



*Dedicated to  
Satisfying our Community's  
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Monday, November 25, 2019  
1965 Placentia Avenue, Costa Mesa, CA 92627  
3:30 p.m. Special Board Meeting**

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**FINANCE COMMITTEE MEETING**

**CALL TO ORDER**

The meeting of the Board of Directors was called to order on November 25, 2019 at 3:30 p.m. by Chairman Fisler at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

**PLEDGE OF ALLEGIANCE**

President Dewane led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager  
Denise Garcia, Administrative Services Manager/  
District Secretary  
Marwan Khalifa, CPA, MBA, Chief Financial Officer  
Kurt Lind, Business Administrator

Others Present

Ken Daigle, P.E., MBA, Principal Consultant, Industrial Hygiene & Safety, Citadel EHS, Inc.  
Nitin P. Patel, CPA, Audit Partner, White Nelson Diehl Evans  
Kassie Radermacher, CPA, Audit and Assurance Partner, White Nelson Diehl Evans

**PUBLIC COMMENTS**

There was no public present.

**CONSENT CALENDAR ITEMS:**

1. Accounts Paid Listing
2. Monthly Financial Reports
3. Major Staff Projects
4. Committee Policy & Resolution Review
5. Fiscal Year 2020 First Quarter Financial Update

MOTION

Motion by Director Atkinson, second by Vice President DePasquale to approve Items 1 – 5 of the Consent Calendar. Motion passed 5-0.

**ACTION ITEMS:**

6. Rules and Regulations for Water Service

Chief Financial Officer Khalifa provided an overview of the topic.

Discussion ensued amongst the Board.

Director Bockmiller requested his comments be included in the minutes, "Please let the record indicate that this document is being adopted after advice of Legal Counsel to conform with SB 998."

Director Bockmiller requested confirmation from staff that, "Legal Counsel provided an opinion that this language gives us harbor to ensure that if a customer was to have some auxiliary meter that Mesa Water's meter would be the full final and correct reading of water."

Staff confirmed Legal Counsel's review and opinion.

Director Bockmiller requested his comments be included in the minutes, "Please let the record state that the question was asked and answered and that high use customer meter reading is not and cannot under any circumstances be used as any form of metering or billing for Mesa Water District and will not be recognized as having any force or effect."

The Board thanked CFO Khalifa for the information.

MOTION

Motion by President Dewane, second by Director Bockmiller, to adopt Resolution No. 1527 Amending Mesa Water's Rules and Regulations for Water Service Superseding Resolution No. 1514. Motion passed 5-0, by the following roll call vote:

AYES: DIRECTORS Atkinson, Bockmiller, Fislser, DePasquale, Dewane  
NOES: DIRECTORS None  
ABSENT: DIRECTORS None  
ABSTAIN: DIRECTORS None

7. Fees and Charges for Miscellaneous Services

CFO Khalifa provided an overview of the topic.

Discussion ensued amongst the Board.

**MOTION**

Motion by Director Bockmiller, second by President Dewane, to adopt Resolution No. 1526 Adopting a Policy for Establishing Fees and Charges for Miscellaneous Services and Establishing Service Related Fees and Charges Superseding Resolution No. 1423, with modifications. Motion passed 5-0, by the following roll call vote:

AYES: DIRECTORS Atkinson, Bockmiller, Fisler, DePasquale, Dewane  
NOES: DIRECTORS None  
ABSENT: DIRECTORS None  
ABSTAIN: DIRECTORS None

**PRESENTATION AND DISCUSSION ITEMS:**

8. Fiscal Year 2019 Environmental, Health and Safety Program Audit

Business Administrator Lind provided a brief overview of the topic and introduced Citadel EHS, Inc.'s Principal Consultant Ken Daigle who proceed with a presentation that highlighted the following:

- The Road to Excellence
- Scorecard
- 2019 Significant Improvements
- Experience Modification Rate
- 2019 Areas That Require Improvement
- Next Steps

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

9. Fiscal Year 2019 Audit Results and Comprehensive Annual Financial Report

Chief Financial Officer Khalifa introduced White Nelson Diehl Evan's Audit Partner Nitin Patel who proceeded with a presentation that highlighted the following:

- Outline
- Scope of Services
- Auditors' Opinion
- Management Letter
- Communication with Those Charged with Governance

Discussion ensued amongst the Board.

Director Bockmiller asked if the audit firm received cooperation from staff. Mr. Patel responded affirmatively.

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

**MOTION**

Motion by President Dewane, second by Vice President DePasquale, to approve Mesa Water District's audited financial statements for the fiscal year ended June 30, 2019 and direct staff to finalize the Fiscal Year 2019 Comprehensive Annual Financial Report.  
Motion passed 5-0.

Director Fisler declared a recess at 4:10 p.m.

The Board meeting reconvened at 4:29 p.m.

**REPORTS:**

10. Report of the General Manager
11. Directors' Reports and Comments

**INFORMATION ITEMS:**

None.

The Board meeting was adjourned at 4:30 p.m.

Approved:



Shawn Dewane, President



Denise Garcia, District Secretary