



*Dedicated to  
Satisfying our Community's  
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS  
MESA WATER DISTRICT  
Thursday, August 9, 2018  
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 August 9, 2018, at 6:02 p.m. by President Atkinson at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

**PLEDGE OF ALLEGIANCE**

Former California State Assemblyman Jose J. Solorio 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  
Wendy Duncan, Records Management Specialist/  
Assistant 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  
Kurt Lind, Business Administrator  
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

**Others Present**

Jose J. Solorio, Former California State Assemblyman  
Kimera Hobbs, Development Consultant, Moran Consulting, Inc.  
Rob Hunter, General Manager, Municipal Water District of Orange County  
Jacqueline Kuhn, Executive Vice President of Human Capital Management Strategic Consulting Services, HRchitect  
Jeff Frey, Attorney, Atkinson, Andelson, Loya, Ruud & Romo

**PUBLIC COMMENTS**

President Atkinson asked for public comments on items not on the agenda.

There were no comments and President Atkinson proceeded with the meeting.

**ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA**

General Manager Shoenberger recommended reordering the agenda to take Item 9 before Item 8. There were no objections.

**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 July 12, 2018.
2. Approve minutes of special Board meeting of July 17, 2018.
3. Approve minutes of special Board meeting of July 19, 2018.
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
  - Conferences, Seminars, and Meetings
  - Board Calendar
  - Upcoming Community Outreach Events
6. Approve a proclamation honoring the life and memory of Mr. Henry "Hank" Panian.
7. Receive the Quarterly Training Report for April 1, 2018 – June 30, 2018.

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

**MOTION**

Motion by Vice President Bockmiller second by Director Fisler, to approve Items 1 - 7 of the Consent Calendar. Motion passed 5 - 0.

**ACTION ITEMS:**

None.

**PRESENTATION AND DISCUSSION ITEMS:**

**Item 9 – CUSTOMER SERVICE AUDIT:**

Customer Services Manager Sheek introduced Moran Consulting, Inc.'s Development Consultant Kimera Hobbs who proceeded with a presentation, entitled "The Road to Gold: Customer Service Excellence Initiative", that highlighted the following:

- Overview of Customer Service Department Activity
- Service Reinforcement/ Realignment Initiative
- Scorecard
- The Road to Excellence: Current Performance
- Recommendations for Improvement
- Next Steps
- Recommendations

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

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

## MOTION

Motion by Director Dewane, second by Director Fidler, to amend the professional services contract with Moran Consulting, Inc. for an additional \$94,650 for a not to exceed contract amount of \$338,993 to perform customer service quarterly audits and provide supporting elite customer service training; and to authorize execution of the contract. Motion passed 5 - 0.

### 8. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY AND IRVINE RANCH WATER DISTRICT'S PROPOSED WATER RELIABILITY PILOT PROGRAM:

GM Shoenberger introduced Municipal Water District of Orange County's General Manager Rob Hunter who proceeded with a presentation, entitled "Proposed Pilot Program Between MWDOC & IRWD", that highlighted the following:

- Conceptual Framework
- Purpose of the Pilot Program
- Allocations and Extraordinary Supply
- Overview of the Proposed Pilot Program
- Fees, Charges and Cost
- Proposed Extraction and Delivery Charges
- Pilot Program Cost Comparison
- Program Costs and Potential Cost Avoidance
- Average MWDOC Retail Member Agency Example
- Previous and Projected Allocation Information
- Benefits of the Pilot Program
- Agreements in Place to Deliver this Water
- Description of IRWD's "Strand Ranch" Water Bank
- Recap of Pilot Program Operational Conditions
- Proposed Next Steps

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

### 9. CUSTOMER SERVICE AUDIT:

Item taken earlier on the agenda.

## **RECESS**

President Atkinson declared a recess at 7:57 p.m.

The Board meeting reconvened at 8:07 p.m.

10. HUMAN RESOURCE INFORMATION SYSTEM:

CFO Khalifa introduced HRchitect's Executive Vice President of Human Capital Management Strategic Consulting Services Jacqueline Kuhn who provided a presentation entitled "Evaluation and Selection: Human Resource Information System", that highlighted the following:

- Request for Proposal Process
- Demonstration Process
- Due Diligence
- Selection of HRIS Application
- Next Steps

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

11. BOARD WORKSHOP PLANNING:

GM Shoenberger noted that there was a revised staff report with recommended topics from the Executive Committee. He asked for additional topics and the Board replied that there were none at this time.

**REPORTS:**

12. REPORT OF THE GENERAL MANAGER:

- July Key Indicators Report
- Other (no enclosure)

13. DIRECTORS' REPORTS AND COMMENTS:

**INFORMATION ITEMS:**

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

15. OTHER (NO ENCLOSURE)

**CLOSED SESSIONS:**

GM Shoenberger recommended reordering the agenda to take Item 17 before 16. There were no objections.

President Atkinson announced the Board was going into Closed Session at 8:37 p.m.

16. 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

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17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:  
Pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c)  
Case: *Mesa Water District v. KDC, INC., dba KDC SYSTEMS, INC., dba DYNALECTRIC*  
Orange County Superior Court Case No. 30-2016-00832860-CU-BC-CJC
  
18. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE 54957.6:  
District Negotiator: General Manager  
Employee Organization: Mesa Water District Employee Association Represented Employees

The Board returned to Open Session at 9:05 p.m.

GM Shoenberger reported that the Board conducted three Closed Sessions:


The first Closed Session, Item 17, was conducted with the General Manager, Assistant General Manager and Legal Counsel pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c). The Board received information and gave direction to Legal Counsel. There was no further announcement.

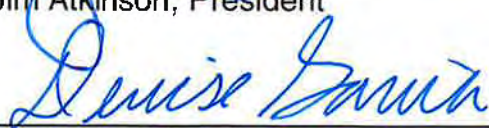
The second Closed Session, Item 16, was conducted with the General Manager and Assistant General Manager pursuant to California Government Code Sections 54956.9 (d) (1) and 54954.5 (c). The Board received information and there was no further announcement.

The third Closed Session, Item 18, was conducted with the General Manager and Human Resources Manager pursuant to Government Code 54957.6. The Board received information and gave direction to staff. There was no further announcement.

President Atkinson adjourned the meeting at 9:07 p.m. to a regular Board Meeting scheduled for Thursday, September 13, 2018 at 6:00 p.m.

Approved:

  
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Jim Atkinson, President

  
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Denise Garcia, District Secretary