

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Tuesday, August 25, 2009
7:00 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on August 25, 2009 at 7:00 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

ROLL CALL

Directors Present

Shawn Dewane, President
Fred R. Bockmiller, First Vice President
James F. Atkinson, Vice President
Trudy Ohlig-Hall, Vice President

Directors Absent

None

Staff Present

Coleen L. Monteleone, Administrative Services Manager/
District Secretary
Victoria L. Beatley, Financial Services Manager/Treasurer
Robert R. McVicker, District Engineer
Jerry Vilander, Water Operations Manager
Barbara Wiseman, Human Resources Manager
Barry Carlson, Conservation/Customer Service Coordinator
Denise Garcia, Executive Assistant
Cindy Plager, Administrative Services Secretary
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

Jim Fidler, Mesa Customer
Paul Flanagan, Mesa Customer
Paul E. Shoenberger, Mesa Customer
Jim Fitzpatrick, Mesa Customer

*RECOGNITION OF DISTRICT FOR CERTIFICATE OF ACHIEVEMENT FROM THE
GOVERNMENT FINANCE OFFICERS ASSOCIATION FOR EXCELLENCE IN FINANCIAL
REPORTING FOR THE JUNE 2008 COMPREHENSIVE ANNUAL FINANCIAL REPORT.*

Administrative Services Manager Monteleone announced that this is the 15th consecutive year that Mesa has received this award. President Dewane made a presentation of the award to Financial Services Manager Beatley. Photographs were taken with the Board.

Director Bockmiller commented that this is a significant achievement for Mesa and thanked those who worked diligently to achieve this high level of recognition.

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 none, President Dewane proceeded with the meeting.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

President Dewane asked if there were any items to be added, withdrawn or reordered on the Agenda. Administrative Services Manager Monteleone recommended that Item III, Action Items be moved to the beginning of the agenda. There were no objections by the Board.

III. ACTION ITEMS:

A. WATER CONSERVATION PUBLIC HEARING:

President Dewane opened the Public Hearing. He commented that this is the time and place for a public hearing for the purpose of receiving comments on the proposed Water Conservation Ordinance. There will be two opportunities for the Board's discussion, before and after public comment. He asked if the Notice of Public Hearing had been posted.

Administrative Services Manager Monteleone responded that the Notice of Public Hearing was published at the District Office, on Mesa's website, at the U. S. Post Office, at City Hall and twice in the Daily Pilot, August 9 and 18, 2009.

MOTION 2009-73

Motion by Director Bockmiller, seconded by Director Atkinson, that Ordinance No. 21 be read by title only and forego the reading of Ordinance No. 21 in the Public Hearing. Motion passed 4-0.

Director Bockmiller commented on an article in the Daily Pilot regarding published watering schedules and indicating that new rotary nozzles manage water distribution more efficiently and may require a longer watering cycle. He noted that Mesa's Board chose not to include irrigation time limits in its ordinance.

Director Ohlig-Hall commented that Mesa's approach to water management has continued to produce positive results. She noted that Mesa does not ask its customers to go to the extreme and report on neighbors. She believes Mesa's customers are conscientious and listen to the water district.

Director Atkinson commented on the work the Board did to develop this Ordinance. The Board was given a model ordinance developed by the Metropolitan Water District of Southern California, which was also given to all agencies and cities. He commented that the Board worked to develop an Ordinance that was appropriate for Mesa's customers and noted that Mesa's customers have responded to the District's requests for water conservation and management and the Board didn't believe it was reasonable

to penalize its customers when they have reduced water use as the District has asked them to do.

President Dewane thanked Conservation/Customer Service Coordinator Barry Carlson for his efforts in the development of Ordinance 21.

President Dewane opened the hearing for public comments.

Mesa Customer Jim Fitzpatrick noted he is pleased to see the Board adopt the Ordinance. He noted that he believes it will be more challenging to request conservation to achieve the levels of conservation that will be needed now and the future. He supports public outreach and education, but believes it can only go so far. The Board's good neighbor policy is good, but believes there should be an enforcement element. He also noted that 70% of water use is for landscaping and that is an area upon which the District should focus its efforts. He stated that he supports tiered rate plans such as the one used by Irvine Ranch Water District. He believes it rewards those who conserve and provides penalties to those who do not. He also commented on various marketing tools to help educate Mesa's customers.

There were no other speakers.

President Dewane asked if any verbal or written comments had been received regarding the proposed Water Conservation Program, Ordinance 21.

Administrative Services Manager Monteleone responded there were no telephone calls or written comments received on the subject.

There being no further comments from the public, President Dewane closed the Public Hearing.

MOTION 2009-74

Motion by Director Bockmiller, seconded by Director Atkinson, to adopt Ordinance 21 – Water Conservation Program. Motion passed by the following roll call vote.

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

I. CONSENT CALENDAR ITEMS:

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

- A. Approve minutes of regular Board meeting of July 28, 2009.
- B. Approve minutes of adjourned regular Board meeting of August 4, 2009.
- C. Approve minutes of regular Board meeting of August 11, 2009.

- D. Approve attendance considerations (additions, changes, deletions).
 - 1. ACWA Region 2 Program and Bus Tour: "Northern California's Critical Need for Surface Water Storage"; Sacramento, CA; Thursday, October 15, 2009.
- E. Board Schedule:
 - 1. Tentative Meeting Topics
 - 2. Conference, Seminars, and Meetings
 - 3. Board Calendar
- F. Approve a finding that the easement at 2180 Newport Boulevard, Costa Mesa, CA is surplus to the District and authorize the District Secretary to execute a vacation of the easement.
- G. Approve Change Order No. 1 with Carollo Engineers reducing the contract amount by \$91,087 to stop work on evaluating alternative treatment technologies and motive alternatives at Segerstrom Well No. 4 and perform pumping evaluations at Reade Well No. 5 and evaluate ozone addition at Reade Well, No. 5, Patrick Well No. 7 and Booth Well No. 8.
- H. Approve a professional services contract with Camp Dresser McKee, Inc., for an amount not to exceed \$100,000 to provide as-needed hydrogeologic services on a task order basis and authorize the General Manager to execute the contract.
- I. Receive the July 2009 Investment Transaction Report.
- J. Approve the write-off of \$48,253.55 in outstanding Fiscal Year 2008 accounts receivable and known uncollectible damage claims for Fiscal Year 2009.
- K. Approve proceeding with implementation of an electronic records management system and a contract with Atdoc, LLC for an amount not to exceed \$21,800 to write the request for proposal, assist with system selection, and negotiate the contract with the vendor.
- L. Approve letters in response to the Orange County Grand Jury reports: "Paper Water – Does Orange County Have a Reliable Future?" and "Water Districts: A New Era In Public Involvement."
- M. Approve an appropriation in the amount of \$23,095 from Working Capital Cash for the Auto and General Liability Insurance Program.

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

MOTION 2009-75

Motion by Director Bockmiller, seconded by Director Atkinson, to approve Items A–M of the Consent Calendar. Motion passed 4-0.

RECESS

President Dewane declared a recess at 7:20 p.m. The Board reconvened at 7:30 p.m.

II. PRESENTATION AND DISCUSSION ITEMS:

No Items.

III. ACTION ITEMS:

A. WATER CONSERVATION PUBLIC HEARING:

Subject taken at the beginning of the meeting.

B. BOARD DIVISION II VACANCY:

President Dewane welcomed the candidates who joined the meeting and offered that this is an open meeting and the candidates are allowed to stay in the Boardroom after their respective interview. The stated process allows each candidate an opportunity for unbiased responses. The candidates are asked to wait in the lobby until they are called into the Boardroom. Once a candidate has been interviewed, they are welcome to remain in the Boardroom. The candidates will be interviewed in the order in which their letter of interest was received at the District. Each candidate is allowed three minutes to discuss their background, qualifications, and why they are interested in becoming a Board member. The remaining seven minutes will be taken up with questions from the Board.

President Dewane noted that 20 candidates applied for the position. Some of the candidates were interviewed yesterday. After all the remaining candidates have been interviewed tonight, the Board will discuss the vacancy and possibly make its decision. As a reminder, a candidate must be a resident of Division II, a registered voter, and over 18 years of age in order to serve.

The candidates were interviewed in the following order:

- ◆ Richard Eggers
- ◆ W. Douglas Stewart
- ◆ Joyce M. Wilson

Director Bockmiller asked Mr. Anslow if the review of the candidates and Board deliberations should be conducted in Closed Session?

Attorney Anslow responded that appointments to the Board are required to be held in Open Session.

The Board conducted its deliberations to fill the vacant position. Each Director noted the strengths of the candidates and the competitiveness of the process.

Director Ohlig-Hall thanked the candidates for participating in the interview process. She noted that any interested candidates would have an opportunity to run in the 2010 general election. She also urged the candidates to get informed as there are numerous factors affecting our local water supply and asked them not to be discouraged by the Board's decision.

President Dewane made a motion, seconded by Director Ohlig-Hall, to appoint Jim Fisler immediately to the Board of Directors.

Director Bockmiller offered a substitute motion.

MOTION 2009-76

Motion by Director Bockmiller, seconded by President Dewane, to appoint Jim Fisler to the Mesa Consolidated Water District Board of Directors to fill the Division II vacancy created with the resignation of Paul E. Shoenberger contingent upon Mr. Fisler's resignation from the Costa Mesa Planning Commission and the oath of office to be administered before September 11, 2009. Motion passed 4-0.

Director Ohlig-Hall asked staff to send each candidate a thank you letter with an invitation to attend the Water Issues Study Group. The Board concurred with her recommendation.

RECESS

President Dewane declared a recess at 8:24 p.m. The Board reconvened at 8:33 p.m.

President Dewane announced that the Board of Directors was going into Closed Session at 8:33 p.m.

C. CLOSED SESSION:

1. PUBLIC EMPLOYEE APPOINTMENT
PURSUANT TO GOVERNMENT CODE SECTION 54957:
Title: General Manager

RECESS

President Dewane declared a recess at 9:00 p.m. The Board reconvened at 9:28 p.m.

RETURN TO OPEN SESSION.

The Board returned to Open Session at 9:29 p.m.

Attorney Anslow announced that the Board met in Closed Session pursuant to Government Code Section 54957 with the District's Labor Negotiators. The Board received information and an announcement would be made during Item D. District Management.

D. DISTRICT MANAGEMENT:

MOTION 2009-77

Motion by Director Atkinson, seconded by Director Bockmiller, to ratify and enter into an employment agreement between the District and Paul E. Shoenberger, P. E. for General Manager services. Motion passed 4-0.

The Board congratulated Mr. Shoenberger.

IV. REPORTS AND INFORMATION ITEMS:

A. REPORT OF THE GENERAL MANAGER:

1. Items of general interest:
 - ◆ July Key Indicators Report
 - ◆ Other
 - Administrative Services Manager Monteleone reported she would be out of the office August 31, 2009 and Financial Services Manager Beatley would oversee the District in her absence.

Due to the lateness of the hour, the Board received and filed Item B. Standing Committee Reports and Item C. Directors' Reports and Comments.

B. STANDING COMMITTEE REPORTS:

1. Director Bockmiller attended the following meeting:
 - a. Engineering and Operations Committee Meeting, 8/13
2. Director Ohlig-Hall:
 - a. Finance Committee Meeting, 8/20
 - The Committee reviewed disbursements to Directors and employees as reported on the "Accounts Paid Listing" per California Government Code Section 53065.5.

C. DIRECTORS' REPORTS AND COMMENTS:

1. Director Bockmiller attended the following meeting:
 - a. WACO Meeting, 8/7
 - b. Other
2. Director Ohlig-Hall attended the following meetings:
 - a. MWDOC Board Meeting, 8/19
 - b. The CA Water Challenge, 8/20
 - c. Assembly Select Committee Hearing, 8/21
 - d. A Delta Briefing & Call to Action, 8/21
 - e. Other
3. Director Atkinson attended the following meeting:
 - a. OCWD Meeting, 8/19
 - b. Other
3. President Dewane attended the following meetings:
 - a. Assembly Select Committee Hearing, 8/21
 - b. A Delta Briefing & Call to Action, 8/21
 - c. Other

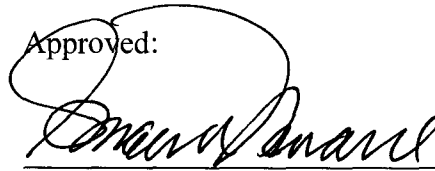
V. INFORMATION ITEMS:

A. ITEMS OF GENERAL INTEREST:

- ◆ Employee Wellness Program Update
- ◆ Groundwater Producers' Meeting Minutes, 8/12/09
- ◆ Thank you letter from Wilson Elementary School for bottled water donation, letter dated 8/6/09.

President Dewane adjourned the regular Board meeting at 9:31 p.m. to a regular Board meeting to be held on Tuesday, September 8, 2009 at 7:00 p.m.

Approved:



Shawn Dewane, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer