related to capital projects are not included in this report.

Consulting Services - Grant Administration

Firm	Spent YTD	Spent Overall	Grants Received
Nossaman LLP	\$ -	\$ -	\$ -
West Yost Associates	-	-	-

**Moulton Niguel Water District
General Fund - Budget Comparison Report
Twelve Months Ended June 30, 2017**

	1	2	=1-2	=2/1
Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
GENERAL FUND				
Operating Revenues				
Water Sales	\$ 28,338,290	\$ 26,224,008	\$ 2,114,282	93%
Recycled Water Sales	5,489,814	5,030,973	458,841	92%
Sewer Sales	18,911,865	20,156,723	(1,244,858)	107%
Other Operating Income	491,585	417,705	73,880	85%
A Total Operating Revenue	53,231,554	51,829,408	1,402,146	97%
Operating Expenses				
Salaries	11,181,396	10,587,353	594,043	95%
PERs Employer Contributions	1,480,783	1,237,880	242,903	84%
Defined Contribution 401A	267,655	160,636	107,019	60%
Educational Courses	51,580	32,912	18,668	64%
Travel & Meetings	253,320	243,117	10,203	96%
Recruitment & Employee Relations	78,397	19,418	58,979	25%
General Services ¹	394,750	408,982	(14,232)	104%
Annual Audit	53,000	39,078	13,922	74%
Member Agencies O&M	692,228	458,052	234,176	66%
Dues & Memberships ²	101,245	103,822	(2,577)	103%
Election Expenses	83,000	12,707	70,293	15%
Consulting Services	1,315,400	1,228,152	87,249	93%
Equipment Rental	69,000	15,509	53,491	22%
District Fuel	340,000	220,605	119,395	65%
Insurance - District	443,170	373,859	69,311	84%
Insurance - Personnel	460,266	299,767	160,499	65%
Insurance - Benefits	2,924,922	2,494,453	430,469	85%
Legal Services - Personnel	50,000	28,088	21,912	56%
Legal Services - General	420,000	251,350	168,650	60%
District Office Supplies ³	473,250	524,560	(51,310)	111%
District Operating Supplies	390,450	377,942	12,508	97%
Repairs & Maintenance - Equipment ⁴	626,269	709,017	(82,748)	113%
Repairs & Maintenance - Facilities ⁵	3,447,205	4,116,820	(669,615)	119%
Safety Program & Compliance Requirements ⁶	191,650	296,809	(105,159)	155%
Wastewater Treatment ⁷	9,480,876	10,315,343	(834,467)	109%
Special Outside Assessments	240,000	108,054	131,946	45%
Utilities	2,373,260	1,883,528	489,732	79%
Water Purchases	25,826,808	24,411,717	1,415,091	95%
Meter / Vault Purchases	615,000	593,902	21,098	97%
Other Operating Expenses ⁸	-	1,025,761	(1,025,761)	n/a
B Total Operating Expenses	64,324,880	61,553,431	2,771,449	96%
A-B Operating Income (Loss)	(11,093,326)	(9,724,024)	(1,369,302)	88%
Non-Operating Revenues (Expenses)				
Property Tax Revenue	27,069,573	26,434,110	635,463	98%
Investment Income	2,242,424	(825,214)	3,067,638	-37%
Property Lease Income	1,569,878	1,772,941	(203,063)	113%
Misc. Non-Operating Income (Expense)	3,718,464	126,847	3,591,617	3%
C Total Non-Operating Revenue (Expenses)	34,600,339	27,508,684	7,091,655	80%
A-B+C Change in General Fund	\$ 23,507,013	\$ 17,784,660	\$ 5,722,353	81%
Other Non Cash Expenses				
Depreciation	-	17,811,064	(17,811,064)	n/a
GASB 68 Pension Expense Adjustment ⁹	-	1,278,225	(1,278,225)	n/a
D Total Change in Net Position	23,507,013	(1,304,629)	24,811,642	

Note: Totals may not sum due to rounding.

1. Bank fees increased due to higher usage of customer e-payments. The District is restructuring the fee portfolio structure to reduce future bank fees.
2. District staff participated in more AWWA classes than anticipated.
3. Sales tax of \$104k related to warehouse stock was recorded in the office supplies line item.
4. One of the District's Vac Con vehicles needed significant repairs, including a fan assembly and an engine rebuild.
5. Emergency repair services and paving work is captured here, both of which incurred high levels of activity during fiscal year 16-17.
6. The SWRCB Water System Fees increased this FY, from \$10k in FY 15-16 to \$91k in FY 16-17.
7. The District submitted an additional payment to SOCWA as a result of the FY 15-16 use audit.
8. The District expensed a project that had previously been recorded as construction in progress.
9. The 2017 GASB 68 entry required an adjustment to pension expense of \$1,278,225. The remaining \$1,452,856 was within budget.

#6.b.

Moulton Niguel Water District
Water Efficiency Fund - Budget Comparison Report
Twelve Months Ended June 30, 2017

	1	2	=1-2	=2/1
Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
WATER EFFICIENCY FUND				
Projected Operating Revenue				
Water Efficiency	\$ 3,303,844	\$ 5,925,577	\$ (2,621,733)	179%
A	3,303,844	5,925,577	(2,621,733)	179%
Projected Operating Expenses				
Labor	1,068,280	1,055,823	12,457	99%
Educational Courses	2,500	1,863	637	75%
Travel & Meetings	24,700	15,214	9,486	62%
Dues & Memberships	500	105	395	21%
Consulting Services	1,300,000	584,961	715,039	45%
Legal Services ¹	10,000	19,627	(9,627)	196%
Conservation supplies	380,500	154,465	226,035	41%
Repairs and Maintenance - Equipment	2,500	222	2,278	9%
Safety Program & Compliance Requirements	-	1,489	(1,489)	n/a
Water Efficiency	2,898,457	2,004,512	893,945	69%
B	5,687,437	3,838,281	1,849,156	67%
A-B	(2,383,593)	2,087,297	(4,470,890)	-88%
Projected Non-Operating Revenue				
Demand offset fees	-	62,746	(62,746)	n/a
C	106,436	164,979	(58,543)	155%
	106,436	227,725	(121,289)	214%
Other Non Cash Expenses				
GASB 68 Pension Expense Adjustment ²	-	214,976	(214,976)	n/a
A-B+C	(2,277,157)	2,100,046	(4,377,203)	

Note: Totals may not sum due to rounding.

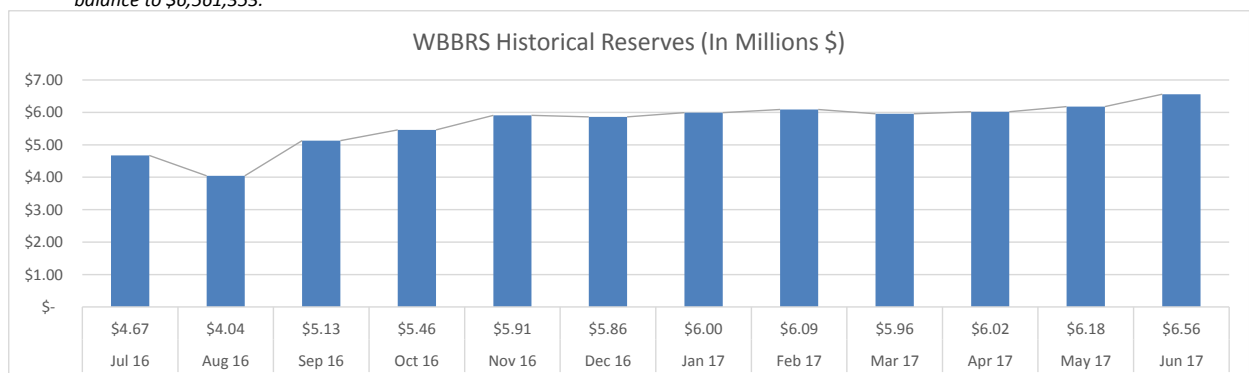
1. More legal work conducted related to implementation of new Water Efficiency programs and projects than anticipated.

2. The 2017 GASB 68 entry required an adjustment to pension expense of \$214,976 in the Water Efficiency Fund.

Water Efficiency Available Net Position ³

Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance
Fund Net Position, Beginning of Year	\$ 5,158,320	\$ 5,158,320	\$ 5,158,320
Projected Change in Water Efficiency Fund	(2,277,157)	2,100,046	(4,377,203)
Project Commitments		(697,012)	
Fund Net Position, Twelve Months Ended June 30, 2017	\$ 2,881,163	\$ 6,561,353	

3. In addition to realized expenditures, there is approximately \$697,012 in project commitments, reducing the available WBBRS reserve balance to \$6,561,353.



MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION

	(Unaudited)	
	June 30, 2017	June 30, 2016
CURRENT ASSETS:		
Cash and investments	\$ 34,380,673	\$ 21,149,580
Restricted cash and investments with fiscal agent	7,886,334	8,086,043
Accounts receivables:		
Water and sanitation charges	3,742,510	4,023,360
Taxes and acreage assessments	333,100	255,190
Grant Reimbursements	179,628	1,771,918
Other accounts receivable	331,365	347,088
Interest receivable	587,264	589,339
AMP receivable	-	656
Inventory	975,276	1,322,755
Prepaid expenses	626,833	566,095
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	49,042,983	38,112,024
	<hr/>	<hr/>
NONCURRENT ASSETS:		
Investments	83,860,499	109,982,071
Retrofit loans receivable	539,940	561,582
Capital assets, net of accumulated depreciation	349,646,884	344,747,326
Capital assets not being depreciated:		
Land	1,091,910	1,091,910
Construction in progress	44,614,055	45,135,106
	<hr/>	<hr/>
TOTAL NONCURRENT ASSETS	479,753,289	501,517,995
	<hr/>	<hr/>
TOTAL ASSETS	528,796,272	539,630,019
	<hr/>	<hr/>
DEFERRED OUTFLOW OF RESOURCES:		
Deferred Charges on Refunding	658,585	937,158
Deferred Items related to Pension	1,576,193	1,419,676
	<hr/>	<hr/>
TOTAL DEFERRED OUTFLOW OF RESOURCES	2,234,778	2,356,834
	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES \$	531,031,050	\$ 541,986,853
	<hr/> <hr/>	<hr/> <hr/>

**MOULTON NIGUEL WATER DISTRICT
STATEMENT OF NET POSITION**

	(Unaudited)	
	June 30, 2017	June 30, 2016
CURRENT LIABILITIES:		
Accounts payable	\$ 7,507,281	\$ 9,107,383
Interest payable	1,760,661	1,880,732
Unearned Revenue	-	45,572
Compensated absences	672,173	618,807
Current portion of long-term debt:		
Bonds payable	1,275,000	6,060,000
Loans Payable	2,032,109	1,994,998
Certificates of participation	1,925,000	1,855,000
TOTAL CURRENT LIABILITIES	15,172,224	21,562,492
LONG-TERM LIABILITIES		
Compensated absences	224,058	206,269
Long-term debt:		
Bonds payable	15,095,000	16,370,000
Loans payable	6,660,907	8,693,015
Certificates of participation	60,000,000	61,925,000
Net Pension Liability	17,581,392	12,934,337
TOTAL LONG-TERM LIABILITIES	99,561,356	100,128,621
Bond Discount/Premium	1,979,199	2,609,427
TOTAL LIABILITIES	116,712,779	124,300,540
DEFERRED INFLOW OF RESOURCES:		
Deferred Items related to Pension	533,052	3,530,389
TOTAL DEFERRED INFLOW OF RESOURCES	533,052	3,530,389
NET POSITION:		
Net investment in capital assets	307,044,221	292,404,060
Restricted for capital projects	291,818	2,632,947
Unrestricted	106,449,181	119,118,917
TOTAL NET POSITION	413,785,219	414,155,924
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	\$ 531,031,050	\$ 541,986,853

Note: Totals may not sum due to rounding.

**MOULTON NIGUEL WATER DISTRICT
RESTRICTED CASH AND INVESTMENTS WITH FISCAL AGENT
As of June 30, 2017**

	Reserve Requirement	(Unaudited) Balance 6/30/2017	Over (Under) Requirement	Balance 6/30/2016
<u>Restricted Cash and Investments:</u>				
2009 COPS Trust Reserve	\$ 6,000,000	\$ 6,116,159	\$ 116,159	\$ 6,033,813
2009 COPS Installment	-	59	59	39
2010 Installment Payment	-	141,006	141,006	264,609
2010 COPS Trust Reserves	192,500	378,971	186,471	555,767
2014 Consolidated Ref Bonds	-	2	2	4
2015 Refunding Bonds	-	9	9	8
2015 Refunding Reserve	1,226,500	1,250,127	23,627	1,231,804
Total Restricted Trust Accounts	\$ 7,419,000	\$ 7,886,334	\$ 467,334	\$ 8,086,043

Note: Totals may not sum due to rounding.

MOULTON NIGUEL WATER DISTRICT
NET POSITION
As of June 30, 2017

	Reserve Policy Target	(Unaudited)		Balance 6/30/2016
		Balance 6/30/2017	Net Change	
Adopted Reserve Targets ¹				
Designated for Self Insurance Reserve	\$ 250,000	\$ 239,981	\$ (14,778)	\$ 254,759
Designated for Rate Stabilization	13,250,000	13,747,488	90,004	13,657,484
Designated for Emergency Reserves	35,510,000	35,510,000	-	35,510,000
Designated for Operating Reserves ²	15,820,000	24,450,269	(1,866,851)	26,317,120
Total Adopted Reserve Targets	\$ 64,830,000	\$ 73,947,737	\$ (1,791,626)	\$ 75,739,363
	FY 16/17 Capital Budget ³			
Designated for FY 16-17 Capital Projects				
Designated for Replacement and Refurbishment	\$ 27,144,426	\$ 13,112,946	\$ 3,383,181	\$ 9,729,765
Designated for Water Supply Reliability	8,861,074	3,836,274	3,836,274	-
Designated for Planning and Construction	9,613,031	8,293,858	(20,197,611)	28,491,469
Total Designated for FY 16-17 Capital Projects	\$ 45,618,531	\$ 25,243,078	\$ (12,978,156)	\$ 38,221,234
Other amounts				
Designated for Water Efficiency (WBBRS) ⁴		\$ 7,258,366	\$ 2,100,046	\$ 5,158,320
Restricted for Capital Facilities (Projects)		291,818	(2,341,129)	2,632,947
Net Investment in Capital Assets ⁵		307,044,221	14,640,161	292,404,060
Total Other amounts		\$ 314,594,404	\$ 14,399,077	\$ 300,195,327
Total Net Position		\$ 413,785,219	\$ (370,705)	\$ 414,155,924

Note: Totals may not sum due to rounding.

1. Board designated balances represent available cash in that fund.
2. General Operating Reserves include the unrestricted, undesignated balance, and other general District accrued cash flows. This amount includes the remaining total cash balance of \$33,848,330.
3. FY 16-17 Budget also includes \$950,990 for capital expenses in Fund 6, bringing the total CIP budget to \$46,569,520.
4. In addition to realized expenditures, there is approximately \$697,012 in project commitments, reducing the available WBBRS reserve balance to \$6,561,353.
5. Net Investment in Capital Assets calculated as follows:

Total capital assets	\$ 395,352,850
Less capital related debt	(88,967,214)
Add deferred charges related to debt	658,585
Total Net Investment in Capital Assets	\$ 307,044,221

**MOULTON NIGUEL WATER DISTRICT
SUMMARY OF DISBURSEMENTS
FOR THE MONTH OF JULY 2017**

Summary of Disbursements in July 2017:

General Fund Disbursements		8,830,819
<u>Restricted Fund Disbursements:</u>		
Self Insurance Fund	1,393	
Water Efficiency Fund	299,110	
Replacement & Refurbishment Fund	459,646	
Planning & Construction Fund	149,725	909,874
Total Disbursements for all Funds		\$ 9,740,694

Detail of Major Expenditures in July 2017:

1. South Orange County Wastewater Authority (SOCWA)		
FY 17/18 Q1 O&M Budget Deposits	2,232,384	
FY 17/18 Q1 Capital Project Billings	811,272	3,043,656
2. Municipal Water District of Orange County (MWDOC)		
May Water Purchases 2266.4 AF	1,976,857	
FY 17/18 Annual Retail Service Connection Charge	626,999	
May Readiness To Serve	110,730	
May Capacity Charge	30,934	
May/June 2017 and November 2016 Turf, Nozzles, and Smart Timer Rebates	29,634	
May High Efficiency Toilet Rebates	8,000	
May SCP Operation Surcharge	9,344	
May SAC Operation Surcharge	1,446	
April Reclaimed Rebate 521.1 AF	(80,249)	2,713,694
3. South Coast Water District (SCWD)/Joint Regional Water Supply System (JRWSS)		
FY 17/18 Q1 O&M Charges	115,553	
FY 16/17 Capital Project Costs	94,800	210,353
4. Kennedy Pipeline Company		
C# 2015011 Palms Apt. Easement Portable Waterline Replacement, progress payment #2		162,241
5. Plumbers Depot Inc.		
New Sewer Cleaning Truck and Equipment		136,376



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 17, 2017

FROM: Rod Woods, Director of Engineering
Todd Dmytryshyn, Principal Engineer

SUBJECT: Quarterly Capital Improvement Program Report

DIVISION: District-wide

SUMMARY:

Issue: District staff is responsible for executing the Capital Improvement Program (CIP) as adopted by the Board of Directors. This quarterly report is a summary of activities for April, May, and June of Fiscal Year (FY) 2016-17.

Recommendation: Information item only.

Fiscal Impact: The fiscal impact for each project is presented to the Board of Directors on a project by project basis. The budget for FY 2016-17 was \$46,569,520.

Reviewed by Legal: Not Applicable

DISCUSSION:

The Moulton Niguel Water District (District) Board of Directors approved a FY 2016-17 budget in June 2016 (see Table 1). Several of the projects in this fiscal year budget, such as SOCWA, JRWSS, Plant 3A, SMWD Joint Projects, and the Baker Water Treatment Plant, are managed by other entities, with the District providing funding as appropriate in accordance with the governing agreements. For these projects, staff primarily assesses capital expenditures and reviews deliverables and invoices, but does not actively manage the projects. These projects total \$21.0

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Quarterly Capital Improvement Program Report

August 17, 2017

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million for FY 2016-17 budget. The remainder of the budget, \$25.6 million, is executed by District staff. Table 1 summarizes the expenditures, contractual obligations, savings, and payments for the fiscal year.

Table 1			
Adopted Budget by Fund			
Fiscal Year: July 2016 through June 2017			
Item/Fund	Fiscal Year Adopted Budget	Committed Contracts Through Fourth Quarter	Payments Through Fourth Quarter
Water Efficiency – Fund 6	\$950,990	\$950,990	\$76,514
Replacement and Refurbishment - Fund 7	\$13,257,897	\$12,914,450	\$6,934,962
SOCWA, SMWD, & JRWSS - Fund 7	\$13,886,528	\$13,902,633	\$8,073,547
Water Supply Reliability Projects - Fund 12	\$8,861,074	\$5,861,074	\$3,239,913
Planning and Construction - Fund 14	\$9,613,031	\$2,495,032	\$1,728,306
Total	\$46,569,520	\$36,124,179	\$20,053,242

After completion of the fourth quarter of the fiscal year, District staff has completed 21 projects (refer to Table 2), and achieved \$3.2 million in savings in those completed projects. Accounting for the reduction in expenses on the closed projects, the District staff has achieved a 73% execution of FY 2016-17 CIP projects. This excludes regional projects managed by other agencies, funds set aside for Trampas Reservoir capacity acquisition, and the Operations Center Consolidation Improvement Project.

Approximately ten of the CIP projects budgeted in FY 2016-17 experienced delays due to factors outside of the District's control, including: utility service delays, unforeseen utility conflicts, material availability delays, prolonged property ownership and easement negotiations, environmental constraints, and permitting delays. There were also four significant unanticipated CIP projects that shifted project priorities during the fiscal year, including: the Mission Hospital 750 Zone Service, San Juan Capistrano Railroad Passing Siding Air-Vac Relocations, Electrical Service Entrance Replacements at Three Stations, and the Camino Capistrano Yard Improvements. Each of these projects required immediate attention.

Staff has prioritized CIP projects to maximize the resources available to effectively execute the projects. Table 2 lists the projects in the 10-year Capital Improvement Program and their implementation status (see attached).

Quarterly Capital Improvement Program Report

August 17, 2017

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During the fourth quarter of FY 2016-17, these major activities were performed within the Capital Improvement Program:

- Eleven projects were completed:
 - 2006.038 – Replace Digital Lines with Wireless Network
 - 2011.034 – GIS Viewer and Configuration
 - 2014.005 – Utility Main Breakers Replacements
 - 2015.012 – Paseo De Valencia 24” Railroad Crossing Abandonment
 - 2015.017 – Fall Protection System – PW Reservoirs
 - 2015.018 – Fall Protection System – RW Reservoirs
 - 2015.019 – AMI Phase I – PW Irrigation Meters
 - 2015.020 – AMI Phase I – RW Irrigation Meters
 - 2016.003 – 2016-17 MH Rehabilitation
 - 2016.010 – 2016-17 RW Retrofits
 - 2016.013 – 2016-17 New System Valves

- Three projects were awarded for construction:
 - 2016.006 – Upper Salada Lift Station Switchgear Replacement
 - 2016.012 – Del Avion Lift Station Grinders
 - 2016.019 – San Juan Capistrano Railroad Passing Siding Air-Vac Relocations

- One project was advertised for bids:
 - 2016.002 – 2016-17 Valve Replacements

- 14 projects are under construction.

- Design work continued on 15 additional projects.
 - Issued 1 task order utilizing the On-Call Professional Engineering Services Agreements listed below. Table 3 summarizes the expenditures for the program.
 - 2016.023 – Golden Lantern Reservoir Roof-Wall Joint Seal
 - Issued 1 request for proposal outside of the On-Call.
 - 2016.007 – 54-Inch Central Intertie Pipeline Improvements

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Quarterly Capital Improvement Program Report

August 17, 2017

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Table 3 On-Call Professional Engineering Services Agreement Expenditure Summary through June 2017				
Consultant	Contracted Amount	Number of Task Orders Issued	Total Value of Task Orders	Remaining Contractual Amount
AKM Consulting Engineers	\$950,000	25	\$883,660	\$66,340
Lee & RO, Inc	\$950,000	23	\$797,597	\$152,403
Tetra Tech, Inc	\$700,000	23	\$610,990	\$89,010
Total	\$2,600,000	71	\$2,292,247	\$307,753

Note: New On-Call Professional Engineering Services Agreements were awarded by the Board at the March 2017 Board meeting to begin during FY 2017-18.

Attachment: Table 2 Quarterly CIP Report

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2016 TO JUNE 2017

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2016-17 ADOPTED BUDGET	FY 2016-17 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
COMPLETED PROJECTS							
2006038	7	REPLACE DIGITAL LINES WITH WIRELESS NETWORK	\$2,020,630	\$1,868,771	\$459,552	\$357,224	Completed
2006071	12	BAKER PIPELINE REGIONAL TREATMENT PLANT	\$37,300,000	\$36,270,467	\$4,073,511	\$3,043,454	Completed
2009115	7	SAN JUAN CREEK 30 EFFLUENT TM	\$4,226,054	\$3,750,961	\$2,211,063	\$1,256,008	Completed
2009115	7	SAN JUAN CREEK 30 EFFLUENT TM - SMWD REIMBURSEMENT	(\$1,213,027)	(\$968,138)	(\$1,213,027)	(\$888,368)	Reimbursement
2011034	7	GIS VIEWER AND CONFIGURATION	\$60,000	\$44,180	\$60,000	\$44,180	Completed
2013002	7	MATHIS RW RESERVOIR RECOATING & SAFETY IMPROVEMENTS	\$1,036,415	\$843,441	\$51,637	\$2,621	Completed
2014001	7	BEAR BRAND RESERVOIR RECOATING & SAFETY IMPROVEMENTS	\$778,100	\$695,063	\$507,115	\$253,358	Completed
2014005	7	UTILITY MAIN BREAKERS REPLACEMENTS	\$216,700	\$191,940	\$150,719	\$75,135	Completed
2014010	12	ALISO VILLAGE RW EXTENSION	\$227,175	\$216,748	\$108,438	\$89,841	Completed
2014011	12	RECYCLED WATER SYSTEM EXTENSION PROJECT	\$2,146,552	\$1,800,844	\$1,629,125	\$106,619	Completed
2014013	14	PRADERA 850 ZONE LOOP	\$742,439	\$568,635	\$740,338	\$509,122	Completed
2015002	7	2015-16 VALVE REPLACEMENT	\$1,470,000	\$1,158,402	\$1,433,232	\$1,121,051	Completed
2015008	7	LINDA VISTA DR SEWER LINING	\$105,348	\$86,041	\$450,000	\$77,242	Completed
2015010	7	NATIONAL PARK AND OTHER MISC SEWER LINING	\$94,423	\$79,116	\$300,000	\$70,317	Completed
2015012	7	PASEO DE VALENCIA 24" RAILROAD CROSSING ABANDONMENT	\$128,440	\$114,291	\$175,000	\$104,861	Completed
2015017	14	FALL PROTECTION SYSTEM - PW RESERVOIRS	\$173,229	\$133,372	\$233,132	\$117,322	Completed
2015018	14	FALL PROTECTION SYSTEM - RW RESERVOIRS	\$32,516	\$13,965	\$40,000	\$12,184	Completed
2015019	6	AMI PHASE I - POTABLE IRRIG METERS	\$484,190	\$418,241	\$475,495	\$61,510	Completed
2015020	6	AMI PHASE I - RW IRRIG METERS	\$484,190	\$377,489	\$475,495	\$15,005	Completed
2016003	7	FY2016-17 MH REHABILITATION	\$350,000	\$111,457	\$350,000	\$111,457	Completed
2016010	12	FY 2016-17 RW RETROFITS	\$50,000	\$0	\$50,000	\$0	Completed
2016013	14	2016-17 NEW SYSTEM VALVES	\$150,000	\$118,678	\$100,000	\$118,678	Completed
Subtotal			\$51,063,373	\$47,893,964	\$12,860,824	\$6,658,820	
PROJECTS UNDER CONSTRUCTION							
2011010	7	HILLARY PRS REPLACEMENT	\$332,144	\$283,835	\$422,161	\$246,403	9/30/17
2011012	7	LARGO PRS REPLACEMENT	\$385,652	\$291,361	\$421,826	\$253,281	9/30/17
2011015	7	WILKES PRS REPLACEMENT	\$334,953	\$289,742	\$421,958	\$252,149	9/30/17
2014002	7	DEL AVION LS AUX GENERATOR REPLACEMENT	\$576,090	\$267,171	\$573,266	\$210,436	12/31/17
2015003	7	ALISO CREEK LS REHABILITATION	\$131,800	\$102,738	\$270,000	\$95,015	9/30/17
2015004	7	CROWN VALLEY RW RESERVOIRS 1 AND 2 RECOATING & SAFETY IMPROVEMENTS	\$1,845,435	\$1,493,711	\$1,600,000	\$1,485,508	9/30/17
2015009	7	LOWER BOUNDARY OAK LS UPGRADE	\$396,420	\$53,421	\$410,000	\$37,837	12/31/17
2015011	7	PALMS APTS EASEMENT PW LINE REPLACEMENT	\$410,833	\$304,110	\$480,000	\$296,720	9/30/17
2015022	7	CROWN VALLEY PW RESERVOIR 3 RECOATING	\$284,310	\$234,787	\$350,000	\$233,067	9/30/17
2016004	7	CROWN VALLEY COMM. PARK RELO FOR LAGUNA NIGUEL - RW	\$149,545	\$172,143	\$208,000	\$172,143	9/30/17
2016005	7	CROWN VALLEY COMM. PARK RELO FOR LAGUNA NIGUEL - PW	\$111,070	\$111,070	\$117,000	\$111,070	9/30/17
2016006	7	UPPER SALADA ELECTRICAL SWITCHGEAR REPLACEMENT	\$698,600	\$68,698	\$100,000	\$68,698	3/31/18
2016012	14	DEL AVION LIFT STATION GRINDERS	\$171,886	\$12,688	\$120,000	\$12,688	12/31/17
2016016	14	PLANT 3A FLOOD PROTECTION	\$500,000	\$123,998	\$50,000	\$123,998	6/30/22
Subtotal			\$6,328,738	\$3,809,471	\$5,544,210	\$3,599,011	
PROJECTS IN DESIGN							
2011028	7	VALENCIA LS REFURBISHMENT	\$700,000	\$650	\$75,000	\$650	9/30/17
2011077	14	MOULTON PEAK RADIO TOWER IMPROVEMENTS	\$235,000	\$1,500	\$50,000	\$1,500	9/30/17
2012024	7	UPPER SALADA LS AUX GENERATOR REPLACEMENT	\$850,000	\$65,161	\$400,000	\$17,047	9/30/17

