

**AGENDA**  
**MESA CONSOLIDATED WATER DISTRICT**  
**IMPROVEMENT CORPORATION**  
**ANNUAL MEETING OF THE BOARD OF DIRECTORS**  
**1965 Placentia Avenue, Costa Mesa, CA 92627**  
**Thursday, March 11, 2021 at 6:00 p.m.**

**IN AN EFFORT TO MITIGATE THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING THIS BOARD MEETING IN PERSON. MEMBERS OF THE PUBLIC MAY LISTEN AND PROVIDE PUBLIC COMMENT BY EITHER COMPUTER OR TELEPHONE AUDIO AS FOLLOWS:**

**Computer Audio: Please click the link below to join the Zoom webinar:**

**<https://zoom.us/j/98444927777>**

**Meeting ID: 984 4492 7777**

**Passcode: 271651**

**Telephone Audio: (669) 900 6833**

**CALL TO ORDER – 6:00 p.m. or as soon thereafter as the Mesa Water District agenda permits.**

**PUBLIC COMMENTS**

**ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA**

**ACTION ITEMS:**

- A. CONFIRM DIRECTORS OF CORPORATION
- B. APPROVE MINUTES FOR THE MEETING OF MARCH 12, 2020
- C. APPROVE MINUTES FOR THE MEETING OF MAY 14, 2020
- D. ELECTION OF CORPORATION OFFICERS:

**Recommendation:**

- 1. Elect President.
- 2. Elect Vice President.
- 3. Appoint Denise Garcia as Secretary.
- 4. Appoint Wendy Duncan as Assistant Secretary.
- 5. Appoint Marwan Khalifa, CPA, MBA, as Treasurer.
- 6. Appoint Phil Lauri, P.E., as Assistant Treasurer.

E. RESOLUTION NO. 2021-1 CHANGING THE MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION NAME:

**Recommendation: Adopt Resolution No. 2021-1 Changing the Mesa Consolidated Water District Improvement Corporation Name and Authorizing the Filing of its Name Change with the California Secretary of State.**

F. RESOLUTION NO. 2021-2 ADOPTING AMENDED BYLAWS:

**Recommendation: Adopt Resolution No. 2021-2 Adopting Amended Bylaws.**

G. UNFINISHED BUSINESS:

None

H. NEW BUSINESS:

**Recommendation: Direct officers to have annual audit conducted for Fiscal Year 2021.**

*In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.*

*Members of the public desiring to make verbal comments utilizing a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.*

*Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at [www.MesaWater.org](http://www.MesaWater.org). If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.*

## **ADJOURNMENT**

MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION

Current Directors:

Jim Atkinson  
Fred R. Bockmiller, P.E.  
Marice H. DePasquale  
Shawn Dewane  
James R. Fisler

Current Officers:

President:	Director Fisler
Vice President:	Director DePasquale
Secretary:	Denise Garcia
Assistant Secretary:	Wendy Duncan
Treasurer:	Marwan Khalifa, CPA, MBA
Assistant Treasurer:	Phil Lauri, P.E.

**MINUTES OF THE MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION  
ANNUAL MEETING OF THE BOARD OF DIRECTORS  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Thursday, March 12, 2020 at 6:00 p.m.**

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**CALL TO ORDER**

The meeting of the Board of Directors was called to order at 6:43 p.m. by MCWDIC President Fisler.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Administrative Services Manager/  
MCWDIC Secretary  
Wendy Duncan, Records Management Specialist/  
MCWDIC Assistant Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer/  
MCWDIC Treasurer  
Stacie Sheek, Customer Services Manager  
Syndie Ly, Human Resources Manager  
Tracy Manning, Water Operations Manager  
Jeff Hoskinson, Partner, Atkinson, Andelson, Loya, Ruud &  
Romo

Others Present

None

**PUBLIC COMMENTS**

MCWDIC President Fisler asked for public comments on items not on the agenda.

There was no public present.

There was no public present at the teleconference site.

Attorney Hoskinson stated that one MCWDIC Director was attending the meeting via teleconference per Governor Newsom's Executive Order No. N-25-20 which suspended certain provisions of the Ralph M. Brown Act.

MCWDIC Secretary Garcia 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."

MCWDIC President Fisler proceeded with the meeting.

**ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA**

General Manager Shoenberger reported that there were no items to be added, removed, or reordered on the agenda.

**ACTION ITEMS:**

A. CONFIRM DIRECTORS OF CORPORATION

MOTION

Motion by MCWDIC Director Bockmiller, second by MCWDIC Vice President DePasquale, to confirm that the Directors of the Corporation Board consist of the Directors of the Mesa Water District Board. Motion passed 5-0, by the following roll call vote:

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

B. APPROVE MINUTES FOR MEETING OF MARCH 14, 2019

MOTION

Motion by MCWDIC Vice President DePasquale, second by MCWDIC Director Dewane, to approve the minutes for the meeting of March 14, 2019. Motion passed 5-0, by the following roll call vote:

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

C. ELECTION OF CORPORATION OFFICERS:

MCWDIC Secretary Garcia explained the current process followed to elect Officers of the Corporation.

MOTION

Motion by MCWDIC Director Bockmiller, second by MCWDIC Vice President DePasquale, to retain the current Corporation Officers:

1. James R. Fisler as MCWDIC President
2. Marice H. DePasquale as MCWDIC Vice President
3. Denise Garcia as MCWDIC Secretary
4. Wendy Duncan as MCWDIC Assistant Secretary
5. Marwan Khalifa, CPA, MBA, as MCWDIC Treasurer
6. Phil Lauri, P.E., as MCWDIC Assistant Treasurer

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

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

D. UNFINISHED BUSINESS:

At its March 14, 2019 annual meeting, the MWDIC Board of Directors (Board) queried:

- the length of the term of office for Officers of the Corporation
- if the MCWDIC bylaws has a sunset provision or clause

Attorney Hoskinson reported that the term of MCWDIC Officers may be changed from a 1-year to a 2-year term by amending Bylaws Section 23. This would align with the 2-year term of the Mesa Water District Officers.

He also recommended to amend Bylaws Section 24 to state that, in the event a MCWDIC Officer leaves their Mesa Water District office, they would automatically depart their MCWDIC office on the same date as well.

Attorney Hoskinson further reported that MCWDIC has no sunset provision or clause in its bylaws. Dissolution of the Corporation is allowed by vote of the MCWDIC Board or by the action of the MCWDIC Board in accordance with the provisions of California law. Upon the dissolution of the Corporation, and after payment or provision for payment, all debts and liabilities, the assets of MCWDIC shall be distributed to the District.

The MCWDIC Board directed staff to determine the possibility of changing the MCWDIC name to "Mesa Water District Improvement Corporation" and to agendize this topic at a future MCWDIC meeting.

E. NEW BUSINESS:

MOTION

Motion by MCWDIC Vice President DePasquale, second by MCWDIC Director Bockmiller, to direct the Officers to have an annual audit conducted for Fiscal Year 2020. Motion passed 5-0, by the following roll call vote:

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

The meeting was adjourned at 6:51 p.m.

Approved:

\_\_\_\_\_  
James R. Fislser, MCWDIC President

\_\_\_\_\_  
Denise Garcia, MCWDIC Secretary

Recording Secretary: Sharon D. Brimer

Unapproved

**MINUTES OF THE MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION  
SPECIAL MEETING  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Thursday, May 14, 2020 at 6:00 p.m.**

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**CALL TO ORDER**

The meeting of the Board of Directors was called to order at 6:07 p.m. by MCWDIC President Fisler.

**Directors Present**

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

**Directors Absent**

None

**Staff Present**

Paul E. Shoenberger, P.E., General Manager *(teleconference)*  
Phil Lauri, P.E., Assistant General Manager/  
MCWDIC Assistant Treasurer *(teleconference)*  
Denise Garcia, Administrative Services Manager/  
MCWDIC Secretary  
Wendy Duncan, Records Management Specialist/  
MCWDIC Assist District Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer/  
MCWDIC 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)*

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



MCWDIC President Fisler 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."

MCWDIC President Fisler proceeded with the meeting.

## **PUBLIC COMMENTS**

MCWDIC President Fisler asked for public comments on items not on the agenda.

There were no comments.

## **ITEMS TO BE REMOVED OR REORDERED ON THE AGENDA**

General Manager Shoenberger reported there were no items to be removed or reordered on the agenda.

## **ACTION ITEMS:**

### **A. ISSUANCE OF 2020 REVENUE CERTIFICATES OF PARTICIPATION:**

GM Shoenberger and Chief Financial Officer Khalifa provided a brief overview of the topic.

CFO Khalifa introduced Bank of America Managing Director Jeffrey Bower and Vice President Jack Tsang who proceeded with a brief Market Overview.

Messrs. Bower and Tsang responded to questions from the Board and they thanked them for the information.

Fieldman, Rolapp & Associates Assistant Vice President Lora Carpenter provided a brief Financial Overview and a presentation that highlighted the following:

- Capital Improvement Program Renewal
- New Money Debt Service

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

Stradling, Yocca, Carlson & Rauth P.C. Attorney Douglas S. Brown provided an overview of the Legal Documents.

Mr. Brown responded to questions from the Board and they thanked him for the information.

MCWDIC President Fisler asked for public comments. There were no comments.

Motion by MCWDIC Vice President DePasquale, second by MCWDIC Director Dewane, to approve the recommended action.

Discussion ensued amongst the Board.

Motion by MCWDIC Director Bockmiller to defer action on this item. Motion failed due to lack of a second.

MOTION

Motion by MCWDIC Vice President DePasquale, second by MCWDIC Director Dewane, to adopt Resolution 2020-1 Authorizing the Preparation, Sale and Delivery of Revenue Certificates of Participation, Approving Certain Documents as Described in the Resolution with Respect Thereto and Authorizing Certain Actions in Connection Therewith. Motion passed 4-1, by the following roll call vote:

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

The meeting was adjourned at 6:46 p.m.

Approved:

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James R. Fisler, MCWDIC President

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Denise Garcia, MCWDIC Secretary

Recording Secretary: Sharon D. Brimer

MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION

Current Directors:

Jim Atkinson  
Fred R. Bockmiller, P.E.  
Marice H. DePasquale  
Shawn Dewane  
James R. Fisler

Proposed New Directors:

None

Current Officers:

Proposed Officers:

President:	Director Fisler	Open
Vice President:	Director DePasquale	Open
Secretary:	Denise Garcia	Denise Garcia
Assistant Secretary:	Wendy Duncan	Wendy Duncan
Treasurer:	Marwan Khalifa, CPA, MBA	Marwan Khalifa, CPA, MBA
Assistant Treasurer:	Phil Lauri, P.E.	Phil Lauri, P.E.

## MEMORANDUM

TO: MCWDIC Board of Directors  
FROM: Paul E. Shoenberger, P.E., General Manager  
DATE: March 11, 2021  
SUBJECT: Mesa Consolidated Water District Improvement Corporation Name Change

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### RECOMMENDATION

Adopt Resolution No. 2021-1 Changing the Mesa Consolidated Water District Improvement Corporation Name and Authorizing the Filing of its Name Change with the California Secretary of State.

### PRIOR BOARD ACTION/DISCUSSION

At its April 24, 2012 Board meeting, the Mesa Water District Board of Directors approved changing its name from “Mesa Consolidated Water District” to “Mesa Water District”.

At its March 14, 2019 annual meeting, the Mesa Consolidated Water District Improvement Corporation (MCWDIC or Corporation) Board of Directors (Board) directed staff to determine the possibility of changing the name to “Mesa Water District Improvement Corporation” and to agendaize this topic at a future MCWDIC meeting.

At its March 12, 2020 annual meeting, the MCWDIC Board of Directors expressed the desire to move forward with changing its corporate name from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation”.

### DISCUSSION

The Corporation desires to change its corporate name from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation” to be consistent with the 2012 name change decision.

To change the Corporation’s corporate name, the Restated Articles of Incorporation are required by the California Secretary of State. The Board must approve the Restated Articles of Incorporation and authorize staff and consultants to file the document with the California Secretary of State. Once the Restated Articles of Incorporation have been filed, the Corporation will have changed its corporate name from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation”.

### FINANCIAL IMPACT

Costs to file with the California Secretary of State are estimated at \$100.

### ATTACHMENTS

Attachment A: Resolution No. 2021-1, Draft

## RESOLUTION NO. 2021-1

### RESOLUTION OF THE MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION BOARD OF DIRECTORS CHANGING ITS CORPORATE NAME AND AUTHORIZING THE FILING OF ITS NAME CHANGE WITH THE CALIFORNIA SECRETARY OF STATE

WHEREAS, Mesa Consolidated Water District Improvement Corporation (Corporation) was duly incorporated as a California nonprofit public benefit corporation as of March 10, 1988; and

WHEREAS, the Corporation desires to change its corporate name from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation.”

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1.** The Restated Articles of Incorporation, which are required by the California Secretary of State to change the Corporation’s corporate name, are set forth in Attachment A and are incorporated herein by this reference.

**Section 2.** Upon filing with the California Secretary of State, the Corporation will have duly changed its corporate name from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation.”

**Section 3.** Mesa Water staff and consultants are authorized to take such other and further action(s) as are necessary or desirable to carry out the directives of this Resolution.

(Remainder of page intentionally blank)

ADOPTED, SIGNED AND APPROVED this 11<sup>th</sup> day of March 2021 by the following roll call vote.

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

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James R. Fisler  
President, Board of Directors

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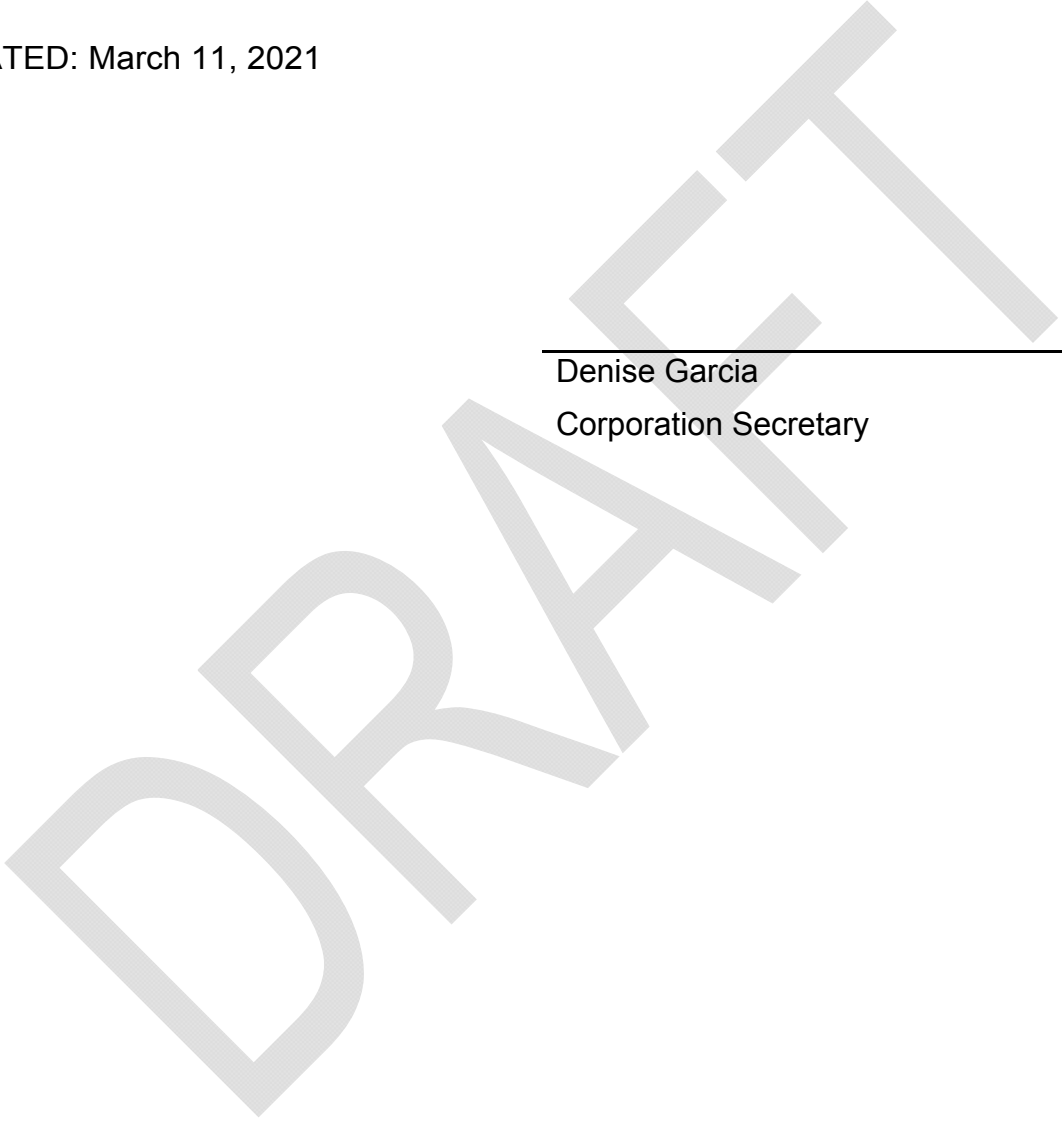
Denise Garcia  
Secretary

DRAFT

STATE OF CALIFORNIA    )  
  ) ss.  
COUNTY OF ORANGE     )

I, DENISE GARCIA, Secretary of the Board of Directors of the Mesa Consolidated Water District Improvement Corporation, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 2021-1 of said Board, and that the same has not been amended or repealed.

DATED: March 11, 2021



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Denise Garcia  
Corporation Secretary

**RESOLUTION NO. 2021-1**

**ATTACHMENT A**

**RESTATED ARTICLES OF INCORPORATION OF  
MESA WATER DISTRICT IMPROVEMENT CORPORATION**

Restated Articles of Incorporation

DRAFT



## RESTATED ARTICLES OF INCORPORATION

The undersigned certify that:

1. They are the Chief Executive Officer and the Secretary, respectively, of **MESA WATER DISTRICT IMPROVEMENT CORPORATION**, a California nonprofit public benefit corporation (Corporation).
2. The Articles of Incorporation of this Corporation are amended and restated to read as follows in Attachment A (Restated Articles of Incorporation), which is incorporated herein by reference.
3. The foregoing Restated Articles of Incorporation have been duly approved by the Board of Directors.
4. The Corporation has no members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Paul E. Shoenberger, P.E., Chief Executive  
Officer

\_\_\_\_\_  
Denise Garcia, Secretary

**ATTACHMENT A**  
**RESTATED ARTICLES OF INCORPORATION**  
**OF**  
**MESA WATER DISTRICT IMPROVEMENT CORPORATION**

I.

The name of this corporation is Mesa Water District Improvement Corporation.

II.

- A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.
- B. The specific purposes for which this corporation is formed are:
1. To render financial assistance to the Mesa Water District (the District), a County Water District organized and existing under Sections 30000 and following of the California Water Code, by financing, refinancing, acquiring, constructing, improving, leasing and selling water, and other public improvements, buildings, building improvements, equipment, lands, and any other real or personal property for the benefit of the District and surrounding areas.
  2. To acquire by lease, purchase or otherwise, real or personal property or any interest therein; to construct, reconstruct, modify, add to, improve or otherwise acquire or equip buildings, structure or improvements and (by sale, lease, sublease, leaseback, gift or otherwise) make any part or all of any such real or personal property available to or for the benefit of the District.
  3. To promote the common good and general welfare of the residents, property owners and customers of the District, and the governmental enterprises in the District and surrounding areas by the acquisition of the real and personal property as hereinabove described.
  4. To borrow the necessary funds to pay the cost of financing, refinancing, acquiring, constructing, replacing, establishing, improving, maintaining, equipping and operating such properties and facilities for the herein described purposes, the indebtedness for which borrowed money may, but need not, be evidenced by securities of this corporation of any kind or character issued at any one or more times, which may be either

unsecured or secured by any mortgage, trust deed, pledge, encumbrance or other lien upon any part or all of the properties and assets at any time then or thereafter owned or acquired by this corporation.

5. To receive limited or conditional gifts or grants in trust, inter vivos, or by way of testamentary devises, bequests or grants in trust, or otherwise, funds of all kinds including property, both real, personal and mixed, whether principal or income, tangible or intangible, present or future, vested or contingent, in order to carry on the purposes of this corporation.
- C. The general purposes and powers are to have an exercise all rights and powers now or hereafter conferred on nonprofit corporations under the laws of the State of California; provided, however, that this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific and primary purposes of this corporation; provided, further, that this corporation shall not have the power to, and shall not, do any act or conduct any activity, plan, scheme, design or course of conduct which in any way conflicts with Section 501(c)(4) of the Internal Revenue Code of 1986, as amended (the Code), and regulations promulgated pursuant to said Section as it now exists or as it may hereafter be amended.

### III.

The name and address in the State of California of this corporation's agent for service of process is: Denise Garcia, 1965 Placentia Avenue, Costa Mesa, CA 92627.

### IV.

- A. The property of this corporation is irrevocably dedicated to public purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.
- B. This corporation is organized and operated by a group of public spirited citizens exclusively for purposes within the meaning of Section 501(c)(4) of the Code.
- C. Notwithstanding any other provision of these Articles, this corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(4) of the Code.
- D. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for political office.

V.

- A. During the continuance of this corporation, it may distribute any of its assets to the United States of America, the State of California, or any political subdivision thereof, to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable or social welfare purpose and which has established its tax-exempt status under Section 501(c)(3) or 501 (c)(4) of the Code.
  
- B. Upon the dissolution or winding up of this corporation, its assets remaining after payment of, or provisions made for the payment of, all debts and liabilities of this corporation, shall be distributed to the United States of America, the State of California, or any political subdivision thereof, or to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable or social welfare purposes and which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Code.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Robert E. Anslow, Incorporator

## MEMORANDUM

TO: MCWDIC Board of Directors  
FROM: Paul E. Shoenberger, P.E., General Manager  
DATE: March 11, 2021  
SUBJECT: Adopting Amended Bylaws

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### RECOMMENDATION

Adopt Resolution No. 2021-2 Adopting Amended Bylaws.

### PRIOR BOARD ACTION/DISCUSSION

At its March 14, 2019 annual meeting, the Mesa Consolidated Water District Improvement Corporation (MCWDIC) Board of Directors (Board) inquired about the length of the term of office for Officers of the Corporation. The Board recommended the term be changed from a 1-year term to a 2-year term.

At its March 12, 2020 annual meeting, Attorney Hoskinson reported that the term of MCWDIC Officers may be changed from a 1-year to a 2-year term by amending Section 23 of the Bylaws. This would align with the 2-year term of the Mesa Water District Officers.

He also recommended to amend Section 24 of the Bylaws to state that in the event a MCWDIC Officer leaves their Mesa Water District office, they would automatically depart their MCWDIC office on the same date, as well.

### DISCUSSION

The following changes were made to the Amended Bylaws:

- The Corporation name was changed throughout the Bylaws to reflect the name change from “Mesa Consolidated Water District Improvement Corporation” to “Mesa Water District Improvement Corporation”.
- **Section 6, Number** – The number of members of the Board of Directors was changed from four to five.
- **Section 23, Subordinate Officers** – The term of office was changed from an unspecified time period to “*a period of two years*”.
- **Section 24, Removal of Officers** – The wording in this section was changed to state that “*if the President, Vice President, Treasurer, Secretary, or any officer leaves service or is terminated from employment with the District, such officer will be deemed to have automatically resigned and vacated his or her office of the Corporation on the same day*”.
- **Section 30, Nature of Objects and Purposes** – The second sentence starting with “*Resolution No. 88-5 adopted concurrently with the approval and adoption of these Bylaws and the Indenture, Installment Sale Agreement and Assignment Agreement approved by such Resolution or a similar resolution or resolutions that may be adopted in the future to carry out transactions which constitute additional phases to complete the facilities program which is the subject of said Resolution No. 88-5, the Indenture, Installment Sale Agreement and Assignment Agreement*” was deleted and replaced with “*resolutions approved by the Board of Directors or agreements entered into by the*

*Corporation that shall limit action(s) which may be taken by the Corporation, the Board of Directors and/or the Corporation's officers, as may be applicable".*

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Resolution No. 2021-2, Draft

Attachment B: Resolution No. 88-1, Redline

**RESOLUTION NO. 2021-2**

**RESOLUTION OF THE  
MESA WATER DISTRICT IMPROVEMENT CORPORATION  
BOARD OF DIRECTORS  
ADOPTING AMENDED BYLAWS**

WHEREAS, the Mesa Water District Improvement Corporation (the Corporation), formerly the Mesa Consolidated Water District Improvement Corporation, was duly incorporated as a California nonprofit public benefit corporation as of March 10, 1988; and

WHEREAS, the Corporation previously approved and adopted its original Bylaws on March 10, 1988; and

WHEREAS, the Corporation desires to amend its original Bylaws to govern the affairs of the Corporation.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT IMPROVEMENT CORPORATION DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1.** The Amended Bylaws of the Corporation, attached hereto and incorporated by reference herein as Attachment A (Amended Bylaws), are hereby adopted and approved and shall stand as the Bylaws of the Corporation until valid amendment thereof.

**Section 2.** Upon adoption, the Amended Bylaws hereby supersede the original Bylaws approved and adopted by the Corporation's Board of Directors on March 10, 1988.

**Section 3.** That the Secretary is to execute the Amended Bylaws and the Certificate of Adoption of the Amended Bylaws, and to insert the certified Bylaws in the book of minutes of the Corporation and to see that a copy of the certified Bylaws is kept at the principal office of the Corporation.

(Remainder of page intentionally blank)

ADOPTED, SIGNED, AND APPROVED this 11th day of March 2021 by the following roll call vote:

AYES: DIRECTORS:  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS:

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James R. Fisler  
President, Board of Directors

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Denise Garcia  
Secretary

DRAFT



STATE OF CALIFORNIA    )  
  ) ss.  
COUNTY OF ORANGE    )

I, DENISE GARCIA, Secretary of the Board of Directors of the Mesa Water District Improvement Corporation, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 2021-2 of said Board, and that the same has not been amended or repealed.

DATED: March 11, 2021

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Denise Garcia  
Secretary

DRAFT

**RESOLUTION NO. 2021-2**

**ATTACHMENT A**

**RESOLUTION OF THE  
MESA WATER DISTRICT IMPROVEMENT CORPORATION  
BOARD OF DIRECTORS  
ADOPTING AMENDED BYLAWS**

AMENDED BYLAWS

OF

MESA WATER DISTRICT  
IMPROVEMENT CORPORATION

Adopted: March 11, 2021

**AMENDED BYLAWS**  
**OF**  
**MESA WATER DISTRICT IMPROVEMENT CORPORATION**

**I**

**Section 1.**     Name. The name of the Corporation is Mesa Water District Improvement Corporation.

**II**

**Offices and Seal**

**Section 2.**     Offices. The principal office of the Corporation for the transaction of business shall be 1965 Placentia Avenue, Costa Mesa, California 92627. The Board of Directors of the Corporation (the Board of Directors) may, however, fix and change from time to time the principal office from one location to another by noting the change of address in the minutes of the meeting of the Board of Directors at which the address was fixed or changed. The fixing or changing of such address shall not be deemed an amendment to these Bylaws.

**Section 3.**     Seal. The Corporation shall have a seal, consisting of two (2) concentric circles with the words "Mesa Water District Improvement Corporation" and the date of incorporation of this corporation.

**III**

**Members**

**Section 4.**     Members. This Corporation shall have no members

**IV**

**Directors**

**Section 5.**     Powers. Subject to the limitations of the laws of the State of California, the Restated Articles of Incorporation of this Corporation and the terms of these Bylaws, the powers of this Corporation shall be vested in and exercised by, and its

property controlled and its affairs conducted by, the Board of Directors.

**Section 6.** Number. The Corporation shall have five (5) Directors. The Directors are collectively to be known as the Board of Directors. The number of Directors may be changed by an amendment to the Bylaws duly adopted by the Board of Directors.

**Section 7.** Selection, Tenure of Office and Vacancies.

- a) The members of the Board of Directors of the Mesa Water District Improvement Corporation shall also be members of the board of directors of the Mesa Water District (the District). If a member of the Board of Directors of the Mesa Water District Improvement Corporation ceases to be a member of the board of directors of the District, then he or she shall cease to be a Director of this Corporation.
- b) If the office of any Director becomes vacant prior to the expiration of his or her term of office, the Director appointed or otherwise chosen to fill the vacancy on the District's board of directors shall be selected by the remaining members of the Board of Directors of the Corporation to fill such vacancy.

**Section 8.** Compensation. The Directors shall serve without compensation but each Director may be reimbursed for his or her necessary and actual expenses, including travel incident to his services as Director, pursuant to a resolution of the Board of Directors. Any Director may elect, however, to decline said reimbursement.

**Section 9.** Organizational Meetings.

- a) Immediately following the annual meeting of the Board of Directors, the Directors shall meet for the purpose of organizing the Board, electing officers and transacting such business as may come before the meeting. Pending such organizational meeting, all officers of the Corporation shall hold over, except any officer required by law or these Bylaws to be a Director and who does not qualify as a Director.
- b) In the event such an organizational meeting shall not be

held immediately following such annual meeting of the Board of Directors, it shall thereafter be held at the next regular meeting or a special meeting and notice thereof shall be given in the manner provided in Section 11 and must conform to the provisions of the Ralph M. Brown Act, Sections 54950 et seq of the Government Code of the State of California, as amended from time to time (the Brown Act) and Parts 1 and 2 of Division 2, Sections 5002 through 6910, of the Corporations Code of the State of California, as amended from time to time (the Nonprofit Corporation Law).

**Section 10.** Regular, Annual and Organizational Meetings.

- a) Regular meetings of the Board of Directors shall be held at such time as the Board of Directors may fix by resolution from time to time. At least one regular meeting shall be held each year and be designated the Annual Meeting. All such meetings shall, in all respects, conform to provisions of the Brown Act and the Nonprofit Corporation Law. If any provision hereof is inconsistent with the Brown Act or the Nonprofit Corporation Law, such statutes shall prevail over the inconsistent provision hereof to the extent of the inconsistency.
- b) No notice of any organizational meeting of the Board of Directors, held immediately following the Annual Meeting of the Board of Directors or on or after any special meeting of the Board of Directors need be given; provided, that if such an organizational meeting is not held immediately following such meeting of the Board of Directors, then notice thereof shall be given in a manner provided in Section 11 hereof, the Brown Act and the Nonprofit Corporation Law.

**Section 11.** Special Meetings. Special meetings of the Board of Directors shall be called, noticed and held in accordance with the provisions of Government Code Section 54956 and Corporations Code Section 5211.

**Section 12.** Quorum. A quorum shall consist of a majority of the members of the Board of Directors unless a greater number is expressly required by statute, by the Article of Incorporation of this Corporation, or by these Bylaws. Every act or decision done or made by a majority of the Board of Directors present at a meeting duly held at which a quorum is present, shall be the act of the Board of Directors.

**Section 13.** Waiver of Notice. Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

**Section 14.** Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

**Section 15.** Notice of Adjourned Meeting. Notice of time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

**Section 16.** Action Without a Meeting. Any action that the Board of Directors is required or permitted to take may be taken without a meeting if all members of the Board of Directors consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested director" as defined in Section 5233 of the Nonprofit Corporation Law shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board of Directors. All such consents shall be filed with the minutes of the proceedings of the Board of Directors.

**Section 17.** Order of Business. The order of business at the regular meeting of the Board of Directors and, so far as possible, at all other meetings of the Board of Directors, shall be essentially as follows, except as otherwise determined by the Directors at such meeting:

- a) Report on the number of Directors present in person in order to determine the existence of a quorum.

- b) Reading of the notice of the meeting and proof of the delivery or mailing thereof, or the waiver or waivers of notice of the meeting then filed, as the case may be.
- c) Reading of unapproved minutes of previous meetings of the Board of Directors and the taking of action with respect to approval thereof.
- d) Presentation and consideration of reports of officers and committees.
- e) Election of officers.
- f) Unfinished business.
- g) New business.
- h) Adjournment.

**Section 18.**     Resignation and Removal of Directors.

Resignation or removal of a Director from the board of directors of the District shall constitute resignation or removal of such Director from the Board of Directors of the Corporation with the same date or effect.

**Section 19.**     Nonliability for Debts. The private and personal property of the Directors shall be exempt from execution or other liability for any debts, liabilities or obligations of the Corporation and no Director shall be liable or responsible for any debts, liabilities or obligations of the Corporation.

**Section 20.**     Indemnity by Corporation for Litigation Expenses of Officer, Director or Employee. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 5238(a) of the Nonprofit Corporation Law, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the

V

**Officers**

**Section 21.** Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board of Directors may appoint. When the duties do not conflict, one person, other than the President, may hold more than one of these offices. Unless the Directors of the Corporation otherwise direct, the President of the Corporation shall be the first vice president of the District. The Vice President of the Corporation shall be the president of the District. The Treasurer of the Corporation shall be the treasurer of the District and the Secretary of the Corporation shall be secretary of the board of directors of the District. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers.

**Section 22.** Election of Officers. Except as provided in Section 21 respecting the President, Vice President, Treasurer and Secretary, the other officers of the Corporation shall be chosen by and shall serve at the pleasure of the Board of Directors and each shall hold office until he shall resign or shall be removed or otherwise disqualified to serve or his successor shall be elected and qualified to serve.

**Section 23.** Subordinate Officers. The Board of Directors may elect or authorize the appointment of such other officers than those hereinabove mentioned for a period of two years. Each officer shall have such authority and perform such duties as are provided in these Bylaws, or as the Board of Directors from time to time may authorize or determine.

**Section 24.** Removal of Officers. Except as provided in Section 21 respecting the President, Vice President, Treasurer and Secretary, any officer may be removed, either with or without cause, by a majority of the Directors then in office at any regular or special meeting of the Board of Directors, or, except in the case of an officer chosen by the Board of Directors, by any officers upon whom such power of removal may be conferred by the Board of Directors. Additionally, if the President, Vice President, Treasurer, Secretary, or any



officer leaves service or is terminated from employment with the District, such officer will be deemed to have automatically resigned and vacated his or her office of the Corporation on the same day. Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board of Directors may delegate the powers and duties of such office to any officers or to any Directors until such time as a successor for said office has been elected and appointed. Resignation or removal of the president, vice president, treasurer and secretary of the District shall constitute resignation or removal of such officer of the Corporation.

**Section 25.** President.

- a) The President shall preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or be prescribed by the Bylaws.
- b) The President shall also be the chief corporate officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He shall preside at all meetings of the Board of Directors. He shall be ex officio member of all standing committees, and shall have the general powers and duties of management usually vested in the office of President of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or by these Bylaws.

**Section 26.** Vice President. In the absence or disability of the President, the Vice President, or the Vice Presidents in order of their ranks as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President and when so acting shall have all the powers of and be subject to all of the restriction upon the President. The Vice Presidents shall have such other powers and perform such duties as may from time to time be prescribed for them, respectively, by the Board of Directors or by these Bylaws.

**Section 27.** Secretary. The Secretary shall keep or cause to be kept a book of minutes at the principal office or at such other place as the Board of Directors may order, of all meetings of the

Directors, with the time and place of holding the meeting, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings and the proceedings thereof. The Secretary shall give or cause to be given notice of all meetings of the Board of Directors of the Corporation, shall keep the corporate records in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

**Section 28.** Treasurer. The Treasurer shall keep and maintain or cause to be kept and maintained adequate and correct accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Directors. He shall disburse the funds of the Corporation as shall be ordered by the Board of Directors, shall render to the President and the Directors whenever they shall request it, an account of all of his transactions as Treasurer and the financial condition of the Corporation, shall take proper vouchers for all disbursements of the funds of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

**Section 29.** Assistant Secretaries and Assistant Treasurers.  
The Assistant Secretaries and the Assistant Treasurers in the order of their seniority as specified by the Directors shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of the Secretary or Treasurer and shall perform such duties as the Board of Directors shall prescribe.

## VI

### Objects and Purposes

**Section 30.** Nature of Objects and Purposes. The business of this Corporation is to be operated and conducted in the promotion of its objects and purposes as set forth in Article II of its Article of Incorporation. The foregoing notwithstanding, the Corporation shall not engage in any activities not contemplated by, or necessary or proper to carry out the

transactions contemplated by resolutions approved by the Board of Directors or agreements entered into by the Corporation that shall limit action(s) which may be taken by the Corporation, the Board of Directors and/or the Corporation's officers, as may be applicable.

**Section 31.** Dissolution. The Corporation may be dissolved by vote of the Board of Directors, or by the action of the Board of Directors in accordance with the provisions of California law. Upon the dissolution or winding up of this Corporation, and after payment or provision for payment, all debts and liabilities, the assets of this Corporation shall be distributed to the District. If for any reason the District is unable or unwilling to accept the assets of the Corporation, said assets will be distributed to the Federal Government; to a state or local government for public purposes; or to a nonprofit fund, foundation, or corporation which is organized and operated for charitable or civic purposes and which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended (the Code).

**Section 32.** Merger. The Corporation may merge with other corporations organized solely for nonprofit purposes, qualified and exempt from federal taxation pursuant to Section 501(c)(3) or 501(c)(4) of the Code, and from State taxation, upon compliance with the provisions of California law relating to merger and consolidation.

## VII

### General Provisions

**Section 33.** Payment of Money, Signatures. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Corporation and any and all securities owned by or held by the Corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors.

**Section 34.** Execution of Contracts. The Board of Directors, except as in the Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined

to specific instances and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

**Section 35.** Fiscal Year. The fiscal year of the Corporation shall commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year.

**Section 36.** Annual Audit. The affairs and financial condition of the Corporation shall be audited annually at the end of each fiscal year by an independent certified public accountant selected by the Board of Directors and a written report of such audit and appropriate financial statements shall be submitted to the Board of Directors prior to the next regular meeting of the Board of Directors of the Corporation following the completion of such audit. Additional audits may be authorized as considered necessary or desirable by the Board of Directors.

## VIII

### Exempt Activities

**Section 37.** Restrictions. Notwithstanding any other provisions of these Bylaws, no Director, officer, employee or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(4) of the Code and the regulations promulgated thereunder as they now exist or as they may hereafter be amended.

## IX

### Amendment to Bylaws

**Section 38.** Amendments. These Bylaws may be amended by majority vote of the Board of Directors.

ADOPTED by the Mesa Water District Improvement Corporation Board of Directors  
on this 11th day of March 2021.

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Denise Garcia  
Secretary

DRAFT

## SECRETARY'S CERTIFICATE

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of the Mesa Water District Improvement Corporation, a California nonprofit public benefit corporation; and
2. That the foregoing Amended Bylaws constitute a full, true and correct copy of the Amended Bylaws of said Corporation in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 11th day of March 2021.

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Denise Garcia  
Secretary

**RESOLUTION NO. 882021-12**

**RESOLUTION OF THE ~~BOARD OF DIRECTORS~~  
OF THE MESA ~~CONSOLIDATED~~ WATER DISTRICT  
IMPROVEMENT CORPORATION  
BOARD OF DIRECTORS  
ADOPTING AMENDED BYLAWS**

WHEREAS, the Mesa Water District Improvement Corporation (the Corporation), formerly the Mesa Consolidated Water District Improvement Corporation ~~(the "Corporation")~~, was duly incorporated as a California nonprofit public benefit corporation as of March 10, 1988; and

WHEREAS, the Corporation previously approved and adopted its original Bylaws on March 10, 1988; and

WHEREAS, the Corporation desires to ~~approve~~ amend its original Bylaws to govern the affairs of the Corporation.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE MESA ~~CONSOLIDATED~~ WATER DISTRICT IMPROVEMENT CORPORATION DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1.** The Amended Bylaws of the Corporation, attached hereto and incorporated by reference herein as ~~Exhibit~~ Attachment "A", (Amended Bylaws), are hereby adopted and approved and shall stand as the Bylaws of the Corporation until valid amendment thereof.

**Section 2.** Upon adoption, the Amended Bylaws hereby supersede the original Bylaws approved and adopted by the Corporation's Board of Directors on March 10, 1988.

**Section 3.** That the Secretary is to execute the Amended Bylaws and the Certificate of Adoption of the Amended Bylaws, and to insert the certified Bylaws in the book of minutes of the Corporation and to see that a copy of the certified Bylaws is kept at the principal office of the Corporation.

(Remainder of page intentionally blank)

ADOPTED, SIGNED, AND APPROVED this ~~10th~~11th day of ~~March, 1988~~.March 2021 by the following roll call vote:

AYES: DIRECTORS:  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS:

ATTEST:

By \_\_\_\_\_  
James R. Fidler  
President, Board of Directors  
~~MESA CONSOLIDATED WATER-  
DISTRICT IMPROVEMENT-  
CORPORATION~~ and of the Board of  
Directors thereof

By \_\_\_\_\_  
Denise Garcia  
Secretary,  
~~MESA CONSOLIDATED WATER-  
DISTRICT IMPROVEMENT-  
CORPORATION~~ and of the Board of  
Directors thereof

~~STATE OF CALIFORNIA~~ )  
  ) ss.  
~~COUNTY OF ORANGE~~ )

I, ~~SUE STERRETT~~, Secretary of the Board of Directors of the Mesa Consolidated Water District Improvement Corporation, do hereby certify that the foregoing Resolution was adopted by the Board of Directors of said Corporation at the regular meeting of said Board held on the 10<sup>th</sup> of March, 1988, and that it was so adopted by the following vote:

AYES: Members: Panian, Hall, Nelson, Ohlig.  
NOES: Members: None  
ABSTAIN: Members: None  
ABSENT: Members: None

\_\_\_\_\_  
Secretary



STATE OF CALIFORNIA    )  
  ) ss.  
COUNTY OF ORANGE    )

I, ~~SUE STERRETT~~DENISE GARCIA, Secretary of the Board of Directors of the Mesa Consolidated Water District Improvement Corporation, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. ~~88-1-2021-2~~ of said Board, and that the same has not been amended or repealed.

DATED: ~~March 10, 1988~~March 11, 2021

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Denise Garcia  
Secretary

DRAFT

**RESOLUTION NO. 2021-2**

**ATTACHMENT A**

**RESOLUTION OF THE  
MESA WATER DISTRICT IMPROVEMENT CORPORATION  
BOARD OF DIRECTORS  
ADOPTING AMENDED BYLAWS**

AMENDED BYLAWS

OF

MESA ~~CONSOLIDATED~~ WATER DISTRICT  
IMPROVEMENT CORPORATION

Adopted: March 11, 2021

# AMENDED BYLAWS

## OF

### MESA ~~CONSOLIDATED~~ WATER DISTRICT- IMPROVEMENT CORPORATION

#### I

**Section 1.** Name. The name of the Corporation is Mesa ~~Consolidated~~ Water District Improvement Corporation.

#### II

##### Offices and Seal

**Section 2.** Offices. The principal office of the Corporation for the transaction of business shall be 1965 Placentia Avenue, Costa Mesa, California 92627. The Board of Directors of the Corporation (the "Board of Directors") may, however, fix and change from time to time the principal office from one location to another by noting the change of address in the minutes of the meeting of the Board of Directors at which the address was fixed or changed. The fixing or changing of such address shall not be deemed an amendment to these Bylaws.

**Section 3.** Seal. The Corporation shall have a seal, consisting of two (2) concentric circles with the words "Mesa ~~Consolidated~~ Water District Improvement Corporation" and the date of incorporation of this corporation.

#### III

##### Members

**Section 4.** Members. This Corporation shall have no members

#### IV

##### Directors

**Section 5.** Powers. Subject to the limitations of the laws of the State of California, the ~~Restated~~ Articles of Incorporation of this Corporation and the terms of these Bylaws, the powers of

this Corporation shall be vested in and exercised by, and its property controlled and its affairs conducted by, the Board of Directors.

**Section 6.** Number. The Corporation shall have ~~four~~(~~4~~five (5) Directors. The Directors are collectively to be known as the Board of Directors. The number of Directors may be changed by an amendment to the Bylaws ~~thereof~~ duly adopted by the Board of Directors.

**Section 7.** Selection, Tenure of Office and Vacancies.

- a) The members of the Board of Directors of the Mesa ~~Consolidated~~ Water District Improvement Corporation shall also be members of the board of directors of the Mesa ~~Consolidated~~ Water District (the "District"). If a member of the Board of Directors of the Mesa-~~Consolidated~~ Water District Improvement Corporation ceases to be a member of the board of directors of the District, then he or she shall cease to be a Director of this Corporation.
- b) If the office of any Director becomes vacant prior to the expiration of his or her term of office, the Director appointed or otherwise chosen to fill the vacancy on the District's board of directors shall be selected by the remaining members of the Board of Directors of the Corporation to fill such vacancy.

**Section 8.** Compensation. The Directors shall serve without compensation but each Director may be reimbursed for his or her necessary and actual expenses, including travel incident to his services as Director, pursuant to a resolution of the Board of Directors. Any Director may elect, however, to decline said reimbursement.

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- a) Immediately following the annual meeting of the Board of Directors, the Directors shall meet for the purpose of organizing the Board, electing officers and transacting such business as may come before the meeting. Pending such organizational meeting, all officers of the Corporation shall hold over, except any officer required by law or these Bylaws to be a Director and who does not qualify as a Director.

- b) In the event such an organizational meeting shall not be held immediately following such annual meeting of the Board of Directors, it shall thereafter be held at the next regular meeting or a special meeting and notice thereof shall be given in the manner provided in Section 11 and must conform to the provisions of the Ralph M. Brown Act, Sections 54950 et sego of the Government Code of the State of California, as amended from time to time (the "Brown Act") and Parts 1 and 2 of Division 2, Sections 5002 through 6910, of the Corporations Code of the State of California, as amended from time to time (the "Nonprofit Corporation Law").

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- b) No notice of any organizational meeting of the Board of Directors, held immediately following the Annual Meeting of the Board of Directors or on or after any special meeting of the Board of Directors need be given; provided, that if such an organizational meeting is not held immediately following such meeting of the Board of Directors, then notice thereof shall be given in a manner provided in Section 11 hereof, the Brown Act and the Nonprofit Corporation Law.

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meeting duly held at which a quorum is present, shall be the act of the Board of Directors.

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- a) Report on the number of Directors present in person in order to determine the existence of a quorum.
- b) Reading of the notice of the meeting and proof of the delivery or mailing thereof, or the waiver or waivers of notice of the meeting then filed, as the case may be.
- c) Reading of unapproved minutes of previous meetings of the Board of Directors and the taking of action with respect to approval thereof.
- d) Presentation and consideration of reports of officers and committees.
- e) Election of officers.
- f) Unfinished business.
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described in that Section. "Expenses," as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the Nonprofit Corporation Law.

## V

### Officers

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**Section 23.** Subordinate Officers. The Board of Directors may elect or authorize the appointment of such other officers than those hereinabove mentioned ~~as the business for a period of the Corporation may require, each of whom two years. Each officer shall hold office for such period,~~ have such authority and perform such duties as are provided in these Bylaws, or as the Board of Directors from time to time may authorize or determine.

**Section 24.** Removal of Officers. Except as provided in Section 21 respecting the President, Vice President, Treasurer and Secretary, any officer may be removed, either with or without cause, by a majority of the Directors then in office at any regular or special meeting of the Board of Directors, or,



except in the case of an officer chosen by the Board of Directors, by any officers upon whom such power of removal may be conferred by the Board of Directors. **Additionally, if the President, Vice President, Treasurer, Secretary, or any officer leaves service or is terminated from employment with the District, such officer will be deemed to have automatically resigned and vacated his or her office of the Corporation on the same day.** Should a vacancy occur in any office as a result of death, resignation, removal, disqualification or any other cause, the Board of Directors may delegate the powers and duties of such office to any officers or to any Directors until such time as a successor for said office has been elected and appointed. Resignation or removal of the president, vice president, treasurer and secretary of the District shall constitute resignation or removal of such officer of the Corporation.

**Section 25.** President.

- a) The President shall preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or be prescribed by the Bylaws.
- b) The President shall also be the chief corporate officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He shall preside at all meetings of the Board of Directors. He shall be ex officio member of all standing committees, and shall have the general powers and duties of management usually vested in the office of President of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or by these Bylaws.

**Section 26.** Vice President. In the absence or disability of the President, the Vice President, or the Vice Presidents in order of their ranks as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President and when so acting shall have all the powers of and be subject to all of the restriction upon the President. The Vice Presidents shall have such other powers and perform such duties as may from time to time be prescribed for them, respectively, by the Board of Directors or by these Bylaws.

**Section 27.** Secretary. The Secretary shall keep or cause to be kept a book of minutes at the principal office or at such other place as the Board of Directors may order, of all meetings of the Directors, with the time and place of holding the meeting, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Directors' meetings and the proceedings thereof. The Secretary shall give or cause to be given notice of all meetings of the Board of Directors of the Corporation, shall keep the corporate records in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

**Section 28.** Treasurer. The Treasurer shall keep and maintain or cause to be kept and maintained adequate and correct accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Directors. He shall disburse the funds of the Corporation as shall be ordered by the Board of Directors, shall render to the President and the Directors whenever they shall request it, an account of all of his transactions as Treasurer and the financial condition of the Corporation, shall take proper vouchers for all disbursements of the funds of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

**Section 29.** Assistant Secretaries and Assistant Treasurers.  
The Assistant Secretaries and the Assistant Treasurers in the order of their seniority as specified by the Directors shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of the Secretary or Treasurer and shall perform such duties as the Board of Directors shall prescribe.

## VI

### Objects and Purposes

**Section 30.** Nature of Objects and Purposes. The business of this Corporation is to be operated and conducted in the

promotion of its objects and purposes as set forth in Article II of its Article of Incorporation. The foregoing notwithstanding, the Corporation shall not engage in any activities not contemplated by, or necessary or proper to carry out the transactions contemplated by, ~~Resolution No. 88-5 adopted concurrently with the approval and adoption of these Bylaws and the Indenture, Installment Sale Agreement and Assignment Agreement~~ resolutions approved by ~~such Resolution~~ the Board of Directors or ~~a similar resolution or resolutions~~ agreements entered into by the Corporation that shall limit action(s) which may be ~~adopted in~~ taken by the ~~future to carry out transactions which constitute additional phases to complete~~ Corporation, the ~~facilities program which is~~ Board of Directors and/or the ~~subject of said Resolution No. 88-5, the Indenture, Installment Sale Agreement and Assignment Agreement~~ Corporation's officers, as may be applicable.

**Section 31.** Dissolution. The Corporation may be dissolved by vote of the Board of Directors, or by the action of the Board of Directors in accordance with the provisions of California law. Upon the dissolution or winding up of this Corporation, and after payment or provision for payment, all debts and liabilities, the assets of this Corporation shall be distributed to the District. If for any reason the District is unable or unwilling to accept the assets of the Corporation, said assets will be distributed to the Federal Government; to a state or local government for public purposes; or to a nonprofit fund, foundation, or corporation which is organized and operated for charitable or civic purposes and which has established its tax-exempt status under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended (the "Code").

**Section 32.** Merger. The Corporation may merge with other corporations organized solely for nonprofit purposes, qualified and exempt from ~~Federal~~ federal taxation pursuant to Section 501(c)(3) or 501(c)(4) of the Code, and from State taxation, upon compliance with the provisions of California law relating to merger and consolidation.

## VII

### General Provisions

**Section 33.** Payment of Money, Signatures. All checks, drafts or other orders for payment of money, notes or other evidences of

indebtedness issued in the name of or payable to the Corporation and any and all securities owned by or held by the Corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors.

**Section 34.** Execution of Contracts. The Board of Directors, except as in the Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

**Section 35.** Fiscal Year. The fiscal year of the Corporation shall commence on the 1st day of July of each year and shall end on the 30th day of June of the next succeeding year.

**Section 36.** Annual Audit. The affairs and financial condition of the Corporation shall be audited annually at the end of each fiscal year, ~~commencing with fiscal year 1987-1988~~, by an independent certified public accountant selected by the Board of Directors and a written report of such audit and appropriate financial statements shall be submitted to the Board of Directors prior to the next regular meeting of the Board of Directors of the Corporation following the completion of such audit. Additional audits may be authorized as considered necessary or desirable by the Board of Directors.

## VIII

### Exempt Activities

**Section 37.** Restrictions. Notwithstanding any other provisions of these Bylaws, no Director, officer, employee or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(4) of the Code and the regulations promulgated thereunder as they now exist or as they may hereafter be amended.

## IX

### Amendment to Bylaws

**Section 38.** Amendments. These Bylaws may be amended by majority vote of the Board of Directors.

DRAFT

ADOPTED by the ~~Board of Directors of the Mesa Consolidated~~ Water District Improvement Corporation ~~Board of Directors~~ on ~~March 10, 1988~~ this 11th day of March 2021.

By \_\_\_\_\_

Denise Garcia  
Secretary,

DRAFT

## SECRETARY'S CERTIFICATE

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of the Mesa ~~Consolidated~~ Water District Improvement Corporation, a California nonprofit public benefit corporation; and
2. That the foregoing ~~Amended~~ Bylaws constitute a full, true and correct copy of the ~~Amended~~ Bylaws of said Corporation in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ~~9th~~11th day of ~~March, 1988~~ March 2021.

By

\_\_\_\_\_  
Denise Garcia  
Secretary,

There is no Unfinished Business.



## MEMORANDUM

TO: MCWDIC Board of Directors  
FROM: Paul E. Shoenberger, P.E., General Manager  
DATE: March 11, 2021  
SUBJECT: New Business

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### RECOMMENDATION

Direct officers to have annual audit conducted for Fiscal Year 2021.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

None.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

None.