

# Board Packet



**BOARD OF DIRECTORS  
MESA CONSOLIDATED WATER DISTRICT  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Tuesday, August 9, 2011  
7:00 p.m. Regular Board Meeting**

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**AGENDA**

*Before the meeting is called to order please set all electronic devices to vibrate or off. If you need to take a phone call please do so outside the Boardroom. All presenters are asked to speak directly into the microphone for recording purposes. Thank you.*

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**ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA**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

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or member of the public requests a separate action.

- A. Approve attendance considerations (additions, changes, deletions).
  - 1. Urban Water Institute Annual Water Conference; August 25 – 26, 2011.
  - 2. California Association Local Agency Formation Commissions Annual Conference; August 31– September 2, 2011.
- B. Board Schedule:
  - 1. Tentative Meeting Topics
  - 2. Conferences, Seminars, and Meetings
  - 3. Board Calendar
- C. Approve response to the 2010-11 Orange County Grand Jury Report *Compensation Survey of Orange County Water and Sanitation Districts*.

**PRESENTATION AND DISCUSSION ITEMS:**

- A. MESA WATER BRANDING CAMPAIGN–LOGO:

**Recommendation: Receive the presentation.**

*Mission: Dedicated to satisfying our community's water needs*

**ACTION ITEMS:**

- A. SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM UPGRADE THIRD PARTY REVIEW CONTRACT:

**Recommendation: Discuss and take action as the Board desires. The Engineering and Operations Committee will review this item at its August 8, 2011 meeting and provide its recommendation to the Board.**

**REPORTS AND INFORMATION ITEMS:**

- A. REPORT OF THE GENERAL MANAGER:

1. Items of general interest:  
    ◆ Other

- B. DIRECTORS' REPORTS AND COMMENTS:

1. Director Fisler:  
    a. MWDOC/OCWD Jt. Planning Committee Meeting, 7/27  
    b. ISDOC Meeting, 8/2  
    c. Jt. MWDOC/MWD Meeting, 8/3  
    d. Orange County Fair Garden Presentation, 8/3  
    e. Other
2. Director Ohlig-Hall:  
    a. Orange County Fair Garden Presentation, 7/27  
    b. Other
3. Director Dewane:  
    a. Orange County Fair Garden Presentation, 8/3  
    b. Public Information Committee Meeting, 8/8  
    c. Other
4. Director Atkinson:  
    a. Southern CA Water Committee Meeting, 7/28  
    b. OCWD Meeting, 8/3  
    c. WACO Meeting, 8/5  
    d. Orange County Fair Garden Presentation, 8/5  
    e. Other
5. President Bockmiller:  
    a. Orange County Fair Garden Presentation, 8/7  
    b. Special Engineering & Operations Committee Meeting, 8/8  
    c. Other

**INFORMATION ITEMS:**

**A. ITEMS OF GENERAL INTEREST:**

**1. General Manager's Weekly Reports**

*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 Consolidated Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.*

*Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at [www.mesawater.org](http://www.mesawater.org). If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.*

**ADJOURN TO AN ADJOURNED REGULAR BOARD MEETING SCHEDULED FOR MONDAY, AUGUST 22, 2011 AT 3:00 P.M.**



## MEMORANDUM

TO: Board of Directors

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

DATE: August 9, 2011

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

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### RECOMMENDATION

In accordance with Ordinance No. 22, adopted November 8, 2010, authorize attendance at conferences, seminars, meetings, and events.

### STRATEGIC PLAN

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

#### Proposed List:

1. Urban Water Institute Annual Water Conference; August 25 – 26, 2011; San Diego, CA.
2. California Association Local Agency Formation Commissions Annual Conference; August 31– September 2, 2011; Napa, CA.

### 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

Item #1: At an estimated cost of \$900 per Director for conference registration, lodging, and mileage (excluding Directors' fees, meals & miscellaneous incidental expenses), funds for this event would be charged to the FY12 budget to Account No. 80102-01 (Board Conference & Seminars) where an allocation of \$5,000 was budgeted for miscellaneous conferences and seminars. To date no funds have been used from the miscellaneous conferences and seminars allocation.

Item #2: Directors' fees for attendance at this event are \$828 per Director. Expenses at an estimated cost of \$1,100 per Director for conference registration, lodging, and airfare (excluding Directors' fees, meals & miscellaneous incidental expenses), funds for this event would be charged to the FY12 budget to Account No. 80102-01 (Board Conference & Seminars) where an allocation of \$5,000 was budgeted for miscellaneous conferences and seminars. To date no funds have been used from the miscellaneous conferences and seminars allocation.



## 18<sup>th</sup> Annual Water Policy Conference

# “Does California Have A Reliable Water Supply?”

**Hilton Mission Bay Resort**

1775 East Mission Bay Drive – San Diego, California

**August 24-26, 2011**

## CONFERENCE AGENDA

### Wednesday, August 24, 2011

**4:00 p.m. – Registration Opens**

**5:30 p.m. – Pre-Conference Urban Water Reception** (*All Conference Attendees Invited*)

**Special Guest: Sunne Wright McPeak** – Chairwoman, Delta Vision Foundation

### Thursday, August 25, 2011

**7:00 a.m. – Registration and Continental Breakfast- Exhibits**

**8:00 a.m. – Welcome to San Diego**

**Steve Bucknam** – Chairman, Urban Water Institute

**8:30 a.m. – Keynote Speaker – Prospects for the Delta**

**Introduction: Steve Bucknam** – Chairman, Urban Water Institute

**Jeff Kightlinger** – General Manager, Metropolitan Water Dist. of Southern California

*Under his administration as general manager, the Metropolitan Water District has focused on the Delta and the need for delivery of water supplies to Southern California, the state's most populous region. He professes to be an "optimist." What is his vision for the Delta and future water supplies?*

**9:30 a.m. – Break – Exhibits**

**10:00 a.m. – The Delta – Who's In Charge? – Panel**

**Moderator: Rich Nagel** – General Manager, West Basin Municipal Water District

**Gloria Gray** – Member, Delta Stewardship Council; Director, West Basin Municipal Water District; Director, Metropolitan Water District of Southern California

**Tim Quinn** – Executive Director, Association of California Water Agencies, Coalition of Water Agencies Alternative Plan

**Craig Wilson** – Delta Water Master, State Water Resources Control Board

*There is a plethora of agencies developing plans for development and/or preservation of the Bay Delta region. Who actually will make the final decisions? Among them are the Delta Protection Commission, the Delta Conservancy and others. Who IS in charge? What about State and Federal regulatory agencies, and counties and cities within the Delta?*

### **11:15 a.m. –The State and Federal Contractors Water Agency – Who Are They?**

**Byron Buck – Executive Director, State and Federal Contractors Water Agency**

*With little fanfare, this little-known group of multiple agencies, dependent on water deliveries from the Delta, was formed only two years ago. It has the prospect of becoming a major player for Delta restoration, water deliveries and reliability. What is the role of this joint powers group and what is its future?*

### **12:00 p.m. – Lunch**

### **12:45 p.m. – Welcome to San Diego**

**Mayor Jerry Sanders – City of San Diego**

### **1:15 p.m. – Keynote Speaker**

**Sunne Wright McPeak – Chairwoman, Delta Vision Foundation**

*Gov. Jerry Brown is said to be focused on the vision of delivering water from the Delta via a “peripheral canal” or, perhaps, a tunnel. What can we expect from the numerous agencies working on the various aspects of the Bay Delta? What is the Delta Vision Foundation’s plan?*

### **1:45 p.m. – Financing the Delta Plan: A Contrarian View**

**Barry Nelson – Senior Policy Analyst - Water Program, Natural Resources Defense Council**

*NRDC has joined a list of Bay Area water agencies and environmental NGOs, but also including San Diego County Water Authority, questioning costs of financing the Bay Delta Conservation Plan and a Delta water conveyance facility. Who would pay the multi-billions in costs?*

### **2:30 p.m. – Break – Exhibits**

### **3:00 p.m. – San Francisco Bay Area: Is Water Reliability Assured? - Panel**

**Moderator: Mary Aileen Matheis – Vice President, Irvine Ranch Water District**

**Steve Ritchie – Assistant General Manager, San Francisco Public Utilities Commission**

**Walt Wadlow – General Manager, Alameda County Water District**

**Jim Fiedler – Chief Operating Officer, Santa Clara Valley Water Agency**

**Doug Wallace – Environmental Affairs Officer, East Bay Municipal Utility District**

**Marguerite Naillon – Los Vaqueros Reservoir Expansion, Contra Costa Water District**

*The San Francisco Bay Area, as the state’s second most populous region, has a significant role in the state’s economy. The region’s water reliability depends on several major sources, including the Delta. What is being done to assure future water reliability? Are the Bay Area agencies concerned with costs for fixing the Delta and future water project conveyance costs?*

### **4:15 p.m. – How Can California Resolve Its Water Wars? - Open Microphone Session**

**Moderator: Kevin Hunt – General Manager, Municipal Water District of Orange County; Co-Founder, Urban Water Institute**

*Key water industry leaders will be selected from the audience to participate in an open discussion on California water issues.*

**5:00 p.m. – Adjourn**

**5:30 p.m. to 6:30 p.m. – Chairman’s Reception**

**Dinner on your own**

**Friday, August 26, 2011**

**7:30 a.m. – Continental Breakfast - Exhibits**

**8:00 a.m. – Can the Colorado River support the Southwest’s growing population?**

**Michael J. Cohen – Senior Research Associate, Pacific Institute**

*Cohen’s research focuses on water use in the lower Colorado River Basin and Mexican Delta region and the restoration of the Salton Sea. He is the author of a paper on population growth in the Southwest.*

**9:00 a.m. – Colorado River Water Supply Challenges**

**Lorri Grey-Lee – Regional Director, Bureau of Reclamation**

*The Bureau has released “The Colorado River Basin Study,” in partnership with the seven Colorado River Basin States. What does the study portend for the future of Colorado River water supplies?*

**10:00 a.m. – Break – Exhibits**

**10:15 a.m. – Colorado River Water Users – Panel**

**Moderator: Malissa McKeith – Attorney, Lewis Brisbois Bisgaard & Smith**

**Halla Razak – Colorado River Issues, San Diego County Water Authority**

**Roger Patterson – Assistant General Manager, Metropolitan Water District of So CA**

**Kevin Kelley – General Manager, Imperial Irrigation District**

**Steve Robbins – General Manager, Coachella Valley Water District**

*What are the issues for water agencies that are dependent on the Colorado River and Lake Mead for their water supplies?*

**11:15 a.m. – Keynote Speaker – Water and Climate in the Southwest**

**Introduction: Steve Bucknam – Chairman, Urban Water Institute**

**Anne Castle – Assistant Secretary, U.S. Department of the Interior**

*Is Climate Change key to the Department’s assessment for the future of water resources in the Southwest? What is happening with agriculture in the Southwest? What about wildfires?*

**12:00 p.m. – Adjourn**

**1:00 p.m. – Board of Directors Lunch/Meeting – All Board Members Welcome**

**\*Program Agenda Is Subject To Change\***

## REGISTRATION FORM

Urban Water Institute's 18<sup>th</sup> Annual Water Conference

August 25<sup>th</sup>-26<sup>th</sup>, 2011

Hilton Mission Bay Resort: 1775 East Mission Bay Drive • San Diego, California

(Please Print or Type)

NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY/STATE/ZIP: \_\_\_\_\_

TEL: \_\_\_\_\_ FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

### CONFERENCE REGISTRATION FEES

Registration fees include handouts, continental breakfasts, luncheon, breaks and reception.

Note: Self parking for hotel guests is complimentary

\$350 UWI Member Registration Fee for Conference August 25-26, 2011 (*Must be a current Member of the Urban Water Institute, Inc.*)

\$400 Non-Member Registration Fee for Conference August 25-26, 2011

\$100 Spouse Registration-Includes breakfast, lunch, break and reception

Spouse Name For Nametag:

\$35 Copy of Power Point Presentation presented at the Annual Water Conference

### REGISTRATION INFORMATION

#### Location

The Annual Water Conference will be conducted in San Diego at The Hilton Mission Bay Resort located at:  
1775 East Mission Bay Drive, San Diego, California

**Will you stay at the Hilton Mission Bay Resort?** Arrival Date ( ) Departure Date ( )

Please contact the hotel directly to reserve your room, we have a special conference rate of \$235 per night plus tax. To make your room reservations, call the Hilton Mission Bay Resort directly at (619) 276-4010 and reference **Urban Water Institute**. Please note the cut-off date for the group rate is **August 3, 2011**. Reservations can also be made online at [www.hilton.com](http://www.hilton.com).

#### Conference Registration (All Registrations Should Be Made In Advance)

To pay by credit card visit our website [www.urbanwater.com](http://www.urbanwater.com). You can register online and pay with a Visa, MasterCard or American Express.

To pay by check, please complete the Registration Form and send it along with a check made payable to Urban Water Institute:  
18800 Von Karman Avenue, Suite 100, Irvine, CA 92612.

After **August 18, 2011** registrations will be accepted at the door on a space available basis, with an additional \$25 administrative charge. Registration includes continental breakfast, program lunch, breaks, handout materials and reception.

#### Cancellation Policy

Cancellations must be received in writing by **August 18, 2011**. Faxes are accepted at (949) 474-8258. Registration fee will be refunded, less a \$50 administrative charge if received by **August 18, 2011**. Substitutes are accepted. **No refunds after August 18, 2011**. The Institute reserves the right to substitute announced speakers and assumes no responsibility for personal expenses.

#### Exhibitor & Sponsor Information

Information on exhibiting and sponsoring may be obtained by calling (949) 679-9676 or can be found on the Urban Water Website [www.urbanwater.com](http://www.urbanwater.com).

#### Mail Conference Registration Checks Payable To:

Urban Water Institute

18800 Von Karman Avenue, Suite 100 • Irvine, CA 92612

\*\*\* Tax ID # 33-0578523 \*\*\*

For More Information Contact Julie Ackman at (949) 679-9676 or [julie@urbanwater.com](mailto:julie@urbanwater.com)

## 2011 Annual CALAFCO Conference



**Exploring New Boundaries**  
 August 31, 2011 – September 2, 2011  
 Silverado Resort/Napa  
 Longitude: 38.3° / Latitude: -122.3°

**REGISTER NOW!**

## CALAFCO 2011 Annual Conference



Travel Distances From Local Airports:

- Oakland: 50 miles
- San Francisco: 58 miles
- Sacramento: 64 miles

**Wednesday August 31 through Friday September 2, 2011**

**Silverado Resort / 1600 Atlas Peak Road | Napa | California | 94558**

Napa LAFCo is pleased to host CALAFCO's 2011 Annual Conference at the Silverado Resort. Please join us for three days in the Napa Valley discussing new and emerging trends affecting LAFCos' planning and regulatory duties. This year's theme is aptly titled "Exploring New Boundaries" and reflects LAFCos' evolving role in overseeing regional growth management. Scheduled sessions include:

- Exploring the Big Picture:  
Growth Trends in California
- Exit Strategies:  
Disincorporation and Consolidation of Cities
- Terms and Conditions:  
How Far Can/Should We Go?
- Managing the Agricultural/Urban Interface
- The Stanislaus Experience: Three Fire Agencies' Regional Approach to Cooperative Solutions
- Dissolution/Consolidation/Insolvency Issues and Trends with Special Districts
- Recycled Water: Opportunities and Challenges in Growth Management
- Next Generation of Municipal Service Reviews: Improving Value by Increasing Collaboration
- Social Justice Criteria: Tulare Case Study
- LAFCo 101: Covering the Basics
- LAFCo 201: Ethics

### CONFERENCE REGISTRATION

Member (before 8/1).....	390.00
Member (after 8/1).....	440.00
Non Member.....	500.00
Member One-Day.....	225.00
Non Member One-Day.....	300.00
Guest/All Meals.....	190.00
Guest/Banquet Only.....	100.00

Additional MCLE Credit.....	50.00
Golf Tournament (8/30 @ 1:00 PM)...	100.00
Mobile Workshop (8/31 @ 7:45 AM)...	44.00

### SILVERADO RESORT RATES

Resort Guest Room.....	139.00/night
Junior Fireplace Suite.....	149.00/night
Fireplace Suite.....	159.00/night
Two-Bedroom Suite.....	209.00/night

22.80/night Resort Fee applies and covers:

- Self and Valet Parking
- Wireless Internet Access
- Complimentary Tennis Court Use
- Complimentary Fitness Facilities Use

Hotel Room Rates Good Through 7/31/11  
 Contact Silverado at (800) 532-0500  
 or [www.silveradoreresort.com](http://www.silveradoreresort.com)  
 (Promo Code 'CALAFCO')

# CALAFCO 2011 Conference

August 31 – September 2, 2011  
Silverado Resort/Napa



## REGISTRATION DETAILS



### On-Line Registration – With Credit Cards

You now have the option to conveniently register for the conference, guest meals and the golf tournament on-line and pay with a credit card\*. Registration may also be done by check without the processing fees.

To register please visit [www.calafco.org](http://www.calafco.org) or click on these links:

- ◆ Conference Registration – **Credit Card\*** <http://tinyurl.com/RegisterByCC-Conference>
- ◆ Conference Registration – **Check** <http://tinyurl.com/RegisterByCheck>
- ◆ **Guest Meals and Golf** Tournament Registration <http://tinyurl.com/RegisterByCC-Guest-Golf>



\* Credit card registrations are charged a small processing fee

### Registration Rates

Early Bird Member Full Registration (by 1 August)	\$390
Regular Member Full Registration (after 1 August)	\$440
Non-Member Full Registration	\$500
Member One-Day Registration (Wed or Thurs)	\$225
Non-Member One-Day Registration (Wed or Thurs)	\$300
Guest Registration – All Meals	\$190
Guest Registration – Banquet/Reception Only	\$100
Mobile Workshop (Wednesday, 31 August, 7:45 a.m.)	\$44
Golf Tournament (Tuesday, 30 August, 1:00 p.m.)	\$100

### CANCELLATION & REGISTRATION REFUND POLICY

1. Registrations are considered complete upon receipt of fees.
2. Cancellation requests made in writing and received by 10 August 2011 receive a 100% refund less \$20 handling fee and any transaction fees.
3. Cancellation requests made in writing and received after 10 August up to 19 August 2011 may carryover for a period of one year one registration credit in the amount paid, less a \$20 handling fee, to apply to a future CALAFCO event.
4. Registration fees are transferable to another person not already registered provided the request is received in writing.
5. Registration fees for guests and special events are fully refundable (minus any transaction fees) if requests are made in writing and received by 19 August 2011 or if the special event is cancelled.
6. Cancellation requests must be made by e-mail, fax or mail to the CALAFCO office.
7. Cancellation requests made after 19 August 2011 are not eligible for a refund or credit.

### Hotel Reservations

The conference will be held at the Silverado Resort in Napa. CALAFCO has a significantly discounted room rate available until 31 July 2011. Rates increase on 1 August 2011.

- ◆ Guestroom \$139/night\*\*
- ◆ Junior Fireplace Suite \$149/night\*\*
- ◆ One Bedroom Suite \$159/night\*\*
- ◆ Two Bedroom Suite \$209/night\*\*

\*\* Plus \$22.80/night resort fee and tax. Includes internet access, parking, local calls, tennis, fitness center and paper.

Click <http://tinyurl.com/SilveradoReserve>, visit [www.calafco.org](http://www.calafco.org) for the link to on-line reservations, or call 800-532-0500. Note – Reserve early as there are limited rooms in some categories.

### Special Events

Be sure and plan on these special events during the conference!



**MOBILE WORKSHOP** (Wednesday 7:45 – 1:15) – See firsthand cutting edge winery practices in energy efficiency, organic farming practices, sustainable agricultural commerce and cross-government approaches to farmworker housing. Tour three of Napa's most renowned wineries and enjoy lunch on the grounds of Beringer's historic Winery.  
*Advanced registration required: \$44/person includes lunch.*



**CALAFCO OPEN – GOLF TOURNAMENT** (Tee off Tuesday 1:00 p.m.) – Join in on the first CALAFCO open at the beautiful and recently upgraded Silverado Resort Golf Course. Enter a LAFCo team, enjoy networking with commissioners and staff, and play on one of the top courses in the county.  
*Advanced registration required : \$100/person includes 18 holes green fee, cart, and prizes.*



**CALAFCO 5<sup>TH</sup> WINE COMPETITION AND RECEPTION** (Wednesday 5:00 – 6:30) – Join us at "The Grove" at Silverado for this annual networking event. LAFCo and Associate Members are encouraged to enter a case of wine or beer that showcases their county! Medals awarded for top vote getters. Wonderful opportunity to network; taste the best of California in a unique setting.  
*Included in registration fee and guest registration fees. Must be registered to attend.*



## TUESDAY, AUGUST 30, 2011

12:00 p.m.

### CALAFCO 2011 OPEN – GOLF TOURNAMENT

Enjoy a day of golfing on one of two 18-hole PGA championship golf courses. Registration begins at 12:00 p.m. with tee-off at 1:00 p.m.

## WEDNESDAY, AUGUST 31, 2011

7:30 a.m.

### CONFERENCE REGISTRATION (ALL DAY)

7:45 a.m. – 1:15 p.m.

### MOBILE WORKSHOP: SUSTAINING AGRICULTURE IN THE NAPA VALLEY

- Far Niente Winery, Oakville
- Frog's Leap Winery, Rutherford
- River Ranch Public Farmworker Housing Center, St. Helena
- Beringer Vineyards, St. Helena

10:30 a.m. – 12:00 p.m.

### PRE-CONFERENCE SESSION: LAFCo 101

This informative session covers LAFCo basics and is ideal for new commissioners and staff as well as return attendees seeking a refresher.

**Presenter:** David Church, Executive Officer  
San Luis Obispo LAFCo

1:30 p.m.

### CONFERENCE OPENING

Welcoming Remarks

- Bill Chiat, CALAFCO Executive Director
- Bill Dodd, Napa LAFCo Chair
- Juliana Inman, Napa LAFCo/CALAFCO Board

## WEDNESDAY, AUGUST 31, 2011

1:45 – 3:15 p.m. **GENERAL SESSION:**

### The Big Picture: Exploring California's Growth Trends

*A narrative discussion on California's recent, current, and anticipated growth trends. The discussion will include assessing the demographic changes in the state and its affect on municipal land use planning*

**Keynote Speaker:** Bill Fulton, President  
Solimar Research Group

3:15 – 3:30 p.m. **BREAK**

3:30 – 5:00 p.m. **ROUNDTABLE BREAKOUT SESSIONS**

#### Commissioners by Region

**Central Moderator:** Steven Souza, Yolo

**Coastal Moderator:** Cathy Schlottmann, Santa Barbara

**Northern Moderator:** Mary Jane Griego, Yuba

**Southern Moderator:** Andy Vanderlaan, San Diego

**Staff Moderator:** Jose Henríquez, El Dorado

**Counsel Moderator:** Clark Alsop, CALAFCO

**Associates Moderator:** Bruce Baracco/Gary Thompson

5:30 – 7:00 p.m.

### CALAFCO 5<sup>TH</sup> ANNUAL WINE & BEER RECEPTION AND COMPETITION

Enjoy wines and beers from across the state with hors devours at Silverado's Redwood Grove.

7:00 p.m.

### *DINNER ON YOUR OWN*

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## THURSDAY, SEPTEMBER 1, 2011

7:30 – 8:45 a.m.

### REGIONAL BREAKFAST AND BOARD ELECTIONS

**Central Moderator:** Kate McKenna, Monterey  
**Coastal Moderator:** Lou Ann Teixeira, Contra Costa  
**Northern Moderator:** SR Jones, Nevada  
**Southern Moderator:** June Savala, Los Angeles

8:45 – 10:15 a.m.

### CALAFCO ANNUAL BUSINESS MEETING/ INSTANT POLLING

10:15 – 10:30 a.m.

### BREAK

10:30 a.m. – 12:00 p.m.

### BREAKOUT SESSIONS

- **Managing the Agricultural/Urban Interface**  
*Examine the dynamics facing LAFcos in facilitating orderly urban growth while protecting agricultural and open space resources. Session will include case studies on how different communities are establishing and managing the agricultural/urban interface.*
- **The Stanislaus Experience: Three Fire Agencies' Regional Approach to Cooperative Solutions in Challenging Times**  
*This session will discuss the successful collaboration of three levels of government agencies, District, City and County, as one solution to financing municipal services.*
- **Social Justice Issues and Case Studies**
- **LAFco 201: Ethics and LAFco**  
*The decisions we make as Commissioners and professionals sometimes involve ethical and moral codes of conduct. In this session, we will look at the history of ethics, review the results of the instant polling ethics questions, review codes of ethics and what they mean, and explore ethical dilemmas we may face. Can an emphasis on ethics in the public sector in the post-Bell era play an important role in gaining back some of the credibility local government agencies have lost? What are our own ethical tendencies or points of view?*

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## THURSDAY, SEPTEMBER 1, 2011

Noon

### LUNCHEON AND KEYNOTE SPEAKER

**Speaker: Andy Beckstoffer, Beckstoffer Vineyards**  
*Andy will draw on his experiences as one of the prominent grape growers in California and discuss managing the relationship between agricultural commerce/preservation and urban growth*

1:30 – 3:00 p.m.

### GENERAL SESSION:

**Disincorporation/Consolidation of Cities (Exit Strategies)**  
*The economic downturn and decline in the housing market has challenged the solvency of local agencies in California. John Knox represented the City of Vallejo in its Chapter 9 bankruptcy filing in 2008. Mr. Knox explores the history of disincorporation in California; options for financially "strapped" cities; and LAFco's role in processing disincorporation, consolidations, and winding down the affairs of an insolvent city.*

**Speaker:** John Knox, Esq  
Orrick, Herrington, & Sutcliff, LLP

3:15 – 4:45 p.m.

### BREAKOUT SESSIONS:

- **Dissolution/Consolidation/Insolvency Issues and Trends with Special Districts.**  
*"When Special Districts Fail" - This session is a focused discussion from the "pros" and their experience with recent case studies, and utilizing service reviews as a valuable tool.*
- **Recycled Water: Growth Management Challenges and Opportunities.**  
*Discuss practices and trends involving recycled water. Session will include both statewide and agency-specific perspectives on the use of recycled water as well as its relationship to LAFco's task in overseeing municipal growth and development in California.*

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## THURSDAY, SEPTEMBER 1, 2011

3:15 – 4:45 p.m.

### BREAKOUT SESSIONS:

- **Making California Work Again: Restructuring State-Local Relationships.**  
*Join California Forward, a statewide non-partisan non-profit organization, in an in depth discussion of California Forward's proposals to improve the way state and local governments work together.*
- **The Next Generation of MSRs: Improving Value by Increasing Collaboration**  
*Are your MSRs gathering dust? Were they time consuming? Have the cities and special districts in your County stopped returning your calls? Is your LAFCo relevant? Want to make things easier? Want to do something about it? Well, we have two new innovative programs that will you step up your game. The Financial Early Warning System and the Shared Services Programs will demonstrate how you can do more with less and create living programs that will do your work for you.*

6:30 p.m.

### CALAFCO RECEPTION

7:00 p.m.

### DINNER AND AWARDS CEREMONY

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## FRIDAY, SEPTEMBER 2, 2011

7:30 – 9:00 a.m.

### CALAFCO BOARD OF DIRECTORS MEETING & BREAKFAST

7:30 – 9:00 a.m.

### NETWORKING BREAKFAST

Covered Patio

9:00 – 10:30 a.m.

### GENERAL SESSION:

**Terms and Conditions: How Far Can/Should We Go?**  
*Cortese-Knox-Hertzberg Act gives LAFCo broad authority regarding the terms and conditions placed on a proposal. This interactive session explores the legal and policy boundaries regarding the extent of LAFCo's authority and enforceability. Each LAFCo uses its conditioning authority based on its own discretion and policies. Conditions can be used creatively to solve a particular problem or mitigate a potential impact. As long as LAFCo does not stray too far into the land use authority of a jurisdiction, we generally have the authority to place a variety of conditions on proposals.*

**Speaker:** Michael Colantuono, Partner  
Colantuono and Levin

10:30 – 10:45 a.m.

### Break

10:45 a.m. – Noon

### GENERAL SESSION Legislative Update

**Presenter:** Bill Chiat, CALAFCO Executive Director  
Legislative Committee Chair

12:00 p.m.

### CONFERENCE ADJOURNS

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Exploring New Boundaries  
August 31, 2011 – September 2, 2011  
Silverado Resort/Napa  
Longitude: 38.3° / Latitude: -122.3°

## ALL ABOARD THE MOBILE WORKSHOP!

### Sustaining Agriculture in the Napa Valley

Wednesday, August 31, 2011 @ 7:45 AM

Space is Limited; Registration Cost is \$44 Per Person

7:45 AM	<u>Depart from the Silverado Resort</u> Workshop Guide: Juliana Inman, Napa Commissioner	1
8:00 AM 9:00 AM	<u>Far Niente Winery, Oakville</u> Innovation Part I: Tour one of the most renowned wineries in Napa Valley that has become a leader in energy efficiency as highlighted by its \$4.5 million “floating solar panels” project.	2
9:15 AM 10:15 AM	<u>Frog’s Leap Winery, Rutherford</u> Innovation Part II: Tour another renowned winery in Napa Valley and learn about its innovative organic farming practices as well as its commitment to permanent farmworker employment.	3
10:30 AM 11:15 AM	<u>River Ranch Farmworker Housing Center, St. Helena</u> Visit this unique cross-governance public farmworker housing center supported by a countywide special district formed by Napa LAFCo in 2003.	4
11:30 AM 12:45 PM	<u>Beringer Vineyards, St. Helena</u> Explore this historical winery site and its hand-chiseled tunnels. Enjoy lunch on the grounds of the Rhine House with a special speaker from UC Davis discussing opportunities and challenges tied to sustaining agricultural commerce.	5
1:15 PM	<u>Arrive back at the Silverado Resort</u> On with the 2011 Annual CALAFCO Conference...	6



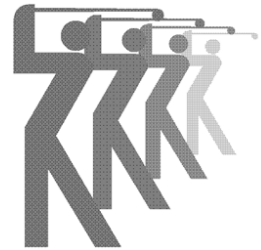
## CALAFCO Open

*Silverado Country Club*  
*Tuesday, August 30, 2011*  
*Registration begins at Noon*  
*1:00 p.m. Tee Off*

# CALAFCO 2011 Open – Golf Tournament INVITATION

CALAFCO is pleased to host its first **CALAFCO Open** as part of the 2011 Annual Conference scheduled for August 31 through September 2 at the Silverado Resort in Napa.

Silverado has been the site of both PGA Tour and Champions Tour tournaments. The Country Club was host to the Kaiser International Open Invitational from 1968-1976 and the Anheuser-Busch Golf Classic from 1977-1980. Winners of the tournaments were some of golf's most famous names, including Jack Nicklaus, Johnny Miller, Tom Watson and Ben Crenshaw. The South Course was home to the Senior PGA Tour event "The Transamerica" from 1989-2002. Among the winners were Tom Kite and two-time champion Lee Trevino. Billy Casper and Kermit Zarley, who was a winner on the North Course years earlier, also won on the South Course during the Transamerica Champions event.



Just last fall the Resort was purchased by a consortium led by Johnny Miller. The North Course was completely renovated and reopened in May, and both courses have enjoyed many new upgrades.

## THE DETAILS

**This will be a two-person team "best ball" tournament.** Players will use their NCGA or SCGA Indices if applicable or will be give a "blind index" following the round. Each LAFCo is encouraged to enter a team. However, individual players are also encouraged to play and will be teamed up by the tournament coordinator.

**The cost for this event is only \$100.** This price includes entry, 18 holes of golf, riding cart and various awards. Prizes will be distributed at the Awards Ceremony. To help us properly plan for this event, **please pre-register** by going to the CALAFCO website at [www.calafco.org](http://www.calafco.org).

*Golf attire is required. Collared shirts and slacks. No steel spikes are allowed on the course.*

Contact Rich Bottarini at [rbottarini@sonoma-county.org](mailto:rbottarini@sonoma-county.org) if you have further questions.



**1. 2011 TENTATIVE MEETING TOPICS**

August 22, 2011
Board Dynamics Workshop
August 23, 2011
Communications Plan
Monthly Investment Transaction Report
Statement of Investment Policy
Well No. 1 Emergency Repair and Rehabilitation
CWTF Improvements Quarterly Update
Policy Statement
Water Loss Report
Key Indicators Report
FY12 Customer Survey Request for Proposals

**2. 2011 CONFERENCES, SEMINARS, AND MEETINGS:**

August 11, 2011	Board approved 07/12/11
Emergency Management Training Workshop for Special District Officials	<i>Ohlig-Hall</i>
Silverado, CA	
September 22 – 23, 2011	Board approved 01/11/11
ACWA's Continuing Legal Education for Water Professionals	<i>Ohlig-Hall</i>
San Diego, CA	
October 10 – 13, 2011	Board approved 01/11/11
CSDA Annual Conference	
Monterey, CA	
October 17 – 20, 2011	Board approved 01/11/11
CA/NV-AWWA Fall Conference	<i>Ohlig-Hall</i>
Reno, NV	
November 28 – December 2, 2011	Board approved 01/11/11
ACWA/JPIA Fall Conference	
Anaheim, CA	
December 2011	Board approved 01/11/11
Chapman University Economic Forecast	
Costa Mesa, CA	
December 14 – 16, 2011	Board approved 01/11/11
CRWUA Annual Conference	
Las Vegas, CA	

# July 2011

Updated: August 5, 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
GM OUT-OF-TOWN 6/16—7/1					1  PAY PERIOD ENDS	2
3	4 <b>INDEPENDENCE DAY DISTRICT HOLIDAY</b>	5  CITY COUNCIL 5 PM	6 JT. MWDOC/MWD 8:30 AM (Fisler) <b>POSTPONED—</b> THE ROAD TO WATER SUSTAINABILITY & JOB CREATION OCWD 5:30 PM (Atkinson) PAY DAY	7	8 <b>WACO 7:30 AM</b>	9
10	11	12 <b>ISDOC 7:30 AM (Fisler)</b>  <b>MESA BOARD MTG 7 PM</b>	13 OCWD WATER ISSUES COMM 8 AM  <b>DARK—</b> <b>LAFCO 9 AM</b>	14 E & O COMM 3:30 PM (Bockmiller & Ohlig-Hall)	15 <b>PIC 11:30 AM (Dewane &amp; Fisler)</b>  PAY PERIOD ENDS*	16
17	18 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM  FIN COMM 3:30 PM (Atkinson & Fisler)	19 EXEC COMM 3:30 PM (Bockmiller & Atkinson)  CITY COUNCIL 5 PM	20 MWDOC 8:30 AM (Fisler) <b>OC FAIR—GARDEN; 12:30—2 PM (Ohlig-Hall)</b> OCWD 5:30 PM (Atkinson) PAY DAY	21 MWDOC WATER POLICY FORUM 6—8:30 PM (Bockmiller, Atkinson, Fisler, Ohlig-Hall)	22 <b>CITY/DISTRICTS LIAISON COMM MTG; MESA; 8 AM (Bockmiller &amp; Atkinson)</b>	23
24	25	26  <b>MESA BOARD MTG 7 PM</b>	27 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Fisler)  <b>OC FAIR—GARDEN; 12:30—2 PM (Ohlig-Hall)</b>	28 SOUTHERN CA WATER COMM MTG; 10 AM—12 PM (Atkinson)	29  PAY PERIOD ENDS	30
	31					

# August 2011

Updated: August 5, 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2 ISDOC 7:30 AM (Fisler)  CITY COUNCIL 5 PM	3 JT. MWDOC/MWD 8:30 AM (Fisler) <b>OC FAIR—GARDEN; 12:30—2 PM (Dewane, Fisler)</b> OCWD 5:30 PM (Atkinson) PAY DAY	4	5 WACO 7:30 AM (Atkinson)  <b>OC FAIR—GARDEN; 2:30—5 PM (Atkinson)</b>	6
7 <b>OC FAIR—GARDEN; 12:30—3 PM (Bockmiller)</b>	8 PIC 11:30 AM (Dewane & Fisler) MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM <b>SPECIAL E &amp; O COMM 3:30 PM (Bockmiller &amp; Ohlig-Hall)</b>	9 <b>MESA BOARD MTG 7 PM</b>	10 OCWD WATER ISSUES COMM 8 AM  LAFCO 9 AM (Fisler)  <b>OC FAIR—GARDEN; 1:30—2 PM (Dewane)</b>	11 ISDOC EMERGENCY MANAGEMENT TRAINING WORKSHOP; 9 AM (Ohlig-Hall)  E & O COMM 3:30 PM (Bockmiller & Ohlig-Hall)	12 PAY PERIOD ENDS	13
14	15 FIN COMM 3:30 PM (Atkinson & Fisler)	16 EXEC COMM 3:30 PM (Bockmiller & Atkinson)  CITY COUNCIL 5 PM	17 MWDOC 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)  PAY DAY	18	19	20
21	22 <b>BOARD DYNAMICS WORKSHOP 3—5 PM</b>	23 <b>MESA BOARD MTG 7 PM</b>	24 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Fisler)  <div style="border: 1px solid black; padding: 2px; text-align: center;"> <b>PENDING—URBAN WATER INSTITUTE ANNUAL CONFERENCE; AUGUST 24—26, 2011; SAN DIEGO, CA</b> </div>	25 <b>THE ROAD TO WATER SUSTAINABILITY &amp; JOB CREATION; OCWD; 11:30 AM—1:30 PM (Bockmiller, Dewane, Fisler)</b>	26 PAY PERIOD ENDS	27
28	29	30	31  <div style="border: 1px solid black; padding: 2px; text-align: center;"> <b>PENDING—CALAFCO ANNUAL CONFERENCE; AUGUST 31—SEPTEMBER 2, 2011; NAPA, CA</b> </div> PAY DAY			

# September 2011

Updated: August 5, 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
				<b>PENDING—CALAFCO ANNUAL CONFERENCE; AUGUST 31—SEPTEMBER 2, 2011; NAPA, CA</b>		
4	5 <b>LABOR DAY DISTRICT HOLIDAY</b>	6  CITY COUNCIL 5 PM	7 JT. MWDOC/MWD 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)	8 E & O COMM 3:30 PM (Bockmiller & Ohlig-Hall)	9 <b>WACO 7:30 AM (Atkinson)</b>  PAY PERIOD ENDS	10
11	12 PIC 11:30 AM (Dewane & Fisler)	13 <b>ISDOC 7:30 AM (Fisler)</b>  <b>MESA BOARD MTG 7 PM</b>	14 OCWD WATER ISSUES COMM 8 AM  LAFCO 9 AM (Fisler)  PAY DAY	15 <b>EXEC COMM 4 PM (Bockmiller &amp; Atkinson)</b>	16	17
18 <b>BOCKMILLER OUT-OF-TOWN 9/19—9/22</b>	19 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM  FIN COMM 3:30 PM (Atkinson & Fisler)	20  CITY COUNCIL 5 PM	21 MWDOC 8:30 AM (Fisler) OCWD 5:30 PM (Atkinson)	<b>ACWA LEGAL EDUCATION WORKSHOP; SAN DIEGO, CA; SEPTEMBER 22—23, 2011 (Ohlig-Hall)</b>		24  PAY PERIOD ENDS
25	26	27  <b>MESA BOARD MTG 7 PM</b>	28 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Fisler)  PAY DAY	29 ISDOC QUARTERLY MTG 11:30 AM — 1 PM (Fisler)	30	

# October 2011

Updated: August 5, 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4 ISDOC 7:30 AM (Fisler)  CITY COUNCIL 6 PM	5 JT. MWDOC/MWD 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)	6	7 WACO 7:30 AM (Atkinson)  PAY PERIOD ENDS	8
9	10 PIC 11:30 AM (Dewane & Fisler)	11	12 WATER ISSUES COMM OCWD 8:00 AM LAFCO 9 AM (Fisler)	13 E & O COMM 3:30 PM (Bockmiller & Ohlig-Hall)	14 CITY/DISTRICTS LIAISON COMM MTG; CMSD; 8 AM (Bockmiller & Atkinson)	15
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>CSDA ANNUAL CONFERENCE; MONTEREY, CA; OCTOBER 10 –13, 2011</b> </div>						
		<b>MESA BOARD MTG 7 PM</b>	PAY DAY			
16	17 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM  FIN COMM 3:30 PM (Atkinson & Fisler)	18 EXEC COMM 3:30 PM (Bockmiller & Atkinson)  CITY COUNCIL 6 PM	19 MWDOC 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)	20	21	22
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>CA-NV AWWA FALL CONFERENCE; RENO, NV; OCTOBER 17—20, 2011 (Ohlig-Hall)</b> </div>						
					PAY PERIOD ENDS	
23	24	25	26 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Fisler)	27	28	29
		<b>MESA BOARD MTG 7 PM</b>	PAY DAY			
30	31					

# November 2011

Updated: August 5, 2011

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 ISDOC 7:30 AM (Fisler)  CITY COUNCIL 6 PM	2 JT. MWDOC/MWD 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)	3	4 WACO 7:30 AM (Atkinson)	5
6	7	8	9 WATER ISSUES COMM OCWD 8:00 AM  LAFCO 9 AM (Fisler)	10 E & O COMM 3:30 PM (Bockmiller & Ohlig-Hall)	11 PAY PERIOD ENDS  <b>VETERANS' DAY DISTRICT HOLIDAY</b>	12
13	14 PIC 11:30 AM (Dewane & Fisler)	15 EXEC COMM 3:30 PM (Bockmiller & Atkinson)  CITY COUNCIL 6 PM	16 MWDOC 8:30 AM (Fisler)  OCWD 5:30 PM (Atkinson)	17 <b>SOUTHERN CA WATER ANNUAL DINNER; TIME &amp; LOCATION TBD (Atkinson)</b>	18 PAY PERIOD ENDS	19
20	21 MWDOC PUB AFFAIRS & LEGIS COMM 8:30 AM  FIN COMM 3:30 PM (Atkinson & Fisler)	22  <b>MESA BOARD MTG 7 PM</b>	23 MWDOC/OCWD JT. PLANNING COMM 8:30 AM (Fisler)  PAY DAY	24 <b>THANKSGIVING DISTRICT HOLIDAY</b>	25 <b>DAY AFTER THANKSGIVING DISTRICT HOLIDAY</b>	26
27	28	29	30			
	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>ACWA/JPIA FALL CONFERENCE; ANAHEIM, CA; NOVEMBER 29—DECEMBER 2, 2011</b> </div>					



## MEMORANDUM

TO: Board of Directors

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

DATE: August 9, 2011

SUBJECT: Orange County Grand Jury Report *Compensation Survey of Orange County Water and Sanitation Districts*

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### RECOMMENDATION

Approve response to the 2010-2011 Orange County Grand Jury Report *Compensation Survey of Orange County Water and Sanitation Districts*.

The Executive Committee reviewed this item at its July 19, 2011 meeting and recommends Board approval.

### STRATEGIC PLAN

- Goal #1: Provide a safe and reliable water supply.
- Goal #2: Practice continuous infrastructure renewal and improvement.
- Goal #3: Be financially responsible and maintain competitive rates.
- Goal #4: Increase public awareness about Mesa and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Exceed the needs of internal and external customers.

### BACKGROUND

On May 23, 2011, President Bockmiller and staff were invited to participate in the review process of the 2010-2011 Orange County Grand Jury Report *Compensation Survey of Water and Sanitation Districts* (Report) prior to the public release on June 10, 2011.

Mesa Consolidated Water District's (Mesa Water) participation in the review process was essential as this was the opportunity to identify any factual inaccuracies. As expected, all the information captured in the Report was accurate and consistent with the information provided to the Orange County Grand Jury.

### DISCUSSION

On June 10, 2011, the Orange County Grand Jury released a report summarizing compensation levels for board members and general managers of water and sanitation districts in Orange

County. The Report *Compensation Survey of Orange County Water and Sanitation Districts* was prepared from the responses to the Orange County Grand Jury 2010-2011 questionnaire regarding compensation practices for the board of directors and general managers of 18 water and sanitation districts in Orange County, which included Mesa Water.

Based upon the review of the questionnaire responses, the Orange County Grand Jury has arrived at two principal findings, as follows:

- F.1: District websites often do not provide easy public access to compensation and financial data of the district, if available at all.
- F.2: District websites were sometimes not updated to reflect public meeting changes or cancellations.

Based upon the findings the Orange County Grand Jury's recommendations are as follows:

- R.1: Provide in an easily accessible format on the district's website, data on compensation for the board of directors and general manager, as well as current budget and financial reports.
- R.2: Maintain and update agendas, minutes, meeting schedules and location on the district's website.

Mesa Water is required to respond to the Grand Jury Report in accordance with the California Penal Code Section 933(c) and address each finding and recommendation by September 8, 2011.

For the Board's consideration, attached are a draft response and the Grand Jury Report.

#### FINANCIAL IMPACT

There is no financial impact.

Attachment A: Draft Response

Attachment B: Orange County Grand Jury Report *Compensation Survey of Orange County Water and Sanitation Districts*

*District Mission:  
Dedicated to Satisfying  
our Community's  
Water Needs*

August 9, 2011

**BOARD OF DIRECTORS**

**FRED R. BOCKMILLER**  
President  
Division I

**JAMES F. ATKINSON**  
First Vice President  
Division IV

**SHAWN DEWANE**  
Vice President  
Division V

**JAMES FISLER**  
Vice President  
Division II

**TRUDY OHLIG-HALL**  
Vice President  
Division III

**PAUL E. SHOENBERGER, P.E.**  
General Manager

**COLEEN L. MONTELEONE**  
District Secretary

**VICTORIA L. BEATLEY**  
District Treasurer

**BOWIE, ARNESON,  
WILES & GIANNONE**  
Legal Counsel

The Honorable Thomas J. Borris, Presiding Judge  
Orange County Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Subject: Response to the Orange County Grand Jury Report *Compensation Survey of Orange County Water and Sanitation Districts*

Dear Judge Borris:

This letter is in response to the 2010-2011 Orange County Grand Jury (OC Grand Jury) Report *Compensation Survey of Orange County Water and Sanitation Districts*. The following represents Mesa Consolidated Water District's (Mesa Water) response to the OC Grand Jury Findings and Recommendations.

**GRAND JURY FINDINGS:**

F.1: District websites often do not provide easy public access to compensation and financial data of the district, if available at all.

**F.1 Response: Mesa Water agrees with the finding. Mesa Water's compensation and financial data has been on our website since August 2010.**

F.2: District websites were sometimes not updated to reflect public meeting changes or cancellations.

**F.2 Response: Mesa Water agrees with the finding. Mesa Water's website has been online with up-to-date information since June 2002.**

R.1: Provide in an easily accessible format on the district's website, data on compensation for the board of directors and general manager, as well as current budget and financial reports.

**R.1: Response: The recommendation has been implemented. Mesa Water's website has contained the information recommended, which appears in several places on the site, since August 2010.**

*District Mission:  
Dedicated to Satisfying  
our Community's  
Water Needs*

R.2: Maintain and update agendas, minutes, meeting schedules and location on the district's website.

**R.2. Response: The recommendation has been implemented. Mesa Water's website has contained the information as recommended since 2008. Nonetheless, in an effort to further the user-friendly capability of Mesa Water's website, the following modifications have been made:**

- ◆ **The Board of Directors menu subcategories were renamed and reorganized for clarity. The drop-down menu will read Board meetings and a subcategory list will appear for the selection of Board meeting packets or Board meeting minutes.**
- ◆ **Additionally, a new paragraph was added with a brief description indicating the time and location for regular Board meetings.**

The Mesa Water Board of Directors applauds the OC Grand Jury for taking interest in special districts and supports their efforts to ensure the public trust, transparency, public participation, and collaboration.

**BOARD OF DIRECTORS**

**FRED R. BOCKMILLER**  
President  
Division I

**JAMES F. ATKINSON**  
First Vice President  
Division IV

**SHAWN DEWANE**  
Vice President  
Division V

**JAMES FISLER**  
Vice President  
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District Secretary

**VICTORIA L. BEATLEY**  
District Treasurer

**BOWIE, ARNESON,  
WILES & GIANNONE**  
Legal Counsel

Respectfully submitted,

Fred R. Bockmiller, Jr., P.E.  
President, Board of Directors

c: Mesa Water Board of Directors

**COMPENSATION SURVEY OF ORANGE  
COUNTY WATER AND SANITATION  
DISTRICTS**



# **COMPENSATION SURVEY OF ORANGE COUNTY WATER AND SANITATION DISTRICTS**

## ***SUMMARY***

The 2010/11 Orange County Grand Jury has completed a review of compensation practices for the boards of directors and general managers of the eighteen water and sanitation districts in Orange County.

The districts studied are independent government agencies, run by an elected or appointed board of directors, and administer combined annual revenues of over \$1.3 billion. Yet for a variety of reasons, they receive little public interest or scrutiny. Given the recent excesses in local government, the potential for serious problems exist, thus the attention of the Grand Jury.

In general, despite a seeming lack of interest on the part of the public, it was found the districts went efficiently about their business, providing water, wastewater and solid waste collections services to the citizens of Orange County. However, there are several areas of concern.

While payments for meeting attendance by board directors are limited by State statute, there is no limitation of benefits paid to directors. Some districts have chosen to provide their directors with limited or no benefits, there are some instances of full time benefits being paid for part time work.

The Grand Jury found wide variation among the districts studied in the ability of the general public to obtain compensation, financial and meeting information. As a result, the Grand Jury has recommended minimum standards for information access on district websites.

## **REASON FOR STUDY**

Water and sanitation districts within Orange County are not well understood by the general public, and given little attention. Yet these districts have tremendous power to levy fees and often possess substantial capital reserves. They also play a vital role in public health and safety.

Due to recent excesses in local government compensation and the mounting financial burden created by public pension obligations, there is justified concern on the part of the public towards local government and the way it conducts its affairs.

Given this heightened concern over local government operations, the Grand Jury determined it would be worthwhile to review and illuminate the compensation received by the boards of directors and general managers of the water and sanitation special districts within Orange County. Many have referred to this concept as “transparency.” Beyond just providing compensation data, the Grand Jury also felt an examination of how that information is conveyed to the public would be useful. It is hoped that by providing this information in a uniform context, public confidence can be increased for this sector of government.

## **METHODOLOGY**

The Grand Jury made the decision at the study’s inception to review all special districts in Orange County dealing in water or wastewater, regardless of their size or function. This approach combines water retailers, water wholesalers, as well as wastewater treatment agencies. Water retailers provide water directly to individual users while water wholesalers provide water to water retailers, thus complexity of operations will differ.

Each district was sent a questionnaire soliciting compensation and benefits information for the board of directors and the general manager position. Other documents requested included annual reports, district by-laws, financial statements and budgets, organization charts, as well as any employment contract for the general manager. Follow up contacts were made to clarify data or seek additional information.

This data was analyzed to see if it was in compliance with the State of California Water Code (Water Districts) and the State of California Sanitation Code (Sanitation Districts). All districts appeared to be

following state guidelines in regards to number of monthly meetings and director compensation.

In addition to the direct information supplied by the districts, the Grand Jury also reviewed each district's individual website as well as the website of the State Controller of California. The individual district websites were surveyed to judge their ease of use, the value of the information provided to the public as well as to provide data for some of the statistical analysis contained in this report. The State Controller's website contains the annual "Local Government Compensation Report", which includes special districts such as water and sewer districts. The data presented on the Controller's website is for the calendar year of 2009 and thus may be at variance with values stated in this report.

Members of the Grand Jury attended various district board meetings to gauge the level of public interest and attendance and to see if district business was conducted in an open and detailed manner. On two occasions, members arrived at the scheduled time and place of the public meeting as shown on a district's website and found it to be cancelled, with notice posted only at the location of the meeting site.

This report is focused on total compensation, including value of benefits, to the individual general manager or board of directors member.

"Retirement benefits", as used in this study, do not include those amounts that the employer is normally required to pay as the employer's standard share of pension contributions. However, if the employer is paying all or some of the amount an employee would normally be expected to pay (the "employee's share"), then that amount was included as additional compensation to the employee in the calculations. In all cases retirement benefits included any type of defined benefit retirement plan, retirement health accounts or any other deferred compensation contributions the employer is making on the employee's behalf.

"Insurance" includes any combination of the following: medical, dental, vision, life and accidental death, short-term disability, long-term disability, and long term care insurance. These numbers include only the cost to the employer; they do not include any premiums paid by the employee. If an employee elected to take cash in lieu of insurance coverage that dollar amount was captured in the insurance calculations.

"Car allowance" may be either an actual cash payment to the employee or the imputed value of using a district supplied vehicle. If the general manager used a district "pool" vehicle for daily work it was not included as a car allowance.

Bonuses were noted, although it is recognized that they may be a one-time benefit and may not reappear in other years as compensation.

Focusing on the larger picture and major elements of compensation, it was elected to not quantify benefits for less expensive categories, such as cell phone allowances. Likewise, job-related reimbursables, such as conferences, travel, training, etc., were excluded.

Board of directors for these special districts do not receive a salary, rather they are compensated for attending meetings related to district business. These stipends are set by State of California government statute and contain inflation escalation clauses. The statute also limits the number of meetings a board member may collect fees for in any given month.

Quantifying compensation for a district's board of directors presented some challenges. First, the basic compensation for a director is dependent upon the number of meetings attended by a given director, and considerable variation was observed. Further, different insurance health packages (when offered) were selected by various directors leading to large spreads in insurance costs on individual boards.

The Grand Jury felt the fairest presentation of the compensation for a given board member was to use an averaging method. To accomplish this, the actual annual total district expenditures for board of directors' stipends, health insurance and retirement amounts were divided by the number of directors on the district's board, giving an "average compensation" for directors. Some directors were compensated above this average value and some less. While some precision is diminished, the Grand Jury feels it provides a valuable benchmark for comparison.

## **FACTS**

**Fact:** Combined total annual revenues for the 18 water and sanitation special districts in Orange County exceed \$1.3 billion.

**Fact:** California state law defines a special district as "any agency of the state for the local performance of governmental or proprietary functions within limited boundaries (Government Code Section 16271 (d)).

**Fact:** Compensation for the board of directors of water districts must be set in accordance with the California Water Code Section 20202 and for the board of directors of Sanitation Districts, in accordance with the Health and Safety Code, Section 6489.

**Fact:** Board of director meeting stipends for water and sanitation special districts are capped by the state. Other compensation packages for the board of directors and the general manager are set by the board of directors in each district.

**Fact:** Elected or appointed officers of a special district, commission or board elected or appointed after June 30, 1994 are prohibited from participating in the California Public Employees' Retirement System (CalPERS).

## **ANALYSIS**

### **What are Special Districts?**

The agencies reviewed by this report are commonly referred to as “special districts”. State law defines a special district as “any agency of the state for the local performance of governmental or proprietary functions within limited boundaries.” A special district is a separate local government that delivers a limited number of public services to a geographically limited area.

Inadequate revenue bases and competing demands for existing taxes make it hard for counties and cities to provide all of the services that their constituents want. When residents want new services or higher levels of existing services, they can form a district to pay for them. Special districts localize the costs and benefits of public services. Most special districts serve just a single purpose, such as districts for sewage treatment or water delivery, the focus of this report.

Sometimes county supervisors or city councils are special districts’ governing boards, as is the case of dependent special districts. Independent special districts operate under state laws as autonomous government entities with independent elected board of directors accountable to the local voters they serve. However, special districts must make certain reports to the State of California. For example, special districts must send their annual financial reports to the State Controller’s Office. Districts must also follow the state laws for special taxes, bonded debt, public hearings, public records, and elections.

Water districts were formed in Orange County as early as 1925 (Laguna Beach County Water District). Population growth, coupled with the drought beginning in 1987 and escalating in 1989-90, generated a new way of thinking for the water districts in Orange County. A renewed

focus began to be placed on conservation, groundwater management and water recycling.

Orange County has 14 water and 4 sanitation districts; all classified as independent districts, each having their own board of directors. Not all areas of Orange County use water district services. These communities (typically older cities) have their own water sources and are operated by either city governments or private water companies.

Originally, water districts were limited by state law to what services they could provide. But in 1963 the California Water District Act was amended allowing water districts to provide wastewater and water reclamation services. Of the 18 special districts studied in this report, 8 provide both water and wastewater services.

### **District descriptions and background**

The following table contains demographic data describing each of the districts, with particular emphasis on various measures of size. It's important to note that these districts have an annual combined total revenue of approximately \$1.375 billion, yet very few taxpayers give the attention to the structure and management of these entities that they may give to their local city councils.

The data in the table was acquired from a number of sources, the majority from the districts themselves, their annual reports or their websites. "Annual Revenue (2009/10)" generally reflects the total income received from all sources by each district for the fiscal year of 2009/10. This can differ from a district's operating budget, which may exclude amounts for debt servicing or capital projects.

## Special Districts Statistical Summary

District	Year Formed	Employees	Population Served	Annual Revenue (2009/ 10)
Costa Mesa Sanitary District	1944	18	116,700	\$10,452,000
East Orange County Water District	1961	10	104,000	\$6,307,708
El Toro Water District	1960	55	51,000	\$19,724,200
Irvine Ranch Water District	1961	315	330,000	\$205,500,000
Laguna Beach County Water District	1925	40	25,000	\$9,000,000
Mesa Consolidated Water District	1960	60	116,479	\$29,102,086
Midway City Sanitary District	1939	24	100,000	\$8,926,587
Moulton Niguel Water District	1960	98	166,964	\$77,195,000
Municipal Water District of O.C.	1951	30	2,300,000	\$154,963,970
Orange County Sanitation District	1946	648	2,600,000	\$594,700,000
Orange County Water District	1933	217	2,400,000	\$109,775,309
Rossmoor/ Los Alamitos Area Sewer Dist.	1952	0.5	24,204	\$384,608
Santa Margarita Water District	1964	128	150,000	\$79,053,240
Serrano Water District	1927	11	6,500	\$4,639,911
South Coast Water District	1932	73	40,000	\$31,900,685
Sunset Beach Sanitary District	1930	3	2,500	\$948,283
Trabuco Canyon Water District	1962	23	13,350	\$7,055,526
Yorba Linda Water District	1959	76	75,000	\$25,858,705
<b>Total for all Districts:</b>				<b>\$ 1,375,487,818</b>

The following section provides a brief overview of each of the 18 special districts included in this report. Any features or operations unique to each district are mentioned.

**Costa Mesa Sanitary District** *(Sewer and solid waste pickup)*

The District's boundaries encompass all of the City of Costa Mesa and portions of Newport Beach and unincorporated Orange County. In addition to providing sewer service to 116,000 residents, the District also provides curbside refuse and recycling collection services to over 21,000 households.

**East Orange County Water District** *(Water only)*

The District's wholesale operation encompasses an area of approximately 10,000 acres including the City of Tustin, a portion of the City of Orange and unincorporated territory bordering the eastern side of Santa Ana and Orange. In July 1985 the District entered retail water operations when it took over the operations of Orange County Water Works System #8.

**El Toro Water District** *(Water and sewer)*

The El Toro Water District's water and wastewater system serves over 5,000 acres including all of Laguna Woods and portions of the cities of Laguna Hills, Mission Viejo, Lake Forest and Aliso Viejo. Service connections are provided for residential, commercial, industrial and institutional use. In September 1983, the District purchased the assets of a privately owned utility to become a retail water and sewer provider.

**Irvine Ranch Water District** *(Water and sewer)*

The District serves 181 square miles in central Orange County including the City of Irvine and portions of Tustin, Newport Beach, Costa Mesa, Orange, Lake Forest and unincorporated areas. It provides drinking water, reliable wastewater collection and treatment, recycled water and urban runoff treatment. Over the last ten plus years the District has consolidated with five water districts which resulted in greater efficiency and lower rates and charges to its customers.

**Laguna Beach County Water District** *(Water only)*

The District provides service within an 8.5 square mile area including portions of Laguna Beach, Crystal Cove State Park and supplies, under contract, water and services to the unincorporated community of Emerald Bay. Its 8,450 service connections service mostly residential water users. Within the District there are 21 water storage reservoirs providing approximately ten days of water to the community in the event of an emergency.

In November of 2000, the District became a subsidiary of the City of Laguna Beach. Through an operating agreement with the City, the District operates independently, retaining its assets, separate legal counsel, separate insurance and benefits and continues to operate under the State of California Water Code. The Laguna Beach City council members act as the Water District's ex-officio Board of Directors. They

draw no salary but their medical insurance benefits are paid by the water district and not by the City of Laguna Beach. Besides the Board, there is also a Commission that does the day to day decision making. The Commission members are appointed by the Board of Directors (Laguna Beach City Council) and serve 2 year terms. This report considers compensation of only the Commissioners.

**Mesa Consolidated Water District** *(Water only)*

The District was created through the merger of three districts and the City of Costa Mesa Water Department. This was the first California water agency to consolidate two or more water districts and assumed the debts and obligations. The District serves an 18 square mile area and includes the City of Costa Mesa, parts of Newport Beach, unincorporated areas and John Wayne Airport.

**Midway City Sanitary District** *(Sewer and solid waste pickup)*

The District maintains 174 miles of sewer mainlines transporting 13 million gallons a day to treatment facilities serving residents in Westminster and the unincorporated area known as Midway City. In addition, the District provides curbside refuse and recycling collection services to 20,600 residences and commercial and industrial properties within the District.

**Moulton Niguel Water District** *(Water and sewer)*

The District was formed in 1960 to provide a water supply to the Moulton Niguel Service. In 1964 the District began wastewater services previously provided by Orange County Sanitation District No. 12. The District encompasses approximately 36.5 square miles and includes the cities of Laguna Niguel, Aliso Viejo and portions of Laguna Hills, Mission Viejo and Dana Point. Water and sewer accounts are estimated at just over 54,000.

**Municipal Water District of Orange County** *(Water only)*

The District is a wholesale water management and planning agency that provides imported water to 28 water purveyors and two private water companies in a service area of over 600 square miles. These smaller entities then provide the water to residential and commercial customers. In 2001 the District consolidated with Coastal Municipal Water District of Southern California. It is the second largest member agency of the Metropolitan Water District of Southern California, the agency that supplies Southern California with the majority of its imported water. It coordinates countywide water/wastewater emergency preparedness and response efforts.

**Orange County Sanitation District** *(Sewer only)*

The District provides wastewater services for much of Orange County. Its boundaries cover 479 square miles, serving 21 cities and three special districts. The District has two operating facilities, one in Fountain Valley, the other in Huntington Beach, treating wastewater from residential, commercial and industrial sources in central and northwest Orange County. Each day approximately 230 million gallons of wastewater is treated, enough water to fill Angel Stadium three times a day.

The 25 members of the District's board of directors consist of elected representatives from each of the sewer agencies or cities within the Orange County Sanitation District. Thus the board members of the District are not elected directly, but are appointed by their respective agencies.

**Orange County Water District** *(Water only)*

Despite its name, the Orange County Water District is not a water provider in the usually understood sense. Its function is to manage the underground water in Orange County, called the aquifer. Agencies pumping water from the ground in Orange County are regulated and charged by this district. The Orange County Water District also operates the Groundwater Replenishment System, a state of the art plant in Fountain Valley that purifies wastewater and injects it back into the ground for reuse.

The board of directors for this district is a hybrid of elected and appointed officials. Of the 10 board members, 7 are elected from defined service areas within the district, and 3 are appointed representatives of the cities of Fullerton, Anaheim and Santa Ana.

**Rossmoor/Los Alamitos Area Sewer District** *(Sewer only)*

The District was created in 1952 by area citizens desiring an adequate sewer system to replace outdated septic tanks. Annexations in 1954 and 1960 added the Rossmoor residential development and the nearby Naval base. The District serves more than 8,000 sewer connections in Rossmoor, Los Alamitos, the College Park West area of Seal Beach and parts of Cypress.

This district has only one part time employee, serving essentially as general manager. All other district work is contracted out.

**Santa Margarita Water District** *(Water and sewer)*

The District is the second largest water district in Orange County serving residents and businesses in Mission Viejo, Rancho Santa Margarita, Coto de Caza, Las Flores, Ladera Ranch and Talega. The size of the district expanded from 41,400 acres to its present size of 62,674 acres through a series of annexations and several small land exchanges with Moulton Niguel Water District to better align boundaries. The District is one of five south Orange County water agencies that partnered to finance and construct the 244 million gallon Upper Chiquita Reservoir project.

**Serrano Water District** *(Water only)*

The District provides services to approximately 2,000 acres which includes Villa Park and a minor portion of the city of Orange with approximately 2,250 domestic meters in service. This was the smallest water district studied, with a population of about 6,500. The District's principal source of water is native water drawn from Santiago Reservoir, also known as Irvine Lake, which it also manages as a recreational facility.

**South Coast Water District** *(Water and sewer)*

For decades the south coast area of Orange County was served by three water and sanitary agencies. As of January 1, 1999 these agencies consolidated to form the "expanded" South Coast Water District. Water and/or sewer services are provided to more than 17,000 customer accounts in Dana Point, Monarch Beach, Capistrano Beach, South Laguna and areas of north San Clemente and north San Juan Capistrano.

**Sunset Beach Sanitary District** *(Sewer only)*

The District was formed to provide wastewater services to an area of approximately 175 acres. This area includes the unincorporated community of Sunset Beach and Surfside Colony. The District collects both sewage and municipal solid waste. The District contracts with the Orange County Sanitation District for sewage treatment and effluent disposal and with the City of Huntington Beach for sewage conveyance.

This smallest district studied (population 2,500) lacks even a physical office and public meetings are held in a local women's club. Its boundaries are included in the pending annexation of Sunset Beach by the City of Huntington Beach, so its future is unclear.

**Trabuco Canyon Water District** *(Water and sewer)*

The District provides retail water service, wastewater treatment, reclamation and agricultural services to over 4,000 metered connections in a 9,000 acre area at the foothills of the Santa Ana Mountains. This area is comprised of numerous canyons and hills with varying elevations from 900 to 2,400 feet above sea level and includes the communities of Dove Canyon, Trabuco Canyon, Robinson Ranch and Portola Hills. Wastewater is collected and reclaimed at the Robinson Ranch Wastewater Treatment Plant built in 1984 and expanded in 1992. One hundred percent of the reclaimed water is then used for irrigation.

**Yorba Linda Water District** *(Water and sewer)*

The District was started in an unincorporated area. Through the 1950s the area was largely rural but rapidly transitioned to suburban land use. Annexations expanded the District from 4,710 acres in 1959 to over 14,000 acres today. The District serves most residents in the City of Yorba Linda and portions of Placentia, Brea and Anaheim. The District has nine active wells which provide 50 percent of the water produced, the rest derived from imported sources.

**Board of Directors compensation**

Total compensation among the districts varies based on their size and on decisions made by their boards concerning their benefits.

In the early 1990's the California Water Code Section 20201 put a ceiling of \$100 on the maximum amount water board members can receive for attendance at any one meeting of the board or directors. However, Section 20202 authorizes water district boards to increase the amount of compensation not to exceed 5% for each calendar year, although any such increase is at the board's discretion.

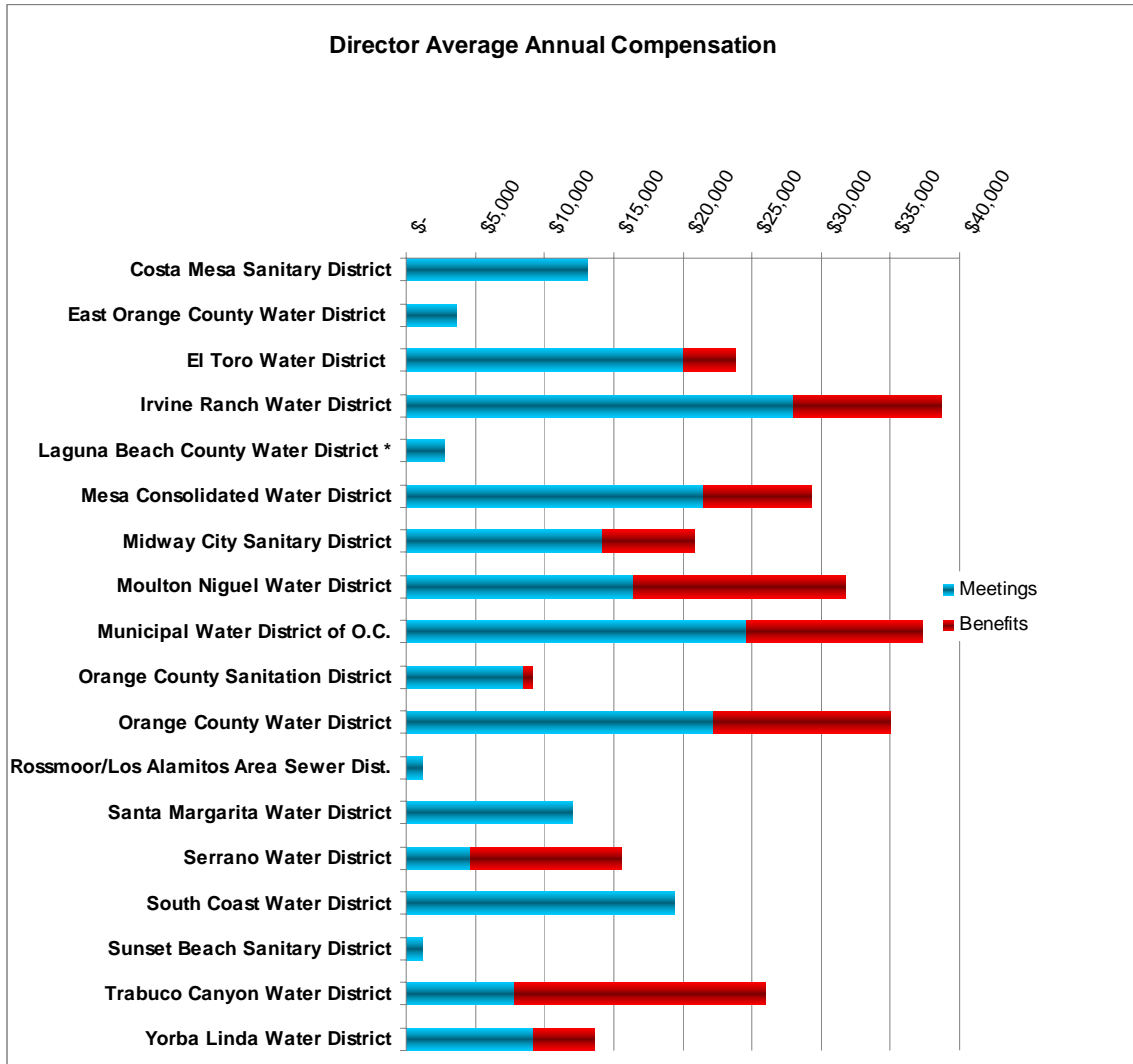
Some districts have chosen to increase the per meeting director stipend regularly while others have not. This has resulted in a disparity in meeting compensation between districts ranging from \$100 per meeting up to \$237 per meeting.

In addition to meeting compensation, State statutes also limit the maximum number of compensable meetings to 10 monthly for water districts and 6 monthly for sanitation districts. Some districts hold very few meetings per month, while others approach the maximum allowed, due to extensive subcommittee meetings or qualifying meetings with outside agencies. Thus annual director compensation for meetings alone has a wide range, from as little as \$1,200 (Sunset Beach Sanitary District) to \$28,000 (Irvine Ranch Water District).

While pay per meeting is set by statute, benefits such as medical insurance and retirement are not. Benefits paid to special district directors are set solely by the board of directors themselves. Four districts provide retirement benefits and ten districts provide insurance benefits to their directors.

It should be noted that board members elected since June 30, 1994 are prohibited from participating in the CalPERS retirement program. Four of the districts studied still have some sitting board members elected before the CalPERS prohibition was implemented 17 years ago. Because there are so few of these members and future board members cannot qualify for these funds, the Grand Jury elected to exclude these small amounts from the data reported here. There is no restriction against the participation of board members in other types of retirement programs, such as other defined benefit plans or deferred compensation plans.

The following graph shows the average annual fiscal year 2009/10 compensation received by board members of the special districts studied and analyzed as discussed in the “Methodology” section. After the graph follows a table showing a breakdown of director compensation in more detail. Note that in that table, and those following, the entry “-“ denotes a value of zero.



### Director Average Annual Compensation

District	Meeting Compensation	Retirement	Insurance	Total Benefits	Total Compensation
Costa Mesa Sanitary District	\$ 13,083	\$ -	\$ -	\$ -	\$ 13,083
East Orange County Water District	3,600	-	-	-	3,600
El Toro Water District	20,000	-	3,796	3,796	23,796
Irvine Ranch Water District	28,000	-	10,730	10,730	38,730
Laguna Beach County Water District *	2,760	-	-	-	2,760
Mesa Consolidated Water District	21,404	-	7,906	7,906	29,310
Midway City Sanitary District	14,187	-	6,625	6,625	20,812
Moulton Niguel Water District	16,429	329	14,999	15,328	31,757
Municipal Water District of O.C.	24,505	3,168	9,613	12,781	37,286
Orange County Sanitation District	8,512	638	-	638	9,150
Orange County Water District	22,176	3,543	9,289	12,831	35,008
Rossmoor/Los Alamitos Area Sewer Dist.	1,200	-	-	-	1,200
Santa Margarita Water District	12,012	-	-	-	12,012
Serrano Water District	4,640	-	10,939	10,939	15,579
South Coast Water District	19,422	-	-	-	19,422
Sunset Beach Sanitary District	1,200	-	-	-	1,200
Trabuco Canyon Water District	7,850	-	18,077	18,077	25,927
Yorba Linda Water District	9,270	-	4,316	4,316	13,587

\*Data shown is for Commissioners and based on monthly stipend

There is a significant variance in the benefits paid to boards of directors of the special districts studied. In some cases benefits constitute a significant portion of a director's total compensation. For example, in the case of the Trabuco Canyon Water District, the benefits make up approximately 70% of their directors' total compensation.

This level of benefits has opened many special districts up to criticism. Since board meetings are usually held only a few times per month (sometimes only once per month), they are effectively part-time jobs. Yet in many cases these part-time jobs come with full time benefits. There is no statutory prohibition against providing full-time benefits to board members for part-time duties.

The situation may have arisen due to the fact that in past years health benefits were much less expensive than today. As a result they were often provided as a standard benefit for many employees. As costs for these types of benefits have dramatically risen, districts may not have considered the appropriateness of their provision for what are essentially part time members.

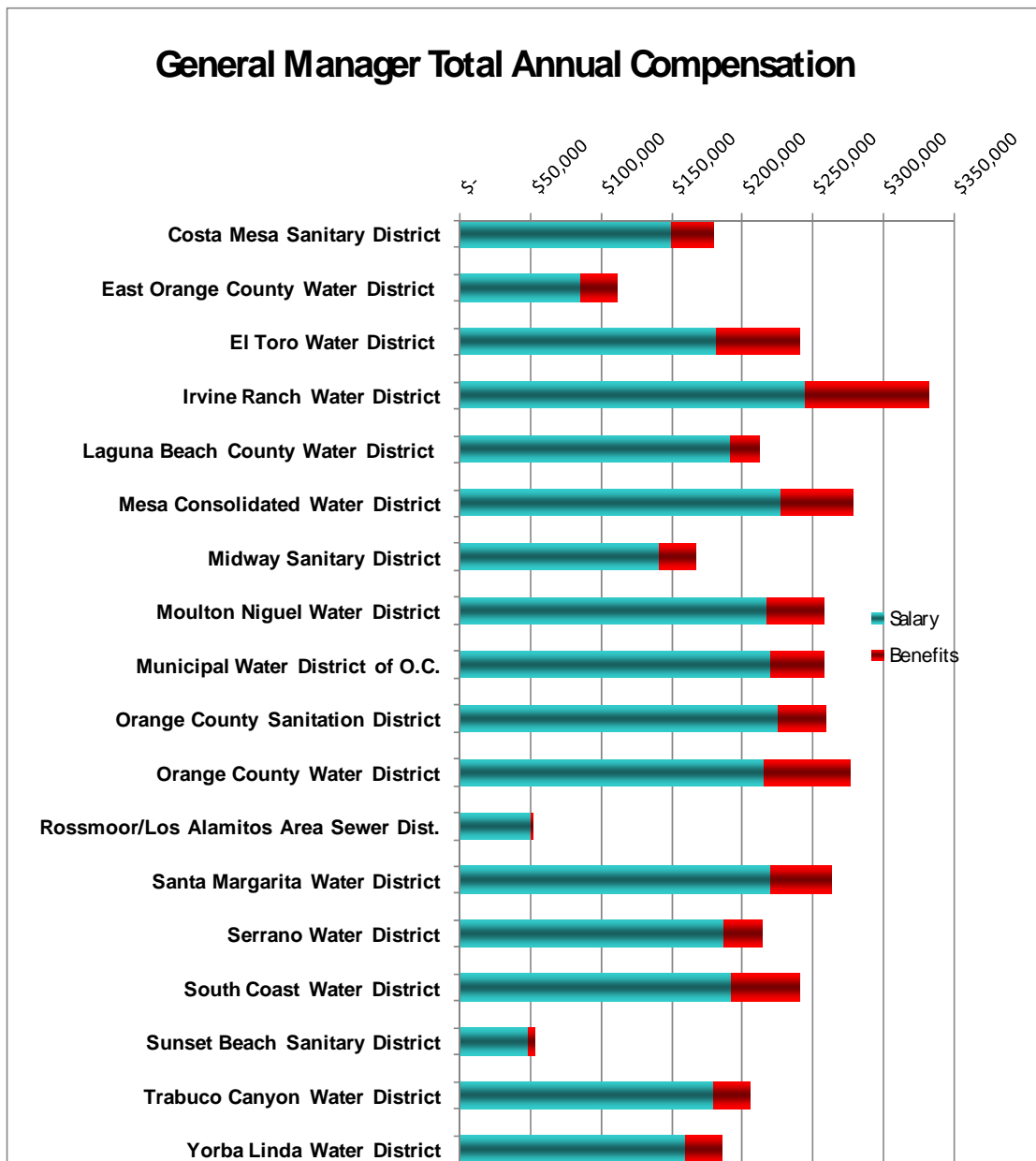
Some of the smaller districts studied are models of frugality. The Sunset Beach Sanitary District and the Rossmoor/Los Alamitos Sanitary District seldom meet more than once a month, even though permitted to do so. Further, their directors receive no benefits beyond their modest meeting stipends.

In the case of the small East Orange Water District, it is their policy that board members rarely go to outside meetings and collect their meeting stipend. Instead, the General Manager attends outside agency meetings and reports back to the directors as a cost savings measure.

The Laguna Beach County Water District has a somewhat different compensation model than most. As previously described, there is a panel of “commissioners” who manage normal matters of the district. The commissioners each draw a monthly stipend of \$230, regardless of the number of meetings, and receive no benefits.

## General Manager compensation

All of the special districts studied were directed by general managers (for one district the position is called “Superintendent”). The board of directors sets general policy for each district and approves budgets and expenditures, while the general manager runs the day to day operations and manages the staff of a district. For the districts studied, most of the general managers’ compensation fell in a relatively uniform range. There were a few exceptions, both on the low end and the high end. The following graph summarizes the general manager’s compensation for fiscal year 2009/10 and the subsequent table breaks it down in more detail.



### General Manager Total Annual Compensation

District	Salary	Bonus	Retirement	Insurance	Car Allowance	Total Non-salary	Total Compensation
Costa Mesa Sanitary District	\$ 150,000	\$ 3,000	\$ 11,500	\$ 9,588	\$ 4,800	\$ 28,888	\$ 178,888
East Orange County Water District	85,540	-	5,988	16,265	4,200	26,453	111,993
El Toro Water District	181,064	-	36,667	15,896	6,600	59,163	240,227
Irvine Ranch Water District	244,992	25,479	39,688	13,569	7,992	86,728	331,720
Laguna Beach County Water District	191,324	-	13,393	7,432	-	20,825	212,149
Mesa Consolidated Water District	227,800	-	30,946	13,678	6,000	50,624	278,424
Midway Sanitary District	141,450	-	24,180	1,332	-	25,512	166,962
Moulton Niguel Water District	217,464	-	18,049	21,960	-	40,009	257,473
Municipal Water District of O.C.	219,902	-	15,393	14,052	9,000	38,445	258,347
Orange County Sanitation District	225,000	-	20,500	13,258	-	33,758	258,758
Orange County Water District	215,000	-	39,193	13,727	8,400	61,320	276,320
Rossmoor/Los Alamitos Area Sewer Dist.	50,000	-	-	-	780	780	50,780
Santa Margarita Water District	220,000	-	27,840	15,828	-	43,668	263,668
Serrano Water District	187,000	-	5,610	21,108	-	26,718	213,718
South Coast Water District	192,000	-	28,415	20,004	-	48,419	240,419
Sunset Beach Sanitary District	47,646	-	-	-	4,800	4,800	52,446
Trabuco Canyon Water District	179,500	-	14,360	11,994	-	26,354	205,854
Yorba Linda Water District	160,140	-	11,210	14,986	-	26,196	186,336

Two districts were notable for not providing retirement or insurance benefits for their general managers: Rossmoor/Los Alamitos Sanitation and Sunset Beach Sanitary Districts. This is possibly the result of the positions being part time, and also the districts being small and fiscally responsible. All other districts studied provided retirement and insurance benefits.

Two districts paid their general managers bonuses within the year studied, Costa Mesa Sanitary and Irvine Ranch Water Districts. The payment of a \$25,479 bonus to the general manager of Irvine Ranch Water District resulted in that position having the highest compensation of all general manager positions studied (Although as previously noted, bonuses may be one-time events.)

Car allowances were not uncommon, but were not a benefit restricted to only the larger, well funded districts. Several smaller districts provided their general managers with car allowances, yet a number of larger districts did not. However often larger districts maintain a fleet of district vehicles, which a general manager may use. In these cases, the use of a district vehicle did not show up as compensation.

There are two reasons for the largest variation in the “Total Non-salary” category which are both related to the retirement category. First, agencies with defined benefit programs sometime pay part of what would normally be the responsibility of employee to pay (the “employee’s share”) as a benefit. These districts feel it makes their job positions more attractive and improves hiring ability in a competitive market.

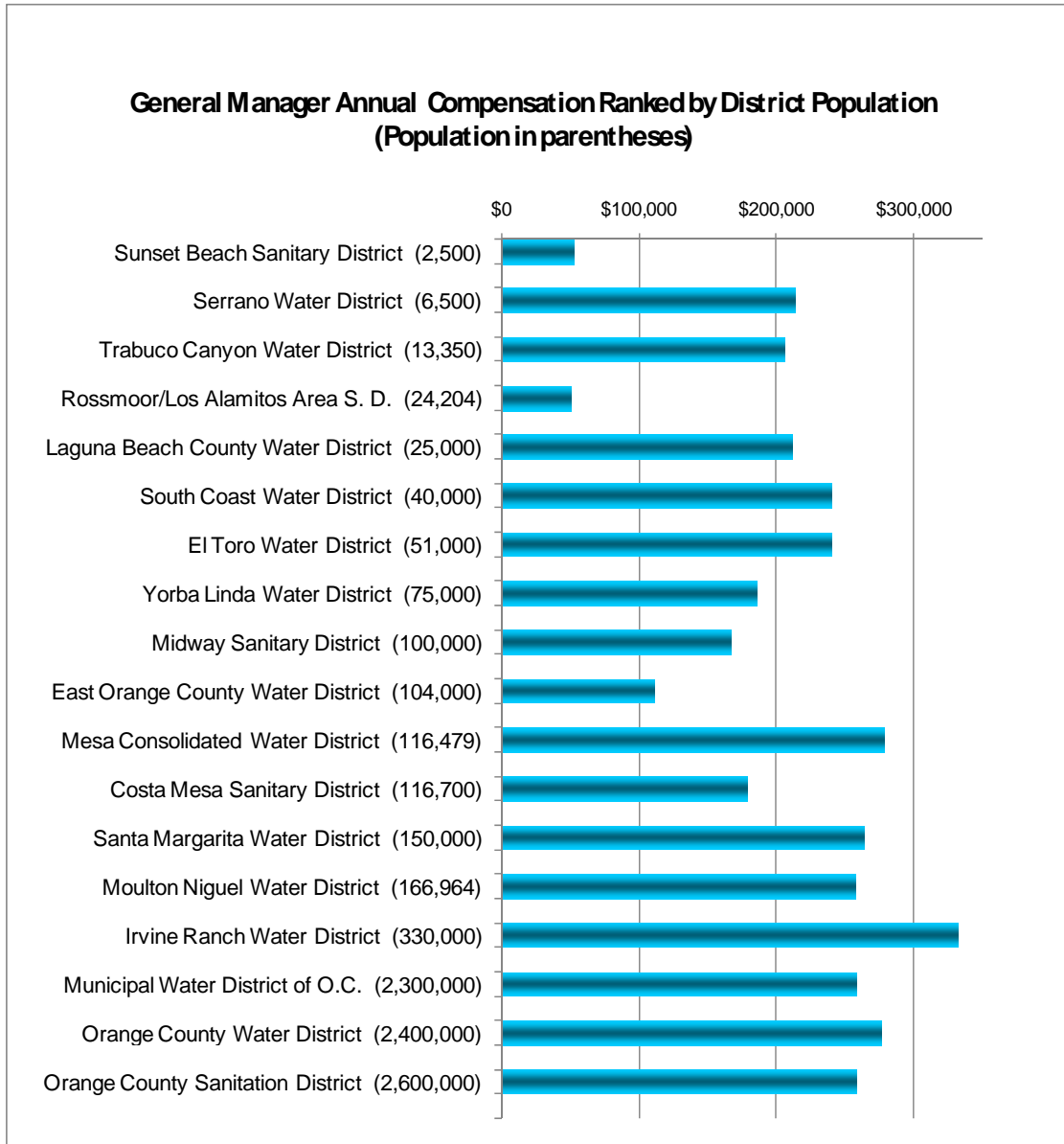
The second reason for wide retirement benefit variability has to do with deferred compensation. A number of districts provide deferred compensation programs whereby money is deposited into an employee’s account for use upon their retirement. Some districts require an employee match with the employee’s own funds, but in other cases the district deposits money whether an employee does or not.

The districts with the second and third highest retirement values listed, Orange County Water and El Toro Water Districts, deserve special mention. Of all the districts studied with employee retirement plans, these two are the only districts whose plans are not defined benefit plans. They are instead defined contribution plans. The districts and employees each contribute minimum required amounts to a deferred compensation plan. Either party may contribute more than the minimum, depending upon financial conditions.

A defined benefit plan, such as offered through CalPERS or the Orange County Employees Retirement System (OCERS) is the stereotypical government pension plan. It defines the benefit to the employee upon retirement, regardless of financial conditions at that time. This type of plan has generated much controversy in the current economic times.

A defined contribution plan instead specifies how much an employee and employer will contribute into a tax-deferred compensation plan, with no guarantee as to what the ultimate payout to the employee will be. The defined contribution plan reduces financial risk to the employer and is being held by many as a more responsible retirement plan for public employees.

The following shows the total general manager compensation for each district, ranked by the population data obtained from each district. The smallest district, Sunset Beach Sanitary District, is at the top, and the most populous district, Orange County Sanitation District, is at the bottom.



Generally, it appears district population bears no significant relationship to salary and benefits paid to the general manager. However, two of the relatively small water districts, Serrano Water District and Trabuco Canyon Water District offer their general managers compensation on par with much larger organizations.

Serrano Water District is noteworthy. With a population of only about 6,500, Serrano Water District compensates its general manager more than the general manager of Costa Mesa Sanitary District, which is almost eighteen times larger in terms of population. However the Serrano Water District does have the additional responsibility of managing recreational activities at Irvine Lake.

From the data presented, the compensation received by the general manager of the Irvine Ranch Water District is the highest of all districts studied. However if the \$25,479 bonus is set aside, it is not far removed from general manager compensation of other large districts. Considering the size both in population and geography of that district, and the fact it operates the second largest budget of all districts studied, perhaps the level of compensation is not surprising.

If it could be said that there is a standout among these districts, then perhaps it would be the East Orange County Water District. The frugality previously displayed in their board of directors compensation continues with their general manager. The general manager's compensation is significantly less than seven other, smaller-populated districts, and greater than only the two districts with part-time general managers.

### **Information accessibility**

During the investigative process for this report, the Grand Jury utilized a number of sources to acquire data. One very important source was the websites operated by the districts themselves. There is a wide disparity in the availability of data, its ease of finding and the timeliness of the information. This did not necessarily correlate with the size of the district. Some large, sophisticated districts had limited online access to compensation and financial data, while some smaller districts excelled.

A keystone of improving public confidence in local government operation is to make operating information easily available and demonstrate nothing is hidden.

Websites maintained by special districts should provide at least these minimum features.

- A clearly labeled link or links on the website's home page to all financial and compensation information.
- Compensation data should be provided for the board of directors and general manager listing all types of compensation (salary and other benefits) in a clear, understandable manner.
- If the general manager operates under a contract, then a copy of the current contract should be posted on the district's website.
- The current and previous fiscal year budgets should be posted. If available, the district's Comprehensive Annual Financial Report (CAFR) should be included.
- Public meeting information, including dates, times, location, agendas and minutes should be listed and rigorously updated.

As an example of what the Grand Jury would consider best practices in this area, reference is made to the website of the Costa Mesa Sanitary District. Through the "Transparency" link on their home page, access is provided to an extensive variety of compensation and benefit information. Additional links to "Agenda & Minutes" and "Finances" round out what is a superior website in terms of information accessibility.

Grand Jury members attended scheduled public meetings of many of the districts in this report. Typically, the only members of the public present at the meetings were those of the Grand Jury. Citizens of those districts, for whom significant financial decisions are being made, simply choose not to attend.

The only sure prevention for government abuse and excess is citizen participation. The Grand Jury did not observe this participation to be occurring to any significant level in the case of special districts. Public apathy towards these districts, unless corrected, is a recipe for disaster. While current management is honest and focused on the good of the people, lax public oversight could result in a very different situation.

## ***FINDINGS***

In accordance with California Penal Code Sections 933 and 933.05, the 2010-2011 Grand Jury requires responses from the agencies affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based upon its Compensation Survey of Orange County Water and Sanitation Districts, the 2010-2011 Orange County Grand Jury has arrived at two principal findings, as follows:

- F.1:*** District websites often do not provide easy public access to compensation and financial data of the district, if available at all.
- F.2:*** District websites were sometimes not updated to reflect public meeting changes or cancellations.

## ***RECOMMENDATIONS:***

In accordance with California Penal Code Sections 933 and 933.05, the 2010-2011 Grand Jury requires responses from the agencies affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based upon its Compensation Survey of Orange County Water and Sanitation Districts, the 2010-2011 Orange County Grand Jury makes the following two recommendations:

- R.1:*** **Provide in an easily accessible format on the district's website, data on compensation for the board of directors and general manager, as well as current budget and financial reports.**
- R.2:*** **Maintain and update agendas, minutes, meeting schedules and location on the district's website.**

## **REQUIREMENTS AND INSTRUCTIONS:**

The California Penal Code Section 933(c) requires any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the agency. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court); except that in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such comment shall be made *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05(a), (b), (c), details, as follows, the manner in which such comment(s) are to be made:

- (a) As to each grand jury finding, the responding person or entity shall indicate one of the following:
  - (1) The respondent agrees with the finding
  - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) As to each grand jury recommendation, the responding person or entity shall report one of the following actions:
  - (1) The recommendation has been implemented, with a summary regarding the implemented action.
  - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
  - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the grand jury report.
  - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.
- (c) If a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the grand jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision

making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Comments to the Presiding Judge of the Superior Court in compliance with the Penal Code Section 933.05 are required from the Boards of Directors of the following agencies:

<u>Responding Agency</u>	<u>Findings</u>	<u>Recommendations</u>
<b>Costa Mesa Sanitary District</b> <b>East Orange County Water Dist.</b> <b>El Toro Water District</b> <b>Irvine Ranch Water District</b> <b>Laguna Beach County Water Dist.</b> <b>Mesa Consolidated Water District</b> <b>Midway Sanitary District</b> <b>Moulton Niguel Water District</b> <b>Municipal Water District of O.C.</b> <b>Orange County Sanitation District</b> <b>Orange County Water District</b> <b>Rossmoor/Los Alamitos Area S.D.</b> <b>Santa Margarita Water District</b> <b>Serrano Water District</b> <b>South Coast Water District</b> <b>Sunset Beach Sanitary District</b> <b>Trabuco Canyon Water District</b> <b>Yorba Linda Water District</b>	<b>F.1 and F.2</b>	<b>R.1 and R.2</b>



## MEMORANDUM

TO: Board of Directors

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

DATE: August 9, 2011

SUBJECT: Mesa Water Branding Campaign-Logo

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### RECOMMENDATION

Receive the presentation.

### STRATEGIC PLAN

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

### BACKGROUND

At its April 26 regular meeting, the Board of Directors (Board) unanimously approved moving forward with a branding campaign for the District that includes: 1) changing the organization's name from Mesa Consolidated Water District to Mesa Water District, with Mesa Water for short; and, 2) designing a new logo to communicate Mesa Water's brand and new name.

### DISCUSSION

At its July 26, 2011 meeting, the Board reviewed and discussed the first draft of new Mesa Water logos which included several designs and color themes. Also at its July 26 meeting, the Board provided preferences and direction to staff regarding the logos. The Board also eliminated logos with which it did not wish to proceed further. Staff provided the Board's feedback to the graphic artists designing the logos. At tonight's Board meeting, in order to get closer to creating a new logo for Mesa Water that meets with the Board's approval, a second draft of new Mesa Water logos are being presented, incorporating the Board's expressed additions, changes and improvements.

### FINANCIAL IMPACT

The Board approved \$20,000 to develop a new logo for Mesa Water and this expense has been allocated in Mesa Water's FY12 budget under the Communications Department's Public Information Events and Programs account. To date, \$13,500 is spent, and a balance of \$6,500 remains.



## MEMORANDUM

TO: Board of Directors

FROM: Robert R. McVicker, P.E., D.WRE  
District Engineer

DATE: August 9, 2011

SUBJECT: Supervisory Control and Data Acquisition System Upgrade Third Party Review Contract

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### RECOMMENDATION

Discuss and take action as the Board desires. The Engineering and Operations Committee will review this item at its August 8, 2011 meeting and provide its recommendation to the Board.

### STRATEGIC PLAN

Goal #2: Practice continuous infrastructure renewal and improvement.

### DISCUSSION

Mesa Consolidated Water District (Mesa Water) approved the Supervisory Control and Data Acquisition (SCADA) System upgrade design consultant contract to DLT&V in September 2007, the SCADA system upgrade integration contract to DLT&V in August 2008 and the SCADA system upgrade construction project contract to KDC in December 2009. Since that time, permit conditions and design changes have delayed the completion of the project and Mesa Water has been presented with significant change order requests from DLT&V and KDC.

Staff has considerable concerns regarding the direction of the project and has explored options for moving forward. Due to the complex contractual issues, construction change order magnitude and potential for litigation, staff recommends hiring a third party to review the project and provide recommendations for moving forward.

A request for proposal (RFP) has been issued to four full service engineering consulting firms with experience in design of distributed antenna systems, SCADA communications and construction project management; MWH, Malcom Pirnie - Arcadis, HDR and Black & Veatch. Three firms attended the mandatory pre-proposal meeting and two firms submitted proposals, MWH and Malcom Pirnie - Arcadis responded to the RFP.

Staff conducted interviews following review of the proposals. The General Manager, District Engineering and Senior Engineer ranked the firms. MWH was ranked first by each reviewer due to their understanding of the project, experience in the type of work and scope of work.

MWH presented a three phased approach scope of work. The first phase, Scoping Study, will identify options for a solution and define a path for Mesa Water to proceed in order to complete the project. Staff is requesting authorization for the first phase. Based on the results of the first phase Mesa Water may proceed with the second phase that will develop a complete implementation plan for the path defined and selected in phase one. Following the development of the implementation plan in phase two, phase three may use MWH to manage the plan through completion of the project. The third phase of the project is the construction management phase involving construction management services including start-up, testing and training. An outline of MWH's approach is attached for information.

Proposal scores and costs are as follows:

<b>Proposer</b>	<b>Average Score</b>	<b>Submitted Cost</b>
MWH	4.33	\$35,000.00
Arcadis-Malcom Pirnie	3.40	\$125,810.00

#### FINANCIAL IMPACT

The FY12 capital budget included \$20,000 for the SCADA Upgrade and \$602,550 was carried over from the FY11 capital budget for a revised budget of \$622,550. There are currently change order requests totaling \$737,381. Based on the balance of existing contracts and the change order requests it is estimated that an additional \$618,514 is needed to complete the project. The costs for the third party review shall be added to the additional funds needed to complete the project. Following the third party review, the additional funds needed to complete the project will be refined and the funding will be determined during the upcoming financial planning effort. The following table details the current budget and potential changes required for the SCADA Upgrade project.

<b>CSC12-03 - SCADA Upgrade</b>			
	<b>Prior Years</b>	<b>Current Year</b>	
	<b>Expenses</b>	<b>FY12</b>	<b>Total</b>
Budget		\$20,000	\$20,000
Carryover		\$602,550	
Revised Budget		\$622,550	\$622,550
Design Contract	\$398,422	\$41,016	\$439,438
Internal Costs	\$189,603	\$0	\$189,603
Integrator Contract	\$617,009	\$2,656	\$619,665
PCO - Integrator		\$146,864	\$146,864
SCADA Advisor Contract	\$74,376	\$624	\$75,000
PCO - Advisor		\$28,400	\$28,400
KDC Contract	\$516,451	\$562,117	\$1,078,568
PCO - KDC (Contractor)		\$415,987	\$415,987
MurCal Contract	\$551,288	\$43,400	\$594,688
3rd Party Review		\$35,000	\$35,000
<b>Total</b>	<b>\$2,347,149</b>	<b>\$1,241,276,064</b>	<b>\$3,588,213</b>
Remaining Budget		(\$618,653,514)	(\$618,653,514)
PCO = potential change order			

## **Mesa Consolidated Water District SCADA Project Review Approach**

### **Phase I - Scoping Study**

Understand the project

- Interview MCWD
- Interview Design Engineer/Integrator (others? Contractor?)

Understand the current state

- Review Contracts, Payment Requests, Change Orders, Change Order Requests
- Review plans, specifications and correspondence
- Create timeline and flowchart of services and materials provided and actions taken
- Establish current responsibilities based on contract documents – Responsibility Matrix
- What work remains to be completed?

Identify options for a solution

- Propose/discuss options with MCWD – select path
- Discuss selection with Design Engineer and Contractor
- Develop recommended budget for other phases

Provide summary of conclusions and recommendations – **Tech Memo 1**

### **Phase II – Solution Development**

- Prepare the guidance documents for execution of the solution
  - Describe who does what
    - Perform additional third-party communications study?
  - Establish a sequence and schedule
  - Incorporate feedback from Design Consultant and Contractor
- Review construction documents prepared by Design Consultant (or others)
- Evaluate Design Consultant's level of effort and cost estimates as appropriate
- Provide Implementation Plan – **Tech Memo 2**

### **Phase III – Construction, Testing, and Handover**

Provide Construction Management support as requested by the District

- Options:
  - Full Construction Management services, or
  - On-call/as-requested support
    - Review and advise
    - Monitor testing and startup
    - Monitor training
    - Review handover documents

**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 Fisler:
  - a. MWDOC/OCWD Jt. Planning Committee Meeting, 7/27
  - b. ISDOC Meeting, 8/2
  - c. Jt. MWDOC/MWD Meeting, 8/3
  - d. Orange County Fair Garden Presentation, 8/3
  - e. Other
  
2. Director Ohlig-Hall:
  - a. Orange County Fair Garden Presentation, 7/27
  - b. Other
  
3. Director Dewane:
  - a. Orange County Fair Garden Presentation, 8/3
  - b. Public Information Committee Meeting, 8/8
  - c. Other
  
4. Director Atkinson:
  - a. Southern CA Water Committee Meeting, 7/28
  - b. OCWD Meeting, 8/3
  - c. WACO Meeting, 8/5
  - d. Orange County Fair Garden Presentation, 8/5
  - e. Other
  
5. President Bockmiller:
  - a. Orange County Fair Garden Presentation, 8/7
  - b. Special Engineering & Operations Committee Meeting, 8/8
  - c. Other



**AGENDA**  
**PUBLIC INFORMATION COMMITTEE MEETING**  
**MONDAY, AUGUST 8, 2011, AT 11:30 A.M.**  
**HENRY S. PANIAN CONFERENCE ROOM**

Committee Members:        Director Shawn Dewane, Chair  
                                     Director Jim Fisler  
                                     Paul E. Shoenberger, P.E., General Manager  
                                     Stacy Taylor, Communications Manager  
                                     Denise Garcia, Executive Assistant

**PUBLIC COMMENTS**

**Non-Agendized Matters:** Members of the public are invited to address the Committee on matters which are not on the Agenda. Each speaker is limited to three (3) minutes. The Committee 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 Committee has discussed the item. Each speaker is limited to five (5) minutes.

**ACTION ITEMS:**

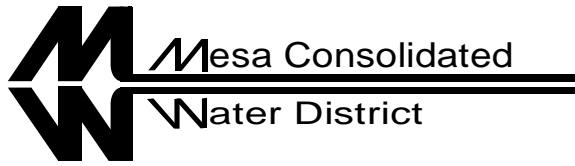
1. Mesa Water Newsletter-November/December 2011

**INFORMATION ITEMS:**

2. Mesa Water Draft Communications Plan-FY12
3. Mesa Water Bill Insert-Backflow Theft Prevention / HE Clothes Washer Rebates
4. Mesa Water Bill Message-Backflow Theft Prevention
5. Mesa Water FY12 Customer Survey-Request for Proposal
6. Mesa Water Newsletter Topics-January/February 2012
7. Mesa Water WISG Ad-Fall 2011
8. Other

**NEXT PUBLIC INFORMATION COMMITTEE MEETING MONDAY, SEPTEMBER 12, 2011, AT 11:30 A.M. IN THE HENRY S. PANIAN CONFERENCE ROOM**

*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) 631-1205. Notification 48 hours prior to the meeting will enable to make reasonable arrangements to accommodate your requests.*



**AGENDA**  
**SPECIAL ENGINEERING & OPERATIONS COMMITTEE MEETING**  
**MONDAY, AUGUST 8, 2011 AT 3:30 P.M.**  
**PANIAN CONFERENCE ROOM**

Committee Members:       President Fred Bockmiller, Chair  
                                  Director Ohlig-Hall  
                                  Paul E. Shoenberger, General Manager  
                                  Bob McVicker, District Engineer

Staff:                         Leanne Talbott, Sr. Civil Engineer

**PUBLIC COMMENTS**

**Non-Agendized Matters:** Members of the public are invited to address the Committee on matters which are not on the Agenda. Each speaker is limited to three (3) minutes. The Committee 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 Committee has discussed the item. Each speaker is limited to five (5) minutes.

**ACTION ITEMS:**

1.       Supervisory Control and Data Acquisition System Upgrade Third Party Review Contract

**NEXT ENGINEERING & OPERATIONS COMMITTEE MEETING THURSDAY, AUGUST 11, 2011 AT 3:30 P.M. IN THE PANIAN CONFERENCE ROOM.**

*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.*

**INFORMATION ITEMS:**

A. ITEMS OF GENERAL INTEREST:

1. General Manager's Weekly Reports

# GENERAL MANAGER'S WEEKLY REPORT

July 22, 2011 – July 28, 2011

Page 1 of 2

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

## Events and Projects

### Status

#### Water Supply – Week of 7-25-11

Wells	171	af	(40%)
Imported	<u>251</u>	af	(60%)
<b>TOTAL</b>	<b><u>422</u></b>	<b>af</b>	

## Communications

### Recent & Upcoming Activities:

- ◆ **Branding Campaign**
  - **Logo** - Continuing work on Mesa Water designs for new logo.
- ◆ **Events / Outreach**
  - **Community & Industry Events** – Staff attended “LinkedOC” Marketing Communications event on Jul. 21; staff attended Costa Mesa Chamber mixer July 27.
  - **Conservation & Education Events** - Facilitating Mesa Water activities at 2011 OC Fair (Jul. 15–Aug. 14), including presentations at Mesa Water’s Water-Wise Garden at the Fair, and staffing a kiosk at the Fair’s “OC Connection” program for local government agencies.
  - **CWTF Improvements Outreach** - Finalizing topics and timeline for next update (*Fall/Winter 2011*).
- ◆ **Media Relations**
  - **Press Releases** - News releases regarding activities at 2011 OC Fair (Jul. 15–Aug. 14).
- ◆ **Correspondence & Publications**
  - **Mesa Water Newsletter** - Printing September/October 2011 issue; developing topics for November/December 2011 issue.

## Staff Matters and Other News

### Safety:

Staff has achieved 149 days with no lost time incidents.

### Engineering:

- ◆ Distributing bid documents for the Well No. 1 pump repair and well rehabilitation
- ◆ Coordinating with customers and the police department on theft of backflow prevention devices
- ◆ Provided information for mailing 542 first notices for testing backflow prevention devices in August
- ◆ Issued notice to proceed for the evaluation and design of backup power at Reservoir No. 1
- ◆ Attended WebEOC training at Mesa Water

### Operations:

- ◆ Replacing valves on Pitcairn Dr.
- ◆ Performing sump pump and vault maintenance.
- ◆ Attended WebEOC training at Mesa Water

# GENERAL MANAGER'S WEEKLY REPORT

July 22, 2011 – July 28, 2011

Page 2 of 2

## Financial Services:

- ◆ Attended WebEOC training at Mesa Water
- ◆ Attended CFO Roundtable at Yorba Linda Water District

## Administrative Services:

- ◆ Open Enrollment Kick-Off has been scheduled for September 29 at 3:00 p.m. on the Mesa Water patio
- ◆ Attended Blue Shield CalPERS Orange County seminar
- ◆ Attended Conducting Effective Personnel Investigations seminar
- ◆ Attended WebEOC training at Mesa Water

## Customer Services:

- ◆ **Conservation**
  - Presented at the OC Fair, approximately 20 in attendance
  - Completed BMP report data entry
  - Responded to three water waste calls
  - Provided top-10 customer consumption data for Finance
- ◆ **Customer Service**
  - Attended WebEOC training
  - Completed draft water loss summary
  - Submitted radio-read meter order for 3" and larger (approximately 140 meters/converters)
  - When complete, the large meter route will be 100% radio-read
- ◆ **Information Technology**
  - Attended WebEOC training
  - Completed installation of cell phone boosters for AT&T and Verizon coverage

# GENERAL MANAGER'S WEEKLY REPORT

July 29, 2011 – August 4, 2011

Page 1 of 2

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

## Events and Projects

## Status

### Water Supply – Week of 8-01-11

Wells	176	af	(47%)
Imported	<u>195</u>	af	(53%)
<b>TOTAL</b>	<b><u>371</u></b>	<b>af</b>	

## Communications:

- ◆ **Branding Campaign**
  - **Logo** - Coordination with branding consultant and graphic artists on new Mesa Water logo designs to present at August 9 Board meeting.
  - **Social Media** - Developing content for Mesa Water's Wikipedia page.
  - **Survey** - Preparing Request for Proposal and researching potential vendors.
- ◆ **Events / Outreach**
  - **Community Events** - Staff attended National Night Out in Costa Mesa on August 2.
  - **Conservation & Education Events** - Facilitating Mesa Water activities at 2011 OC Fair (Jul. 15–Aug. 14), including presentations at Mesa Water's Water-Wise Garden at the Fair, and staffing a kiosk at the Fair's "OC Connection" program for local government agencies.
  - **CWTF Improvements Outreach** - Gathering information and images for next update (*Fall/Winter 2011*).
- ◆ **Legislative Affairs**
  - **Townsend Public Affairs** - Working with Townsend on finalization of new service scope.
- ◆ **Industry Relations**
  - **MWDOC** - Participated with other water district representatives in vendor selection review.
  - **Santa Margarita Water District** - Met with communications representatives.
- ◆ **Internal Communications**
  - **Key Messages** - Drafting Mesa Water phone scripts for Customer Services.
- ◆ **Public Relations**
  - **Media Relations** - Arranged story with Daily Pilot regarding water-wise garden at OC Fair; facilitating President's radio interview with KOCI.
  - **Press Releases** - Distributing news releases and conducting media relations regarding activities at 2011 OC Fair (Jul. 15–Aug. 14).
- ◆ **Publications / Correspondence**
  - **ACWA Elections Letter/Flyer** - Prepared information to promote Director Atkinson's candidacy.
  - **Recycled Water Letter** - Prepared follow-up letter from Board regarding recycled water.
  - **Mesa Water Newsletter** - Printing September/October 2011 issue; gathering information and images for November/December 2011 issue.

## Staff Matters and Other News

### Safety:

Staff has achieved 156 days with no lost time incidents.

# GENERAL MANAGER'S WEEKLY REPORT

July 29, 2011 – August 4, 2011

Page 2 of 2

## Engineering:

- ◆ Observed construction of new services at 3095 Harbor Blvd. and 3033 Hyland St. to assure compliance with Mesa Water standards
- ◆ Reviewed Costa Mesa Sanitary District plans for sewer improvements at Bristol St. and Irvine Blvd. and found no conflicts with Mesa Water facilities
- ◆ Participated in consultant kick off meeting for design of electrical improvements at Reservoir No. 1
- ◆ Updated the leak database in the Geographical Information System (GIS)
- ◆ Attended the MWDOC Planning and Operations Committee meeting, MWDOC Board of Directors meeting and OCWD Board of Directors meeting
- ◆ Reviewed proposals and participated in interviews for the SCADA third party review consultant selection

## Operations:

- ◆ Replacing valves on Stromboli.
- ◆ Participated in consultant kick off meeting for design of electrical improvements at Reservoir No. 1.
- ◆ Valve maintenance in the area of 21<sup>st</sup> St. and Tustin Ave.

## Financial Services:

- ◆ Attended WEROC meeting
- ◆ Preparing for Finance Committee meeting

## Administrative Services:

- ◆ Preparing for August 9 Board meeting
- ◆ Anniversary of Hire Date:
  - Frank Scheafer – 6 years on August 1
  - Carrie Fesili – 1 year on August 2

## Customer Services:

- ◆ **Conservation**
  - Presented at the OC Fair, approximately 15 in attendance
  - Submitted 2009 & 2010 BMP reports to the California Urban Water Conservation Council
  - Attended monthly OC-WUE meeting
  - Responded to 5 water waste inquires
  - Completed 1 residential survey
  - Met with operations regarding front landscape design coordination
- ◆ **Customer Service**
  - Completed water loss summary, coordinating Board presentation for 8/23/11
  - Updated customer service information on Mesa Water website
  - Updated FAQ fact sheet for internal reference
  - Received 2 phone calls regarding the recent rate increase
- ◆ **Information Technology**
  - Replaced 3 desktop computers
  - Resolved wireless issues at two access points, EOC and Boardroom
  - Creating standard operating procedures for key tasks