



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, May 22, 2024
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order at 4:30 p.m. by President Dewane.

PLEDGE OF ALLEGIANCE

Director Bockmiller led the Pledge of Allegiance.

Directors Present

Shawn Dewane, President
Marice H. DePasquale, Vice President
Jim Atkinson, Director
Fred R. Bockmiller, P.E., Director
James R. Fidler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Chief Administrative Officer/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Andrew D. Wiesner, P.E., District Engineer
Tyler Jernigan, Water Operations Manager
Stacy Taylor, Water Policy Manager
Kaitlyn Norris, Public Affairs Specialist
Karyn Igar, Senior Civil Engineer
Hester "Fritz" Petropoulos, M.Ed., Water Use Efficiency and
Education Coordinator
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

Alejandro Sanchez, Costa Mesa High School Student
Diego Xahuentitla, Costa Mesa High School Student
Graydon Sage, Costa Mesa High School Student
Gregory Dodd, Vanguard University Student
India Howerton, Costa Mesa High School Student
Marcelina Sanchez, Costa Mesa High School Student
Family Members of Students
Dr. David Martinez, Early College Middle High School Teacher
Kirby Piazza, Costa Mesa High School Teacher
Nathan Hatch, Hydrologist, Intera Incorporated

MESA WATER 2024 VIDEO CONTEST AWARD WINNERS

President Dewane welcomed the top student finalists of Mesa Water's 2024 Video Contest, as well as their family members.

Public Affairs Specialist Norris provided a brief overview of the topic, noting that the contest was open to local high school and college students to bring awareness to Mesa Water and its local water system to the younger residents in the District's service area.

Awards were presented for:

- 3rd place to Diego Xahuentitla and Gregory Dodd from Costa Mesa High School and Vanguard University
- 2nd place to Alejandro Sanchez and Marcelina Sanchez from Costa Mesa High School
- 1st place to India Howerton, Aubrey Spallone, Graydon Sage and Jaiden Ferrier from Costa Mesa High School

Photographs were taken and the Board thanked the winners for their participation in the contest.

PUBLIC COMMENTS

President Dewane asked for public comments. There was no public present and President Dewane proceeded with the meeting.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

General Manager Shoenberger reported there were no items to be added, removed, or reordered on the agenda.

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of April 10, 2024.
2. Approve minutes of regular Board meeting of April 24, 2024.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
5. Receive and file the Developer Project Status Report.
6. Receive and file the Mesa Water and Other Agency Projects Status Report.
7. Receive and file the Water Quality Call Report.
8. Receive and file the Accounts Paid Listing.
9. Receive and file the Monthly Financial Reports.
10. Receiver and file the Outreach Update.
11. Receive and file the Fiscal Year 2024 Third Quarter Financial Update.
12. Receive and file the Quarterly Training Report.

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve Items 1 – 12 of the Consent Calendar. Motion passed 5 – 0.

PRESENTATION AND DISCUSSION ITEMS:

13. PROPOSED FISCAL YEAR 2025 BUDGET:

General Manager Shoenberger provided an overview of the topic and introduced Chief Financial Officer Khalifa who proceeded with a presentation that highlighted the following:

- Strategic Plan Goals
- Mesa Water
- Clean, Safe, Local & Reliable
- Committed to Transparency
- District of Distinction
- Budget Assumptions
- Budget Assumptions: Increased Water Costs
- FY 2025 Proposed Budget
- Operating Revenue
- FY 2025 Proposed Budget
- Designated Funds
- Debt Service Coverage Ratio
- Debt Service Payments
- Cash on Hand
- Days Cash Ratio
- Water Production (AF)
- Fiscal Year 2025 Budget: Water Supply Needs (Historical and Projected)
- Operating Expenses by Department as a Percentage
- Capital
- Capital Replacement & Refurbishment (R&R)
- District Memberships
- District Conferences & Seminars
- Community Outreach
- FY 2025 Budget Summary
- FY 2025 Budget Recommendation
- Questions

Mr. Khalifa responded to questions from the Board and they thanked him for the presentation.

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve the proposed Fiscal Year 2025 Budget. Motion passed 5 – 0.

ACTION ITEMS:

14. LOCAL GROUNDWATER SUPPLY IMPROVEMENT PROJECT:

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to award a contract to Black & Veatch Corporation for \$524,085 and a contingency of \$52,409 for an amount not to exceed \$576,494 for the Local groundwater Supply Improvement Project, in partnership with Orange County Water District, the City of Huntington Beach, and the City of Newport Beach. Motion passed 5 – 0.

15. STATEMENT OF INVESTMENT POLICY:

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to adopt Resolution No. 1596 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1575. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fisler, DePasquale, Dewane
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

16. FEES AND CHARGES FOR MISCELLANEOUS SERVICES:

MOTION

Motion by Vice President DePasquale, second by Director Bockmiller, to adopt Resolution No. 1595 Adopting Certain Policies Concerning Designated Fees and Charges for Miscellaneous Services, Setting Certain Service-Related Fees and Charges Effective May 22, 2024, Making Certain Findings and Superseding Resolution No. 1526. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fisler, DePasquale, Dewane
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

17. EMPLOYEE RULES AND REGULATIONS:

MOTION

Motion by Director Atkinson, second by Vice President DePasquale, to adopt Resolution No.1594 Adopting Revised Employee Rules and Regulations Superseding Resolution No. 1473. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fisler, DePasquale, Dewane
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

REPORTS:

18. REPORT OF THE GENERAL MANAGER
19. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

20. FEDERAL ADVOCACY UPDATE
21. STATE ADVOCACY UPDATE
22. ORANGE COUNTY UPDATE
23. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

RECESS

President Dewane declared a recess at 5:22 p.m.

The Board meeting reconvened at 5:24 p.m.

President Dewane announced the Board was going into Closed Session at 5:25 p.m.

CLOSED SESSION:

24. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:
Pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b)

The Board meeting reconvened at 5:32 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, District Secretary, Chief Financial Officer, District Engineer, Senior Civil Engineer and General Legal Counsel pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b). The Board received information and there was no further announcement.

President Dewane adjourned the meeting at 5:33 p.m. to a Regular Board Meeting scheduled for Wednesday, June 12, 2024 at 4:30 p.m.

Approved:

DocuSigned by:
Shawn Dewane
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Shawn Dewane, President

DocuSigned by:
Denise Garcia
F01DD5230C0E485...
Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer