



*Dedicated to
Satisfying our Community's
Water Needs*

**AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Thursday, June 22, 2017
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Special Board Meeting**

**LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE MEETING
Thursday, June 22, 2017 at 3:30 p.m.**

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.

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. Advocacy Consulting Services Report
2. Outreach Update

PRESENTATION AND DISCUSSION ITEMS:

Items recommended for approval at this meeting may be agendized for approval at a future Board meeting.

None

ACTION ITEMS:

3. Regular Board Meeting Minutes of June 8, 2017

REPORTS:

4. Report of the General Manager
5. Directors' Reports and Comments

INFORMATION ITEMS:

6. Water Vending Machine Update



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

Members of the public desiring to make verbal comments utilizing a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.

*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**. 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.*

ADJOURNMENT

MEMORANDUM



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TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, External Affairs Manager
DATE: June 22, 2017
SUBJECT: Advocacy Consulting Services Report

RECOMMENDATION

This item is provided for information only.

STRATEGIC PLAN

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

Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is updated for the monthly meeting of the Legislative & Public Affairs Committee.

DISCUSSION

Staff will provide a verbal report to the Board.

FINANCIAL IMPACT

In Fiscal Year 2017, \$84,000 is budgeted; \$77,000 has been spent to date.

ATTACHMENTS

None.

MEMORANDUM



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TO: Legislative & Public Affairs Committee
FROM: Noelle Collins, Public Affairs Coordinator
DATE: June 22, 2017
SUBJECT: Outreach Update

RECOMMENDATION

This item is provided for information only.

STRATEGIC PLAN

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

Goal #5: Attract and retain skilled employees.

Goal #6: Provide outstanding customer service.

Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is updated for the monthly meeting of the Legislative & Public Affairs Committee.

DISCUSSION

Mesa Water District's outreach program aims to connect Mesa Water with its constituents in order to achieve Goal #4 of the District's Strategic Plan. Outreach activities are also designed to achieve the Strategic Plan goals related to human resources, customer service, and/or regional water issues involvement by educating and informing the District's constituents about Mesa Water, water issues, and water in general. Mesa Water's constituents include external audiences – such as customers; community members; elected officials; industry colleagues, water districts and special districts; and media – as well as internal audiences such as staff, retirees and Board members.

Upcoming FY 2018 Events

1. Concert in Fairview Park on Tuesday, July 11, 2017 from 5:00 to 8:00 p.m. at 2501 Placentia Avenue, Costa Mesa, CA 92627.
2. Concert in Fairview Park on Tuesday, July 18, 2017 from 5:00 to 8:00 p.m. at 2501 Placentia Avenue, Costa Mesa, CA 92627.
3. Waterwise Wednesdays at the OC Fair on Wednesday, July 19, 2017 from 12:00 to 5:00 p.m. in the Centennial Farm area, 88 Fair Drive, Costa Mesa, CA 92626.
4. Concert in Fairview Park on Tuesday, July 25, 2017 from 5:00 to 8:00 p.m. at 2501 Placentia Avenue, Costa Mesa, CA 92627.
5. Waterwise Wednesdays at the OC Fair on Wednesday, July 26, 2017 from 12:00 to 5:00 p.m. in the Centennial Farm area, 88 Fair Drive, Costa Mesa, CA 92626.



The benefits of Mesa Water's outreach program include:

- Informing constituents about Southern California's perpetual drought, the historical drought facing California, and the importance of developing local and cost-effective sources of safe, reliable water for Mesa Water's service area and the region at large;
- Educating constituents about the importance of water and water stewardship, in order to sustain Southern California's population, quality of life, business, and economy;
- Educating constituents about Mesa Water's stewardship of ratepayer funds and financial responsibility to fund, invest in, and save for the current and future provision of safe and reliable water for the District's service area;
- Informing constituents of the District's infrastructure improvements to ensure water quality and water reliability for its service area;
- Learning from constituents and evolving as a well-informed Board of Directors;
- Promoting water use efficiency to Mesa Water's customers and community members to help them save water, money, and the environment;
- Ensuring, for public health and safety reasons, that Mesa Water customers and community members identify the District as their water provider and as the source of information about water in emergency situations;
- Supporting Mesa Water's service area as an actively involved participant in programs that provide added value and benefits to the community;
- Informing the media of Mesa Water's activities that benefit the District's customers and community;
- Empowering Mesa Water's Board and staff with information that will help them provide the best possible service to the District's customers and community members; and
- Strengthening Mesa Water's industry relations to provide opportunities for improving the District's business and operations -- including the areas of financial and human resources strength, infrastructure and technological innovation, and setting/supporting policies that have a positive impact on Mesa Water's service area -- so that the District can continue to provide safe, high-quality, reliable, and affordable water to its customers.

FINANCIAL IMPACT

In Fiscal Year 2017, \$100,000 is budgeted; \$99,705 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Coleen L. Monteleone, Assistant General Manager
DATE: June 22, 2017
SUBJECT: Regular Board Meeting Minutes of June 8, 2017

RECOMMENDATION

Approve the Regular Board Meeting Minutes of June 8, 2017.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water® and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

In order to facilitate the transition of the District Secretary and Treasurer, the Board of Directors needs to approve the minutes of the June 8, 2017 Board meeting.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Regular Board Meeting Minutes of June 8, 2017



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, June 8, 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 June 8, 2017 at 6:07 p.m. by President Temianka at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was held at the beginning of the *Mesa Consolidated Water District Improvement Corporation* meeting conducted prior to the regular Board meeting.

Directors Present

Ethan Temianka, President
Jim Atkinson, Vice President
Fred R. Bockmiller, P.E., Director
Shawn Dewane, Director
James R. Fisler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Coleen L. Monteleone, Assistant General Manager/
District Secretary
Denise Garcia, Administrative Services Manager/
Assistant District Secretary
Stacie Sheek, Customer Services Manager
Stacy Taylor, External Affairs Manager
Shannon Widor, Public Affairs Manager
Tracy Manning, Water Operations Manager
Kurt Lind, Business Administrator
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

Kimberly Hernandez, Estancia High School Student &
MWDOC Poster Contest Winner
Christy Foster, Managing Principal, Director, BSI EHS
Services & Solutions (BSI)
Jessica Penhall, Senior Consultant, Manager, BSI
Mitch Barker, Executive Vice President, Public Agency
Retirement Services (PARS)
Christina Parker, Member of the Public

PRESENTATION TO MWDOC "WATER AWARENESS" POSTER CONTEST WINNER

President Temianka introduced Public Affairs Manager Widor who summarized the annual water awareness poster contest sponsored by Municipal Water District of Orange County (MWDOC).

This year's contest theme was "Finding Water"; there were more than 1,000 entries countywide with 162 entries from Mesa Water's service area. 1700 votes were cast and one of the top 40 winners was Kimberly Hernandez from Estancia High School.

The Board thanked Mr. Widor and Ms. Hernandez for their participation.

Photographs were taken.

PUBLIC COMMENTS

President Temianka asked for public comments on non-agendized items. There were no comments.

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

General Manager Shoenberger offered an item regarding a Closed Session topic arose after the agenda was posted and action is required prior to the next Board meeting.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Vice President Atkinson, to add Item 20.1 to the agenda as the matter arose after the agenda was posted and action is required prior to the next Board meeting:

Closed Session Conference with Legal Counsel - Existing Litigation
Pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c)
Case: Costa Mesa Sanitary District v. Mesa Water District
Case No. 30-2017-00923819-CU-PT-CJC

Motion passed 5-0.

CONSENT CALENDAR ITEMS:

Director Bockmiller pulled Item 13. There were no objections.

1. Approve minutes of special Board meeting of May 15, 2017
2. Approve minutes of special Board meeting of May 16, 2017.
3. Approve minutes of adjourned regular Board meeting of May 18, 2017.
4. Approve minutes of special Board meeting of May 25, 2017.
5. Approve the Fiscal Year 2018 attendance at Conferences, Seminars, Meetings, and Events.
6. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
7. Award a contract in the amount of \$24,360 to Vista Del Verde Landscaping for landscape maintenance services; and authorize execution of the contract.

8. Award a contract for a period of five years with two one-year renewable options with an average annual amount of \$79,063 to Separation Processes, Inc. to provide performance support of the Mesa Water Reliability Facility; and authorize execution of the contract.
9. Renew the Environmental Health and Safety Support Services contract for one year for \$174,000 with the British Standards Institution Group; and authorize execution of the contract.
10. Award a contract for a period of five years with two one-year renewable options with an average annual amount of \$92,775 to Prime Systems Industrial Automation, Inc. to provide maintenance and support of the Supervisory Control and Data Acquisition System; and authorize execution of the contract.
11. Approve a professional services contract with Raftelis Financial Consultants, Inc. for \$45,192 plus \$8,293 for potential optional services for a not-to-exceed amount of \$53,485 to provide a potable and recycled water rate study for the purpose of establishing water rate schedules for five years; and authorize execution of the contract.
12. Approve support of the Independent Special Districts of Orange County Proposed Amended and Restated Bylaws; and authorize President Ethan Temianka to cast the District's vote on the official ballot.
13. Approve a proclamation honoring Coleen L. Monteleone for her more than 32 years of dedicated and committed service to Mesa Water District.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Vice President Atkinson, to approve Items 1 – 12 of the Consent Calendar. Motion passed 5-0.

Item 13 - Approve a proclamation honoring Coleen L. Monteleone for her more than 32 years of dedicated and committed service to Mesa Water District.

Director Bockmiller read the proclamation into the record:

*Proclamation
A Day of Celebration to Honor Coleen L. Monteleone*

Whereas, Ms. Monteleone began her career on February 25, 1985 in the Financial Services Department. For over three decades, she flourished and advanced and, in 1996, she was promoted to Administrative Services Manager overseeing support for the Board of Directors and General Manager. In 2015, her distinguished career culminated in being chosen as the District's Assistant General Manager.

Whereas, During her career she managed various departments including Administrative Services, Customer Services, Financial Services, Human Resources and Public Affairs and directed various business activities including conservation, information technology and records management.

Whereas, On more than one occasion, Ms. Monteleone was named Interim General Manager by the Board of Directors to oversee the District. On July 10, 2007 she was presented with Resolution No. 1349, which recognized her leadership and loyalty and acknowledged that she set a standard of excellence in communication with the Board while successfully building employee trust and morale under challenging circumstances.

Whereas, Ms. Monteleone was awarded Mesa Water's Distinctive Service award in 1996 and the Karl Kemp Silver Lining award in 2016. She received the inaugural Career Achievement award in 2012 from the California Special Districts Association.

Whereas, Ms. Monteleone has been a consistent, strong and steadfast force at Mesa Water where she has made invaluable, lasting and positive contributions to guiding staff, leading the District through several organizational transitions, and playing a pivotal role in growing Mesa Water's success to be the industry leader it is today.

Now Therefore, Be It Proclaimed that the Board of Directors of Mesa Water District hereby recognizes and honors Ms. Monteleone for her more than 32 years of dedicated and committed service to the District and wishes her the best as she begins her retirement.

President Temianka asked for public comments. There were no comments.

Each Director offered comments regarding Ms. Monteleone's service and her contributions to the District.

MOTION

Motion by Director Bockmiller, second by Vice President Atkinson, to approve Item 13 of the Consent Calendar. Motion passed 5-0.

PRESENTATION AND DISCUSSION ITEMS:

14. 2017 ENVIRONMENTAL, HEALTH AND SAFETY PROGRAM AUDIT:

GM Shoenberger introduced the topic explaining that this item is the presentation of the annual safety audit. He thanked Water Operations Manager Manning and the Operations Department for their part in the audit, and Business Administrator Lind for his role as the project manager of the audit. Mr. Shoenberger also acknowledged BSI Senior Consultant and Manager Jessica Penhall.

BSI Managing Principal, Director Christy Foster was introduced and proceeded with a presentation that highlighted the following:

- The Road to Excellence
- 2017 Significant Improvements
- Experience Modification Rate (EMR)
- 2017 Areas That Require Improvement
- Next Steps

Ms. Foster responded to questions from the Board and the Board thanked her for the presentation.

ACTION ITEMS:

15. PENSION RATE STABILIZATION FUND:

GM Shoenberger introduced the topic offering that the District is eligible to participate in the pre-funding of its pension and Other Post-Employment Benefits (OPEB) obligations through Section 115 of the Internal Revenue Code and a tax-exempt trust under the relevant statutory provisions of the State of California. It is the plan of the District to manage the pre-funding of its pension and OPEB obligations in a single trust, thereby gaining administrative and cost efficiencies. Establishing a Pension Rate Stabilization Trust will allow the District to set aside funds for future CalPERS costs.

PARS Executive Vice President Mitch Barker responded to questions from the Board.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Dewane, to:

- a. Adopt Resolution No. 1499 – Adoption of the Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS);
- b. Appoint the District Treasurer as Mesa Water’s Plan Administrator;
- c. Authorize the Plan Administrator to execute an Agreement for Administrative Services and other documents necessary to implement and administer the Public Agencies Post-Employment Benefits Trust (Program); and
- d. Authorize the Plan Administrator to move assets currently in the Public Agencies Post-Retirement Health Care Plan Trust to the Other Post-Employment Benefits (OPEB) Account established in the name of the Mesa Water District under the Public Agencies Post-Employment Benefits Trust.

Motion passed 5-0, by the following roll call vote:

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

16. RESOLUTION NO. 1500 - ESTABLISHING A REVISED SCHEDULE OF POSITIONS AND SALARY RATE RANGES:

President Temianka introduced Assistant General Manager Monteleone who introduced the topic.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Dewane, second by Vice President Atkinson, to Adopt Resolution No. 1500 – Establishing a Revised Schedule of Positions and Salary Rate Ranges. Motion passed 5-0, by the following roll call vote:

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

17. RESOLUTION NO. 1501 - ESTABLISHING A POLICY FOR THE SELECTION PROCESS FOR THE APPOINTMENTS OF GENERAL LEGAL COUNSEL AND INDEPENDENT AUDITOR:

President Temianka introduced AGM Monteleone who provided information regarding a proposed amendment to the resolution.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Dewane, second by Director Fisler, to Adopt Resolution No. 1501 – Establishing a Policy for the Selection Process for the Appointments of General Legal Counsel and Independent Auditor as amended, Superseding Resolution No. 1307. Motion passed 5-0, by the following roll call vote:

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

18. APPOINTMENTS OF DISTRICT SECRETARY AND DISTRICT TREASURER:

President Temianka introduced AGM Monteleone who provided information regarding the topic. In response to a question from Director Dewane, she noted that the stipend for District Secretary and District Treasurer was last changed in December 2012. Discussion ensued amongst the Board.

President Temianka asked for public comments. There were no comments.

MOTION

Motion by Director Dewane, second by Director Bockmiller, to:

- a. Appoint Denise Garcia as District Secretary, effective June 26, 2017;
- b. Appoint Wendy Duncan as Assistant District Secretary, effective June 26, 2017;
- c. Appoint Phil Lauri as District Treasurer, effective July 1, 2017;
- d. Confirm the delegation of the same authority to the District Secretary and District Treasurer, as previously authorized and approved by the Board of Directors and as authorized by the California Water Code; and
- e. Award the stipend for the District Secretary and District Treasurer in the amount of \$350 per month each, effective July 1, 2017.

Motion passed 5-0.

REPORTS:

19. REPORT OF THE GENERAL MANAGER:

- May Key Indicators Report
- Other (no enclosure)

20. DIRECTORS' REPORTS AND COMMENTS:

RECESS

President Temianka declared a recess at 7:36 p.m.

The meeting reconvened at 7:42 p.m.

20.1 CLOSED SESSION:

President Temianka announced the Board was going into Closed Session at 7:43 p.m.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c)

Case: Costa Mesa Sanitary District v. Mesa Water District

Case No. 30-2017-00923819-CU-PT-CJC

The Board returned to Open Session at 8:01 p.m.

Attorney Anslow announced the Board conducted one Closed Session with the General Manager, Assistant General Manager Monteleone, and Legal Counsel pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c). The Board received information and there was no other announcement.

INFORMATION ITEMS:

21. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

22. OTHER (NO ENCLOSURE)

President Temianka adjourned the meeting at 8:02 p.m. to a Regular Board Meeting scheduled for Thursday, July 13, 2017 at 6:00 p.m.

Approved:

Ethan Temianka, President

Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer

Unapproved

REPORTS:

4. REPORT OF THE GENERAL MANAGER:

REPORTS:

5. DIRECTORS' REPORTS AND COMMENTS:



MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Stacie Sheek, Customer Services Manager
DATE: June 22, 2017
SUBJECT: Water Vending Machine Update

RECOMMENDATION

This item is provided for information only.

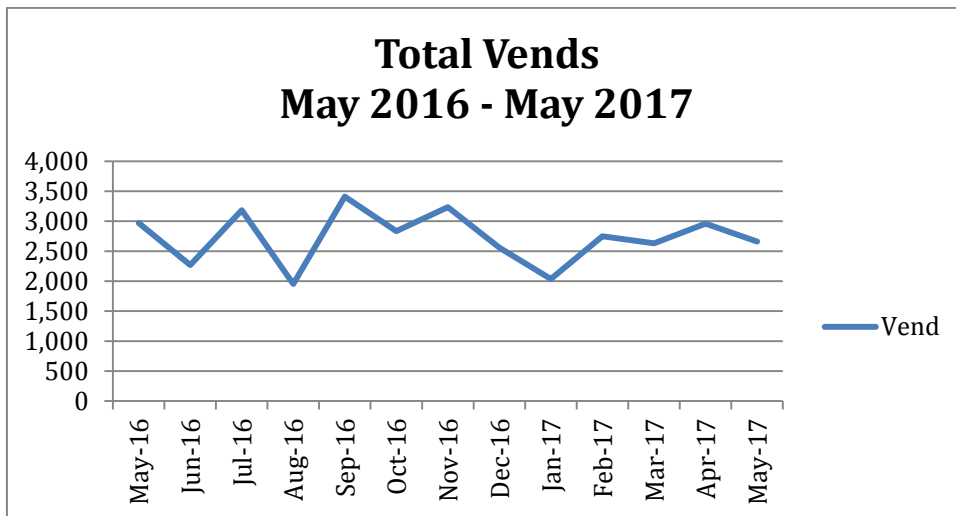
STRATEGIC PLAN

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

DISCUSSION

This item is being agendized at the request of Director Bockmiller.

The graph below displays the total monthly vends from the water vending machine located at Mesa Water District. Each vend is 1-gallon.



FINANCIAL IMPACT

None.

ATTACHMENTS

None.