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Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, February 22, 2023
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

CALL TO ORDER The meeting of the Board of Directors was called to order at 4:30 p.m. by President Dewane.

PLEDGE OF ALLEGIANCE Director Bockmiller led the Pledge of Allegiance.

- Directors Present Shawn Dewane, President
 Marice H. DePasquale, Vice President
 Jim Atkinson, Director *(teleconference)*
 Fred R. Bockmiller, P.E., Director
 James R. Fisler, Director
- Directors Absent None
- Staff Present Marwan Khalifa, CPA, MBA, Acting General Manager/
 District Treasurer
 Denise Garcia, Chief Administrative Officer/
 District Secretary
 Stacie Sheek, Customer Services Manager
 Andrew D. Wiesner, P.E., District Engineer
 Stacy Taylor, Water Policy Manager
 Tyler Jernigan, Assistant Water Operations Manager
 Anthony Phou, Controller
 Kaitlyn Norris, Public Affairs Specialist
 Celeste Carrillo, Senior Public Affairs Specialist
 Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo
- Others Present Bryan S. Gruber, CPA, Managing Partner, Lance, Soll &
 Lunghard, LLP

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."

INTRODUCTION OF FIELD SERVICES SUPERVISOR ANTHONY OCAMPO

Item was reagendaized for a future Board meeting.

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

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

CONSENT CALENDAR ITEMS:

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.
7. Receive and file the Fiscal Year 2023 Second Quarter Financial Update.
8. Receive the Quarterly Training Report for October 1, 2022 to December 31, 2022.

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

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve Items 1 – 8 of the Consent Calendar. Motion passed 5 – 0, by the following roll call vote:

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

PRESENTATION AND DISCUSSION ITEMS:

9. FISCAL YEAR 2022 AUDIT RESULTS AND ANNUAL FINANCIAL REPORT:

Acting General Manager Khalifa introduced Lance, Soll & Lunghard, LLP Managing Partner Bryan S. Gruber who proceeded with a presentation that highlighted the following:

- Audit Process
- Reports Issued
- Opinion Letter
- Report on Internal Control over Financial Reporting and on Compliance and Other Matters
- Audit Communication Letter

Director Bockmiller asked if the audit firm received any resistance during their investigation. Mr. Gruber responded no.

Director Bockmiller asked if the audit firm received cooperation from staff. Mr. Gruber responded yes.

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

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

MOTION

Motion by Vice President DePasquale, second by Director Bockmiller, to approve Mesa Water District’s audited financial statements for the fiscal year ended June 30, 2022 and to direct staff to finalize the Fiscal Year 2022 Annual Financial Report. 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

10. PUBLIC AFFAIRS UPCOMING OUTREACH CAMPAIGNS:

Senior Public Affairs Specialist Carrillo and Public Affairs Specialist Norris provided a presentation that highlighted the following:

- Strategic Goal
- Direct Mail
- New Fact Sheet
- Construction Update Video
- Mesa Water Video Contest

Mses. Carrillo and Norris responded to questions from the Board and they thanked them for the presentation.

ACTION ITEMS:

11. WATERSMART GRANT OPPORTUNITY:

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

MOTION

Motion by Vice President DePasquale, second by Director Fisler, to adopt Resolution No. 1574 Authorizing Actions for Grant Application, Acceptance and Execution for the Mesa Water Local groundwater Supply Improvement Project. 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

12. STATEMENT OF INVESTMENT POLICY:

Acting General Manager Khalifa provided a review of the topic and answered questions from the Board.

Discussion ensued amongst the Board.

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

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to adopt Resolution No. 1575 Delegating Authority Relative to Investment or Reinvestment of Specified Funds, and Adopting a Revised Statement of Investment Policy, Superseding Resolution No. 1563, with modifications. 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

13. ORDINANCE NO. 34 – DIRECTORS’ COMPENSATION AND EXPENSE REIMBURSEMENT:

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

MOTION

Motion by Vice President DePasquale, second by Director Atkinson, to affirm and direct staff to schedule a public hearing for the March 22, 2023 Board of Directors meeting. 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:

14. REPORT OF THE GENERAL MANAGER:

- January Key Indicators Report

15. DIRECTORS’ REPORTS AND COMMENTS

INFORMATION ITEMS:

16. FEDERAL ADVOCACY UPDATE

17. STATE ADVOCACY UPDATE

18. ORANGE COUNTY UPDATE

RECESS

President Dewane declared a recess at 5:16 p.m.

The Board meeting reconvened at 5:21 p.m.

CLOSED SESSION:

President Dewane announced the Board was going into Closed Session at 5:22 p.m.


19. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:
California Government Code Section 54956.9(d)(4)
Significant exposure to litigation – 1 case


The Board returned to Open Session at 5:45 p.m.

Attorney Anslow announced that the Board conducted one Closed Session with the Acting General Manager, District Secretary and General Legal Counsel pursuant to California Government Code 54956.9(d)(4). The Board received information and there was no further announcement.

President Dewane adjourned the meeting at 5:47 p.m. to a Regular Board Meeting scheduled for Wednesday, March 8, 2023 at 4:30 p.m.

Approved:

DocuSigned by:

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Shawn Dewane, President

DocuSigned by:

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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer