



**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT**

Wednesday, March 22, 2023

1965 Placentia Avenue, Costa Mesa, CA 92627

4:30 p.m. Regular Board Meeting

*Dedicated to
Satisfying our Community's
Water Needs*

CALL TO ORDER

The meeting of the Board of Directors was called to order at 4:34 p.m. by President Dewane.

PLEDGE OF ALLEGIANCE

Director Atkinson led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Chief Administrative Officer/
District Secretary
Tracy Manning, Chief Operating Officer
Stacie Sheek, Customer Services Manager
Andrew D. Wiesner, P.E., District Engineer
Stacy Taylor, Water Policy Manager
Kurt Lind, Business Administrator
Anthony Phou, Controller
Celeste Carrillo, Senior Public Affairs Specialist
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

Keith Stribling, Vice President/Senior Portfolio Manager,
HighMark Capital Management
Mitch Barker, Senior Consultant, Public Agency Retirement
Services

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

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

PUBLIC COMMENTS

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

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

ITEMS TO BE ADDED, REMOVED OR REORDERED ON THE AGENDA

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

CONSENT CALENDAR ITEMS:

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. Receive and file the Developer Project Status Report.
2. Receive and file the Mesa Water and Other Agency Projects Status Report.
3. Receive and file the Water Quality Call Report.
4. Receive and file the Accounts Paid Listing.
5. Receive and file the Monthly Financial Reports.
6. Receive and file the Outreach Update.

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to approve Items 1 – 6 of the Consent Calendar. Motion passed 5 – 0, by the following roll call vote:

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

PRESENTATION AND DISCUSSION ITEMS:

7. PENSION & OTHER POST-EMPLOYMENT BENEFITS TRUST UPDATE:

Controller Phou introduced Public Agency Retirement Services Senior Consultant Mitch Barker and HighMark Capital Management Vice President/Senior Portfolio Manager Keith Stribling who proceeded with a presentation that highlighted the following:

- Summary of Agency's Other Post-Employment Benefits (OPEB) Plan
- OPEB Actuarial Results
- Summary of Agency's Pension Plan
- Pension Funding Status
- Public Agency Retirement Services (PARS): Discussion Highlights

Messrs. Barker and Stribling responded to questions from the Board and they thanked them for the presentation.

ACTION ITEMS:

8. PUBLIC HEARING – ORDINANCE NO. 35 – DIRECTORS COMPENSATION AND EXPENSE REIMBURSEMENT:

President Dewane announced the Public Hearing was opened for the purpose of receiving comments regarding Ordinance No. 35 – Directors Compensation and Expense Reimbursement.

District Secretary Garcia reported that a Notice of Public Hearing was posted at Mesa Water District's office and website, and at Costa Mesa City Hall. Legal advertisements were published in the *Daily Pilot* on March 8, 2023 and March 15, 2023.

President Dewane opened the floor for discussion by the Board. Comments were offered.

President Dewane opened the floor for public comments. There were no members of the public present.

District Secretary Garcia reported that the District had not received any written or verbal comments regarding proposed Ordinance No. 35.

President Dewane declared the public comments segment closed.

President Dewane opened the floor for discussion by the Board. Discussion ensued amongst the Board.

President Dewane declared the Public Hearing was closed.

MOTION

Motion by Vice President DePasquale, second by Director Fisler, to adopt Ordinance No. 35 – Directors Compensation and Expense Reimbursement. Motion passed 5 – 0, by the following roll call vote:

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

9. CLAIM OF JOSEPH SCHWAPPACH:

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to deny the claim of Mr. Joseph Schwappach. Motion passed 5 – 0, by the following roll call vote:

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

REPORTS:

10. REPORT OF THE GENERAL MANAGER:

- February Key Indicators Report

11. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

- 12. FEDERAL ADVOCACY UPDATE
- 13. STATE ADVOCACY UPDATE
- 14. ORANGE COUNTY UPDATE

RECESS

President Dewane declared a recess at 5:03 p.m.

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

CLOSED SESSIONS:

GM Shoenberger suggested taking Item 16 before Item 15. There were no objections.

President Dewane announced the Board was going into Closed Session at 5:06 p.m.

ITEM 16 – CONFERENCE WITH GENERAL MANAGER:

Pursuant to California Government Code Sections 54957(a) and 54954.5(e)
Potential Threat to Public Services or Facilities

The Board returned to Open Session at 5:23 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, Chief Administrative Officer, Chief Operating Officer, District Engineer, and General Legal Counsel pursuant to California Government Code Sections 54957(a) and 54954.5(e). The Board received information and the following motion was offered:

MOTION

Motion by Director Atkinson, second by Vice President DePasquale, to:

- a. Approve a contract with Blue Violet, Inc. for \$320,163 and a 10% contingency of \$32,016 for an amount not to exceed \$352,179.
- b. Approve a contract with Time and Alarm for \$7,241 and a 10% contingency of \$724 for an amount not to exceed \$7,965.

Motion passed 4 – 1, by the following roll call vote:

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

President Dewane announced the Board was going into Closed Session at 5:26 p.m.

- 15. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION:

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Pursuant to California Government Code Section 54956.9(d)(1)

Case: *Irvine Ranch Water District v. Orange County Water District v. Orange County Water District and related cross actions*

Los Angeles County Superior Court Case Nos. BS168278 and BS175192

The Board returned to Open Session at 5:34 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, Chief Administrative Officer, Chief Operating Officer, General Legal Counsel and Special Legal Counsel pursuant to California Government Code 54956.9(d)(1). The Board received information and there was no further announcement.

President Dewane announced the Board was going into Closed Session at 5:34 p.m.

16. CONFERENCE WITH GENERAL MANAGER:

Pursuant to California Government Code Sections 54957(a) and 54954.5(e)
Potential Threat to Public Services or Facilities

Item taken earlier in the agenda.

17. CONFERENCE WITH LABOR NEGOTIATOR:

Pursuant to California Government Code Section 54957.6(a)

District Negotiator: General Manager

Employee Organization: Represented and Non-Represented Employees

The Board returned to Open Session at 5:40 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, Chief Administrative Officer and General Legal Counsel pursuant to California Government Code 54957.6(a). The Board received information and the following motion was offered:

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to authorize the General Manager to equalize the employee vacation program by applying the following to all employee groups, effective 4/7/23:

- a. Increase the vacation accumulation cap for the Represented Employees group from 300 to 360 hours, to match the Management and Supervisory/Confidential groups;
- b. Increase the vacation accrual amount for the Management and Supervisory/Confidential groups from 6.15 hours per pay period in years fifteen through nineteen to 7.10 hours per pay period in years fifteen through nineteen, to match the Represented Employees group; and
- c. Increase the vacation accrual amount for the Management and Supervisory/Confidential groups from 6.15 hours per pay period in years twenty on to 8.00 hours per pay period in years twenty on, to match the Represented Employees group.

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

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

President Dewane adjourned the meeting at 5:42 p.m. to a Regular Board Meeting scheduled for Wednesday, April 12, 2023 at 4:30 p.m.

Approved:

DocuSigned by:

Shawn Dewane

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Shawn Dewane, President

DocuSigned by:

Denise Garcia

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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer