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Satisfying our Community's  
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Wednesday, March 11, 2026  
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 4:35 p.m. by President DePasquale.

**PLEDGE OF ALLEGIANCE**

Vice President Dewane led the Pledge of Allegiance.

Directors Present

Marice H. DePasquale, President  
Shawn Dewane, Vice President  
Fred R. Bockmiller, P.E., Director *(arrived at 4:36 p.m.)*  
Jim Atkinson, Director  
James R. Fisler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Denise Khalifa, Chief Administrative Officer/District Secretary  
Kurt Lind, Business Manager/Acting District Treasurer  
Calvin Hsu, CPA, Chief Financial Officer  
Andrew D. Wiesner, P.E., District Engineer  
Stacy Taylor, Water Policy Manager  
Juan Hernandez, Assistant Water Operations Manager  
Nadia Boutros, Civil Engineer  
Karyn Igar, Principal Engineer  
Kaitlyn Norris, Public Affairs Supervisor  
Rob Anslow, General Legal Counsel

Others Present

Ryan Gallagher, P.E., Project Manager, MKN & Associates  
Riley Greenlee, CPA, Senior Manager Assurance & Advisory,  
Lance, Soll & Lunghard, LLP  
Will O'Neill, Partner, Newmeyer & Dillion, LLP *(teleconference)*

**PUBLIC COMMENTS**

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

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

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

General Manager Shoenberger recommended reordering the agenda to take Item 14 after Item 6. There were no objections.

**CONSENT CALENDAR ITEMS:**

1. Approve the minutes of the special Board meeting of February 9, 2026.
2. Approve the minutes of the regular Board meeting of February 11, 2026.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
  - Conferences, Seminars and Meetings
  - Board Calendar
  - Upcoming Community Outreach Events

**MOTION**

Motion by Vice President Dewane, second by Director Atkinson, to approve Items 1 – 4 of the Consent Calendar. Motion passed 5 - 0.

**PRESENTATION AND DISCUSSION ITEMS:**

5. INTERAGENCY WATER TRANSFERS:

District Engineer Wiesner provided an overview of the topic and introduced MKN & Associates Project Manager Ryan Gallagher who proceeded with a presentation that highlighted the following:

- Newport Beach Interagency Water Transfer
- Huntington Beach Water Transfer Study
- Available Well Capacity
- Huntington Beach Imported Water Demand
- Interconnection Opportunities
- Financial Analysis
- Study Conclusions
- Next Steps

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

6. FISCAL YEAR 2025 AUDIT RESULTS AND ANNUAL FINANCIAL REPORT:

Chief Financial Officer Hsu provided an overview of the topic and introduced Lance, Soll & Lunghard Senior Manager of Assurance & Advisory Riley Greenlee who proceeded with a presentation that highlighted the following:

- Management's Responsibilities
- Auditors' Responsibilities
- Annual Financial Audit Sections:
  - Introductory Section
  - Financial Section
  - Statistical Section
- Audit Results

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**MOTION**

Motion by Director Bockmiller, second by Vice President Dewane, to approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2025 and direct staff to finalize the Fiscal Year 2025 Annual Financial Report. Motion passed 5 – 0.

***RECESS***

President DePasquale declared a recess at 5:00 p.m.

The Board meeting reconvened at 5:05 p.m.

***CLOSED SESSIONS:***

President DePasquale announced the Board was going into Closed Session at 5:05 p.m.

**ITEM 14 - CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION:**

Pursuant to California Government Code Sections 54956.9(a) and 54957.1(a)(2) – based on existing facts and circumstances, the Board is meeting with Special Legal Counsel.

Number of Cases: 1

The Board returned to Open Session at 5:20 p.m.

Attorney Anslow announced the Board conducted one Closed Session with the General Manager, District Secretary, General Legal Counsel and Special Legal Counsel pursuant to California Government Code Sections 54956.9(a) and 54957.1(a)(2). The Board received information and provided direction to Special Legal Counsel; there was no further announcement.

**PRESENTATION AND DISCUSSION ITEMS (CONT.):**

**7. GENERAL LEGAL COUNSEL SERVICES:**

GM Shoenberger provided an overview of the topic, noting that it has been five years since the District last conducted a Request for Proposals for General Legal Counsel services.

Discussion ensued amongst the Board.

**MOTION**

Motion by Director Fisler, second by President DePasquale, to direct staff to conduct a thorough and complete Request for Proposal process and return to the Board with a strong recommendation for the most qualified firm to provide Mesa Water District with General Legal Counsel Services. Motion passed 5 – 0.

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8. BOARD WORKSHOP PLANNING:

GM Shoenberger reviewed the proposed agenda topics for the April 29, 2026 Board workshop.

The Board offered staff additional topics to add to the workshop agenda.

**ACTION ITEMS:**

9. INFORMATION TECHNOLOGY SUPPORT SERVICES:

MOTION

Motion by Vice President Dewane, second by Director Fisler, to approve a contract with ClientFirst Consulting Group, LLC for \$90,875 and a 10% contingency of \$9,087 for a total authorized amount not to exceed \$99,962 to provide support services related to the Information Technology Request for Proposals, and authorize execution of the contract. Motion passed 5 – 0.

**RECESS**

President DePasquale declared a recess at 5:53 p.m. to conduct the Mesa Water District Improvement Corporation Annual Meeting.

10. MESA WATER DISTRICT IMPROVEMENT CORPORATION ANNUAL MEETING:

The Board meeting reconvened at 5:56 p.m.

**REPORTS:**

11. REPORT OF THE GENERAL MANAGER:

GM Shoenberger introduced District Secretary Khalifa, who presented a report regarding the settlement of three claims that the District recently resolved.

The Board previously met in two Closed Sessions to discuss the high-volume water loss resulting in a claim submitted by Mr. John Patton in the amount of \$21,590.87. Staff has since received communication from the customer's landlord's insurance company, which has issued a check covering the full claim amount. Staff has executed a Settlement Agreement within the authorized parameters. This matter is now resolved.

Further, the Board previously met in one Closed Session regarding the October 2025 mainline breaks that resulted in two claims from ratepayers, Ms. Mathilde Tromp and Mr. Donald Neal.

Ms. Khalifa reported that, consistent with direction previously provided by the Board of Directors in Closed Session on December 10, 2025, and with a 4 -1 vote with a motion by Director Bockmiller and a second by Director Atkinson, with Vice President Dewane

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absent, staff has executed two settlement agreements within the authorized settlement parameters – one with Mathilde Tromp for the amount of \$3,227.18 and one for Donald Neal for the amount of \$6,840.00. A copy of both fully executed Settlement Agreements are on file with Mesa Water’s District Secretary for public review upon request.

12. DIRECTORS’ REPORTS AND COMMENTS

**INFORMATION ITEMS:**

13. DIRECTORS’ REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

**RECESS**

President DePasquale declared a recess at 6:40 p.m.

The Board meeting reconvened at 6:43 p.m.

**CLOSED SESSIONS:**

14. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION:  
Pursuant to California Government Code Sections 54956.9(a) and 54957.1(a)(2) – based on existing facts and circumstances, the Board is meeting with Special Legal Counsel.  
Number of Cases: 1

This item was taken earlier in the agenda.

President DePasquale announced the Board was going into Closed Session at 6:43 p.m.

15. CONFERENCE WITH GENERAL LEGAL COUNSEL – POTENTIAL LITIGATION:  
Pursuant to California Government Code Sections 54956.9(d)(1) & (2) and 54954.5(b) – significant exposure to litigation.

The Board returned to Open Session at 6:54 p.m.

Attorney Anslow announced the Board conducted one Closed Session with the General Manager, District Secretary, District Engineer, Principal Engineer and General Legal Counsel pursuant to California Government Code Sections 54956.9(d)(1) & (2) and 54954.5(b). The Board gave direction to staff and there was no further announcement.

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President DePasquale adjourned the meeting at 6:55 p.m. to a Regular Board Meeting scheduled for Wednesday, March 25, 2026 at 4:30 p.m.

Approved:

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*Marice DePasquale*

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Marice H. DePasquale, President

Signed by:

*Denise Khalifa*

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Denise Khalifa, District Secretary

Recording Secretary: Sharon D. Brimer