

# Board Packet



**BOARD OF DIRECTORS  
MESA CONSOLIDATED WATER DISTRICT  
1965 Placentia Avenue, Costa Mesa, CA 92627  
Tuesday, October 25, 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**ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA**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.

**ACTION ITEMS:**

A. POLICY POSITIONS:

**Recommendation: Discuss and reaffirm the Mesa Consolidated Water District's policy positions.**

B. CLOSED SESSION:

1. PURSUANT TO SECTION 54957:  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: General Manager

RETURN TO OPEN SESSION.

**PRESENTATION AND DISCUSSION ITEMS:**

A. BOARD DYNAMICS WORKSHOP FOLLOW-UP:

**Recommendation: Discuss and provide direction to staff.**

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

B. BOARD OF DIRECTORS' DAYS OF SERVICE:

**Recommendation: Discuss and take action as the Board desires.**

C. STRATEGIC PLANNING:

**Recommendation: Discuss and provide direction to staff.**

D. FUNDING NON-PROFIT ORGANIZATION:

**Recommendation: Discuss and provide direction to staff.**

E. JOINT NON-PROFIT CONTRIBUTION THROUGH MUNICIPAL WATER DISTRICT OF ORANGE COUNTY:

**Recommendation: Discuss and provide direction to staff.**

F. LOBBYING GOALS:

**Recommendation: Discuss and provide direction to staff.**

G. GOING AFTER GOVERNMENT FUNDING POLICY:

**Recommendation: Discuss and provide direction to staff.**

**DIRECTORS' COMMENTS:**

A. DIRECTORS' COMMENTS:

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

**INFORMATION ITEMS:**

A. ITEMS OF GENERAL INTEREST:

1. Other

*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 A REGULAR BOARD MEETING SCHEDULED FOR TUESDAY,  
NOVEMBER 8, 2011 AT 7:00 P.M.**



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Policy Positions

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### RECOMMENDATION

Discuss and reaffirm the Mesa Consolidated Water District's (Mesa Water) policy positions.

### STRATEGIC PLAN

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

### PRIOR BOARD ACTION/DISCUSSION

On August 23, 2011, the Board of Directors (Board) adopted Mesa Water's policy positions excluding the position regarding Municipal Water District of Orange County's governance structure. During the discussion, the Board directed staff to agendize the topic for discussion at the next Board workshop.

New policy positions were approved by the Board at the September 27th and October 11th Board meetings, which have been incorporated into the document attached.

### DISCUSSION

For the Board's discussion, the following are policy positions related to MWDOC's governance structure as discussed at the August 23, 2011 Board meeting:

1. *A strong independent Municipal Water District of Orange County (MWDOC)*
  - a. *Support MWDOC's current mission and geographic boundaries. Oppose any efforts to break up the agency.*
  - b. *MWDOC and OCWD exploring mutual areas of efficiency.*
  - c. *Any governance change that the MWDOC board agrees to.*
2. *Increased influence at Metropolitan Water District of Southern California (MWD)*
  - a. *Support increased MWDOC staff and budget for engagement at MWD*

Mesa Water continues to review and advocate on local and regional water issues which impact the District. In an effort to allow Mesa Water to be more active in upcoming discussions, the Board has adopted policy positions on issues that will allow staff to prepare letters of support or opposition for the President's signature within limited time constraints if needed, allowing Mesa Water to take a stance on issues that impact our District.

Our regional water suppliers Orange County Water District, Municipal Water District of Orange County and Metropolitan Water District, as well as associations, such as Association of California Water Agencies, American Water Works Association and CalDesal often are considering issues that impact Mesa Water's cost and supply of water. Due to the unpredictability of when issues come up for a vote, these requests often come with very limited time constraints, which may not fall within calendared Board and/or Executive Committee meetings. Adopted policy position will allow Mesa Water to be active in between Board meetings, if needed.

A key component of being visible and impactful is by making Mesa Water's positions known. Also, collaborating with other water districts and organizations is also important. Providing letters of support and or opposition, when Mesa Water can, serves as a great way to strengthen these relationships.

The adopted Board policy positions will create parameters by which staff and the Board President may or may not respond to issues as they arise. Every effort will be made to bring a specific letter or expression of the Board to the full Board for review and approval prior to sending out. Nonetheless, when time is limited for such a response, staff will work closely with the Board President to prepare a statement consistent with Board policy. To encourage a unified message, final copies of the letters will be distributed to the entire Board.

#### FINANCIAL IMPACT

At this point, there is no anticipated financial impact.

## **Mesa Water District Policy Positions**

Mesa Consolidated Water District (Mesa Water) supports:

1. Groundwater Quality Protection
  - a. Support Orange County Water District's (OCWD) current groundwater quality protection programs
    - i. Basin Equity Assessment (BEA) Exemption Program for Impaired Groundwater (including the Colored Water Treatment Facility)
    - ii. MTBE, North Basin and South Basin groundwater protection projects
    - iii. Tustin and Irvine Desalters
  - b. Encourage OCWD to protect the basin from chlorides caused by seawater intrusion
    - i. Encourage OCWD to set a goal of maintaining protective elevations along the coast.
    - ii. Encourage OCWD to hold semi-annual Barrier meetings with Coastal Agencies (Huntington Beach, Mesa Water, and Seal Beach)
    - iii. Encourage semi-annual reporting on the Barrier
2. Policies that raise and stabilize the Basin Pumping Percentage (BPP)
  - a. Support OCWD setting a target BPP that they intend to consistently meet
  - b. Support new water supply projects that help achieve this goal
3. Policies that keep the basin full
  - a. Support OCWD adhering to the BPP setting formula
4. Annexations
  - a. Support financially neutral annexations into OCWD
5. A financially strong OCWD
  - a. Support policies and practices that maintain their current AAA credit rating from two of the three credit rating agencies

Mesa Water Supports:

1. Increased influence at Metropolitan Water District of Southern California (MWD)
  - a. Support coordination of the entire Orange County MWD delegation
2. MWDOC's priority initiatives at MWD
  - a. Protect our Service Area from any cost shifts as a result of the San Diego County Water Authority lawsuit
  - b. Continue efforts in improving the Delta
  - c. Seek opportunities for MWD to provide assistance (or partner) with MWDOC on Developing Desalination in Orange County
  - d. Continue to support MWD's discounted replenishment water program
3. Close working relationships with MWDOC on local issues and programs that they are advocating for at MWD.

Mesa Water Supports:

1. Our Current Strategic Plan including our goals to:
  - a. Provide a safe and reliable water supply.
  - b. Practice continuous infrastructure renewal and improvement.
  - c. Be financially responsible and maintain competitive rates.
  - d. Increase public awareness about Mesa Water and about water.
  - e. Attract and retain skilled employees.
  - f. Provide outstanding customer service.
2. Development of cost-effective and environmentally sensitive sources of water, including recycling, groundwater clean-up, conservation, and desalination.
3. Cost effective desalination as an added source of water.
4. The potential Huntington Beach Ocean Desalter project because it can possibly provide a new, reliable, quality water supply that is appropriately priced.
5. The current law requiring retentions of at least five percent on public works projects.  
*(Approved September 27, 2011)*
6. The co-equal goals of improved water supply reliability and Delta ecosystem health  
*(Approved September 27, 2011)*

Mesa Water Opposes:

1. The inclusion of Delta economic development goals in Fifth Draft Delta Plan.  
*(Approved September 27, 2011)*
2. The encroachment of Mesa Water easements, rights-of-way, and property without negotiation, agreed upon compensation, and advance approval at the sole discretion of the District.  
*(Approved October 11, 2011)*

**ACTION ITEMS:**

**B. CLOSED SESSION:**

1. PURSUANT TO SECTION 54957:  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Title: General Manager



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Board Dynamics Workshop Follow-Up

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### RECOMMENDATION

Discuss and provide direction to staff.

### 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.

### PRIOR BOARD DISCUSSION/ACTION

- ◆ February 8, 2011 – Board approved a professional services agreement with BHI Management Consulting to perform a Board dynamics assessment and training workshop.
- ◆ May 17 and June 1 – Executive Committee discussed preliminary finding with Mr. Brent Ives.
- ◆ April 22, 2011 – Board Dynamics Workshop.

### DISCUSSION

The Board Dynamics Workshop was held on August 22, 2011. For the Board's review and consideration, attached please find Mr. Brent Ives' summary.

The Executive Committee discussed this topic at its September 15, 2011 meeting and recommends following actions based on Mr. Ives' recommendations.

**Summary of Recommendations:**

<b>RECOMMENDATIONS</b>	<b>Recommended actions</b>	<b>Executive Committee's Recommendation</b>
1 – Committee Appts.	Improve language specificity in manual.	Direct staff to bring forward the policies in place to address the recommendations 1 – 4. Followed by Board approval.
2 – Liaison Appts.	Improve language specificity in manual.	
3 – Standards of Conduct	Add more specific conduct language.	
4 – Board training	Add new section.	
<b>OBSERVATIONS (discussed at Board workshop)</b>	<b>Recommended actions</b>	<b>Executive Committee's Recommendation</b>
5 – Add process for tabling items	Consider adding wording that prescribes this process.	No action necessary. Policy in place per adopted Resolution No. 1394 – Board Meetings, Section III. G Resolved Items. Policy is reviewed annually.
6 – Additional information regarding past actions	Direct staff to link and list relevant past decisions and actions by Board and add to specific agenda item as presented to the Board.	Direct staff to present Prior Board Discussion/Action on all staff reports when appropriate.
<b>OBSERVATIONS (discussed off-line)</b>	<b>Recommended actions</b>	<b>Executive Committee's Recommendation</b>
1 – Agenda modification	Consider modification of agenda process to better control Reports and Information Items section.	No action necessary. Policy in place per adopted Resolution No. 1394 – Board Meetings, Section K. Agendizing of Board Matters. Policy is reviewed annually.
2 – Staff attending all Board meetings	Consider modifying or clarifying which staff members are required at Board meetings.	No action necessary. The General Manager has practice in place to excuse Department Managers' attendance when appropriate.
3 – Board officers	Consider rotation schedule for Board officers instead of election of officers.	No action necessary. Policy in place per adopted Resolution No. 1409 – Protocols of the Board, Section III. Election of Board Officers. Policy is reviewed annually.

4 – Board members getting information from staff	Consider adding prescriptive language that controls this flow of information and resources. (all requests through Board President?).	No action necessary. Policy in place per adopted Resolution No. 1409 – Protocols of the Board, Section VII. Requests for Information and Assignments to Staff. Policy is reviewed annually.
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FINANCIAL IMPACT

There is no financial impact.

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"Organizational Efficiency for Special Districts"

DRAFT

Executive Committee  
Mesa Consolidated Water District  
11201 Placentia St.  
Costa Mesa, CA 92627

August 24, 2011

Subject: Recommended actions and reviews for the Executive Committee

Dear Sirs,

As you know I have been proceeding through a Board Dynamics review for your Board of Directors. This culminated in the Board workshop held August 22<sup>nd</sup>. At the workshop, a number of recommendations were made. These, along with observations for further discussion, are outlined in Section 1 below. In Section 2 are observations on other items that I would recommend that the Executive Committee consider. Section 2 items were discussed via teleconference earlier in the year and yet not discussed with the entire Board at the workshop. Please see the table at the end of the report as a roll-up of this report.

## **SECTION 1 – Recommendations and follow-up comments from Board workshop**

### Recommendation Areas

1. Board Protocols Manual
2. Strategic planning

### **Board Protocols Manual (4)**

- Section IV.a, b and c – Committee Appointments, General Info., Standing and Ad Hoc committees - Add language that specifies that committees are “*advisory only*” to the Board. This more clearly defines the role, intention and proper use of committees.
- Section V.a. – Liaison Appointments, General Information - More specific language should be inserted to better describe the expectations and authorities

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- delegated from the Board to those members assigned to liaison positions. This is especially true in the expected input to the ancillary agencies from the liaison and the method of reporting back to the Board.
- Section X, new Part J, Standards of Conduct – add a section J to this portion of the manual to better describe expected Board conduct such as, *“The Board must carry out its work with respect for one another and the orderly and appropriate process by which it operates. Board members shall adhere to commonly expected norms that include respect for one another as elected officials. Board members should listen to understand, to the public, fellow Board members and staff, then provide their individual perspective to issues and decisions through to the orderly vote. Board members should understand that a proper vote of the Board stands and, as such, the issue is settled and complete. In furtherance of the Mission, the Board uses an orderly process to carry out the public’s business”*.
  
  - New Section – “Board Training and Education” – add a section to the manual that outlines proper initial and continuing education for the Board members. Sub-parts herein could include new Board Member Orientation program, educational seminars, conferences, training classes specifically aimed at good Board work, etc. This will assert, for all Board members, expectations regarding their roles authorities and limitations. This is helpful to the current Board members as well as new Board members as they are elected to the Board.

Note – BHI would be happy to assist the District with specific language and best practices from other agencies/clients should that be desired.

### **Strategic planning**

- Recommend that the Board and staff engage in a more intentional process to develop their Strategic Plan that includes guidance for the Board and Staff with

the intention of keep things on-track and move the planning term to five-years. The Board members differ in their impressions of forward actions for the District.

It is recommended for strategic planning that the Board and Staff engage in a process to make the District strategic plan more open and comprehensive. The Board should be more engaged in carefully developing a collective vision for the District. The vision drives strategy and connects the implementation to the values of the Board and community to the actual on the groundwork of staff. This assures, along with other slight modifications in process, that the Board clearly understands their guidance role in Strategic Plan development and that the Plan acts as the primary guide for the District's future and, as such, staff projects and initiatives. Through this process, staff understands that the Plan is the express and clear direction of the Board and, as such, becomes the primary guide for projects, initiatives and actions for the District. Additionally, the clarity and intentional use of the Strategic Plan as THE guide, sorts and provides a process for consideration of ancillary ideas, thoughts and projects that may come up between planning cycles. As such it should be printed as the Strategic Plan of the District. This elevates the Strategic Plan to its proper place as the collectively developed roadmap of the District.

**Observations (collected from August 22<sup>nd</sup> Board workshop)**

- The Board agreed that a process for tabling items would serve the Board process well.
- The Board agreed that staff should correlate and list past relevant actions for each item on the agenda. This allows for past actions relative to any item for Board decision to be clear and well understood.

**SECTION 2 -**

**Observation#1** - The Board should consider making the Section, "Reports and Information Items" more controlled. It was observed that this portion of the

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agenda is not well controlled and provides limited benefit to the Board as a whole and the public. The process could remain as effective if written reports were submitted and discussion occurred only if there were questions from other Board members.

**Observation #2** - Only agenda staff members that are necessary to support agenda items on the agenda should be required to attend Board meetings.

**Observation #3** – Board Policy and Procedures Manual, Section III - Election of Board Officers. The committee should consider proposing to the entire Board for a rotation schedule instead of election of Board officers. The current system can be used as political, even personal discrimination against duly elected members, where the rotation method is a less political or subjective manner for populating Board officer positions. The selection method of Board officers is a common issue among District Boards across the State.

**Observation #4** - Board Policy and Procedures Manual, Section VII, Requests for Information and assignments to Staff:

- Section b.) –To General Manager –\_Better define the word “minor” to say, *“Other than items seen as taking less than 2 hours in the judgment of the General Manager...”* The ambiguity of the word “minor” can be leveraged to mean practically anything, and it is left for the General manager to decide. If the GM’s answer is not to perform the work, the interpretation of the GM can be seen as selective putting the Board member at odds with the manager and the Manager in a difficult position.
- Section c.) – Staff Assistance\_– Add word “*only*” to the end of the first sentence to better define request process. Add the words, “*judged to take more than 2 hours of staff time to reasonably respond*” to last sentence. Similar reasonings as issue above.

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- Section d.) – Copies of Information – replace three paragraphs of language with, “*All requested informational copies from an individual Board member may be distributed to the entire Board.*” This allows the GM to steer clear of Board members wishing to be the only members with certain information and makes it clear that any District provided information that comes to Board members from the General Manager will, or is allowed to, go to the entire Board.

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## Summary of Recommendations

<b><i>RECOMMENDATIONS</i></b>	<b><i>Recommended actions</i></b>
1 – Committee Appts.	Improve language specificity in manual.
2 – Liaison Appts.	Improve language specificity in manual.
3 – Standards of Conduct	Add more specific conduct language.
4 – Board training	Add new section.
<b><i>OBSERVATIONS (discussed at Board workshop)</i></b>	<b><i>Recommended actions</i></b>
5 – Add process for tabling items	Consider adding wording that prescribes this process.
6 – Additional information regarding past actions	Direct staff to link and list relevant past decisions and actions by Board and add to specific agenda item as presented to the Board.
<b><i>OBSERVATIONS (discussed off-line)</i></b>	<b><i>Recommended actions</i></b>
1 – Agenda modification	Consider modification of agenda process to better control <i>Reports and Information Items</i> section.
2 – Staff attending all Board meetings	Consider modifying or clarifying which staff members are required at Board meetings.
3 – Board officers	Consider rotation schedule for Board officers instead of election of officers.
4 – Board members getting information from staff	Consider adding prescriptive language that controls this flow of information and resources.(all requests through Board President?).

Respectfully submitted,

***BHI MANAGEMENT CONSULTING***

"Organizational Efficiency for Special Districts"

*DRAFT*

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Brent H. Ives, Principal  
BHI Management Consulting



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Board of Directors' Days of Service

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### RECOMMENDATION

Discuss and take action as the Board desires.

The Executive Committee reviewed this item at its August 16, 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.

### PRIOR BOARD ACTION/DISCUSSION

This matter was placed on the August 23, 2011 Board meeting agenda at the request of the Executive Committee. During the discussion, the Board directed staff to agendize the item for discussion at the next Board workshop.

### DISCUSSION

The Executive Committee would like to address the criterion that constitutes a day of service. Attached for the Board's consideration is a proposed ordinance as discussed by the Executive Committee at its August 16, 2011 meeting.

A public hearing is not necessary since the changes proposed are not changing the Directors' fees, but instead changing the guidelines of the ordinance.

### FINANCIAL IMPACT

There is no financial impact.

## ORDINANCE NO. 23

### ORDINANCE OF THE MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS REGARDING DIRECTORS COMPENSATION AND EXPENSE REIMBURSEMENT SUPERCEDING ORDINANCE NO. 22

WHEREAS, the Mesa Consolidated Water District (Mesa Water) is a county water district organized and operating according to California Law; and

WHEREAS, Section 30507 of the Water Code governs the compensation of Directors for each day of service rendered as a Director by request of the Board of Directors, together with any expenses incurred in the performance of his or her duties required or authorized by the Board of Directors of Mesa Water; and

WHEREAS, the Board has previously adopted Ordinance No. 22 regarding compensation for Directors attendance at Board of Directors meetings and days of service at committee meetings, attendance at conferences, seminars, and other water related agencies' meetings; and

WHEREAS, it is the desire of the Board of Directors of Mesa Water to compensate Directors for expenses incurred in the performance of his or her duties required or authorized by the Board of Directors.

NOW, THEREFORE, BE IT ORDAINED BY THE MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

**Section 1: Board of Directors Meetings and Days of Service:** The compensation paid to members of the Board of Directors shall be Two Hundred Seven Dollars (\$207.00) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board of Directors. The fee paid to members of the Board of Directors shall be made for no more than one meeting per each day of service, and the maximum number of days for which any Director may receive compensation under this Section, or Section 2 hereof, in any calendar month shall be ten (10).

**Section 2: Meetings/Activities that Constitute Days of Service for the Purpose of Section 1:** The following meetings and activities constitute a day of service for purposes of Section 1 of this Ordinance:

- (a) Committee and Other Agency Meetings: Committee meetings for those Directors assigned shall include the following:
  - (i). Executive Committee
  - (ii). Finance Committee
  - (iii). Engineering & Operations Committee
  - (iv). Public Information Committee

- (v). Other Agency Meetings-Liaison Assignments
- (vi). Other committees, including, but not limited to, *ad hoc* committees, as the Board of Directors shall from time to time form.

- (b) Conferences and Seminars: Attendance at authorized conferences or seminars as assigned and designated by the Board of Directors. In addition to the compensation described in this Section 2 (b), Directors expenses shall be reimbursed pursuant to provisions of the Mesa Water reimbursement policy(ies) as then in effect and Section 3.
- (c) Meetings with Agencies, Organizations, and/or Representatives: Meetings by Directors with Mesa Water’s General Manager or with other agencies or organizations, and/or representatives of such, in or related to the public water industry to discuss, review, and/or receive information relating to Mesa Water, its business or operations, and/or water industry standards, operations, policy matters, and/or fiscal issues, as authorized by the Board.
- (d) Other Activities Approved by the Board: Activities by members of the Board other than as described in Section 2(a), (b), or (c), above, as authorized by the Board in advance of such activity(ies).

**Section 3: Director Reimbursement(s)**: As set forth in Section 2, Directors expenses shall be reimbursed if they are reasonable and necessary to conduct the District’s business pursuant to provisions of the Mesa Water reimbursement policy(ies) adopted by the Board, as then in effect.

**Section 4: Effective Date**: This Ordinance No. 23 shall take effect August 23, 2011.

PASSED AND APPROVED at the regular meeting of the Board of Directors held on the 25th day of October, 2011, and adopted by the following roll call vote:

AYES: DIRECTORS:  
 NOES: DIRECTORS:  
 ABSENT: DIRECTORS:  
 ABSTAIN: DIRECTORS:

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

ATTEST:

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Coleen L. Monteleone  
 District Secretary

**DRAFT**

**ORDINANCE NO. 2223**

**ORDINANCE OF THE  
MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS  
REGARDING DIRECTORS COMPENSATION  
AND EXPENSE REIMBURSEMENT  
SUPERCEDING ORDINANCE NO. 220**

WHEREAS, the Mesa Consolidated Water District (Mesa **Water**) is a county water district organized and operating according to California Law; and

WHEREAS, Section 30507 of the Water Code governs the compensation of Directors for each day of service rendered as a Director by request of the Board of Directors, together with any expenses incurred in the performance of his or her duties required or authorized by the Board of Directors of Mesa **Water**; and

WHEREAS, the Board has previously adopted Ordinance No. ~~20-22~~ regarding compensation for Directors attendance at Board of Directors meetings and days of service at committee meetings, attendance at conferences, seminars, and other water related agencies' meetings; and

WHEREAS, it is the desire of the Board of Directors of Mesa **Water** to compensate Directors for expenses incurred in the performance of his or her duties required or authorized by the Board of Directors.

NOW, THEREFORE, BE IT ORDAINED BY THE MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS AS FOLLOWS:

**Section 1:** **Board of Directors Meetings and Days of Service:** The compensation paid to members of the Board of Directors shall be Two Hundred Seven Dollars (\$207.00) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board of Directors. The fee paid to members of the Board of Directors shall be made for no more than one meeting per each day of service, and the maximum number of days for which any Director may receive compensation under this Section, or Section 2 hereof, in any calendar month shall be ten (10).

**Section 2:** **Meetings/Activities that Constitute Days of Service for the Purpose of Section 1:** The following meetings and activities constitute a day of service for purposes of Section 1 of this Ordinance:

- (a) **Committee and Other Agency Meetings:** Committee meetings for those Directors assigned shall include the following:
  - (i). Executive Committee
  - (ii). Finance Committee
  - (iii). Engineering & Operations Committee
  - (iv). Public Information Committee

- (v). Other Agency Meetings-Liaison Assignments
- (vi). Other committees, including, but not limited to, *ad hoc* committees, as the Board of Directors shall from time to time form.

- (b) Conferences and Seminars: Attendance at authorized conferences or seminars as assigned and designated by the Board of Directors. In addition to the compensation described in this Section 2 (b), Directors expenses shall be reimbursed pursuant to provisions of the Mesa **Water** reimbursement policy(ies) as then in effect and Section 3.
- (c) Meetings with Agencies, Organizations, and/or Representatives: Meetings by Directors **with Mesa Water's General Manager** ~~or~~ with **other** agencies or organizations, and/or representatives of such, in or related to the public water industry to discuss, review, and/or receive information relating to Mesa **Water**, **Mesa's** business or operations, and/or water industry standards, operations, policy matters, and/or fiscal issues, **as authorized by the Board**.
- (d) Other Activities Approved by the Board: Activities by members of the Board other than as described in Section 2(a), (b), or (c), above, as authorized by the Board in advance of such activity(ies).

**Section 3:** **Director Reimbursement(s)**: As set forth in Section 2, Directors expenses shall be reimbursed if they are reasonable and necessary to conduct the District's business pursuant to provisions of the Mesa **Water** reimbursement policy(ies) adopted by the Board, as then in effect.

**Section 4:** **Effective Date**: This Ordinance No. ~~223~~ shall take effect ~~November 8, 2010~~ **August 23, 2011**.

PASSED AND APPROVED at the regular meeting of the Board of Directors held on the ~~8th~~ **25th** day of ~~November~~ **October**, ~~2010~~ **2011**, and adopted by the following roll call vote:

AYES: DIRECTORS: ~~Ohlig-Hall, Dewane, Fidler, Atkinson, Bockmiller~~ **Fidler, Bockmiller, Dewane**  
 NOES: DIRECTORS: ~~Atkinson, Ohlig-Hall~~  
 ABSENT: DIRECTORS:  
 ABSTAIN: DIRECTORS:

\_\_\_\_\_  
**~~Shawn Dewane~~ Fred R. Bockmiller, Jr., P.E.**  
 President, Board of Directors

ATTEST:

\_\_\_\_\_  
 Coleen L. Monteleone  
 District Secretary



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Strategic Plan Update

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### RECOMMENDATION

Discuss and provide direction to staff.

### DISCUSSION

Attached for the Board's consideration is the proposed Strategic Plan (Plan). To assist with the discussion of this item, attached are the proposed changes with summary sheets of the objectives and outcomes for the current Plan as well as the proposed Plan.

### FINANCIAL IMPACT

There is no financial impact.

## Proposed Strategic Plan Summary

There are no modifications recommended for the Mission Statement or Goals.

### **Mission Statement:**

*“Dedicated to satisfying our community’s water needs.”*

### **Goals:**

1. Provide a safe and reliable water supply.
2. Practice continuous infrastructure renewal and improvement.
3. Be financially responsible and maintain competitive rates.
4. Increase public awareness about Mesa Water and about water.
5. Attract and retain skilled employees.
6. Provide outstanding customer service

## **Goal #1: Provide a safe and reliable water supply Proposed Objectives and Outcomes**

Objective A: Continue to ensure a reliable and adequate supply of water.

**Proposed Objective A: Continue to meet and surpass water quality standards.**

Objective B: Efficiently manage water supply.

**Proposed Objective B: Maintain and protect a high quality water supply.**

Objective C: Continue to meet or surpass water quality standards by complying with all state and federal regulations.

**Proposed Objective C: Continue to ensure a reliable and adequate supply of water.**

Objective D: Maintain and protect a high quality water supply.

**Proposed Objective D: Carry out emergency preparations.**

~~Objective E: Enhance operating and treatment procedures.~~

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Outcome 1: Meet all water quality standards both health and aesthetics (color less than 7 c.u. and no odor)

**Proposed Outcome 1: Meet all water quality standards both health and aesthetics.**

Outcome 2: Drought proof water supply in all conditions. Maintain 100% redundant water supply under all conditions. (level of reliability)

**Proposed Outcome 2: Drought proof water supply in all conditions.**

**Proposed Outcome 3: Maintain 100 percent reserve water supply under all conditions.**

## **Goal #2: Practice continuous infrastructure renewal and improvement Proposed Objectives and Outcomes**

Objective A: Manage water infrastructure assets to assure reliability.

**Proposed Objective A: Manage water infrastructure assets to assure reliability.**

Objective B: Efficiently manage distribution system.

**Proposed Objective B: Efficiently manage our system.**

Objective C: Update emergency plan.

**Proposed Objective C: Manage information technology infrastructure assets to assure reliability.**

~~Objective D: Manage Information Technology infrastructure assets to assure reliability.~~

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Outcome 1: Fully fund planned capital program in current budget year

**Proposed Outcome 1: Fund and expend planned capital improvements in each fiscal year.**

Outcome 2: No emergency shutdowns for any Mesa customer conditions. (level of reliability)

**Proposed Outcome 2: Fully use operations Computerized Maintenance Management System.**

Outcome 3: Replace capital infrastructure in a timely and orderly manner and fully fund replacement & refurbishment

**Proposed Outcome 3: Complete Business Process Review and prioritize recommendations.**

~~Outcome 4: Increase productivity through implementation of updated and new hardware and software applications.~~

### **Goal # 3: Be financially responsible and maintain competitive rates Proposed Objectives and Outcomes**

Objective A: Maintain fiduciary responsibility and ensure responsible cash management.

**Proposed Objective A: Maintain AAA 7-year financial goals and meet the appropriate designated fund level goals.**

Objective B: Increase Designated Fund levels.

**Proposed Objective B: Maintain competitive rates.**

Objective C: Produce accurate and timely internal and external financial reports.

**Proposed Objective C: Fund the Board's and District's priorities.**

~~Objective D: Identify and develop additional revenue opportunities.~~

~~Objective E: Provide an equitable water rate structure.~~

~~Objective F: Acquire appropriate technology to support operational efficiency.~~

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Outcome 1: Identify optimal capital structure and maintain appropriate Designated Fund levels

**Proposed Outcome 1: Maintain cash on hand and days cash ratio.**

Outcome 2: Maintain highest possible bond rating

**Proposed Outcome 2: Maintain debt service ratio.**

**Goal #4: Increase public awareness about Mesa and about water  
Proposed Objectives and Outcomes**

Objective A: Provide service in a timely, courteous, and effective manner.

**Proposed Objective A: Enhance Mesa Water’s visibility and positive recognition among customers, the community, employees, the industry, and media.**

Objective B: Measure service to maintain customer satisfaction.

**Proposed Objective B: Increase awareness of Mesa Water and of water in general among target audiences.**

Objective C: Increase public awareness of water issues.

**Proposed Objective C: Unify Mesa Water messaging and publications.**

~~Objective D: Market Mesa’s strengths.~~

~~Objective E: Service to the community.~~

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Outcome 1: Update the Communications Plan that results in the public’s understanding of water quality, reliability, drinkability, and value.

**Proposed Outcome 1: Updated Communications Plan and new Mesa Water brand.**

Outcome 2: Increase visibility of Mesa Water and the Board of Directors that results in customer awareness/recognition of Mesa Water and the Board members.

**Proposed Outcome 2: Increased awareness of Mesa Water per the FY12 customer survey.**

**Proposed Outcome 3: Unified look and voice for Mesa Water.**

## **Goal #5: Attract and retain skilled employees Proposed Objectives and Outcomes**

Objective A: Attract a qualified, skilled, and capable workforce.

**Proposed Objective A: Attract a qualified, skilled, and capable workforce.**

Objective B: Build employee skills in order to successfully meet the changing demands of business and technology, and to provide operating flexibility and organizational depth.

**Proposed Objective B: Build employee skills in order to successfully meet the changing demands of business and technology, and to provide operating flexibility and organizational depth.**

Objective C: Enhance employee relations.

**Proposed Objective C: Enhance employee relations.**

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Outcome 1: Fully staff organization

**Proposed Outcome 1: Fully staffed organization.**

Outcome 2: Calculate annual turnover rate.

**Proposed Outcome 2: Calculate annual turnover rate.**

Outcome 3: Prepare documentation for actual versus minimum job qualifications

**Proposed Outcome 3: Perform event surveys.**

**Proposed Outcome 4: Provide quarterly training report.**

## **Goal #6:**

### **Provide outstanding customer service**

Objective A: Provide outstanding internal and external customer service.

Objective B: Improve service to the customer.

Objective C: Reward positive actions.

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Outcome 1: Conduct District-wide sample survey every three-years.

Outcome 2: Answer telephone calls in less than 10 seconds (average).

Outcome 3: Respond to electronic inquiries by the end of the next business day.

Outcome 4: Customer Service staff attend customer service seminar every two-years.

Outcome 5: Document and present employees with recognition awards.

**PROPOSED**

**2011**

**Mesa Consolidated Water District**



**Strategic Plan**

## Mission Statement

*“Dedicated to satisfying our community’s water needs.”*

## Strategic Goals

1. Provide a safe and reliable water supply.
2. Practice continuous infrastructure renewal and improvement.
3. Be financially responsible and maintain competitive rates.
4. Increase public awareness about Mesa Water and about water.
5. Attract and retain skilled employees.
6. Provide outstanding customer service.

## Strategic Goal #1

*Provide a safe and reliable water supply.*

**Objective A: Continue to meet and surpass water quality standards.**

- ◆ Meet and surpass primary water quality standards.
- ◆ Meet and surpass secondary water quality standards.
- ◆ Perform 30,000 water quality tests annually.

**Objective B: Maintain and protect a high quality water supply.**

- ◆ Maintain backflow, cross-connection, and recycled water programs to protect the water system from contamination.

**Objective C: Continue to ensure a reliable and adequate supply of water.**

- ◆ Complete Colored Water Treatment Facility (CWTF) expansion.
- ◆ Obtain new CWTF operating permit and sanitation permit.
- ◆ Report on our ability to supply 100 percent local water.

**Objective D: Carry out emergency preparations.**

- ◆ Update emergency training plan and implement.
- ◆ Test all backup power, and communications systems.

**Outcome 1:** Meet all water quality standards both health and aesthetics.

**Outcome 2:** Drought proof water supply in all conditions.

**Outcome 3:** Maintain 100 percent reserve water supply under all conditions.

## Strategic Goal #2

*Practice continuous infrastructure renewal and improvement.*

### **Objective A: Manage water infrastructure assets to assure reliability.**

- ◆ Orderly infrastructure refurbishment and replacement.
- ◆ Complete condition and risk assessments to prioritize assets for replacement.
- ◆ Complete and implement Asset Management Plan.
- ◆ Complete 5-year Capital Improvement Plan.
- ◆ Complete Supervisory Control and Data Acquisition (SCADA) Improvements Project.
- ◆ Groundwater well improvements.
- ◆ Operational training and preparations for Colored Water Treatment Facility (CWTF) operations.

### **Objective B: Efficiently manage our system.**

- ◆ Fully utilize Computerized Maintenance Management System (CMMS) and report quarterly on progress.
- ◆ Load CWTF expansion into CMMS and asset model.
- ◆ Load SCADA facilities into CMMS and asset model.
- ◆ Load well improvements into CMMS and asset model.

### **Objective C: Manage information technology infrastructure assets to assure reliability.**

- ◆ Complete Business Process Review.
- ◆ Update Information Technology Master Plan.

**Outcome 1:** Fund and expend planned capital improvements in each fiscal year.

**Outcome 2:** Fully use operations Computerized Maintenance Management System.

**Outcome 3:** Complete Business Process Review and prioritize recommendations.

## Strategic Goal #3

*Be financially responsible and maintain competitive rates.*

**Objective A: Maintain AAA 7-year financial goals and meet the appropriate designated fund level goals.**

- ◆ Update Long Range Financial Plan.
- ◆ Report quarterly on AAA goals and designated funds.

**Objective B: Maintain competitive rates.**

- ◆ Evaluate water rates compared to benchmark agencies.
- ◆ Evaluate true cost of water compared to benchmark agencies.
- ◆ Overlay conservation based rates onto Mesa Water's.
- ◆ Administer investment portfolio consistent with policies.

**Objective C: Fund the Board's and District's priorities.**

- ◆ Prepare a balanced budget that funds Board and District priorities.
- ◆ Produce timely and accurate financial reports including Comprehensive Annual Financial Report and State Controllers Report.
- ◆ Prepare quarterly financial reports that accurately project year end results.

**Outcome 1:** Maintain cash on hand and days cash ratio.

**Outcome 2:** Maintain debt service ratio.

## Strategic Goal #4

*Increase public awareness about Mesa Water and about water.*

**Objective A: Enhance Mesa Water’s visibility and positive recognition among customers, the community, employees, the industry, and media.**

- ◆ Develop and execute FY12 Communications Plan to re-brand Mesa Water.

**Objective B: Increase awareness of Mesa Water and of water in general among target audiences.**

- ◆ Conduct Colored Water Treatment Facility improvements outreach.
- ◆ Launch Community Relations campaign for Mesa Water.
- ◆ Perform FY12 Mesa Water customer survey as a follow-up to the 2008 baseline.

**Objective C: Unify Mesa Water messaging and publications.**

- ◆ Facilitate Mesa Water’s News Bureau.
- ◆ Improve Mesa Water publications with a unified look and voice.
- ◆ Provide Mesa Water Board and staff with key messages and information.

**Outcome 1:** Updated Communications Plan and new Mesa Water brand.

**Outcome 2:** Increased awareness of Mesa Water per the FY12 customer survey.

**Outcome 3:** Unified look and voice for Mesa Water.

## Strategic Goal #5

*Attract and retain skilled employees.*

### **Objective A: Attract and retain a qualified, skilled, and capable workforce.**

- ◆ Prepare Annual Salary Survey of benchmark positions.
- ◆ Prepare Annual Employee Turnover Report.
- ◆ Develop a benefits benchmark with our benchmark agencies.
- ◆ Prepare a Retiree Medical Plan Review.

### **Objective B: Build employee skills.**

- ◆ Provide District-wide project management training.

### **Objective C: Enhance employee relations.**

- ◆ Report on employee recognition and events.
- ◆ Baseline HR activities in preparation for a HR information system.

**Outcome 1:** Fully staffed organization.

**Outcome 2:** Calculate annual turnover rate.

**Outcome 3:** Perform event surveys.

**Outcome 4:** Provide quarterly training report.

## Strategic Goal #6

*Provide outstanding customer service.*

### **Objective A: Provide outstanding internal and external customer service.**

- ◆ Build and maintain good relationships with customers.
- ◆ Service the customer, not the project.
- ◆ End customer interaction on a positive note.
- ◆ Reach an agreement.

### **Objective B: Exceed current customer service standards.**

- ◆ Explain negative consequences in a positive way.
- ◆ Be proactive – don't wait to do something if it can be done now.
- ◆ Encourage the customer to participate in finding the right solution.
- ◆ Incorporate customer's ideas into solutions, whenever possible.

### **Objective C: Incentivize positive actions.**

- ◆ Support employee decisions – empower.
- ◆ Develop mentoring program.
- ◆ Recognize positive actions and decisions.
- ◆ Support employee decisions – empower.

### **Objective D: Service to the community.**

- ◆ Develop Banning Ranch annexation plan.

**Outcome 1:** Conduct District-wide sample survey annually.

**Outcome 2:** Answer telephone calls in less than 10 seconds (average).

**Outcome 3:** Respond to electronic inquiries by the end of the next business day.

**Outcome 4:** Customer Service staff attend customer service seminar every two-years.

**Outcome 5:** Document and present employees with recognition awards.



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Funding Non-Profit Organization

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### RECOMMENDATION

Discuss and provide direction to staff.

### DISCUSSION

This item was placed on the agenda for discussion at the request of a Director.

### FINANCIAL IMPACT

There is no financial impact.



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Joint Non-Profit Contribution through Municipal Water District of Orange County

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### RECOMMENDATION

Discuss and provide direction to staff.

### DISCUSSION

This item was placed on the agenda for discussion at the request of a Director.

### FINANCIAL IMPACT

There is no financial impact.



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Lobbying Goals

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### RECOMMENDATION

Discuss and provide direction to staff.

### DISCUSSION

This item was placed on the agenda for discussion at the request of a Director.

### FINANCIAL IMPACT

There is no financial impact.



## MEMORANDUM

TO: Board of Directors

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

DATE: October 25, 2011

SUBJECT: Going After Government Funding Policy

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### RECOMMENDATION

Discuss and provide direction to staff.

### DISCUSSION

This item was placed on the agenda for discussion at the request of a Director.

### FINANCIAL IMPACT

There is no financial impact.

**DIRECTORS' COMMENTS:**

A. DIRECTORS' COMMENTS:

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

**INFORMATION ITEMS:**

A. ITEMS OF GENERAL INTEREST:

1. Other