



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Tuesday, October 9, 2018
1965 Placentia Avenue, Costa Mesa, CA 92627
9:00 a.m. Adjourned Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on October 9, 2018 at 9:00 a.m. by President Atkinson at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Vice President Bockmiller led the Pledge of Allegiance.

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
Phil Lauri, P.E., Assistant General Manager
Denise Garcia, Administrative Services Manager/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Stacie Sheek, Customer Services Manager
Stacy Taylor, External Affairs Manager
Syndie Ly, Human Resources Manager
Sara J. Fahy, Public Affairs Manager
Tracy Manning, Water Operations Manager
Kurt Lind, Business Administrator
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

None

PUBLIC COMMENTS

There was no public present.

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

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

ACTION ITEMS:

1. REGIONAL WATER ISSUES:

Storm Water Capture

GM Shoenberger introduced Assistant General Manager Lauri who proceeded with a presentation, entitled "Storm Water Capture", that highlighted the following:

- Project Types
- Southern California Water Coalition (SCWC) Findings
- SCWC Costs
- Local Project Examples
- Findings & Recommendations

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

Board directed staff to add support for cost-effective storm water capture projects to Mesa Water's Policy Positions.

MOTION

Motion by Director Dewane, second by Director Fislser, to support storm water capture projects that are cost effective (e.g., equivalent to Orange County Water District's Groundwater Replenishment System costs) and contribute source water to the Basin Principal Aquifer. Motion passed 5-0.

Service Area Islands

AGM Lauri proceeded with a presentation, entitled "Service Area Islands", that highlighted the following:

- District Divisions
- Division 1 Southern Service Area
- Advantages & Challenges
- Steps to Establish Service to Unserved Division 1 Areas
- Recommendation

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

Discussion ensued amongst the Board.

MOTION

Motion by Director DePasquale, second by Director Dewane, to direct staff to develop a value proposition on realigning the Division 1 Southern Service Area into a Mesa Water District service responsibility and to agendize the item Service Area Islands at a future Board meeting. Motion passed 5-0.

Orange County Groundwater Basin (Basin) Storage

GM Shoenberger provided an overview of Orange County's Groundwater Basin Storage. It was noted that in August 2017, Orange County Water District's (OCWD) Board broadened their Water Resource Policy to allow for the consideration of water storage and exchange programs with South Orange County Agencies.

Motion by Vice President Bockmiller, second by Director DePasquale, to not support the concept of individual Basin member storage accounts and to limit any potential future storage agreements to storage programs that are compliant with OCWD Act Section 2.1.c.

Director Dewane proposed an amendment to the motion to direct staff to hire a consultant to develop the value of storage.

SUBSTITUTE MOTION

Motion by Vice President Bockmiller, second by Director DePasquale, that the Board of Directors does not support the concept of individual Basin member storage accounts and limits any potential future storage agreements to storage programs that are compliant with OCWD Act Section 2.1.c., and directed staff to hire a consultant to develop the value of storage. Motion passed 5-0.

MOTION

Motion by Vice President Bockmiller, second by President Atkinson, to add to Mesa Water's Policy Positions support of programs that are compliant with OCWD Act Section 2.1.c. Motion passed 5-0.

Metropolitan Water District of Southern California Nitrification Challenges

AGM Lauri provided an overview of the topic and was directed by the Board to agendize the item Disinfection Conversion Study and bring its findings and recommendations to a future Engineering and Operations Committee meeting.

Metropolitan Water District of Southern California's Orange County Feeder Relining Project

AGM Lauri proceeded with a presentation, entitled "Orange County Feeder Relining Project", that highlighted the following:

- Orange County Feeder (OCF) Relining Phases
- OCF Mesa Water Connections

AGM Lauri responded to questions from the Board and they thanked him for the presentation.

No action was taken on the Orange County Feeder Relining Project.

Municipal Water District of Orange County and Irvine Ranch Water District's Proposed Water Reliability Pilot Program

GM Shoenberger provided an update on Municipal Water District of Orange County and Irvine Ranch Water District's proposed water reliability pilot program.

No action was taken on this topic.

Municipal Water District of Orange County OC Reliability Study

GM Shoenberger provided an overview of Municipal Water District of Orange County's OC Water Reliability Study including the following topics:

- Background
- 2018 OC Study Planning Scenarios
- Methodology for Determining Supply Benefits of Local OC Projects
- New OC Water Supply Gaps
- New OC Water Projects
- Water Supply Benefits vs. Costs for OC Water Projects
- System Reliability Needs and Cost Evaluation for OC Water Projects
- Findings

MOTION

Motion by Director Fislser, second by President Atkinson, to receive and file the Municipal Water District of Orange County OC Water Reliability Study. Motion passed 5-0.

RECESS

President Atkinson declared a recess at 10:20 a.m.

The Board meeting reconvened at 10:30 a.m.

2. CHANDLER & CRODDY WELLS AND PIPELINE PROJECT:

GM Shoenberger introduced AGM Lauri who proceeded with a presentation that highlighted the following:

- Existing Wellfield Meets Current Max Day Demand
- Policy is to Meet 115% of Max Day Demand with Local Groundwater
- Well Site Layout Considerations – Present
- Well Site Layout Considerations – Future
- Well No. 12 Site Layout & Rendering
- Well No. 14 Site Layout
- Well No. 14 Architectural Rendering
- Preliminary Well Design
- New Pipeline to Connect New Wells
- Cost Estimates
- Next Steps
- Questions and Discussion

AGM Lauri answered questions from the Board and they thanked him for the presentation.

MOTION

Motion by Director DePasquale, second by Director Dewane, to receive and file the update. Motion passed 5-0.

3. NEW WATER CONSERVATION LAWS:

External Affairs Manager Taylor proceeded with a presentation that highlighted the following:

- Drought – SB 606/AB1668
- Initial to Final Legislation: Issues
- SB 606/AB 1668: Implementation
- SB 606/AB 1668 Implementation: Water Budget Compliance
- SB 606/AB 1668 Implementation: Water Budget Formula
- SB 606/AB 1668 Implementation: Indoor Residential GPCD
- Implementation Resources
- Actions and Next Steps
- Questions

Motion by Director Dewane, second by Director DePasquale, to receive and file the New Water Conservation Laws report.

Discussion ensued amongst the Board.

Director DePasquale proposed an amendment to the motion to direct staff to agendize a public outreach campaign for New Water Conservation Laws at a future Legislative and Public Affairs Committee Meeting.

SUBSTITUTE MOTION

Motion by Director Dewane, second by Director DePasquale to receive and file the New Water Conservation Laws report and to direct staff to agendize a public outreach campaign for New Water Conservation Laws at a future Legislative and Public Affairs Committee Meeting. Motion passed 5-0.

4. GRANT OPPORTUNITIES FOR PROJECT FUNDING:

GM Shoenberger introduced External Affairs Manager Taylor who provided an overview of the topic. She offered that Mesa Water will submit to the Grant Assistance Program to identify possible federal, state, local and private (corporation and foundations) grants funding for Capital Improvements Projects.

MOTION

Motion by Director Dewane, second by Director DePasquale, to receive and file the Grant Opportunities for Project Funding report. Motion passed 5-0.

5. LEGISLATIVE PLATFORMS:

External Affairs Manager Taylor provided a list of proposed 2019 Legislative Platforms.

MOTION

Motion by Director DePasquale, second by Director Dewane, to approve the 2019 Legislative Platforms, as amended. Motion passed 5-0.

REPORTS:

6. REPORT OF THE GENERAL MANAGER:

7. DIRECTORS' REPORTS AND COMMENTS:

INFORMATION ITEMS:

8. OTHER (NO ENCLOSURE)

CLOSED SESSION:

President Atkinson announced the Board was going into Closed Session at 12:40 p.m.

**9. PURSUANT TO GOVERNMENT CODE SECTION 54957.6:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: General Manager**

The Board returned to Open Session at 12:50 p.m.

Attorney Anslow reported that the Board conducted one Closed Session with the General Manager and Legal Counsel pursuant to California Government Code Section 54957.6. The Board received information and there was no further announcement.

ACTION ITEMS (CONT.):

10. ANNUAL PERFORMANCE EVALUATION FOR GENERAL MANAGER:

The Board took no action on this item and directed staff to add this topic to the November Board meeting.

President Atkinson adjourned the meeting at 12:55 p.m. to a Regular Board Meeting scheduled for Thursday, October 11, 2018 at 6:00 p.m.

Approved:



Jim Atkinson, President



Denise Garcia, District Secretary

Sharon D. Brimer, Recording Secretary