



*Dedicated to  
Satisfying our Community's  
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Wednesday, October 25, 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  
Fred R. Bockmiller, P.E., Director  
James R. Fidler, Director

**Directors Absent**

None

**Staff Present**

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Chief Administrative Officer/  
District Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer/  
District Treasurer  
Tracy Manning, Chief Operating Officer  
Andrew D. Wiesner, P.E., District Engineer  
Kurt Lind, District Business Administrator  
Camille Shehadeh, Senior Human Resources Analyst  
Celeste Carillo, Senior Public Affairs Specialist  
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

**Others Present**

Chasin Prather, Member of the Public  
Scott Brehmer, Principal, Industrial Hygiene & Safety, Citadel EHS. Inc.  
Steve Gagnon, Vice President, Raftelis Financial Consultants, Inc.  
Theresa Jurotich, Manager, Raftelis Financial Consultants, Inc.

**SPECIAL DISTRICTS LEADERSHIP FOUNDATION RECOGNITIONS**

Chief Administrative Officer Garcia announced that Mesa Water was recently reaccredited as a District of Distinction by the Special Districts Foundation (SDLF) and also received SDLF's District Transparency Certificate of Excellence in recognition of its outstanding efforts to promote transparency and good governance.

Photographs were taken.

## **PUBLIC COMMENTS**

President Dewane asked for public comments.

Member of the Public Chasin Prather was recognized. Mr. Prather offered public comments regarding a concern with his customer project in relation to a meter upgrade at his former property.

President Dewane acknowledged Mr. Prather's comments and 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:**

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.

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

## **MOTION**

Motion by Vice President DePasquale, second by Director Bockmiller, to approve Items 1 – 6 of the Consent Calendar. Motion passed 5 – 0.

## **PRESENTATION AND DISCUSSION ITEMS:**

### **7. FISCAL YEAR 2023 ENVIRONMENTAL, HEALTH AND SAFETY PROGRAM AUDIT:**

District Business Administrator Lind introduced Citadel EHS, Inc. Principal of Industrial Hygiene & Safety Scott Brehmer who proceeded with a presentation that highlighted the following:

- The Road to Excellence
- Scorecard
- 2023 Significant Improvements
- Experience Modification Rate (EMR)
- 2023 Areas That Require Improvement
- Next Steps

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

8. POTABLE AND RECYCLED WATER RATES:

Chief Financial Officer Khalifa provided a presentation that highlighted the following:

- Rate Discussions
- Inflation Assumptions
- Financial Plan Considerations
- National Utility Rates vs Other Goods
- Proposed Financial Plan:
  - Days Cash
  - Cash on Hand
  - Debt Coverage
- Source of Potable Water Income – FY 2024
- Basic Charge Derivation – FY 2024
- Bi-Monthly Basic Charge
- Monthly Basic Charge
- Annual Capital Charge
- Consumption Rate – Hundred Cubic Feet
- Average Single Family:
  - Customer Charges
  - Bi-Monthly Charges
  - Monthly Charges
- Household Use Per Day
- Next Steps
- Recommendations

CFO Khalifa 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 Director Bockmiller, second by Vice President DePasquale, to

- a. Receive the draft report of the Water Rate Study;
- b. Direct staff to finalize the proposed rate schedule for Calendar Years 2024 through 2028;
- c. Direct staff to proceed with Proposition 218 notice preparation and mailing; and,
- d. Direct staff to schedule a public hearing for December 13, 2023.

Motion passed 5 – 0.

9. RECRUITMENT PROCESS:

Senior Human Resources Analyst Shehadeh provided a presentation that highlighted the following:

- Why Recruitment is Important
- New Trends & Challenges
- Mesa Water's Recruitment Process
- Facts & Figures – FY 2023

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

10. CAPITAL IMPROVEMENT PROGRAM RENEWAL QUARTERLY UPDATE:

District Engineer Wiesner provided a presentation that highlighted the following:

- Wells Program
- Reservoirs Program
- Distribution Program
- Routine Planned Capital
- District Facilities Program
- Financial Summary
- CIPR Planned vs. Actual

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

**ACTION ITEMS:**

11. LABOR & EMPLOYMENT LAW LEGAL COUNSEL:

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

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve a five-year contract with Liebert Cassidy Whitmore for a total amount not to exceed \$100,000 annually to provide labor and employment law legal counsel, and authorize execution of the contract. Motion passed 5 – 0.

12. CLAIM OF CARSON MCKINNON:

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

MOTION

Motion by Director Bockmiller, second by Vice President DePasquale, to approve and settle the claim with Carson McKinnon for an amount not to exceed \$4,000. Motion passed 5 – 0.

**REPORTS:**

13. REPORT OF THE GENERAL MANAGER:

- September Key Indicators Report

14. DIRECTORS' REPORTS AND COMMENTS

**INFORMATION ITEMS:**

- 15. FEDERAL ADVOCACY UPDATE
- 16. STATE ADVOCACY UPDATE
- 17. ORANGE COUNTY UPDATE

President Dewane announced the Board was going into Closed Session at 6:25 p.m.

**CLOSED SESSION:**

- 18. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:  
Pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b)

The Board will meet in Closed Session with Legal Counsel and staff to consider potential participation in one or more existing federal civil actions.

The Board returned to Open Session at 6:41 p.m.

Attorney Anslow reported that the Board conducted one Closed Session with the General Manager, District Secretary, Chief Operating Officer, District Engineer, and General Legal Counsel pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b). The Board received information and provided direction to staff.

President Dewane adjourned the meeting at 6:42 p.m. to an Adjourned Regular Board Meeting scheduled for Monday, October 30, 2023 at 3:30 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