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Satisfying our Community's
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, April 29, 2026
1965 Placentia Avenue, Costa Mesa, CA 92627
1 p.m. Adjourned Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order at 1:13 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE

Director Fisler led the Pledge of Allegiance.

Directors Present

Marice H. DePasquale, President
Shawn Dewane, Vice President
Fred R. Bockmiller, P.E., Director
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
Juan Hernandez, Assistant Water Operations Manager
Nadia Boutros, Civil Engineer
Karyn Igar, Principal Engineer
Kaitlyn Norris, Public Affairs Supervisor

Others Present

Matthew Bohdan, Partner, Risk and Accounting Advisory Services, Plante Moran *(teleconference)*
Michael Davidson, Senior Manager, Risk and Accounting Advisory Services, Plante Moran *(teleconference)*
Mike Vernick, Senior Vice President, Partner, Voit Real Estate Services
Mike Hefner, Executive Vice President, Partner, Voit Real Estate Services

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 8 after Item 3. There were no objections.

ACTION ITEMS:

1. FINANCIAL SERVICES INITIATIVES:

Chief Financial Officer Hsu provided an overview of the topic and introduced Plante Moran Partner of Risk and Accounting Advisory Services Matthew Bohdan and Senior Manager of Risk and Accounting Advisory Services Michael Davidson who proceeded with a presentation that highlighted the following:

- Plante Moran Reports
- Control Assessment Report Summary
- Phase 1 (now to May 2026)
- Observations and Initiatives Summary
- Accounts Payable
- Cash Receipts
- Accounts Receivable
- Timeline and Scorecard (Phase 1)
- The Road to Gold: Continuous Monitoring and Compliance

Discussion ensued amongst the Board.

Messrs. Shoenberger, Hsu, Davidson and Bohdan responded to questions from the Board and they thanked them for the presentation.

2. FINANCIAL GOALS AND RESERVES:

GM Shoenberger provided an overview of the topic and introduced CFO Hsu who proceeded with a presentation that highlighted the following:

- Resolution No. 1590: Designated Funds Policy: Mesa Water
- Current Designated Funds – Mesa Water
- Current Designated Funds – Mesa Water and MWRRC
- Designated Funds – Mesa Water
- Designated Funds – Mesa Water and MWRRC
- Designated Funds Policy - Recommendations-

Discussion ensued amongst the Board.

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

Mesa Water Adjourned Regular Board Meeting of April 29, 2026

3. REGIONAL WATER ISSUES:

GM Shoenberger provided an overview of the topic and Principal Engineer Igar proceeded with a presentation that highlighted the following:

- Regional Water Issues
- Local Supply Improvement Project (Local SIP)
 - Local SIP Feasibility Study Found Benefits
 - Local SIP is Cost-Effective
 - Local SIP Feasibility Study Team
 - Pursue Funding for the Local SIP
 - Build Consensus for the Local SIP
 - Fund Next Technical Steps
 - Retain Program Management Consultant
 - Summary of Next Steps
 - Purchase Property

President DePasquale announced the Board was going into Closed Session at 2:38 p.m.

ITEM 8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR:

Pursuant to California Government Code Section 54956.8:

Property: 17900 Brookhurst Street, Fountain Valley

District Negotiator: General Manager

The Board returned to Open Session at 2:55 p.m.

District Secretary Khalifa announced the Board conducted one Closed Session with the General Manager, District Secretary, Chief Financial Officer, Principal Engineer, Public Affairs Supervisor, Business Manager, Assistant Water Operations Manager, Civil Engineer, Voit Real Estate Services Senior Vice President and Executive Vice President pursuant to California Government Code Section 54956.8 The Board received information and provided direction to staff and Voit Real Estate Services executives.

ITEM 3 - REGIONAL WATER ISSUES (CONT.):

Principal Engineer Igar continued with a presentation that highlighted the following:

- Interagency Water Transfers (IWT)
 - Newport Beach IWT
 - Huntington Beach IWT
- Reservoir 2 Recovery
 - Reservoir 2 Pump Station Incident October 2025
 - Reservoir 2 Recovery
 - Reservoir 2 Recovery Key Challenges
 - Recovery Schedule and Financial Outlay
 - Impact to the Reservoir 1 and 2 Upgrades Project

Principal Engineer Igar responded to questions from the Board and they thanked her for the presentation.

Mesa Water Adjourned Regular Board Meeting of April 29, 2026

4. FISCAL YEAR 2027 STRATEGIC PLAN:

GM Shoenberger provided an overview of the topic.

Discussion ensued amongst the Board.

MOTION

Motion by Vice President Dewane, second by President DePasquale, to change the name of the Mesa Water Education Center to the Mesa Water Education and Career Center. Motion passed 5 – 0.

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to approve the Fiscal Year 2027 Strategic Plan, with modifications. Motion passed 5 – 0.

5. SPECIAL LEGAL COUNSEL SERVICES:

MOTION

Motion by Vice President Dewane, second by President DePasquale, to approve legal fees to Ciresi Conlin LLP for an amount not to exceed \$145,000 to provide Special Legal Counsel Services regarding *Dreher v. City of Los Angeles Department of Water and Power*. Motion passed 5 – 0.

REPORTS:

6. REPORT OF THE GENERAL MANAGER

7. DIRECTORS' REPORTS AND COMMENTS

CLOSED SESSIONS:

8. CONFERENCE WITH REAL PROPERTY NEGOTIATOR:
Pursuant to California Government Code Section 54956.8:
Property: 17900 Brookhurst Street, Fountain Valley
District Negotiator: General Manager

Item taken earlier in the agenda.

RECESS

President DePasquale declared a recess at 3:55 p.m.

The Board meeting reconvened at 3:59 p.m.

President DePasquale announced the Board was going into Closed Session at 4:00 p.m.

Mesa Water Adjourned Regular Board Meeting of April 29, 2026

9. CONFERENCE WITH LABOR NEGOTIATOR:
Pursuant to California Government Code Section 54957.6(a)
District Negotiator: General Manager
Employee Organization: Represented and Non-Represented Employees
10. PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6:
Public Employee Performance Evaluation
Title: General Manager

The Board returned to Open Session at 4:55 p.m.

District Secretary Khalifa announced the Board conducted Closed Session Item 9 with the General Manager pursuant to California Government Code Section 54957.6(a). Action will be taken under Item 11.

District Secretary Khalifa announced the Board conducted Closed Session Item 10 with the General Manager pursuant to California Government Code Section 54957.6. The Board received information and no further announcement was made.

ACTION ITEMS (CONT.):

11. FISCAL YEAR 2027 STAFFING PLAN:

Motion by Vice President Dewane, second by Director Bockmiller, to approve the staffing plan for Fiscal Year 2027, including the following changes:

1. Add two Full-time Equivalent (FTE) positions:
 - Business Administrator/Information Technology Coordinator (1 FTE)
 - Facility Maintenance Worker (1 FTE)
2. Add one part-time Intern position:
 - Public Affairs Intern
3. Add four Limited Term positions
 - Limited Term – Financial Control Specialist
 - Limited Term – Accounting Specialist
 - Limited Term – Senior Human Resources Analyst
 - Limited Term – Water Quality Technician I/II
4. Promote the Chief Administrative Officer to Assistant General Manager.
5. Extend the Limited Term – Customer Service Representative to December 31, 2026.

Motion passed 5 – 0.

Mesa Water Adjourned Regular Board Meeting of April 29, 2026

President DePasquale adjourned the meeting at 4:58 p.m. to a Regular Board Meeting scheduled for Wednesday, May 13, 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