

**BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA 92627
Tuesday, May 11, 2010
7:00 p.m. Regular Board Meeting**

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Non-Agendized Matters: Members of the public are invited to address the Board on matters, which are not on the Agenda. Each speaker is limited to three (3) minutes. The Board will set aside thirty (30) minutes for public comments.

Agendized Matters: Members of the public may comment on Agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to five (5) minutes.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA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

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 special Board meeting of April 23, 2010.
- B. Approve minutes of regular Board meeting of April 27, 2010.
- C. Approve attendance considerations (additions, changes, deletions).
- D. Board Schedule:
 - 1. Tentative Meeting Topics
 - 2. Conference, Seminars, and Meetings
 - 3. Board Calendar

PRESENTATION AND DISCUSSION ITEMS:

- A. LANDSCAPE ARCHITECT:

Recommendation: Receive the presentation.

- B. INTRODUCTION AND DELIVERY OF THE PROPOSED FISCAL YEAR 2011 BUDGET:

Recommendation: Receive the Proposed FY11 Budget document and introductory presentation by the General Manager, and prepare for the budget discussion on May 25, 2011.

ACTION ITEMS:

No Items.

Mission: Dedicated to satisfying our community's water needs

REPORTS AND INFORMATION ITEMS:

A. REPORT OF THE GENERAL MANAGER:

1. Items of general interest:
 - ◆ Other

B. DIRECTORS' REPORTS AND COMMENTS:

1. Director Atkinson:
 - a. ACWA Spring Conference, 5/5 – 5/7
2. Director Ohlig-Hall:
 - a. OCWD Meeting, 5/5
3. Director Bockmiller:
 - a. ACWA/JPIA Spring Conference, 5/3 & 5/4
 - b. ACWA Spring Conference, 5/5 – 5/7
4. Director Fisler:
 - a. MWDOC/OCWD Jt. Planning Committee Meeting, 4/28
 - b. ACWA Spring Conference, 5/5 – 5/7
5. President Dewane:
 - a. ISDOC Quarterly Meeting, 4/29
 - b. ACWA Spring Conference, 5/5 – 5/7

ACTION ITEMS (continued)

A. 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

RETURN TO OPEN SESSION.

INFORMATION ITEMS:

A. ITEMS OF GENERAL INTEREST:

1. General Manager's Weekly Reports
2. Water Conservation Forum
3. Groundwater Producers' Meeting Minutes for April 14, 2010

ADJOURN TO AN ADJOURNED REGULAR BOARD MEETING TO BE HELD ON TUESDAY, MAY 17, 2010 AT 7:00 P.M. FOR THE PURPOSE OF WATER ISSUES STUDY GROUP ALUMNI MEETING.

THE NEXT REGULAR BOARD MEETING WILL BE HELD ON TUESDAY, MAY 25, 2010 AT 7:00 P.M.

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 contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa to make reasonable arrangements to accommodate your requests.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available in the Boardroom.

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Friday, April 23, 2010
3:00 p.m. Special Board Meeting**

Unapproved

CALL TO ORDER

The meeting of the Board of Directors was called to order on April 23, 2010 at 3:06 p.m. by Acting President Atkinson at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Fisler led the Pledge of Allegiance.

Directors Present

Shawn Dewane, President (arrived at 3:32 p.m.)
Fred R. Bockmiller, First Vice President (arrived at 3:27 p.m.)
James F. Atkinson, Vice President
Jim Fisler, Vice President
Trudy Ohlig-Hall, Vice President

Directors Absent

None

Staff Present

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

Others Present

Roger Faubel, Faubel Public Affairs
Brian Lochrie, Faubel Public Affairs

PUBLIC COMMENTS

Acting President Atkinson invited members of the public to address the Board of Directors (Board) on matters that were not on the agenda. There being none, Acting President Atkinson 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. ACTION ITEMS:

A. 50th ANNIVERSARY HISTORICAL BOOK:

Administrative Services Manager Monteleone reported that staff has gathered materials and documents including past newsletters and press releases and historical and current photos to be included in the 50th Anniversary Historical Book. She explained the process used in the selection of the consultant.

Director Ohlig-Hall asked if hiring Faubel would warrant a new selection for the publisher. Ms. Monteleone replied that Donning Publisher was previously approved by the Board and would continue with the project.

Director Ohlig-Hall inquired to the schedule for the completion of the book. Ms. Monteleone replied that if Faubel Public Affairs were approved then a meeting would be scheduled with staff and Faubel Public Affairs to further discuss the schedule and dates of the project.

Mr. Faubel provided an overview of his company to the Board. He noted Mr. Lochrie would be the project manager for the project.

Ms. Monteleone noted that Mesa has received \$4,200 in donations to help defray the cost of the book.

Director Atkinson inquired to whether staff has approached MWDOC or OCWD for donations. Ms. Monteleone responded that MWDOC assisted staff with receiving \$2,000 from Met and OCWD had been asked.

Attorney Anslow commented that due to the long standing relationship with Mesa his firm would make a contribution to Mesa for the 50th Anniversary Historical Book.

MOTION 2010-40

Motion by Director Ohlig-Hall, seconded by Director Fisler, to approve Faubel Public Affairs to provide draft content and manage the design, review, and production process with the publisher for the historical book in an amount not to exceed \$20,000. Motion passed 3-0-2 with President Dewane and Director Bockmiller absent.

The Board took the opportunity to review the documentation and photographs that were on display in the Boardroom.

Director Bockmiller arrived at 3:27 p.m.

President Dewane arrived at 3:32 p.m.

President Dewane asked if the Board had any additional questions for the consultant. There were none.

Unapproved

B. CLOSED SESSION:

President Dewane announced that the Board of Directors was going into Closed Session at 3:35 p.m.

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 an outside company for purposes of delivering desalinated potable water to other agencies.

RETURN TO OPEN SESSION.

The Board returned to Open Session at 4:50 p.m.

Attorney Anslow announced that the Board conducted one Closed Session with the General Manager, District Engineer and Legal Counsel. The Closed Session was conducted pursuant to Government Code Section 54956.8. The Board received information, gave direction and no other announcement was made.

II. DIRECTORS' COMMENTS:

A. DIRECTORS' COMMENTS: None

1. Director Atkinson:
2. Director Ohlig-Hall:
3. Director Fisler:
4. Director Bockmiller:
5. President Dewane:

President Dewane adjourned the regular Board meeting at 4:51 p.m. to the regular Board meeting scheduled for Tuesday, April 27, 2010 at 7:00 p.m.

Approved:

Shawn Dewane, President

Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Tuesday, April 27, 2010
7:00 p.m. Regular Board Meeting**

Unapproved

CALL TO ORDER

The meeting of the Board of Directors was called to order on April 27, 2010 at 7:00 p.m. by Acting President Bockmiller at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Ohlig-Hall led the Pledge of Allegiance.

Directors Present

Fred R. Bockmiller, First Vice President
James F. Atkinson, Vice President
Jim Fisler, Vice President
Trudy Ohlig-Hall, Vice President

Directors Absent

Shawn Dewane, 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
Kurt Lind, Senior Management Analyst
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

Christopher Townsend, Townsend Public Affairs, Inc.
Heather Dion-Stratman, Townsend Public Affairs, Inc.

PUBLIC COMMENTS

Acting President Bockmiller invited members of the public to address the Board of Directors (Board) on matters that were not on the agenda. There being none, Acting President Bockmiller proceeded with the meeting.

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

General Manager Shoenberger noted there was one item to be added to the agenda: ACWA/JPIA Board Member Election to the Executive Committee, May 3, 2010 to be added as ACTION ITEM: B.

MOTION 2010-41

Motion by Director Atkinson, seconded by Director Fisler, to add the ACWA/JPIA Election to the agenda as the matter arose after the agenda was posted and action is required prior to the next Board Meeting. Motion passed 4-0-1 with President Dewane absent.

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.

Director Ohlig-Hall pulled item A. There were no objections.

- A. Approve minutes of regular Board meeting of April 13, 2010.
- B. Approve attendance considerations (additions, changes, deletions).
- C. Board Schedule:
 - 1. Tentative Meeting Topics
 - 2. Conference, Seminars, and Meetings
 - 3. Board Calendar
- D. Receive the March 2010 Investment Transaction Report.
- E. Declare certain property as surplus and authorize the General Manager to dispose of the property within the established rules and regulations set forth by Resolution No. 1388.
- F. Approve a one-year agreement with EnerNOC to provide an Energy Demand Response Program that could net Mesa up to \$20,282 in demand response rebates.
- G. Deny Claim of Claim Jumper Restaurants, Mesa Claim No. 02-10 and refer it to ACWA/Joint Powers Insurance Authority for handling.

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

MOTION 2010-42

Motion by Director Atkinson, seconded by Director Fisler, to approved items B through G of the Consent Calendar. Motion passed 4-0-1 with President Dewane absent.

Item A – Approve minutes of regular Board meeting of April 13, 2010.

Director Ohlig-Hall asked about the way the Board made its decision to retain the name of the Annual Board Breakfast. She noted that the Board did not take an action on the item at its last meeting, but did reach a consensus to retain the name of the breakfast as Annual Board Breakfast.

A discussion ensued and the Board agreed that no further action was needed.

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

MOTION 2010-43

Motion by Director Ohlig-Hall, seconded by Director Fisler, to approved item A of the Consent Calendar. Motion passed 4-0-1 with President Dewane absent.

PRESENTATION AND DISCUSSION ITEMS:

A. TOWNSEND PUBLIC AFFAIRS UPDATE:

General Manager Shoenberger introduced Heather Dion-Stratman. He noted that Townsend Public Affairs, Inc. (TPA) is the District's funding advocate for the Colored Water Treatment Facility (CWTF). Ms. Dion-Stratman provided an update on their efforts to obtain federal and state funding for the CWTF.

Ms. Dion-Stratman proceeded with the update and informed the Board of the firm's efforts to obtain funds for the CWTF project. She noted that in February many meetings were held in Washington D.C. including:

- ◆ Representative Dana Rohrabacher
- ◆ Representative Ken Calvert
- ◆ Office of Representative Jerry Lewis
- ◆ Office of Senator Diane Feinstein
- ◆ Office of Senator Barbara Boxer
- ◆ Senate Energy and Water Subcommittee on Appropriations
- ◆ House Energy and Water Subcommittee on Appropriations

Director Ohlig-Hall asked that the agenda be re-ordered to take the State Water Bond-The Safe, Clean, and Reliable Drinking Water Act Of 2010 so that Ms. Dion-Stratman and Mr. Townsend could provide the Board with information. There were no objections.

ACTION ITEMS:

A. STATE WATER BOND – THE SAFE, CLEAN, AND RELIABLE DRINKING WATER ACT OF 2010:

Ms. Dion-Stratman proceeded with an update. Ms. Stratman reported the State Water Bond was a legislative measure (SBX7-2) signed by Governor Schwarzenegger in November 2009. This is an \$11.14 billion general obligation bond that will appear on the November 2010 ballot for voter consideration. It would provide funding for California's water infrastructure and projects and programs to address ecosystem and water supply issues in California. She continued with a review of the conditions and debt repayment and reviewed the Bay Delta Conservation Plan.

It was noted that the Bond makes provisions for the following water issues:

- ◆ Conservation Watershed Protection
- ◆ Drought Relief
- ◆ Delta Sustainability
- ◆ Water Supply Reliability
- ◆ Statewide Water Systems Operational Improvement
- ◆ Groundwater Protection and Water Quality
- ◆ Water Recycling and Water Conservation

Ms. Dion-Stratman responded to questions from the Board. She noted that a preliminary estimate by the California Department of Water Resources (DWR) indicates that the South Coast Hydrologic Region, which includes Orange and parts of Los Angeles, Riverside, San Bernardino, San Diego and Ventura Counties, will receive funding in the following areas:

- ◆ \$413 million for Water Supply Reliability programs and projects
- ◆ \$443 million in additional funding for specified South Coast programs and projects
- ◆ Eligible for a share of \$6.38 billion in other regional and statewide funding for water management programs and projects

Mr. Townsend reviewed various requirements in the Bond, the proposed convenience system and the complexities of the process. Mr. Townsend clarified that the Bond does not deliver or guarantee new water from Northern California to Southern California. It can guarantee that new water sources will be available within southern California through recycling and recovery processes.

The Board discussed the position the Board may take on the Bond. ACWA's Guidelines for Public Agencies Regarding Ballot Measures was reviewed.

MOTION 2010-44

Motion by Director Atkinson, seconded by Director Ohlig-Hall, to take a supporting position for The Safe, Clean and Reliable Drinking Water Act of 2010, direct staff to develop a resolution in support of the Act and prepare talking points which may be used when Directors address the public on the topic. Motion passed 4-0-1 with President Dewane absent.

The Board thanked Mr. Townsend and Ms. Dion-Stratman for their presentation.

RECESS

Acting President Bockmiller declared a recess at 7:51 p.m. The Board of Directors meeting reconvened at 8:01 p.m.

PRESENTATION AND DISCUSSION ITEMS:

B. WATER OPERATIONS ACTION PLAN UPDATE:

General Manager Shoenberger reported that in 2006 Mesa's staff performed a management and efficiency review of water operations and provided 41 recommendations. A number of items were recommended to increase efficiencies. The report was provided and discussed at a recent Engineering and Operations Committee. The report is included in tonight's packet for the Directors.

Operations Manager Jerry Vilander introduced Senior Management Analyst Kurt Lind who proceeded with an update on the action plan for water operations improvement. Mr. Lind reported that 22 of the recommendations have been completed, 19 are in process, two require management review and one recommendation remains under consideration. The remaining recommendations are related to utilizing technology, training and coaching supervisors and staff in work scheduling and using the information to improve operations.

Mr. Lind highlighted various processes implemented to improve efficiencies.

ACTION ITEMS:

- A. STATE WATER BOND – THE SAFE, CLEAN, AND RELIABLE DRINKING WATER ACT OF 2010

This item was taken prior to Presentation and Discussion Items.

- B. ACWA/JPIA Board Member Election; May 3, 2010; Monterey, CA

MOTION 2010-45

Motion by Director Ohlig-Hall, seconded by Director Atkinson, to support Joan Finnegan's candidacy for ACWA/JPIA's Office of President. Motion passed 4-0-1 with President Dewane absent.

MOTION 2010-46

Motion by Director Atkinson, seconded by Director Ohlig-Hall, to authorize Mesa's ACWA/JPIA representative to vote his conscience for the Office of Vice President and in subsequent rounds of voting for the position of President. Motion passed 4-0-1 with President Dewane absent.

REPORTS AND INFORMATION ITEMS:

- A. REPORT OF THE GENERAL MANAGER:

1. March Key Indicators Report
2. Items of general interest:
 - ◆ Other
 - Job shadowing continued with the buyer, Lori Muller.
 - ACWA itinerary packages were distributed to the Board.
 - At the ACWA/JPIA Conference on Wednesday, there is a Cal Desal Mixer from 4:00 p.m. to 5:30 p.m.
 - The State has released funding for Brown Act compliance. Within the next 18 months, Mesa should receive a reimbursement of about \$50,000 which covers the past three years.
 - Mesa is advertising for two staff positions: a part-time office assistance and a Communications Manager.
 - Orange County Water District set its Basin Pumping Percentage (BPP) at 62% and the Replenishment Assessment (RA) was set at \$249 per acre foot.
 - The Strategic Planning Workshop was scheduled for May 27, 2010 beginning at 3:30 p.m. which created a conflict with the Finance Committee Meeting. The Finance Committee meeting was rescheduled to May 28, 2010 at 9:00 a.m.

- B. STANDING COMMITTEE REPORTS:

1. Director Atkinson reported on the following meeting:
 - a. Finance Committee Meeting, 4/15
The Committee reviewed disbursements to Directors and employees as reported on the Accounts Paid Listing" per California Government Code Section 53065.5.

Director Atkinson offered that the Director's monthly reimbursement for communication devices, printer/fax, fax line, internet service and related supplies will be a taxable item.

MOTION 2010-47

Motion by Director Bockmiller, seconded by Director Ohlig-Hall, to add the Director Communication Policy to the agenda as the matter arose after the agenda was posted and action is required prior to the next Board Meeting. Motion passed 4-0-1 with President Dewane absent.

The Board discussed Resolution 1392, which was adopted at the April 13, 2010 Board meeting. It was noted that the issue of the reimbursement being categorized as taxable income was not presented to the Board for consideration.

MOTION 2010-48

Motion by Director Bockmiller, seconded by Director Fisler, to suspend the implementation of the Communications Equipment and Service Policy (Resolution 1392) and direct staff to bring the item back to the Board for review regarding the taxable status of reimbursable items. Motion passed 4-0-1 with President Dewane absent.

2. Director Ohlig-Hall reported on the following meeting:
 - a. City/Districts Liaison Meeting, 4/16
3. Director Bockmiller reported for on the following meeting:
 - a. Executive Committee Meeting, 4/20

C. DIRECTORS' REPORTS AND COMMENTS:

1. Director Atkinson reported on the following meetings:
 - a. Costa Mesa Chamber of Commerce Meeting, 4/15
 - b. OCWD Meeting, 4/21
 - c. Other
2. Director Ohlig-Hall reported on the following meetings:
 - a. MWDOC Public Affairs & Legislation Committee Meeting, 4/19
 - b. MWDOC Meeting, 4/21
 - c. Costa Mesa Chamber of Commerce Meeting, 4/15
 - d. Water Issues Study Group Meeting, 4/21
 - e. Spring Garden Show, 4/22 & 4/24
 - f. Other
3. Director Fisler reported on the following meetings:
 - a. LAFCO Meeting, 4/14
 - b. Costa Mesa Chamber of Commerce Meeting, 4/15
 - c. Other
4. Director Bockmiller:
 - a. Other

5. President Dewane not present at this meeting to report on the following meeting:
 - a. Costa Mesa Chamber of Commerce Meeting, 4/15
 - b. Other

ACTION ITEMS: (continued)

Acting President Bockmiller announced the Board of Directors was going into Closed Session at 9:10 p.m.

C. 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

The Closed Session was not conducted for item 2.

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS –
PURSUANT TO GOVERNMENT CODE SECTION 54956.8:
Property: 1965 Placentia Avenue
District Negotiator: General Manager
Negotiating Parties: Costa Mesa Sanitary District
Under Negotiation: Possible use of district facilities for purposes of fleet maintenance

RETURN TO OPEN SESSION.

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

Attorney Anslow announced the Board conducted one Closed Session pursuant to Government Code Section 54956.8. The Board received information, gave direction and no other announcement was made.

INFORMATION ITEMS:

- A. ITEMS OF GENERAL INTEREST:
 1. General Manager's Weekly Reports

Unapproved

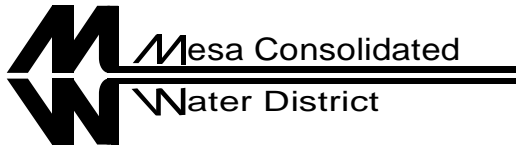
Acting President Bockmiller adjourned the regular Board meeting at 9:33 p.m. to the regular Board meeting scheduled for Tuesday, May 11, 2010 at 7:00 p.m.

Approved:

Shawn Dewane, President

Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer



MEMORANDUM

TO: Board of Directors

FROM: Paul E. Shoenberger, P.E.
General Manager

DATE: May 11, 2010

SUBJECT: Attendance at Conferences, Seminars, Meetings, and Events

RECOMMENDATION

In accordance with Ordinance No. 20, adopted October 28, 2008, authorize attendance at conferences, seminars, meetings, and events.

Proposed List:

None.

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

There is no financial impact as there are no events for attendance consideration.

BOARD SCHEDULE:

1. 2010 TENTATIVE MEETING TOPICS:

May 25, 2010
Introduction of the Next FY Budget
3 rd Quarter Financial Report
Monthly Investment Transactions
Colored Water Treatment Facility Construction Manager Contract Award
April Key Indicators Report
Share Our Selves – Memorandum of Understanding
Effective Board Governance
Procedures for Meetings of the Board of Directors Update
General Business
June 9, 2010 @ 7 a.m.
Annual Board Breakfast
June 8, 2010
July/August Newsletter
Budget Discussion
Procedures for Meetings of the Board of Directors Update
General Business
June 16, 2010 at Colored Water Treatment Facility
Water Issues Study Group Graduation – All Directors
June 22, 2010
Budget Discussion
Monthly Investment Transactions
May Key Indicators Report
Lon W. House AMR Presentation
General Business
July 13, 2010
General Business

BOARD SCHEDULE:

July 27, 2010
Water Quality Regulatory Update
Monthly Investment Transactions
June Key Indicators Report
General Business
August 10, 2010
September/October Newsletter
General Business
August 24, 2010
Write-off Uncollectible Receivables
Statement of Investment Policy
Monthly Investment Transactions
July Key Indicators Report
General Business
September 14, 2010
General Business
September 28, 2010
Preliminary FY Year-End Financial Report
Monthly Investment Transactions
August Key Indicators Report
General Business
September/October
Board Mid-Year Workshop
October 12, 2010
November/December Newsletter
General Business
October 26, 2010
Disposal of District Surplus Property
September Key Indicators Report
Monthly Investment Transactions
General Business
November 9, 2010
General Business

BOARD SCHEDULE:

November 23, 2010
Report of the Outside Auditors
Final FY Year-End Financial Report
October Key Indicators Report
Monthly Investment Transactions
General Business
December
Employee Recognition Event
December 14, 2010
Oath of Office to Elected & Re-Elected Directors
Reorganization of Board of Directors
Confirm District Officers
January/February Newsletter
General Business
December 28, 2010
1 st Quarter Financial Results
Annual Board Workshop Planning
Monthly Investment Transactions
November Key Indicators Report
General Business

2. 2010 CONFERENCES, SEMINARS, AND MEETINGS:

May 14, 2010	Board approved 02/19/10
O.C. Water Summit	(Atkinson, Fisler)
Anaheim, CA	
June 2010	Board approved 02/19/10
Chapman University Economics & Business Forecast Update	
Orange, CA	
June 20 – 24, 2010	Board approved 02/19/10
AWWA Annual Conference	(Ohlig-Hall)
Chicago, IL	
July 5 – 23, 2010	Board approved 02/19/10
Harvard University’s John F. Kennedy School of Government	(Bockmiller)
Cambridge, MA	
July 12 – 15, 2010	Board approved 02/19/10
American Membrane Technology Association Annual Conference	
San Diego, CA	
September 20 – 23, 2010	Board approved 02/19/10
CSDA Annual Conference	
Newport Beach, CA	
October 5 – 8, 2010	Board approved 02/19/10
CA/NV-AWWA Fall Conference	
Sacramento, CA	
November 29 – 30, 2010	Board approved 02/19/10
ACWA & JPIA Fall Conference	
Indian Wells, CA	
December 2010	Board approved 02/19/10
Chapman University Economics & Business Forecast Update	
Orange, CA	
December 2010	Board approved 02/19/10
CRWUA Annual Conference	
Las Vegas, NV	
December 1 - 3, 2010	Board approved 02/19/10
ACWA Fall Conference	
Indian Wells, CA	

May 2010

Updated: May 6, 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
DEWANE OUT-OF-TOWN 4/24—5/1						1
2	3	4 ISDOC 7:30 AM WOMEN IN WATER 5:30—7 PM (Ohlig-Hall)	5 Jt. MWDOC 8:30 AM OCWD 5 PM (Ohlig-Hall)	6	7	8
OHLIG-HALL OUT-OF-TOWN 5/7—5/21	ACWA/JPIA SPRING CONFERENCE; MONTEREY, CA; MAY 3—4, 2010 (Bockmiller)		ACWA SPRING CONFERENCE; MONTEREY, CA; MAY 5—7, 2010 (Dewane, Bockmiller, Atkinson, Fisler)		PAY PERIOD ENDS	
9	10	11	12	13	14	15
OHLIG-HALL OUT-OF-TOWN 5/7—5/21		CSDA SPECIAL DISTRICTS LEGISLATIVE DAYS; SACRAMENTO, CA; MAY 11—12, 2010 MESA BOARD MTG 7 PM	LAFCO 9 AM (Fisler) PAY DAY	E & O COMM 3:30 PM (Atkinson & Bockmiller)	WACO 7:30 AM (Atkinson) O.C. WATER SUMMIT; ANAHEIM, CA (Atkinson, Fisler)	
16	17	18	19	20	21	22
OHLIG-HALL OUT-OF-TOWN 5/7—5/21	MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM	EXEC COMM 3:30 PM (Dewane & Bockmiller) WISG ALUMNI MTG 7 PM (Mesa) CITY COUNCIL 5 PM	MWDOC 8:30 AM (Fisler—Alternate) OCWD 5 PM (Atkinson) WISG 7 PM		PAY PERIOD ENDS	
23	24	25	26	27	28	29
		MESA BOARD MTG 7 PM	MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Ohlig-Hall) MESA WATER CONSERVATION FORUM 10 AM—Noon PAY DAY	STRATEGIC PLAN WORKSHOP 3:30—5 PM	FIN COMM 9 AM (Ohlig-Hall & Atkinson)	
30	31					
	MEMORIAL DAY DISTRICT HOLIDAY					

June 2010

Updated: May 6, 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 ISDOC 7:30 AM (Dewane) CITY COUNCIL 5 PM	2 Jt. MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson)	3 MESA TOUR 8:30—1 PM	4 WACO 7:30 AM (Atkinson) PAY PERIOD ENDS	5
6	7 PIC 3:30 PM (Dewane & Fislser)	8 MESA BOARD MTG 7 PM	9 BOARD BREAKFAST 7 AM (All) LAFCO 9 AM (Fislser) PAY DAY	10 E & O COMM 3:30 PM (Atkinson & Bockmiller)	11	12
13	14 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM (Ohlig-Hall)	15 EXEC COMM 3:30 PM (Dewane & Bockmiller) CITY COUNCIL 5 PM	16 MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson) WISG 7 PM CWTF (All)	17 FIN COMM 9 AM (Atkinson & Ohlig-Hall)	18 PAY PERIOD ENDS	19
20	21	22	23 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Ohlig-Hall)	24	25 SOUTHERN CA WATER COMM QTRLY MTG; TBD 10 AM – 2 PM (Dewane)	26
		AWWA ANNUAL CONFERENCE; CHICAGO, IL; JUNE 20—24, 2010 (Ohlig-Hall)				
		MESA BOARD MTG 7 PM	PAY DAY			
27	28	29	30			

July 2010

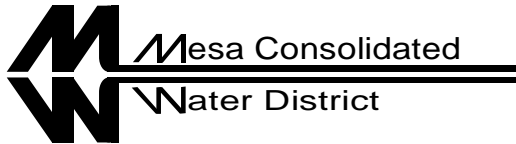
Updated: May 6, 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
					PAY PERIOD ENDS	
4	5 INDEPENDENCE DAY DISTRICT HOLIDAY	6 ISDOC 7:30 AM (Dewane) CITY COUNCIL 5 PM	7 Jt. MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson) PAY DAY	8 E & O COMM 3:30 PM (Atkinson & Bockmiller)	9 WACO 7:30 AM (Atkinson) CITY/DISTRICTS LIAISON COMM MTG; Mesa; 8 AM (Dewane & Bockmiller)	10
HARVARD JFK SCHOOL OF GOVERNANCE; CAMBRIDGE, MA; JULY 5—23, 2010 (Bockmiller)						
11	12	13	14 LAFCO 9 AM (Fisler)	15 FIN COMM 9 AM (Atkinson & Ohlig-Hall)	16	17
HARVARD JFK SCHOOL OF GOVERNANCE; CAMBRIDGE, MA; JULY 5—23, 2010 (Bockmiller)		MESA BOARD MTG 7 PM			PAY PERIOD ENDS	
18	19 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM (Ohlig-Hall)	20 EXEC COMM 3:30 PM (Dewane & Bockmiller) CITY COUNCIL 5 PM	21 MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson) PAY DAY	22	23	24
HARVARD JFK SCHOOL OF GOVERNANCE; CAMBRIDGE, MA; JULY 5—23, 2010 (Bockmiller)				AMERICAN MEMBRANE TECHNOLOGY ASSOCIATION; SAN DIEGO, CA; JULY 12—15, 2010		
25	26	27	28 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Ohlig-Hall) MESA BOARD MTG 7 PM	29 ISDOC QUARTERLY MTG 11:30 AM — 1 PM (Dewane)	30	31
					PAY PERIOD ENDS	

August 2010

Updated: May 6, 2010

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 PIC 3:30 PM (Dewane & Fisler)	3 ISDOC 7:30 AM (Dewane) CITY COUNCIL 5 PM	4 Jt. MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson) PAY DAY	5	6 WACO 7:30 AM (Atkinson)	7
8	9	10 MESA BOARD MTG 7 PM	11 LAFCO 9 AM (Fisler)	12 E & O COMM 3:30 PM (Atkinson & Bockmiller)	13 PAY PERIOD ENDS	14
15	16 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM (Ohlig-Hall)	17 EXEC COMM 3:30 PM (Dewane & Bockmiller) CITY COUNCIL 5 PM	18 MWDOC 8:30 AM (Ohlig-Hall) OCWD 5 PM (Atkinson) PAY DAY	19 FIN COMM 9 AM (Atkinson & Ohlig-Hall)	20	21
22 DEWANE OUT-OF-TOWN 8/22—8/30	23	24 MESA BOARD MTG 7 PM	25 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Ohlig-Hall)	26	27 PAY PERIOD ENDS	28
29 DEWANE OUT-OF-TOWN 8/22—8/30	30	31				



MEMORANDUM

TO: Board of Directors

FROM: Paul E. Shoenberger, P.E.
General Manager

DATE: May 11, 2010

SUBJECT: Colored Water Treatment Facility Landscape Architect Presentation

RECOMMENDATION

Receive the presentation.

PRIOR BOARD DISCUSSION/ACTION

03-23-10 Board of Directors meeting: Approved contract Clark & Green Associates

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa and about water.

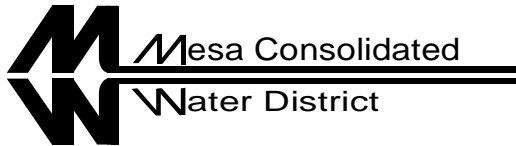
DISCUSSION

Mr. Bob Clark of Clark & Green Associates, and Mr. Guy Stivers of Stivers and Associates will provide a presentation regarding the Colored Water Treatment Facility interpretative landscape project and answer questions of the Board. The presentation will highlight the following points:

- Story of ancient waters and redwoods
- Stewardship – Leadership in Resource Management
 - Living soils for sustainability
 - Water and energy conservation
 - Resource conserving plant palette featuring southern California native plant communities, riparian woodland, coastal sage and chaparral, and grassland community
 - California friendly/succulent plant palette

FINANCIAL IMPACT

There is no financial impact for the presentation.



MEMORANDUM

TO: Board of Directors

FROM: Paul E. Shoenberger, P.E.
General Manager

DATE: May 11, 2010

SUBJECT: Introduction and Delivery of the Proposed Fiscal Year 2011 Budget

RECOMMENDATION

Receive the Proposed FY11 Budget document and introductory presentation by the General Manager.

STRATEGIC PLAN

Goal #3 – Be financially responsible and maintain competitive rates.

DISCUSSION

Over the past several months, staff has been preparing the Proposed FY11 Budget. During the month of April staff met with the Engineering and Operations Committee regarding proposed capital expenditures, the Finance Committee to review and discuss proposed revenues and expenses, and the Executive Committee regarding personnel.

Prior to the Committees reviewing the Proposed FY11 Budget, the General Manager met with staff to review the line items of the individual department budgets. During that review process staff focused in on two primary points used to develop the budget. The first was that the revenues were primarily driven by the previously adopted rate of \$2.70 per ccf and the changes in the per meter connection effective July 1, 2010.

The second was the guidelines for the Number of Days Cash (Days Cash) benchmark that was approved by the Board of Directors (Board) at the October 30, 2009 workshop. At that workshop the Board directed staff to maintain the District's AA rating over the next two years (FY11 and FY12) and to achieve a strong AAA over the next five years (FY13 – FY17). To maintain the AA rating a minimum of 282 Days Cash is required. As proposed, the FY11 Budget expects to achieve 282 Days Cash by the end of the fiscal year.

The following is a summary of the Committee review process.

On April 8, 2010, Capital Expenditures were reviewed with the Engineering & Operations (E & O) Committee. Capital Expenditures are proposed to increase \$3.32 million (43%) over FY10. The primary driver for this increase is the CWTF Technology Replacement and Expansion.

On April 15, 2010, Revenues and Expenses were reviewed and discussed with the Finance Committee. Staff provided the following information:

Water Sales Revenues are proposed to increase \$1.78 million (7%) over FY10. While water sales are expected to remain at the FY10 estimated year end levels (approximately 2% lower than the Adopted FY10 Budget) the impacts of the adopted rate increases are the primary driver for the increase.

Other Operating Revenues are proposed to increase \$0.19 million (4%) over FY10. The expected increase is primarily driven by expected water sales to Huntington Beach which and is offset by a decrease in LRP Revenue because the CWTF will be shut down for the last half of FY11.

Non-Operating Revenues are proposed to decrease \$0.43 million (43%) which is primarily driven by continued declines in the number of local development projects.

Expenses are proposed to increase \$0.94 million (6%) which is primarily driven by the sale of additional water to Huntington Beach and the need to purchase Imported Water while the CWTF is shut down.

Financial Obligations are proposed to decrease \$0.53 million (16%) primarily due to the maturity of the CalPERS Past Service Loan and the deferral of payments on debt to be issued for the CWTF project. Through the use of capitalized interest, the first principal payment for the new debt will not be scheduled until 2012.

On April 20, 2010, Compensation and Personnel were discussed with the Executive Committee. Staff provided the following information:

Total Labor and Benefits are proposed to increase \$0.47 million (6%) which is primarily driven by staff changes. The budget anticipates the hiring of a manager level position and one intern to support the department. Other staffing changes were the addition of an Administrative Services Intern and a Human Resources Intern, bringing the total Intern positions to five, and the elimination of a vacant Water System Operator position. Additionally, there is an overall increase in salary related benefit costs.

The budget will be discussed in more detail on May 25, 2011.

FINANCIAL IMPACT

The FY11 Budget is balanced as proposed through the implementation of a 0.10 cent rate increase beginning with water used on, and after, July 1, 2010, and by the use of Designated Funds and Carryover commitments.

REPORTS AND INFORMATION ITEMS:

A. REPORT OF THE GENERAL MANAGER:

1. Items of general interest:
 - Other

REPORTS AND INFORMATION ITEMS:

B. DIRECTORS' REPORTS AND COMMENTS:

1. Director Atkinson:
 - a. ACWA Spring Conference, 5/5 – 5/7

2. Director Ohlig-Hall:
 - a. OCWD Meeting, 5/5

3. Director Bockmiller:
 - a. ACWA/JPIA Spring Conference, 5/3 & 5/4
 - b. ACWA Spring Conference, 5/5 – 5/7

4. Director Fisler:
 - a. MWDOC/OCWD Jt. Planning Committee Meeting, 4/28
 - b. ACWA Spring Conference, 5/5 – 5/7

5. President Dewane:
 - a. ISDOC Quarterly Meeting, 4/29
 - b. ACWA Spring Conference, 5/5 – 5/7

ACTION ITEMS:

A. 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.

INFORMATION ITEMS:

A. ITEMS OF GENERAL INTEREST:

1. General Manager's Weekly Reports
2. Water Conservation Forum
3. Groundwater Producers' Meeting Minutes for April 14, 2010

GENERAL MANAGER'S WEEKLY REPORT

April 23 – April 29, 2010

Page 1 of 1

The focus of this report is information that may be useful for Mesa Directors when they interact with members of the public or other elected officials.

Events and Projects

Status

Water Supply – Week of 4/26/10

Wells	196.0	af	(58.7%)
CWTF	123.0	af	(36.8%)
Imported	15.0	af	(4.5%)
TOTAL	334.0	af	

Community Outreach Events

Upcoming Events:

- ◆ Mesa booth at American Civil War Society Battle of Costa Mesa – **May 15 – 16** Sat. 9:00 a.m. – 2:00 p.m., Sun. 9:00 a.m. – 1:00 p.m. Fairview Park
- ◆ Mesa booth at Costa Mesa Fire Department Summer Safety Expo – **May 16** – Placentia Fire Station
- ◆ **Water Issues Study Group Alumni meeting – May 18 at 5:30 p.m. Mesa Boardroom (location change!)**
- ◆ Water Conservation Forum – **May 26, 2010** – District Office
- ◆ Behind the Scenes Briefing and Tour – **June 2** at 8:30 a.m. (11 participants)
- ◆ Behind the Scenes Briefing and Tour – **September 2** at 8:30 a.m.

Staff Matters and Other News

Safety:

- ◆ Staff has achieved 192 days with no lost time incidents.

Operations:

- ◆ Replace two 6” valves on Continental.
- ◆ Installation of new Murphy Engine Control Panel at Reservoir 2

Human Resources:

- ◆ Recruitments:
 - The application period for Mesa's **Part-time Office Assistant** closes this coming **Monday, May 3rd**, at 5:00 p.m. Seventy-six (76) applications have been received.
 - Mesa's new **Communications Manager** position opened this week. Twelve (12) applications have been received.
- ◆ Service Anniversaries – Please congratulate **John Cernek** (4/23/79), Field Customer Service Representative II, on **31 years**; and **Cindy Plager** (4/25/08), Administrative Services Department Secretary, on **2 years** at Mesa.

Administrative Services:

- ◆ Completed 3 residential survey, FY10 total 14
- ◆ Installed 20 (est) rotating nozzles
- ◆ Mesa Booth: Estimated 130,000 attended Spring Garden Show
- ◆ Mesa Booth: Estimated 1,000 attended Community Run & Expo
- ◆ Mesa Booth: Nearly 5,300 students attend Children's Water Education Festival – Costa Mesa had 2nd highest amount of students with 648 (Anaheim was 1st)



MEMORANDUM

TO: Board of Directors

FROM: Paul E. Shoenberger, P.E.
General Manager

DATE: May 11, 2010

SUBJECT: Water Conservation Forum

RECOMMENDATION

This item is for information.

STRATEGIC PLAN

Goal #4 - Increase public awareness about Mesa and about water.

DISCUSSION

At the direction of the Public Information Committee, staff created, coordinated, and marketed a Water Conservation Forum to reach the top 10 commercial, industrial, institutional and irrigation customers. The Forum will have multiple presentations discussing current events related to our local water supply, Mesa activities, available programs, rebates, and future legislation.

Vendors representing indoor and outdoor technologies will have table-top displays set-up in the courtyard area outside the Boardroom. Attendees will be able to visit each display to learn about available technologies. Following the presentations a raffle will be held. Raffle prizes will be provided by the vendors.

The event will be held from 10 AM to 12 PM, May 26, 2010 at the District office.

FINANCIAL IMPACT

The costs for the event are \$750 and funds are available in the Water Use Efficiency budget.

MINUTES
GROUNDWATER PRODUCERS MEETING
Sponsored by the
ORANGE COUNTY WATER DISTRICT
Wednesday, April 14, 2010, 10 AM

1. Water Quality Update

Nira Yamachika provided information on the State's Public Health Goal report that provides information on the detection of any contaminant above the PHg for contaminants with a primary drinking water standard

2. Update of April 21 Board meeting to set the RA and BPP and Production Limitation

John Kennedy gave an update on the rate and budget setting process which will be brought to the OCWD Board on April 21. The recommended RA is \$249/af and BPP is 62%

3. BEA for FY10-11

John Kennedy discussed the April 21 staff recommendation to set the FY10-11 BEA based upon the MWDOC melded water rate. This issue was previously discussed on March 30 via a conference call.

4. GWR System O&M agreement with OCSD

Mike Markus gave an overview of the new O&M agreement with OCSD and the overall philosophy in preparing the document.

5. Buying additional MWD untreated full service water

The District's efforts to purchase additional MWD water under the MWDOC MWD allocation were discussed. OCWD is looking at all options to receive this water prior to July 1, 2010. The District may ask the Producers to take a portion of this water via an in-lieu program if sufficient recharge capacity is not available.

The Producers' meetings are scheduled for the second Wednesday of each month. The next regular monthly meeting is Wednesday, May 12, 2010.