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Satisfying our Community's
Water Needs*

**AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Thursday, January 10, 2019
1965 Placentia Avenue, Costa Mesa, CA 92627
6:00 p.m. Regular Board Meeting**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

RECOGNITION OF MESA WATER DISTRICT PAST PRESIDENT JIM ATKINSON

PUBLIC COMMENTS

Items Not on the Agenda: Members of the public are invited to address the Board regarding items which are not on the agenda. Each speaker is limited to three minutes. The Board will set aside 30 minutes for public comments.

Items on the Agenda: Members of the public may comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to three minutes. The Board will set aside 60 minutes for public comments.

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

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed as an Action Item, may be deliberated and may be subject to action by the Board.

CONSENT CALENDAR ITEMS:

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.

1. Approve minutes of regular Board meeting of December 13, 2018.
2. Approve minutes of special Board meeting of December 17, 2018.
3. Approve minutes of special Board meeting of December 20, 2018.
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
6. Approve a Charter Membership with Community Water Systems Alliance for an amount up to \$20,000 to help guide policy and strategy on the safe drinking water issue.
7. Reschedule the Thursday, May 9, 2019 regular Board of Directors' meeting to Thursday, May 2, 2019.
8. Ratify the 2019 Board Committee & Other Agency Liaison Assignments.
9. Renew the contract with California Advocates for Advocacy Consulting Services through December 31, 2019 for an amount not to exceed \$84,000.
10. Approve a first year membership with California Municipal Utilities Association for Fiscal Year 2019 in the amount of \$2,250.

11. Approve Soto Resources' proposal in the amount of \$21,180 to submit a grant application on behalf of Mesa Water District to help fund the design/build of the Mesa Water Reliability Facility Outreach Center.

ACTION ITEMS:

12. POLICY POSITIONS:

Recommendation: Approve the updated Policy Positions for Mesa Water District.

13. BOARD WORKSHOP PLANNING:

Recommendation: Review agenda topics and discuss planning for the March 7, 2019 Board of Directors' workshop.

14. ORDINANCE NO. 28 – DIRECTORS' COMPENSATION AND EXPENSE REIMBURSEMENT:

Recommendation: Discuss Directors' fees and, if determined, direct staff to schedule a public hearing.

PRESENTATION AND DISCUSSION ITEMS:

None

CLOSED SESSION:

15. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9 (d) (1)
Case: Irvine Ranch Water District v. Orange County Water District and related cross-actions, Los Angeles County Superior Court Case Nos. BS168278 and BS 175192

REPORTS:

16. REPORT OF THE GENERAL MANAGER:
 - December Key Indicators Report
 - Other (no enclosure)

17. DIRECTORS' REPORTS AND COMMENTS:

INFORMATION ITEMS:

18. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)
19. OTHER (NO ENCLOSURE)



In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.

Members of the public desiring to make verbal comments utilizing a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.

ADJOURN TO A REGULAR BOARD MEETING SCHEDULED FOR THURSDAY, FEBRUARY 14, 2019 AT 6:00 P.M.



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, December 13, 2018
1965 Placentia Avenue, Costa Mesa, CA 92627
6:00 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on December 13, 2018, at 6:00 p.m. by President Atkinson at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Orange County Water District Director Kelly Rowe led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Administrative Services Manager/
District Secretary
Wendy Duncan, Records Management Specialist/
Assistant District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Stacie Sheek, Customer Services Manager
Stacy Taylor, External Affairs Manager
Sara J. Fahy, Public Affairs Manager
Tracy Manning, Water Operations Manager
Kurt Lind, Business Administrator
Jeff Hoskinson, Partner, Atkinson, Andelson, Loya, Ruud &
Romo

Others Present

The Honorable John M.W. Moorlach, California State Senator,
37th Senate District
Kelly Rowe, Director, Division 7, Orange County Water District
Christina Bockmiller, Member of the Public
Debbie Atkinson, Member of the Public

OATH OF OFFICE TO ELECTED AND RE-ELECTED DIRECTORS

President Atkinson introduced the Honorable California State Senator, John M.W. Moorlach who

asked for a moment of silence honoring long-serving Mesa Water Director Hank Panian who passed away in 2018.

Senator Moorlach administered the Oath of Office to Directors Atkinson, DePasquale and Dewane.

Photographs were taken.

PRESENTATION OF DIRECTOR SERVICE AWARD PINS

President Atkinson presented service award pins to Directors DePasquale and Dewane.

Photographs were taken.

Vice President Bockmiller presented President Atkinson with a service award pin.

Photographs were taken.

PUBLIC COMMENTS

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

There were no comments and President Atkinson proceeded with the meeting.

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

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

ACTION ITEMS:

1. ELECTION OF BOARD OFFICERS:

President Atkinson introduced District Secretary Garcia who proceeded to explain the election process, noting that the Election of Officers is conducted in accordance with Resolution No. 1479.

Office of President:

District Secretary Garcia noted that nominations were now opened for the position of President. Director Dewane was nominated. Ms. Garcia asked for additional nominations from the floor. There were none.

MOTION

Motion by Director Bockmiller, second by Director Fisler, to nominate Director Dewane for President of the Board of Directors. Motion passed 5-0, by the following roll call vote:

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

ABSENT: DIRECTORS None
ABSTAIN: DIRECTORS None

Office of Vice President:

District Secretary Garcia announced that nominations were now opened for the position of Vice President. Director DePasquale was nominated. Ms. Garcia asked for additional nominations from the floor. There were none.

MOTION

Motion by President Dewane, second by Director Atkinson, to nominate Director DePasquale for Vice President of the Board of Directors. Motion passed 5-0, by the following roll call vote:

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

District Secretary Garcia reviewed the length of term noting that officers are elected on even numbered years for a two year term and begin serving their term as soon as the officers are elected. Newly elected President Dewane asked Immediate Past President Atkinson to preside over the remainder of the meeting.

Photographs were taken.

CONSENT CALENDAR ITEMS:

2. Approve minutes of regular Board meeting of November 8, 2018.
3. Approve minutes of special Board meeting of November 15, 2018.
4. Approve minutes of special Board meeting of November 20, 2018.
5. Approve attendance considerations (additions, changes, deletions).
6. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
7. Approve a full-scale pilot test of using free chlorine disinfection at the clear water well sites; and award a contract amendment to Trussell Technologies, Inc. in the amount of \$76,156 for a not to exceed amount of \$230,916 for the Disinfection Conversion Study to support the full-scale pilot test of the free chlorine conversion, and authorize execution of the amendment.
8. Approve a contract amendment to Michael Baker International's contract for Construction Management of the Well Automation and Rehabilitation Project for an amount of \$142,495 for a not to exceed amount of \$1,419,265 to continue to provide Construction Management Services to project completion, and authorize execution of the amendment.

Acting President Atkinson asked for public comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by President Dewane, to approve Items 2 – 8 of the Consent Calendar. Motion passed 5-0.

ACTION ITEMS (CONT.):

9. RESOLUTION NO. 1516 – CONFLICT OF INTEREST CODE:

GM Shoenberger introduced Administrative Services Manager Garcia who reviewed the changes to the Conflict of Interest Code.

Acting President Atkinson asked for comments from the public. There were no comments.

MOTION

Motion by President Dewane, second by Vice President DePasquale, to adopt Resolution No. 1516 Amending its Conflict of Interest Code Superseding Resolution No. 1489. Motion passed 5-0, by the following roll call vote:

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

10. RESOLUTION NO. 1517 – POLICY FOR PUBLIC RECORDS:

GM Shoenberger introduced Administrative Services Manager Garcia who reviewed the changes to the Policy for Public Records.

Discussion ensued amongst the Board.

The Board directed staff to agendize the item, “Resolution No. 1517 – Policy for Public Records” with recommended modifications, at a future meeting.

11. DISTRICT OFFICERS:

Acting President Atkinson asked for comments from the public. There were no comments.

MOTION

Motion by Director Bockmiller, second by President Dewane, to:

- a. Confirm Denise Garcia as District Secretary
- b. Confirm Wendy Duncan as Assistant District Secretary
- c. Confirm Marwan Khalifa as District Treasurer
- d. Confirm Phil Lauri as Assistant District Treasurer
- e. Confirm the delegation of the same authority to the Assistant District Secretary and

Assistant Treasurer, as the District Secretary and District Treasurer respectively, as previously authorized and approved by the Board of Directors and as authorized by the California Water Code.

- f. Award the monthly stipends for the District Secretary and District Treasurer in the amount of \$380 and prorated stipends of \$190 per meeting for the Assistant District Secretary and Assistant District Treasurer.

Motion passed 5-0.

PRESENTATION AND DISCUSSION ITEMS:

None.

REPORTS:

12. REPORT OF THE GENERAL MANAGER:

- November Key Indicators Report
- Other (no enclosure)

13. DIRECTORS' REPORTS AND COMMENTS:

INFORMATION ITEMS:

14. CAMP FIRE WATER AGENCY ASSISTANCE OPPORTUNITIES:

Water Operations Manager Manning provided an update regarding the losses sustained by the Paradise Irrigation District.

15. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

16. OTHER (NO ENCLOSURE)

Acting President Atkinson adjourned the meeting at 7:00 p.m. to a regular Board Meeting scheduled for Thursday, January 10, 2019 at 6:00 p.m.

Approved:

Shawn Dewane, President

Denise Garcia, District Secretary

Sharon D. Brimer, Recording Secretary



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Monday, December 17, 2018
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Special Board Meeting**

LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE MEETING

CALL TO ORDER

The meeting of the Board of Directors was called to order on December 17, 2018 at 3:31 p.m. by Chairman Fisler at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

President Dewane led the Pledge of Allegiance.

Directors Present

Shawn Dewane, President
Marice H. DePasquale, Vice President
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director, Chair

Directors Absent

Jim Atkinson, Director

Staff Present

Wendy Duncan, Records Management Specialist/
Acting District Secretary
Stacy Taylor, External Affairs Manager
Sara J. Fahy, Public Affairs Manager
Celeste Carrillo, Public Affairs Coordinator
Brittany Erdman, Department Assistant

Others Present

John Lewis, President, Lewis Consulting Group

PUBLIC COMMENTS

There were no comments on non-agendized topics.

CONSENT CALENDAR ITEMS:

1. State Advocacy Update
2. Outreach Update

MOTION

Motion by President Dewane, second by Vice President DePasquale, to approve Items 1 and 2 of the Consent Calendar. Motion passed 4-0-1, with Director Atkinson absent.

Director Fisler reordered the agenda to take Item 5 before Item 3. There were no objections.
Item 5 – Orange County Update

External Affairs Manager Taylor introduced Lewis Consulting Group President John Lewis who proceeded with the Orange County Update.

Mr. Lewis responded to questions from the Board and they thanked him for the update.

ACTION ITEMS:

3. Community Water Systems Alliance

MOTION

Motion by President Dewane, second by Vice President DePasquale, to add to the next regular Board meeting Consent Calendar approval of a Charter Membership with Community Water Systems Alliance for an amount up to \$20,000 to help guide policy and strategy on the safe drinking water issue. Motion passed 4-0-1, with Director Atkinson absent.

4. Policy Positions

MOTION

Motion by Director Bockmiller, second by President Dewane, to direct staff to agendize the item, "Policy Positions" with recommended modifications, at a future Board meeting. Motion passed 4-0-1, with Director Atkinson absent.

PRESENTATION AND DISCUSSION ITEMS:

5. Orange County Update

This item was taken earlier in the agenda.

REPORTS:

6. Report of the General Manager
7. Directors' Reports and Comments

INFORMATION ITEMS:

None.

The Board meeting was adjourned at 4:28 p.m.

Approved:

Shawn Dewane, President

Denise Garcia, District Secretary

Unapproved



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, December 20, 2018
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Special Board Meeting**

FINANCE COMMITTEE MEETING

CALL TO ORDER

The meeting of the Board of Directors was called to order on December 20, 2018 at 3:40 p.m. by Chairman Bockmiller at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

CFO Khalifa led the Pledge of Allegiance.

Directors Present

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

Directors Absent

Jim Atkinson, Director

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Administrative Services Manager/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer
Kurt Lind, Business Administrator

Others Present

Nitin P. Patel, CPA, Audit Partner, White Nelson Diehl Evans
Kassie Radermacher, CPA, Audit and Assurance Partner,
White Nelson Diehl Evans

PUBLIC COMMENTS

There was no public present.

CONSENT CALENDAR ITEMS:

1. Accounts Paid Listing
2. Monthly Financial Reports
3. Major Staff Projects
4. Committee Policy & Resolution Review

MOTION

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

ACTION ITEMS:

None.

PRESENTATION AND DISCUSSION ITEMS:

5. Fiscal Year 2018 Audit Results and Comprehensive Annual Finance Report

CFO Khalifa introduced White Nelson Diehl Evans' Audit Partner Nitin P. Patel and Audit and Assurance Partner Kassie Radermacher who proceeded with a presentation which highlighted the following:

- Scope of Services
- Auditors' Opinion and Reports
- Communication with Those Charged with Governance

Mr. Patel answered questions from the Board and they thanked him for the presentation.

The Board directed staff to agendize the item, "Fiscal Year 2018 Audit Results and Comprehensive Annual Finance Report", at a future Finance Committee meeting.

REPORTS:

6. Report of the General Manager

7. Directors' Reports and Comments

INFORMATION ITEMS:

8. Microsoft Great Plains/Cogsdale Support Services

9. Statement of Investment Policy

The Board reviewed Resolution No. 1506 – Delegating Authority Relative to Investment or Reinvestment of Funds, and Providing for a Revised Statement of Investment Policy; there were no changes at this time.

The Board meeting was adjourned at 4:11 p.m.

Approved:

Shawn Dewane, President

Denise Garcia, District Secretary



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MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 10, 2019
SUBJECT: Attendance at Conferences, Seminars, Meetings, and Events

RECOMMENDATION

In accordance with Ordinance No. 28, adopted April 13, 2017, authorize attendance at conferences, seminars, meetings, and events.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION

At its June 14, 2018 meeting, the Board of Directors (Board) approved Fiscal Year 2019 attendance at Conferences, Seminars, Meetings, and Events.

DISCUSSION

During the discussion of this item, if any, the Board may choose to delete any item from the list and/or may choose to add additional conferences, seminars, meetings, or events for approval, subject to available budget or additional appropriation.

FINANCIAL IMPACT

None.

ATTACHMENTS

None.

2019 CONFERENCES, SEMINARS, AND MEETINGS:

February 6 - 8, 2019	
CalDesal Annual Conference	<i>DePasquale, Bockmiller (tentative)</i>
Palm Springs, CA	
February 25 - 28, 2019	
AWWA/AMTA Membrane Technology Conference	
New Orleans, LA	
February 26 - 28, 2019	
ACWA Annual Washington D.C. Conference	
Washington, DC	
February 27 - March 1, 2019	
Urban Water Institute Spring Conference	<i>Atkinson</i>
Palm Springs, CA	
March 6, 2019	
ACWA Legislative Symposium	
Sacramento, CA	
March 17 - 19, 2019	
WaterReuse California Conference	
Garden Grove, CA	
March 27 - 28, 2019	
WaterNow Alliance 4th Annual Summit	<i>Atkinson</i>
Austin, TX	
May 6 - 10, 2019	
ACWA/JPIA Spring Conference	<i>Bockmiller</i>
Monterey, CA	
May 21 - 22, 2019	
CSDA Legislative Days	
Sacramento, CA	
June 9 - 12, 2019	
AWWA ACE19 Conference	<i>Bockmiller (tentative)</i>
Denver, CO	
September 25 - 28, 2019	
CSDA Annual Conference	
Anaheim, CA	
December 2 - 6, 2019	
ACWA/JPIA Fall Conference	<i>Bockmiller</i>
San Diego, CA	
December 11 - 13, 2019	
Colorado River Water Users Association Conference	
TBD	

January 2019

January 2019							February 2019						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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20	21	22	23	24	25	26	17	18	19	20	21	22	23
27	28	29	30	31			24	25	26	27	28		

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 30	31	Jan 1, 19 District Holiday 7:30am R/S to 1/8 ISDOC Executive Committee (Conference Room 101) 11:30am Executive Committee Meeting (Panian Conference Room)	2 8:30am Jt. MWDOC/MWD Workshop (MWDOC/OCWD Boardroom) 5:30pm CANCELED OCWD Board Meeting (OCWD Boardroom)	3	4 Pay Period Ends 7:30am WACO Meeting (MWDOC/OCWD Boardroom)	5 9:00am MWDOC Special Board Meeting (686 Anton Boulevard, Costa Mesa, Ca 92626)
6	7 8:30am R/S to 1/14 MWDOC Planning & Operations Committee (Conference Room 101)	8 7:30am R/S from 1/1 ISDOC Executive Committee (Conference Room 101) 6:00pm Costa Mesa City Council Meeting (Costa Mesa Senior Center; 695 W. 19th Street, Costa Mesa, 92626)	9 Payday 8:00am OCWD Water Issues Committee (OCWD Boardroom) 8:15am CANCELED LAFCO Meeting (Hall of Administration 10 Civic) 6:30am MWDOC Admin & Finance Committee (Conference Room 101) 11:30am CM Chamber Networking Event (2101 Placentia Ave.)	10 4:00pm CM Chamber Board Meeting (TBD) 5:30pm ACC-OC 2019 City Leader Reception (Angel's Stadium of Anaheim) 6:00pm Mesa Water Board Meeting (Boardroom)	11	12
13	14 8:30am R/S from 1/7 MWDOC Planning & Operations Committee (Conference Room 101)	15 7:30am WACO Planning Committee (Conference Room 101) 3:30pm Engineering and Operations Committee Meeting (Boardroom) 6:00pm Costa Mesa City Council Meeting (Costa Mesa Senior Center; 695 W. 19th Street, Costa Mesa, 92626)	16 8:30am MWDOC Board Meeting (MWDOC Boardroom) 5:30pm OCWD Board Meeting (OCWD Boardroom)	17 8:30am MWDOC Executive Committee Meeting (Conference Room 102) 3:30pm Finance Committee Meeting (Boardroom)	18 Pay Period Ends 8:00am City Districts Liaison (Costa Mesa Sanitary District 290 Paularino Ave, Costa Mesa, 92626)	19
20	21 District Holiday 8:30am MWDOC Public Affairs & Legislation Committee (Conference Room 101)	22	23 Payday 8:30am MWDOC/OCWD Jt. Planning (MWDOC/OCWD Boardroom)	24	25	26
27	28	29	30	31 11:30am ISDOC Quarterly Meeting (JF) (MWDOC/OCWD Boardroom)	Feb 1	2

February 2019

February 2019							March 2019						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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3	4	5	6	7	8	9	3	4	5	6	7	8	9
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17	18	19	20	21	22	23	17	18	19	20	21	22	23
24	25	26	27	28			24	25	26	27	28	29	30
							31						

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 27	28	29	30	31	Feb 1 Pay Period Ends 7:30am WACO Meeting (MWDOC/OCWD Boardroom)	2
3	4 8:30am MWDOC Planning & Operations Committee	5 7:30am ISDOC Executive Committee Meeting (MWDOC Conference Room 101) 11:30am Executive Committee Meeting (Panian Conference Room) 5:45pm Costa Mesa City Council Meeting (Costa Mesa Senior Center, 695 W. 19th Street, Costa Mesa, 92626)	6 Payday 8:30am Jt. MWDOC/MWD Workshop (MWDOC/OCWD Boardroom) 5:30pm OCWD Board Meeting (OCWD Boardroom)	7 CalDesal Annual Conference (MD) (Palm Springs) 5:30pm OCBC 2019 Annual Event (Hotel Irvine)	8	9
10	11	12	13 8:00am OCWD Water Issues Committee (OCWD Boardroom) 8:15am IAFCO Meeting (Hall of Administration 10 Civic Center Plaza Santa Ana, CA 92701) 8:30am MWDOC Admin & Finance Committee 11:30am CM Chamber Networking Event	14 4:00pm CM Chamber Board Meeting (TBD) 6:00pm Mesa Water Board Meeting (Boardroom)	15 Pay Period Ends	16
17	18 District Holiday 8:30am R/S to 2/19 MWDOC Public Affairs & Legislation Committee (Conference Room 101)	19 7:30am WACO Planning Committee (MWDOC Conference Room 101) 8:30am R/S from 2/18 MWDOC Public Affairs & Legislation Committee (Conference Room 101) 3:30pm Engineering and Operations Committee Meeting (Boardroom) 5:45pm Costa Mesa City Council Meeting	20 Payday 8:30am MWDOC Board Meeting (MWDOC Boardroom) 5:30pm OCWD Board Meeting (OCWD Boardroom)	21 8:30am MWDOC Executive Committee Meeting (Conference Room 102) 3:30pm Finance Committee Meeting (Boardroom)	22	23
24	25 3:30pm LPAC Meeting (Boardroom)	26 AWWA/AMTA Membrane Technology Conference (New Orleans, LA) ACWA Annual Washington D.C. Conference (Washington, DC) Urban Water Institute's Spring Water Conference (JA) (Palm Springs, CA)	27 8:30am MWDOC/OCWD Jt. Planning (MWDOC/OCWD Boardroom)	28	Mar 1	2

March 2019

March 2019							April 2019						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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3	4	5	6	7	8	9	7	8	9	10	11	12	13
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17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30				
31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 24	25	26	27	28	Mar 1 Urban Water Institute's Sorino Water Co Pay Period Ends 7:30am WACO Meeting (MWDOC/OCWD Boardroom)	2
3	4 8:30am MWDOC Planning & Operations Committee	5 7:30am ISDOC Executive Committee Meeting (MWDOC Conference Room 101) 11:30am Executive Committee Meeting (Panian Conference Room) 5:45pm Costa Mesa City Council Meeting (Costa Mesa Senior Center)	6 Payday 8:30am Jt. MWDOC/MWD Workshop (MWDOC/OCWD Boardroom) 5:30pm OCWD Board Meeting (OCWD Boardroom)	7	8	9
10	11	12	13 8:00am OCWD Water Issues Committee (OCWD Boardroom) 8:15am IAFCO Meeting (Hall of Administration 10 Civic Center Plaza 8:30am MWDOC Admin & Finance Committee 11:30am CM Chamber Networking	14 4:00pm CM Chamber Board Meeting (TBD) 6:00pm Mesa Water Board Meeting (Boardroom)	15 Pay Period Ends	16
17 WaterReuse California Conference (Garden Grove)	18 8:30am MWDOC Public Affairs & Legislation Committee	19 7:30am WACO Planning Committee (MWDOC Conference Room 101) 3:30pm Engineering and Operations Committee Meeting (Boardroom) 5:45pm Costa Mesa City Council Meeting	20 Payday 8:00am ACWA/JPIA Risk Management Committee - FB (Roseville, CA) 8:30am MWDOC Board Meeting (MWDOC Boardroom) 5:30pm OCWD Board Meeting (OCWD Boardroom)	21 8:30am MWDOC Executive Committee Meeting (Conference Room 102) 3:30pm Finance Committee Meeting (Boardroom)	22	23
24	25	26	27 WaterNow Alliance 4th Annual Summit (Austin, Texas) 8:30am MWDOC/OCWD Jt. Planning (MWDOC/OCWD Boardroom)	28	29 Pay Period Ends	30
31	Apr 1	2	3	4	5	6



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UPCOMING COMMUNITY OUTREACH EVENTS

Event:	Date & Time:	Location:
<u>5th Grade Assembly</u>	Friday, January 11, 2019 1:00 p.m. to 2:00 p.m.	Rea Elementary School 661 Hamilton Street Costa Mesa, CA 92627
<u>Diego Sepulveda Plaque Dedication</u>	Saturday, January 12, 2019 10:00 a.m. to 12:00 p.m.	Estancia Park 1900 Adams Avenue Costa Mesa, CA 92626
<u>Martin Luther King Jr. Day of Service</u>	Sunday, January 20, 2019 11:30 a.m.	Julianne and George Argyros Plaza 600 Town Center Drive Costa Mesa, CA 92626
<u>5th Grade Assembly</u>	Monday, January 28, 2019 10:50 p.m. to 11:50 p.m. & 12:50 p.m. to 1:50 p.m.	Kaiser Elementary 2130 Santa Ana Avenue Costa Mesa, CA 92627
<u>5th Grade Assembly</u>	Monday, February 11, 2019 9:00 a.m. to 10 a.m.	Victoria Elementary 1025 Victoria Street Costa Mesa, CA 92627



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, External Affairs Manager
DATE: January 10, 2019
SUBJECT: Community Water Systems Alliance

RECOMMENDATION

Approve a Charter Membership with Community Water Systems Alliance for an amount not to exceed \$20,000 to help guide policy and strategy on the safe drinking water issue.

The Legislative & Public Affairs Committee reviewed this item at its December 17, 2018 meeting and recommends Board approval.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.

Goal #4: Increase public awareness about Mesa Water® and about water.

Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

At its December 17, 2018 meeting, the Legislative & Public Affairs Committee reviewed this item and recommends a not-to-exceed funding level of \$20,000.

DISCUSSION

On September 25, 2012, Governor Brown signed [Assembly Bill \(AB\) No. 685](#) (authored by former Assemblyman Mike Eng-D, Monterey Park) making California the first state in the nation to legislatively recognize the “human right to water” by declaring that “every human being has the right to safe, clean, affordable, and accessible water.” This law, however, contained no funding mechanism.

During the 2017-2018 legislative session, several bills proposed the creation of a “Safe & Affordable Drinking Water Fund” to finance the “human right to water” law, including:

- Senate Bill 623 in 2017 (Bill Monning-D, Monterey);
- Budget Trailer Bill in 2018; and,
- Senate Bill 845 in 2018 (Bill Monning-D, Monterey).

Furthermore, as a major funding mechanism for the “human right to water” law, the first two of the above-listed measures proposed a statewide tax consisting of a fee on every water meter that would post on the retail water customer’s bill; and, the third measure listed above proposed a highly inefficient “voluntary” remittance by every retail water customer statewide unless they opted out each month.

Due to immense efforts by the Association of California Water Agencies (ACWA) and its coalition of over 200 organizations -- comprising member agencies and water/government/utility industry associations -- all three of these bills died on August 31, 2018. Mesa Water’s staff and Sacramento lobbyists were actively engaged with ACWA’s coalition.



In October 2018, ACWA indicated that it intends to sponsor its own legislative proposal to help finance the “human right to water” without mandates on local water agencies which already face the challenge of ever-increasing water quality regulations while also ensuring water supply reliability. At the heart of ACWA’s proposal is the creation of a “Safe Drinking Water” Fund and Trust that would be financed by: 1) the State General Fund during budget surplus years; and/or, 2) voluntary donations from private corporations, nonprofits, and California citizens via an optional check mark on the California Form 540.

The 2019-2020 legislative session began on December 3, 2018; and, on December 5th, a new bill related to this issue was introduced by Assemblyman Richard Bloom (D-Santa Monica) as AB 134 (see Attachment A). It is anticipated that additional bills will be introduced in 2019 to address the “safe drinking water” issue.

In addition to ACWA, other coalitions have been -- and will continue to be -- highly engaged on this issue, including the: American Water Works Association, Cal-Nevada Section (of which Mesa Water is a member), California Municipal Utilities Association; California Special Districts Association (of which Mesa Water is a member); Northern California Water Association; Regional Water Authority; Southern California Water Coalition (of which Mesa Water is a member); and CalMutuals.

CalMutuals is also leading the formation of a new initiative, the Community Water Systems Alliance (CWSA), that has recently held several calls/meetings in which Mesa Water’s General Manager and External Affairs Manager have participated. To avoid starting a new permanent water association, and at the request of several water districts serving disadvantaged communities (led by Twentynine Palms Water District), CalMutuals agreed to serve as fiscal sponsor for the initiative.

The CWSA initiative will give voice to elected officials from water districts representing disadvantaged communities that are meeting safe drinking water standards and employ best management practices, whose operational and financial integrity are threatened by state water tax proposals. CWSA’s purpose would be to advocate against any efforts by the State to divert resources away from local agencies via statewide tax assessments or economically infeasible regulations (e.g., Chromium 6).

CWSA has already garnered the attention of the Assembly Water Parks & Wildlife Committee Chairman, Eduardo Garcia (D-Coachella), who has been entrusted by California Assembly Speaker Anthony Rendon (D-Paramount) to lead the State Assembly’s task force to “find a sustainable long-term approach to address clean, safe, affordable drinking water to meet the needs of all California.”

CWSA’s organizing principles are provided in Attachment B, with the goal of raising at least \$60,000 to conduct advocacy activities around the “safe drinking water” issue. The makeup of CWSA would be cities, community service districts, county water districts, and special districts that are well-run and -operated while serving disadvantaged communities or populations challenged by revenue limitations (i.e., people living below/at/near poverty level, seniors on a fixed income, etc.).



Initial “charter members” that contribute \$10,000 or more will have advisory board status to help guide policy and strategy for CWSA. To date, in addition to Mesa Water, potential charter members, pending formal approval by respective boards of directors, include: Big Horn Water District, Eastern Municipal Water District, Santa Margarita Water District, and Twentynine Palms Water District. East Orange County Water District approved becoming a CWSA member at the \$10,000 level. Other water districts considering a lower-cost membership level are: Cabazon Water District, Joshua Basin Water District, and North of the River Water District.

To maximize Mesa Water’s advocacy influence on the important safe drinking water issue, staff recommends that the Board approve a Charter Membership with Community Water System Alliance for an amount not to exceed \$20,000 for 2019 – 2020 activities.

FINANCIAL IMPACT

In Fiscal Year 2019, \$163,500 is budgeted for the District’s External Affairs department expenses; \$61,000 has been spent to date.

ATTACHMENTS

- Attachment A: AB 134: Safe, Clean, Affordable, and Accessible Drinking Water
- Attachment B: CalMutuals Report: Organization of a Community Water Systems Alliance
- Attachment C: CalMutuals Memorandum of Understanding

ASSEMBLY BILL

No. 134

Introduced by Assembly Member Bloom

December 5, 2018

An act relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 134, as introduced, Bloom. Safe, clean, affordable, and accessible drinking water.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would state findings and declarations relating to the intent of the Legislature to adopt policies to ensure that every Californian has the right to safe, clean, affordable, and accessible drinking water.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Pursuant to Section 106.3 of the Water Code, every human
4 being in the State of California has the right to safe, clean,
5 affordable, and accessible water adequate for human consumption.

- 1 (b) Unfortunately, over one million Californians are exposed
2 to unsafe drinking water each year. Children are particularly at
3 risk because as many as one in four schools in the Central Valley
4 have been impacted by unsafe drinking water.
- 5 (c) In fact, a significant number of California communities,
6 especially disadvantaged communities, rely on a contaminated
7 groundwater source for their drinking water supply. Contaminants
8 include nitrate, arsenic, and disinfectant byproducts.
- 9 (d) The State Water Resources Control Board has identified a
10 total of 331 water systems that are in violation of water quality
11 standards. These water systems serve an estimated 500,000 people
12 throughout the state. Additionally, the number of water systems
13 with 14 or fewer connections that are currently in violation of
14 water quality standards is estimated to be in the thousands.
- 15 (e) Of the 331 systems identified by the State Water Resources
16 Control Board, 68 have violations associated with nitrates and in
17 some cases, additional contaminants. In some of these water
18 systems, unsafe contamination levels persist over time because
19 the local agency cannot generate sufficient revenue from its
20 customer base to implement, operate, or maintain the improvements
21 necessary to address the problem.
- 22 (f) The challenge in these systems is often a product of a
23 combination of factors, including the high costs of the investments
24 required, low income of the customers, and the small number of
25 customers across whom the costs would need to be spread.
- 26 (g) Water treatment systems are the key to providing safe
27 drinking water to these communities, but the installation, operation,
28 and maintenance of such systems are often very costly and there
29 is no source of funding dedicated to this ongoing need.
- 30 (h) Therefore, it is the intent of the Legislature to adopt policies
31 that will end this injustice and ensure that pursuant to California
32 law, every Californian has the right to safe, clean, affordable, and
33 accessible drinking water.



**Report: Organization of a Community Water Systems Alliance
December 3, 2018**

A meeting was held on Friday, November 30, 2018, to discuss possible support for an alliance of community water systems representing income limited and disadvantaged communities, at Eastern Municipal Water District. The meeting was attended by:

Paul Jones, General Manager, Eastern Municipal Water District
Danielle Coats, Senior Legislative Program Manager, Eastern Municipal Water District
Lisa Yamashita Lopez, President, CalMutuals & GM Rubio Cañon Land and Water Assn.
David Armstrong, Vice President, CalMutuals & GM South Mesa Water Co.
Jim Ciampa, General Counsel, CalMutuals & Public Water Agency Group (PWAG)
Owen Sharp, General Manager, San Andreas Mutual Water Company
Sandy Caruba, Board Member, San Andreas Mutual Water Company
Carol Giannini, Board Member, Twentynine Palms Water District
Bob Coghill, Board Member, Twentynine Palms Water District
Ray Kolisz, General Manager, Twentynine Palms Water District
Denise Peralta Gailey, Advocate, Twentynine Palms Water District
Dan Ferons, General Manager, Santa Margarita Water District
Don Barns, Assistant General Manager, Santa Margarita Water District
Jim Leach, Director of Government Affairs, Santa Margarita Water District
Kelly Gardner, Assistant Executive Director, San Gabriel Valley Water Association
Paul Gonsalves, Advocate, San Gabriel Valley Water Association
Stacy Taylor, External Affairs Manager, Mesa Water District
Jeff Armstrong, General Manager, Rancho California Water District
Meggan Valencia, Public Affairs Manager, Rancho California Water District
Calvin Louie, General Manager, Cabazon Water District
Curt Saur, Joshua Basin Water District
Jeff Deming, Principal, Monterey Bay Academy
Jackie McCloud, Utilities Manager, City of Watsonville
Lisa Ohlund, General Manager, East Orange Water District
Tim Worley, Executive Director, AWWA Cal-Nevada Section
Adan Ortega, Executive Director, CalMutuals

Meeting Purpose – To potentially augment resources through CalMutuals to include income-limited and disadvantaged communities, who are served by well run and operated water supply agencies, in organized efforts to prevent that their resources will be diverted by the state through the assessment of local taxes or economically infeasible regulations (e.g., Chromium 6).

Community Water Systems Alliance (CWSA) Principles – The group discussed seven principles around which CWSA would organize and advocate. CWSA will be comprised of a group of special districts, county water districts, community service districts, and cities that are well-run and -operated while serving disadvantaged communities and other populations that entail revenue limitations, such as seniors.

General draft organizing principles were revised to include the following:

1. CWSA is comprised of viable and well-running water supply systems focused on empowering those among them who directly represent and serve the residents of disadvantaged communities and other populations with income limitations such as seniors.
2. CWSA supports a statewide comprehensive needs assessment of the operational integrity and resiliency of chronically distressed water systems.
3. CWSA supports funding to build water system resiliency that does not shift existing resources of disadvantaged communities from some regions to other regions of the state.
4. CWSA supports regulations that are deemed economically feasible through a combination of factors including affordability, transparent understanding of health benefits, and their real-time cost and value to the residents of California.
5. CWSA supports consolidation of chronically-distressed water systems when it is part of an initiative supported by the residents of such communities, and where property rights and the right of representation is respected.
6. CWSA members pledge to work with larger neighboring and/or regional water agencies toward efforts that bring resource efficiency and stewardship of local shared resources that are based upon common values, needs, and respect...not charity.
7. CWSA is an alliance for education and advocacy of the common interests and empowerment of water systems serving disadvantaged communities and other income-limited populations, not a permanent water association.

Management – The group generally agreed that as fiscal sponsor, CalMutuals could bring efficiency to CWSA by availing it of its administrative, advocacy, and logistical support thus eliminating the need for the duplication of resources, in parallel with CalMutuals’ regional capacity across the state. CalMutuals is proposing that an advisory board be comprised of the initial charter members according to the contribution levels below.

Budget – The group felt that the estimated budget of \$60,000 for one year to cover the legislative calendar was modest given the issues driving the organization of CWSA. The group asked CalMutuals to propose a sponsorship schedule scaled to the revenue capacity of prospective members (see contributions below).

Contributions – Thus far, the following contributions have been pledged pending formal approval by respective boards of directors, comprising initial “charter members” and thus advisory board status:

Charter Contributions

Santa Margarita Water District: \$20,000
Mesa Water District: \$10,000
Twentynine Palms Water District: \$10,000

Any member contributing \$10,000 or more will be called “charter members” and entitled to help guide policy and strategy of the initiative – or to transfer participation to someone from a disadvantaged community.

Proposed Schedule for Regular Sponsors of the Initiative – CalMutuals has a “progressive” membership schedule that encourages participation by small and larger members. Pending consensus from the group, CalMutuals proposes the following scales of sponsorship for the initiative:

Tier 1: Revenues <\$250K	\$500
Tier 2: Revenues \$250K +	\$750
Tier 3: Revenues \$500K+	\$1,250
Tier 4: Revenues \$1M+	\$2,500
Tier 5: Revenues \$4M+	\$5,000

Follow-Up:

- Sacramento Advocacy – Meetings were held in Sacramento on December 4th that included appointments with Assemblymember Eduardo Garcia, Assembly Water Parks and Wildlife Committee consultant Catherine Freeman, and others addressing the proposed water tax proposal.
- Conference Call – A conference call took place December 11th in order to consider/announce charter memberships, the sponsorship levels, and legislative and regulatory strategy.

**MEMORANDUM OF UNDERSTANDING
COMMUNITY WATER SYSTEMS ALLIANCE**

This Memorandum of Understanding (“MOU”) is entered into this ____ day of _____, 2018 (“Effective Date”) by and between the California Association of Mutual Water Companies, a California non-profit mutual benefit corporation (“Cal Mutuals”), and _____ (“Participant”) with respect to the following.

RECITALS

- A. There are numerous regulatory and legislative issues facing water suppliers in California, including, but not limited to, water quality standards, requirements to limit water losses, a potential water tax, funding mechanisms for low-income rate assistance and long-term water use efficiency requirements.
- B. There are numerous water suppliers serving disadvantaged and severely disadvantaged communities that while operating efficiently and well, do not, on an individual basis, have the financial resources to be able to effectively advocate with respect to the issues identified in Recital A.
- C. Cal Mutuals is a non-profit association formed to provide effective advocacy for, and to facilitate operational and educational resources to ensure effective and compliant operation and governance of, mutual water companies and other small water systems in California.
- D. Cal Mutuals has worked with various water systems to develop a collaborative program to assist water systems serving disadvantaged and severely disadvantaged communities with regulatory and legislative advocacy, as described in Section 1, below (the “Initiative”).
- E. The Community Water Systems Alliance (“CWSA”) is an alliance of water systems who are undertaking the Initiative, working with and through Cal Mutuals as described herein.
- F. Participant desires to participate in CWSA and desires to make a financial contribution to help offset the costs of the Initiative, in accordance with the provisions set forth below.

NOW, THEREFORE, Participant and Cal Mutuals agree as follows:

1. The Initiative. Cal Mutuals will provide the services necessary to administer and coordinate the functions relating to the Initiative, as guided by the principles attached hereto as Exhibit A and incorporated herein by this reference. Participant, in its sole discretion and at its sole cost, may provide services of its employees to assist with implementing the Initiative.

2. Participant's Financial Contribution. Participant shall contribute the sum of \$_____ to CWSA, through Cal Mutuals, in order to join and participate in CWSA. That amount may be paid in a lump sum or through a payment arrangement to be agreed upon by Participant and Cal Mutuals. Cal Mutuals shall separately account for all such contributions and shall utilize Participant's and other CWSA members' contributions only for costs related to the Initiative and its administration. Cal Mutuals shall issue a quarterly report of CWSA's income and expenses, including the use of Participant's contribution, on or before the thirtieth (30th) day following the end of each calendar quarter (i.e., March 31, June 30, September 30 and December 31). Participant acknowledges that the financial contributions of other CWSA members may vary and may be greater than or less than Participant's contributions, although Cal Mutuals will use its best efforts to ensure a fair structure concerning such overall contributions, including through application of the revenue-based contribution model set forth in Exhibit A hereto.

3. CWSA Participant Issues. Participant shall allow Cal Mutuals to use Participant's name in any correspondence that Cal Mutuals may send regarding the Initiative and in any materials used in soliciting additional members in CWSA; provided, however, that if such correspondence relates to a position on legislation, Participant shall be provided the opportunity to opt out of being specifically named in any such correspondence and Cal Mutuals will remove Participant's name if so instructed. Upon written request of Participant, Cal Mutuals shall promptly (i.e., within three business days) provide Participant by e-mail with a list of all participants in CWSA and their respective contributions.

4. Audit/Inspection. Upon at least forty-eight (48) hours' prior written notice, Participant may audit or inspect, at Participant's sole cost and expense, Cal Mutuals' accounting books and records relating to CWSA and the Initiative.

5. Term; Termination. This MOU shall have an indefinite term, although it is contemplated to last approximately two years. Because CWSA is intended to be a temporary program, it may be terminated at any time by the vote of at least sixty percent (60%) of its members. Participant may withdraw from CWSA at any time, upon at least seven (7) days' written notice. Such withdrawal shall not entitle Participant to a refund of any portion of its contribution under Section 2, above, unless any audit or inspection under Section 4, above, reveals the misappropriation of funds by Cal Mutuals, in which case CWSA shall be entitled to the return of its entire contribution or such other amount thereof as the parties may agree.

6. Indemnification. Cal Mutuals shall indemnify and defend Participant against any third party claims, losses, liabilities damages, lawsuits, claims, judgments or other costs resulting from Cal Mutuals' gross negligence or intentional misconduct in performing its duties hereunder.

7. Notices. Any notice or other communication to be provided under this MOU shall be in writing, and shall be deemed effectively given upon personal delivery; or upon deposit in any United States mail box, by registered, certified, Priority, or Express mail, postage prepaid; or upon delivery by nationally recognized overnight courier; or upon confirmed transmission by facsimile, addressed to the other party at the address shown below.

8. Governing Law. This MOU shall be governed by and construed in accordance with the laws of the State of California.

9. Amendment. This MOU may be modified only by a written agreement signed by both parties.

10. Severability. If any court determines that any provision of this MOU is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this MOU invalid or unenforceable and such provision shall be modified, amended or limited only to the extent necessary to render it valid and enforceable

11. Counterparts; Execution Transmitted by E-Mail or Fax. This MOU may be executed in counterparts, effective as of the Effective Date first set forth above. The parties agree that this MOU will be considered signed when the signature of a party is delivered by e-mail or by facsimile transmission. Such e-mailed or facsimile signature shall be treated in all respects as having the same effect of an original signature.

IN WITNESS WHEREOF, the Participant and Cal Mutuals have executed this MOU as of the date first above written.

California Association of Mutual Water Companies

Participant

By _____
Lisa Yamashita-Lopez, President

By _____
Its _____

Address: 1370 N. Brea Blvd., Suite 238
Fullerton, CA 92835

Address: _____

Fax Number: _____

Fax Number: _____



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Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 10, 2019
SUBJECT: Board Meeting Schedule

RECOMMENDATION

Reschedule the Thursday, May 9, 2019 regular Board of Directors' meeting to Thursday, May 2, 2019.

The Executive Committee will review this item at its January 10, 2019 meeting.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

Annually, the Board of Directors reviews the calendars to set the date and time for the meetings to be held the upcoming year.

The regular Board meeting scheduled for Thursday, May 9, 2019 occurs simultaneously with the Association of California Water Agencies' Spring Conference to be held in Monterey, California. Due to an anticipated lack of a quorum, staff recommends rescheduling the May Board meeting to Thursday, May 2, 2019 at 6:00 p.m.

Following are the proposed 2019 Board of Directors' meeting dates; in the case that the date has a conflict or is scheduled on a holiday, the meeting will move to the week before (as noted with an asterisk below):

- January 10
- February 14
- March 14
- April 11
- May 9* – *reschedule to Tuesday, May 2*
- June 13
- July 11
- August 8



- September 12
- October 10
- November 14
- December 12

FINANCIAL IMPACT

None.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 10, 2019
SUBJECT: Board Committee & Other Agency Liaison Assignments

RECOMMENDATION

Ratify the 2019 Board Committee & Other Agency Liaison Assignments.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

At its January 19, 2013 meeting, the Board of Directors (Board) adopted Resolution No. 1428 - Adopting Protocols of the Board of Directors. The new Committee format designates that all Committee meetings will be noticed as Board meetings and held as joint meetings of the Committee and the entire Board. All members of the Board may attend and participate in the meetings. The Executive Committee is excluded from this Committee format.

At its January 8, 2015 meeting, the Board ratified the Board Agency Liaison Assignments to complement the approved Committee format. The new Other Agency Liaison Assignments permits all members of the Board to attend other local agency meetings with the exception of ACWA/JPIA, City/Districts Liaison, and CalDesal for which designated Directors will be assigned.

DISCUSSION

President Dewane will provide the 2019 Board Committee & Other Agency Liaison Assignments at the Board meeting.

FINANCIAL IMPACT

None.

ATTACHMENTS

None.



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Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, External Affairs Manager
DATE: January 10, 2019
SUBJECT: Advocacy Consulting Services

RECOMMENDATION

Renew the contract with California Advocates for Advocacy Consulting Services through December 31, 2019 for an amount not to exceed \$84,000.

The Executive Committee will review this item at its January 10, 2019 meeting.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

Goal #4: Increase public awareness about Mesa Water and about water.

Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

In Fiscal Year 2014, Mesa Water District (Mesa Water®) retained, via a competitive procurement process for advocacy consulting services, the advocacy firm California Advocates (CA Advocates); since then, the District has renewed the CA Advocates contract annually.

DISCUSSION

At Mesa Water's Fall Board Workshop on October 9, 2018, the Board of Directors (Board) adopted our 2019 Legislative Platforms for use regarding anticipated high-priority public policy issues. Advocacy for Mesa Water's platforms has and will continue to require significant work in Sacramento on multiple issues -- including alternative solutions to the water tax for funding the "human right to water" -- during Calendar Year 2019.

CA Advocates has been effective for Mesa Water on several high-priority issues through active legislative monitoring and engagement with the: Governor's administration; State legislature and its leadership, committees, consultants and staff; State Water Resources Control Board; Association of California Water Agencies; CalDesal; California Municipal Utilities Association; California State Association of Counties; League of California Cities; California Special Districts Association; WaterReuse; and others. Staff recommends continuing work with CA Advocates as our lead Sacramento representative for advocacy issues important to Mesa Water.

FINANCIAL IMPACT

In Fiscal Year 2019, \$163,500 is budgeted for the District's External Affairs department expenses; \$61,000 has been spent to date.



ATTACHMENTS

None.



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Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, External Affairs Manager
DATE: January 10, 2019
SUBJECT: California Municipal Utilities Association Membership

RECOMMENDATION

Approve a first year membership with California Municipal Utilities Association for Fiscal Year 2019 in the amount of \$2,250.

The Executive Committee will review this item at its January 10, 2019 meeting.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

With its membership of almost 60 publicly owned water agencies and electric utilities statewide, the nonprofit California Municipal Utilities Association (CMUA) organization provides advocacy, networking connections, and informational services to its members. Among CMUA's members are various municipalities that provide public water and power services, including the following Southern California water districts and city utilities: Anaheim Public Utilities, Eastern Municipal Water District, Irvine Ranch Water District, Los Angeles Department of Water & Power, Metropolitan Water District of Southern California, San Diego County Water Authority, Santa Ana Municipal Utility Services, Valley Center Municipal Water District, and Western Municipal Water District (see Attachment A).

On the statewide advocacy front, CMUA has been actively engaged on several key pieces of water legislation over the past several years, including the water conservation legislation that passed in 2018, and partnered with the Association of California Water Agencies (ACWA) as part of its coalition opposing the water tax bills that were proposed in 2017-2018. In fact, CMUA's Water Director, Danielle Blacet, formerly worked as a senior legislative analyst at ACWA; and, in 2019, CMUA will co-sponsor ACWA's legislative proposal to solve the state's "safe drinking water" funding challenge with non-tax alternatives. It is anticipated that this issue will be a top priority in the water arena for the state legislature in 2019-2020.

To heighten Mesa Water's engagement on the important safe drinking water issue, and to maximize our advocacy influence, staff recommends that the Board of Directors approve a first year membership with CMUA for Fiscal Year 2019. CMUA offers one membership level for publicly owned water agencies, based on a cost of 18 cents per connection. With approximately 25,000 connections, Mesa Water's membership would be \$4,500. However, CMUA also offers a



“Step Up to Membership Program” whereby new members pay 50% of its full membership cost for the first year, 75% for the second year, then 100% for the third year onward. Thus, Mesa Water’s first year membership cost would be \$2,250.

FINANCIAL IMPACT

In Fiscal Year 2019, \$80,000 is budgeted for Dues & Subscriptions; \$50,790 has been spent to date.

ATTACHMENTS

- Attachment A: About CMUA
- Attachment B: CMUA Utility Membership Application

CMUA IS THE VOICE OF CALIFORNIA'S PUBLICLY OWNED ELECTRIC UTILITIES AND WATER AGENCIES

The California Municipal Utilities Association, with **59 electric and water member agencies statewide** — a mix of large, medium and small-sized organizations — represents the common interests of California's publicly owned utilities. We serve our members with:



ADVOCACY. We work on behalf of members in front of the Legislature and state and federal regulatory agencies, advancing public policies that benefit CMUA members and the people of California. During a typical two-year legislative cycle, CMUA and its Legislative Committee review thousands of bills and takes positions on dozens of measures affecting publicly owned water, electric and gas utilities.



INFORMATION. We keep members informed. The weekly *CMUA News and Views* electronic newsletter offers stories on state issues, member programs, various stakeholders and national interest, and *California Water & Power*, our quarterly magazine, dives into the big issues of the moment and recent innovations. Also, regular updates on legislative and regulatory issues keep members on top of the latest developments.



CONNECTIONS. We bring together our members at important events and meetings throughout the year, giving members the opportunity to engage with their peers, CMUA's expert staff, the water and power industry, and state and local decision-makers.

WHO WE ARE

Alameda Municipal Power
Anaheim Public Utilities
Azusa Light & Water Department
Banning Public Utilities Department
Burbank Water & Power
Cerritos, City of
Colton, City of
Corona Department of Water and Power
East Bay Municipal Utility District
Eastern Municipal Water District
Glendale Water & Power
Gridley, City of
Healdsburg Electric & Water
Imperial Irrigation District
Industry, City of
Irvine Ranch Water District
Lassen Municipal Utility District
Lodi Electric Utility, City of
Long Beach Gas and Oil
Long Beach Water Department
Los Angeles Department of Water & Power

Marin Municipal Water District
Merced Irrigation District
Metropolitan Water District of So. California
Modesto Irrigation District
Moreno Valley Electric Utility
M-S-R Public Power Agency
Needles, City of
Northern California Power Agency
Palo Alto Utilities, City of
Pasadena Water & Power Department
Pittsburg Power Company
Placer County Water Agency
Rancho Cucamonga Municipal Utility
Redding Electric Utility
Riverside Public Utilities Department
Roseville Electric Department
Roseville Environmental Utilities
Sacramento Department of Utilities, City of
San Diego County Water Authority
San Francisco Public Utilities Commission

San Jose, City of
Santa Ana Municipal Utility Services
Silicon Valley Power (City of Santa Clara)
Santa Clara Valley Water District
Shasta Lake, City of
SMUD
South San Joaquin Irrigation District
Southern California Public Power Authority
State Water Contractors
Sunnyvale Utility Services, City of
Transmission Agency of Northern California
Trinity Public Utilities District
Truckee Donner Public Utility District
Turlock Irrigation District
Ukiah, City of
Valley Center Municipal Water District
Vernon Public Utilities, City of
Victorville, City of
Western Municipal Water District
Yuba Water Agency



CMUA

ADVOCACY

Making our members heard and leading the way on California energy and water issues.

ADVOCACY IN 2018:

2,637 total bills tracked in the Legislature		tracked activities of 11 governmental agencies	200+ public-facing interactions including testing at State Capitol, speaking at conferences and public meetings, and writing op-eds that appear in major newspapers and websites
90 water bills	145 energy bills	engaged in 30+ water and energy proceedings	
243 bills watched	50 bills took position	submitted 20+ energy and water-related comment letters and briefs	

LEGISLATIVE COMMITTEE ACTIVITIES

During a two-year legislative term, the Legislative Committee reviews thousands of bills and takes positions on dozens of measures affecting POUs and water agencies.

Working together, we influence nearly every piece of legislation affecting POUs and water agencies.

REGULATORY COMMITTEE ACTIVITIES

The Regulatory Committee directs CMUA positions and serves as a forum for member discussions about regulatory issues that may impact members' operations. CMUA convenes more than 20 member committees, subcommittees and working groups focused on a wide range of energy and water issues of interest to our members.

Working together, we shape every regulatory proceeding we engage in.

BIG IMPACTS



POUs Save Consumers' Money and Drive California Businesses Forward

CMUA member electric rates are

15% LOWER

than investor owned utilities

POUs Have a Big Economic Impact



\$8.4 BILLION

annual revenue for CMUA electric utilities



POUs Are Community Owned and Accountable



of Californians receive water from CMUA member water agencies



of Californians receive power from CMUA member electric utilities

POUs Are Sustainable



13,000 GIGAWATTS

renewable energy delivered each year



POUs Are Reliable and Dependable



63,000 GIGAWATTS

of power delivered annually



RESTORE POWER 3 TIMES FASTER

than IOUs



27 MILLION CALIFORNIANS

receive water service from CMUA's water agencies



60% RENEWABLES

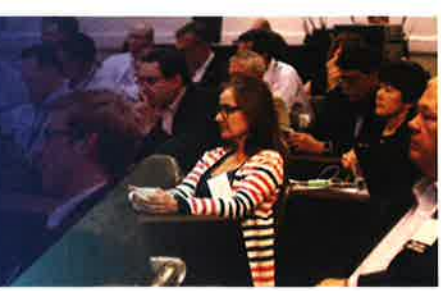
portfolio by 2030



ON TRACK TO EXCEED CALIFORNIA'S 2020 WATER USE EFFICIENCY TARGET

while continuing to meet or exceed all state and federal water quality standards

CMUA CONNECTIONS



Bringing members together to share information, ideas and best practices.

CMUA connects members in many ways, both in-person and digitally. We bring people together at conferences and events, meetings and workshops, and in online platforms.



CONFERENCE

CMUA's Annual Conference brings officials from POU's and water agencies together with government and industry policymakers, representatives of scientific, environmental, technological and economic interests to share information and views.



CAPITOL DAY

CMUA's annual Capitol Day brings POU's and water agencies to Sacramento to advocate for members' legislative priorities. CMUA members are briefed on important issues impacting their communities and meet with their communities.



CUSTOMER ENGAGEMENT SUMMIT

At the Customer Engagement Summit, members learn from one another and interact with industry experts and peers, focusing on providing high-level service while controlling costs, maintaining infrastructure and innovating with new programs.



TRAINING

Webinars, workshops and in-person training are available to CMUA members.



LISTSERV FORUMS

CMUA offers Email Listserv Forums exclusively for members where they can share best practices, ask questions and get answers while discussing issues and topics among their colleagues and peers who work for POU's and public water agencies in California.



AWARDS

The CMUA Community Service/Resource Efficiency Awards are presented annually in recognition of CMUA members' originality and creativity in energy and water resources efficiency, and consumer and community benefits. The CMUA Legislative and Regulatory Leadership Awards are given to members of the California Legislature and state agencies that champion the advancement of the CMUA-member policy agenda and legislative priorities.



COALITIONS


Through our participation in other local, state and national energy and water organizations, CMUA builds effective coalitions by bringing likeminded stakeholders together to achieve shared goals.



CMUA

IN BRIEF

CMUA is the voice of California's publicly owned electric utilities and water agencies.

1932 CMUA formed 

86 Years 

representing interests of California community-owned utilities

 **42**
members provide water services

 **41**
members provide electric services

59

electric and water member agencies statewide



28 water and electric members

15 water-only members

9 electric-only members

3 JPA electric members

2 electric and gas members

1 gas and oil member

1 nonprofit water wholesaler

CMUA membership is valuable and essential.

WE PROVIDE MEMBERS WITH:



INFORMATION

We keep members informed in many ways. The weekly CMUA News and Views offers stories on state issues, member programs, various stakeholders and national interest. Also, regular updates on legislative and regulatory issues keep members on top of the latest news.



ADVOCACY

We work on behalf of members in front of the Legislature and statewide regulatory agencies, supporting the advancement of public policies that benefit members and the people of California.



CONNECTIONS

We bring together our members at events, meetings and email forums throughout the year, giving members the opportunity to engage with their peers, CMUA's expert staff, the water and power industry, and state and local decision-makers.

CMUA INFORMATION



Valuable news and analysis about California's water and power industry.



CMUA NEWS & VIEWS

A comprehensive weekly information source for CMUA members, legislators, regulators and stakeholders to see what's happening in the world of energy and water.



CALIFORNIA WATER & POWER

Our quarterly magazine of in-depth news, information and analysis about Publicly Owned Utilities and public water agencies, and interviews with California legislators, regulators and thought leaders.



LEGISLATIVE UPDATE

A regular email update for members only from CMUA's legislative team about the latest developments at the California State Capitol and statewide.



CMUA MEMBER DIRECTORY

The comprehensive guide to CMUA's member agencies and utilities, including important contacts and data, associate members and buyers' guide to industry products and services.



CALIFORNIA WATER AND ENERGY LEADERS SURVEYS

Each year we poll senior-level executives, including general managers and utility directors at CMUA utilities and water agencies, about the future of our industry, and share the results with the public.



ANNOUNCEMENTS

As a service to members, CMUA offers readymade news announcements that utilities and water agencies can use in messaging to their own local communities.



VIDEO

From Q&A interviews and events to explanations of important water and energy topics, CMUA is on the scene to document the latest developments in our industry.



915 L Street Suite 1460
Sacramento, CA 95814
916-326-5800 • Fax 916-326-5810
www.cmua.org

UTILITY MEMBERSHIP APPLICATION

The undersigned organization hereby submits application for membership with the California Municipal Utilities Association, agrees to abide by the terms and provisions of the articles of incorporation and bylaws of the Association, and upon acceptance by the Board of Governors, shall be entitled to the services of the Association as therein provided.

Agency Name _____ **Date** _____

Mailing Address _____

Street Address if Different _____

City-State-Zip _____

Telephone Number _____ **Fax Number** _____

Website _____ **Twitter** _____

Facebook _____ **Instagram** _____

Authorizing Name & Title _____

Authorizing Signature _____

Name & Title of Utility's Manager _____

For the purposes of computing annual dues, please supply the following information, as it applies, for the preceding calendar year:

Electric Utilities: Total annual total retail KWH sales _____ Total Connections: _____

Water Utilities: Total annual retail domestic water sales (including residential, commercial & industrial, but excluding agricultural) in acre feet _____ Total Connections _____



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, External Affairs Manager
DATE: January 10, 2019
SUBJECT: Mesa Water Reliability Facility Outreach Center Grant Opportunity

RECOMMENDATION

Approve Soto Resources' proposal in the amount of \$21,180 to submit a grant application on behalf of Mesa Water District to help fund the design/build of the Mesa Water Reliability Facility Outreach Center.

The Executive Committee will review this item at its January 10, 2019 meeting.

STRATEGIC PLAN

- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

On December 26, 2018, the State of California Natural Resources Agency issued Final Guidelines for the [Cultural, Community and Natural Resources Grant Program](#). Approximately \$37 M in awards will be funded by this program through Proposition 68, which passed in June 2018. **Concept Proposals are due by February 13, 2019.** Applicants who submit the most competitive Concept Proposals will be further evaluated during an on-site field visit, with announcements for field visits expected by early Spring 2019. After the on-site field visits, the most qualified projects will be invited to continue the application process and submit additional supporting documentation.

Through participation in the Municipal Water District of Orange County's (MWDOC) new *Grant Assistance Program* for MWDOC Member Agencies, Mesa Water received an analysis from MWDOC's grants funding consultant, [Soto Resources](#), showing that the proposed Mesa Water Reliability Facility (MWRF) Outreach Center qualifies for the Cultural, Community and Natural Resources Grant Program under the category of "Community, Culture and Education" as a local agency visitor center and community venue that educates the public about natural landscapes.

Per the guidelines, there are no maximum or minimum grant award amounts. Furthermore, for a development project such as the proposed MWRF Outreach Center, up to 25% of the grant award may be spent on project management/non-construction (pre-implementation) costs, including, but not limited to: planning and design; environmental documents; architecture and engineering; construction plans; permitting; and, direct project administration and management.



In addition to direct costs, other eligible costs for a grant award include: construction costs; up to 10% for contingency costs; contracted services costs; personnel/employee services costs excluding overhead allocations; signage costs (i.e., exhibits, kiosks, display boards, etc.); and, expenditures for necessary miscellaneous costs such as premiums on hazard and liability insurance to cover personnel and/or property, transportation costs, and up to 5% on community access costs (i.e., engagement programs, technical assistance, etc.).

The Boardroom portion of the proposed MWRF Outreach Center would not be eligible for this grant funding, and would thus need to be separated out from the total estimated construction costs for the concept that Mesa Water chooses to submit.

If the District receives grant funding that covers a portion of costs for the proposed MWRF Outreach Center, Mesa Water would need to demonstrate secured matching funds for the balance needed to design/build the project. Top funding priorities include: 1) projects that leverage private, federal, or local funding, or produce the greatest public benefit; and, 2) projects that protect and restore natural resources and provide urban recreation.

Regarding schedule, while a required project completion period or date is not specified in the grant guidelines, they do state that this would be specified in the grant agreement (for receipt of funding), and the grant funds must be expended by May 1, 2022. Mesa Water is required to provide a project timeline as part of its Concept Proposal application, and may wish to consider expediting the project to expend the grant funds by May 1, 2022, or implement the project in phases so that the grant funds are used for the earlier phases (so long as this results in the stated benefits aligned with the grant requirements).

Soto Resources has provided its proposal (Attachment A) for submitting a grant application on behalf of Mesa Water District to help fund the design/build of the MWRF Outreach Center. The grant application process will involve the resources of several Mesa Water departments, with External Affairs as the lead. The total cost of Soto Resources' proposal is \$21,180 of which \$15,900 is for the Concept Proposal and \$5,280 is for the preparation and submission of additional supporting documentation, if Mesa Water is invited to continue the application process after the on-site field visits.

FINANCIAL IMPACT

In Fiscal Year 2019, no funds were budgeted for the MWRF Outreach Center Grant Opportunity; the requested funding would come from Cash on Hand.

ATTACHMENTS

Attachment A: Soto Resources' Proposal for Grant Application Services



Soto Resources
11 Hoya Street
Rancho Mission Viejo, CA 92694
(949) 370-6079
joey@sotoresources.com

January 2, 2019

Stacy Taylor
External Affairs Manager
Mesa Water District
1965 Placentia Ave
Costa Mesa, CA 92627
Email: stacyt@mesawater.org

Subject: Proposal to Prepare a Concept Proposal (Step 1) and Optional Supporting Documentation (Step 3) to the California Natural Resources Agency: Cultural, Community and Natural Resources Grant Program (Prop 68)

Dear Ms. Taylor:

Soto Resources is pleased to present this letter proposal to prepare a Concept Proposal (Step 1) and Supporting Documentation (Step 3), if invited, to the California Natural Resources Agency (Agency): Cultural, Community and Natural Resources Grant Program (Prop 68) for the Mesa Water District's Mesa Water Reliability Facility (MWRF) Outreach Center Project.

Soto Resources

Soto Resources is a sole proprietorship and certified Small Business Enterprise (SBE), Minority/Women Business Enterprise (MBE/WBE) that assists public agencies and municipalities acquire funding for projects related to water and energy efficiency in California. Ms. Joey Soto is the founder and sole proprietor of Soto Resources, which has no other owners or officers. Ms. Soto has 15 years of professional experience providing grant writing assistance services. Her consultancy, Soto Resources, has been in business since 2011.

Soto Resources provides grant assistance services in support of water projects throughout Southern California. Soto Resources has secured more than \$29 million in funding from competitive State of California (State) grants for public works projects. Soto Resources works closely with water districts, municipalities, and other stakeholders to identify funding for important projects. Funding services include grant research, application preparation and submittal, and grant management during project implementation. Soto Resources establishes positive working relationships with funding agencies that lead to repeat funding opportunities for clients. The Soto Resources team collaborates with project managers, grant managers, accounting departments, and engineering teams to prepare high-quality grant applications and to comply with the terms of grant agreements. Soto Resources is dedicated to meeting the client's grant needs and excels at meeting grant application deadlines.

Consultant Team for Mesa Water District Grant Project

Joey Soto, founder of Soto Resources, has served as a grant assistance consultant, with a focus on funding research, application development and submittal, and grant management for water projects throughout Southern California. Ms. Soto will serve as the project manager and senior grant writer. She has more than 15 years' experience providing grant services encompassing grant/loan funding research, application submittal, and project reporting for water projects in Southern California. Ms. Soto has successfully secured more than \$75 million in competitive grant funding. She understands how to competitively achieve grant funding for projects through strong technical writing skills, agency relations, and strategic approaches. As a funding consultant, she has provided legislative analysis, funding research, grant writing, and grant training for the County of Orange Department of Public Works and the County of Los Angeles Department of Public Works. She manages grant funds for projects to ensure compliance with required invoicing and reporting processes. In addition, she has authored numerous management plans for water supply, stormwater, water quality, and integrated regional watershed resources.

Ms. Soto will be supported by Ms. Denise Landstedt of Landstedt Consulting, and Ms. Cristina Yamasaki as technical editor. Combined, Ms. Landstedt and Ms. Soto have secured more than \$100 million in competitive local, state, and federal grant funding for cities, counties and water districts.

Denise Landstedt, subconsultant to Soto Resources, is principal of Landstedt Consulting with nearly \$100 million in successful grant acquisition and has more than 20 years in water planning, grant acquisition and management. Ms. Landstedt's extensive experience provides her with superior understanding of the grant acquisition process including working across teams to optimize key information for development of work plans, budgets, schedules, economic analyses, benefits analyses, eligibility requirements, and technical justification. She has demonstrated excellence in building and maintaining relationships with funding agencies and is experienced in seeking potential project partners, negotiating funding agreements, developing programs to meet legislative mandates and grant requirements, and performing comprehensive grant management, including progress reporting and invoicing. Her experience includes municipal project management, water resource management, policy and program administration, financial budgeting and analysis, competitiveness and benchmarking studies, legislative analysis, environmental and regulatory compliance, water conservation and recycling programs, solid waste recycling programs, emergency management programs, project award preparation and submission, and public affairs and community outreach programs.

Ms. Cristina Yamasaki will serve as a technical editor. She has 10 years of technical writing and editing experience in the environmental industry. Ms. Yamasaki will assist to ensure that established standards of quality are maintained, and funding requirements are incorporated into the Concept Proposal. She will review and edit material to ensure consistency, accuracy, and readability to the intended audience and conformance to agency specifications. Specifically, Ms. Yamasaki's work may entail formatting documents for consistency, checking text for accuracy of content and references, adhering to style guidelines and standard usage, and incorporating comments.

Proposed Scope of Work, Proposed Fee and Schedule

Our proposed Scope of Work is provided as Attachment A, the Proposed Fee is Attached B, and the project Schedule is Attachment C. These documents reflect our understanding of the MWRF Outreach Center Project based on information you have provided and of the California Natural Resources Agency Prop 68 grant program Concept Proposal (Step 1) and, if invited, the required Supporting Documentation (Step 3).

This grant program includes a progressive, three-step evaluation process: Step 1) Concept Proposal, Step 2) On-Site Field Visit, and Step 3) Supporting Documentation. Soto Resources will lead development and submittal of the Concept Proposal. Once Concept Proposals are reviewed and evaluated by the Agency, the Agency will conduct site visits (Step 2) for the most competitive projects. It is understood the District will lead and manage the site visit. After the site visit, the Agency will request supporting documentation for the most competitive projects post field visit. If invited to submit supporting documentation, Soto Resources will assist in Step 3 to prepare and submit the required supporting documentation by the due date the Agency indicates.

Project Communication

Joey Soto will be the Project Manager for the proposed work and she will be the first line of communication, supported by Denise Landstedt as Project Consultant. Communication will be by email and phone, working to set mutually agreeable times for conference calls, unless otherwise requested by the District for in-person meetings. Joey Soto will participate in requested in-person meetings with the District and Denise Landstedt will participate by teleconference.

Ms. Joey Soto, M.S.
Principal Funding Consultant
Soto Resources
joey@sotoresources.com
(949) 370-6079
www.sotoresources.com

Ms. Denise Landstedt
Principal Consultant
Landstedt Consulting
landstedtconsulting@gmail.com
(760) 560-7557

Please feel free to contact me or Denise Landstedt with any questions. We look forward to working with you on the California Natural Resources Agency concept proposal and grant application.

Sincerely,



Joey Soto, M.S.
Principal

Attachments



ATTACHMENT A

MESA WATER DISTRICT

CONCEPT PROPOSAL (STEP 1) AND OPTIONAL SUPPORTING DOCUMENTATION (STEP 3) TO THE CALIFORNIA NATURAL RESOURCES AGENCY: CULTURAL, COMMUNITY AND NATURAL RESOURCES GRANT PROGRAM (PROP 68)

SCOPE OF WORK

Project Understanding

The Mesa Water Reliability Facility Outreach Center Project is an outreach center with an educational platform for the Mesa Water District to communicate to key audiences -- academia/scientists, community members, customers, employees, industry, legislators, media, and the general public -- for the purpose of raising positive awareness for Mesa Water while also providing educational programs for students and adults. All ages will experience and learn about environmental conservation and preservation, natural resources, and water-wise landscaping through tours, educational classes, signage and recreation activities. The Project transforms an otherwise industrial space into a public benefit asset for community use with academic, environmental, and recreational value.

The Primary Project Benefits include: Environmental preservation/protection, natural (water-wise) landscaping, natural resources conservation, public education, and recreation.

Estimated Completion Date: June 30, 2023, although can be adjusted.

Estimated Project Cost: \$4 million, including design, construction/construction management, and exhibits and displays.

Project Partners: Newport-Mesa Unified School District and Coast Community College District.

Concept 3 Improvements

- Demolish existing building and construct a new facility
- Dedicated multi-purpose/education room
- Dedicated Board Room
- Dedicated Exhibition Space – interactive, tabletops, wall mounted and custom built
- Double height Operations storage
- Accommodates industry conferences and school assemblies
- Integration of multi-purpose room with the Demonstration Garden
- Primary entry from Gisler Avenue

Structural & Mechanical/Electrical/Plumbing

- New steel frame structure
- Will meet current code requirements
- New variable refrigerant flow HVAC system
- Isolate Engineering and Operations functions
- New fire protection sprinkler system
- New lighting and audio-visual systems
- Additional public restrooms
- Catering prep kitchen



Approach

Soto Resources (Consultant), in partnership with Landstedt Consulting, and working in collaboration with Mesa Water District staff, will prepare a Concept Proposal to the California Natural Resources Agency (Agency): Cultural, Community and Natural Resources Grant Program (Prop 68) for the Mesa Water District's Mesa Water Reliability Facility (MWRf) Outreach Center Project. Soto Resources will submit the Concept Proposal on behalf of Mesa Water District on the Agency's System for Online Application Review (SOAR) no later than 5 p.m., February 13, 2019.

This grant program includes a progressive, three-step evaluation process: Step 1) Concept Proposal, Step 2) On-Site Field Visit, and Step 3) Supporting Documents. Soto Resources will lead development and submittal of the Concept Proposal. Once Concept Proposals are reviewed and evaluated by the Agency, the Agency will conduct site visits (Step 2) for the most competitive projects. It is understood the District will lead and manage the site visit. After the site visit, the Agency will request supporting documentation for the most competitive projects post field visit. If invited to submit supporting documentation, Soto Resources will assist in Step 3 to prepare and submit the required supporting documentation online in SOAR by the due date the Agency indicates.

Communication between Soto Resources and the District will be by email and phone, working to set mutually agreeable times for conference calls, unless otherwise requested by the District for an in-person meeting.

TASK 1. INITIAL DATA ACQUISITION / KICKOFF MEETING / PARTICIPATING IN WEBCAST

Kickoff Meeting: A Kickoff Meeting will be held by conference call among the Project Team at a mutually agreeable time, no later than January 18, 2019, to provide enough time to complete the Concept Proposal. The Kickoff Meeting will be constructive to confirm the grant Concept Proposal development schedule and online submittal process, review of the final Grant Guidelines requirements, Frequently Asked Questions, and content and format of the Concept Proposal, project details and available information, and required data and information needed to be appropriately answer the questions in the Concept Proposal. Soto Resources will prepare an agenda for the Kickoff Meeting.

Data Acquisition: In preparation of the Kickoff Meeting, Soto Resources will sign into SOAR and acquire additional Concept Proposal information and the required Signature Page. Soto Resources will also develop and provide Mesa Water District with an Initial Data Request to obtain early project information for discussion during the Kickoff Meeting. Soto Resources will consider project information already obtained and information needed to meet the required content for the Concept Proposal.

CA Natural Resources Agency Prop 68 Technical Assistance Workshop - Webcast: Denise Landstedt will participate in the Agency's Technical Assistance Workshop by Webcast on January 8, 2019 to obtain additional grant program information.

Task 1 Deliverables:

- Initial Data Request
- Kickoff Meeting Agenda



- Signature Page for Execution
- CA Natural Resources Agency Webcast PowerPoint Slides

TASK 2. CONCEPT PROPOSAL (STEP 1) PREPARATION AND SUBMISSION

Soto Resources will prepare a Concept Proposal Framework that follows the required information listed in the Guidelines and meets the requirements of submitting in SOAR. The Framework will include the following:

- 1. Project Summary**
- 2. Project Questions Under Each Scoring Criteria**
 - a. Statutory Requirements and Project Need (7 questions)
 - b. Statutory and Program Priorities (6 questions)
 - c. Project Readiness (2 questions)
 - d. Organizational Capacity (3 questions)
 - e. Collaboration (2 questions)
 - f. Additional Project Characteristics (1 question)
- 3. Required Documentation**
 - a. Concept Proposal Form Signature Page (printed from SOAR)
 - b. Site Plan (able to visualize the project in detail)
 - c. Photographs (up to five color photographs of current condition of project site)
 - d. Cost Estimate (Grant Guidelines provide a sample format)

Prepare and submit a draft Concept Proposal to the District for review. It is anticipated up to three iterations of the draft and final draft Concept Proposal will be provided, updated, and resubmitted for review to develop a quality Concept Proposal. The Concept Proposal will be prepared to meet the Grant Program Scoring Criteria contained in the Guidelines and obtain the highest points possible under the 100-point Evaluation.

Finalize the Concept Proposal and submit to the Agency through the online SOAR no later than 5 p.m. on February 13, 2019. Provide the District with proof of submission, as available.

Task 2 Deliverables:

- Draft, Final Draft and Final Concept Proposal
- Proof of Submission in SOAR, as available

TASK 3. ON-SITE FIELD VISIT AND SUPPORTING DOCUMENTATION

On-Site Field Visit (Agency Step 2) – District Task: Prior to an invitation to submit Supporting Documentation, the District must be selected for an On-Site Field Visit for the Agency to further evaluate the proposed project. It is understood District staff will lead and manage the On-Site Field Visit. Announcements for field visits are expected in early Spring 2019.

At the site visit, the District should be prepared to respond to project-specific questions including, but not limited to, the cost estimate, funding, site plan, site control, operations and maintenance, partnerships, community involvement, any possible barriers to successful completion.

An invitation for an On-Site Field Visit does not guarantee the Project will move on to the next step to compete successfully for funding. Applicants with the most competitive projects after



field visits will be invited and required to submit Supporting Documentation to further demonstrate their ability to carry out the proposed project.

If the District is invited as a 'qualifying project' to provide additional Supporting Documentation, Soto Resources will assist with development and submission of the required documentation.

Supporting Documentation (Agency Step 3) – Soto Resources Task: Soto Resources will work collaboratively with District staff to develop and organize the following required supporting materials and upload them as attachments in SOAR. An attachment that is not applicable to the Project but is required by SOAR will be explained in a document why it is not applicable and uploaded to SOAR. Soto Resources will utilize the templates provided in the Guidelines, as noted below.

1. Location Map
2. Signed Authorizing Resolution (template provided)
3. Eligibility for Nonprofit Applicants (not applicable)
4. Environmental Compliance (Drafts are acceptable for this step)
5. Project Timeline
6. Assessor's Parcel Map
7. Plant Palette
8. Property Data Sheet (template provided)
9. Adequate Site Control/Land Tenure (template provided)
10. Operation and Maintenance
11. Project Permit/Approval Status (template provided)

Task 3 Deliverables:

- Draft, Final Draft, and Final Supporting Documentation
- Proof of Submission in SOAR, as available



ATTACHMENT B

MESA WATER DISTRICT

CONCEPT PROPOSAL (STEP 1) AND OPTIONAL SUPPORTING DOCUMENTATION (STEP 3) TO THE CALIFORNIA NATURAL RESOURCES AGENCY: CULTURAL, COMMUNITY AND NATURAL RESOURCES GRANT PROGRAM (PROP 68)

FEE ESTIMATE

Soto Resources proposes to provide the stated grant services on a time-and-materials basis, up to a maximum of \$15,900 for the Concept Proposal and \$5,280 for the Optional Supporting Documentation (Step 3), if invited. A detailed Fee Estimate is shown on the following page.

The Fee Estimate assumes:

- 1) Soto Resources will lead development of the Concept Proposal (Step 1);
- 2) The District will lead and manage the On-Site Field Visit (Step 2), if invited, and Soto Resources will not participate;
- 3) Soto Resources will work collaboratively with District staff to develop and submit the Supporting Documentation (Step 3), if invited; and
- 4) The flexibility to move funding from one task to another to cover expenses when one task exceeds the estimated fee in that task but not to exceed the total Fee Estimate of all tasks.



Mesa Water District Grant Acquisition and Management Assistance

FEE ESTIMATE

TASKS				Total Hours	Total Labor Costs ²	ODCs	TOTAL FEE
	Joey Soto	Denise Landstedt	Christina Yamasaki			ODCs ³	Total Fee ⁴
	Principal	Project Consultant ¹	Technical Editor				
	\$165	\$165	\$100				
Task 1. Initial Data Acquisition/Kickoff Meeting/Participation in Webcast							
Set, Prepare For and Participate in Kickoff Meeting	5	5		10	\$ 1,650	\$ 50	\$ 1,700
Data Acquisition - Sign into SOAR, Inventory Project Information, Initial Data Request	2	4		6	\$ 990		\$ 990
Participate in Grant Program Webcast		3		3	\$ 495		\$ 495
Subtotal Task 1	7	12		19	\$ 3,135	\$ 50	\$ 3,185
Task 2. Concept Proposal Preparation/Submission							
Prepare Concept Proposal Framework		3		3	\$ 495		\$ 495
Prepare Draft and Final Draft Concept Proposal for District Review	20	40	7	67	\$ 10,600		\$ 10,600
Finalize and Submit Concept Proposal to SOAR	3	5	3	11	\$ 1,620		\$ 1,620
Subtotal Task 2	23	48	10	81	\$ 12,715	\$ -	\$ 12,715
TOTAL TASKS 1 AND 2	30	60	10	100	\$ 15,850	\$ 50	\$ 15,900
Optional Task 3. On-Site Field Visit and Supporting Documentation							
On-Site Field Visit - District Staff Only	-	-		-	\$ -		\$ -
Prepare and Submit Supporting Documentation in Collaboration with District Staff	14	18		32	\$ 5,280		\$ 5,280
Subtotal Task 3	14	18		32	\$ 5,280	\$ -	\$ 5,280
TOTAL TASKS 1, 2 AND 3	44	78	10	132	\$ 21,130	\$ 50	\$ 21,180

¹ Rate includes cost plus 10%.

² Individual hourly rates include salary, overhead and profit.

³ Other Direct Costs (ODCs) such as copying, reproduction, delivery, postage, mileage (rates allowed by current IRS guidelines), will be billed at actual cost plus 10%.

⁴ Soto Resources reserves the right to adjust its hourly rates and ODC markup at the beginning of the calendar year for all ongoing contracts.

⁵ Total Fee is flexible, with District approval, to move funding from one task to another to cover expenses when one task exceeds the estimated fee in that task but not to exceed the total Fee Estimate of all tasks.



ATTACHMENT C

MESA WATER DISTRICT

CONCEPT PROPOSAL (STEP 1) AND OPTIONAL SUPPORTING DOCUMENTATION (STEP 3) TO THE CALIFORNIA NATURAL RESOURCES AGENCY: CULTURAL, COMMUNITY AND NATURAL RESOURCES GRANT PROGRAM (PROP 68)

SCHEDULE

The below schedule illustrates the proposed schedule for completing Tasks 1 and 2 for the Concept Proposal outlined in the Scope of Work over an approximate 5-week period. The schedule assumes a January 8, 2019 start date with the California Natural Resources Agency Webcast and completion on the submittal date of February 13, 2019. A schedule for Optional Task 3 – Supporting Documentation will be developed at the time the District is invited to submit and a due date is known.

Task	Title	January 2019	February 2019	March 2019	April 2019	May 2019
Task 1	Participate in CA Natural Resources Agency Grant Program Webcast	1/8/19				
	Initial Data Request	1/11/19				
	Kickoff Meeting	1/18/19				
	Data Acquisition/Communication	1/10/19 to 2/13/19				
Task 2	Prepare Concept Proposal (Step 1)	1/10/19 to 2/13/19				
	Submit Concept Proposal in SOAR		2/13/19			
Optional Task 3	On-Site Field Visit (by invitation) – District Task			Announcement Early Spring	Date TBD	
	Supporting Documentation (by invitation)					Due Date TBD



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, External Affairs Manager
DATE: January 10, 2019
SUBJECT: Policy Positions

RECOMMENDATION

Approve the updated Policy Positions for Mesa Water District.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

At its March 26, 2018 workshop, the Board of Directors (Board) approved the updated Policy Positions for Mesa Water District (Mesa Water®).

At its October 9, 2018 workshop, the Board reviewed and approved Mesa Water's 2019 Legislative Platforms and suggested updates to Mesa Water's Policy Positions.

At its December 17, 2018 meeting, the Legislative & Public Affairs Committee (LPAC) reviewed the suggested updates to Mesa Water's Policy Positions.

DISCUSSION

The purpose of a Policy Positions document for Mesa Water is to establish positions, agreed upon by the Board, on public policies to guide our staff and legislative advocates in monitoring, identifying, evaluating, and prioritizing legislative, regulatory, and water/government industry issues that may impact Mesa Water and our constituents' interests. Updated as needed, our Policy Positions contribute to all of Mesa Water's vision, mission, and strategic plan goals.

Additionally, because we are increasingly engaged in State legislative, administrative, and regulatory efforts as part of a broad coalition of industry associations -- such as the Association of California Water Agencies, California Special Districts Association, and others -- as well as collaborating on public policies with regional, statewide, and national industry groups (i.e., American Water Works Association, Association of California Cities-Orange County, Orange County Business Council, Southern California Water Coalition, Urban Water Institute, WateReuse, etc.), an updated Policy Positions document is important for Mesa Water to be actively involved with, and influence, governance and water/utility policy decisions that can impact our operations, customers, and community.



As requested by LPAC, the newly updated Policy Positions (Attachment A) includes:

- An update to Policy Position #2.c. regarding keeping the Basin Pumping Percentage at “not less than” 80 percent;
- Edits to Policy Position #7 -- by incorporating items from former Policy Position #8 -- regarding the potential merger of the Municipal Water District of Orange County and Orange County Water District; and,
- A new Policy Position #20 regarding an equitable Integrated Regional Water Management planning process.

The updated Policy Positions document establishes parameters that provide for timely response to policies, legislation, and/or regulations affecting Mesa Water (i.e., development/treatment of new local water supplies including desalination, infrastructure funding and fiscal policies, local control, water pricing and conservation, water storage and transfers/exchange programs, water quality mandates and stormwater issues, water resources public policy, transparency issues, etc.). Any matters with complex implications requiring added clarification will be presented to the Board for further direction.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Draft Policy Positions
Attachment B: Policy Positions, Redline
Attachment C: 2019 Legislative Platforms

Policy Positions

Updated: January 10, 2019

Mesa Water District (Mesa Water®) supports:

1. Groundwater Quality Protection
 - a. Support Orange County Water District's (OCWD) current groundwater quality protection programs
 - i. Basin Equity Assessment (BEA) Exemption Program for Impaired Groundwater (including the Mesa Water Reliability Facility)
 - ii. The MTBE, North Basin, and South Basin groundwater protection projects
 - iii. The Tustin and Irvine desalters
 - b. Encourage OCWD to protect the Basin from chlorides caused by seawater intrusion
 - i. Encourage OCWD to set a goal of maintaining protective elevations along the coast
 - ii. Encourage OCWD to hold semi-annual barrier meetings with Coastal Agencies (Huntington Beach, Mesa Water, and Seal Beach)
 - iii. Encourage semi-annual reporting on the barrier
2. Policies that raise and stabilize the Basin Pumping Percentage (BPP)
 - a. Support OCWD setting a target BPP that they intend to consistently meet
 - b. Support new water supply projects that help achieve this goal
 - c. Support OCWD adopting a water supply policy that sets a goal of developing water supply and recharge capabilities, including purchasing replenishment water, or other actions that result in a reliable and predictable source of groundwater at a BPP of not less than 80 percent. A goal of this policy is to accomplish this with a cost-neutral, or better, impact on producers when the avoided cost of purchasing imported water is considered
3. Policies that keep the Basin full
 - a. Support OCWD adhering to the BPP-setting formula
 - b. Support maximum production at the Groundwater Replenishment System (GWRS) to ensure a cost-effective, high-quality, environmentally-friendly and sustainable local water supply that benefits all OCWD producers and that increases the region's current and future water reliability
 - c. Support maximum wastewater flows treatable by the GWRS to the Orange County Sanitation District (OCSD) -- and support OCSD/OCWD's permanent acquisition of such wastewater flows -- to ensure source reliability for the GWRS
 - d. Support stormwater capture projects that are cost-effective (e.g., equivalent to or less than GWRS costs) and that contribute source water to the Basin Principal Aquifer
4. Basin Storage and Exchange/Transfer Programs that are market-based with the primary benefits accruing to OCWD, its Groundwater Producers, and the ratepayers they serve, with such Programs applying the "Beneficiaries Pay" principle and addressing issues including, but not limited to:
 - a. Full cost recovery, at a minimum, of a proportional share of the historic and future capital investments as well as operations and maintenance costs incurred by OCWD to manage the Basin
 - b. Full cost recovery, at a minimum, of the proportional value that entry into the Basin affords, including the value of reliability (and thus loss of reliability to the Groundwater Producers through the loss of available storage capacity) and the value of treatment

- c. Accounting for water loss in a current or future year (both lost out of the Basin and lost due to inability to spread or extract)
 - d. Consideration that the above is merely a “break even” deal, and any program should bring significant benefits in excess of the above to OCWD and its Groundwater Producers
 - e. Deferring entering into any agreements until the *IRWD v. OCWD* lawsuit is resolved
 - f. Deferring entering into any agreements until the Metropolitan Water District of Southern California (MWD) Conjunctive Use Program has been terminated
 - g. Limiting any potential future storage agreements to storage programs that are compliant with OCWD Act Section 2.1.c
 - h. Maximizing the beneficial use of the Basin while maximizing Basin Pumping Percentage (BPP) for the Groundwater Producers overlying the Basin
5. Annexations
 - a. Support financially neutral annexations into OCWD
 6. A financially strong OCWD
 - a. Support policies and practices that maintain OCWD’s current AAA credit rating from two of the three credit rating agencies
 7. The potential merger of the Municipal Water District of Orange County (MWDOC) and OCWD if the merger:
 - a. is mutually agreed upon by both MWDOC and OCWD, with any governance change supported by MWDOC’s and OCWD’s Boards of Directors;
 - b. encourages MWDOC and OCWD exploring mutual areas of efficiency that results in economic savings for the members of both agencies;
 - c. improves or, at a minimum, preserves the quality, reliability and sustainability of wholesale water services to the members of both agencies;
 - d. preserves the interests of groundwater producers currently existing within Orange County’s groundwater basin and protects those interests from diminished groundwater resources or supplies;
 - e. supports MWDOC’s current geographic boundaries, and preserves the existing boundaries of the Orange County groundwater basin for pumping and storage purposes;
 - f. supports MWDOC’s current mission, and allows the Orange County groundwater basin to remain unadjudicated;
 - g. respects the “one person one vote” principle if the new Board of Directors is a wholly elected board;
 - h. is facilitated openly and transparently; and,
 - i. increases the effectiveness of Orange County’s representation at MWD, with a coordinated and unified voice representing Orange County
 8. Increased influence at Metropolitan Water District of Southern California (MWD)
 - a. Support increased allocations of MWDOC resources for engagement at MWD
 - b. Support coordination of the entire Orange County MWD delegation
 9. MWDOC’s priority initiatives at MWD
 - a. Protect Mesa Water’s service area from any cost shifts as a result of the San Diego County Water Authority lawsuit
 - b. Encourage continued efforts in improving the Delta

- c. Seek opportunities for MWD to provide assistance (or partnership) with MWDOC on developing desalination in Orange County
- d. Continue to support MWD's discounted replenishment water program
10. Close working relationships with MWDOC on local issues and programs for which the organization is advocating at MWD
11. The current Mesa Water Strategic Plan, including the District's goals to:
 - a. Provide a safe, abundant, and reliable water supply.
 - b. Practice perpetual infrastructure renewal and improvement.
 - c. Be financially responsible and transparent.
 - d. Increase public awareness about Mesa Water and about water.
 - e. Attract and retain skilled employees.
 - f. Provide outstanding customer service.
 - g. Actively participate in regional water issues.
12. The development of cost-effective and environmentally sensitive sources of water, including recycling, groundwater clean-up, conservation, and desalination
13. The potential Huntington Beach Ocean Desalter project as it can possibly provide a new, reliable, quality water supply that is appropriately priced
14. The co-equal goals of improved water supply reliability and Delta ecosystem health
15. Water rates based on true costs in conformance with Prop. 218, and tax-free revenue
16. Policies that encourage economical and practical water efficiency for indoor water use, irrigation water use, and commercial and industrial water use, without stranding investments in potable reuse systems, including:
 - a. Indoor water use efficiency at the level needed for community health and safety -- as substantiated by a recently-commissioned, validated, and peer-reviewed end-use study -- and that protects local investments in potable reuse systems
 - b. Irrigation water use efficiency at the level necessary for productive crops and attractive landscapes
 - c. Commercial and industrial water use efficiency at a level that sustains economic vitality
17. Water use efficiency policies based on fact-based data and water use efficiency standards based on sound studies that are credible, replicable, and verifiable
18. Policies that establish regulatory and statutory parity for all types of recycled water, including purple pipe and potable reuse
19. Theft prevention of municipal metal infrastructure, such as fire hydrants, manhole covers, and backflow devices
20. The equitable treatment of OCWD -- and its programs and projects -- by the Santa Ana Watershed Project Authority (SAWPA) with respect to grants funding and related considerations as part of SAWPA's Integrated Regional Water Management planning and One Water One Watershed program.

Mesa Water opposes:

1. The encroachment of Mesa Water easements, rights-of-way, and property without negotiation, agreed upon compensation, and advance approval at the sole discretion of the District



Policy Positions

Updated: ~~December 17, 2018~~ January 10, 2019

Mesa Water District (Mesa Water®) supports:

1. Groundwater Quality Protection
 - a. Support Orange County Water District's (OCWD) current groundwater quality protection programs
 - i. Basin Equity Assessment (BEA) Exemption Program for Impaired Groundwater (including the Mesa Water Reliability Facility)
 - ii. The MTBE, North Basin, and South Basin groundwater protection projects
 - iii. The Tustin and Irvine desalters
 - b. Encourage OCWD to protect the Basin from chlorides caused by seawater intrusion
 - i. Encourage OCWD to set a goal of maintaining protective elevations along the coast
 - ii. Encourage OCWD to hold semi-annual barrier meetings with Coastal Agencies (Huntington Beach, Mesa Water, and Seal Beach)
 - iii. Encourage semi-annual reporting on the barrier
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 - a. Support OCWD setting a target BPP that they intend to consistently meet
 - b. Support new water supply projects that help achieve this goal
 - c. Support OCWD adopting a water supply policy that sets a goal of developing water supply and recharge capabilities, including purchasing replenishment water, or other actions that result in a reliable and predictable source of groundwater at a BPP of not less than 80 percent.- A goal of this policy is to accomplish this with a cost-neutral, or better, impact on producers when the avoided cost of purchasing imported water is considered
3. Policies that keep the Basin full
 - a. Support OCWD adhering to the BPP-setting formula
 - b. Support maximum production at the Groundwater Replenishment System (GWRS) to ensure a cost-effective, high-quality, environmentally-friendly and sustainable local water supply that benefits all OCWD producers and that increases the region's current and future water reliability
 - c. Support maximum wastewater flows treatable by the GWRS to the Orange County Sanitation District (OCSD) -- and support OCSD/OCWD's permanent acquisition of such wastewater flows -- to ensure source reliability for the GWRS
 - d. Support stormwater capture projects that are cost-effective (e.g., equivalent to or less than GWRS costs) and that contribute source water to the Basin Principal Aquifer
4. Basin Storage and Exchange/Transfer Programs that are market-based with the primary benefits accruing to OCWD, its Groundwater Producers, and the ratepayers they serve, with such Programs applying the "Beneficiaries Pay" principle and addressing issues including, but not limited to:
 - a. Full cost recovery, at a minimum, of a proportional share of the historic and future capital investments as well as operations and maintenance costs incurred by OCWD to manage the Basin
 - b. Full cost recovery, at a minimum, of the proportional value that entry into the Basin affords, including the value of reliability (and thus loss of reliability to the Groundwater Producers through the loss of available storage capacity) and the value of treatment

- c. Accounting for water loss in a current or future year (both lost out of the Basin and lost due to inability to spread or extract)
- d. Consideration that the above is merely a “break even” deal, and any program should bring significant benefits in excess of the above to OCWD and its Groundwater Producers
- e. Deferring entering into any agreements until the *IRWD v. OCWD* lawsuit is resolved
- f. Deferring entering into any agreements until the Metropolitan Water District of Southern California (MWD) Conjunctive Use Program has been terminated
- g. Limiting any potential future storage agreements to storage programs that are compliant with OCWD Act Section 2.1.c
- h. Maximizing the beneficial use of the Basin while maximizing Basin Pumping Percentage (BPP) for the Groundwater Producers overlying the Basin

5. Annexations

- a. Support financially neutral annexations into OCWD

6. A financially strong OCWD

- a. Support policies and practices that maintain OCWD’s current AAA credit rating from two of the three credit rating agencies

7. The potential merger of the Municipal Water District of Orange County (MWDOC) and OCWD if the merger:

- a. is mutually agreed upon by both MWDOC and OCWD, with any governance change supported by MWDOC’s and OCWD’s Boards of Directors;
- b. encourages MWDOC and OCWD exploring mutual areas of efficiency that results in efficiencies and economic savings for the members of both agencies;
- c. improves or, at a minimum, preserves the quality, reliability and sustainability of wholesale water services to the members of both agencies;
- d. preserves the interests of groundwater producers currently existing within Orange County’s groundwater basin and protects those interests from diminished groundwater resources or supplies;
- e. supports MWDOC’s current geographic boundaries, and preserves the existing boundaries of the Orange County groundwater basin for pumping and storage purposes;
- f. supports MWDOC’s current mission, and allows the Orange County groundwater basin to remain unadjudicated;
- g. respects the “one person one vote” principle if the new Board of Directors is a wholly elected board;
- h. is facilitated openly and transparently; and,
- i. increases the effectiveness of Orange County’s representation at MWD, with a coordinated and unified voice representing Orange County

~~8. A strong independent MWDOC~~

- ~~a. Support MWDOC’s current mission and geographic boundaries, and oppose any efforts to break up the agency~~
- ~~b. Encourage MWDOC and OCWD exploring mutual areas of efficiency~~
- ~~c. Support any governance change agreed to by the MWDOC board~~

~~9.8.~~ Increased influence at Metropolitan Water District of Southern California (MWD)

- a. Support increased allocations of MWDOC resources for engagement at MWD
- b. Support coordination of the entire Orange County MWD delegation

- ~~40.9.~~ MWDOC's priority initiatives at MWD
 - a. Protect Mesa Water's service area from any cost shifts as a result of the San Diego County Water Authority lawsuit
 - b. Encourage continued efforts in improving the Delta
 - c. Seek opportunities for MWD to provide assistance (or partnership) with MWDOC on developing desalination in Orange County
 - d. Continue to support MWD's discounted replenishment water program
- ~~44.10.~~ Close working relationships with MWDOC on local issues and programs for which the organization is advocating at MWD
- ~~42.11.~~ The current Mesa Water Strategic Plan, including the District's goals to:
 - a. Provide a safe, abundant, and reliable water supply.
 - b. Practice perpetual infrastructure renewal and improvement.
 - c. Be financially responsible and transparent.
 - d. Increase public awareness about Mesa Water and about water.
 - e. Attract and retain skilled employees.
 - f. Provide outstanding customer service.
 - g. Actively participate in regional water issues.
- ~~43.12.~~ The development of cost-effective and environmentally sensitive sources of water, including recycling, groundwater clean-up, conservation, and desalination
- ~~44.13.~~ The potential Huntington Beach Ocean Desalter project as it can possibly provide a new, reliable, quality water supply that is appropriately priced
- ~~45.14.~~ The co-equal goals of improved water supply reliability and Delta ecosystem health
- ~~46.15.~~ Water rates based on true costs in conformance with Prop. 218, and tax-free revenue
- ~~47.16.~~ Policies that encourage economical and practical water efficiency for indoor water use, irrigation water use, and commercial and industrial water use, without stranding investments in potable reuse systems, including:
 - a. Indoor water use efficiency at the level needed for community health and safety -- as substantiated by a recently-commissioned, validated, and peer-reviewed end-use study -- and that protects local investments in potable reuse systems
 - b. Irrigation water use efficiency at the level necessary for productive crops and attractive landscapes
 - c. Commercial and industrial water use efficiency at a level that sustains economic vitality
- ~~48.17.~~ Water use efficiency policies based on fact-based data and water use efficiency standards based on sound studies that are credible, replicable, and verifiable
- ~~49.18.~~ Policies that establish regulatory and statutory parity for all types of recycled water, including purple pipe and potable reuse
- ~~19.~~ Theft prevention of municipal metal infrastructure, such as fire hydrants, manhole covers, and backflow devices
- 20. The equitable treatment of OCWD -- and its programs and projects -- by the Santa Ana Watershed Project Authority (SAWPA) with respect to grants funding and related considerations as part of SAWPA's Integrated Regional Water Management planning and One Water One Watershed program.

Mesa Water opposes:



1. The encroachment of Mesa Water easements, rights-of-way, and property without negotiation, agreed upon compensation, and advance approval at the sole discretion of the District



2019 Legislative Platforms

Updated October 2018

Calendar Year 2019 marks the first year of California's two-year (2019 and 2020) legislative session, with the State legislature slated to reconvene at noon on Monday, December 3, 2018. Staff expects that legislative proposals and ongoing policy discussions from the 2018 session will return in 2019, including water legislation that could significantly impact Mesa Water District (Mesa Water®). The State administration and legislature explored several water issues in 2018, including, but not limited to:

- water use efficiency/conservation legislation updating "20x2020" and Urban Water Management Planning;
- a statewide "public goods charge" (tax) on water;
- water district consolidations;
- prohibiting residential water shutoffs;
- low income water rates assistance programs (aka "lifeline rates" or LiWRA);
- water quality and lead;
- recycled water and water reuse;
- California Environmental Quality Act (CEQA) reform; and,
- Delta Flows and the California WaterFix/EcoRestore.

As policy discussions continue in 2019, the above issues will be the primary areas of legislative and regulatory focus. Additionally, the November 2018 election will result in a new State Governor and administration, as well as current and new state legislative leadership, lawmakers, and regulators who will be dedicated to implementing the recently enacted water conservation bills -- SB 606 and AB 1668 -- which passed during the 2018 legislative session.

Listed below, for the Board's consideration, are the proposed legislative and regulatory platforms regarding anticipated high-priority public policy issues in 2019 that could have major consequences for Mesa Water:

- **Water Rates** – Mesa Water supports local rate-setting control with rate structures, set by publicly-elected boards and councils, that best serve customers and comply with the law. Furthermore, Mesa Water supports cost-based water rates that:
 - represent the true, full cost of water services, including operational costs and infrastructure funding to ensure water system sustainability into perpetuity; and,
 - harmonize the concepts of conservation and legality, with rates that provide a strong price signal for ratepayers to conserve while also complying with legal mandates (i.e., Article X of the CA Constitution; SB 606 and AB 1668; and, Propositions 13, 26, and 218).
- **Proposition 218** – Mesa Water supports Article XIII C and D of the California Constitution (Prop. 218) regarding government service assessments, fees, rates, and taxes, specifically:
 - the "2/3 vote" required from the legislature and voters for approval of new levies; and,
 - the "special benefit and proportionality requirements" provision which directly connects the special benefits received with reasonable proportionate costs, and ensures that



assessments imposed for property-related (water) services must not exceed the proportional cost of the services attributable to the parcel.

- **Water Rate Assistance Programs (“WRAP”)** – Mesa Water supports localized “WRAP” (aka “lifeline rates” or LiWRA) programs that comply with Prop. 218 of the California Constitution and are funded either voluntarily or via nonrestricted/non-water-rates revenues.
- **Orange County Groundwater Basin** – Mesa Water opposes any potential streamlined process for adjudicating groundwater basins, including the Orange County groundwater basin which is currently managed by the Orange County Water District (OCWD).
- **Water Bonds Funding (Propositions 1 and 68)** – Mesa Water supports funding from the November 2014 and June 2018 water bonds for OCWD’s priority projects.
- **Water Desalination** – Mesa Water supports CalDesal in its desalination advocacy efforts, as well as the local and regional development of cost-effective and environmentally sensitive water desalination projects statewide -- including brackish and ocean water desalination and the proposed Huntington Beach and Dana Point projects -- in order to enhance the availability and reliability of local and regional water supply sources, and improve water supply reliability for Orange County, Southern California, and statewide.
- **Water Conservation/Water Use Efficiency** – Mesa Water supports accounting for water resource and supply investments -- such as desalination, potable reuse, and water recycling - - as part of any potential statewide effort to update urban water conservation goals. Mesa Water supports compliance flexibility and local control; maximum credit for drought-resilient supplies; and, water use and water loss target-setting by the legislature that is based on valid data and includes a glide path for enforcement as well as a variance process for unique situations.
- **Water Recycling** – Mesa Water supports OCWD and WaterReuse in its efforts to advance potable reuse legislation and regulations.
- **Water Quality** – Mesa Water supports efforts by the Association of California Water Agencies (ACWA) to protect public health by using the best available scientific data and cost/benefit analyses to inform the development of reasonable and fiscally-responsible water quality legislation and regulations which consider technical and economical feasibility while ensuring clean, safe drinking water.
- **Water Storage and Exchange Programs** – Mesa Water supports the “Beneficiaries Pay” principle for water storage and exchange/transfer programs provided that they are market-based, ensure full cost recovery at a minimum, and account for water loss.
- **CEQA Reforms** – Mesa Water supports the efforts of ACWA and other water industry associations/organizations to streamline CEQA to enhance efficiencies, reduce redundancies in the environmental review/permitting process, and eliminate unnecessary, costly, and time-consuming litigation and related delays.
- **Local Government** – Mesa Water supports the efforts of California Special Districts



Association (CSDA) and the Local Agency Formation Commission (LAFCO) to ensure local control and representation, efficient delivery of government services, and appropriate reserve funds levels.

- **Delta Functional Flows and Solutions** – Mesa Water supports the efforts of ACWA, Municipal Water District of Orange County (MWDOC), Metropolitan Water District of Southern California (MWD), and Southern California Water Committee (SCWC) to achieve a long-term solution for the Bay Delta that includes functional, unimpaired flows for optimal statewide water supply reliability, sustainability and quality, and Delta ecosystem health and restoration for the public benefit.
- **Federal Drought Legislation** – Mesa Water supports the efforts of ACWA and other water industry associations/organizations in collaborating with U.S. representatives to develop bipartisan federal drought legislation.



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 10, 2019
SUBJECT: Board Workshop Planning

RECOMMENDATION

Review agenda topics and discuss planning for the March 7, 2019 Board of Directors' workshop.

The Executive Committee will review this item at its January 10, 2019 meeting.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

At its January 10, 2019 meeting, the Board of Directors is scheduled to discuss agenda topics for the March 7, 2019 workshop.

For the Committee's review, the proposed agenda topics are as follows:

- Procedures for Meetings of the Board of Directors
- Strategic Plan
- Ordinance No. 28 – Directors' Compensation and Expense Reimbursement
- Financial Goals & Reserves
- Outreach Messaging/ Framework
- Customer Service Audit
- Annual Performance Measures and Audits
- Regional Water Issues

FINANCIAL IMPACT

In Fiscal Year 2019, \$3,000 is budgeted; \$625 has been spent to date.

ATTACHMENTS

None.



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 10, 2019
SUBJECT: Ordinance No. 28 – Directors' Compensation and Expense Reimbursement

RECOMMENDATION

Discuss Directors' fees and, if determined, direct staff to schedule a public hearing.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

At its April 13, 2017 meeting, the Board of Directors (Board) adopted Ordinance No. 28 – Directors' Compensation and Expense Reimbursement Superseding Ordinance No. 25 – setting the rate in Section 1 to \$264 per meeting, effective July 1, 2017. Prior to this increase the Board's compensation was \$240 per meeting which was approved by the Board on April 9, 2015 and effective July 1, 2015.

At its March 26, 2018 meeting, the Board deferred action on Ordinance No. 28 – Directors' Compensation and Expense Reimbursement.

BACKGROUND

At the October 31, 2008 Board workshop, the Board directed staff to prepare an ordinance increasing Directors' fees concurrent with the District's budget cycle, thus changing from a calendar year to a fiscal year. The Water Code allows an increase of up to five percent each calendar year. Although the Water Code is silent on whether a multi-year increase can be compounded, it has been the Board's practice not to compound any increase(s).

In addition, a public hearing must be held prior to the Board taking action to increase Directors' fees. Prior to the date of the public hearing, Mesa Water is required to place an advertisement once a week for two weeks, each published with at least five days intervening between publication dates, in a local newspaper announcing the public hearing. If the Board approves the ordinance, a minimum of sixty days must elapse prior to the increase becoming effective.

DISCUSSION

The current Directors' fees amount of \$264 per meeting was approved April 13, 2017 and effective July 1, 2017. The Board reviews the topic of Directors' compensation annually.



FINANCIAL IMPACT

The cost of the two ads will be approximately \$500 and sufficient funds are available in the Governance Regulatory Compliance/Permits budget. Should the Board approve an increase, staff will include the additional cost in the Fiscal Year 2020 budget, as well as the mandatory payroll related Social Security (FICA), Medicare, and Workers' Compensation costs.

ATTACHMENTS

Attachment A: Agency Board of Directors' Fees Survey

Attachment B: Ordinance No. 28 – Directors' Compensation and Expense Reimbursement

**AGENCY BOARD OF DIRECTORS' FEES SURVEY
(January 2019)**

Agency	Effective Date	Per Diem/Mtg.	Max Mtgs. Per Month
Yorba Linda Water District	01/23/03	\$150.00	10
South Coast Water District	01/01/06	\$190.00	10
Santa Margarita Water District	02/01/09	\$210.00	10
El Toro Water District	03/22/18	\$219.00	10
Moulton Niguel Water District	07/21/16	\$220.00	10
Mesa Water District	07/01/17	\$264.00	10
Irvine Ranch Water District	01/01/19	\$286.00	10
Orange County Water District ¹	04/04/18	\$288.00	10
Municipal Water District of OC ¹	01/01/18	\$296.99	10
Costa Mesa Sanitary District	08/24/15	\$295.00	6
Newport Mesa Unified School District	2017-18 School Year	\$240.93	
City of Costa Mesa - City Council	4/21/2009	\$904.40	Per Month

¹ Compensation automatically increases each year unless suspended.

ORDINANCE NO. 28

ORDINANCE OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REGARDING DIRECTORS COMPENSATION AND EXPENSE REIMBURSEMENT SUPERSEDING ORDINANCE NO. 25

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of California law; and

WHEREAS, the California Water Code (Water Code) governs compensation of Mesa Water Board of Directors (Board or Director) for each day of service rendered as a Director by request of the Board, together with any expenses incurred in the performance of his or her duties required or authorized by the Board of Directors; and

WHEREAS, the Board of Directors has previously adopted Ordinance No. 25 regarding compensation for Directors attendance at Board meetings and days of service at committee meetings, attendance at conferences, seminars, and other water related agencies' meetings and other activities, as specified by action of the Board, and the Board of Directors desires to supersede Ordinance No. 25 by the provisions hereof; and

WHEREAS, it is the desire of the Board to compensate Directors for expenses incurred in the performance of his or her duties required or authorized by the Board of Directors.

NOW, THEREFORE, BE IT ORDAINED BY THE MESA WATER DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

Section 1: **Board of Directors Meetings; Days of Service:** The compensation paid to the Board of Directors shall be Two Hundred Sixty Four Dollars (\$264.00) per day for each day's attendance at Board meetings, or for each day's service rendered as a Director by request of, or with the authorization of, the Board of Directors as further discussed herein.

Section 2: **Meetings/Activities that Constitute Days of Service for the Purpose of Section 1:** The following meetings and activities constitute a day of service for purposes of Section 1 of this Ordinance:

- (a) **Committee and Other Agency Meetings:** Committee meetings for those Directors assigned, or attending, as applicable, shall include the following:
 - (i). Executive Committee;

- (ii). Finance Committee;
 - (iii). Engineering & Operations Committee;
 - (iv). Legislative and Public Affairs Committee;
 - (v). Other public agency meetings (including regular, adjourned regular and special meetings of the governing bodies of such public agencies as shall be designated and/or authorized by the Board of Directors from time to time); and
 - (vi). Other Mesa Water committees, including, but not limited to, *ad hoc* committees, as the Board of Directors shall designate by Board action from time to time.
- (b) Teleconferencing: Participation at any public agency meeting that is covered under Section 2 (a) by teleconference, or equivalent means, shall be considered as a day of service for the purpose of this Ordinance.
- (c) Conferences and Seminars: Attendance at authorized conferences or seminars as assigned, designated, and/or authorized by the Board of Directors.
- (d) Meetings with Agencies, Organizations, and/or Representatives Concerning or relating to Water, Governmental or Environmental Matters or Issues: Meetings by Directors of or with agencies or organizations, and/or representatives of such, in or related to the public water industry or governmental or environmental matters or issues to discuss, review, and/or receive information relating to Mesa Water, Mesa Water's business or operations, governmental or environmental matters or issues and/or water industry standards, operations, policy matters and/or fiscal issues.
- (e) Other Activities Approved by the Board of Directors: Activities by members of the Board other than as described in Sections 2 (a), (b), (c), or (d) above, as authorized by the Board of Directors in advance of such activity(ies) shall be considered a day of service for purposes of this Ordinance.

Section 3: Limitations:

- (a) Maximum Number of Meetings/Days: The fee paid to the Board of Directors shall be made for no more than one meeting per each day of service, and the maximum number of days for which any Director may receive compensation under Sections 1 or 2 hereof, in any calendar month shall be ten (10).
- (b) No Duplicate Compensation: Notwithstanding the foregoing provisions of Sections 1 or 2, any Director that receives

compensation from any other entity for attendance and/or participation of any meeting(s), conference(s), seminar(s) or other activity(ies) set out in Sections 1 or 2 shall not be compensated by Mesa Water.

Section 4: **Director Reimbursement(s):** In addition to the compensation described in Section 1 and subject to applicable State law, Directors expenses shall be reimbursed if they are reasonable and necessary to conduct Mesa Water's business pursuant to provisions of the Mesa Water reimbursement policy(ies) adopted by the Board of Directors, as then in effect.

Section 5: **Authorization (Statutory Requirements):** This Ordinance is adopted pursuant to Water Code Sections 30523 and 20203. To the extent required by law, this Ordinance shall satisfy the requirements of Water Code Sections 20201 and 20202 and California Government Code Section 53232.1.

Section 6: **Effective Date:** This Ordinance No. 28 shall take effect from and after July 1, 2017 (Effective Date).

Section 7: **Superseding Prior Ordinance:** This Ordinance No. 28 shall supersede Ordinance No. 25 upon the Effective Date hereof.

PASSED AND APPROVED at the regular meeting of the Board of Directors held on the 13th day of April 2017, and adopted by the following roll call vote:

AYES: DIRECTORS: Bockmiller, Dewane, Fisler, Atkinson, Temianka
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

ATTEST:



Coleen L. Monteleone
District Secretary



Ethan Temianka
President, Board of Directors

CLOSED SESSION:

15. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to California Government Code Section 54956.9 (d) (1)
Case: Irvine Ranch Water District v. Orange County Water District and related cross-
actions, Los Angeles County Superior Court Case Nos. BS168278 and BS 175192

REPORTS:

16. REPORT OF THE GENERAL MANAGER:
 - December Key Indicators Report
 - Other (no enclosure)

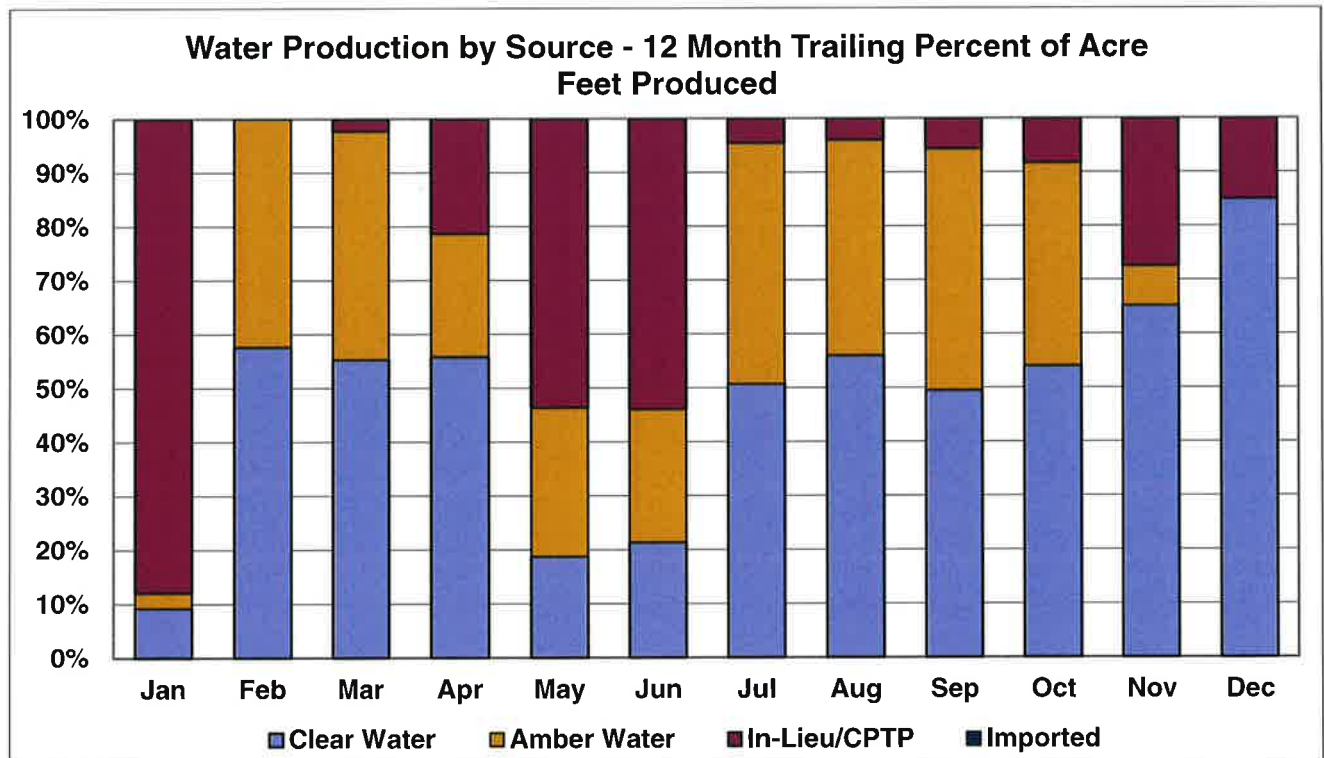
**Monthly Key Indicators Report
For The Month of December 2018**

Goal #1: Provide a safe, abundant, and reliable water supply

FY 2018 Potable Production (Acre Feet)

Water Supply Source	FY 2019 YTD Actual (AF)	FY 2019 YTD Budget (AF)	FY 2019 Annual Budget (AF)
Clear Water	5,194	5,126	12,241
Amber Water (MWRP)	2,828	2,550	4,419
Imported	0	0	0
Basin Management Water	879	1,000	1,000
Total Production	8,901	8,676	17,660

YTD actual water production (AF) through December 31, 2018



**Monthly Key Indicators Report
For The Month of December 2018**

Goal #1: Provide a safe, abundant, and reliable water supply

FY19 System Water Quality – This data reflects samples taken in November

Distribution System:	Average	Range	MCL
Chlorine Residual (mg/L) <i>Compliance</i>	1.93	0.69 – 2.56 Current RAA = 1.92	4 RAA
Coliform Positive % <i>Compliance</i>	0	0	5
Temperature (° F)	73.1	66 – 82	None

Reservoir I & II:	Average	Range	MCL
Chlorine Residual (mg/L)	1.27	0.63 – 2.27	None
Monochloramine (mg/L)	1.04	0.52 – 2.13	None
Ammonia (mg/L)	0.26	0.12 – 0.48	None
Temperature (° F)	72.3	67 – 77	None

Wells (Treated):	Average	Range	MCL
Chlorine Residual (mg/L)	2.51	1.96 – 3.22	None
Monochloramine (mg/L)	2.38	1.72 – 3.21	None
Ammonia (mg/L)	0.56	0.45 – 0.67	None
Temperature (° F)	73.1	68 – 77	None

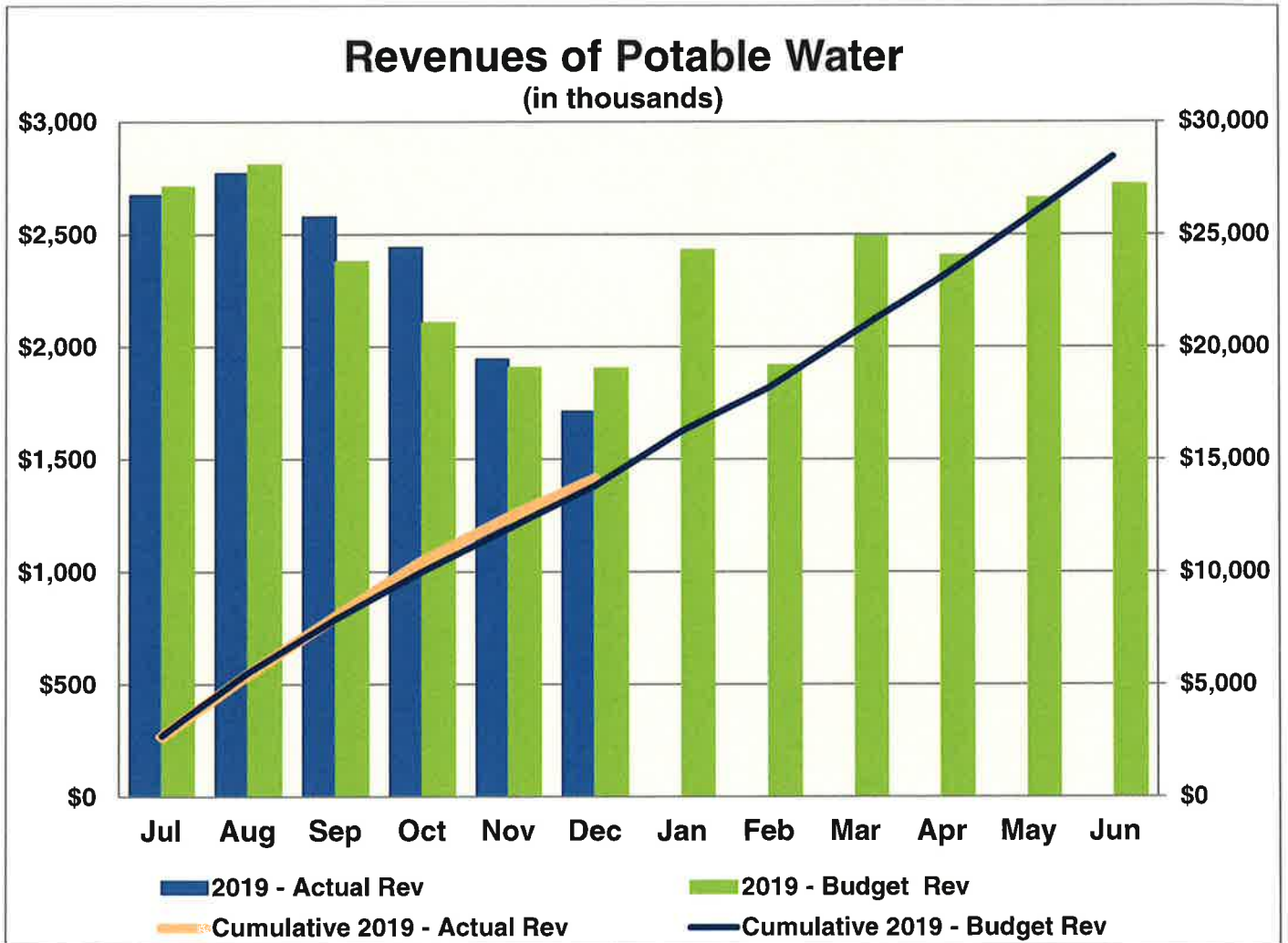
MWRF:	Average	Range	MCL
Chlorine Residual (mg/L)	2.42	2.20 – 2.56	None
Monochloramine (mg/L)	2.23	1.83 – 2.48	None
Ammonia (mg/L)	0.43	0.33 – 0.52	None
Temperature (° F)	79	78 – 80	None
Color (CU) <i>Compliance</i>	ND	ND - 1	15
Odor (TON) <i>Compliance</i>	1	1	3

Water Quality Calls/Investigations:

Total Calls	3
Total Investigations (from calls)	2

**Monthly Key Indicators Report
For The Month of December 2018**

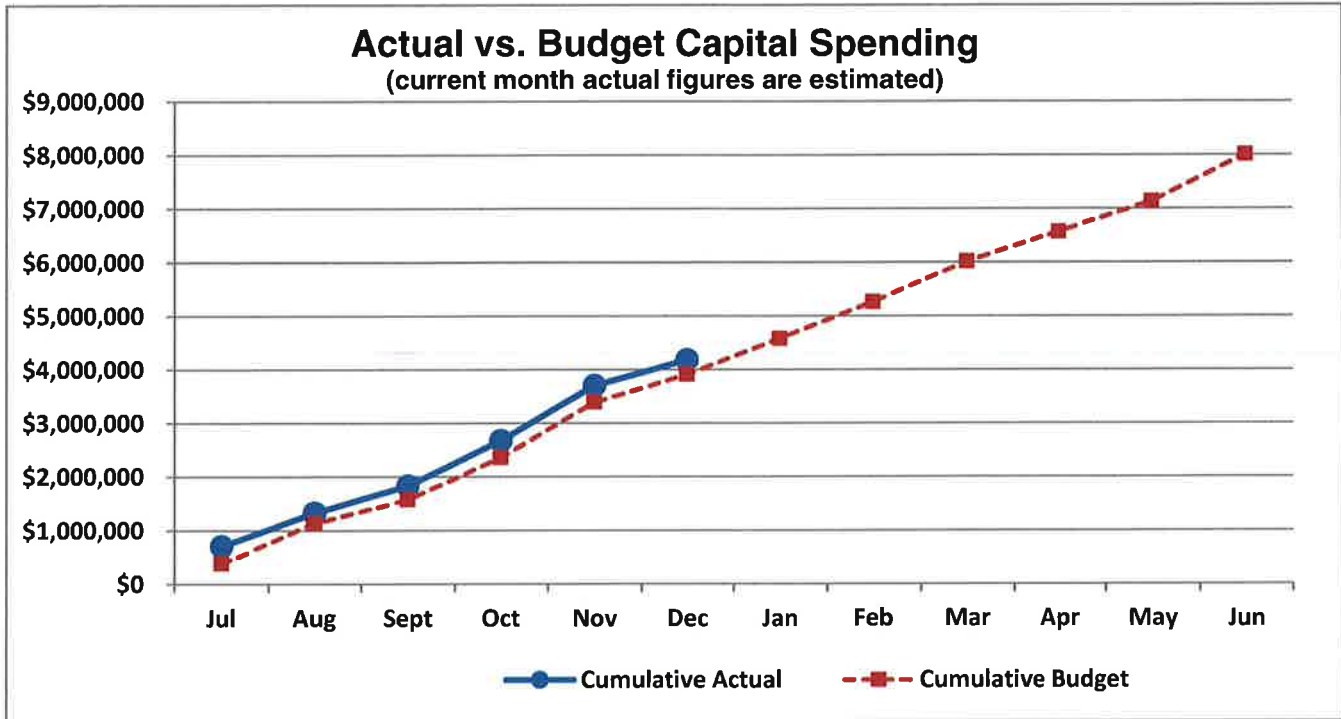
Goal #2: Practice perpetual infrastructure renewal and improvement



	Actual	Budget	Favorable (Unfavorable)	
			Difference	%
Total YTD \$	14,119,503	13,816,200	303,303	2.20%

Monthly Key Indicators Report
For The Month of December 2018

Goal #3: Be financially responsible and transparent



**Monthly Key Indicators Report
For The Month of December 2018**

Goal #4: Increase public awareness about Mesa Water® and about water

Web Site Information

Web Site Information	November 2018	December 2018
Visits to the web site	5994	5548
Unique visitors (First time to the site)	3545	3220
Average per day	200	179
Average visit length	1 minute, 26 seconds	1 minute, 23 seconds
Page visited most	Home	Home
Second most visited page	Online Bill Pay	Online Bill Pay
Third most visited page	Human Resources	Human Resources
Fourth most visited page	Shawn Dewane Bio	Contact
Fifth most visited page	Contact	Departments
Most downloaded file	Board Agenda	Salary Ranges by Job Classification & Level
Second most downloaded file	2018 Water Quality Report	2018 Water Quality Report
Most active day of the week	Monday	Monday
Least active day of the week	Saturday	Sunday

Total visits since June 1, 2002	<u>1,300,657</u>
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Water Vending Machine Information

Vending Machine Location	Vend Measurement	November 2018 Vends	Totals Vends
Mesa Water Office	1 gal	3,751	282,951

Monthly Key Indicators Report
For the Month of December 2018
Goal #5: Attract and retain skilled employees

DEPARTMENT:	FY 2019			COMMENTS:
	BUDGET	FILLED	VACANT	
OFFICE OF THE GENERAL MANAGER:				
General Manager	1.00	1.00	0.00	
Business Administrator	1.00	1.00	0.00	
Subtotal	2.00	2.00	0.00	
ADMINISTRATIVE SERVICES:				
Administrative Services	5.00	5.00	0.00	
Subtotal	5.00	5.00	0.00	
CUSTOMER SERVICES:				
Conservation	1.00	1.00	0.00	
Customer Service	9.00	6.00	3.00	<i>Field Customer Service Representative (2) - vacant/using temporary assistance Lead Field Customer Service Representative - vacant/recruitment in process</i>
Subtotal	10.00	7.00	3.00	
ENGINEERING:				
Engineering	4.00	4.00	0.00	
Subtotal	4.00	4.00	0.00	
EXTERNAL AFFAIRS:				
Legislative & Governmental Affairs	1.50	1.50		
Subtotal	1.50	1.50	0.00	
FINANCIAL SERVICES:				
Financial Reporting/ Purchasing	5.00	4.00	1.00	<i>Buyer - vacant/using temporary assistance</i>
Accounting	2.00	1.00	1.00	<i>Senior Accounting Technician - vacant</i>
Subtotal	7.00	5.00	2.00	
HUMAN RESOURCES:				
Human Resources	3.00	2.00	1.00	<i>Sr. Human Resources Analyst - vacant/ using temporary assistance/recruitment in process</i>
Subtotal	3.00	2.00	1.00	
PUBLIC AFFAIRS:				
Outreach, Education & Communications	2.50	2.50	0.00	
Subtotal	2.50	2.50	0.00	
WATER OPERATIONS:				
Supervision/Support	6.00	6.00	0.00	
Distribution	10.00	8.00	2.00	<i>Operator I/II (2) - vacant/recruitments in process</i>
Production	3.00	3.00	0.00	
Water Quality	2.00	1.00	1.00	<i>Water Quality Technician I/II - vacant/recruitment in process</i>
Subtotal	21.00	18.00	3.00	
TOTAL BUDGETED POSITIONS:	56.00	47.00	9.00	

**Monthly Key Indicators Report
For The Month of December 2018**

Goal #6: Provide outstanding customer service

Customer Calls

Call Type	FY19 YTD	Dec 2018	YTD Weekly Average
General Billing Question	1155	175	44
Service Requests	1082	145	42
High Bill	1166	187	45
Payments	1413	203	54
Late Fee	953	167	37
Account Maintenance	270	35	10
On-Line Bill Pay	859	142	33
Water Pressure	24	2	1
No Water	162	26	6
Conservation	151	6	6
Water Waste	56	7	2
Other (District info. other utility info. etc.)	1124	89	43
Rate Increase	32	5	1
Fluoridation	9	0	1
TOTAL CUSTOMER CALLS	8456	1189	325
AVERAGE ANSWER TIME (Seconds)	10	10	10

Online Bill Pay Customers

Current Customers Enrolled	FY 2019 YTD	Dec 2018	YTD Weekly Average
13479	1080	154	42

REPORTS:

17. DIRECTORS' REPORTS AND COMMENTS:

DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (d)

In accordance with CA Government Code 53232.3 (d), the following report identifies the meetings for which Mesa Water Directors received expense reimbursement.

Jim Atkinson Meetings Attended

Reimbursement Date:	Description, Date
12/12/18	2018 ACWA Fall Conference, 11/26 – 11/30
12/26/18	MWDOC Public Affairs & Legislation Committee, 10/15
12/26/18	WACO Planning Committee Meeting, 10/16
12/26/18	MWDOC Board Meeting, 10/17
12/26/18	MWDOC/OCWD Jt. Meeting, 10/24
12/26/18	WACO Meeting, 11/2
12/26/18	MWDOC/MWD Jt. Meeting, 11/7
12/26/18	OCWD Board Meeting, 11/7
12/26/18	MWDOC Planning & Operations Committee, 11/13
12/26/18	MWDOC Admin & Finance Committee Meeting, 11/14
12/26/18	Segerstrom Tree Lighting, 11/15
12/26/18	MWDOC Public Affairs & Legislation Committee, 11/19
12/26/18	WACO Planning Committee Meeting, 11/20
12/26/18	MWDOC Board Meeting, 11/21
12/26/18	MWDOC Planning & Operations Committee, 12/3
12/26/18	MWDOC/MWD Jt. Meeting, 12/5
12/26/18	WACO Meeting, 12/6
12/26/18	WACO Meeting, 12/7
12/26/18	Chamber of Commerce's Meeting and Greet, 12/5

Fred R. Bockmiller, P.E. Meetings Attended

Reimbursement Date:	Description, Date
12/12/18	2018 ACWA Fall Conference, 11/24 – 11/29
12/26/18	OCWD Board Meeting, 10/17
12/26/18	Meeting w/ General Manager, 10/31
12/26/18	WACO Meeting, 11/2
12/26/18	OCWD Meeting – Phil Anthony Lab Dedication, 11/7
12/26/18	Meeting w/ General Manager, 11/9
12/26/18	OCWD Board Meeting, 12/5
12/26/18	MWRF Tour w/ ACWA Executive Director, 12/6
12/26/18	WACO Meeting, 12/7

Marice H. DePasquale Meetings Attended

Reimbursement Date:	Description, Date
12/12/18	2018 ACWA Fall Conference, 11/27 – 11/30
12/26/18	ISDOC Quarterly Meeting, 10/25
12/26/18	Meeting w/ General Manager, 11/6
12/26/18	Segerstrom Tree Lighting, 11/15
12/26/18	Meeting w/ General Manager, 12/5
12/26/18	MWDOC Elected Official Forum, 12/6



12/26/18	WACO Meeting, 12/7
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Shawn Dewane **Meetings Attended**

Reimbursement Date:	Description, Date
12/26/18	Meeting w/ General Manager, 11/26
12/26/18	2018 ACWA Fall Conference, 11/27 – 11/28

James R. Fisler **Meetings Attended**

Reimbursement Date:	Description, Date
12/26/18	ISDOC Quarterly Meeting, 10/25
12/26/18	WACO Meeting, 11/2
12/26/18	ISDOC Executive Committee Meeting, 11/6
12/26/18	OCWD Meeting – Phil Anthony Lab Dedication, 11/7
12/26/18	ACWA/JPIA Conference, 11/27
12/26/18	ISDOC Executive Committee Meeting, 12/4
12/26/18	MWDOC/MWD Workshop, 12/5
12/26/18	WACO Meeting, 12/7

There are no support materials for this item.