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2016 TO JUNE 2017

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2016-17 ADOPTED BUDGET	FY 2016-17 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
PROJECTS IN DESIGN (CONTINUED)							
2013004	7	REGIONAL LS FORCE MAIN REPLACEMENT	\$8,900,000	\$59,990	\$150,000	\$0	6/30/21
2014012	7	HIDDEN HILLS VILLAGE EASEMENT PIPELINE REHABILITATION	\$420,000	\$43,739	\$188,396	\$0	12/31/17
2014015	14	DISTRICT HEADQUARTERS	\$23,000,000	\$1,104,884	\$8,000,000	\$746,194	6/30/19
2015013	7	2016-17 RESERVOIR MANAGEMENT SYSTEM REPLACEMENT	\$2,050,000	\$119,414	\$300,000	\$119,414	9/30/18
2015015	7	SADDLEBACK PS AUX PUMP & ENGINE REPLACEMENT	\$1,235,000	\$40,334	\$200,000	\$40,334	3/31/19
2016001	7	30-IN ETM SAN JUAN CREEK CROSSING REMOVAL	\$200,000	\$29,698	\$100,000	\$29,698	6/30/18
2016001	7	30-IN ETM SAN JUAN CREEK CROSSING REMOVAL - SMWD REIMBURSEMENT	(\$100,000)	\$0	\$0	\$0	Reimbursement
2016002	7	2016-17 VALVE REPLACEMENT	\$2,860,000	\$409,254	\$460,000	\$409,254	6/30/18
2016007	7	54-INCH CIP IMPROVEMENTS	\$2,700,000	\$134	\$50,000	\$134	6/30/19
2016009	7	HIGHLAND PUMP PRESSURE RELIEF TO 650 ZONE	\$75,000	\$10,305	\$25,000	\$10,305	12/31/17
2016014	14	SADDLEBACK PS GENERATOR EMERGENCY CONNECTION	\$60,000	\$0	\$60,000	\$0	3/31/19
2016015	14	920 ZONE LOOP PIPELINE	\$200,000	\$20,708	\$50,000	\$20,708	12/31/17
Subtotal			\$43,385,000	\$64,390,579	\$10,108,396	\$1,395,236	
UNANTICIPATED PROJECTS							
2009010	14	MISSION HOSPITAL SECONDARY FEED	\$400,000	\$61,352	\$80,000	\$61,352	6/30/18
2010018	7	MATHIS -OSO BY-PASS (RECORD DRAWINGS)		\$4,390	\$5,000	\$4,390	Completed
2014018	14	FLORES AVE 8 IN WATER MAIN INSTALLATION (RECORD DRAWINGS)		\$4,561	\$4,561	\$4,561	Completed
2016019	7	SJC RR PASSING SIDING AIR-VAC RELOCATIONS		\$26,189	\$100,000	\$26,189	6/30/17
2016020	7	ELECTRICAL SERVICE ENTRANCE REPLACEMENTS AT THREE STATIONS		\$66,436	\$80,000	\$66,436	3/31/18
2016021	7	VAULT REMOVAL (11 SITES)	\$610,000	\$0	\$50,000	\$0	12/31/17
2016022	7	CAMINO CAPISTRANO YARD IMPROVEMENTS		\$0	\$85,000	\$0	12/31/17
2016023	7	GOLDEN LANTERN RESERVOIR ROOF-WALL JOINT SEAL		\$0	\$40,000	\$0	6/30/18
Subtotal			\$1,010,000	\$162,928	\$444,561	\$162,928	
FUTURE PROJECTS							
2011033	7	ASSET MANAGEMENT PROGRAM/CMMS IMPLEMENTATION	\$500,000	\$0	\$300,000	\$0	92%
2016008	7	NORTH ALISO CREEK LS BYPASS REPLACEMENT	\$240,000	\$0	\$50,000	\$0	84%
	7	ALISO CREEK LS AUXILIARY GENERATOR REPLACEMENT	\$530,000	\$0	\$0	\$0	76%
	7	SOUTHWING LS AUXILIARY GENERATOR REPLACEMENT	\$580,000	\$0	\$0	\$0	76%
2011024	7	DOCUMENT MANAGEMENT	\$389,000	\$108,092	\$100,000	\$1,671	72%
	14	SECONDARY FEED FOR 1050 ZONE	\$600,000	\$0	\$0	\$0	72%
2011043	14	3A OUTFALL LINE VALVES	\$450,000	\$0	\$0	\$0	70%
2011043	14	3A OUTFALL LINE VALVES - REIMBURSEMENT	(\$225,000)	\$0	\$0	\$0	Reimbursement
2016011	12	TRAMPAS RESERVOIR CAPACITY ACQUISITION	\$15,000,000	\$0	\$3,000,000	\$0	66%
	7	3A ETM CREEK BANK STABILIZATION	\$2,000,000	\$0	\$0	\$0	66%
	7	3A ETM REPLACEMENT - AVE DE LA VISTA	\$2,475,000	\$0	\$0	\$0	66%
	7	3A ETM REPLACEMENT - CAMINO CAPO	\$3,500,000	\$0	\$0	\$0	66%
	7	3A ETM SJ CREEK-COUNTY OF ORANGE PHASE VIII	\$900,000	\$0	\$0	\$0	66%
	7	3A ETM IMPROVEMENTS - SMWD REIMBURSEMENT	(\$4,437,500)	\$0	\$0	\$0	Reimbursement
2012011	7	EASEMENT REHABILITATION PROGRAM - Phase 1	\$7,850,000	\$0	\$0	\$0	64%
2011032	7	OLD RANCH ROAD EASEMENT REFURBISHMENT	\$200,000	\$0	\$0	\$0	64%
2012010	7	CVP 16-INCH PW LINE REHABILITATION	\$650,000	\$0	\$0	\$0	64%
	7	UTILITY SERVICE ENTRANCE REPLACEMENTS - PW	\$738,000	\$0	\$0	\$0	62%
	12	RW EXPANSION PHASE V	\$35,000,000	\$0	\$0	\$0	62%

TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2016 TO JUNE 2017

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2016-17 ADOPTED BUDGET	FY 2016-17 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
FUTURE PROJECTS (CONTINUED)							
							Project Priority
	14	OSO CREEK SEWER PARALLEL PIPELINE	\$1,950,000	\$0	\$0	\$0	62%
	7	UTILITY SERVICE ENTRANCE REPLACEMENTS - WW	\$145,000	\$0	\$0	\$0	62%
2011037	7	MISSION VIEJO HIGH SCHOOL LINE/VAULT REFURBISHMENT	\$200,000	\$0	\$0	\$0	60%
	7	OAKGROVE DRIVE RW PIPELINE REPLACEMENT	\$525,000	\$0	\$0	\$0	60%
	7	PZ450 ALISO CREEK POTABLE LINE RELOCATION	\$300,000	\$0	\$0	\$0	58%
2010013	12	LA PAZ BRIDGE CROSSING RW PIPELINE	\$435,000	\$54,573	\$0	\$0	58%
	14	GALIVAN BYPASS IMPROVEMENTS	\$175,000	\$0	\$0	\$0	58%
2010001	14	650-ZONE NIGUEL ROAD INTERTIE	\$320,000	\$0	\$0	\$0	56%
	7	EASEMENT REHABILITATION PROGRAM - Phase 2	\$6,000,000	\$0	\$0	\$0	56%
	7	STEEL TANKS SEISMIC & STRUCT RETROFITS - PW	\$5,000,000	\$0	\$0	\$0	56%
	7	STEEL TANKS SEISMIC & STRUCT RETROFITS - RW	\$200,000	\$0	\$0	\$0	56%
	14	LS GENERATOR EMERGENCY CONNECTIONS	\$430,000	\$0	\$0	\$0	56%
	7	BEAR BRAND PS PUMP REPLACEMENT	\$410,000	\$0	\$0	\$0	52%
	7	LITTLE NIGUEL PS PUMP REPLACEMENT	\$250,000	\$0	\$0	\$0	52%
	7	PACIFIC PARK PS PUMP & ENGINE REPLACEMENT	\$600,000	\$0	\$0	\$0	52%
	7	ROLLING HILLS PS ENGINE & PUMP REPLACEMENT	\$675,000	\$0	\$0	\$0	52%
	7	SHEEP HILLS PS ENGINE & PUMP REPLACEMENT	\$1,040,000	\$0	\$0	\$0	52%
	14	MARGUERITE/OSO CIP TAKEOUT	\$2,500,000	\$0	\$0	\$0	50%
2015006	7	I.D. 1 MASTER METER RELOCATION	\$600,000	\$0	\$0	\$0	48%
	12	SOUTH COUNTY PIPELINE TAKEOUT FACILITY	\$2,200,000	\$0	\$0	\$0	48%
	7	LN REG PARK RW VAULT RECONFIGURATION	\$150,000	\$0	\$0	\$0	46%
2011026	7	RANCHO UNDERGROUND PS REFURBISHMENT	\$250,000	\$4,619	\$0	\$0	44%
2012016	7	LITTLE NIGUEL PS ROOF REPLACEMENT	\$20,000	\$0	\$0	\$0	38%
2008049	12	SOUTH ORANGE COUNTY COASTAL OCEAN DESALINATION	\$700,000	\$662,685	\$0	\$0	on-hold
2013005	7	LOWER SALADA LS FORCE MAIN REPLACEMENT	\$5,900,000	\$40,000	\$0	\$0	on-hold
2015023	7	NORTHERN TRANSMISSION MAIN IMPROVEMENTS N OF LA PAZ	\$500,000	\$190,449	\$250,000	\$162,030	Phase 2
Subtotal			\$98,414,500	\$1,060,418	\$3,700,000	\$163,701	
SOCWA, SMWD & JRWSS PROJECTS							
							REMAINING BALANCE
JRWSS17	7	SCWD/JRWSS CAPITAL PROJECT	\$14,227,645	\$296,526	\$1,646,424	\$296,526	\$1,349,898
SMWD003	7	PLANT 3A IMPROVEMENTS	\$12,976,500	\$0	\$3,576,500	\$0	\$3,576,500
SMWD004	7	SMWD CAPITAL PROJECTS-JOINT FACILITIES	\$200,000	\$10,238	\$200,000	\$10,238	\$189,762
SOCWA130	7	2016/17 SOCWA CAPITAL PC 2(R)	\$13,390,721	\$1,211,181	\$1,597,112	\$1,211,181	\$385,931
SOCWA131	7	2016/17 SOCWA CAPITAL PC 15(R)	\$9,385,169	\$755,870	\$744,978	\$755,870 (1)	\$0
SOCWA132	7	2016/17 SOCWA CAPITAL PC 17(R)	\$34,474,090	\$5,730,936	\$6,020,489	\$5,730,936	\$289,553
SOCWA133	7	2016/17 SOCWA PC 5	\$79,101	\$41,659	\$79,101	\$41,659	\$37,442
SOCWA134	7	2016/17 SOCWA CAPITAL PC 24	\$3,931,848	\$27,137	\$21,925	\$27,137	\$0
Subtotal			\$88,665,074	\$8,073,547	\$13,886,529	\$8,073,547	\$5,829,086
UNANTICIPATED FUNDS							
							REMAINING BALANCE
UP1617RR	7	UNANTICIPATED PROJECTS FUND 7	\$300,000	N/A	\$300,000	\$275,000	\$25,000
UP1617PC	14	UNANTICIPATED PROJECTS FUND 14	\$150,000	N/A	\$150,000	\$150,000	\$0

(1) MNWD presented a payment for 2016/17 SOCWA Capital PC15R totaling \$755,870 under protest to SOCWA and its Project Committee 15 members. This payment was rejected by the other members of Project Committee 15.

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TABLE 2
QUARTERLY CAPITAL IMPROVEMENT PROGRAM REPORT
MOULTON NIGUEL WATER DISTRICT
QUARTERLY PROJECT STATUS - FOURTH QUARTER - APRIL THROUGH JUNE
FISCAL YEAR: JULY 2016 TO JUNE 2017

PROJECT NUMBER	FUND	PROJECT DESCRIPTION	TOTAL PROJECT AMOUNT	EXPENDED FROM INCEPTION TO DATE	FY 2016-17 ADOPTED BUDGET	FY 2016-17 EXPENDED TO DATE	ESTIMATED COMPLETION DATE
PROGRAMS							REMAINING BALANCE
						COMMITTED	
7		PW PROJECTS PER ASSET MANAGEMENT MODEL	\$9,000,000	N/A	N/A	N/A	N/A
7		RESERVOIR MANAGEMENT SYSTEM REPLACEMENT PROGRAM	\$11,450,000	N/A	N/A	N/A	N/A
7		RESERVOIR RECOATING PROGRAM - PW	\$11,250,000	N/A	N/A	N/A	N/A
7		SERVICE SECTION AND MCC REPLACEMENT PROGRAM - PW	\$2,050,000	N/A	N/A	N/A	N/A
7		VALVE REPLACEMENT PROGRAM - PW	\$19,830,000	N/A	N/A	N/A	N/A
7		VALVE REPLACEMENT PROGRAM - RW	\$1,600,000	N/A	N/A	N/A	N/A
12		RECYCLED WATER RETROFITS	\$450,000	N/A	N/A	N/A	N/A
7		RESERVOIR RECOATING PROGRAM - RW	\$2,970,000	N/A	N/A	N/A	N/A
7		RW PROJECT PER ASSET MANAGEMENT MODEL	\$4,500,000	N/A	N/A	N/A	N/A
7		SERVICE SECTION AND MCC REPLACEMENT PROGRAM - RW	\$700,000	N/A	N/A	N/A	N/A
7		MH REHABILITATION PROGRAM	\$3,150,000	N/A	N/A	N/A	N/A
7		SEWER LINING PROGRAM	\$2,400,000	N/A	N/A	N/A	N/A
7		WW PROJECT PER ASSET MANAGEMENT MODEL	\$4,500,000	N/A	N/A	N/A	N/A
7		SERVICE SECTION AND MCC REPLACEMENT PROGRAM - WW	\$1,400,000	N/A	N/A	N/A	N/A
-28		Subtotal	\$75,700,000		\$450,000	\$425,000	\$25,000
1		TOTAL	\$364,566,685	\$125,390,908	\$46,569,520	\$20,053,243	

Project : Crown Valley Reservoir Recoat and Safety
 Contract No: 2015.004&2015.022
 Contractor : J. Colon Coatings
 Engineer : Harper and Associates
 Division Area of Work Performed : 2

**CROWN VALLEY RESERVOIR
RECOAT AND SAFETY**

SCOPE OF WORK : The work at the Crown Valley No. 1 and No. 2 Reservoirs includes structural and corrosion repairs, tank operation and safety improvements (including spiral stairways and full perimeter guardrails), cathodic protection systems, and re-coating of the interior and exterior of the reservoirs and exterior coating of No. 3.



DETAILS :

Fund 07 Replacement and Refurbishment
 Contract Award 09/15/16
 Est. Completion Date 08/31/17
 Construction Contract \$1,762,141
 Paid To Date \$ 1,655,685
 Percent Constructed 95%

Crown Valley Reservoir 2
Exterior Coating Prep

NOTES : Crown Valley Res. 3 anticipated to be completed in August.

Project : Upper Salada Lift Station Switchgear Replacement
 Contract No: 2016.006
 Contractor : Southern Contracting Company
 Engineer : Lee & Ro, Inc.
 Division Area of Work Performed : 4

**UPPER SALADA LIFT STATION
SWITCHGEAR REPLACEMENT**

SCOPE OF WORK : Replacement of the electrical switchgear and performing other electrical upgrades.



DETAILS :

Fund 07 Replacement and Refurbishment
 Contract Award 06/15/17
 Est. Completion Date 03/15/18
 Construction Contract \$ 523,600
 Paid To Date \$ 0
 Percent Constructed 0%

Upper Salada Lift Station

NOTES : Pre-construction meeting held 07/18/17.

Project: Del Avion Aux. Generator Replacement
 Contract No: 2014.002
 Contractor : Pacific Hydrotech
 Engineer : Lee & Ro Inc.
 Division Area of Work Performed : 4

**DEL AVION AUXILIARY
 GENERATOR REPLACEMENT**

SCOPE OF WORK : This project replaces the existing auxiliary generator with a new diesel auxiliary generator. It also replaces electrical switchgear and installs grinders on the suction piping.



DETAILS :

Fund 07 Replace and Refurbishment
 Contract Award 07/21/16
 Est. Completion Date 08/31/17
 Construction Contract \$ 441,900
 Paid To Date 214,238
 Percent Constructed 55%

NOTES : New grinders and electrical work remaining.

New Auxiliary Generator

Project : Pressure Reducing Station Relocations
 Contract No: 2011.010-012-015
 Contractor : Ferreira Construction
 Engineer : Tetra Tech, Inc.
 Division Area of Work Performed : 3

**PRESSURE REDUCING STATION
 RELOCATIONS**

SCOPE OF WORK : This project replaces three existing pressure reducing stations.




DETAILS :

Fund 07 Replace and Refurbishment
 Contract Award 07/21/16
 Estimated Completion Date 08/15/17
 Construction Contract \$ 788,863
 Paid To Date \$ 750,540
 Percent Constructed 95 %

NOTES : Construction completed; awaiting power to all three sites.

Completed Wilkes Pressure Reducing Station

<p>Project : Fall Protection System PW/RW Reservoirs Contract No: 2015.017 Contractor : Spiess Construction Engineer : Design Build Division Area of Work Performed : Various Locations</p>	<p>FALL PROTECTION SYSTEM PW/RW RESERVOIRS</p>												
<p>SCOPE OF WORK : This project installs Cal/OSHA compliant fall protection systems on the reservoirs that do not have full perimeter guardrails.</p>													
<p>DETAILS :</p> <table border="0"> <tr> <td>Fund</td> <td>14 Planning and Construction</td> </tr> <tr> <td>Contract Award</td> <td>04/21/16</td> </tr> <tr> <td>Completion Date</td> <td>05/31/17</td> </tr> <tr> <td>Construction Contract</td> <td>\$ 173,405</td> </tr> <tr> <td>Paid To Date</td> <td>\$ 173,405</td> </tr> <tr> <td>Percent Constructed</td> <td>100%</td> </tr> </table>		Fund	14 Planning and Construction	Contract Award	04/21/16	Completion Date	05/31/17	Construction Contract	\$ 173,405	Paid To Date	\$ 173,405	Percent Constructed	100%
Fund		14 Planning and Construction											
Contract Award	04/21/16												
Completion Date	05/31/17												
Construction Contract	\$ 173,405												
Paid To Date	\$ 173,405												
Percent Constructed	100%												
<p>NOTES : Notice of completion filed on 07/19/17.</p>	<p>Newly Installed Swing Gate</p>												

<p>Project: Replace Digital Lines with Wireless Network Contract No: 2006.038 Contractor : Southern Contracting Co. Engineer : Arcon Structural Engineers, Inc. Division Area of Work Performed : District Wide</p>	<p>REPLACE DIGITAL LINES WITH WIRELESS NETWORK</p>												
<p>SCOPE OF WORK : Drilling holes for foundations, furnishing and installing towers ranging in height from 10 feet to 60 feet, constructing foundations, grounding the towers, and furnishing and installing electrical facilities</p>													
<p>DETAILS :</p> <table border="0"> <tr> <td>Fund</td> <td>07 Replace and Refurbishment</td> </tr> <tr> <td>Contract Award</td> <td>11/19/15</td> </tr> <tr> <td>Completion Date</td> <td>05/31/17</td> </tr> <tr> <td>Construction Contract , Phase III</td> <td>\$ 340,500</td> </tr> <tr> <td>Paid To Date</td> <td>\$ 307,744</td> </tr> <tr> <td>Percent Constructed</td> <td>100%</td> </tr> </table>		Fund	07 Replace and Refurbishment	Contract Award	11/19/15	Completion Date	05/31/17	Construction Contract , Phase III	\$ 340,500	Paid To Date	\$ 307,744	Percent Constructed	100%
Fund		07 Replace and Refurbishment											
Contract Award	11/19/15												
Completion Date	05/31/17												
Construction Contract , Phase III	\$ 340,500												
Paid To Date	\$ 307,744												
Percent Constructed	100%												
<p>NOTES : Notice of completion filed on 06/28/17.</p>	<p>Completed Monopole at Audubon Lift Station</p>												

Project : Lower Boundary Oak Lift Station Upgrades
 Contract No: 2015.009
 Contractor : RC Foster Corporation
 Engineer : Lee & Ro, Inc.
 Division Area of Work Performed : 7

**LOWER BOUNDARY OAK
 LIFT STATION UPGRADES**

SCOPE OF WORK : Replace existing pumps with submersible pumps, reconfigure mechanical piping, upgrade the existing electrical and control systems, and recoat the wet well.

DETAILS :

Fund 07 Replace and Refurbishment
 Contract Award 01/19/17
 Est. Completion Date 10/31/17
 Construction Contract \$ 292,200
 Paid To Date \$ 0
 Percent Constructed 0%



NOTES : Finalizing submittals; construction anticipated to begin in August.

Lower Boundary Oak
 Lift Station

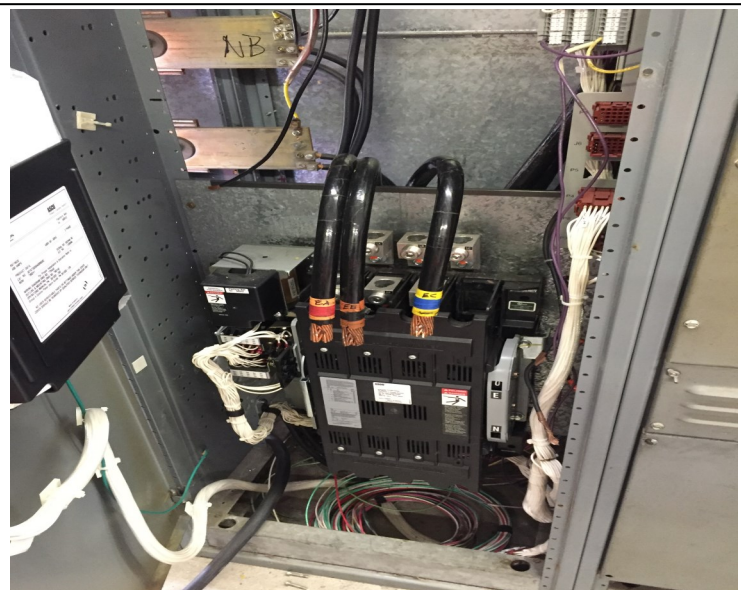
Project : Utility Main Breaker Replacement
 Contract No: 2014.005
 Contractor : Southern Contracting Co.
 Engineer : Lee & Ro, Inc.
 Division Area of Work Performed : 4,6

**UTILITY MAIN BREAKER
 REPLACEMENTS
 LOWER SALADA AND ALISO CREEK LIFT STATION**

SCOPE OF WORK : Replace two utility service sections, perform miscellaneous code updates, and extend maintenance on the electrical switchgear.

DETAILS :

Fund 07 Replace and Refurbishment
 Contract Award 07/16/15
 Completion Date 05/31/17
 Construction Contract \$ 127,000
 Paid To Date \$ 126,574
 Percent Constructed 100%



NOTES : Notice of completion filed 06/28/17.

Installation of New Electrical Service at Aliso Creek Lift Station

Project: Manhole Rehabilitation Program
 Contract No: 2017.002
 Contractor : Ayala Engineering
 Engineer : District Staff
 Division Area Work Performed: District Wide

**MANHOLE REHABILITATION PROGRAM
FY 17/18**

SCOPE OF WORK : On-call service agreement to rehabilitate manholes throughout the District.



DETAILS :

Fund 07 Replace and Refurbishment
 Contract Award 01/19/17
 Est. Completion Date 06/30/18
 Construction Contract \$ 350,000
 Paid To Date \$ 109,441
 Percent Constructed 31%

NOTES : Approximately 35 manholes have been rehabilitated at a cost of \$109,441 (part of the FY 16/17 budget).

Rehabilitation of Manhole in Mission Viejo

Project : Palms Apartment, Potable Waterline Replacement
 Contract No: 2015.011
 Contractor : Kennedy Pipeline
 Engineer : AKM Consulting Engineers
 Division Area of Work Performed : 2

**PALMS APARTMENT, EASEMENT, POTABLE WATER-
LINE REPLACEMENT**

SCOPE OF WORK : Replacement of approximately 810 linear feet of 8-inch ductile iron pipe with 8-inch PVC pipe within the existing easements. The work also includes the replacement of related valves and appurtenances.



DETAILS :

Fund 07 Replacement and Refurbishment
 Contract Award 02/16/17
 Est. Completion Date 08/15/2017
 Construction Contract \$ 328,030
 Paid To Date \$ 288,114
 Percent Constructed 90%

NOTES : One water connection and restoration items remain.

Exposing Existing Easement Line for Replacement

Project: Paseo De Valencia 24" PW Abandonment
 Contract No: 2015.012
 Contractor: Paulus Engineering
 Engineer: AKM Consulting Engineers
 Division Area of Work Performed: 1,3

**PASEO DE VALENCIA
 24-INCH
 RAILROAD CROSSING ABANDONMENT**

SCOPE OF WORK : Abandonment of the existing 24-inch steel water main that crosses beneath the railroad tracks at the intersection of Paseo De Valencia and Cabot Rd.



DETAILS :

Fund: 07 Replace and Refurbishment
 Contract Award: 01/20/16
 Completion Date: 06/31/17
 Construction Contract: \$ 80,400
 Paid To Date: \$ 88,751
 Percent Constructed: 100%

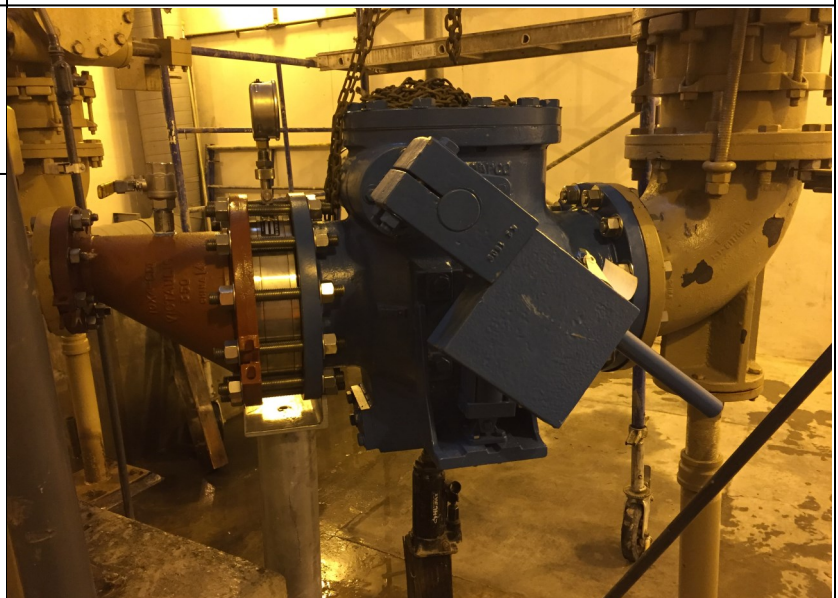
NOTES : Notice of completion filed 07/12/17.

Preparation for Easement Abandonment

Project: Aliso Creek Lift Station Rehabilitation
 Contract No: 2015.003
 Contractor: Norman A. Olsson Construction
 Engineer: Lee & Ro, Inc.
 Division Area of Work Performed: 6

**ALISO CREEK
 LIFT STATION REHABILITATION**

SCOPE OF WORK : Reconstructing the general arrangement of the pump discharge valves and piping; installing new air release piping and other related work.



DETAILS :

Fund: 07 Replace and Refurbishment
 Contract Award: 03/19/15
 Completion Date: 06/31/17
 Construction Contract: \$ 88,000
 Paid To Date: \$ 86,263
 Percent Constructed: 95%

NOTES : Construction is nearly complete. Notice of completion to be filed in August.

Installation of New Check Valve



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** August 17, 2017

FROM: Todd Novacek, Assistant Director of Operations

SUBJECT: Quarterly Operations Report

DIVISION: District-wide

SUMMARY:

Issue: District staff is responsible operating and maintaining the potable water, recycled water and wastewater collections systems. This quarterly report is for April, May and June of Fiscal Year (FY) 2016-17.

Recommendation: Information item only.

Fiscal Impact: Funds for the activities identified in the quarterly operations report are included in the FY 2016-17 Operating Budget.

Reviewed by Legal: Not Applicable

DISCUSSION:

The Moulton Niguel Water District (District) Board of Directors approved a FY 2016-17 budget in June 2016 that provided for operation and maintenance activities associated with the District’s potable water, recycled water and wastewater collection systems. The District staff executes those maintenance functions across various operational crews, including customer service, facilities maintenance, and wastewater collections. The following is a summary of the progress completed on those maintenance functions during the months of April, May and June of FY 2016-17.

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Quarterly Operations Report
August 17, 2017
Page 2 of 2

Customer Service:

The customer service department provides a first response to customers in the field to address potential leaks, customer inquiries, turn on/off of meters, among other functions. Additionally, customer service is responsible for reading, testing and replacing water meters to ensure the District is appropriately billing its customers for water used. During this past quarter, customer service staff responded to more than 25 work orders addressing potential leaks at service lines or fire hydrants. Staff also completed more than 200 meter turn on/off to support customers. As part of the meter replacement/maintenance program, approximately 210 meters were replaced to ensure an accurate reading of District meters.

Collections Department:

In 2010, the District adopted a Sewer System Management Plan (SSMP), which outlined programs in place to ensure appropriate and necessary maintenance of the District's collection system. Among these programs, the District systematically cleans the sewer system to minimize the potential for a sewer blockage. During the past quarter, the District cleaned approximately 732,000 feet of sewer lines. The department remains on pace to clean the entire system in approximately 12 months. This past quarter, staff also completed approximately 68,000 feet of video inspection of the collection system as part of the SSMP.

Pipeline Maintenance (Street and Valve Crews):

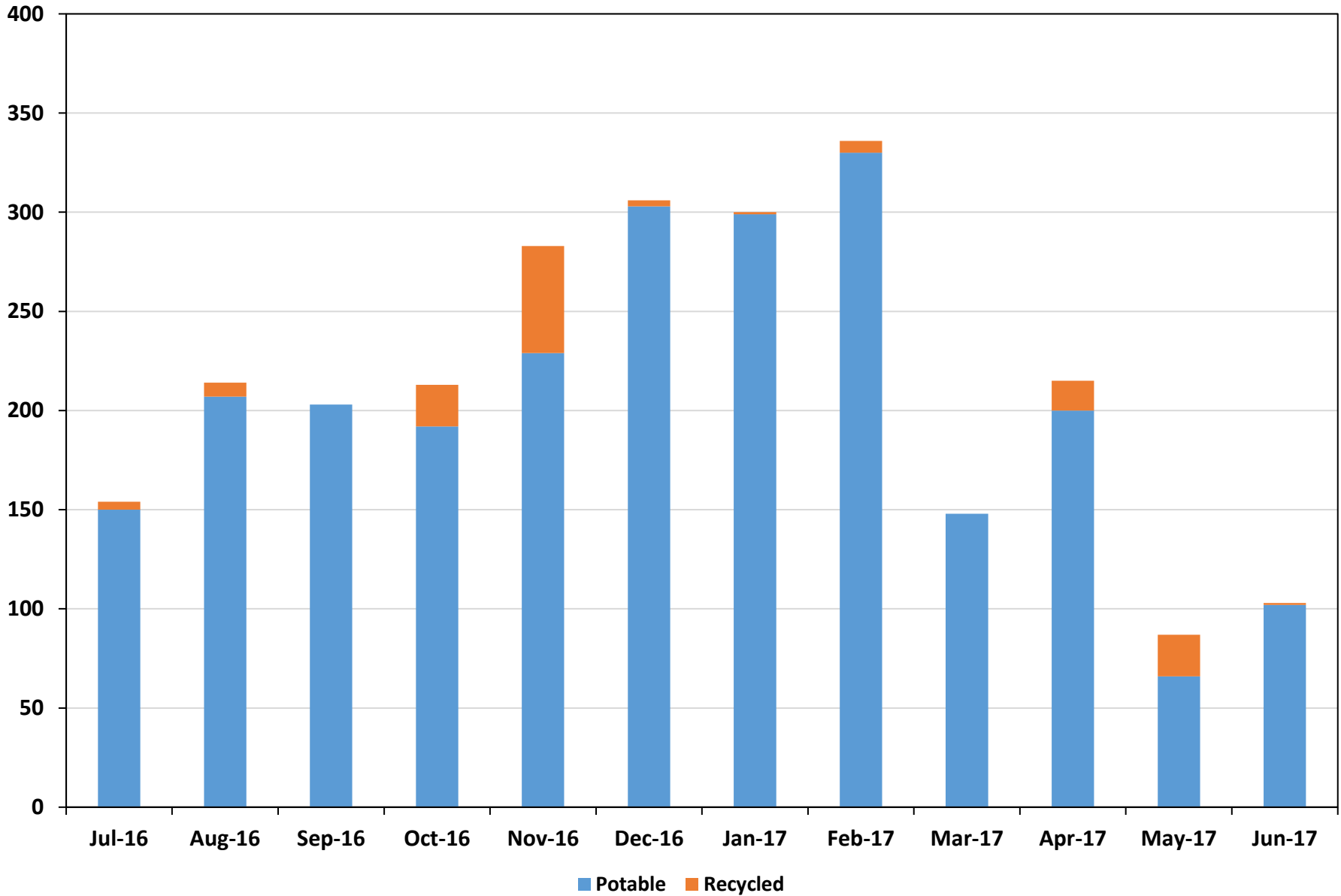
The District's pipeline maintenance activities include repairs to customer service lines, fire hydrants, and distribution pipelines. The District's staff completed nearly 100 work orders during the past quarter. Approximately 70% of those work orders were replacement of customer service lines. As part of the FY 2016-17 budget, the District's Board of Directors approved additional staffing to support increased maintenance activities on the potable water and recycled water valves. Table 1 identifies the number of valves exercised on a monthly basis for a total of 2550 valves exercised during this past fiscal year. Table 2 identifies the number of valves replaced on a monthly basis for a total of 90 valves during this past fiscal year.

Number of Valves Exercised

VALVE CREW - VALVES EXERCISED

Table 1

-37-



VALVE CREW - VALVE REPLACED

Table 2

Number of Valves Replaced

-38-

