



Dedicated to  
Satisfying our Community's  
Water Needs

**AGENDA**  
**MESA WATER DISTRICT**  
**BOARD OF DIRECTORS**  
**Wednesday, March 8, 2023**  
**1965 Placentia Avenue, Costa Mesa, CA 92627**  
**4:30 p.m. Regular Board Meeting**

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**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**INTRODUCTION OF FIELD SERVICES SUPERVISOR ANTHONY OCAMPO**

**PUBLIC COMMENTS**

**Items Not on the Agenda:** Members of the public are invited to address the Board regarding items which are not appearing on the posted agenda. Each speaker shall be limited to three minutes. The Board will set aside 30 minutes for public comments for items not appearing on the posted agenda.

**Items on the Agenda:** Members of the public shall be permitted to comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker shall be limited to three minutes. The Board will set aside 60 minutes for public comments for items appearing on the posted agenda.

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

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed as an Action Item, may be deliberated and may be subject to action by the Board.

**CONSENT CALENDAR ITEMS:**

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.

1. Approve minutes of regular Board meeting of February 8, 2023.
2. Approve minutes of regular Board meeting of February 22, 2023.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
  - Conferences, Seminars, and Meetings
  - Board Calendar
  - Upcoming Community Outreach Events

**PRESENTATION AND DISCUSSION ITEMS:**

5. RESERVE FUNDS INVESTMENT POLICY STATEMENT:

**Recommendation: Receive the presentation and direct staff to agendize *Reserve Funds Investment Policy Statement* at a future Board meeting.**

**ACTION ITEMS:**

6. UPDATING THE SCHEDULE OF POSITIONS AND SALARY RATE RANGES:

**Recommendation: Adopt Resolution No. 1576 Updating the Schedule of Positions and Salary Rate Ranges Superseding Resolution No. 1512.**

7. ASSOCIATION OF CALIFORNIA WATER AGENCIES 2023 BOARD OFFICERS' ELECTION:

**Recommendation:**

- a. **Adopt Resolution No. 1577 in Support of the Nomination of Cathy Green as a Candidate for the Position of Association of California Water Agencies President; and**
- b. **Adopt Resolution No. 1578 in Support of the Nomination of Ernesto A. Avila as a Candidate for the Position of Association of California Water Agencies Vice President.**

8. INFORMATION TECHNOLOGY NETWORK INFRASTRUCTURE AND DATA CENTER REFRESH:

**Recommendation:**

- a. **Approve \$441,000 to purchase the hardware necessary to refresh Mesa Water District's information technology network infrastructure and data center; and**
- b. **Approve a contract to T2 Technology Group, LLC for an amount not to exceed \$416,000 to provide the services necessary to support the information technology network infrastructure and data center refresh.**

9. MESA WATER DISTRICT IMPROVEMENT CORPORATION ANNUAL MEETING:

**Recommendation: Recess from regular Board meeting and hold the Mesa Water District Improvement Corporation Annual Meeting.**

**REPORTS:**

10. REPORT OF THE GENERAL MANAGER

11. DIRECTORS' REPORTS AND COMMENTS

**INFORMATION ITEMS:**

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



*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 call the District Secretary at (949) 631-1205. 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 using 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.*

**ADJOURN TO A REGULAR BOARD MEETING SCHEDULED FOR WEDNESDAY,  
MARCH 22, 2023 AT 4:30 P.M.**



*Dedicated to  
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**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Wednesday, February 8, 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 Fisler 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. Fisler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Chief Administrative Officer/  
District Secretary  
Tracy Manning, Chief Operating Officer  
Stacie Sheek, Customer Services Manager  
Andrew D. Wiesner, P.E., District Engineer  
Stacy Taylor, Water Policy Manager  
Kurt Lind, Business Administrator  
Anthony Phou, Controller  
Celeste Carrillo, Senior Public Affairs Specialist  
Bob Mitchell, Water Operations Supervisor  
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

None

**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.

**INTRODUCTION OF WATER OPERATIONS SUPERVISOR BOB MITCHELL**

Chief Operating Officer Manning introduced Water Operations Supervisor Bob Mitchell and provided a brief overview of his work experience.

The Board congratulated Mr. Mitchell on his new position and President Dewane proceeded with the meeting.

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

General Manager Shoenberger reported there were no items to be added, removed, or reordered on the agenda. He offered that staff received modifications to Items 3 and 8 from Director Bockmiller.

**CONSENT CALENDAR ITEMS:**

1. Approve minutes of regular Board meeting of January 11, 2023.
2. Approve minutes of special Board meeting of January 17, 2023
3. Approve minutes of regular Board meeting of January 25, 2023
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
  - Conferences, Seminars, and Meetings
  - Board Calendar
  - Upcoming Community Outreach Events

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

**MOTION**

Motion by Director Bockmiller, second by Director Atkinson, to approve Items 1 – 2, and 3 as modified, of the Consent Calendar. Motion passed 4 – 1, with Director Fisler abstaining.

**MOTION**

Motion by Director Bockmiller, second by Director Atkinson, to approve Items 4 and 5 of the Consent Calendar. Motion passed 5 – 0.

**PRESENTATION AND DISCUSSION ITEMS:**

None.

**ACTION ITEMS:**

6. ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY EXECUTIVE COMMITTEE ELECTION NOMINATION:

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

**MOTION**

Motion by Director Atkinson, second by Vice President DePasquale, to adopt Resolution No. 1572 Nominating Fred R. Bockmiller, P. E. to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority. 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

7. ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY EXECUTIVE COMMITTEE ELECTION CONCURRING IN NOMINATION.

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

MOTION

Motion by Vice President DePasquale, second by Director Bockmiller, to adopt Resolution No. 1573 Concurring in Nomination of J. Bruce Rupp to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority. Motion passed 5 – 0, by the following roll call vote:

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

8. MESA WATER DISTRICT'S POLICY POSITIONS AND LEGISLATIVE PLATFORMS:

Water Policy Manager Taylor reviewed the topic and responded to questions.

Discussion ensued amongst the Board.

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve the proposed updates to Mesa Water District's Policy Positions and Legislative Platforms as modified. Motion passed 5 – 0.

9. REPORT OF THE GENERAL MANAGER

10. DIRECTORS' REPORTS AND COMMENTS

**INFORMATION ITEMS:**

11. 2023 FEDERAL ADVOCACY PLAN

12. DIRECTORS' REPORTS (AB1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

President Dewane adjourned the meeting at 5:05 p.m. to a Regular Board Meeting scheduled for Wednesday, February 22, 2023 at 4:30 p.m.

Approved:

\_\_\_\_\_  
Shawn Dewane, President

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

Recording Secretary: Sharon D. Brimer



**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**

*Dedicated to  
Satisfying our Community's  
Water Needs*

**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 <i>(teleconference)</i> 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, Fisler, 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, Fislser, 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, Fislser, 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:

\_\_\_\_\_  
Shawn Dewane, President

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

Recording Secretary: Sharon D. Brimer



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## MEMORANDUM

TO: Board of Directors  
FROM: Denise Garcia, Chief Administrative Officer  
DATE: March 8, 2023  
SUBJECT: Attendance at Conferences, Seminars, Meetings, and Events

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### RECOMMENDATION

In accordance with Ordinance No. 34, adopted January 11, 2023, authorize attendance at conferences, seminars, meetings, and events.

### STRATEGIC PLAN

- Goal #1: Provide an abundant, local, reliable and safe water supply.
- Goal #2: Perpetually renew and improve our infrastructure.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase favorable opinion of Mesa Water.
- Goal #5: Attract, develop and retain skilled employees.
- Goal #6: Provide excellent customer service.
- Goal #7: Actively participate in regional and statewide water issues.

### PRIOR BOARD ACTION/DISCUSSION

At its June 8, 2022 meeting, the Board of Directors (Board) approved Fiscal Year 2023 attendance at Conferences, Seminars, Meetings, and Events.

### DISCUSSION

During the discussion of this item, if any, the Board may choose to delete any item from the list and/or may choose to add additional conferences, seminars, meetings, or events for approval, subject to available budget or additional appropriation.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

None.

**2023 CONFERENCES, SEMINARS, AND MEETINGS:**

<b>March 5 - 8, 2023</b>	
WaterReuse Symposium	
Atlanta, GA	
<b>March 6 - 8, 2023</b>	
Public-Private Partnership Conference	
Dallas, TX	
<b>March 23, 2023</b>	
ACWA Legislative Symposium	
Sacramento, CA	
<b>April 2 - 5, 2023</b>	
AWWA CA-NV Annual Spring Conference	
San Diego, CA	
<b>April 16 - 18, 2023</b>	
CMUA Annual Conference	
San Diego, CA	
<b>May 9 - 11, 2023</b>	
ACWA/JPIA Spring Conference	<i>Atkinson, Bockmiller, DePasquale</i>
Monterey, CA	
<b>May 16 - 17, 2023</b>	
CSDA Legislative Days	
Sacramento, CA	
<b>June 5 - 23, 2023</b>	
Harvard Senior Executives in State and Local Government	
Cambridge, MA	
<b>June 11 - 14, 2023</b>	
AWWA ACE23 Conference	<i>Atkinson</i>
Toronto, Canada	
<b>July 10 - 28, 2023</b>	
Harvard Senior Executives in State and Local Government	
Cambridge, MA	
<b>August 28 - 31, 2023</b>	
CSDA Annual Conference	
Monterey, CA	
<b>August 23 - 25, 2023</b>	
Urban Water Institute Annual Conference	
San Diego, CA	
<b>September 21 - 22, 2023</b>	
P3 Water Summit	
San Diego, CA	
<b>Septemebr 30 - October 4, 2023</b>	
WEFTEC Conference	
Chicago, IL	
<b>October 18 - 20, 2023</b>	
CALAFCO Annual Conference	
Monterey, CA	
<b>October 23 - 28, 2023</b>	
AWWA CA-NV Annual Fall Conference	
Las Vegas, NV	
<b>November 7 - 9, 2023</b>	
SWMOA Annual Symposium	
Irvine, CA	

# March 2023

March 2023							April 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4							1
5	6	7	8	9	10	11	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15
19	20	21	22	23	24	25	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28	29
							30						

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 26	27	28	<b>Mar 1</b> ACWA DC2023 (Washington D.C.) Payday 8:30am Jt. MWDOC/MWD 5:30pm OCWD Board Meeting	<b>2</b> 8:00am CANCELED OCWD Communications/Legislative (VIRTUAL)	<b>3</b> 7:30am WACO (VIRTUAL)	<b>4</b>
5	6	7	8	9	10	11
WaterReuse Symposium (Atlanta, Georgia)			Public-Private Partnership Conference (Dallas, TX)		Pay Period Ends	
	8:30am MWDOC Planning & Operations Committee Meeting	7:30am ISDOC Executive Committee Meeting 6:00pm Costa Mesa City Council Meeting	8:00am OCWD Water 8:15am LAFCO Meeting 8:30am MWDOC Admin 4:30pm Board Meeting	8:00am OCWD Admin & Finance (VIRTUAL)		
12	13	14	15	16	17	18
	5:00pm IRWD Board Meeting (Hybrid)	8:00am CANCELED OCBC Infrastructure Committee (HYBRID) 9:00am ACC-OC Energy, Environment and Water Committee	Payday 8:30am MWDOC Board Meeting (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	8:30am MWDOC Executive Committee (VIRTUAL) 4:00pm Costa Mesa Chamber of Commerce Board		
19	20	21	22	23	24	25
		7:30am WACO Planning Committee Meeting (VIRTUAL) 6:00pm Costa Mesa City Council Meeting (HYBRID)	4:30pm Board Meeting (Boardroom)	ACWA 2023 Legislative Symposium (Sacramento, CA) Pay Period Ends		
26	27	28	29	30	31	Apr 1
	5:00pm IRWD Board Meeting (HYBRID)		2023 Children's Water Education Festival (University of Calif) Payday			

# April 2023

April 2023							May 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1		1	2	3	4	5	6
2	3	4	5	6	7	8	7	8	9	10	11	12	13
9	10	11	12	13	14	15	14	15	16	17	18	19	20
16	17	18	19	20	21	22	21	22	23	24	25	26	27
23	24	25	26	27	28	29	28	29	30	31			
30													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Mar 26	27	28	29	30	31	Apr 1
2	3	4	5	6	7	8
	AWWA CA-NV Annual Spring Conference (San Diego, CA)			Pay Period Ends	7:30am WACO (VITRUAL)	
	8:30am MWDOC Planning & Operations	7:30am ISDOC Executive Committee Meeting 6:00pm Costa Mesa City	8:30am Jt. MWDOC/MWD 5:30pm OCWD Board	8:00am OCWD Communications/Legislative (VIRTUAL)		
9	10	11	12	13	14	15
	5:00pm IRWD Board Meeting (Hybrid)	8:00am OCBC Infrastructure Committee (Confirmed) (HYBRID)	Payday 8:00am OCWD Water 8:15am LAFCO Meeting 4:30pm Board Meeting	8:00am OCWD Admin & Finance (VIRTUAL)		
16	17	18	19	20	21	22
		7:30am WACO Planning Committee Meeting 6:00pm Costa Mesa City Council Meeting	8:30am MWDOC Board Meeting (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	Pay Period Ends 8:30am MWDOC Executive Committee (VIRTUAL)		
23	24	25	26	27	28	29
	5:00pm IRWD Board Meeting (HYBRID)		Payday 8:30am Jt. MWDOC/OCWD 4:30pm Board Meeting			
30	May 1	2	3	4	5	6



# May 2023

May 2023							June 2023						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
7	1	2	3	4	5	6	4	5	6	7	1	2	3
14	8	9	10	11	12	13	11	12	13	14	15	16	17
21	15	16	17	18	19	20	18	19	20	21	22	23	24
28	22	23	24	25	26	27	25	26	27	28	29	30	

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 30	<b>May 1</b> 8:30am MWDOC Planning & Operations Committee Meeting (VIRTUAL)	2 7:30am ISDOC Executive Committee Meeting (VIRTUAL) 6:00pm Costa Mesa City Council Meeting (HYBRID)	3 8:30am Jt. MWDOC/MWD Workshop (VIRTUAL) 5:30pm OCWD Board Meeting	4 Pay Period Ends 8:00am OCWD Communications/Legislative (VIRTUAL)	5 7:30am WACO (VIRTUAL)	6
7	8 5:00pm IRWD Board Meeting (Hybrid)	9 ACWA/JPIA Spring Conference		10 Payday 8:00am OCWD Water Issues (VIRTUAL) 8:15am LAFCO Meeting 8:30am MWDOC Admin	11 8:00am OCWD Admin & Finance (VIRTUAL)	12
14	15	16 CSDA Legislative Days 7:30am WACO Planning Committee Meeting (VIRTUAL) 6:00pm Costa Mesa City Council Meeting	17 8:30am MWDOC Board Meeting (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	18 Pay Period Ends 8:30am MWDOC Executive Committee (VIRTUAL) 4:00pm Costa Mesa Chamber of	19	20
21	22 5:00pm IRWD Board Meeting (HYBRID)	23	24 Payday 4:30pm Board Meeting (Boardroom)	25	26	27
28	29 District Holiday	30	31	Jun 1	2	3



## **UPCOMING COMMUNITY OUTREACH EVENTS**

<b>Event</b>	<b>Date &amp; Time</b>	<b>Location</b>
Children's Water Education Festival	Wednesday, March 29 and Thursday, March 30, 2023 Time TBD	University of California, Irvine 401 E. Peltason Drive Suite 3200 Irvine, CA 92617
City of Costa Mesa's Earth Day	Saturday, April 22, 2023 Time TBD	Costa Mesa City Hall 77 Fair Drive Costa Mesa, CA 92626



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## MEMORANDUM

TO: Board of Directors  
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer  
DATE: March 8, 2023  
SUBJECT: Reserve Funds Investment Policy Statement

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### RECOMMENDATION

Receive the presentation and direct staff to agendize *Reserve Funds Investment Policy Statement* at a future Board meeting.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

### PRIOR BOARD ACTION/DISCUSSION

At its February 22, 2023 meeting, the Board of Directors (Board) adopted 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.

### DISCUSSION

Section 53607 of the California Government Code authorizes Mesa Water District's (Mesa Water®) Board to delegate such authority to its District Treasurer/Chief Financial Officer to invest, reinvest, sell, or exchange securities in and for the District's Investment Portfolio.

Resolution No. 1575, Mesa Water's current Statement of Investment Policy, summarizes the investment limits allowed by statute and authorized by the District.

Capital Group will provide a presentation to the Board on reserve funds investment options based on the current summary of investments authorized by Resolution No. 1575.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

Attachment A: Resolution No. 1575

## RESOLUTION NO. 1575

### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED STATEMENT OF INVESTMENT POLICY, SUPERSEDING RESOLUTION NO. 1563

WHEREAS, the Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, Mesa Water from time to time has money held by its District Treasurer/Chief Financial Officer (Treasurer/CFO) not required for the immediate necessities of Mesa Water (Investment Portfolio) and is authorized by law including, but not by way of limitation, Section 53601, *et. seq.*, of the California Government Code (Government Code or CGC), to invest moneys in the Investment Portfolio in a manner consistent with applicable State law; and

WHEREAS, Section 53607 of the Government Code authorizes the Board of Directors of Mesa Water (Board) to delegate such authority to the Treasurer/CFO to invest, reinvest, sell, or exchange securities in and for the Investment Portfolio until such time as such delegation of authority is revoked; and

WHEREAS, Mesa Water has previously adopted Resolution No. 1563, delegating authority relative to such investment and reinvestment of moneys in and for the Investment Portfolio and providing for a Statement of Investment Policy; and

WHEREAS, it is the desire of the Board to renew the delegation of such authority and provide for a revised Statement of Investment Policy of Mesa Water.

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

**Section 1.** That the Board does hereby delegate authority to the Treasurer/CFO to invest and reinvest funds of Mesa Water pursuant to all applicable laws, statutes, and regulations of the State as set forth in this Resolution. The Board reserves the right to provide for delegation of investment authority in the future by way of resolution or by motion.

**Section 2.** That the revised Statement of Investment Policy of Mesa Water is hereby adopted as set forth in Exhibit "A" attached to this Resolution, which is incorporated by this reference and shall be deemed to be effective as of February 22, 2023, and every fiscal year hereafter unless changed or modified by further action of this Board.

**Section 3.** That Resolution No. 1563 of Mesa Water is superseded effective February 22, 2023.

ADOPTED, SIGNED, and APPROVED this 22nd day of February 2023 by a roll call vote.

AYES: DIRECTORS: Atkinson, Bockmiller, Fisler, DePasquale, Dewane  
NOES: DIRECTORS:  
ABSTAIN: DIRECTORS:  
ABSENT: DIRECTORS:

DocuSigned by:  
*Shawn Dewane*  
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Shawn Dewane  
President, Board of Directors

DocuSigned by:  
*Denise Garcia*  
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Denise Garcia  
District Secretary

## RESOLUTION NO. 1575

### EXHIBIT A

# RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED STATEMENT OF INVESTMENT POLICY, SUPERSEDING RESOLUTION NO. 1563

Statement of Investment Policy  
FY 2023

#### **1.0 Policy**

It is the policy of Mesa Water District (Mesa Water® or District) to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District. The investment policies and practices of Mesa Water are based upon prudent money management and shall conform to all federal, state, and other applicable laws governing the investment of public funds.

Although no longer required by California Government Code (CGC) Section 53646, the District Treasurer/Chief Financial Officer (Treasurer/CFO) will render to the Board of Directors (Board) a Statement of Investment Policy (SIP) for consideration and approval at a public meeting. Any investment currently held at that time that does not meet the guidelines of this SIP, as changed from time to time by the Board, shall be exempt from the requirements of this SIP. However, at the investment's maturity or liquidation, such funds shall be reinvested only as provided by this SIP.

#### **2.0 Scope**

This Statement of Investment Policy (SIP) applies to all financial assets of Mesa Water except the California Public Employees Retirement System (CalPERS) (which has its own investment policy), Public Agencies Post-Employment Benefits Trust (which is administered by Mesa Water Resolution No. 1499), deferred compensation plan (governed by a separate Plan Document) and Certificate of Participation (COP) funds (governed by the applicable Trust Indentures, or equivalent document(s)), which are administered separately.

This SIP is set forth by Mesa Water for the following purposes:

- a. To establish a clear understanding for the Board, Mesa Water management and responsible employees, citizens and third parties of the objectives, policies and guidelines for the investment of Mesa Water's funds that are not required for immediate use.
- b. To offer guidance to investment staff, brokers, and any external investment advisors on the investment of Mesa Water funds.

### **3.0 Objectives**

Subject to the overriding requirement of compliance with all federal, state and other applicable laws governing the investment of moneys under the control of the Treasurer/CFO, and as specified in the CGC Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

#### **3.1 Safety of Principal**

Safety of principal is the foremost objective. Investments of Mesa Water shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall Investment Portfolio. To attain this objective, diversification is advisable in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Each investment transaction shall seek to ensure that capital losses are avoided, whether from issuer default, broker/dealer default or erosion of market value. Mesa Water shall seek to preserve capital by mitigating credit risk and market risk, as identified below:

##### **3.1. A Credit Risk**

Credit risk is the risk of loss due to failure of the issuer to repay an obligation. It shall be mitigated by investing in only very safe institutions and by diversifying the Investment Portfolio so that the failure of any one issuer would not unduly harm Mesa Water's cash flow.

##### **3.1. B Market Risk**

Market risk is the risk of market value fluctuations due to overall changes in the general level of interest rates and shall be mitigated by:

- 1) Structuring the Investment Portfolio so that securities mature at the same time major cash outflows occur, thereby eliminating the need to sell securities prior to their maturity; and
- 2) Prohibiting the selling of securities that Mesa Water does not own (taking short positions); and
- 3) Limiting the maximum maturity of any one security in the Investment Portfolio to five years.

It is explicitly recognized that, in a diversified investment portfolio, occasional market value losses may be inevitable even in investments to be held to maturity. Such losses must be considered within the context of overall investment return.

### **3.2 Liquidity**

Mesa Water's Investment Portfolio will remain sufficiently liquid to enable the District to meet all operating and emergency requirements, which might be reasonably anticipated.

An amount equal to the adopted levels of the Operating Fund and Working Capital Cash will be kept fully liquid at all times.

### **3.3 Return on Investments**

State of California (State) law requires that the objective of return on investments be subordinate to the objectives of safety and liquidity. Mesa Water's Investment Portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, taking into account Mesa Water's investment risk constraints and the cash flow characteristics and requirements of Mesa Water's funds and of the portfolio.

Whenever possible, consistent with risk limitations and prudent investment principles, Mesa Water shall make an effort to achieve returns at the market average rate of return, defined, for the purpose of this SIP, as the average rate of return on three-month United States Treasury Bills or other benchmarks, as appropriate, depending on the make-up of the portfolio.

### **4.0 Delegation of Authority**

Authority to manage Mesa Water's investment program is derived from Section 53607 of the CGC, which authorizes the Board to delegate authority to invest, reinvest, sell or exchange securities for a period of one year. This responsibility may be delegated to the Treasurer/CFO (by Board action), who shall establish written procedures for the administration of this SIP. The Board may renew this delegation pursuant to State law each year.

The Board, General Manager, Treasurer/CFO and District Secretary shall be signatories on all accounts at commercial banks, the Orange County Treasurer's Money Market Investment Pool (OCIP) and at the State managed Local Agency Investment Fund (LAIF), to access accounts for these and other authorized investments consistent with this SIP.

### **5.0 Prudence**

Investments shall be made in the context of the "Prudent Investor" standard pursuant to CGC Section 53600.3, which states in relevant part:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual



investments as part of an overall strategy, investments may be acquired as authorized by law.”

Mesa Water employees, acting in accordance with the provisions of the written policies and procedures of Mesa Water and this SIP, and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided that deviations from expectations are reported to the Board of Directors at the next regularly scheduled Board meeting, but within 30 days, and that appropriate action is taken to control adverse developments.

## **6.0 Ethics and Conflicts of Interest**

The Treasurer/CFO and other Mesa Water Officers and employees involved in the investment process shall refrain from personal business activity(ies) that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. The Treasurer/CFO and investment employees shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the Investment Portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Mesa Water.

During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer/CFO or investment employees to make impartial decisions, Mesa Water’s General Manager and Board will be notified as soon as practicable upon discovery of the event.

The Treasurer/CFO is required to file annual disclosure statements as required by the Fair Political Practices Commission (FPPC).

## **7.0 Authorized Financial Dealers and Institutions**

Mesa Water shall transact business only with commercial banks, savings and loans, LAIF, OCIP and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, or a savings association or Federal Association (as defined by Section 5102 of the Financial Code).

The Treasurer/CFO shall investigate all institutions that wish to do business with Mesa Water in order to determine if they are adequately capitalized, make markets in securities appropriate to Mesa Water’s needs and agree to abide by the conditions set forth in this SIP.

The Treasurer/CFO shall maintain a list of broker/dealers and institutions authorized to provide investment services and shall conduct an annual review of the financial condition of qualified institutions. In addition, a current financial statement is required to be on file for each qualified institution.

## **8.0 Authorized and Suitable Investments**

Authorized investments are stated in the CGC Sections 16429.1, 53601, 53635 and 53649. Mesa Water's authorized investments are more restrictive than the investments authorized by law.

The following investments are authorized under this Statement of Investment Policy:

- 8.1** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- 8.2** Bonds issued by Mesa Water, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by Mesa Water or by a department, board, agency, or authority of Mesa Water.
- 8.3** Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- 8.4** Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in these bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- 8.5** United States agencies, federal agency or United States Government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- 8.6** Registered State warrants or treasury notes or bonds of the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State.
- 8.7** Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

- 8.8** Purchases of Banker Acceptances, which may not exceed 180 days maturity or 40 percent of the agency's money and no more than 30 percent of the agency's money, may be invested in the banker's acceptances of any one commercial bank.
- 8.9** Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by a Nationally Recognized Statistical Rating Organization (NRSRO). Issuing entities must meet the following criteria in either (1) or (2): (1) entities that are organized and operating within the United States as a general corporation and have total assets in surplus of five hundred million dollars (\$500,000,000) and have an "A" or higher rating (or equivalent) for the issuer's debt, other than commercial paper, if any, as provided for by a NRSRO; or (2) entities that are organized within the United States as a special purpose corporation, trust, or limited liability company and have program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or a surety bond, and have commercial paper that is rated "A-1" or higher, or equivalent, by an NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 25 percent of Mesa Water's Investment Portfolio at any time. Mesa Water may invest no more than 10 percent of its total investment assets in the commercial paper of any single issuer.
- 8.10** Negotiable certificates of deposits issued by a nationally or state-chartered bank, a savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federal or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the Investment Portfolio and the maximum maturity date shall not exceed five years, and are subject to the limitations of CGC Section 53601(i).
- 8.11** Investments in repurchase agreements may be made on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102 percent of the value of the repurchase agreement.

Reverse repurchase agreements or securities lending agreements may be utilized only when all the conditions in CGC Section 53601(j) are met.

- 8.12** Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of Mesa Water's money that may be invested pursuant to CGC Section 53601 and Mesa Water's SIP. Mesa Water may

invest no more than 10 percent of its total investment assets in the medium-term notes of any single issuer.

- 8.13** Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by CGC Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by CGC Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- 8.14** Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subdivision shall be issued by an issuer in a rating category of "AA" or its equivalent or better by a nationally recognized rating service and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of Mesa Water's available money that may be invested.
- 8.15** Shares of beneficial interest issued by a joint powers authority organized pursuant to CGC Section 6509.7 and as described in CGC Section 53601(p). Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment advisor that meets all of the following criteria:
- 8.15. A.** The advisor is registered or exempt from registration with the Securities and Exchange Commission.
- 8.15. B.** The advisor has not less than five years of experience investing in the securities and obligations authorized in CGC Section 53601 subdivisions (a) to (q).
- 8.15. C.** The advisor has assets under management in excess of five hundred million dollars (\$500,000,000).
- 8.16** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of Mesa Water's moneys that may be invested pursuant to this section.

**8.17** Notwithstanding CGC Section 53601 or any other provision of this code, Mesa Water, at its discretion, may invest a portion of its surplus funds in Certificates of Deposit Account Registry Service (CDARS) at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit, provided that the purchases of certificates of deposit pursuant to this section, CGC Section 53601.8, and subdivision (h) of Section 53601 do not, in total, exceed 50 percent of Mesa Water's funds that may be invested for this purpose. The following conditions shall apply:

(a) Mesa Water shall choose a nationally or state chartered commercial bank, savings bank, savings and loan association, or credit union in this state to invest the funds, which shall be known as the "selected" depository institution.

(b) The selected depository institution may use a private sector entity to help place local agency deposits with one or more commercial banks, savings banks (savings and loan associations), or credit unions that are located in the United States and are within the network used by the private sector entity for this purpose.

(c) Any private sector entity used by a selected depository institution to help place its local agency deposits shall maintain policies and procedures requiring all of the following:

(1) The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration; and

(2) Every depository institution where funds are placed shall be capitalized at a level that is sufficient, and be otherwise eligible, to receive such deposits pursuant to regulations of the Federal Deposit Insurance Corporation or the National Credit Union Administration, as applicable; and

(3) At the time Mesa Water's investment with a selected depository institution and no less than monthly thereafter, the private sector entity shall ensure that Mesa Water is provided with an inventory of all depository institutions in which deposits have been placed on Mesa Water's behalf, that are within the private sector entity's network.

(4) Within its network, the private sector entity shall ensure that it does not place additional deposits from a particular local agency with any depository institution identified pursuant to CGC Section 53601.8(c) as holding that local agency's deposits if those additional deposits would result in that local agency's total amount on deposit at that depository institution exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit.

(d) If a selected depository uses two or more private sector entities to assist in the placement of a local agency's deposits, the selected depository shall ensure that it does not place additional deposits from a particular local agency with a depository institution if those additional deposits would result in that local agency's total amount on deposit at that depository institution

exceeding the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance limit. (e) The selected depository institution shall serve as a custodian for each such deposit.

(f) On the same date that Mesa Water's funds are placed pursuant to subdivision (b) by the private sector entity, the selected depository institution shall receive an amount of insured deposits from other financial institutions that, in total, are equal to, or greater than, the full amount of the principal that Mesa Water initially deposited through the selected depository institution pursuant to subdivision (b).

(g) Notwithstanding subdivisions (a) to (e), inclusive, a credit union shall not act as a selected depository institution under this section or CGC Section 53601.8 unless both of the following conditions are satisfied:

(1) The credit union offers federal depository insurance through the National Credit Union Administration.

(2) The credit union is in possession of written guidance or other written communication from the National Credit Union Administration authorizing participation of federally-insured credit unions in one or more certificate of deposit placement services and affirming that the moneys held by those credit unions while participating in a deposit placement service will at all times be insured by the federal government.

(h) The deposits placed pursuant to this section and CGC Section 53635.8 shall not, in total, exceed 50 percent of Mesa Water's funds that may be invested for this purpose.

**8.18** The Local Agency Investment Fund, established by the California State Treasurer for the benefit of local agencies and identified under the CGC Section 16429.1. The maximum investment authorized is the maximum amount permitted by the State Treasurer, currently at \$75,000,000 per account.

**8.19** Time deposits, non-negotiable and collateralized in accordance with the CGC, may be purchased through banks or savings and loan associations. The maximum maturity date shall not exceed five years.

**8.20** The Orange County Treasurer's Money Market Investment Pool, established by the County of Orange. Mesa Water's investments therein will be made in accordance with the CGC Section 53684.

**8.21** Shares of beneficial interest issued by diversified management companies (otherwise known as "mutual funds"), as defined in Section 23701 of the Revenue and Taxation Code, investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649. No more than 20 percent of Mesa Water's Investment Portfolio shall be invested in this option at any time. No more than 10 percent of Mesa Water's portfolio may be invested in shares of a beneficial interest of any one mutual fund.

To be eligible for investment by Mesa Water, diversified management companies shall:

- 8.21. A.** Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest NRSRO's; and
- 8.21. B.** Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations stated in the CGC Sections 16429.1, 53601 and 53649, and with assets under management in excess of five hundred million dollars (\$500,000,000); and
- 8.21. C.** Shall not include in the purchase price of shares of beneficial interest purchased any commission that these companies may charge.

## **9.0 Investment Pools**

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. A questionnaire shall be developed by the Treasurer/CFO that will address the following general considerations:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often and what size deposit and withdrawal.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc., used by the pool/fund?
- A fee schedule and when and how it is assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

## **10.0 Prohibited Investment Vehicles and Practices**

Investment staff is prohibited from investing Mesa Water's portfolio in the following:

- State laws notwithstanding, any investments not specifically described herein under Sections 8.0 through 9.0 are prohibited.
- Borrowing for investment purposes (Leverage) is prohibited.
- Buying or selling securities "on Margin" is prohibited.
- Investing in any instrument that is commonly known as a "derivative" instrument (options, futures, swaps, caps, floors, collars, U.S. Treasury zero coupon bonds, U.S. Treasury strips, interest-only bonds, interest-only strips derived from mortgage pools), or any investment that may result in a zero interest accrual, even if held to maturity, is prohibited.
- Under the provisions of CGC Section 53601.6, Mesa Water shall not invest any funds covered by this SIP in instruments known as Structured Notes (e.g., inverse

floaters, leverage floaters, structured CD's, range notes, equity-linked securities). Any such investments are prohibited.

- Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.

### **11.0 Collateralization**

The CGC Sections 53652 through 53667, inclusive, require depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation (FDIC) insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

### **12.0 Safekeeping and Custody**

All investment transactions, including collateral for repurchase agreements, entered into by Mesa Water shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian, acting as an agent for Mesa Water under the terms of the custody agreement, designated by the Treasurer/CFO and evidenced by safekeeping receipts.

### **13.0 Diversification**

Mesa Water will diversify its investments by security type and institution. With the exception of U.S Treasuries, the LAIF, or the OCIP, no more than 50 percent of Mesa Water's total Investment Portfolio will be invested in a single security type or with a single financial institution.

### **14.0 Maximum Maturities**

To the extent practical, Mesa Water will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, Mesa Water will not directly invest in securities maturing more than five years from the date of purchase.

### **15.0 Internal Controls and External Review**

The Treasurer/CFO shall maintain a system of internal controls in order to assure compliance with Mesa Water's written policies and procedure, this SIP, and also including but not limited to prior authorization and approvals, properly designed records, security of assets and records, segregation of incompatible duties, periodic reconciliations, periodic verification and timely preparation of reports in conformance with Section 17.0 hereof.

As part of Mesa Water's annual audit, the external auditor retained by the Board shall review the internal controls. The external audit shall provide those reviews and opinions as are required for the independent auditor's reports. The Board reserves the right to request additional reviews or opinions as to this SIP as the Board shall determine and direct.

### **16.0 Performance Standards**



The Investment Portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with Mesa Water's investment risk constraints and cash flow needs.

## **17.0 Reporting**

### **17.1 Monthly Transaction Report**

The Treasurer/CFO shall submit a monthly report of investment transactions to the Mesa Water's Board of Directors in conformance with the CGC Section 53607.

### **17.2 Quarterly Investment Report**

The Treasurer/CFO shall submit quarterly investment reports, to the Board of Directors, General Manager, and Mesa Water's internal auditor (Controller/Auditor) within 45 days following the end of the quarter covered by the report although no longer required by CGC Section 53646(b). For each specific investment, security, and money held by Mesa Water, these reports shall contain the following information:

- The type of investment
- Name of issuer
- Date of maturity
- Market value
- Cost of acquisition

Description of any of Mesa Water's funds, investment, or programs that are under management of contracted parties, including lending programs. With respect to all securities held by Mesa Water, and under management of an outside agency that is not also a local agency or the LAIF, the report shall also include the current market value as of the date of the report and shall include the source of this same valuation.

For local agency investments that have been placed in LAIF, created by CGC Section 16429.1, in National Credit Union Share Insurance Fund-insured accounts in a credit union, in accounts insured or guaranteed pursuant to Financial Code Section 14858, or in Federal Deposit Insured Corporation—insured accounts in a bank or savings and loan association, in a county investment pool, or any combination of these, the Treasurer/CFO may supply the Board, General Manager and Mesa Water's outside auditor with the most recent statement or statements received by Mesa Water from these institutions in lieu of the specific investment, security, and money information required under this section.

A description of compliance with this SIP or an explanation of why it is not in compliance.

A statement indicating Mesa Water's ability to meet its cash flow needs for the next six months or an explanation as to why sufficient money may not be available.

## **18.0 Investment Policy Adoption and Periodic Review**

This SIP shall be adopted by resolution of the Board. This policy shall be reviewed on an annual basis by the Treasurer/CFO and approved annually by the Board of Directors.

## GLOSSARY

**AGENCIES:** Federal agency securities and/or Government – sponsored enterprises.

**ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR):** The official annual report for Mesa Water District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**ASK:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BENCHMARK:** A comparative base for measuring the performance of risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

**COMMERCIAL PAPER:** Short-term, negotiable unsecured promissory notes of corporations.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**CUSIP (COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION PROCEDURES):** A unique nine-character identification number which serves as a "DNA" for securities and is assigned to all U.S. Government Bonds, Municipal Bonds, Negotiable Certificates of Deposit and other Securities. A CUSIP uniquely identifies the type of security and the issuer.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT (DVP):** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery

of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below the original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value; e.g., U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL CREDIT AGENCIES:** Agencies of the federal government set up to supply credit to various classes of institutions and individuals; e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which federal funds are traded. The Federal Reserve through open-market operations currently pegs this rate.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporations' purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, DC, 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage banks, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. The FHA, VA, or FMHM mortgages back Ginnie Mae securities. The term “pass-throughs” is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL AGENCY INVESTMENT FUND (LAIF):** A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

**MARKET CYCLE:** A market cycle is defined as a period of time which includes a minimum of two consecutive quarters of falling interest rates followed by a minimum of two consecutive quarters of rising interest rates.

**MARKET VALUE:** The price at which a security is traded and could presumably be purchased or sold.

**MATURITY:** The date upon which the principal or states value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**NATIONALLY RECOGNIZED STATISTICAL-RATING ORGANIZATION (NRSRO):** The credit rating agencies whose ratings are permitted to be used for investment purposes such as Moody's Investor Service, Standard & Poor's, and Fitch Rating.

**NEGOTIABLE CERTIFICATE OF DEPOSIT:** A large denomination certificate of deposit that can be sold in the open market prior to maturity.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See ASK and BID.

**ORANGE COUNTY INVESTMENT POOL (OCIP):** A pooled investment vehicle for Orange County California agencies administered by the Orange County Treasurer.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** Group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected

by the custody state – the so-called legal list. In other states, the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital. Governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to CGC Section 53600 et seq. are trustees and therefore fiduciaries subject to the prudent person rule. Within the limitations of the CGC Section 53600 et seq. and considering individual investments as part of an overall strategy, a trustee is allowed to acquire investments as authorized by law.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this State, which has aggregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**TIME CERTIFICATE OF DEPOSIT:** A non-negotiable certificate of deposit that cannot be sold prior to maturity.

**TOTAL RATE OF RETURN:** Represents growth (or decline) in the value of a portfolio, including both capital appreciation and income, as a proportion of the starting market value.

**TIME-WEIGHTED RATE OF RETURN:** A modified measurement of Total Rate of Return that eliminates the effect of the timing of funds flows to and/or from a security or portfolio.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of 2 to 10 years.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.

**YIELD TO MATURITY:** The calculated rate of return based upon the present value of the cash flow from each interest payment, plus the present value of the cash flow from the investment's redemption value at maturity vs. the purchase price.

**RESOLUTION NO. 1575**

**EXHIBIT B**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
DELEGATING AUTHORITY RELATIVE TO INVESTMENT OR  
REINVESTMENT OF SPECIFIED FUNDS, AND ADOPTING A REVISED  
STATEMENT OF INVESTMENT POLICY,  
SUPERSEDING RESOLUTION NO. 1563**

Summary of Investments Authorized Under California  
Government Code Sections 53601, 53684, 16429.1

Statement of Investment Policy  
FY 2023



**SUMMARY OF INVESTMENTS AUTHORIZED UNDER CALIFORNIA  
GOVERNMENT CODE SECTIONS 53601, 53684, 16429.1  
MESA WATER DISTRICT FY 2023 STATEMENT OF INVESTMENT POLICY**

CGC Section	Investment Type	ALLOWED BY STATUTE			AUTHORIZED BY MESA WATER DISTRICT		
		Maximum Maturity	Authorized Limit (%)	Required Rating	Maximum Maturity	Authorized Limit	Required Rating
53601(a)	Local Agency Bonds	5 Years	None	None	5 Years	None	None
53601(b)	U.S. Treasury Obligations	5 Years	None	None	5 Years	None	None
53601(c)	State of California Obligations	5 Years	None	None	5 Years	None	None
53601(d)	Other State Obligations	5 Years	None	None	5 Years	None	None
53601(e)	California Local Agency Obligations	5 Years	None	None	5 Years	None	None
53601(f)	Federal Agency or U.S. Government Obligations (GSE's)	5 Years	None	None	5Years	None	None
53601(g)	Bankers' Acceptances	180 Days	40%/30% <sup>(1)</sup>	None	180 Days	40%/30% <sup>(1)</sup>	None
53601(h)	Commercial Paper	270 Days	25% or 10% <sup>(2)</sup>	A1/P1/F1	270 Days	25% or 10% <sup>(2)</sup>	A1/P1/F1
53601(i)	Negotiable Certificates of Deposit <sup>(8)</sup>	5 Years	30% <sup>(7)</sup>	None	5 Years	30% <sup>(7)</sup>	None
53601(j)	Repurchase Agreements	1 Year	None	None	1 Year	None	None
53601(j)	Reverse Repurchase Agreements	92 Days	20% of base	Various <sup>(3)</sup>	92 Days	20% of base	Various <sup>(3)</sup>
53601(k)	Medium-Term Notes	5 Years	30%/10% <sup>(9)</sup>	A	5 Years	30%/10% <sup>(9)</sup>	A
53601(l)	Mutual Funds	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>
53601(l)	Money Market Mutual Funds	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>	N/A	20%/10% <sup>(4)</sup>	Various <sup>(5)</sup>
53601(m)	Trust Indenture or Other Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract	Per Contract
53601(n)	Collateralized Bank Deposits <sup>(8)</sup>	5 Years	None	None	5 Years	None	None
53601 (o)	Mortgage Pass-Through Securities	5 Years	20%	AA	5 Years	20%	AA
53601 (p)	Shares of beneficial interest in JPA's	N/A	None	None	N/A	None	None
53601.8	Certificates of Deposits (CDAR's) <sup>(8)</sup>	5 Years	50% <sup>(10)</sup>	None	5 Years	50% <sup>(10)</sup>	None
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	None	N/A	None <sup>(6)</sup>	None
53684	County Pooled Investment Funds	N/A	None	None	N/A	None	None
	Time Deposits <sup>(8)</sup>	5 Years	None	None	5 Years	None	None

(1) 30% limit for one commercial bank.

(2) 10% limit for the outstanding commercial paper of any single corporate issue.

(3) Securities used for the agreement must have been held by the issuer for 30 days, investments can only be made with primary dealers of the Federal Reserve Bank of New York.

(4) No more than 10% can be invested in any one fund.

(5) Highest ranking by 2 of 3 of the nationally recognized rating agencies, and retain an investment advisor who is registered with the SEC and has at least 5 years' experience investing in securities authorized in CGC Section 53601 and 53635 with assets in excess of \$500 million.

(6) LAIF currently allows a maximum of \$75 million per account.

(7) No more than 30% of total funds may be invested in these CD's.

(8) Subject to FDIC limitations. Also, subject to other limits with investments in credit unions.

(9) No more than 10% can be invested in medium-term notes of any single issuer.

(10) No more than 50% of total funds may be invested in these CD's.



*Dedicated to  
Satisfying our Community's  
Water Needs*

## MEMORANDUM

TO: Board of Directors  
FROM: Denise Garcia, Chief Administrative Officer  
DATE: March 8, 2023  
SUBJECT: Updating the Schedule of Positions and Salary Rate Ranges

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### RECOMMENDATION

Adopt Resolution No. 1576 Updating the Schedule of Positions and Salary Rate Ranges, Superseding Resolution No. 1512.

### STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.  
Goal #5: Attract, develop and retain skilled employees.

### PRIOR BOARD ACTION/DISCUSSION

At its June 8, 2017 meeting, the Board of Directors (Board), with a recommendation by the District's Employment and Labor Law Legal Counsel, Liebert Cassidy Whitmore, adopted Resolution No. 1500 – Establishing a Revised Schedule of Positions and Salary Rate Ranges.

At its January 11, 2023 meeting, the Board of Directors (Board) approved the terms and conditions of employment as set forth in the tentative agreement between the Mesa Water District Employee Association and Mesa Water District for the term of January 1, 2023 through December 31, 2027; extended the same terms and conditions of employment to the Non-Represented Employees as set forth in the Tentative Agreement; and authorized the General Manager to execute the agreement.

### DISCUSSION

On November 4, 2016, the California Public Employees' Retirement System (CalPERS) issued and distributed Circular Letter 200-050-161, *Statutory and Regulatory Requirements for Compensation Earnable and Publicly Available Pay Schedules*.

This Circular Letter reinforces the requirement under California Government Code Section 20636(d) that, "Notwithstanding any other provision of law, payrate and special compensation schedules, ordinances, or similar documents shall be public records available for public scrutiny." Additionally, California Code of Regulations 570.5 specifies the required elements necessary to meet the definitions of a publicly available pay schedule as follows:

- Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identifies the position title for every employee position;
- Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;



- Indicates an effective date and date of any revisions;
- Is retained by the employer and available for public inspection for not less than five years; and
- Does not reference another document in lieu of disclosing the payrate.

In compliance with CalPERS regulations, attached is the updated schedule of positions and salary rate ranges for Calendar Years 2023 – 2027, reflecting the Memorandum of Understanding approved by the Board on January 11, 2023.

### FINANCIAL IMPACT

The approved Memorandum of Understanding compensation modifications were accounted for in the Fiscal Year 2023 budget and will be included in the Fiscal Years 2024 – 2028 proposed budgets.

### ATTACHMENTS

- Attachment A: Draft Resolution No. 1576
- Attachment B: Resolution No. 1512, Redline

## RESOLUTION NO. 1576

### RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS UPDATING THE SCHEDULE OF POSITIONS AND SALARY RATE RANGES, SUPERSEDING RESOLUTION NO. 1512

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, pursuant to State law, Mesa Water has the power to enter into contracts and to employ labor in order to carry out its functions and operations; and

WHEREAS, the Board of Directors of Mesa Water District (Board) approved a Memorandum of Understanding (MOU) with the Mesa Water District Employees Association (MWDEA) on January 11, 2023, concerning the terms and provisions for employment of Mesa Water employees represented by MWDEA, and extending the same terms and conditions of employment to the non-represented employees, for a stated period of time; and

WHEREAS, the Board has reviewed the Mesa Water District Schedule of Positions and Salary Rate Ranges and desires to make revisions thereto, consistent with the provisions of the MOU, to be effective as of January 1, 2023.

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

**Section 1.** The foregoing recitals are true and correct and are incorporated herein by this reference.

**Section 2.** That the Mesa Water District Schedule of Positions and Salary Rate Ranges adopted on June 14, 2018, is hereby superseded.

**Section 3.** That the Mesa Water District Schedule of Positions and Salary Rate Ranges be, and hereby is, approved and adopted as more particularly set forth in Exhibit A of this Resolution, attached hereto and by this reference made a part hereof. Conforming changes to other Mesa Water documents and schedules, consistent with the foregoing, are hereby authorized.

**Section 4.** The General Manager, or the General Manager's designee(s), is hereby authorized to take all actions necessary or desirable to carry out the directives of this Resolution.

**Section 5.** This Resolution shall be effective upon adoption by the Board and the changes to the Mesa Water District Schedule of Positions and Salary Rate Ranges made hereby shall, for all purposes, be in effect as of January 1, 2023.

ADOPTED, SIGNED, and APPROVED this 8th day of March 2023 by a roll call vote.

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

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Shawn Dewane  
President, Board of Directors

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Denise Garcia  
District Secretary

DRAFT

**RESOLUTION NO. 1576**

**EXHIBIT A**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
UPDATING THE SCHEDULE OF POSITIONS  
AND SALARY RATE RANGES,  
SUPERSEDING RESOLUTION NO. 1512**

Schedule of Positions and Salary Rate Ranges

January 1, 2023 through December 31, 2027

**MESA WATER DISTRICT  
SCHEDULE OF POSITIONS  
SALARY RANGES BY JOB CLASSIFICATION & LEVEL**

<u>Job Classification - Level:</u>	<u>Salary Range</u>
(1) Accountant	34
(2) Accounting Technician - I	17
(3) Accounting Technician - II	21
(4) Administrative Services Manager	57
(5) Assistant General Manager	71
(6) Assistant Water Operations Manager	54
(7) Associate Engineer - I	40
(8) Associate Engineer - II	46
(9) Business Administrator	49
(10) Buyer	32
(11) Chief Administrative Officer	61
(12) Chief Financial Officer	66
(13) Chief Operating Officer	68
(14) Construction Inspector	34
(15) Controller	51
(16) Customer Service Representative - I	16
(17) Customer Service Representative - II	22
(18) Customer Services Manager	51
(19) Department Assistant	24
(20) District Engineer	60
(21) Executive Assistant to the General Manager	42
(22) Facility Maintenance Worker - I	19
(23) Facility Maintenance Worker - II	23
(24) Field Customer Service Representative - I	18
(25) Field Customer Service Representative - II	22/23*
(26) Field Services Supervisor	42
(27) Financial Services Assistant	30
(28) General Manager	Contract
(29) Human Resources Analyst	37
(30) Human Resources Assistant	30
(31) Human Resources Manager	57
(32) Intern - I	1
(33) Intern - II	6
(34) Lead Field Customer Services Representative	29
(35) Office Assistant	15
(36) Operator I - D1	23
(37) Operator I - D1 & T1	26
(38) Operator II	30
(39) Principal Engineer	58
(40) Public Affairs Manager	56
(41) Public Affairs Specialist	33
(42) Records Management Specialist	34
(43) Senior Accounting Technician	27
(44) Senior Buyer	38
(45) Senior Civil Engineer	52
(46) Senior Human Resources Analyst	43
(47) Senior Operator	36
(48) Senior Public Affairs Specialist	38
(49) Water Operations Coordinator	39
(50) Water Operations Manager	64
(51) Water Operations Supervisor	46
(52) Water Policy Manager	56
(53) Water Quality & Compliance Supervisor	44
(54) Water Quality Technician I	26
(55) Water Quality Technician II	30
(56) Water Use Efficiency Analyst	38
(57) Water Use Efficiency Specialist	30

\* Range 23 Applies to Grandfathered Employees Only

Updated 10/5/22







































**RESOLUTION NO. ~~15121576~~**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
UPDATING THE SCHEDULE OF POSITIONS  
AND SALARY RATE RANGES,  
SUPERSEDING RESOLUTION NO. ~~15001512~~**

WHEREAS, ~~the~~ Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, pursuant to State law, Mesa Water has the power to enter into contracts and to employ labor in order to carry out its functions and operations; and

WHEREAS, the Board of Directors of Mesa Water District (~~Board~~), approved ~~the~~ a Memorandum of Understanding (MOU) with the Mesa Water District Employees Association (MWDEA) on ~~December 14, 2017~~ January 11, 2023, concerning the terms and provisions for employment of Mesa Water employees represented by MWDEA, and extending the same terms and conditions of employment to the non-represented employees, for a stated period of time; and

WHEREAS, the Board ~~of Directors of Mesa Water District~~ has reviewed the ~~Mesa Water District~~ Schedule of Positions and Salary Rate Ranges and desires to make revisions thereto, ~~consistent with the provisions of the MOU, to be effective as of January 1, 2023.~~

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

**Section 1.** The foregoing recitals are true and correct and are incorporated herein by this reference.

**Section 21.** That the ~~Mesa Water District~~ Schedule of Positions and Salary Rate Ranges adopted ~~effective on June 8, 2017~~ June 14, 2018, is hereby superseded.

**Section 23.** That the ~~Mesa Water District~~ Schedule of Positions and Salary Rate Ranges ~~for the Mesa Water District~~ be, and hereby is, approved and adopted as more particularly set forth in Exhibit A of this Resolution, attached hereto and by this reference made a part hereof~~te~~. ~~Conforming changes to other Mesa Water documents and schedules, consistent with the foregoing, are hereby authorized.~~

**Section 4.** The General Manager, or the General Manager's designee(s), is hereby authorized to take all actions necessary or desirable to carry out the directives of this Resolution.

**Section 53.** This Resolution shall be effective upon adoption by the Board and the

changes to the Mesa Water District Schedule of Positions and Salary Rate Ranges made hereby shall, for all purposes, be in effect as of January 1, 2023. ~~That the provisions of this Resolution shall be effective January 5, 2018~~ January 1, 2023.

ADOPTED, SIGNED, and APPROVED this ~~14th~~ 8th day of ~~June 2018~~ March 2023 by a roll call vote.

AYES: DIRECTORS: ~~Dewane, DePasquale, Fisler, Bockmiller, Atkinson~~  
NOES: DIRECTORS:  
ABSTAIN: DIRECTORS:  
ABSENT: DIRECTORS:

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~~Jim Atkinson~~ Shawn Dewane  
President, Board of Directors

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Denise Garcia  
District Secretary

DRAFT

**RESOLUTION NO. ~~1512~~1576**

**EXHIBIT A**

**RESOLUTION OF THE  
MESA WATER DISTRICT BOARD OF DIRECTORS  
UPDATING THE SCHEDULE OF POSITIONS  
AND SALARY RATE RANGES,  
SUPERSEDING RESOLUTION NO. ~~1500~~1512**

Schedule of Positions and Salary Rate Ranges

January ~~5, 2018~~1, 2023 through December 31, ~~2022~~2027

**MESA WATER DISTRICT  
SCHEDULE OF POSITIONS  
SALARY RANGES BY JOB CLASSIFICATION & LEVEL**

<u>Job Classification - Level:</u>	<u>Salary Range</u>
(1) Accountant	34
(2) Accounting Technician - I	17
(3) Accounting Technician - II	21
(4) Administrative Services Manager	57
(5) Assistant General Manager	71
(6) Assistant Water Operations Manager	54
(7) Associate Engineer - I	40
(8) Associate Engineer - II	46
(9) Business Administrator	49
(10) Buyer	32
(11) Chief Administrative Officer	61
(12) Chief Financial Officer	66
(13) Chief Operating Officer	68
(14) Construction Inspector	34
(15) Controller	51
(16) Customer Service Representative - I	16
(17) Customer Service Representative - II	22
(18) Customer Services Manager	51
(19) Department Assistant	24
(20) District Engineer	60
(21) Executive Assistant to the General Manager	42
(22) Facility Maintenance Worker - I	19
(23) Facility Maintenance Worker - II	23
(24) Field Customer Service Representative - I	18
(25) Field Customer Service Representative - II	22/23*
(26) Field Services Supervisor	42
(27) Financial Services Assistant	30
(28) General Manager	Contract
(29) Human Resources Analyst	37
(30) Human Resources Assistant	30
(31) Human Resources Manager	57
(32) Intern - I	1
(33) Intern - II	6
(34) Lead Field Customer Services Representative	29
(35) Office Assistant	15
(36) Operator I - D1	23
(37) Operator I - D1 & T1	26
(38) Operator II	30
(39) Principal Engineer	58
(40) Public Affairs Manager	56
(41) Public Affairs Specialist	33
(42) Records Management Specialist	34
(43) Senior Accounting Technician	27
(44) Senior Buyer	38
(45) Senior Civil Engineer	52
(46) Senior Human Resources Analyst	43
(47) Senior Operator	36
(48) Senior Public Affairs Specialist	38
(49) Water Operations Coordinator	39
(50) Water Operations Manager	64
(51) Water Operations Supervisor	46
(52) Water Policy Manager	56
(53) Water Quality & Compliance Supervisor	44
(54) Water Quality Technician I	26
(55) Water Quality Technician II	30
(56) Water Use Efficiency Analyst	38
(57) Water Use Efficiency Specialist	30

\* Range 23 Applies to Grandfathered Employees Only

Updated 10/5/22











































*Dedicated to  
Satisfying our Community's  
Water Needs*

## MEMORANDUM

TO: Board of Directors  
FROM: Stacy Taylor, Water Policy Manager  
DATE: March 8, 2023  
SUBJECT: Association of California Water Agencies 2023 Board Officers' Election

---

### RECOMMENDATION

- a. Adopt Resolution No. 1577 in Support of the Nomination of Cathy Green as a Candidate for the Position of Association of California Water Agencies President; and
- b. Adopt Resolution No. 1578 in Support of the Nomination of Ernesto A. Avila as a Candidate for the Position of Association of California Water Agencies Vice President.

### STRATEGIC PLAN

Goal #4: Increase favorable opinion of Mesa Water.  
Goal #7: Actively participate in regional and statewide water issues.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

Every two years, Association of California Water Agencies (ACWA) holds an election among its membership for the association's President and Vice President positions. ACWA has formed its Election Committee that reviews candidates' qualifications, verifies candidates' eligibility for listing on the ballot, and endorses one candidate each for President and Vice President.

ACWA will issue a call for candidates on April 17, 2023, seeking nominations for the next ACWA President and Vice President to serve a two-year term from January 1, 2024 to December 31, 2025. Candidates for these offices must have resolutions of support from the agency's Board upon which they serve.

At its February 15, 2023 Board meeting, Orange County Water District (OCWD) adopted a resolution in support of OCWD President -- and current ACWA Vice President -- [Cathy Green for ACWA President](#).

At its March 1, 2023 Board meeting, Contra Costa Water District (CCWD) adopted a resolution in support of CCWD President -- and current ACWA Executive Committee and Board member -- [Ernesto \("Ernie"\) A. Avila, P.E.](#) for ACWA Vice President.

While ACWA does not require resolutions of support from other agencies, both candidates are requesting support resolutions from other ACWA member agencies, including from Mesa Water District (Mesa Water®), and have provided the District with their candidate materials (see attachments).





## FINANCIAL IMPACT

None.

## ATTACHMENTS

- Attachment A: ACWA Election Correspondence
- Attachment B: Draft Resolution No. 1577
- Attachment C: Candidate Materials for Cathy Green
- Attachment D: Draft Resolution No. 1578
- Attachment E: Candidate Materials for Ernie Avila

# ACWA Kicks off Election Process for 2024-'25 President, Vice President, Region Boards

ACWA has launched two separate but concurrent election processes for the 2024-'25 term: the board officers' election for President and Vice President and the region board elections. As a result of bylaw changes approved by the membership in 2022, the way in which ACWA members elect the President and Vice President has changed. In addition, some of the region election deadlines have changed.

Below is a summary of highlights and key dates in both election processes. More details are available online at [www.acwa.com/elections](http://www.acwa.com/elections).

## President and Vice President Election

An Election Committee has been appointed to facilitate the election of the President and Vice President, including confirming that candidates' eligibility criteria have been met and endorsing preferred candidates. The 11-member committee includes one representative appointed by the current ACWA President and 10 region representatives appointed by each of the region boards.

ACWA will issue an official Call for President and Vice President Candidates on April 17 and candidates will have until June 16 to submit necessary documents to be eligible. June 16 is also the deadline for each member agency to designate its voting representative, which is an important step to ensure the correct person has access to the ballot. To designate your agency's voter, submit an Authorized Representative and Information Form by June 16. The form will be available at [www.acwa.com/elections](http://www.acwa.com/elections).

The biggest change to the election process is that voting will no longer take place during conference. Instead, voting will take place electronically July 17 - Sept. 15 and ballots will include all qualified candidates, in addition to the committee's preferred candidates. All candidates will also be listed on the ACWA website and invited to participate in a town hall style webinar in which members can ask the candidates questions.

Voting members will need to submit their ballots by Sept. 15. The winners of the election will be announced by the end of September.

## Region Board Elections

ACWA's membership is organized into 10 regions, each of which has a Board. Each region has formed a Nominating Committee to pursue qualified member candidates to run for the region boards.

ACWA will issue an official Call for Region Board Candidates on April 17 and candidates will have until June 16 to submit necessary documents to be eligible.

ACWA will distribute an official electronic ballot identifying the recommended slates and any additional qualified candidates for consideration to each member agency on July 17. Member agencies will vote only for the candidates for their Region Board. Agencies do not need to designate an official voting representative for the region elections.

## Questions

To learn more about both election processes, including key dates, visit [acwa.com/elections](http://acwa.com/elections).

# 2023 ACWA ELECTIONS

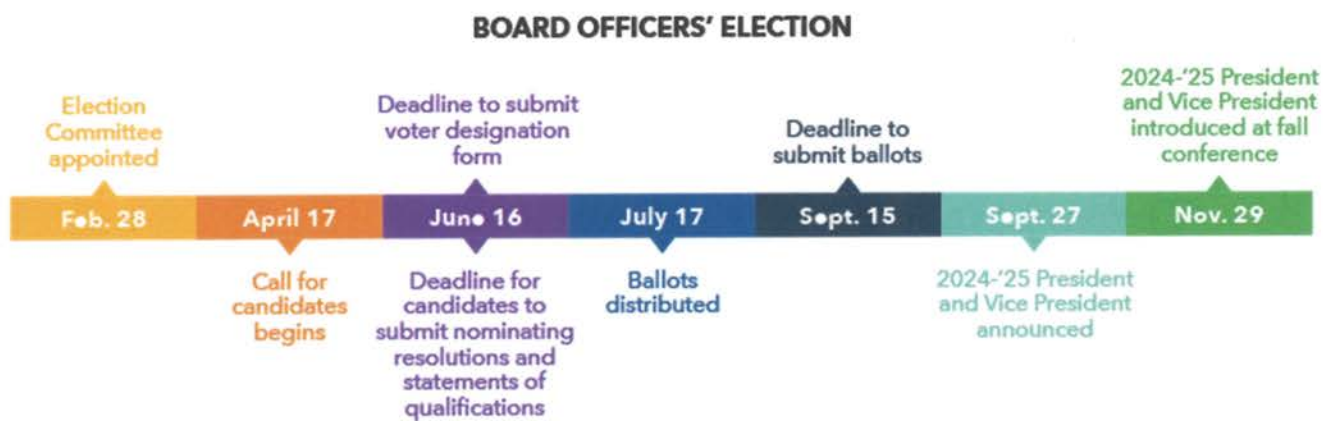
ACWA has launched two separate but concurrent election processes for the 2024-'25 term: the board officers' election for President and Vice President and the region board elections. Starting this year, as a result of bylaw changes approved by the membership in 2022, ACWA has initiated new processes for ACWA members to elect the President and Vice President. In addition, some of the region election deadlines have changed.



# 2023 BOARD OFFICERS' ELECTION

ACWA's Board officers' election is currently underway and there are multiple changes to the election process this year, including the way ACWA members elect the President and Vice President.

Key Election Dates:



## **RESOLUTION NO. 1577**

### **RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS IN SUPPORT OF THE NOMINATION OF CATHY GREEN AS A CANDIDATE FOR THE POSITION OF ASSOCIATION OF CALIFORNIA WATER AGENCIES PRESIDENT**

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, the Association of California Water Agencies (ACWA or Association) is seeking nominations of candidates for the 2023 election of the Association's statewide positions of President and Vice President; and

WHEREAS, eligible candidates must be an elected or appointed member of the governing body or commission of a member agency of the Association; and

WHEREAS, an official nominating resolution from an ACWA member agency on whose board the nominee serves must accompany all nominations for the positions of President and Vice President; and

WHEREAS, each nomination must include a statement of qualifications or resume highlighting the candidate's qualifications for the position, such as active involvement in ACWA task forces, region boards, committees, or the like; and

WHEREAS, the ACWA Election Committee will present an open ballot with all qualifying candidates to the members for a vote by written ballot; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, Cathy Green has served as ACWA Vice President since 2021 and on the ACWA board since 2014, and she has served on the ACWA Board Executive Committee since 2020; and

WHEREAS, as ACWA Vice President since 2021, Cathy Green would like to run as President of ACWA to continue the momentum she has built on key initiatives she is leading, including advocating for state accountability on water policy issues, spearheading the ACWA Council of Past Presidents to mentor new ACWA members and an internal human resources initiative to support ACWA staff; and

WHEREAS, Cathy Green has served as ACWA Region 10 Board Chair and Vice Chair; and

WHEREAS, Cathy Green has served on the ACWA Water Quality, ACWA Energy, and ACWA State Legislative Committees; and

WHEREAS, Cathy Green has served in a leadership role at Orange County Water District (OCWD). She was appointed to the OCWD Board of Directors in November 2010 and was elected to office in 2012 and re-elected in 2016 and 2020. She was selected by the OCWD Board to serve as its President in 2014-16, and 2022 through present. She also served as 1<sup>st</sup> Vice President from 2013-14 and 2018-22; and

WHEREAS, Cathy Green currently serves as Chair of the OCWD Executive Committee and the OCWD Joint Planning Committee; and

WHEREAS, prior to Cathy Green's service on OCWD's Board, she was elected to two consecutive terms on the Huntington Beach City Council where she served two terms as mayor. Cathy Green has been involved as a council liaison and committee member on many city boards, commissions, and committees; and

WHEREAS, it is the opinion of the Mesa Water Board of Directors that Cathy Green possesses all of the qualities needed to fulfill the duties of the office of ACWA President.

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

**Section 1.** Mesa Water’s Board of Directors wholeheartedly supports the nomination of Orange County Water District President Cathy Green as a candidate for the office of ACWA President.

ADOPTED, SIGNED, and APPROVED this 8th day of March 2023 by a roll call vote.

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

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Shawn Dewane  
President, Board of Directors

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Denise Garcia  
District Secretary





## COMMITMENT · EXPERIENCE · LEADERSHIP

### ACWA BOARD MEMBER

- ACWA Vice President (2022-current)
- Executive Committee (2020-current)
- Region 10 Chair (2018-19)
- Region 10 Vice Chair (2016-17, 2020-current)
- Region 10 Board Member (2012-current)

### ACWA COMMITTEES

- Water Quality Committee (2012-current)
- Energy Committee (2019-current)
- State Legislative Committee (2012-2015)

### ORANGE COUNTY WATER DISTRICT, Director (2010-current)

- President (2015-2016, 2022-current)
- 1<sup>st</sup> Vice President (2013, 2014, 2019-2022)
- Joint Planning Committee: Chair
- Labor Ad Hoc Committee: Chair
- Communications/Legislative Liaison Committee: Vice Chair

### CIVIC AND PROFESSIONAL EXPERIENCE

- Santa Ana River Flood Protection Agency: Chair
- CalDesal: Director
- City of Huntington Beach Mayor (2003, 2009)
- Councilwoman (2002-2010)
- Registered Nurse
- Law degree

*My vision for ACWA is to embrace its motto -- Bringing Water Together -- which, for me, is about unifying ACWA members and working collaboratively with diverse stakeholders to find smart solutions to the challenges we are now facing.*



## **CATHY GREEN BIOGRAPHY**

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In December of 2021, Cathy Green was elected vice president of the Association of California Water Agencies (ACWA) for a two-year term. She has served as an active member of ACWA since 2012, including serving on ACWA's executive committee since 2020, the ACWA Board since 2016, and the Region 10 Board since 2012. She held the position of ACWA Region 10 chair from 2018-2019 and served as vice chair since 2020, and previously from 2016-2017. Cathy Green has also served on several ACWA committees including the water quality committee since 2012, the energy committee since 2019, and the state legislative committee from 2012-2015.

Cathy Green was elected to the Orange County Water District (OCWD) Board of Directors in November 2010 and was re-elected in 2012, 2016 and 2020. She was selected by the Board to serve as its 2015, 2016 and 2023 president. She served as 1st vice president in 2013, 2014 and from 2020 to 2022.

Cathy Green currently serves as vice chair of National Water Research Institute, a 501c3 nonprofit that collaborates with water utilities, regulators, and researchers in innovative ways to help develop new, healthy, and sustainable sources of drinking water.

Prior to Cathy Green's service on OCWD's Board, she was elected to two consecutive terms on the Huntington Beach City Council where she served two terms as mayor. Cathy Green has been involved as a council liaison and committee member on many city boards, commissions and committees. She served on the Orange County Transportation Authority Board and was a director of OC Clean Tech.

Cathy Green serves on the boards of the Huntington Valley Boys and Girls Club and the Orange County Explorer Program; serves on the Huntington Beach City School District Medi-Cal Collaborative; is a director of the Prime Health Foundation and the Huntington Beach Hospital; is a member of the American Legion Unit 133 Auxiliary, Huntington Beach Community Emergency Response Team (CERT) and the Elks Lodge 1959; and is on the advisory board of the Bolsa Chica Conservancy. She is a founding member of Amigos de Bolsa Chica.

In addition, her community involvement has included serving as president of the Therapeutic Riding Center and the Huntington Beach Community Clinic, chair of the Orange County Emergency Medical Care Committee and of Explorer's/Learning for Life, first aid chair of Huntington Beach CERT, and board member of the OC Boy Scouts of America Council and American Family Housing.





Cathy Green is the recipient of many awards. Her most recent is a 2020 Boys and Girls Clubs of America National Service to Youth Award. In 2010, she was the recipient of the Spurgeon Award, and, in 2005, she was named Woman of the Year by then State Senator John Campbell. Other awards include the 2006 United Way Excellence in Child Care Planning, the 2007 Peace Maker Award from the Greater Huntington Beach Interfaith Council and the Golden West College Pillar of Achievement Award. She has also been recognized as Huntington Beach's Citizen of the Year by the Huntington Beach Chamber of Commerce, a Huntington Beach Soroptimist's Woman of Distinction and a Bolsa Chica Conservancy Conservator of the Year.

Cathy Green is a registered nurse and holds a degree in law. As a nurse, she worked in the health care areas of intensive care, student health, community health, and patient advocacy. In addition to nursing, she gained experience with a variety of environmental projects while associated with Lockhart and Associates.

Cathy Green has been a resident of Huntington Beach since 1970 where she raised her two children, Teresa and Tom, with her late husband Peter.

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE ORANGE COUNTY WATER DISTRICT  
TO NOMINATE AND SUPPORT  
OCWD PRESIDENT CATHY GREEN AS A CANDIDATE FOR THE POSITION OF  
ACWA PRESIDENT**

WHEREAS, ACWA is developing an Elections Committee to develop a slate for the Association's statewide position of President and Vice President; and,

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and,

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and,

WHEREAS, President Green has served as ACWA Vice President since 2021 and on the ACWA board since 2014, and she has served on the ACWA Board Executive Committee since 2020; and,

WHEREAS, as ACWA Vice President since 2021, President Green would like to run as President of ACWA to continue the momentum she has built on key initiatives she is leading, including advocating for state accountability on water policy issues, spearheading the ACWA Council of Past Presidents to mentor new ACWA members and an internal human resources initiative to support ACWA staff; and,

WHEREAS, President Green has served as ACWA Region 10 Chair and Vice Chair; and,

WHEREAS, President Green has serves on the ACWA Water Quality Committee, ACWA Energy Committee and ACWA State Legislative Committee; and,

WHEREAS, President Green has served in a leadership role at Orange County Water District (OCWD). She was appointed to the OCWD Board of Directors in November 2010 and was elected to office in 2012, 2016 and 2020. She was selected by the Board to serve as its President in 2014-16 and 2022 through present. She also served as 1<sup>st</sup> Vice President from 2013-14 and 2018-22; and,

WHEREAS, President Green currently serves as the Chair of the OCWD Executive Committee and the OCWD Joint Planning Committee; and

WHEREAS, prior to President Green's service on OCWD's Board, she was elected to two consecutive terms on the Huntington Beach City Council where she served two terms as mayor. President Green has been involved as a council liaison and committee member on many city boards, commissions and committees; and,

WHEREAS, it is the opinion of the OCWD Board of Directors that President Green possesses all of the qualities needed to fulfill the duties of the office of ACWA President; and,

NOW, THEREFORE, BE IT RESOLVED, that the OCWD Board of Directors does hereby nominate and support President Cathy Green as a candidate for the office of ACWA President, pledging the District's support of her endeavors in fulfilling the duties of this office if elected.

PASSED AND ADOPTED by the OCWD Board of Directors at a regular meeting of said Board held on the 15<sup>th</sup> day February, 2023.

**CERTIFICATION**

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Orange County Water District held on February 15, 2023.



Christina Fuller  
Assistant District Secretary

## **RESOLUTION NO. 1578**

### **RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS IN SUPPORT OF THE NOMINATION OF ERNESTO A. AVILA AS A CANDIDATE FOR THE POSITION OF ASSOCIATION OF CALIFORNIA WATER AGENCIES VICE PRESIDENT**

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, the Association of California Water Agencies (ACWA or Association) is seeking nominations of candidates for the 2023 election of the Association's statewide positions of President and Vice President; and

WHEREAS, eligible candidates must be an elected or appointed member of the governing body or commission of a member agency of the Association; and

WHEREAS, an official nominating resolution from an ACWA member agency on whose board the nominee serves must accompany all nominations for the positions of President and Vice President; and

WHEREAS, each nomination must include a statement of qualifications or resume highlighting the candidate's qualifications for the position, such as active involvement in ACWA task forces, region boards, committees, or the like; and

WHEREAS, the ACWA Election Committee will present an open ballot with all qualifying candidates to the members for a vote by written ballot; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, Ernesto (Ernie) A. Avila has served in a leadership role as a member of the Contra Costa Water District (CCWD) Board of Directors since 2016, was selected to serve as President of the CCWD Board in May 2022, and is the CCWD Director appointed to the Los Vaqueros Reservoir Joint Powers Authority; and

WHEREAS, Ernie Avila has served as a Professional Civil Engineer, Construction Manager with CH2M Hill, Associate Engineer with East Bay Municipal Water District, Director of Engineering at CCWD, General Manager of Monterey Peninsula Water Management

District, and is currently Principal/Vice President of Avila and Associates Consulting Engineers, Inc. He also served as Executive Director for the California Urban Water Agencies and Program Director of the Multi-State Salinity Coalition; and

WHEREAS, Ernie Avila actively participates on several ACWA Committees, including the Executive, Local Government (Chair) and Federal Affairs Committees while also serving as an ACWA Region 5 Board member and participating in the following ACWA workgroups: Property Tax, Paving Standards, Housing Densification, Foundation Steering, and Foundation Fundraising; and

WHEREAS, Ernie Avila further serves his community by volunteering for many citizen-based committees/organizations, including the East Bay Leadership Council (Board member), Walnut Creek Transportation Commission (Vice Chair), the Concord Planning Commission and Design Review Board, John Muir/Mount Diablo Community Health Fund Board of Directors (Treasurer), Knights of Columbus Scholarship Chair, and St. Francis of Assisi School Board President; and

WHEREAS, it is the opinion of the Mesa Water Board of Directors that Ernie Avila possesses all of the qualities needed to fulfill the duties of the office of ACWA Vice President.

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

**Section 1.** Mesa Water’s Board of Directors wholeheartedly supports the nomination of Contra Costa Water District President Ernesto A. Avila as a candidate for the office of ACWA Vice President.

ADOPTED, SIGNED, and APPROVED this 8th day of March 2023 by a roll call vote.

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

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Shawn Dewane  
President, Board of Directors

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Denise Garcia  
District Secretary

**Ernie Avila, PE**  
**President**  
**Contra Costa Water District**

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*Recent ACWA and Regional Water Coalition Experience*

**Association of CA Water Agencies (ACWA).** I have had the pleasure of supporting ACWA over twenty years at the regional and state level. My recent ACWA experience has included serving on:



- The Executive Committee of the ACWA Board of Directors;
- The ACWA Board of Directors;
- The ACWA Local Government Committee (Chair);
- The ACWA Property Tax Working Group;
- The ACWA Housing Densification Working Group;
- The ACWA Paving Standards Working Group;
- The ACWA Federal Affairs Committee;
- The ACWA Region 5 Board;
- The ACWA Foundation Steering Committee; and,
- The ACWA Foundation Fundraising Working Group;

As part of these efforts, I led ACWA's assessment of potential water industry impacts associated with Sacramento-based housing initiatives including Auxiliary Dwelling Units, Commercial Properties and Transit Center Hubs and led a workshop to consider potential ACWA next steps associated with these new initiatives and their related changes to water agency fees and charges. I led the ACWA Region 5 session on *Safe Drinking Water Issues Affecting Disadvantaged Communities*, and helped with the development of the *ACWA New Water System Approval Fact Sheet*. I also participated in the ACWA Foundation Steering Committee including several related Ad Hoc committees and contributed to Federal Affairs Committee work groups associated with the Water Infrastructure Finance and Innovation Act (WIFIA).

**Multi-State Salinity Coalition (MSSC).** For over 20 years, I have served as Program Director and Board member of MSSC which consists over 30+ water agencies from New Mexico, northern and southern California, Nevada, Colorado, Arizona and Texas. The MSSC mission is to promote advancements in technologies for desalination, reuse, salinity control strategies (watersheds and agriculture), water/energy efficiencies and related policies that will assist communities in meeting their water needs. I also helped to establish relationships regarding salinity management and desalination with water agencies in Australia, Mexico and Israel. In January of 2023, the MSSC awarded me with the **MSSC "Salt of the Earth" National Award** for outstanding commitment, leadership, vision and dedication to our water industry.

**Contra Costa Water District (CCWD).** As President of CCWD, I helped to form the coalition of eight northern California water agencies that make up the Los Vaqueros Reservoir Joint Powers Authority (LVJPA). Once completed, the expanded reservoir will improve the Bay Area's



**Ernie Avila, PE**  
**President**  
**Contra Costa Water District**

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regional water supply reliability and water quality while protecting Delta fisheries and providing additional Delta ecosystem benefits. I currently serve as the CCWD Director to the LVJPA.

**California Urban Water Agencies (CUWA).** As Executive Director, I led CUWA's effort in the development of Department of Water Resources (DWR) Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use as part of the Water Conservation Act of 2009 (Senate Bill X7-7) with our southern and northern California water agency members. I also made certain that CUWA's finances and practices were sound and transparent.

**Northern California Salinity Coalition.** As Executive Director, I led a coalition of ten San Francisco Bay Area water agencies in crafting grant application strategies and DWR outreach that would demonstrate the value of supporting watershed management, brackish desalination and groundwater project associated with salinity management. Working with the Coalition agencies, we secured the largest Proposition 50 grant funding for our region.

***Professional Work Experience (40 years)***

- Vice-President, Avila and Associates Consulting Engineers, Inc.
- General Manager, Monterey Peninsula Water Management District
- Director of Engineering, Contra Costa Water District
- Associate Engineer, East Bay Municipal Water District
- Construction Manager, CH2M Hill
- Professional Civil Engineer (California – C41727)

***Community Service Experience***

- Contra Costa Water District, President of the Board
- John Muir Community Health Fund Board of Directors (Treasurer)
- Association of California Engineering Companies – Chair of the Healthcare Trust (non-profit)
- Knights of Columbus, Scholarship Chair
- St. Francis of Assisi School Board, President
- City of Concord, CA – Planning Commission, Chair
- City of Concord, CA – Design Review Board
- City of Walnut Creek, CA – Transportation Commission, Vice-Chair

***Education and Related Credentials***

- B.S. – Civil Engineering, Santa Clara University
- M.B.A. – St. Mary's College of California
- Professional Civil Engineer (California – C41727)
- California Farm Bureau Member

**RESOLUTION NO. 23-006**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE**  
**CONTRA COSTA WATER DISTRICT**  
**TO NOMINATE AND SUPPORT ERNESTO A. AVILA**  
**AS A CANDIDATE FOR THE ASSOCIATION OF CALIFORNIA WATER AGENCIES**  
**VICE PRESIDENT**

WHEREAS, the Association of California Water Agencies (ACWA) is seeking nominations of candidates for the election of President and Vice President; and

WHEREAS, eligible candidates must be an elected or appointed member of the governing body or commission of a member agency of ACWA; and

WHEREAS, an official nominating resolution from the ACWA member agency on whose board the nominee serves must accompany all nominations for the position of President and Vice President; and

WHEREAS, each nomination must include a statement of qualifications or resume, Exhibit A, highlighting the candidate's qualifications for the position, such as active involvement in ACWA task forces, region boards, committees, or the like and is provide as an exhibit to this resolution; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, Ernesto A. Avila has served in a leadership role as a member of the Contra Costa Water District (CCWD) Board of Directors since 2016, was selected to serve as President of the CCWD Board in May 2022 and is the CCWD Director appointed to the Los Vaqueros Reservoir Joint Powers Authority; and

WHEREAS, Mr. Avila has served as a Professional Civil Engineer, Construction Manager with CH2M Hill, Associate Engineer with East Bay Municipal Water District, Director of Engineering at CCWD, General Manager of Monterey Peninsula Water Management District and is currently Principal /Vice-President of Avila and Associates Consulting Engineers, Inc. He also served as Executive Director for the California Urban Water Agencies and Program Director of the Multi-State Salinity Coalition; and



WHEREAS, Mr. Avila current participates on several ACWA Committees, including the Executive, Local Government (Chair) and Federal Affairs Committees. He is also an ACWA Region 5 Board member and actively participates in the following ACWA work groups: Property Tax, Paving Standards, Housing Densification, Foundation Steering and Foundation Fundraising; and

WHEREAS, Mr. Avila further serves his community by volunteering for many citizen-based committees/organizations including the East Bay Leadership Council (Board member), Walnut Creek Transportation Commission (Vice-Chair), the Concord Planning Commission and Design Review Board, the John Muir/Mount Diablo Community Health Fund Board of Directors (Treasurer), the Knights of Columbus Scholarship Chair, and the St. Francis of Assis School Board President.

WHEREAS, it is the opinion of the Contra Costa Water District Board of Directors that Ernesto A. Avila possesses all the qualities needed to fulfill the duties of the office of ACWA Vice President.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Contra Costa Water District does hereby nominate and support Ernesto A. Avila as a candidate for the office of ACWA Vice President, pledging the District's support of his endeavors in fulfilling the duties of this office if elected.

BE IT FURTHER RESOLVED, that the District Secretary is hereby authorized and directed to transmit a certified copy of this Resolution, and any additional required supporting documentation to ACWA by the nomination deadline.

\*\*\*\*\*

The foregoing resolution was duly and regularly adopted at a meeting held on the 15th day of March, 2023, by the Board of Directors of Contra Costa Water District by the following vote:

AYES:           Burgh, Young, Martinez

NOES:

ABSTAIN:

ABSENT:       Avila, Holdaway



Antonio Martinez, Vice President

ATTEST:

  
Veronica Sepulveda, District Secretary



*Dedicated to  
Satisfying our Community's  
Water Needs*

## MEMORANDUM

TO: Board of Directors  
FROM: Denise Garcia, Chief Administrative Officer  
DATE: March 8, 2023  
SUBJECT: Information Technology Network Infrastructure and Data Center Refresh

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### RECOMMENDATION

- a. Approve \$441,000 to purchase the hardware necessary to refresh Mesa Water District's information technology network infrastructure and data center; and
- b. Approve a contract to T2 Technology Group, LLC for an amount not to exceed \$416,000 to provide the services necessary to support the information technology network infrastructure and data center refresh.

### STRATEGIC PLAN

Goal #2: Perpetually renew and improve our infrastructure.  
Goal #3: Be financially responsible and transparent.  
Goal #6: Provide excellent customer service.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

T2 Tech Group, LLC (T2) provides Information Technology (IT) support services and project support services to Mesa Water District (Mesa Water®), including implementation of the IT Master Plan. Part of that plan - the District's monthly metrics, coupled with vendor notifications, have identified that the network infrastructure is end of life, having been operational for seven years – the upper range of the District's 3 – 5 year hardware refresh cycle. Replacement of this mission critical hardware is part of the IT Master Plan and critical for adopting next generation technologies; the funding for this effort is, and will be, included in the IT capital budgeted for Fiscal Years (FY) 2023 and 2024.

### **Findings**

The following drivers are increasing the risk associated with providing secure, reliable, and cost-effective IT services to support Mesa Water's operations:

- There is continued dependency on IT infrastructure for day-to-day operations. This infrastructure is critical to providing good customer service and maintaining an efficient financial cost model.
- The intensity and sophistication of cyber security threats to essential services such as the electrical grid, water supply, transportation, communications, and financial services will continue to increase.
- The security risks associated with the strategy to extend accessibility of the District's IT services from the more secure Mesa Water headquarters IT facility to the more exposed remote/work from home IT environment are much higher. Access to remote work has been simplified but has increased cyber security risks.



- Due to the pending end of life-of-support for the existing network hardware and supply chain issues, Mesa Water needs to expedite the network refresh.
- Supply chain issues are driving up pricing and adding additional delays to product availability.

## Recommendations

**NETWORK INFRASTRUCTURE AND DATA CENTER REFRESH:** Staff recommends replacing Mesa Water’s network infrastructure with updated hardware with enhanced cybersecurity and cloud-optimized technology, including the required facility upgrades needed in the data center.

A supplementary component of the network infrastructure refresh project is the refresh of the data center. This project focuses on refreshing the data center’s power distribution units (PDU) and Uninterruptable Power Supplies (UPS), and re-cabling the network hardware. These changes reflect a smaller footprint in the data center after the 2021 cloud migration to AWS. Facilities hardware will be downsized and simplified based on the cloud-centric topology of the new network infrastructure refresh design (see Attachment A).

Staff’s recommendation is based on the following key factors:

- **AVAILABILITY:** Provides increased availability through a redundant architecture.
- **DESIGN:** Transitions the network to a cloud-centric topology, 5-year lifecycle.
- **SUPPORT:** Reduces operational disruptions from end-of-support hardware.
- **SECURITY:** Increases security capabilities with application-centric firewall technology.
- **SIMPLIFY:** Cloud-centric topology eliminates unnecessary hardware.

**CAPITAL PROJECT IMPLEMENTATION VENDOR:** Staff recommends using T2 to manage and implement the network infrastructure and data center refresh. T2’s knowledge of Mesa Water’s IT environment and operational processes will result in cost efficiencies, a shorter project duration, and a deliverable that will best meet the District’s strategic and operational objectives.

Staff’s recommendation is based on the following key factors:

- T2 has successfully designed, implemented and managed Mesa Water’s data center IT infrastructure as a part of the IT Master Plan.
- The Nth Generation 2022 Cyber Security Audit score demonstrated T2’s professionalism and effectiveness at executing best practices and providing complete, thorough IT consulting services.
- T2 follows industry best practices, as demonstrated by its extensive record of successful projects. In addition to the 2015 Mesa Water data center transition, T2 has successfully executed the design, implementation, and project management of similar projects for Sharp Healthcare, Los Angeles Children’s Hospital, Kootenai Health System, and many other leading organizations.
- Having T2 as the sole vendor will allow for economies of scale implementing the network infrastructure refresh and other planned capital projects in FY 2023 and 2024.



**Cost**

Costs include replacing all network switches, firewalls and routers with Cisco and Palo Alto products. Non-professional services costs include hardware, software, subscriptions, maintenance, and escalated hardware replacement for the next five years. Professional services costs include project management design, planning, implementation and documentation.

T2 estimates the cost of ownership will be \$857,000 over a five-year period; no additional costs are anticipated over the next five years.

*Table 1 IT Capital Projects Cost Breakdown*

Strategic Objective	Capital Project	Description	Hardware*	Professional Services
Perpetually renew and improve our infrastructure	<b>Network Infrastructure Refresh</b>	Replace existing network infrastructure equipment that is at end of life. Improve security, speed and reliability. Provide updated tools for visibility, monitoring and management of the network infrastructure.	\$329,000	\$322,000
	<b>Data Center Refresh</b>	Downsize data center. Realize cost savings of cloud-centric architecture after moving to AWS. Eliminate legacy hardware during upgrade cycle.	\$112,000	\$94,000
<b>Totals</b>			<b>\$441,000</b>	<b>\$416,000</b>

\* Hardware includes 5 years of maintenance and support

FINANCIAL IMPACT

Fiscal Year 2023 costs have been budgeted in the Capital Project budget; future year costs will be included in the Fiscal Years 2024 – 2028 proposed budgets.

ATTACHMENTS

Attachment A: Network Infrastructure Refresh Design

## NETWORK INFRASTRUCTURE REFRESH DESIGN

Mesa Water District's (Mesa Water®) network is instrumental in supporting all communications between on-premises and remote users, in addition to wireless access points, cameras, and other devices attached to the network. The network provides users and devices with access to critical services with Invoice Cloud, SpryPoint, Amazon Web Services (AWS), Microsoft and other cloud providers. The network consists of switches, routers and firewalls providing connectivity, security, and access to the Internet.

### Justification

- The current networking equipment is reaching vendor end-of-life and should be replaced with a more efficient and secure system.
- The current network needs to be redesigned to support the changes made over the last two years when migrating to AWS.
- This project will bring the network infrastructure up to date and comply with best Information Technology (IT) practices.
- Downsizing cooling and power needs will reduce monthly costs associated with electricity usage.
- The refresh will reduce the data center's maintenance and support costs.
- The network security vulnerabilities identified in the Nth Generation 2022 Cyber Security Audit should be resolved.

Figure 1 High Level Network View







## Current Network Infrastructure

Mesa Water’s network is primarily composed of Cisco network equipment. Cisco has issued dates after which the current products will no longer be supported. The “End of Security Support” milestone is critical to maintaining a secure environment, as Cisco will no longer offer security patches beyond this date. New equipment should be ordered as soon as possible to account for delays in the supply chain and to allow for enough time for implementation by October 2023. The project is estimated to take a minimum of six months.

*Table 1 Network Hardware End-of-Life Dates*

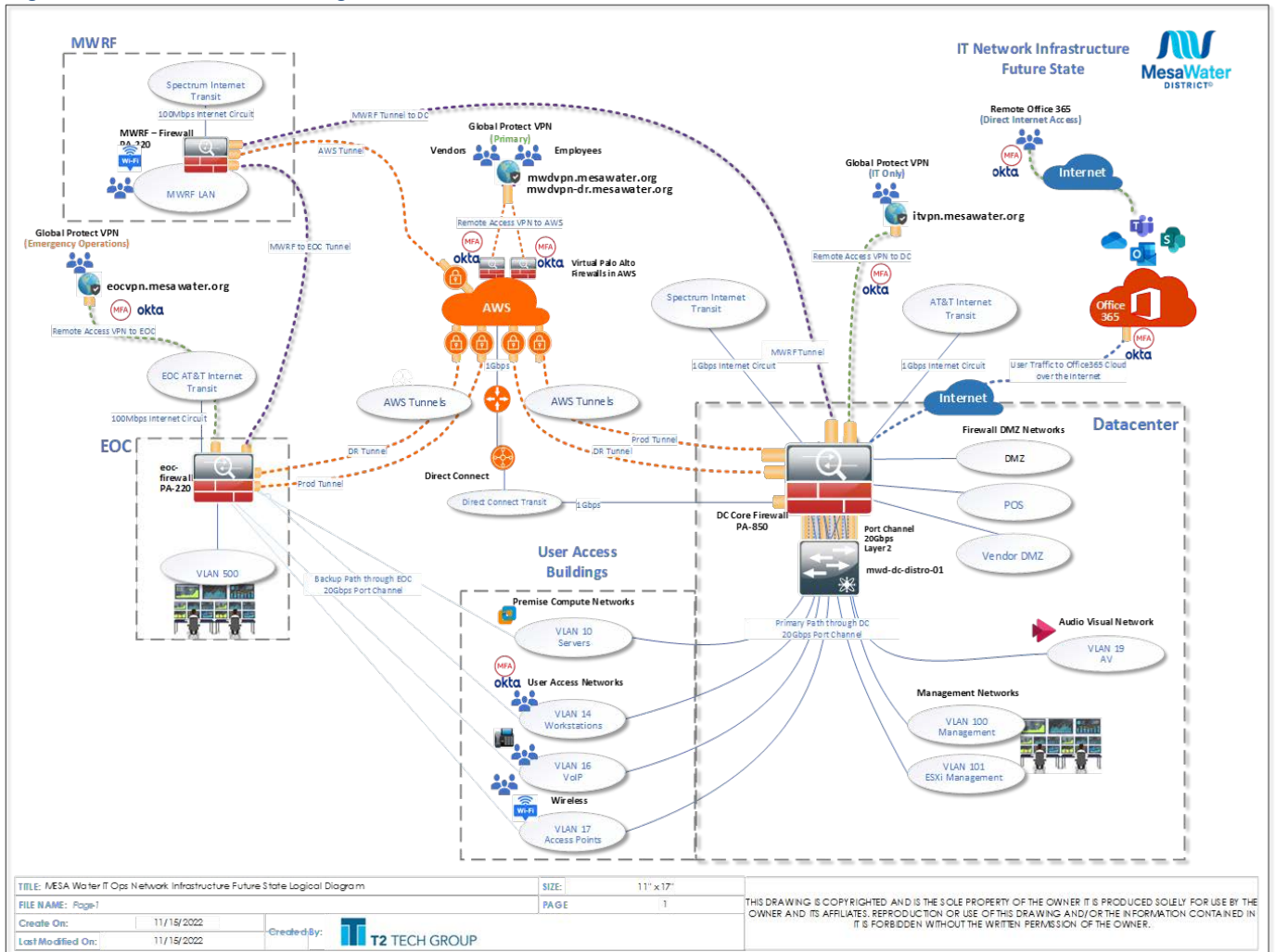
Network Hardware	Dates	Definition
End of Life	October 31, 2019	On this date, the document declaring the end of life and end of sale for a product is distributed to the public.
End of Sale	October 30, 2020	The last date to order the product through Cisco point-of-sale mechanisms. The product is no longer for sale after this date.
End of Maintenance	October 30, 2021	The last date Cisco Engineering may release final software maintenance releases or bug fixes. After this date, Cisco Engineering will no longer develop, repair, maintain or test the product software.
End of Failure Analysis	October 30, 2021	The last-possible date a routine failure analysis may be performed to determine the cause of hardware product failure or defect.
End of Security Support	October 30, 2023	The last date that Cisco Engineering may release a planned maintenance release or scheduled software remedy for a security vulnerability issue.

The Cisco Hardware and Support Milestones depicted in Table 1 reflect the operating timelines Mesa Water needs to achieve to refresh the network infrastructure before the existing network infrastructure reaches end-of-security support on October 30, 2023. Another external factor driving the implementation timeline is continued supply chain challenges across the high-tech manufacturing industry

## Future Network Design

Mesa Water's network will be redesigned to account for the recently migrated data center and the ongoing project to migrate all on-site email servers and file storage to Microsoft 365 services. The design will increase redundancy, resiliency and security, while also simplifying the overall architecture.

Figure 2 Future State Network Design





As part of the design process, T2 Technology Group, LLC (T2) conducted an analysis of alternatives that reviewed different vendor solutions for the refresh. Based on the analysis, Mesa Water selected Cisco as the network infrastructure vendor and Palo Alto as the firewall vendor.

Cisco is a recognized leader in the network industry. Mesa Water's existing Cisco equipment, combined with Cisco's leadership in cloud-based networking and operational management, made Cisco the clear choice. A Cisco network infrastructure solution enables Mesa Water to leverage its staff's existing knowledge, gained over the last seven years of using Cisco equipment.

Mesa Water selected Palo Alto as the firewall vendor because of their recognized leadership in application-based firewall rules, remote access and ability to support deployments on-site and in the cloud. Similar to Cisco, Mesa Water staff has significant institutional knowledge and operational processes oriented around Palo Alto firewalls through having used them over the past five years.

The future state network design, depicted in Figure 2, reflects a transition to a cloud-centric network topology. The design will eliminate unnecessary devices and shift the topology from the architecture established seven years ago to a cloud-centric design in line with industry trends. Additional redundancy will be added to Mesa Water's cloud presence by diversifying existing IPSec site-to-tunnels across the District's Emergency Operations Center (EOC) and Mesa Water Reliability Facility (MWRF).

**AGENDA  
MESA WATER DISTRICT  
IMPROVEMENT CORPORATION  
ANNUAL MEETING OF THE BOARD OF DIRECTORS  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Wednesday, March 8, 2023 at 4:30 p.m.**

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**CALL TO ORDER – 4:30 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 9, 2022
- C. APPROVE MINUTES FOR THE MEETING OF AUGUST 10, 2022
- 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 Tracy Manning as Assistant Treasurer.**

E. UNFINISHED BUSINESS:

None

F. NEW BUSINESS:

**Recommendation: Direct officers to have annual audit conducted for Fiscal Year 2023.**

*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 call the District Secretary at (949) 631-1205. 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 using 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 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 Bockmiller
Vice President:	Director Fisler
Secretary:	Denise Garcia
Assistant Secretary:	Wendy Duncan
Treasurer:	Marwan Khalifa, CPA, MBA
Assistant Treasurer:	Vacant



**MINUTES OF THE MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION  
ANNUAL MEETING  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Wednesday, March 9, 2022 at 4:30 p.m.**

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**CALL TO ORDER**

The meeting of the Board of Directors was called to order at 5:50 p.m. by MCWDIC President Bockmiller.

Directors Present

Fred R. Bockmiller, P.E., MCWDIC President  
James R. Fislser, MCWDIC Vice President  
Jim Atkinson, MCWDIC Director  
Marice H. DePasquale, MCWDIC Director  
Shawn Dewane, MCWDIC Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Phil Lauri, P.E., Assistant General Manager  
Denise Garcia, Administrative Services Manager/  
MCWDIC Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer/  
MCWDIC Treasurer  
Tracy Manning, Water Operations Manager  
Stacy Taylor, Water Policy Manager  
Kurt Lind, Business Administrator  
Camille Shehadeh, Human Resources Analyst  
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud &  
Romo

Others Present

None

**PUBLIC COMMENTS**

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

There were no comments and MCWDIC President Bockmiller 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.

**ACTION ITEMS:**

- A. CONFIRM DIRECTORS OF CORPORATION

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

MOTION

Motion by MCWDIC Director Dewane, second by MCWDIC Vice President Fisler, to confirm that the Directors of the Corporation Board consist of the Directors of the Mesa Water District Board. Motion passed 5 – 0.

B. APPROVE MINUTES FOR THE MEETING OF MARCH 11, 2021

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

MOTION

Motion by MCWDIC Director Dewane, second by MCWDIC Director DePasquale, to approve the minutes for the meeting of March 11, 2021. Motion passed 5 – 0.

C. UNFINISHED BUSINESS:

None.

D. NEW BUSINESS:

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

MOTION

Motion by MCWDIC Director Dewane, second by MCWDIC Director DePasquale, to direct the officers to have an annual audit conducted for Fiscal Year 2022. Motion passed 5 – 0.

The meeting was adjourned at 5:52 p.m. in honor of the loss of life and suffering in Ukraine.

Approved:

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Fred R. Bockmiller, P.E., MCWDIC President

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Denise Garcia, MCWDIC Secretary

Recording Secretary: Sharon D. Brimer

**MINUTES OF THE MESA CONSOLIDATED WATER DISTRICT  
IMPROVEMENT CORPORATION  
SPECIAL MEETING  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Wednesday, August 10, 2022 at 4:30 p.m.**

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**CALL TO ORDER**

The meeting of the Board of Directors was called to order at 4:32 p.m. by MCWDIC President Bockmiller.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Chief Administrative Officer/  
MCWDIC Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer/  
MCWDIC Treasurer  
Tracy Manning, Chief Operating Officer  
Stacie Sheek, Customer Services Manager  
Andrew D. Wiesner, P.E., District Engineer  
Stacy Taylor, Water Policy Manager  
Kurt Lind, Business Administrator  
Kaitlyn Norris, Public Affairs Specialist  
Celeste Carrillo, Senior Public Affairs Specialist  
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

None

**PUBLIC COMMENTS**

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

There were no comments and MCWDIC President Bockmiller proceeded with the meeting.

**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. MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION NAME CHANGE

MOTION

Motion by MCWDIC Director DePasquale, second by MCWDIC Vice President Fisler, to adopt Resolution No. 2022-1 Changing the Mesa Consolidated Water District Improvement Corporation Name and Authorizing the Filing of its Name Change with the California Secretary of State Superseding Resolution No. 2021-1. Motion passed 5 – 0, by the following roll call vote:

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

The meeting was adjourned at 4:33 p.m.

Approved:

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Fred R. Bockmiller, P.E, MCWDIC President

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Denise Garcia, MCWDIC Secretary

Recording Secretary: Sharon D. Brimer

MESA 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 Bockmiller	Open
Vice President:	Director Fisler	Open
Secretary:	Denise Garcia	Denise Garcia
Assistant Secretary:	Wendy Duncan	Wendy Duncan
Treasurer:	Marwan Khalifa, CPA, MBA	Marwan Khalifa, CPA, MBA
Assistant Treasurer:	Tracy Manning	Tracy Manning



There is no Unfinished Business.

## MEMORANDUM

TO: Board of Directors  
FROM: Paul E. Shoenberger, P.E., General Manager  
DATE: March 8, 2023  
SUBJECT: New Business

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### RECOMMENDATION

Direct officers to have annual audit conducted for Fiscal Year 2023.

### PRIOR BOARD ACTION/DISCUSSION

None.

### DISCUSSION

None.

### FINANCIAL IMPACT

None.

### ATTACHMENTS

None.

**REPORTS:**

10. REPORT OF THE GENERAL MANAGER

**REPORTS:**

11. DIRECTORS' REPORTS AND COMMENTS

**DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT  
CODE SECTION 53232.3(d)**

*In accordance with CA Government Code 53232.3(d), the following report identifies the meetings for which Mesa Water Directors received expense reimbursement.*

**Jim Atkinson** **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

**Fred R. Bockmiller, P.E.** **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

**Marice H. DePasquale** **Meetings Attended**

Reimbursement Date:	Description, Date
2/6/23	Welcome MET Chair Adán Ortega, 1/31

**Shawn Dewane** **Meetings Attended**

Reimbursement Date:	Description, Date
2/6/23	Welcome MET Chair Adán Ortega, 1/31
2/6/23	Meeting w/ Mesa Water Director, 2/3

**James R. Fisler** **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	