



moulton niguel water district

**ADMINISTRATIVE COMMITTEE MEETING
MOULTON NIGUEL WATER DISTRICT
BOARD OF DIRECTORS**

26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo

June 9, 2021

9:00 AM

Approximate Meeting Time: 1 Hour

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, THERE WILL BE NO PUBLIC LOCATION FOR THE PUBLIC TO ATTEND THIS BOARD MEETING IN PERSON. MEMBERS OF THE PUBLIC MAY LISTEN AND PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE FOLLOWING NUMBER:

DIAL: 1-669-900-9128

MEETING ID: 942-941-7034#

PASSCODE: 26161#

1. CALL MEETING TO ORDER
2. APPROVE THE MINUTES OF THE MAY 12, 2021 ADMINISTRATIVE COMMITTEE MEETING
3. PUBLIC COMMENTS
As permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, the Board of Directors will receive all public comments, on items on or off the agenda, during the Public Comment portion of this meeting. Comments are limited to five minutes unless further time is granted by the Presiding Officer.

DISCUSSION ITEMS

4. Amendment No. 2 to Professional Services Agreement for Computerized Maintenance Management System Implementation Services
5. Annual Gann Appropriations Limit for Fiscal Year 2021-22
6. Selection of the Annual Lump Sum Prepayment Option for Unfunded Accrued Liability to CalPERS for Fiscal Year 2021-22

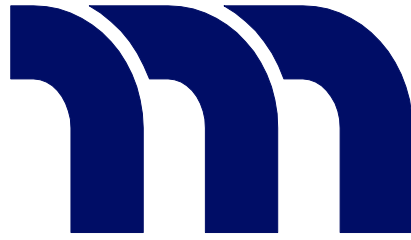
INFORMATION ITEMS

7. June Customer Communications Update

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, 26880 Aliso Viejo Parkway, Suite 150, Aliso Viejo ("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 ADMINISTRATIVE COMMITTEE MEETING MOULTON NIGUEL WATER DISTRICT BOARD OF DIRECTORS

May 12, 2021

A Regular Meeting of the Administrative Committee of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The meeting was called to order at 9:00 AM on May 12, 2021. There were present and participating at 26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo, CA:

DIRECTORS

Richard Fiore	Director/Chair
Diane Rifkin	Director
Sherry Wanninger	Director

Also present and participating were:

STAFF MEMBERS IN-PERSON

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Paige Gulck	Board Secretary

STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC TELEPHONICALLY

Rod Woods	Director of Engineering
Johnathan Cruz	Director of Financial Planning & Innovation
Gina Hillary	Director of Human Resources
Todd Novacek	Director of Operations
Jose Solorio	Government Affairs Officer
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Matt Brown	MNWD
Rhonda Himley	MNWD

Genevieve Ramirez MNWD
Melissa Salazar MNWD
Lindsey Stuvick MNWD

1. CALL MEETING TO ORDER

The meeting was called to order by Chairmen Fiore at 9:00 a.m. Chairman Fiore stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor's Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.

2. APPROVE THE MINUTES OF THE APRIL 7, 2021 ADMINISTRATIVE COMMITTEE MEETING

MOTION DULY MADE BY SHERRY WANNINGER AND SECONDED BY DIANE RIFKIN, ITEM 2 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS RICHARD FIORE, DIANE RIFKIN AND SHERRY WANNINGER, ALL VOTING 'AYE'.

3. PUBLIC COMMENTS

Chairman Fiore stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. Chairman Fiore then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.

DISCUSSION ITEMS

4. Fiscal Year 2021-22 Proposed Budget

Director Wanninger asked questions on the item. Discussion ensued regarding the Fiscal Year budget.

INFORMATION ITEMS

5. Customer Classification Explorer

Melissa Salazar presented the Customer Classification Explorer. Discussion ensued regarding the item.

6. May Customer Communications Update

Genevieve Ramirez provided the May Customer Communications Update.

ADJOURNMENT

The meeting was adjourned at 10:13 a.m.

Respectfully submitted,

Tim Bonita
Recording Secretary

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moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** June 7, 2021

FROM: Matthew Brown, Information Systems Officer

SUBJECT: Amendment No. 2 to Professional Services Agreement for
Computerized Maintenance Management System Implementation
Services

SUMMARY:

Issue: Board action is required to execute an amendment to the Professional Services Agreement for computerized maintenance management system (CMMS) implementation with Nexgen Asset Management (Nexgen).

Recommendation: It is recommended that the Board of Directors approve Amendment No. 2 with Nexgen for implementation services to extend the contract to May 30, 2022; authorize the General Manager or Assistant General Manager to execute the amendment.

Fiscal Impact: There is no change to the original contract amount. The implementation services Agreement for \$540,880 is funded from Project No. 2011.033 Asset Management Program/CMMS Implementation, which is budgeted in Fund 7, Rehabilitation and Replacement with a current project budget of \$1,041,979.

Reviewed by Legal: Yes

BACKGROUND:

As part of the District's commitment to serving its customers with reliable, economical, and high-quality potable water, recycled water, and wastewater service, the District has identified the need to implement a new CMMS to enhance the maintenance tracking of the District's infrastructure. The District's current CMMS, Tabware, has been used for nearly 20 years. The current software is no longer supported, is becoming incompatible with newer operating systems and software, and does not meet the growing needs of our operations and maintenance staff. Nexgen software provides a comprehensive solution that incorporates mobility for field staff, compatibility with existing systems,

capability to manage the District’s various operational needs, and many other functionalities.

In March of 2019, the Board approved a CMMS implementation services with Nexgen in the amount of \$540,880. The Board also approved a 10% contingency in the amount of \$54,080. In July of 2020, staff executed Amendment No. 1 extending the contract to June 30, 2021. While progress continues, the schedule of this project was significantly impacted by the pandemic. This amendment, which does not change the overall cost of the contract, is necessary to extend the contract date to meet the new schedule.

DISCUSSION:

Implementation of the software solution requires extensive communication and planning between the District’s various departments. The work involves creating and adopting new workflows, procedures, and reports, and training on the new software. Due to the pandemic, progress on the project slowed. Staff continued to reschedule work as necessary and proceeded with implementation to accommodate the updated schedule. This amendment will extend the contract to meet the new schedule.

The implementation approach is to introduce new portions of the software based on areas of function. In the Spring of 2021, the District went live on both the Fleet module and the Cross Connection module. Both efforts have already provided benefits in data management and data quality. The project is approximately 35% expended with \$350,000 left of the original \$540,880. The following depicts the future implementation schedule going forward and anticipated “go live” dates for various District workgroups:

September 2021	Facility Maintenance and Wastewater Treatment
December 2021	Underground Maintenance and Wastewater Collections
February 2022	Customer Service, Water Efficiency, Inspection
April 2022	Timekeeping

Attachments:

1. Exhibit A - Nexgen CMMS Implementation Services Agreement
2. Exhibit B - Nexgen CMMS Implementation Amendment No 1.
3. Exhibit C - Proposed Nexgen CMMS Implementation Amendment No. 2.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
MOULTON NIGUEL WATER DISTRICT AND
NEXGEN ASSET MANAGEMENT
MNWD PROJECT: COMPUTERIZED MAINTENANCE MANAGEMENT
SYSTEM (CMMS) IMPLEMENTATION
CONTRACT NO. 2011.033b**

This Agreement (the "Agreement") is made and entered into this 29th day of April, 2019 ("Effective Date") by and between the Moulton Niguel WATER DISTRICT ("MNWD") and Nexgen Asset Management, a corporation with its principal place of business at 4010 Lennane Drive, Sacramento, CA 95834 ("Consultant"). MNWD and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

SECTION I – PURPOSE

Consultant shall provide certain professional services required by MNWD on the terms and conditions set forth in this Agreement. Consultant represents that it has the qualifications, experience, licenses, and facilities necessary to properly perform CMMS implementation services in a competent and professional manner.

SECTION II – TERM

The term of this Agreement shall be from the Effective Date to **June 30, 2020**, unless earlier terminated as provided herein.

SECTION III – SCOPE OF SERVICES

Section 3.1. Scope of Services. The scope of services to be provided by Consultant is set forth on Exhibit "A" attached hereto and by this reference incorporated herein ("Services"). Consultant warrants that it will perform the Services as set forth herein in a competent, professional and satisfactory manner. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

Section 3.2. Schedule of Services. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines, including any schedule of services set forth in Exhibit "A."

Section 3.3. Permits, Licenses, Fees and Other Charges. Consultant shall, in accordance with applicable laws and ordinances, obtain at his/her/its expense all permits and licenses necessary to accomplish the Services. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

SECTION IV – COMPENSATION

Section 4.1. Payment for Services Rendered. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "B" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Five Hundred Forty Thousand Eight Hundred Eighty Dollars**

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(\$540,880) without written approval by MNWD. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

Section 4.2. Invoices. Consultant shall submit to MNWD a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. MNWD shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

- A. Payment shall not constitute acceptance of any work completed by Consultant.
- B. The making of final payment shall not constitute a waiver of any claims by MNWD for any reason whatsoever.

Section 4.3. Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by MNWD.

Section 4.4. Extra Work. At any time during the term of this Agreement, MNWD may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by MNWD to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization by MNWD.

SECTION V – REPRESENTATIVES OF THE PARTIES

Section 5.1. MNWD's Representative. MNWD hereby designates its Information Systems Officer, or his designee, to act as its representative for the performance of this Agreement ("MNWD's Representative"). Consultant shall not accept direction or orders from any person other than MNWD's Representative or his or her designee.

Section 5.2. Consultant's Representative. Consultant hereby designates Vincent Yee, or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

SECTION VI – RESPONSIBILITIES OF CONSULTANT

Section 6.1. Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. MNWD retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of MNWD and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this

Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

Section 6.2. Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from MNWD, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein.

Section 6.3. Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of MNWD.

Section 6.4. Substitution of Key Personnel. Consultant has represented to MNWD that certain key personnel will perform and coordinate the Services under this Agreement. The key personnel for performance of this Agreement are as follows: Vincent Yee, Joel Sullivan, Alan Zeisbrich, Gaja Naik, Sukhdeep Kaur, Gabby Mogannam. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of MNWD. In the event that MNWD and Consultant cannot agree as to the substitution of key personnel, MNWD shall be entitled to terminate this Agreement for cause. Furthermore, any personnel who fail or refuse to perform the Services in a manner acceptable to MNWD, or who are determined by MNWD to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services or a threat to the safety of persons or property, shall be promptly removed from performing Services by the Consultant at the request of MNWD.

Section 6.5. Coordination of Services. Consultant agrees to work closely with MNWD staff in the performance of Services and shall be available to MNWD's staff, consultants and other staff at all reasonable times.

Section 6.6. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold MNWD, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

SECTION VII – INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall immediately indemnify, defend, and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against MNWD or its directors, officials, officers, employees, volunteers and agents as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse MNWD for the cost of any settlement paid by MNWD or its directors, officials, officers, employees, agents or volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for MNWD's attorneys' fees and costs, including expert witness fees. Consultant shall reimburse MNWD and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by MNWD, its directors, officials, officers, employees, agents, or volunteers. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

SECTION VIII – INSURANCE

Section 8.1. Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to MNWD that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to MNWD that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for MNWD to terminate this Agreement for cause.

Section 8.2. Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

A. Commercial General Liability. Coverage for commercial general liability insurance shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001). Consultant shall maintain limits no less than \$1,000,000 per occurrence, or the full per occurrence limits of the policies available, whichever is greater, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit or product-completed operations aggregate limit is used, including but not limited to form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. The general liability

policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work using as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers using as broad a form as CG 20 01 04 13, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

B. Automobile Liability. Coverage shall be at least as broad as the latest version of the Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto). Consultant shall maintain limits no less than \$1,000,000 per accident for bodily injury and property damage. The automobile liability policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

C. Workers' Compensation and Employer's Liability Insurance. Consultant shall maintain Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance in an amount no less than \$1,000,000 per accident for bodily injury or disease. The insurer shall agree to waive all rights of subrogation against MNWD, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

D. Professional Liability. Consultant shall procure and maintain, and require its subconsultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall purchase a one-year extended reporting period: i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. Such insurance shall be in an amount not less than \$2,000,000 per claim.

E. Excess Liability (if necessary). The limits of Insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess coverage shall contain or be endorsed to contain a provision that such

coverage shall also apply on a primary and non-contributory basis for the benefit of MNWD (if agreed to in a written contract or agreement) before MNWD's own primary or self-insurance shall be called upon to protect it as a named insured. The policy shall be endorsed to state that MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured at least as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37. The coverage shall contain no special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 8.3. All Coverages. The Consultant is required by this Agreement to state that: (i) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to MNWD; If any of the required coverages expire or cancel during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to MNWD at least ten (10) days prior to the cancellation or expiration date; and (ii) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 8.4. Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 8.5. Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by MNWD. Consultant shall guarantee that, at the option of MNWD, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects MNWD, its directors, officials, officers, employees, agents, and volunteers; and insurer shall provide or be endorsed to provide that the deductibles or SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured or (ii) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

Section 8.6. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VII or equivalent, or as otherwise approved by MNWD.

Section 8.7. Verification of Coverage. Consultant shall furnish MNWD with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to MNWD. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by MNWD if requested. All certificates and endorsements must be received and approved by MNWD before work commences. MNWD reserves the right to require complete, certified copies of all required insurance policies, at any time. In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

Section 8.8. Reporting of Claims. Consultant shall report to MNWD, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

SECTION IX – TERMINATION

Section 9.1. Grounds for Termination. MNWD may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to MNWD, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

Section 9.2. Effect of Termination. If this Agreement is terminated as provided herein, MNWD may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

Section 9.3. Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, MNWD may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

SECTION X – OWNERSHIP OF MATERIALS AND CONFIDENTIALITY

Section 10.1. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for MNWD to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of MNWD, and shall not be used in whole or in substantial part by Consultant on other projects without MNWD's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to MNWD reproducible copies of all Documents & Data, in a form and amount required by MNWD. MNWD reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by MNWD at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to MNWD upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to MNWD any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to MNWD upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify MNWD and provide MNWD with the opportunity to obtain the documents.

Section 10.2. Subconsultants. Consultant shall require all subconsultants to agree in writing that MNWD is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design

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professionals other than Consultant or its subconsultants, or those provided to Consultant by MNWD.

Section 10.3. Right to Use. MNWD shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at MNWD's sole risk. If MNWD uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to MNWD upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

Section 10.4. Intellectual Property Indemnification. Consultant shall defend, indemnify and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by MNWD of the Documents & Data, including any method, process, product, or concept specified or depicted.

Section 10.5. Confidentiality. All Documents & Data, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant. All Documents & Data shall not, without the prior written consent of MNWD, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Documents & Data to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant that is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use MNWD's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of MNWD.

SECTION XI – ACCOUNTING, INSPECTION AND AUDIT

Section 11.1. Records. Consultant shall keep and shall preserve for four (4) years after final completion of the services, accurate and detailed records of all ledgers, books of account, invoices, vouchers, cancelled checks, and other documents or records evidencing or relating to the work, services and disbursements charged to MNWD under this Agreement (collectively, "Books and Records"). Any and all Books and Records must be maintained in accordance with generally accepted accounting principles and must be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant under this Agreement. During such four (4) year period, Consultant shall give MNWD and its agents, during normal business hours, access to such Books and Records. MNWD and its agents shall have the right to make copies of any of the said Books and Records.

Section 11.2. Custody. Where MNWD has reason to believe that any of the Books and Records required to be maintained by this Article may be lost or discarded due to dissolution or termination of Consultant's business, MNWD may, by written request, require that custody of such Books and Records be given to a person or entity mutually agreed upon and such Books and Records thereafter shall be maintained by such person or entity at Consultant's expense. Access to the Books and Records shall be granted to MNWD and its Representatives.

SECTION XII – GENERAL PROVISIONS

Section 12.1. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

MNWD:

Moulton Niguel Water District
26161 Gordon Rd.
Laguna Hills, CA 92653
Attn: Information Systems Officer

CONSULTANT:

Nexgen Asset Management
4010 Lennane Drive
Sacramento, CA 95834
Attn: Vincent Yee

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

Section 12.2. Subcontracting/Subconsulting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of MNWD. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

Section 12.3. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of MNWD's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

Section 12.4. Time of Essence. Time is of the essence for each and every provision of this Agreement.

Section 12.5. MNWD's Right to Employ Other Consultants. MNWD reserves right to employ other consultants in connection with this Project.

Section 12.6. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

Section 12.7. Assignment or Transfer. Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of MNWD. Any attempt to do so shall be null and void, and any assignees, hypothecates

or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

Section 12.8. Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to MNWD include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

Section 12.9. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section 12.10. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

Section 12.11. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

Section 12.12. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

Section 12.13. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with MNWD's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, MNWD shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of MNWD, during the term of his or her service with MNWD, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

Section 12.14. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

Section 12.15. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

Section 12.16. Government Code Claim Compliance. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work,

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disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against MNWD. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against MNWD.

Section 12.17. Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all other costs of such action.

Section 12.18. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

Section 12.19. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

Section 12.20. Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a written amendment signed by both parties.

MOULTON NIGUEL WATER DISTRICT:

By: *Matt Collings*

Printed Name: *MAT COLLINGS*

Title: *ASSISTANT GENERAL MANAGER*

Dated: *5/28/19*

Nexgen Asset Management:

By: *Vincent Yeg*
(Authorized Representative of Consultant)

Printed Name: *VINCENT YEG*

Title: *PRESIDENT*

Dated: *4/25/19*

EXHIBIT A
Scope of Work

Implementation Scope of Work

Task 1. Project Management	
<i>Objectives</i>	The purpose of this task is to manage the project within schedule, budget and delivery.
<i>Activities</i>	<ol style="list-style-type: none"> 1) NEXGEN's project delivery approach will plan, schedule, and deliver a benchmark project on schedule and within budget. 2) Weekly communication with project team to track project delivery.
<i>Deliverables</i>	<ul style="list-style-type: none"> <input type="checkbox"/> Project delivered within budget and schedule. <input type="checkbox"/> Meeting agendas and minutes
Task 2. Implementation Strategy	
<i>Objectives</i>	The purposes of this task are to develop an implementation strategy that fits the District's user requirements and business processes.
<i>Activities</i>	<ol style="list-style-type: none"> 1) We will meet with users (specific to AM functionalities) to identify functional requirements of AM, based on their user needs. Desired functionalities of AM will drive the configurations. 2) Document the District's AM functional requirements & acquire validation from staff. 3) Work with District staff to identify the business processes that are required to support the functional requirements. 4) Review existing data and develop a data conversion plan. 5) Develop an implementation strategy that is accepted by the District.
<i>Deliverables</i>	<input type="checkbox"/> Technical memorandum summarizing the implementation strategy that includes the approach, user requirements and mapped business processes.
Task 3. Hardware Recommendations	
<i>Objectives</i>	The purpose of this task is to identify hardware recommendations to support the asset management industry best practices that includes computers and mobile devices.
<i>Activities</i>	<ol style="list-style-type: none"> 1) We will provide minimum computer specifications for users on the desktop web version. 2) Based on the District's implementation strategies, we will recommend mobile technologies for field users that include tablets and phones. NEXGEN has tablet and phone applications for both IOS and Android operating systems. 3) Develop a technical memorandum of the hardware recommendations.
<i>Deliverables</i>	<input type="checkbox"/> Technical memorandum summarizing the hardware recommendations.
Task 4. System Configuration	
<i>Objectives</i>	The purposes of this task are to configure the NEXGEN AM to support District's user needs, functional requirements and asset management best practices.
<i>Activities</i>	<ol style="list-style-type: none"> 1) We will configure the NEXGEN AM to support the user requirements and business processes. 2) We will create users, user groups, security rights and notifications based on the business process workflows and requirements. Develop departments and divisions that optimizes the workflows. We have assumed that the District will provide list of users, user groups and notification workflows for configuration.

	<ol style="list-style-type: none"> 3) We will configure all the service requests and work order pull down menus that include service request types, work order tasks, cause and resolution. Configure cascade of service request types and work order tasks to departments and divisions. 4) Configure the District's preventive maintenance programs based on the District's current preventive maintenance with assets, schedules, frequencies, checklists (standard operating/maintenance procedures). It is assumed that the District will provide the preventive maintenance configurations in a spreadsheet with associated checklists. 5) Setup notifications for District's work flows and business processes. Set up notifications content for alerts, emails and text messages. 6) Develop up to 5 custom reports for the District. We have assumed the formats of these reports may be slightly different than the original hardcopies.
<i>Deliverables</i>	<input type="checkbox"/> Optimized system configurations and custom reports.
Task 5. Data Migration	
<i>Objectives</i>	The purpose of this task is to migrate District's existing legacy CMMS asset inventory and work order histories into NEXGEN AM.
<i>Activities</i>	<ol style="list-style-type: none"> 1) Work with the District to identify asset inventory from the District's existing CMMS to be migrated into NEXGEN. The District may need to allocate some time to "clean up" any asset inventory data prior to migration. We have assumed that the District will provide the complete set of asset inventory with unique asset numbers and attributes to be migrated into NEXGEN. 2) Work with the District to review historical work orders and map out the fields to be migrated into NEXGEN. The District may need to allocate some time to "clean up" any work order tasks, causes and resolutions prior to migration. 3) District to review and test the data migration. NEXGEN to modify any necessary changes from testing results. 4) District to sign off approving the completion of the data migrations.
<i>Deliverables</i>	<input type="checkbox"/> Asset inventory and historical work orders migrated into NEXGEN.
Task 6. Integration	
<i>Objectives</i>	The purposes of this task are to integrate NEXGEN AM with District's ESRI ArcGIS, Gasboy, Granite CCTV, Digaalert, JD Edwards and Inframap.
<i>Activities</i>	<ol style="list-style-type: none"> 1) NEXGEN is seamlessly integrated with the District's ESRI ArcGIS (GIS). We will map the layers and attributes in the GIS with NEXGEN's asset hierarchy locations and classes so updates with the GIS will automatically will reflect in the NEXGEN AM software. 2) NEXGEN will be integrated with the District's fuel management system Gasboy to push fuel consumption and mileage associated to vehicles. These information will be put into the meter readings of the respective vehicles. We have assumed that the District's mileage entries are correct for integration. 3) NEXGEN has a built in integration with GraniteNet CCTV to import the CCTV records into NEXGEN's condition assessment module. Uploads from the CCTV will automatically create a condition assessment record for each asset. We have assumed that the District's CCTV will use the same asset numbers as in the District GIS and all PACP ratings and videos are captured in GraniteNet CCTV. We have assumed that the District's CCTV assessment will have PACP ratings from GraniteNet and will have associated asset numbers corresponding to the GIS asset numbers.

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	<p>4) NEXGEN will be integrated with Digalet where underground service alert requests in digalert will automatically generate a service requests in NEXGEN for District staff. Completed digalert requests will be updated into Digalet.</p> <p>5) We will integrate with the District's JDE Financial System with NEXGEN. We have assumed that JDE will provide the integration API for these integration requirements. We have also assumed that the District will coordinate with JDE to acquire the integration API at the District's expense.</p> <p>a) Two way integration where service request created in JDE will automatically generate a service request in NEXGEN. If the service request has been converted to a work order or any changes in the service request status, the information will be updated back in JDE. We have assumed that the District will provide API or data for the JDE.</p> <p>b) Two way integration between JDE to NEXGEN on the warehouse inventory (inventory, counts, and costs). Users in NEXGEN will use the inventory in work orders and at the end of the day, will send the updated warehouse inventory (inventory, counts, and costs) back into JDE. All warehouse inventory management workflow process will continue to be managed in JDE. We have assumed that the District will provide API or data for the JDE.</p> <p>c) One way integration from NEXGEN to JDE for timesheets that are created in NEXGEN will be pushed over into JDE's payroll module. Employee times collected in work orders or service requests will be captured in NEXGEN's timesheet module.</p> <p>6) NEXGEN will integrate with the District's Inframap valve exercise program where work orders can be created from Inframap to generate a correct work order in NEXGEN. We have assumed that Inframap will provide a feature in their software interface that allows users to generate a NEXGEN work order.</p>
<i>Deliverables</i>	<input checked="" type="checkbox"/> NEXGEN AM integrated with District's ESRI ArcGIS, Gasboy, Granite CCTV, Digalet, JD Edwards and Inframap.
Task 7. System Testing	
<i>Objectives</i>	The purposes of this task are to test the system, resolve issues and optimize configurations.
<i>Activities</i>	<p>1) Provide a limited District staff a system testing plan of the desktop and mobile software.</p> <p>2) Concerted effort of the District and NEXGEN staff to stress test the system during a 2 week testing period.</p> <p>3) Provide support to resolve any issues or questions during the 2 week testing period.</p> <p>4) Modify any configurations necessary to optimize work flows.</p> <p>5) District to sign off on the system testing upon acceptance.</p>
<i>Deliverables</i>	<input checked="" type="checkbox"/> System tested and accepted.
Task 8. User Acceptance Testing	
<i>Objectives</i>	The purposes of this tasks are for the user acceptance testing, resolve issues and optimize configurations.
<i>Activities</i>	<p>1) Provide District staff a testing plan of the desktop and mobile software. Remote web training on the testing plan and process.</p> <p>2) District staff field testing the system during a 2 week testing period.</p> <p>3) Provide support to resolve any issues or questions during the 2 week testing period.</p> <p>4) Modify any configurations necessary to optimize work flows.</p> <p>5) District to sign off on the user acceptance testing.</p>
<i>Deliverables</i>	<input checked="" type="checkbox"/> User acceptance tested and accepted.

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Task 9. Reporting	
<i>Objectives</i>	The purposes of this task are to develop custom reports, GIS queries and dashboard configurations.
<i>Activities</i>	<ol style="list-style-type: none"> 1) NEXGEN comes with stock reports, ad hoc and scheduled (push reports) reporting capabilities. We will train District staff on developing ad hoc reports. We will work with District staff to schedule reports where it will automatically email reports to individuals based on a specific routine schedule. 2) We will develop up to 5 custom reports. 3) We will work with District staff to develop or configure GIS queries for map reports.
<i>Deliverables</i>	<input type="checkbox"/> 60 hours of custom report development, GIS queries and dashboard configurations
Task 10. Training	
<i>Objectives</i>	The purpose of this task is to provide pre deployment training.
<i>Activities</i>	<ol style="list-style-type: none"> 1) Develop training plans for power users, field personnel, adjunct users and system administrators. 2) 40 hours of onsite training for power users 3) 32 hours of onsite training for field personnel. 4) 16 hours of onsite training for adjunct users. 5) 16 hours of onsite training for system administrators
<i>Deliverables</i>	<input type="checkbox"/> Training plans for each group. <input type="checkbox"/> 104 hours of onsite training.
Task 11. Go Live Support	
<i>Objectives</i>	The purposes of this task are to provide pre deployment training and provide post deployment support.
<i>Activities</i>	<ol style="list-style-type: none"> 1) Weekly web conference call "office hours" after deployment to provide users opportunities to ask questions, acquire additional training and support. 2) Post deployment on-site training to provide additional training and transition to support.
<i>Deliverables</i>	<input type="checkbox"/> 8 weekly 2 hour web conference after deployment to provide additional training. <input type="checkbox"/> 1 – 2 day (16 hr.) on-site training post deployment to be scheduled after 2 months of deployment.
Task 12. Follow Up Support	
<i>Objectives</i>	The purposes of this task are to provide post go live support for additional configurations, report development and other requests after going live.
<i>Activities</i>	1) Provide 6 months of post go-live support not to exceed 120 hours.
<i>Deliverables</i>	<input type="checkbox"/> Up to 120 hours of post go-live support

EXHIBIT B

Fee Schedule

Implementation Services Costs

The implementation services cost is \$540,880.

Task Name	PM	Sr. MT	MT2	MT1	Labor (hr)	Labor (\$)	Expense	Total Cost
1. Project Management	180	40			220	\$ 56,400	\$ 10,640	\$ 67,040
2. Implementation Strategy	40	40			80	\$ 20,000	\$ 4,000	\$ 24,000
3. Hardware Recommendations	16	16	10		42	\$ 10,200	\$ 1,020	\$ 11,220
4. System Configuration	20	80	80	100	280	\$ 62,000	\$ 6,200	\$ 68,200
5. Data Migration	20	80	80	100	280	\$ 62,000	\$ 6,200	\$ 68,200
6. Integration	40	160	100		300	\$ 70,800	\$ 9,080	\$ 79,880
7. System Testing	20	40	20		80	\$ 19,200	\$ 3,920	\$ 23,120
8. User Acceptance Testing	20	40	20	20	100	\$ 23,200	\$ 4,320	\$ 27,520
9. Reporting	20	40	40	80	180	\$ 39,600	\$ 3,960	\$ 43,560
10. Training	20	120	120	40	300	\$ 68,400	\$ 8,840	\$ 77,240
11. Go Live Support	40	20			60	\$ 15,200	\$ 4,020	\$ 19,220
12. Follow Up Support	20	80	20		120	\$ 28,800	\$ 2,880	\$ 31,680
Total =	456	756	490	340	2,042	\$ 475,800	\$ 65,080	\$ 540,880

Billing Rate Schedule

Labor Category	Rate (per hour)	Team Members in this Labor Category
Project Manager	\$260.00	Vincent Yee, Joel Sullivan
Senior Management Technologist	\$240.00	Gaja Naik, Alan Zeisbrich, Sukhdeep Kaur
Management Technologist 2	\$220.00	Nishant Sinha, Rajshree Shenai
Management Technologist 1	\$200.00	Gabby Mogannam, Soumya Januu

**AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN MOULTON NIGUEL WATER DISTRICT AND
NEXTGEN ASSET MANAGEMENT
MNWD PROJECT: COMPUTERIZED MAINTENANCE MANAGEMENT
SYSTEM (CMMS) IMPLEMENTATION
CONTRACT NO. 2011.033b**

This Amendment No. 1 (this "Amendment") is entered into and effective as of July 1, 2020, amending the Professional Services Agreement dated April 29, 2019 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and Nexgen Asset Management ("Consultant") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

RECITALS

A. WHEREAS, on April 29, 2019, the Parties entered into the Agreement for professional services through June 30, 2020 for a total not-to-exceed amount of \$540,880; and

B. WHEREAS, the Parties desire to extend Agreement term until June 30, 2021.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Consultant agree as follows:

1. The term of the Agreement is hereby extended through June 30, 2021.
2. The Services to be provided by Consultant shall be revised to include the Services set forth in Exhibit "A" attached hereto and incorporated by this reference.
3. The Parties agree that the total Agreement amount, including this Amendment, shall remain the same and shall not exceed \$540,880.
4. All requisite insurance policies to be maintained by the Consultant pursuant to the Agreement will include coverage for this Amendment.
5. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.
6. The individuals executing this Amendment and the instruments referenced in it on behalf of the Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

-Signatures on following page-

MOULTON NIGUEL WATER DISTRICT:

By: DocuSigned by:
Matt Collings
386397D8EC41493...

Printed Name: Matt Collings

Title: Assistant General Manager

Dated: 06/11/2020

NEXGEN ASSET MANAGEMENT:

By: 
(Authorized Representative of
Consultant)

Printed Name: VINCENT YEE

Title: PRESIDENT

Dated: 6/10/20

**AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN MOULTON NIGUEL WATER DISTRICT AND
NEXTGEN ASSET MANAGEMENT
MNWD PROJECT: COMPUTERIZED MAINTENANCE MANAGEMENT
SYSTEM (CMMS) IMPLEMENTATION
CONTRACT NO. 2011.033b**

This Amendment No. 2 (this "Amendment") is entered into and effective as of July 1, 2021, amending the Professional Services Agreement dated April 29, 2019 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and Nexgen Asset Management ("Consultant") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

RECITALS

A. WHEREAS, on April 29, 2019, the Parties entered into the Agreement for professional services through June 30, 2020 for a total not-to-exceed amount of \$540,880; and

B. WHEREAS, on June 11, 2020, the Parties executed Amendment No. 1 to the Agreement extending the term through May 30, 2021; and

C. WHEREAS, the Parties desire to extend Agreement term until June 30, 2022.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Consultant agree as follows:

1. The term of the Agreement is hereby extended through May 30, 2022.
2. The Parties agree that the total Agreement amount, including this Amendment, shall remain the same and shall not exceed \$540,880.
3. All requisite insurance policies to be maintained by the Consultant pursuant to the Agreement will include coverage for this Amendment.
4. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.
5. The individuals executing this Amendment and the instruments referenced in it on behalf of the Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

-Signatures on following page-

MOULTON NIGUEL WATER DISTRICT:

By: _____

Printed Name: _____

Title: _____

Dated: _____

NEXGEN ASSET MANAGEMENT:

By: _____
(Authorized Representative of
Consultant)

Printed Name: _____

Title: _____

Dated: _____



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** June 9, 2021
FROM: Trevor Agrelus, Controller
SUBJECT: Annual Gann Appropriations Limit for Fiscal Year 2021-22

SUMMARY:

Issue: Board approval is required for the Fiscal Year 2021-22 Gann Appropriations Limit.

Recommendation: It is recommended that the Board of Directors approve the resolution entitled “Approving Appropriations Limit for Fiscal Year 2021-22 and Finding Compliance with Article XIII B of the Constitution of the State of California.”

Fiscal Impact: None

Reviewed by Legal: Yes

BACKGROUND:

In November of 1979, the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative” or “Gann Limit”. The Proposition created Article XIII B of the State Constitution, placing limits on the amount of tax revenue which can be received and allocated within a given year by public agencies, including many Special Districts. Section 7900 of the Government Code specifies the process for calculating state and local government appropriation limits and appropriations subject to limitation under Article XIII B of the Constitution. These constitutional and statutory sections explain and define the appropriations limit and appropriations subject to limitation as they apply to state and local government; and require that each entity of government formally “adopt” its Appropriations Limit for a given fiscal year.

DISCUSSION:

Fiscal Year 1978-79 appropriations serve as the base for this limit, with adjustments being made annually to reflect increase in population and the cost of living. Only property tax proceeds are subject to the limit. Charges for services, regulatory fees, grants, loans, donations and other non-tax proceeds are not subject to the limit. Each year the Board of Directors must adopt by Resolution the District's Appropriations Limit for the following year. For Fiscal Year 2021-22 the Appropriations Limit is calculated to be \$9,326,830. Additionally, per Section 1.5 of Article XIII B of the California Constitution, the appropriations limit calculation must be reviewed as part of the annual financial audit. The District's auditors review this calculation and provide an agreed upon procedures report summarizing the results.

The appropriations limit only applies to the application of property tax revenue to the District's operation and maintenance expenses. The District primarily utilizes property tax revenues to fund the capital improvement program which isn't subject to the same limitations.

Attachments:

1. Resolution Approving Appropriations Limit for Fiscal Year 2021-22 and Finding Compliance With Article XIII B of the Constitution of the State of California
2. Computation of the Appropriation Limit for Fiscal Year 2021-22

RESOLUTION NO. 21-_____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MOULTON NIGUEL WATER DISTRICT
APPROVING ITS APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021-22 AND
FINDING COMPLIANCE WITH ARTICLE XIII B OF THE CONSTITUTION
OF THE STATE OF CALIFORNIA**

WHEREAS, the Board of Directors of the Moulton Niguel Water District (MNWD) has reviewed the financial affairs of MNWD and has reviewed the proposed Budget for the Fiscal Year 2021-22; and

WHEREAS, the Board of Directors desires to establish an Appropriations Limit for Fiscal Year 2021-22 for the purpose of complying with Article XIII B of the Constitution of the State of California. Said calculations have been posted at MNWD's offices and made available to the public at least 15 days prior to the adoption of this Resolution; and

WHEREAS, the Board of Directors desires at this time to approve its Budget for the Fiscal Year 2021-22, as well as its Appropriations Limit for said Fiscal Year 2021-22;

NOW, THEREFORE, the Board of Directors of MNWD does RESOLVE, DETERMINE, and ORDER as follows:

Section 1. That an Appropriations Limit of **\$9,326,830** be and the same hereby is established as the limit to which funds derived from proceeds of taxes may be appropriated during the Fiscal Year 2021-22.

Section 2. That the Budget for the Fiscal Year 2021-22 be and the same hereby is approved by this Board of Directors which Budget is on file with the Treasurer of MNWD and is by this reference incorporated herein.

Section 3. That the Treasurer of MNWD be and the same is hereby authorized to file copies of said Budget with such other public agencies as may be necessary. Pursuant to Government Code Section 7910, any judicial action or proceeding to attach, review, set aside, void, or annul the establishment of the appropriations limit as set forth herein must be commenced within 45 days of the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 10th day of June, 2021.

MOULTON NIGUEL WATER DISTRICT

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

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

MOULTON NIGUEL WATER DISTRICT
Permitted Growth Rate in Appropriations for 2021-22

Appropriations Limitation adopted 2020-21 \$8,896,093

Increase In CA Per Capita Personal Income

$$\frac{5.73 + 100.00}{100} = 1.0573$$

Increase In Population
Orange County

$$\frac{-.84 + 100.00}{100} = 0.9916$$

Change Ratio 1.0573 x 0.9916 1.0484

Appropriations Limitation for 2021-22 \$9,326,830



moulton niguel water district

STAFF REPORT

TO: Board of Directors **MEETING DATE:** June 9, 2021
FROM: Gina Hillary, Director of Human Resources
SUBJECT: Selection of the Annual Lump Sum Prepayment Option for
Unfunded Accrued Liability to CalPERS for Fiscal Year 2021-22

SUMMARY:

Issue: The District is required to remit employer contributions to the California Public Employees Retirement System (CalPERS).

Recommendation: It is recommended that the Board of Directors elect the annual lump sum prepayment option to pay for the unfunded accrued liability to CalPERS for Fiscal Year (FY) 2021-22.

Fiscal Impact: Should the District exercise this option, there would be a savings of \$61,539.04 for FY 2021-22.

Reviewed by Legal: Yes

BACKGROUND:

CalPERS conducts an annual actuarial valuation of our retirement plan to determine required employer contributions. Beginning with FY 2015-16, CalPERS changed the billing process for collecting employer contributions. The normal cost portion of employer contributions must be paid as a percentage of payroll. The unfunded accrued liability portion may be paid as an annual lump sum pre-payment or as a monthly dollar amount. The District has paid the unfunded accrued liability portion of its contribution obligation as a lump sum prepayment since this option was made available.

Selection of the Annual Lump Sum Prepayment Option for Unfunded Accrued Liability to CalPERS for Fiscal Year 2021-22

June 9, 2021

Page 2 of 2

DISCUSSION:

The FY 2021-22 required employer contribution determined by the CalPERS actuarial valuation is \$1,788,506. CalPERS offers two options for employers to pay the unfunded accrued liability:

Option 1: Lump sum pre-payment of \$1,788,506

Option 2: Monthly payments of \$154,170.42 (total for 12 months = \$1,850,045.04)

If the District elects Option 1, the lump sum pre-payment must be received in full by CalPERS on or before July 31, 2021 and would save the District \$61,539.04. Staff is recommending the Board approve the annual lump sum prepayment option to pay for the unfunded accrued liability to CalPERS for Fiscal Year (FY) 2021-22.



moulton niguel water district

June Customer Communications Update

Administrative Committee Meeting
June 9, 2021

June Marketing

June Focus Areas:

- Water Quality Report
- Recap of Virtual Community Forum
- Summer Saving Tips & Resources

Ongoing Marketing:

- Smart Timer Program
- Virtual Landscape Workshops



Water Quality Report: Moulton Niguel Delivering Safe, Clean and Reliable Water



Safe, clean and reliable – that’s the assessment of Moulton Niguel Water District’s water service, according to a new water quality and safety report.

Every year, water providers throughout California are required to publish a report with water quality findings. This Consumer Confidence Report uses drinking water quality standards set by the United States Environmental Protection Agency and the California State Water Resources Control Board.

As in past years, Moulton Niguel outperformed every state and federal public health standard for water quality throughout last year, according to the 2020 Consumer Confidence Report.

Moulton Niguel Water District is committed to testing, protecting, and delivering high-quality water to every home, school and business in our service area. We ensure safe and reliable water service by reinvesting millions of dollars in ratepayer funds back into our water infrastructure system.

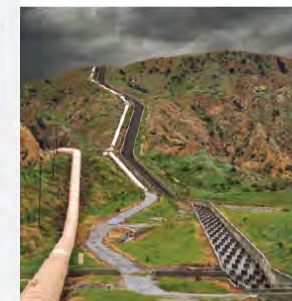


Moulton Niguel Hosts Second Virtual Community Forum

Thank you to everyone who joined our second virtual Community Forum in May! We welcomed customers and community members to take a deep dive into the following topics:

- ◆ A tour of our water’s journey from the mountains in Colorado and the High Sierras to our customers’ taps
- ◆ How our water is treated regionally and locally so it is safe to drink
- ◆ How we plan for the future to ensure water reliability and sustainability

In case you missed it, you can watch the recording of the virtual Community Forum and learn more about our water supply by visiting mnwd.com/watersupply!



June Bill Snipe (Envelope)

Front



Flap on the Back





Back Below the Flap



June Bill Message

Bill Message Located Here

Account Information	
ACCOUNT NUMBER:	BILLING DATE:
CUSTOMER NAME:	
SERVICE ADDRESS:	
PREVIOUS CHARGES	
Amount of prior balance	\$
Payment Received 07/10/18	\$
Balance Forward	\$ 0.00
CURRENT CHARGES	
Classification Code - Water Residential	
Basic Water Charge	\$ 11.22
Water Usage Charge in Billing Units (BU)	
Tier 1	6 BU @ 1.69 10 14
Tier 2	5 BU @ 1.94 9 70
Tier 3	0 BU @ 3.32 0 00
Tier 4	0 BU @ 5.12 0 00
Tier 5	0 BU @ 9.59 0 00
Total Water Charges	11 BU \$ 31.06
Basic Wastewater Charge	14.36
Variable Wastewater Charges	
* 3 HP @ 4.31	12.93
Total Wastewater Charges	\$ 27.29
Total Current Charges \$ 58.35	
Total Amount Due By 08/09/18 \$ 58.35	
Water Meter Information	
Current Read Date 07/23/18	Prior Read Date 06/25/18
# Days This Year 28	# Days Prior Year 28
Current Usage 11	Prior Year Usage 14
Current Read 1961	Prior Read 1950
Meter Number 60694232	Meter Size 3/4"
PLEASE RETURN BOTTOM PORTION WITH YOUR PAYMENT	
 P.O. Box 30204 Laguna Niguel, CA 92607-0204 [1/1]	
PLEASE MAKE YOUR CHECK PAYABLE TO: MOULTON NIGUEL WATER	



moulton niguel
water district
Customer Service (949) 831-2500
Account Inquiries (949) 448-4050

Special Message

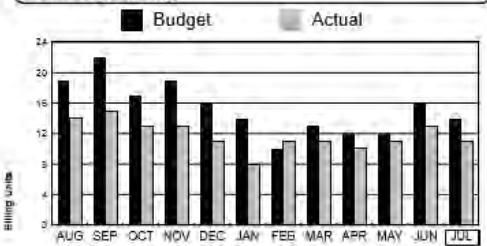
Moulton Niguel Water Remains Safe & Clean

Every year, Moulton Niguel Water District conducts approximately 12,000 water quality tests and continues to outperform every state and federal water quality standard. Review our 2020 Water Quality and Consumer Confidence Report online at mnwd.com/CCR.

To request a paper copy, please contact us at (949) 831-2500 or customerservice@mnwd.com to arrange for mailed delivery.

Your water budget for 06/25/18 - 07/23/18 = 14 BU
 Your current billed usage: 11
 Persons in household *(HP)= 3 ET Total = 5.54
 Estimated landscape irrigation area = 2,426 sq feet

Your Usage History



1 BU = 100 CUBIC FEET OF WATER OR 748 GALLONS

Amount Due

ACCOUNT NUMBER 18
 DUE DATE: 08/09/18
 TOTAL AMOUNT DUE: \$ 58.35

Amount Enclosed

38

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June Bill Insert

Front



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Back



Dive Into Water Savings This Summer

As temperatures rise in the summer, so does outdoor water use. Moulton Niguel has water saving tips and resources to help you save water and money this summer! Remember it’s not about using less; it’s about wasting less.

Water Saving Tips:

- **Water Wisely** – Water your lawn and garden in the morning (before 9am) or evening (after 5pm) when temperatures are cooler, to minimize evaporation.
- **Adjust Your Sprinklers** – Water your lawn and not the house, sidewalk, or street.
- **Check Absorption** – If water runs off your lawn easily, split your watering time into shorter periods to allow for better absorption.
- **Inspect Your Overall Irrigation System Once A Month** – Check for leaks, broken lines or blockage in the lines.
- **Plan A California Native Landscape For Fall** – Let your lawn go dormant in the summer and replace it with a beautiful and sustainable landscape in the fall!

Water Saving Resources:



Virtual Home Savings Surveys:

Reduce your water bill by scheduling a Virtual Home Savings Survey. Our water experts will conduct a virtual walk-through of your home to help you check for leaks and share ways you can save water.

More information:
mnwd.com/homesavingsurvey



Virtual Landscape Workshops:

Join a virtual landscape workshop to learn how you can transform your lawn into a beautiful California native garden that is sustainable to our orange county climate!

For a full list of dates, visit mnwd.com/landscapeclasses



Weather Based Smart Timer Rebate:

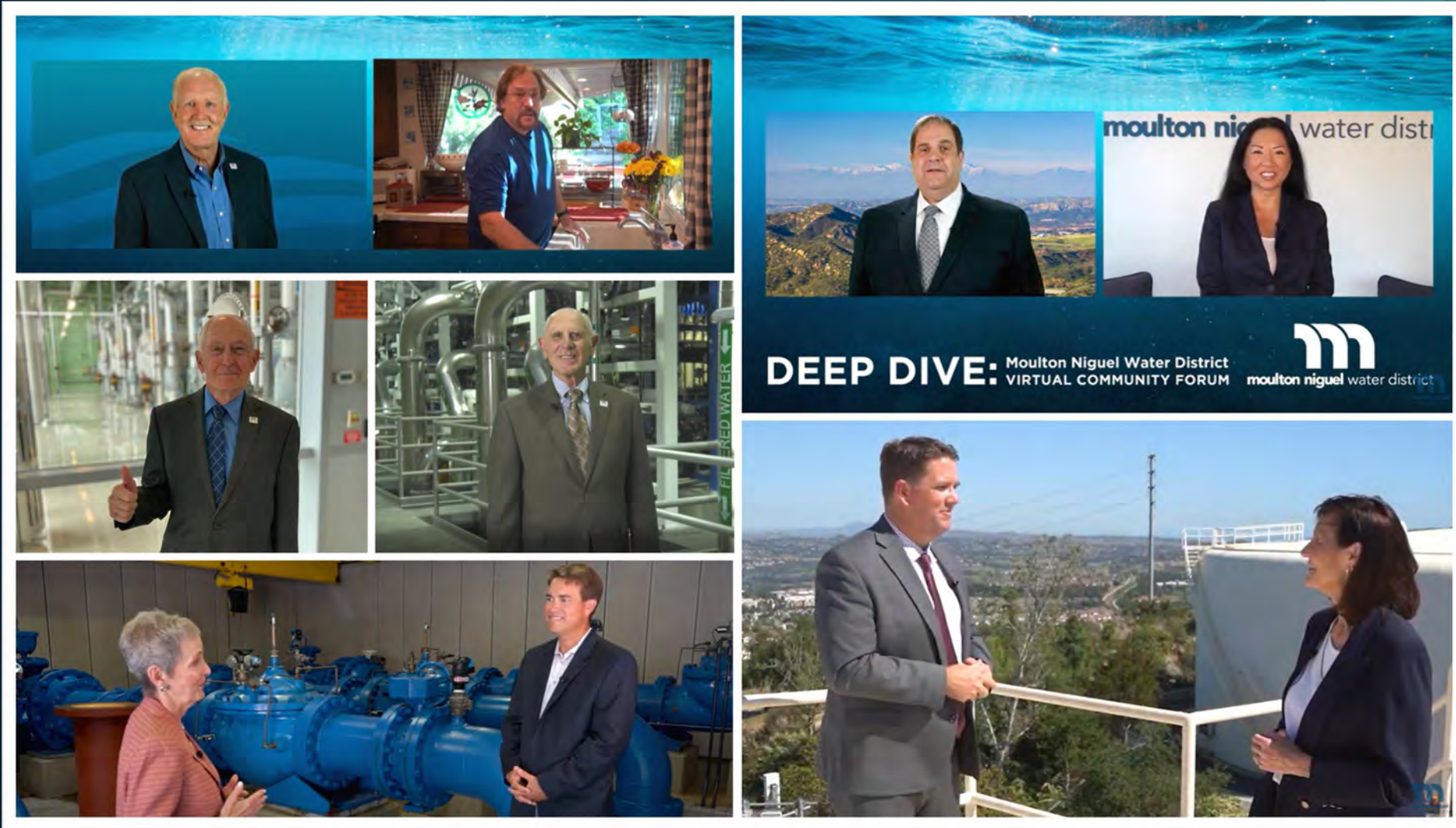
Upgrade your manual irrigation timer with a weather-based smart timer! Weather-based smart timers help optimize your irrigation system, auto-adjust to weather and soil conditions, and cut water use. Rebates of up to \$330 per controller are available.

Visit mnwd.com/rebates to learn more.

FOLLOW US ONLINE! [f](#) [i](#) [t](#) [v](#) @MNWDWater | For more information, visit mnwd.com

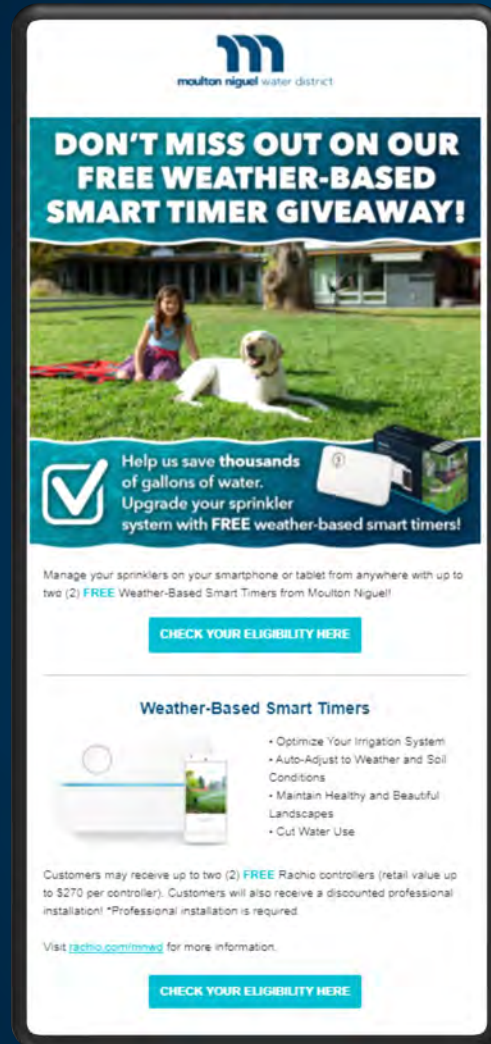
A leader in conservation and environmental protection, Moulton Niguel maintains the lowest average water bill in South Orange County. Need Help? Call us at (949) 831-2500 or email customerservice@mnwd.com.

Virtual Community Forum



Ongoing Marketing

Smart Timer Program



Don't miss out on our FREE weather-based smart timer giveaway!

Help us save thousands of gallons of water. Upgrade your sprinkler system with FREE weather-based smart timers!

Manage your sprinklers on your smartphone or tablet from anywhere with up to two (2) FREE Weather-Based Smart Timers from Moulton Niguel!

[CHECK YOUR ELIGIBILITY HERE](#)

Weather-Based Smart Timers

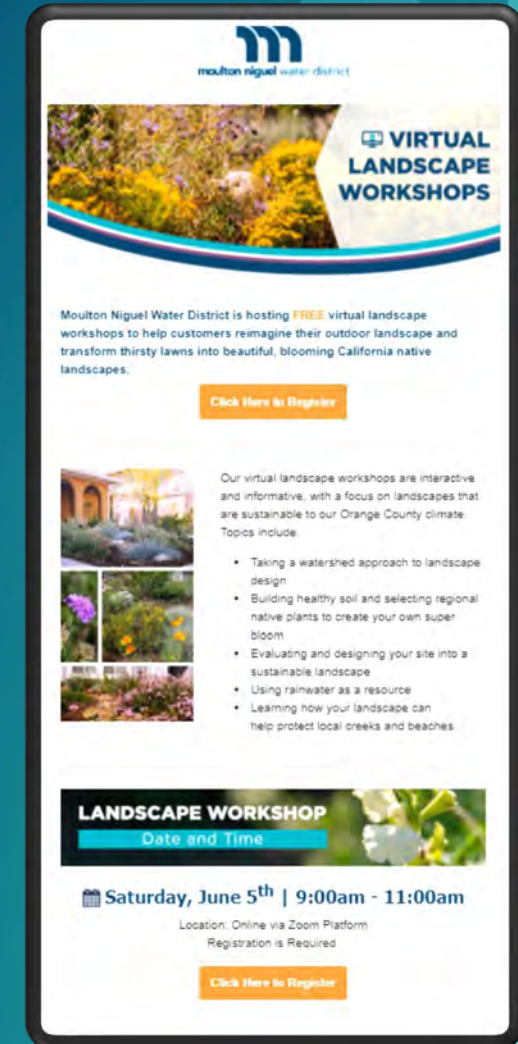
- Optimize Your Irrigation System
- Auto-Adjust to Weather and Soil Conditions
- Maintain Healthy and Beautiful Landscapes
- Cut Water Use

Customers may receive up to two (2) FREE Radio controllers (retail value up to \$270 per controller). Customers will also receive a discounted professional installation! *Professional installation is required.

Visit radio.com/mnw for more information.

[CHECK YOUR ELIGIBILITY HERE](#)

Virtual Landscape Workshops



VIRTUAL LANDSCAPE WORKSHOPS

Moulton Niguel Water District is hosting FREE virtual landscape workshops to help customers reimagine their outdoor landscape and transform thirsty lawns into beautiful, blooming California native landscapes.

[Click Here to Register](#)

Our virtual landscape workshops are interactive and informative, with a focus on landscapes that are sustainable to our Orange County climate. Topics include:

- Taking a watershed approach to landscape design
- Building healthy soil and selecting regional native plants to create your own super bloom
- Evaluating and designing your site into a sustainable landscape
- Using rainwater as a resource
- Learning how your landscape can help protect local creeks and beaches.

LANDSCAPE WORKSHOP

[Date and Time](#)

Saturday, June 5th | 9:00am - 11:00am

Location: Online via Zoom Platform
Registration is Required

[Click Here to Register](#)

Thank You!
Questions?