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Satisfying our Community's
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Tuesday, September 28, 2021
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Adjourned Regular Board Meeting**

BOARD OF DIRECTORS COMMITTEE MEETING

CALL TO ORDER The meeting of the Board of Directors was called to order at 3:30 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE Director Fisler led the Pledge of Allegiance.

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

Directors Absent None

Staff Present Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Administrative Services Manager/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Tracy Manning, Water Operations Manager
Kurt Lind, Business Administrator
Andrew D. Wiesner, P.E. Principal Engineer
Celeste Carrillo, Public Affairs Coordinator
Kaitlyn Norris, Public Affairs Specialist
Karyn Igar, Senior Civil Engineer
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present Matthew T. Payne, Principal, WestWater Research *(teleconference)*
Patrick Wolf, Senior Manager, Head of Product Development,
Nasdaq Global Indexes *(teleconference)*
Benjamin McKenna, Director, Institutional Sales, StoneX
Financial, Inc. *(teleconference)*
Brenda Deeley, CEO, Brenda Deeley PR

PUBLIC COMMENTS:

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

There were no comments and President DePasquale 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 the minutes of adjourned regular Board meeting of August 26, 2021.
2. Receive and file the Developer Project Status Report.
3. Receive and file the Mesa Water and Other Agency Projects Status Report.
4. Receive and file the Water Quality Call Report.
5. Receive and file the Water Operations Status Report.
6. Receive and file the Accounts Paid Listing.
7. Receive and file the Monthly Financial Reports.
8. Receive and file the Major Staff Projects.
9. Receive and file the State Advocacy Update.
10. Receive and file the Orange County Update.
11. Receive and file the Outreach Update.

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

MOTION

Motion by Director Atkinson, second by Director Bockmiller, to approve Items 1 – 11 of the Consent Calendar. Motion passed 5 – 0.

PRESENTATION AND DISCUSSION ITEMS:

12. WATER FUTURES:

Chief Financial Officer Khalifa introduced WestWater Research Principal Matthew T. Payne, Nasdaq Global Indexes Senior Manager Patrick Wolf, and StoneX Financial, Inc. Director Benjamin McKenna.

Messrs. Payne and Wolf provided a presentation that highlighted the following:

- Nasdaq Veles California Water Index
- NQH20 and Drought
- Nasdaq Veles Water Futures
- Hedging with Futures - Example

Messrs. Payne and Wolf responded to questions from the Board and they thanked them for the presentation.

The Board directed staff to work with the consultants to develop water futures options and to research the limitations as stated in California Government Code Sections 53601 and 53605. There were no objections.

13. CAPITAL IMPROVEMENT PROGRAM RENEWAL QUARTERLY UPDATE:

Principal Engineer Wiesner provided a presentation that highlighted the following:

- Overview
- Well Program - Chandler & Croddy Wells and Pipeline Project
- Reservoir Program
- Distribution Program
- Routine Capital
- District Facilities Program
- CIPR Program Planned vs. Actual
- Financial Summary

GM Shoenberger and Mr. Wiesner responded to questions from the Board and they thanked Mr. Wiesner for the presentation.

14. PIPELINE INTEGRITY PROGRAM UPDATE:

Senior Civil Engineer Igar provided a presentation that highlighted the following:

- Pipeline Integrity Program History
- Resolution No. 1525 Replacement of Assets Implementation
- Pipeline Performance Fiscal Year 2020 – 2021
- Pipeline Testing Program Accomplishments
- Pipeline Renewal
- Summary and Continuous Improvement

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

RECESS

President DePasquale declared a recess at 5:09 p.m.

The Board meeting reconvened at 5:14 p.m.

15. MISSION STATEMENT, CORE VALUES, TAGLINE & PROPOSED BRAND PROMISE ROLLOUT:

GM Shoenberger introduced Brenda Deeley PR CEO Brenda Deeley who proceeded with a presentation that highlighted the following:

- Mission Statement & Tagline
- Core Values
- Internal Rollout
- External Rollout
- Brand Promise Recommendation
- Brand Promise Use

Ms. Deeley responded to questions from the Board and they thanked her for the presentation.

16. ASSEMBLY BILL NO. 361 (RIVAS) – OPEN MEETINGS: STATE AND LOCAL AGENCIES: TELECONFERENCES:

Administrative Services Manager Garcia provided a brief overview of the topic.

Ms. Garcia and Attorney Anslow responded to questions and the Board thanked them for the information

ACTION ITEMS:

17. VAULT REHABILITATION AND ABANDONMENT CONSTRUCTION:

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

MOTION

Motion by Director Bockmiller, second by Vice President Dewane, to award a contract to T. E. Roberts, Inc. for \$677,461 and a 10% contingency of \$67,746 for a total contract amount not to exceed \$745,201 to provide construction for the Vault Rehabilitation and Abandonment Project, and authorize the General Manager to execute the contract. Motion passed 5 – 0.

REPORTS:

18. REPORT OF THE GENERAL MANAGER:

GM Shoenberger reported that the Board of Directors previously met in Closed Session on August 24, 2021 to consider a settlement in the civil action entitled *Mesa Water District v. KDC, Inc.* Following a bench trial, the Court returned a decision in favor of Mesa Water. In order to avoid further post trial hearings, the parties have now agreed to completely settle this civil action for a settlement amount of \$962,485. Approval of such a settlement was unanimously approved 5 – 0 by the Board. A copy of the fully executed Settlement Agreement will be on file with Mesa Water’s District Secretary for public review upon request.

19. DIRECTORS’ REPORTS AND COMMENTS

INFORMATION ITEMS:

20. OTHER (NO ENCLOSURE)

Mesa Water Adjourned Regular Board Meeting September 28, 2021

President DePasquale adjourned the meeting at 6:00 p.m. to an Adjourned Regular Board Meeting scheduled for Tuesday, October 5, 2021 at 3:30 p.m.

Approved:

DocuSigned by:

Marice DePasquale

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Marice H. DePasquale, President

DocuSigned by:

Denise Garcia

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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer