

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Tuesday, February 9, 2010
7:00 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on February 9, 2010 at 7:00 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Atkinson led the Pledge of Allegiance.

ROLL CALL

Directors Present

Shawn Dewane, President
Fred R. Bockmiller, First Vice President
James F. Atkinson, Vice President
Jim Fislser, Vice President

Directors Absent

Trudy Ohlig-Hall, Vice President

Staff Present

Paul E. Shoenberger, P.E., General Manager
Coleen L. Monteleone, Administrative Services Manager/
District Secretary
Victoria L. Beatley, Chief Financial Officer/Treasurer
Robert R. McVicker, District Engineer
Jerry Vilander, Water Operations Manager
Barbara Wiseman, Human Resources Manager
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

None

PUBLIC COMMENTS

President Dewane invited members of the public to address the Board of Directors (Board) on matters that were not on the agenda. There being no members of the public present, President Dewane proceeded with the meeting.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items to be added, withdrawn, or reordered.

I. CONSENT CALENDAR ITEMS:

All matters under the Consent Calendar will be approved by one motion unless a Board member, staff, or a member of the public requests a separate action.

- A. Approve minutes of regular Board meeting of January 12, 2010.

Mission: Dedicated to satisfying our community's water needs

- B. Approve minutes of regular Board meeting of January 26, 2010.
- C. Approve attendance considerations (additions, changes, deletions).
- D. Board Schedule:
 - 1. Tentative Meeting Topics
 - 2. Conference, Seminars, and Meetings
 - 3. Board Calendar
- E. Approve the Chamber of Commerce President's Circle at the Friends level, in the amount of \$1,100.
- F. Approve the annual utility membership dues for the Independent Special Districts of Orange County in the amount of \$200.
- G. Approve the March/April issue of the District Newsletter.

MOTION 2010-10

Motion by Director Bockmiller, seconded by Director Atkinson, to approve the Consent Calendar with the amended March/April issue of the District newsletter. Motion passed 4-0-1 with Director Ohlig-Hall absent.

II. PRESENTATION AND DISCUSSION ITEMS:

No Items.

III. ACTION ITEMS:

A. FINANCIAL POLICY UPDATE:

Chief Financial Officer Victoria Beatley reviewed the changes made to the policy highlighting the change in coverage ratio (1.15 in lieu of 1.10). Ms. Beatley responded to a question from Director Fisler regarding the purpose for the policy. She noted that the purpose of this policy is to preserve the District's AA bond rating. With the recent rate increase plan and hearing, the Board adopted a target AAA bond rating, which it expects to achieve over the next five to seven years. Resolution No. 1387 memorializes the Board's commitment to maintaining the AA bond rating.

Ms. Beatley responded to additional questions from the Board.

MOTION 2010-11

Motion by Director Bockmiller, seconded by Director Atkinson, to adopt Resolution No 1387, Revising Financial Policies and Guidelines in Establishing Rates, Superseding Resolution No. 1359 including Exhibit A of the Designated Funds Policy. Motion passed 4-0-1 with the following roll call vote:

AYES:	DIRECTORS	Atkinson, Fisler, Bockmiller, Dewane
NOES:	DIRECTORS	None
ABSENT:	DIRECTORS	Ohlig-Hall
ABSTAIN:	DIRECTORS	None

B. AB1594 (HUBER) SACRAMENTO-SAN JOAQUIN DELTA: PERIPHERAL CANAL:

President Dewane reviewed the bill which has language that seeks to reopen a delicately crafted compromise and interject the Legislature into the intricacies of designing a new conveyance system in the Delta. This highly technical, scientific, and legal challenge is inappropriate for the legislative process. This bill was presented at both the Independent Special Districts of Orange County and WACO meetings. President Dewane and Director Fisler thought this bill should be brought before the Board and a recommendation made that the Board take a position in opposition of AB 1594.

MOTION 2010-12

Motion by Director Bockmiller, seconded by Director Atkinson, to authorize staff to draft a letter for the President's signature indicating that Mesa Consolidated Water District opposes AB1594 (HUBER) in its present form and if a different bill comes back that is substantially altered from its present form that it be brought back to the Board for consideration; and if the bill passes onto the Senate without substantial changes, send a letter opposing the Senate version. Motion passed 4-0-1 with Director Ohlig-Hall absent.

C. CLOSED SESSION:

General Manager Shoenberger reported that it was not necessary to conduct the closed session.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS –
PURSUANT TO GOVERNMENT CODE SECTION 54956.8:
Property: Capital Project # CM-394 (OC-44 feeder)
District Negotiator: General Manager
Negotiating Parties: Poseidon Resources
Under Negotiation: Possible use of Mesa Consolidated Water District property by outside company for purposes of delivering desalinated potable water to other agencies.

IV. REPORTS AND INFORMATION ITEMS:

A. REPORT OF THE GENERAL MANAGER:

1. Items of general interest:

● Other

- Job shadowing activities continue. Last Monday time was spent with Dave Hayton performing water quality testing. This past Monday the day was spent with Roger Demers making production rounds.

- The pilot plant at the Colored Water Treatment Facility (CWTF) is running off Well 11. There is an estimated 180 color units coming in with less than 5 color units going out. There is another six weeks of operations.
- MWDOC's Administrative and Finance Committee is meeting on February 10, 2010. Agenda Items: Support for Joan Finnegan for the ACWA/JPIA President; membership in CalDesal; East Orange County Water District proposed consolidation with a neighbor agency.
- OCWD and MWDOC have been scheduled for their quarterly presentations before Mesa's Board on April 13, 2010.
- Wednesday, February 17, 2010 is the Water Issues Study Group and all Directors are invited to attend.

B. STANDING COMMITTEE REPORTS:

1. Director Ohlig-Hall attended the following meeting:
 - a. Finance Committee Meeting, 1/28
Director Atkinson gave the meeting report.
The Committee reviewed disbursements to Directors and employees as reported on the Accounts Paid Listing per California Government Code Section 53065.5.
2. President Dewane reported on the following meetings:
 - a. Special Executive Committee Meeting, 1/28
 - b. Public Information Committee Meeting, 2/1
 - c. Executive Committee Meeting, 2/4

C. DIRECTORS' REPORTS AND COMMENTS:

1. Director Atkinson reported on the following meetings:
 - a. Finance Committee Meeting, 1/28
 - b. OCWD Meeting, 2/3
 - c. WACO Meeting, 2/5
 - d. Other
2. Director Ohlig-Hall not present at this meeting to report on the following meetings:
 - a. MWDOC/OCWD Jt. Planning Committee Meeting, 1/27
 - b. Jt. MWDOC Meeting, 2/3
 - c. Other
3. Director Fislser reported on the following meeting:
 - a. CSDA Leadership Academy, 2/4
 - b. Other

4. Director Bockmiller:
 - a. Other
 - A discussion ensued regarding meter tampering and possible damage to Mesa property.

Attorney Anslow explained the enforcement process and the basis for enforcement falls within the water code.

The topic will be brought back to the Board for a broader discussion.

5. President Dewane reported on the following meeting:
 - a. ISDOC Meeting, 2/2
 - b. Other

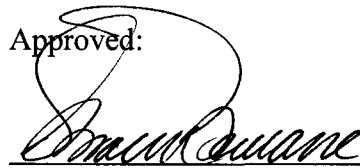
V. INFORMATION ITEMS:

A. ITEMS OF GENERAL INTEREST:

1. General Manager's Weekly Report

President Dewane adjourned the regular Board meeting at 8:12 p.m. to the Water Issues Study Group meeting to be held on Wednesday, February 17, 2010 at 7:00 p.m.

Approved:



Shawn Dewane, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer