



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, November 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
Jim Atkinson, Director
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director

Directors Absent

Marice H. DePasquale, Vice President

Staff Present

Paul E. Shoenberger, P.E., General Manager
Wendy Duncan, Records Management Specialist/
Acting District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Andrew D. Wiesner, P.E., District Engineer
Stacy Taylor, Water Policy Manager
Tyler Jernigan, Assistant Water Operations Manager
Kurt Lind, District Business Administrator
Celeste Carrillo, Senior Public Affairs Specialist
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

Brandon Pensick, Senior Vice President, Ferreira Construction Co., Inc.
Tim McLarney, Ph.D., President, True North Research, Inc.
Kimera Hobbs, Senior Consultant, Moran Consulting, Inc.
Riley Greenlee, CPA, Assurance Manager, Lance, Soll & Lunghard, LLP

PUBLIC COMMENTS

President Dewane asked for public comments.

President Dewane acknowledged Ferreira Construction Co., Inc. Senior Vice President Brandon Pensick. Mr. Pensick addressed the Board regarding the payment process for work done at the Chandler & Croddy Wells.

The comments were received and President Dewane proceeded with the meeting.

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

General Manager Shoenberger reported a Closed Session Item and corresponding Action Item arose after the November 8, 2023 agenda was posted. GM Shoenberger recommended adding Item 22 – Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to California Government Code Section 54956.9(d)(4), Number of Matters: 1 and Action Item 23 – Chandler & Croddy Wells and Pipeline Project.

GM Shoenberger also stated staff would like to defer Item 21 to the January 10, 2024 Board meeting, when the full Board will be present to address the Closed Session Item.

President Dewane requested the addition of Item 14A – Mastering Water Efficient Landscapes Workshop.

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to:

- a. Add Closed Session Item 22 – Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to California Government Code Section 54956.9(d)(4), Number of Matters: 1 and Action Item 23 – Chandler & Croddy Wells and Pipeline Project;
- b. Defer Item 21 to the January 10, 2024 Board meeting, when the full Board will be present to address the Closed Session Item; and
- c. Add Item 14A – Mastering Water Efficient Landscapes Workshop.

Motion passed 4 – 1, with Vice President DePasquale absent.

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of October 11, 2023.
2. Approve minutes of regular Board meeting of October 25, 2023.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
5. Receive and file the Water Quality Call Report.
6. Receive and file the Fiscal Year 2024 First Quarter Financial Update.
7. Receive the Quarterly Training Report for July 1, 2023 to September 30, 2023.
8. Approve a contract renewal with Van Scoyoc Associates, Inc. for \$135,000 to provide Federal Government Advocacy Consulting Services through December 31, 2024.

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

MOTION

Motion by Director Atkinson, second by Director Bockmiller, to approve Items 1 – 8 of the Consent Calendar. Motion passed 4 – 1, with Vice President DePasquale absent.

PRESENTATION AND DISCUSSION ITEMS:

9. MESA WATER DISTRICT CUSTOMER SURVEY:

Senior Public Affairs Specialist Carrillo introduced True North Research, Inc. President Tim McLarney who proceeded with a presentation that highlighted the following:

- Methodology of Study
- Most Important Issue Facing Community
- Water Supply Reliability
- Knowledge of Water Origin
- Awareness of Mesa Water
- Opinion of Mesa Water District
- Descriptors for Mesa Water
- Overall Satisfaction with Service Provision
- Satisfaction With Services Tier 1
- Satisfaction With Services Tier 2
- Satisfaction With Communication Efforts
- Key Findings
 - Customer Satisfaction is High and Increasing
 - High Awareness of District & Favorable Opinions
 - Opportunity Areas

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

10. FISCAL YEAR 2023 CUSTOMER SERVICE AUDIT:

District Business Administrator Lind introduced Moran Consulting, Inc. Senior Consultant Kimera Hobbs who proceeded with a presentation that highlighted the following:

- Overview of Customer Service Department Activity
- Customer Experience “Love Languages”
- Scorecard
- The Road to Gold Ongoing Performance – Our 5-year Progress Anniversary
- Recommendations for Continuous Improvement

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

11. FISCAL YEAR 2023 AUDIT RESULTS AND ANNUAL FINANCIAL REPORT:

Chief Financial Officer Khalifa introduced Lance, Soll & Lunghard, LLP Assurance Manager Riley Greenlee who proceeded with a presentation that highlighted the following:

- Scope of Engagement
- Results of Audit
- Changes from Prior Year
- Financial Highlights

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

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

MOTION

Motion by Director Fisler, second by Director Bockmiller, to approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2023 and direct staff to finalize the Fiscal Year 2023 Annual Financial Report. Motion passed 4 – 1, with Vice President DePasquale absent.

12. RESERVOIRS 1 AND 2 PUMP STATION UPGRADES PROJECT – COMMUNITY OUTREACH:

District Engineer Wiesner introduced Senior Public Affairs Specialist Carrillo who proceeded with a presentation that highlighted the following:

- Reservoirs Program
- Reservoir 2 Overview
- Potential Impacts
- Customer Communications

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

ACTION ITEMS:

13. RESERVOIRS 1 AND 2 PUMP STATION UPGRADES PROJECT:

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

MOTION

Motion by Director Bockmiller, second by President Dewane, to:

- a. Award a contract to Pacific Hydrotech Corporation for \$14,764,900 and a 10% contingency of \$1,476,490 for a total amount not to exceed \$16,241,390 for the construction of the Reservoirs 1 and 2 Pump Station Upgrades Project;
- b. Direct staff to negotiate a contract end date; and
- c. Authorize execution of the contract.

Motion passed 4 – 1, with Vice President DePasquale absent.

14. RESERVOIRS 1 AND 2 PUMP STATION UPGRADES PROJECT – ENGINEERING SERVICES:

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

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve a sole source contract to Hazen and Sawyer for \$204,655 and a 10% contingency of \$20,465 for a total amount not to exceed \$225,120 to provide Engineering Services During Construction for the Reservoirs 1 & 2 Pump Station Upgrades Project.

Motion passed 4 – 1, with Vice President DePasquale absent.

14A – MASTERING WATER EFFICIENT LANDSCAPES WORKSHOP:

President Dewane noted the City of Costa Mesa scheduled a workshop, “Mastering Water Efficient Landscapes,” on November 15, 2023 in partnership with Metropolitan Water District of Southern California (MET) and California Landscape Contractors Association.

President Dewane requested that staff coordinate with the City of Costa Mesa to participate in the scheduled workshop.

REPORTS:

15. REPORT OF THE GENERAL MANAGER:

- October Key Indicators Report

16. DIRECTORS’ REPORTS AND COMMENTS

INFORMATION ITEMS:

17. FISCAL YEAR 2023 ANNUAL REIMBURSEMENT REPORT

18. DIRECTORS’ REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

RECESS

President Dewane declared a recess at 5:53 p.m.

The Board meeting reconvened at 5:57 p.m.

CLOSED SESSIONS:

President Dewane announced the Board was going into Closed Session at 5:58 p.m.

19. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:

Pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b)

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

20. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:

Pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b)

Mesa Water Regular Board Meeting of November 8, 2023

- 21. PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL MANAGER

Item 21 was deferred to the January 10, 2024 Board meeting.

- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
Initiation of litigation pursuant to California Government Code Section 54956.9(d)(4)
Number of Matters: 1

The Board returned to Open Session at 6:30 p.m.

Attorney Anslow announced the Board conducted Closed Session Item 19 with the General Manager, District Engineer and Legal Counsel pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b). The Board received information and there was no further announcement.

Attorney Anslow announced the Board conducted Closed Session Item 20 with the General Manager, District Engineer and Legal Counsel pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b). The Board received information and there was no further announcement.

Attorney Anslow announced the Board conducted Closed Session Item 22 with the General Manager, District Engineer and Legal Counsel pursuant to California Government Code Section 54956.9(d)(4). The Board received information and there was no further announcement.

ACTION ITEMS (CONT.):

- 23. CHANDLER & CRODDY WELLS AND PIPELINE PROJECT:

No action was taken on this item.

President Dewane adjourned the meeting at 6:32 p.m. to a Regular Board Meeting scheduled for Wednesday, December 13, 2023 at 4:30 p.m.

Approved:

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Shawn Dewane, President

DocuSigned by:

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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer