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Satisfying our Community's  
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Thursday, September 14, 2017  
1965 Placentia Avenue, Costa Mesa, CA 92627  
6:00 p.m. Regular Board Meeting**

**CALL TO ORDER**

The meeting of the Board of Directors was called to order on September 14, 2017 at 6:00 p.m. by President Atkinson at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

**PLEDGE OF ALLEGIANCE**

Director DePasquale led the Pledge of Allegiance.

***OATH OF OFFICE TO APPOINTED DIRECTOR MARICE H. DEPASQUALE***

District Secretary Garcia administered the Oath of Office to appointed Director Marice H. DePasquale.

Photographs were taken.

**Directors Present**

Jim Atkinson, President  
Fred R. Bockmiller, P.E., Vice President  
Marice H. DePasquale, Director  
Shawn Dewane, Director  
James R. Fisler, Director

**Directors Absent**

None

**Staff Present**

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Administrative Services Manager/  
District Secretary  
Marwan Khalifa, Chief Financial Officer  
Stacie Sheek, Customer Services Manager  
Stacy Taylor, External Affairs Manager  
Tracy Manning, Water Operations Manager  
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

**Others Present**

Joan C. Finnegan, Director, Division 4, Municipal Water District of Orange County (MWDOC)  
Rob Hunter, General Manager, MWDOC  
Michael R. Markus, General Manager, Orange County Water District (OCWD)  
Steve Gagnon, Manager, Raftelis Financial Consultants, Inc.  
John Earl, Member of the Public  
Al Morelli, Member of the Public  
Greg Warren, Member of the Public  
Bob Ooten, Director, Costa Mesa Sanitary District  
Luke Money, Reporter, Daily Pilot

## **PUBLIC COMMENTS**

President Atkinson asked for public comments on non-agendized items.

Member of the Public John Earl offered comments.

Member of the Public Al Morelli offered comments regarding Mesa Water District and Costa Mesa Sanitary District consolidation.

There were no additional speakers from the public and President Atkinson proceeded with the meeting.

## **ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA**

General Manager Shoenberger stated there were no items to be added, withdrawn, or reordered on the agenda.

### **CONSENT CALENDAR ITEMS:**

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

1. Approve minutes of regular Board meeting of August 10, 2017.
2. Approve minutes of special Board meeting of August 15, 2017.
3. Approve minutes of special Board meeting of August 21, 2017.
4. Approve minutes of special Board meeting of August 24, 2017.
5. Approve minutes of special Board meeting of August 24, 2017.
6. Approve minutes of adjourned regular Board meeting of August 25, 2017.
7. Approve minutes of adjourned regular Board meeting of September 5, 2017.
8. Approve attendance considerations (additions, changes, deletions).
9. Board Schedule:
  - Conferences, Seminars, and Meetings
  - Board Calendar
  - Upcoming Community Outreach Events
10. Approve a contract amendment to Goss Engineering, Inc. in the amount of \$52,467 to provide design and documentation for a new roof and skylight on the Administration and Operations Buildings as part of the HVAC System Design Project, and authorize execution of the contract amendment.
11. Approve contracts with GCI Construction, Inc., Paulus Engineering, Inc., and W.A. Rasic Construction Company, Inc. for \$150,000 per year for five years with two one-year renewal options for a not-to-exceed amount of \$750,000 to provide On-Call Pipeline Repair and Construction, and authorize execution of the contracts.
12. Approve the appointment nominations for Mesa Water District representatives to serve on committees of the Association of California Water Agencies.
13. Approve President Atkinson to be the authorized voting delegate for the Association of California Water Agencies Region 10 Board Election for the 2018-2019 Term and to cast the District's vote in favor of the slate of nominees as recommended by the Region 10 Nominating Committee.

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

**MOTION**

Motion by Director Dewane, second by Director Fisler, to approve Items 1 – 13 of the Consent Calendar. Motion passed 5-0.

**PRESENTATION AND DISCUSSION ITEMS:**

14. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY BRIEFING:

GM Shoenberger acknowledged MWDOC Director Joan C. Finnegan. Director Finnegan thanked the Board for the opportunity to provide the bi-annual update. Ms. Finnegan introduced MWDOC General Manager Rob Hunter who proceeded with a presentation that highlighted the following:

- California WaterFix Update
- MWD Historical Storage Levels
- Orange County Total Historical Water Demand
- 2017-2018 In-Lieu Operations
- Oroville Spillway Plan & Repairs

Mr. Hunter responded to questions from the Board and they thanked him for the presentation.

15. ORANGE COUNTY WATER DISTRICT BRIEFING:

GM Shoenberger introduced OCWD General Manager Michael Markus who proceeded with a presentation which highlighted the following:

- Groundwater Basin Conditions
- FY 2017-18 In-Lieu Deliveries to Date
- GWRS Final Expansion
- Ocean Desalination Update

Mr. Markus responded to questions from the Board and they thanked him for the presentation.

**RECESS**

President Atkinson declared a recess at 7:00 p.m.

The meeting reconvened at 7:12 p.m.

**ACTION ITEMS:**

16. WATER RATES STUDY:

GM Shoenberger introduced Raftelis Financial Consultants, Inc. Manager Steve Gagnon. Mr. Gagnon thanked the Board and Mesa Water staff for their efforts in developing the study.

GM Shoenberger proceeded with a presentation that highlighted the following:

- District Achievements

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- Main Factors Impacting Financials
- Forecast Assumptions
- Replenishment Assessment
- Labor Costs
- 2018 Budget Expenses
- Forecast Assumptions, Capital Expenditures Summary
- Status Quo Days Cash
- Proposed Rates & Schedule

GM Shoenberger responded to questions from the Board and they thanked him for the presentation.

President Atkinson asked for comments from the public.

Member of the Public Al Morelli offered comments on the final draft of the Water Rates Study.

**MOTION**

Motion by Director Dewane, second by Vice President Bockmiller, to receive the final draft of the Water Rates Study, proceed with Prop. 218 notice preparation and mailing, and schedule a public hearing for November 9, 2017. Motion passed 5-0.

**REPORTS:**

17. REPORT OF THE GENERAL MANAGER:
  - August Key Indicators Report
  - Other (no enclosure)
18. DIRECTORS' REPORTS AND COMMENTS:

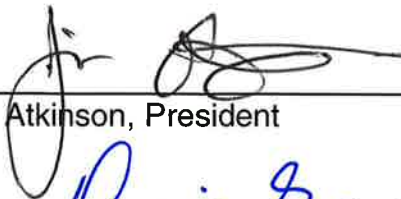
**INFORMATION ITEMS:**

19. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)
20. OTHER (NO ENCLOSURE)

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President Atkinson adjourned the meeting at 8:02 p.m. to a Regular Board Meeting scheduled for Thursday, October 12, 2017 at 6:00 p.m.

Approved:



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Jim Atkinson, President



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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer