

MNWD DISTRICT INITIATIVES FOR FY 2018-19 & FY 2019-20

2-19-2019

Since fiscal year 2013-14, the District has annually reviewed and updated its ten (10) initiatives as part of the strategic planning process with the Board of Directors. Each initiative is updated with specific objectives identified for the immediate time period to ensure focus and completion on key areas that are critical to the District's success. The necessary resources to support the identified objectives are incorporated into the annual fiscal budget for the Board to consider each year providing another opportunity to revisit the District's initiatives and objectives with a fiduciary focus.

There are varying definitions of initiatives, and for our purposes, we are currently defining "initiatives" as significant areas of the District's business requiring focused attention and resources. Each initiative includes actionable objectives that have been identified to implement the defined management strategy of the initiative.

Today's long-range planning session will provide an opportunity to review the initiatives and objectives to reaffirm their priority in executing the District's mission this fiscal year.

1. OUTREACH AND EDUCATION

Management Strategy: Promote the District's programs and services to our customers and general public in a positive and cost-effective manner, while also soliciting customer and community feedback.

The District has developed a comprehensive outreach program and has integrated public communications, media relations, and community outreach. In addition, we continue to develop focused customer marketing and education programs to reinforce our policies and programs. We've seen the value of outreach and community programs as we have a record number of interactions with the public, new local and regional partners, and have received unprecedented positive media coverage. Based on the feedback from our customers and member cities, they appreciate the increased communication and our participation at community events. As the District's level of community engagement increases, we will need to evaluate resources to continue supporting the day-to-day District projects and to ensure we maintain high levels of engagement and service to our customers and community stakeholders.

Completed:

- a. Significantly increased media coverage of the District in local, regional and industry publications
- b. Enhanced stakeholder partnerships with our member cities, county, chambers and civic groups, school districts, etc.
- c. Implemented a multi-faceted campaign to communicate new online billing system for customers, resulting in over 24,000 customers enrolled in our online customer portal
- d. Developed and implemented an updated communications plan that incorporates the TAP Initiative objectives
- e. Applied data-driven tools and analysis to enhance web, digital and social media marketing strategies
- f. Hosted two regional HOA-focused events targeting HOA Board Members, Property Managers and Landscapers
- g. Expanded Speakers Bureau Program outreach to increase community and civic engagement

- h. Broadened Board participation and involvement in the community
- i. Supported the development of and submitted award applications resulting in awards and recognition such as the Governor's Environmental and Economic Leadership Award (GEELA) and getting recognized from the Orange County Business Council for the District's successful turf replacement program.
- j. Launched a customer appreciation campaign for the District's 50 years of water recycling milestone.
- k. Hosted a record number of community events, civic engagements, and facility tours
- l. Hosted the inaugural water reliability forum highlighting the significance of regional and local reliability

Planned:

- a. Plan and implement water forums to educate community leaders on local and regional water issues
- b. Design and develop customer welcome packets encompassing informational materials to send to new Moulton Niguel customers
- c. Facilitate a social media training for the Board and prepare a social media policy for Board consideration
- d. Conduct an updated customer survey to inform the District's customer communication and outreach strategies
- e. Generate Member City information service fact sheets
- f. Develop a year-in-review promotional campaign to highlight District achievements
- g. Evaluate and consider restructuring the Citizens' Advisory Committee to continue its purpose, but also use it more as a focus group
- h. Begin process to redesign bill to improve information provided to customers on their water usage and efficiency
- i. Promote and help implement FLOW (Future Leaders of Water), an initiative to inspire a new generation of water champions
- j. Expand portfolio of communication channels including social media, online advertising campaigns and videos to reach our customers and stakeholders in a cost-effective manner

2. LABOR RELATIONS

Management Strategy: Maintain strong employee morale and enhance organizational performance through: recruitment, selection and retention of the best qualified staff; maintenance and enhancement of staff skills through training and development; utilization of the District's benefit programs; compliance with labor regulations; enforcement of District policies and provisions of the MOUs; and resolution of personnel matters in a timely manner with the highest standards of confidentiality, integrity, courtesy and respect.

Labor relations will always be the most critical component to determining the success of any organization, and our experience confirms this. The District continues to focus on maintaining excellent labor relations. Our current four-year MOU was developed in one day, which speaks to the trust and relationship established between the employees and the District. Having dedicated HR staff has been invaluable in building the trust through care, credibility, and performance. Recruitment and retention are a major concern as many agencies are interested in taking our highly skilled employees and are increasing compensation and benefits to attract talent.

Completed:

- a. Continued to maintain a close working relationship with employees and OCEA
- b. Implemented the second-year provisions of the four-year MOU which continues to balance the importance of retaining and attracting outstanding employees while having conservative management of our ratepayers' funds. This MOU maintained the 50/50 cost share for health insurance premium increases and eliminated retiree health benefits for new employees hired during the term of the MOU. It also added an annual wellness reimbursement benefit to encourage employees to live healthy lifestyles
- c. Filled 144 of 152 budgeted full-time positions (95% staffed). Recruitment is in process to fill 7 of the current 8 vacancies. We expect to be 100% staffed by June, 2019
- d. Continued succession planning by internally filling eight leadership positions left vacant by retirement, monitoring consistent mentorship between retiring supervisors and current crew leads
- e. Negotiated with Anthem Blue Cross to minimize rate increases in health insurance, which saves money for the District and our employees who share rate increases with the District on a 50/50 basis
- f. Complied with the Affordable Care Act by completing 2018 1094-C & 1095-C reporting
- g. Reported Government Compensation in California data to the State Controller
- h. Implemented new procedures to comply with adopted legislation relative to sexual harassment training, lactation accommodations, employee organization membership, dues and new employee orientations
- i. Created the first H.E.R.O. Academy to train on the importance of the District's core values for staff: Honesty, Effort, Respect, One Team. Four modules were taught by internal staff using skits and activities which included: Honesty-Owning Your Mistakes; Effort-Interview for your Next Job Each Day you Come to Work; Respect-Fake it Until you Make it; and, One Team-Help is Only a Phone Call Away
- j. Update Government Emergency Telecommunications Service (GETS) program data and provide GETS and Wireless Priority Service (WPS) training for all staff
- k. Presented learning modules to staff (i.e., health insurance renewal, CalPERS basics)
- l. Create job descriptions for Wastewater Treatment Plant Operator job family, conduct salary survey to develop compensation structure and recruit for vacant positions
- m. Applied for the Top Workplace in Orange County designation and won first place in the category for our size of employer

Planned:

- a. Review and update the District's Drug & Alcohol Policy
- b. Review Deferred Compensation plans to include evaluation of plan documents, fees and service levels
- c. Monitor labor relations legislation and take appropriate action
- d. Develop learning modules for all staff
- e. Develop FLOW (Future Leaders of Water) program, an initiative to inspire a new generation of water champions

3. DATA ANALYTICS & INFORMATION MANAGEMENT

Management Strategy: Implement consistent data standards and innovative technology to improve efficiencies and accessibility for the benefit of our employees, our customers, our industry, and the greater public.

It has long been recognized by agencies and State officials that the water industry is deficient when it comes to data. While individual and state agencies all collect some level of data, there is a lack of consistency in what and how data is collected, analyzed and used. Because of this, past and current statewide actions to promote water efficiency and conservation have been based on limited information resulting in contentious implementation. Additionally, as legal cases related to rates increase along with associated public scrutiny, how agencies manage their documents/data are coming into question as we are experiencing a higher number of public records act requests. The District continues to participate in the statewide data collaborative to help inform decision makers on water data issues. The project has received much support and interest from water agencies like ACWA and the SWRCB.

Completed:

- a. Developed Internal framework & process plan for organization of documents and data
- b. Expanded Statewide Data Collaborative
 - i. Supported and coordinated two State Water Data Summits at Stanford University and one at Metropolitan Water District attended by industry leaders, private sector technology companies, academics and non-governmental organizations
 - ii. Recognized at the joint White House Council of Environmental Quality and State Water Resources Control Board Data Challenge as best urban submission
- c. Implemented Records Retention Policy/Plan
- d. Won Amazon Web Services City on a Cloud Award for best practices in managing Advanced Meter Infrastructure data on the cloud
- e. Completed upgrade of SCADA communications network

Planned:

- a. Participate in AB 1755 Open and Transparent Water Data Act Advisory Group
- b. Streamline and integrate rebate and marketing data
- c. Develop standard key performance indicators for marketing and water efficiency data
- d. Pursue innovative and technological solutions that help increase efficiencies, automate activities, inform decision-makers, and improve the delivery of water and wastewater services.
- e. Continue to build partnerships towards the District's leading role in big data and innovation in the water industry
- f. Evaluate and implement customer service technologies including call routing, data tracking and tools to build on our great customer service
- g. Evaluate and recommend new agenda management system
- h. Ongoing implementation of records retention policy

4. DEMAND MANAGEMENT

Management Strategy: Develop new and improve existing strategies to cost effectively reduce the District's water demands. Continue the District's leadership role in implementing the Governor's Water Action Plan to make "conservation a way of life" through engagement with our customers.

The drought crisis presented a unique opportunity for the District in demonstrating our innovative and resourceful approach to managing water demands. We have close engagement with the State and work closely with agencies throughout the State to drive decisions and policies that will have immediate and long-term effects on the District's customers. Our contribution and impact to the statewide discussions as a District have been recognized by the State and our peers in the water community. Our conservation programs, recycled water expansion plans, partnerships with academic

institutions, coordination of the statewide data collaborative and budget-based rate structure are just some of the reasons why we have been successful. It is paramount to continue developing strategies and tools to further achieve efficiency and conservation while ensuring reliable service and the economic health of our communities.

Completed:

- a. Implemented updates to the rate structure
- b. Established partnerships with regional agencies and academic institutions
- c. Evaluated/revise WUE programs based on the finalized UC Riverside research study
 - i. Direct Install Smart Timer Program Adopted with MNWD as lead administrator w/ SMWD & IRWD participating
 - ii. NatureScape direct install turf removal and California native plant program implemented
- d. Conducted in depth analysis of higher tier usage to target inefficient use
 - i. Monthly targeted marketing
- e. Pilot recycled water and potable irrigation AMI project startup, including a customer portal
- f. Developed and implemented Water Loss Audit Program
 - i. Annual Update of Water Loss Control Program Potable Water System Audit
 - ii. 2018 Update of Component Water Losses
 - iii. Water Loss Control Program Pilot
 1. Two phases of discrete metered area pilots completed evaluating water loss using AMR/AMI data
- g. Piloted and implemented a commercial auditing and water efficiency program to help businesses and institutions
- h. Expanded water education program (Project WET) to teachers at local schools
- i. Awarded 2nd Bureau of Reclamation award for Phase 2 expansion of AMI
- j. Conducted two H2O for HOA workshops and a focused HOA working meeting to inform the development of new HOA programs
- k. Hosted two 10-week bilingual training programs for professional landscapers
- l. Retrofitted Mission Viejo High School water devices with high efficiency devices
- m. Tracked legislation on “Making Conservation a California Way of Life” and provided regular updates to the Board on significant changes
- n. Utilized AMI smart meter data and the Recycled Water Masterplan to target customers to shift their peak recycled water usage
- o. Identified opportunities for energy and water integrated efficiency from the awarded California Energy Commission grant in coordination with UC Davis
 - i. San Diego Gas and Electric Low-Income water efficient device direct install program developed
 - ii. San Diego Gas and Electric commercial kitchens direct install program developed
- p. Expanded watershed education to local schools through integrated field trips and classroom instruction
- q. Updated Quarterly Board report on water efficiency and water resources to include program activity and upcoming key initiatives

Planned:

- a. Implement an acoustic leak detection program to reduce real system water losses
- b. Initiate evaluation of potable water system pressure to identify opportunities to reduce real system water losses

- c. Pursue additional state/federal funding opportunities for demand management and recycled water program expansion
- d. Develop a Drought Action Plan as a component of an Integrated Resources Plan
- e. Adopt updated Water Shortage Contingency Plan ordinance consistent with 2017 Prop 218 Notice and updates to California Water Code
- f. Continue expanding AMI in Phase 2 to all commercial and multi-family customers (about 4,000 more AMI meters in addition to the current 4,500)
- g. Evaluate expedited AMI to all customers utilizing outside consultant support
- h. Incorporate internal recycled water system water loss audit to evaluate benefits of full distribution system AMI
- i. Develop regular metrics and analysis based on the UC Riverside study to track new water efficiency programs' effectiveness
- j. Further develop water efficiency programs and marketing in support of Homeowner's Association water use efficiency
- r. Host California Native plant tour in coordination with the California Native Plant Society annual tour in South Orange County

5. WASTEWATER TREATMENT

Management Strategy: Provide high quality and cost-effective wastewater treatment services to ensure environmental compliance and maximize wastewater resources for beneficial reuse opportunities.

Over the years, the District has relied on other organizations for the administration and management of wastewater treatment. Given the significant annual financial contribution for the wastewater treatment needs of our ratepayers, the District has increased its resources to provide greater focus on wastewater operations, capital planning, and financial management. Focusing on the District's wastewater treatment needs to meet the demands of our ratepayers in a reliable and cost-efficient manner remains a critical focal point for the upcoming year. Assuming wastewater operation of Plant 3A, establishing long-term capital planning requirements, and engaging in the review and potential update of governing agreements are major objectives that will allow the District to continue carrying out the defined management strategy.

Completed:

- a. Plant 3A – recruited and filled an operations and engineering team for Plant 3A
- b. Plant 3A – engaged engineering consultants to support the review and initial development of a capital program
- c. Completed wastewater treatment capacity requirements update
- d. SOCWA – ongoing review and engagement of issues at SOCWA, including financial reporting and long-term planning
- e. Supported ongoing litigation regarding Coastal Treatment Plant
- f. Initiated an inflow and infiltration review of the collection system
- g. Completed video inspection of the Oso-Trabuco Trunk Sewer

Planned:

- a. Assume responsibility for the operation and maintenance of Plant 3A
 - Complete SCADA Integration
 - Initiate necessary operational contracts
 - Finalize invoice and cost tracking

- Initiate laboratory services contract and develop operational reports
- Finalize regulatory/permit reassignment to MNWD
- b. Continue development of long-term capital plan for Plant 3A, including potential expansion of Plant 3A Advance Water Treatment facility
- c. Camino Capistrano Lift Station Preliminary Design Report
- d. Review of SOCWA Joint Powers Agreement and Project Committee Agreements
- e. Resolve Coastal Treatment Plant litigation
- f. SOCWA – on-going review and engagement
- g. Review of SOCWA’s Draft Ten Year Plan for the Regional Treatment Plant
- h. Regional Lift Station redundancy improvements
- i. Continue evaluation of Inflow and Infiltration (I&I) into the wastewater collection system
- j. Update Sewer System Management Plan (SSMP)

6. FINANCIAL PLANNING

Management Strategy: Provide actionable, timely financial information through adaptive modeling and forecasts to meet changing conditions with a view towards long-term, sustained fiscal health.

Our efforts to ensure a strong and resilient financial position continue to prove very effective. The long range financial plan, our rate structure, and a comprehensive review/update of financial policies have positioned the District to continue to be a leader in the industry and state. Our proactive planning efforts, which were built around utilizing staff with sophisticated financial analysis/rate design/forecasting capabilities, have paid dividends and continue to be essential for maintaining the strong financial health of the organization. As the District is expected to continue to invest more resources into its infrastructure, and the State begins to implement the long-term efficiency framework, it is imperative that we use our internally developed tools to evaluate and assess the short-term and long-term financial condition of the District. We will continue to be nimble, able, innovative and conservative in our financial management and plan aggressively to ensure limited financial impact to our customers.

Completed:

- a. Updated Long-Range Financial Plan and 10-year cash flow model
- b. Achieved a successful audit
 - i. Clean audit – No findings on the CAFR or PFC
 - ii. Prepared CAFR, State Controller’s Report, and PFC Statements with internal resources
 - iii. Audit ad-hoc engaged
- c. Evaluated rate increase projections; implemented rate recommendations
- d. Conducted short-term cash forecasting
- e. Coordinated restructuring of investment portfolio with advisors as District continues cash spenddown plan
- f. Invested bond reserves to minimize negative arbitrage on restricted funds
- g. Updated monthly financial statements based on Board feedback
- h. Performed annual review of investment policy, reserve policy, debt management policy, capitalization & surplus policy and purchasing policy
- i. Implemented new payment processing for customers integrated into the customer portal
- j. Implemented GASB 75
- k. Refunded 2009 COPs for over \$14 M in cashflow savings
- l. District upgraded by S&P to ‘AAA’ and reaffirmed ‘AAA’ by Fitch
- m. Completed JDE ERP and Utility Billing System upgrade

- n. Submitted the FY 18-19 Adopted Budget to the Government Finance Officers Association for consideration of the Distinguished Budget Award

Planned:

- a. Issue new money bond in late-2019 based on Long Range Financial Plan
- b. Review and update financial policies as part of the annual review
- c. Achieve the Distinguished Budget Award from the Government Finance Officers Association
- d. Select additional agreed upon procedures as part of the FY 18/19 audit
- e. Develop streamlined invoicing and cost tracking for Plant 3A
- f. Issue late bill payment collections RFP and select vendor
- g. Update customer service policies consistent with SB 998 on late payments and customer shut-off noticing

7. ASSET MANAGEMENT

Management Strategy: Develop and implement a comprehensive Asset Management Program that will optimize the life-cycle management of the District's infrastructure and assets.

A comprehensive asset management strategy is critical for accurate capital improvement program planning and budgeting as well as ensuring an effective replacement/refurbishment program. Moulton Niguel developed an Asset Management Framework Plan to assist the District in implementing a comprehensive asset management program. The Plan identified many key areas necessary for a successful program, such as GIS development and integration, asset data collection and hierarchy, a robust Computerized Maintenance Management Program, data development and analytics, condition and criticality assessment programs, and key rehabilitation and replacement capital investments. The District has taken significant strides towards developing and/or implementing many of the identified programs and will continue to refine and implement programs to maximize the useful life of the District's infrastructure while maintaining a high level of service.

Completed:

- a. Asset Management Framework Plan
- b. Fleet Management Functional Needs Assessment
- c. Substantial completion of required GIS horizontal asset attribute data
- d. District-wide GIS Viewer/Mobile implementation and training
- e. GIS integration of various workflows such as: manhole condition assessments, collection system CCTV inspections, valve exercising, and water leakage
- f. Development of various programs such as: Valve Replacement and Maintenance, Reservoir Management Systems, Electrical Systems, Manhole, and Pipeline/Station Rehabilitation and Replacements
- g. Condition Assessment of the Central Intertie Pipeline
- h. Completed CCTV of Oso-Trabuco Sewer
- i. Completed Utilis satellite leak detection pilot study
- j. Refined prioritization plans for the replacement of pipelines and facilities
- k. Completed vertical asset attribute data pilot project
- l. Selected a new Computerized Maintenance Management System

Planned:

- a. Advance GIS attribute population and related workflows
- b. Refine and advance recently developed programs (e.g. Valve Replacement and Maintenance, Reservoir Management Systems, Electrical Systems, Manhole, and Pipeline/Station Rehabilitation and Replacements)
- c. Complete implementation of all recommendations from the District-wide Electrical System Assessment
- d. Complete assessments of Crown Valley and Southwestern Transmission Mains
- e. Continue execution of the Regional Lift Station Force Main Replacement Project
- f. Initiate execution of the Lower and Upper Salada Lift Station Force Main Replacement Projects
- g. Substantial implementation of Computerized Maintenance Management System

8. WATER RELIABILITY

Management Strategy: Plan, invest and execute programs and projects to implement Board policy on water reliability and develop water resource programs to meet projected future demands to sustain the economic health of the region.

The District has been proactive in its planning efforts to ensure water reliability. The Long-Range Water Reliability Plan provides an adaptive management approach to planning for reliability. It is a working document that needs to be updated given changed assumptions on water demands and changes to the status of some of the local supply projects. Staff has evaluated opportunities to expand recycled water, review needs and opportunities for additional seasonal storage and initiated a review of water banking program opportunities. These efforts are consistent with the early action items identified in the Long-Range Water Reliability Plan. As further regulations are developed by the State, staff will monitor the potential for indirect and direct potable reuse. Other local efforts such as ocean desalination, storm water capture, and expanding local emergency transfers are also being closely monitored to determine the District's involvement.

Completed:

- a. Participated in the 2018 MWDOC Orange County Reliability Study Update
- b. Increased days of system reliability to 24 from 1.5 over past 10 years through \$70 M infrastructure investment and comprehensive demand management strategies including rate structure refinement and water efficiency programs
- c. Completed the Recycled Water Master Plan
- d. Substantially completed the Recycled Water Optimization Study
- e. Substantially completed study of local wells for recycled water makeup use
- f. Added 32 new recycled water service connections over the last 2 years
- g. Piloted new partnership and engaged in an MOU with local cities, County of Orange and local non-governmental organizations to reduce urban runoff through data sharing and collaboration
 - i. Developed "Smart Watershed Project" to work through our MOU with cities, the County of Orange and neighboring agencies to minimize stormwater runoff towards aiding our mutual ratepayers by evaluating potential use of stranded wastewater assets and demand management strategies through data driven approaches.
- h. Initiated study of potential conversion of Sulfur Creek for seasonal recycled water storage and evaluation of potential IPR/ DPR project
- i. Initiated historic partnership with OCWD to study potential exchange program costs and infrastructure to meet District water reliability objectives
- j. Support of San Juan Basin Authority actions

Planned:

- a. Update 2008 Board Policy on Water Reliability Initiatives to include both system reliability in the event of an emergency and Board policy for drought supply reliability
- b. Update Long Range Water Reliability Plan as a component of an Integrated Resources Plan
- c. Evaluate potential pilot program to provide water storage with the Orange County Water District
- d. Complete the Recycled Water Optimization Study and commence implementation
- e. Complete a new MWD Local Resources Program application for expansion of the recycled water system
- f. Complete study of potential conversion of Sulfur Creek for seasonal recycled water storage and continue engagement with regulatory agencies to support a pathway to direct potable reuse for the District's remaining wastewater
- g. Implement the "Smart Watershed Project" through our MOU with cities, the County of Orange and neighboring agencies to minimize urban runoff and storm flows utilizing data-driven approaches to evaluate mutually beneficial demand management strategies and potential use of wastewater assets
- h. Finalize the Aliso Creek well evaluation
- i. Continue to monitor and review local water supply options, i.e. ocean desalination and storm water capture

9. GOVERNMENT AFFAIRS

Management Strategy: Expand the District's engagement and influence on local, county, state and federal issues associated with water, wastewater, and recycled water. Engage with relevant stakeholders, including elected officials and agency staff, to advance District priorities and projects.

The Board has identified the need to be informed and engaged in local, regional, state, and federal issues that impact our communities and the District's services. The District has recognized tremendous value in pursuing interagency partnerships and grant funding opportunities. In order to identify and pursue these opportunities, the District has expanded its representation by both staff and government affairs consultants. District representatives meet with policymakers and agency staff on a regular basis to establish and strengthen relationships, as well as discuss water and other issues of mutual interest. Staff will continue to evaluate opportunities to influence policy and funding at every level.

Completed:

- a. Engaged in familiarization visits with members of the California Legislature and Congress and their legislative staff
- b. Continued Grants Program, supported by staff and consultants, and have received a couple of grants (e.g., AMI funding, Smart Watershed Network) already
- c. Continued engagement at local civic groups and made presentations to several city council meetings, chambers of commerce events
- d. Continued industry leadership as members of the Board of Directors for ACWA, WateReuse, and the Southern California Water Coalition
- e. Responded to informational requests from OC LAFCO and City of San Juan Capistrano regarding their City of San Juan Capistrano's Focused Municipal Services Review
- f. Continued work with SOCWMA and the Integrated Regional Watershed Management Plan to identify partnerships and joint funding opportunities
- g. Renewed and/or secured membership in chambers of commerce in all of our member cities, and increased our participation

Planned:

- a. Regularly involve local, state, federal and other policy makers and their staff in District events and activities
- b. Arrange meetings with state and federal legislators and/or their staff to develop and maintain positive working relationships with them
- c. Continue to work with Board to evaluate matters related to the potential transfer of the City of San Juan Capistrano's water and wastewater utility
- d. Continue to work with Board and Orange County Water District on implementing a water storage pilot program
- e. Monitor, and engage, as needed in state and federal legislative discussions related to key issues that may directly impact the District (e.g., water tax proposals, WaterFix, water grant programs)
- f. Evaluate and advise the Board on opportunities to seek funding from regional, state, and federal agencies
- g. Develop and launch Member City Quarterly Leadership Luncheon program

10. OPERATIONS CENTER CONSOLIDATION

Management Strategy: Create a dynamic work environment to maximize productivity, efficiency and savings while providing added value to the stakeholders served by the District.

After extensive work to identify the appropriate site for the new Operations Center, we continue to move forward with our plans to construct improvements at the District-owned 2A site. Working with the board appointed ad-hoc, we are making progress and look to break ground this year. We continue to meet frequently with the City of Laguna Hills and the surrounding residents to ensure communication and coordination. This year, we anticipate obtaining final grading and building permits, award of construction contracts, and beginning construction.

Completed:

- a. Continued communication with surrounding residents, including regular meetings to provide project updates
- b. Continued communication with all customers
- c. Continued coordination with the City of Laguna Hills
- d. Worked closely with the architect to substantially complete the design
- e. Continued to maximize existing spaces to provide work stations for existing and new staff
- f. Obtained approval from the City of Laguna Hills for Conditional Use Permit, Site Development Permit, Variance, and Zone Text Amendment
- g. Adopted CEQA IS/MND document
- h. Completed pre-qualification of general contractors
- i. Contracted with design-build contractors for specialty designs
- j. Initiated search for temporary office space to support required project phasing
- k. Awarded construction contract for traffic signal at Gordon Road and Moulton Parkway
- l. Issued Request for Proposal for Construction Manager at Risk (CMAR) Services

Planned:

- a. Finalize construction documents
- b. Complete plan check process with the City of Laguna Hills and obtain grading and building permits.
- c. Move into temporary office space and communicate with customers to ensure business continuity

- d. Complete pre-construction services with CMAR Contractor
- e. Establish Guaranteed Maximum Construction Contract and Guaranteed Completion Date with CMAR for Board consideration
- f. Continue communications and meetings with surrounding residents, as well as customers, to provide project updates



moulton niguel water district

Water Loss Update

Strategic Planning 2019

February 19, 2019

Background

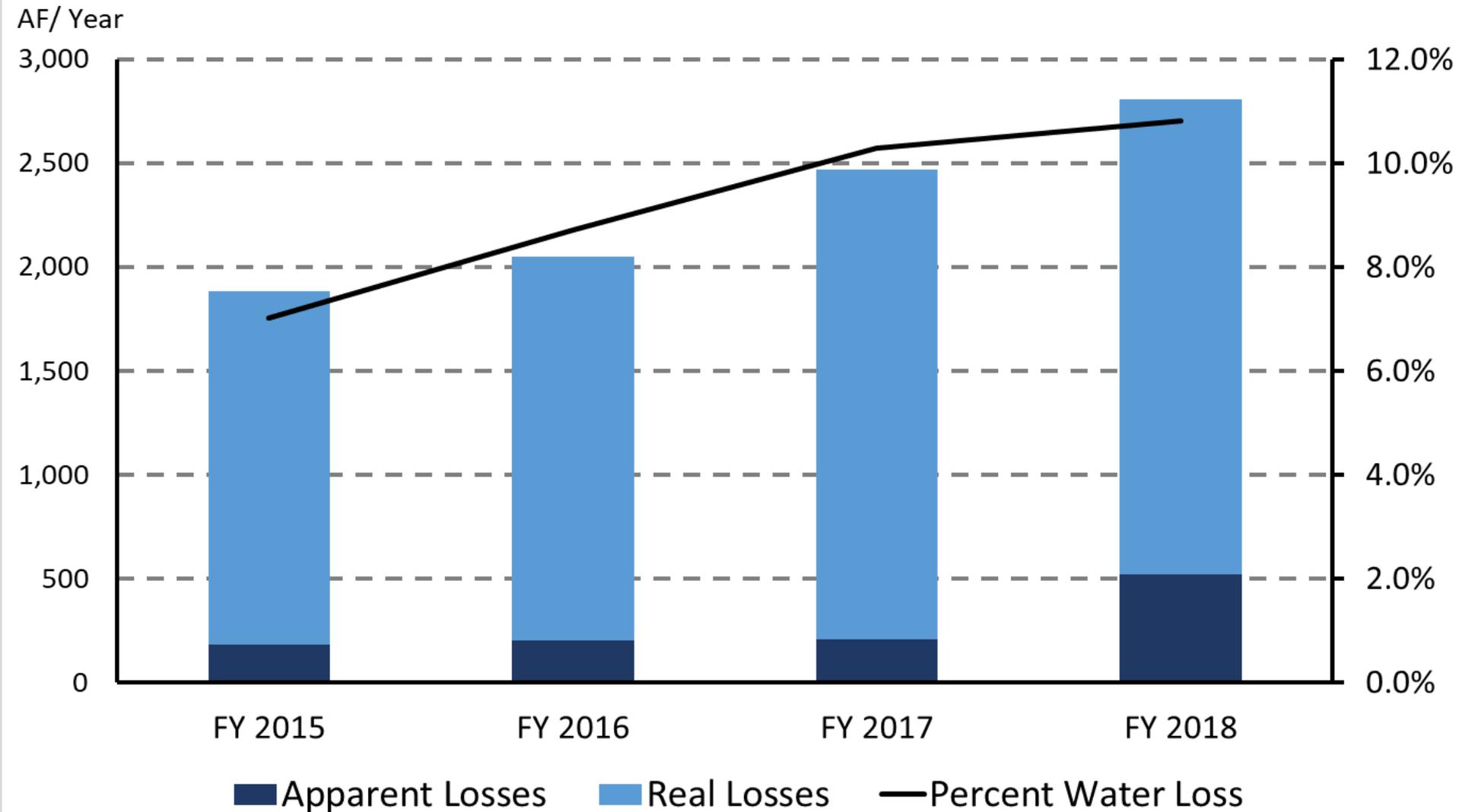
- Initiated Water Loss Audit Process in 2014
- Annually update water loss audit & report to State
- Initiated water loss control pilots
- SB 555 requires each water agency to report by Oct. 1 starting in 2017
- Regulatory Requirements Released Early 2019 & Adopted in July 2020



WATER BALANCE - FY2017/18

WATER SUPPLIED 25,958 AF (100 %)	AUTHORIZED CONSUMPTION 23,150 AF (89.2 %)	BILLED AUTHORIZED CONSUMPTION 23,122 AF (89.1 %)	REVENUE WATER 23,122 AF (89.1 %)
		UNBILLED AUTHORIZED CONSUMPTION 28 AF (0.1 %)	
	WATER LOSSES 2,808 AF (10.8 %)	APPARENT LOSSES 505 AF (1.9 %)	NON-REVENUE WATER 2,837 AF (10.9 %)
		REAL LOSSES 2,303 AF (8.9 %)	

Water Loss Trends



Work to Date

- AMI Phase 1 Deployed
- Pilot Discrete Metered Area
- Pilot Acoustic Leak Detection
- Pilot Satellite Leak Detection
- Pipe Replacement Planning (Included in 10-Year CIP)
- 2018 Component Analysis Update

Next Steps

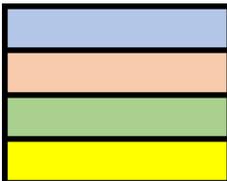
- Include Acoustic Leak Detection Full-Scale Program in FY 2019-20

Budget

- Evaluate Pressure Management Opportunities
- Continue Monitoring Water Loss
- Target Repair and Replacement Based on Programmatic Efforts



February	March	April	May	June	July	August	September	October	November	December
2017-18 Electrical System Improvements - PW Contract	Sanitary Sewer Management Plan	Upper Salada LS Generator Replacement Contract	PW & RW Main Replacement at I-5 and Oso Creek Contract	2018-19 Valve Replacements Contract	Regional Treatment Plant Southerly Influent Sewer Improvements Contract			Aliso Creek and Southwing LS Generator Replacements Contract	Saddleback PS Pump & Engine Replacement Contract	2018-19 Reservoir Management Systems Contract
Construction Manager at Risk Service Agmt for OCCI Project	On-Call Paving Contract	Regional LS Force Main Replacement IS/MND Adoption	Plant 3A Solids Handling Improvements Design	Recycled Water Rules and Regulations	Hazard Mitigation Plan Update				Secondary Feed to the 1050 Zone IS/MND Adoption	
	CMMS Implementation Contract	CIP Budget Workshop	Plant 3A Subsidence Mitigation Design	Regional LS Enhancements Contract						
			Balance of OCCI Project Contracts							
			OCCI Total Project Budget							
ERP Maintenance Contract	Smart Watershed Network Contract	WSCP Ordinance	Budget Workshop	FY 2019-20 Budget Approval	Laguna Sur Wastewater Rates	Water Reliability Study Contract		SB998 Customer Turn On/Off Policy Updates	CAFR	CAFR & PFC Statements & Tax Returns
			Smart Time Program Contract	Capitalization & Surplus Policy Update						New Money Issuance
				Purchasing Policy Update						
				GOB Tax Rates for FY 2019-20						
				Annual Gann Appropriations Limit for FY 2018-19						

LEGEND

ENGINEERING/OPS
FINANCE/PLANNING
IT
OCCI