



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, February 14, 2019
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 February 14, 2019 at 6:05 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Bockmiller led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Phil Lauri, P.E., Assistant 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
Syndie Ly, Human Resources Manager
Celeste Carrillo, Public Affairs Coordinator
Jeff Hoskinson, Partner, Atkinson, Andelson, Loya, Ruud &
Romo

Others Present

Kelly Rowe, Director, Division 7, Orange County Water District
(OCWD)
Michael R. Markus, General Manager, OCWD
Luke Money, Reporter, Daily Pilot

PUBLIC COMMENTS

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

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

ITEMS TO BE ADDED, REMOVED OR REORDERED ON THE AGENDA

President Dewane recommended reordering the agenda to take Item 15 after the Consent Calendar. There were no objections.

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of January 10, 2019.
2. Approve minutes of special Board meeting of January 15, 2019.
3. Approve minutes of special Board meeting of January 17, 2019.
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
6. Approve a sponsorship with Ducks Unlimited, Inc. for Fiscal Year 2019 in the amount of \$1,000.
7. Approve a contract with Prime Systems Industrial Automation, Inc. for \$199,200 and a 10% contingency for an amount not to exceed \$219,210 to furnish, install, and integrate new programmable logic controllers at the Mesa Water Reliability Facility, and authorize execution of the contract.
8. Approve a Utility Agreement with Orange County Transportation Authority for \$943,152 and a 10% contingency for an amount not to exceed \$1,037,467 for the relocation of the Fairview Pipeline into the I-405 Overcrossing and approve a contract amendment with Tetra Tech, Inc. for \$25,000 for a total amount not to exceed \$50,000 for Professional Engineering Services on the I-405 Widening Project.
9. Approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2018 and direct staff to finalize the 2018 Comprehensive Annual Financial Report.
10. Declare the 2006 Ford F-250 as surplus and authorize the General Manager to dispose of the items within the established rules and regulations set forth in Resolution No. 1513 Disposal of Surplus Property.
11. Approve legal fees to Meyers Nave for an amount not to exceed \$200,000 regarding *Irvine Ranch Water District v. Orange County Water District*.
12. Receive the Quarterly Training Report for October 1, 2018 to December 31, 2018.

President Dewane asked for comments from the public. There were no comments.

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to approve Items 1 – 12 of the Consent Calendar. Motion passed 5-0.

PRESENTATION AND DISCUSSION ITEMS:

ITEM 15 – ORANGE COUNTY WATER DISTRICT BRIEFING:

President Dewane introduced OCWD General Manager Michael Marcus. Mr. Marcus acknowledged OCWD Director Kelly Rowe and then proceeded with a presentation that highlighted the following:

- Groundwater Basin Conditions
- Rainfall – Prado Dam Operations
- Ground Water Replenishment System (GWRS) Final Expansion
- Ocean Desalination Update
- FY2019-2020 Budget

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

RECESS

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

The Board meeting reconvened at 6:52 p.m.

ACTION ITEMS:

13. ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY EXECUTIVE COMMITTEE ELECTION:

MOTION

Motion by Director Atkinson, second by Director Fisler, to adopt Resolution No. 1519 Nominating Fred R. Bockmiller, P. E. to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority. 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

14. PUBLIC HEARING – ORDINANCE NO. 29 – DIRECTORS COMPENSATION AND EXPENSE REIMBURSEMENT:

President Dewane announced the Public Hearing was now opened for the purpose of receiving comments regarding a proposed change in Directors' Compensation.

District Secretary Garcia reported that public notices were posted on January 31, 2019 at Mesa Water District's office kiosk and website, at Costa Mesa City Hall, and at the Adams Street Post Office in Costa Mesa. Additionally, legal advertisements were published in the Daily Pilot on January 31 and February 7, 2019.

President Dewane opened the floor to the Board of Directors. Comments were offered.

President Dewane opened the floor for public comments.

Ms. Garcia reported that the District had not received any written or verbal comments regarding proposed Ordinance No. 29.

There were no comments from the public.

President Dewane declared the public comments segment closed.

President Dewane opened the floor for discussion by the Board.

Discussion ensued amongst the Board.

Attorney Hoskinson responded to questions from the Board.

President Dewane declared the Public Hearing was closed.

MOTION

Motion by Director Fisler, second by Vice President DePasquale, to adopt Ordinance No. 29 – Directors Compensation and Expense Reimbursement Superseding Ordinance No. 28 setting the rate in Section 1 to \$291 and adopting all proposed changes. Motion passed 4-1-0, by the following roll call vote:

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

PRESENTATION AND DISCUSSION ITEMS:

15. ORANGE COUNTY WATER DISTRICT BRIEFING:

Item taken earlier in the agenda.

16. RULES AND REGULATIONS FOR WATER SERVICE:

GM Shoenberger provided an overview of the topic.

Discussion ensued amongst the Board.

No action was taken on this item.

REPORTS:

17. REPORT OF THE GENERAL MANAGER:

- January Key Indicators Report
- Other (no enclosure)

18. DIRECTORS' REPORTS AND COMMENTS:

INFORMATION ITEMS:

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

20. OTHER (NO ENCLOSURE)

CLOSED SESSION:

President Dewane announced the Board was going into Closed Session at 7:47 p.m.

- 21. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE 54957.6
District Negotiator: General Manager
Employee Organization: District Employee

The Board returned to Open Session at 8:13 p.m.

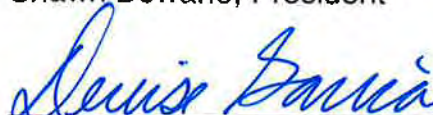
District Secretary Garcia reported that the Board conducted one Closed Session with the General Manager, District Secretary, and Human Resources Manager pursuant to Government Code Section 54957.6. The Board received information and there was no further announcement.

President Dewane adjourned the meeting at 8:15 p.m. to an adjourned Regular Board Meeting scheduled for Thursday, March 7, 2019 at 9:00 a.m.

Approved:



Shawn Dewane, President



Denise Garcia, District Secretary

Sharon D. Brimer, Recording Secretary