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Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, November 13, 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 Acting President DePasquale.

PLEDGE OF ALLEGIANCE Director Atkinson led the Pledge of Allegiance.

Directors Present Shawn Dewane, President *(teleconference, disconnected between 4:55 p.m – 5:32 p.m.)*
Marice H. DePasquale, Acting President
Jim Atkinson, Director
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director

Directors Absent None

Staff Present Paul E. Shoenberger, P.E., General Manager
Denise Khalifa, 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
Kurt Lind, Business Administrator
Anthony Phou, Controller
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present Riley Greenlee, CPA, Manager, Lance, Soll & Lunghard, LLP

District Secretary Khalifa stated one Mesa Water Director was attending the meeting via teleconference.

For each action, a roll call vote was taken in accordance with California Government Code Section 54953(b)(2) which states, "all votes taken during a teleconferenced meeting shall be by roll call."

PUBLIC COMMENTS

Acting President DePasquale asked for public comments on items not on the agenda.

There was no public present and Acting President DePasquale proceeded with the meeting.

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

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

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of October 9, 2024.
2. Approve minutes of regular Board meeting of October 23, 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 Fiscal Year 2025 First Quarter Financial Update.
10. Receive the Quarterly Training Report of July 1, 2024 to September 30, 2024.
11. Approve a contract renewal with Van Scoyoc Associates, Inc. for an amount not to exceed \$135,000 annually to provide Federal Government Advocacy Consulting Services through December 31, 2025, with up to four additional 1-year renewals available.
12. Approve support for the proposed updates to the California Special Districts Association bylaws, and direct staff to cast the District's ballot.
13. Authorize Vice President Marice H. DePasquale as the voting representative and President Shawn Dewane as the alternate, to cast the vote on proposed Amended and Restated Bylaws of the Association of California Water Agencies.

Director Atkinson requested to pull Item 4. There were no objections.

MOTION

Motion by Director Atkinson, second by Director Fisler, to approve Items 1 – 3 and 5 – 13 of the Consent Calendar. Motion passed 5 – 0, by the following roll call vote:

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

ITEM 4 – Board Schedule:

Motion by Director Atkinson, second by Director Bockmiller, to consider moving the Election of Board Officers to the January 8, 2025 Board meeting.

Discussion ensued amongst the Board.

MOTION

Motion by Director Atkinson, second by Director Bockmiller, to direct staff to schedule a Special Board meeting on Friday, December 6, 2024 at 1:30 p.m. for the purpose of holding the Oath of Office and Election of Board Officers. Motion passed 5 – 0, by the following roll call vote:

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

MOTION

Motion by Director Atkinson, second by Director Bockmiller, to approve Item 4 of the Consent Calendar, with modifications to the Board Schedule. Motion passed 5 – 0, by the following roll call vote:

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

PRESENTATION AND DISCUSSION ITEMS:

14. FISCAL YEAR 2024 AUDIT RESULTS AND ANNUAL FINANCIAL REPORT:

Chief Financial Officer Khalifa introduced Lance, Soll & Lunghard, LLP Manager Riley Greenlee who proceeded with a presentation that highlighted the following:

- Scope of Engagement
- Results of Audit
- Financial Highlights

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2024 and direct staff to finalize the Fiscal Year 2024 Annual Financial Report, with a modification to the management letter. Motion passed 4 – 1, by the following roll call vote:

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

ACTION ITEMS:

15. MESA WATER EDUCATION CENTER STUDENT EDUCATION PROGRAM:

MOTION

Motion by Director Bockmiller, second by Acting President DePasquale, to approve a contract amendment with Brian Builders STEM Education, Inc. for \$26,500 for a total contract amount not to exceed \$121,669 to provide completion of the updated scope of work regarding Mesa Water Education Center's Student Education Program. Motion passed 4 – 1, by the following roll call vote:

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

16. COMMUNICATIONS EQUIPMENT AND SERVICE POLICY:

MOTION

Motion by Director Fisler, second by Acting President DePasquale, to adopt Resolution No. 1598 Revising the Communications Equipment and Service Policy Superseding Resolution No. 1553. Motion passed 4 – 1, by the following roll call vote:

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

17. UPDATING THE SCHEDULE OF POSITIONS AND SALARY RATE RANGES:

MOTION

Motion by Acting President DePasquale, second by Director Bockmiller, to adopt Resolution No. 1599 Updating the Schedule of Positions and Salary Rate Ranges Superseding Resolution No. 1576. Motion passed 4 – 1, by the following roll call vote:

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

REPORTS:

18. REPORT OF THE GENERAL MANAGER

- October Key Indicators Report

19. DIRECTORS' REPORTS AND COMMENTS

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RECESS

Acting President DePasquale declared a recess at 5:21 p.m.

The Board meeting reconvened at 5:30 p.m.

INFORMATION ITEMS:

20. RATE ADJUSTMENT COMMUNICATION
21. CLAIM OF MELINDA TODERO
22. CLAIM OF KELLY BALMER
23. CLAIM OF JOHN DOYEL
24. FISCAL YEAR 2024 ANNUAL REIMBURSEMENT REPORT
25. FEDERAL ADVOCACY UPDATE
26. STATE ADVOCACY UPDATE
27. ORANGE COUNTY UPDATE
28. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3(D)

Acting President DePasquale announced the Board was going into Closed Session at 5:32 p.m.

CLOSED SESSION:

29. PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL MANAGER

The Board returned to Open Session at 5:38 p.m.

District Secretary Khalifa announced the Board conducted one Closed Session with the General Manager pursuant to California Government Code Section 54957.6. Action will be taken under Item 30.

ACTION ITEMS (CONT.):

30. ANNUAL PERFORMANCE EVALUATION FOR THE GENERAL MANAGER:

MOTION

Motion by President Dewane, second by Acting President DePasquale, to approve the following modifications to the General Manager's contract and compensation:

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- Approve an 8.5% increase in base salary, effective September 20, 2024;
- Approve a one-time performance incentive of \$20,000, to be paid in the pay period ending December 26, 2024; and
- Direct staff to reflect in the October 29, 2024 Board meeting minutes that the Board's action passed on November 13, 2024 supersedes any action previously taken by the Board on October 29, 2024.

Motion passed 5 – 0, by the following roll call vote:

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

Acting President DePasquale adjourned the meeting at 5:40 p.m. to a Regular Board Meeting scheduled for Wednesday, December 11, 2024 at 4:30 p.m.

Approved:

DocuSigned by:

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 Marice H. DePasquale, President

Signed by:

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 Denise Khalifa, District Secretary

Recording Secretary: Sharon D. Brimer