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Satisfying our Community's
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, May 14, 2020
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 at 6:02 p.m. by President Dewane.

PLEDGE OF ALLEGIANCE

Director Fisler led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager *(teleconference)*
Phil Lauri, P.E., Assistant General Manager *(teleconference)*
Denise Garcia, Administrative Services Manager/
District Secretary
Wendy Duncan, Records Management Specialist/
Assistant District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Syndie Ly, Human Resources Manager *(teleconference)*
Tracy Manning, Water Operations Manager *(teleconference)*
Stacy Taylor, Water Policy Manager *(teleconference)*
Kurt Lind, Business Administrator *(teleconference)*
Celeste Carrillo, Public Affairs Coordinator *(teleconference)*
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo
(teleconference)

Others Present

Jonathan Aparicio, IT Support Engineer, T2 Tech Group)
Jeffrey Bower, Managing Director, Bank of America
(teleconference)
Jack Tsang, Vice President, Bank of America *(teleconference)*
Lora Carpenter, Assistant Vice President, Fieldman, Rolapp &
Associates *(teleconference)*
Robert A. Porr, Executive Vice President, Fieldman, Rolapp &
Associates *(teleconference)*
Douglas S. Brown, Attorney, Stradling, Yocca, Carlson & Rauth
(teleconference)
Jennifer Farrell, Partner, Rutan & Tucker, LLP *(teleconference)*

President Dewane stated that the Board of Directors was attending the meeting via teleconference per Governor Newsom's Executive Order N-29-20 which suspended certain provisions of the Ralph M. Brown Act.

President Dewane stated that 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."

President Dewane proceeded with the meeting.

PUBLIC COMMENTS

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

There were no public comments 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. Approve minutes of a regular Board meeting of April 9, 2020.
2. Approve attendance considerations (additions, changes, deletions).
3. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
4. Receive and file the Developer Project Status Report.
5. Receive and file the Mesa Water and Other Agency Projects Status Report.
6. Receive and file the Water Quality Call Report.
7. Receive and file the Water Operations Status Report.
8. Receive and file the Accounts Paid Listing.
9. Receive and file the Monthly Financial Reports.
10. Receive the Quarterly Training Report for January 1, 2020 to March 31, 2020.

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

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve Items 1 – 10 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

ACTION ITEMS:

President Dewane declared a recess at 6:06 p.m. in order to conduct the Mesa Consolidated Water District Improvement Corporation Special Meeting.

11. MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION SPECIAL MEETING:

The Board meeting reconvened at 6:47 p.m.

12. ISSUANCE OF 2020 REVENUE CERTIFICATES OF PARTICIPATION:

GM Shoenberger provided a brief overview of the topic.

President Dewane asked for comments from the Board.

Bank of America Vice President Jack Tsang responded to questions from the Board.

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to adopt:

- a. Resolution No. 1530 Establishing a Debt Management Policy Superseding Resolution No. 1488;
- b. Resolution No. 1531 Adopting the Debt Disclosure Policy Superseding Resolution No. 1492; and
- c. Resolution No. 1532 Authorizing the Execution and Delivery of Revenue Certificates of Participation and Approving the Execution and Delivery of Certain Documents as Described in the Resolution in Connection Therewith and Certain Other Matters.

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

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

13. FISCAL YEAR 2021 STAFFING PLAN:

GM Shoenberger provided a brief overview of the topic.

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

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

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve the proposed Fiscal Year 2021 Staffing Plan. 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

14. PROPOSED FISCAL YEAR 2021 BUDGET:

GM Shoenberger introduced Chief Financial Officer Khalifa, who proceeded with a presentation that highlighted the following:

- Strategic Plan Goals
- Financial Ratings
- Expenditures Per Capita (2018)
- Clean, Safe, Local and Reliable
- Committed to Transparency
- Revenue & Expense Forecast
- Covid-19 AAA Impact
- Section 115 Pension Trust & Section 115 OPEB Trust
- Board's Target
- Budget Assumptions
- FY 2021 Proposed Budget
- Designated Funds
- Debt Service Coverage Ratio & Debt Service Payments
- Cash on Hand & Days Cash Ratio
- Actual/Budgeted Water Production (AF)
- Water Supply Needs (Historical & Projected)
- Operating Expenses by Department as a Percentage
- Capital and Capital Replacement & Refurbishment (R&R)
- District Memberships, Board Conferences & Seminars, and Community Outreach
- FY 2021 Budget Summary

Discussion ensued amongst the Board

President Dewane asked for comments from the Board.

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

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

MOTION

Motion by Director Bockmiller, second by President Dewane, to approve the proposed Fiscal Year 2021 Budget. 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

15. CAPITAL IMPROVEMENT PROGRAM RENEWAL ON-CALL DESIGN SERVICES:

GM Shoenberger introduced Assistant General Manager Lauri, who provided a brief overview of the topic.

President Dewane asked for comments from the Board.

AGM Lauri responded to questions from the Board and they thanked him for the information.

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

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to award on-call professional design services contracts for the Capital Improvement Program Renewal in the amounts of \$1.75MM for Fiscal Years 2020 and 2021, \$1.25MM for Fiscal Year 2022, and \$0.4MM for Fiscal Year 2023, with the option for two annual renewals of \$500,000 per year, for a total amount not to exceed \$4.4MM to be distributed to the following six firms: Brown and Caldwell, Carollo Engineers, Inc., HDR Engineering, Inc., NV5, Tetra Tech, Inc., and Water Systems Consulting, Inc. 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

16. OC-44 REPAIR SUMMARY REPORT:

GM Shoenberger introduced Water Operations Manager Manning who proceeded with a brief overview of the topic.

President Dewane asked for comments from the Board.

Ms. Manning responded to questions from the Board and they thanked her for the information.

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve an increase to the On-Call Pipeline Repair and Construction contracts by \$175,000 for a total amount not to exceed \$325,000 for Fiscal Year 2020, and authorize the execution of the change order. 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

17. POLICY POSITIONS:

GM Shoenberger introduced Water Policy Manager Taylor who proceeded with a brief overview of the topic.

Discussion ensued amongst the Board.

President Dewane asked for questions from the Board.

Ms. Taylor responded to questions from the Board and they thanked her for the information

The Board directed staff to conduct advocacy to conform plumbing fixtures with the CDC Health and Sanitation Guidelines and to agendize this topic at a future meeting.

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to approve the updated Policy Positions for Mesa Water District. Motion passed 5-0, by the following roll call vote:

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

PRESENTATION AND DISCUSSION ITEMS:

None.

REPORTS:

18. REPORT OF THE GENERAL MANAGER:

- April Key Indicators Report
- Other (no enclosure)

19. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

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

21. OTHER (NO ENCLOSURE)

RECESS

President Dewane declared a recess at 7:53 p.m.

The Board meeting reconvened at 8:06 p.m.

CLOSED SESSION:

President Dewane announced that the Board was going into Closed Session at 8:06 p.m.

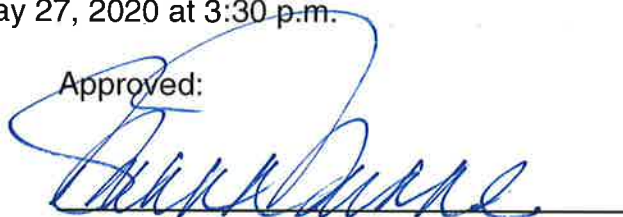
22. CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION/ADJUDICATORY PROCEEDINGS:
Pursuant to California Government Code Sections 54956.9 (d)(2) and 54954.5 (c) – based on existing facts and circumstances, the Board is meeting with Legal Counsel to review matters relating to legal proceedings presented to the California Fair Political Practices Commission involving Mesa Water District.
Case: 16/19813

The Board returned to Open Session at 8:20 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, District Secretary, and Special Legal Counsel pursuant to California Government Code Sections 54956.9 (d)(2) and 54954.5 (c) The Board received information and there was no further announcement.

President Dewane adjourned the meeting at 8:21 p.m. to an Adjourned Regular Board Meeting scheduled for Wednesday, May 27, 2020 at 3:30 p.m.

Approved:



Shawn Dewane, President



Denise Garcia, District Secretary

Sharon D. Brimer, Recording Secretary