

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Wednesday, January 28, 2009
8:00 a.m. Adjourned Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on January 28, 2009, at 8:10 a.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Shoenberger led the Pledge of Allegiance.

ROLL CALL

District Secretary Monteleone called the roll.

Directors Present

Shawn Dewane, President
Fred R. Bockmiller, First Vice President (*arrived at 10:22 a.m.*)
James F. Atkinson, Vice President
Trudy Ohlig-Hall, Vice President
Paul E. Shoenberger, Vice President

Directors Absent

None

Staff Present

Lee Pearl, General Manager
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
Amanda Gavin, Public Information Specialist

Others Present

Darcy Burke, Director of Public Affairs, Municipal Water District
Orange County (MWDOC)
Joe Berg, Water Use Efficiency Program Manager, MWDOC
Adam D. Probolsky, Chairman/CEO, Probolsky Research LLC
Justin I. Wallin, Vice President, Probolsky Research LLC
Laer Pearce, President, Laer Pearce & Associates
Ben Boyce, Vice President, Laer Pearce & Associates
John Lewis, President, Lewis Consulting Group
Matt Holder, Executive Vice President, Lewis Consulting Group

PUBLIC COMMENTS

President Dewane invited members of the public to address the Board of Directors (Board) on matters that were not on the agenda.

President Dewane acknowledged Joe Berg, Water Use Efficiency Program Manager, MWDOC. Mr. Berg presented a letter of recognition to Conservation/Customer Service Coordinator Barry Carlson for assisting MWDOC and the City of Garden Grove to solve a high water use problem at a site.

The Board congratulated Mr. Carlson for his efforts.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

There were no items to be added, withdrawn, or reordered on the agenda.

I. DISCUSSION ITEMS:

A. GENERAL MANAGER'S UPDATE:

General Manager Pearl provided an update to the Board of Directors regarding major staff projects.

Staff is working with the cities of Newport Beach and Santa Ana and Irvine Ranch Water District on an emergency intertie project. The goal is to become better equipped to provide water in emergency situations.

The Board discussed the importance of attendance at Coastal Commission meetings regarding the Poseidon project. The Board directed staff to add Coastal Commission meetings to attendance considerations for the next Board meeting. The Board and staff will monitor the meeting agendas and attend as appropriate.

General Manager Pearl discussed with the Board that he was pursuing grant support services to possibly obtain funds for the Colored Water Treatment Facility. He noted that he would provide more information at the Board at the next Board meeting.

Mr. Pearl responded to questions from the Board.

B. CUSTOMER SURVEY RESULTS:

Adam Probolsky CEO, Probolsky Research LLC was introduced and proceeded with the results of the Customer Survey. He highlighted the following:

- ◆ Mesa is highly regarded
- ◆ Water quality received high marks
- ◆ Billing inserts are the number one source for information about water
- ◆ Respondents display a high degree of awareness regarding the water crisis
- ◆ Respondents indicate a willingness to engage in water conservation activities

- ◆ Respondents exhibit a high awareness of the Water Issues Study Group
- ◆ On-line bill pay is a good way to improve access to Mesa's website
- ◆ Three quarters of the customers believe their water bills are easy to read
- ◆ Renters are broadly less engaged primarily because they normally do not receive a water bill
- ◆ Half the customers indicated they preferred long-term infrastructure to be financed with higher rates rather than bonds or acquiring debt

Mr. Probolsky continued with his presentation noting that 50% of the respondents know Mesa provides their water. 65% of the customers had a favorable impression of Mesa. 4% reported unfavorable. 80% of the senior population has a favorable impression of Mesa. Mr. Probolsky continued reviewing the balance of the survey.

Throughout the presentation, Mr. Probolsky responded to questions from the Board. The Board thanked Mr. Probolsky for his presentation.

The agenda was re-ordered to take Item D prior to Item C.

D. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY SURVEY RESULTS:

General Manager Pearl introduced Darcy Burke, Director of Public Affairs, Municipal Water District of Orange County (MWDOC) who provided background on the MWDOC survey.

Ms. Burke began by explaining the aspects of coordinating a regional message on water conservation. She reported on information she has received from visiting water professionals from Australia who are in more dire straits than our region. As a point of interest, she noted that they have two minute shower timers whereas our region has 10 minute shower timers and outdoor irrigation has been cut back to one day a week by a bucket.

Regarding water conservation for our region, Metropolitan Water District of Southern California has set a voluntary call for conservation at 10%.

Ms. Burke introduced John Lewis of Lewis Consulting Group. He reported on the survey his firm conducted for MWDOC dealing with water reliability, water policy, and water conservation issues. Mr. Lewis highlighted the survey results.

The Board thanked Ms. Burke and Mr. Lewis for their participation in the Board Workshop.

RECESS

President Dewane declared a recess at 11:50 p.m. The Board meeting reconvened at 12:20 p.m.

C. DISTRICT MARKETING AND BRANDING:

President Dewane introduced Laer Pearce, who proceeded with a discussion relative to marketing and branding.

Mr. Pearce highlighted the following:

- ◆ Printed material, local district newsletters and newspapers, are primary sources for information on water education
- ◆ The challenge is to increase awareness with Mesa's customer base
- ◆ Develop a message deck – all messages should be consistent
- ◆ Provide opportunities to conserve; i.e. pick one plant a month and work with home improvement centers and nurseries to promote the idea
- ◆ Develop tools the consumer can use to meet the goal of water conservation and district awareness
- ◆ Put people into action by employing good communication
- ◆ Enhance the newsletter and website
- ◆ E-mail customers as a way to distribute information

Director Ohlig-Hall noted that the Board should be sensitive and to consider the economy and people losing jobs, etc. She is concerned that Mesa is spending funds in areas (branding and marketing, etc) to discover ways to improve Mesa's image and communication with its customers when staff may have the resources rather than outsourcing, or to consider delaying the projects until a time when there is greater fiscal stability.

Director Shoenberger noted that he believes the services being provided under the Laer Pearce & Associates contract will be valuable as Mesa moves forward in outreach projects. He noted that there is a need to develop consistent messages to the customer that are positive and have a greater chance of reaching the customer than the current measures.

General Manager Pearl noted that Mesa has been doing a good job, but needs to focus its messages and work harder at communication with the customer. A goal for the consultant could be to develop and refine the Board's communication goals.

Director Atkinson offered comments supporting the efforts of the consultant. He suggested that possible use of a blog as a way to get the messages to the customer.

Director Shoenberger reviewed several survey results noting that Mesa needs to develop a higher public awareness. As noted in the Mesa survey, only 50% of those surveyed knew that Mesa is their water district.

The Board thanked Mr. Pearce for his contributions to the Board Workshop.

D. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY SURVEY RESULTS:

This item was taken earlier in the agenda.

RECESS

President Dewane declared a recess at 1:08 p.m. The Board meeting reconvened at 1:21 p.m.

E. BOARD POLICIES:

Administrative Services Manager Monteleone reviewed the list of Board Policies. The Directors directed that the Board Policies would be assigned to the appropriate committee to review, keep current, and suggest recommendations for changes.

Director Shoenberger suggested that the rotation of the President and Vice President be discussed at the Executive Committee and formalizing the process in the Board Protocols. Director Ohlig-Hall recommended that the Past President be an alternate to the Executive Committee.

II. DIRECTORS' COMMENTS:

The Directors dismissed the Directors' Comments.

President Dewane adjourned the meeting at 2:35 p.m. to a regular Board meeting to be held on Tuesday, February 10, 2009 at 7:00 p.m.

Approved:



Fred R. Bockmiller, First Vice President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer