



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, January 12, 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 January 12, 2017 at 6:02 p.m. by President Temianka at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Fisler led the Pledge of Allegiance.

Directors Present

Ethan Temianka, President
Jim Atkinson, Vice President
Fred R. Bockmiller, 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
Phil Lauri, P.E., Assistant General Manager
Denise Garcia, Executive Assistant to the General Manager/
Assistant District Secretary
Andrew Hamilton, Chief Financial Officer
Stacy Taylor, External Affairs Manager
Stacie Sheek, Customer Services Manager
Cynthia Ragland, Interim Public Affairs Manager
Kurt Lind, Business Administrator
Noelle Collins, Public Affairs Coordinator
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

Constance Towers, Representative from the Office of
Congressman Dana Rohrabacher
A. Patrick Munoz, Partner, Rutan & Tucker

**RECOGNITION OF MESA WATER DISTRICT PAST PRESIDENT SHAWN DEWANE BY
CONGRESSMAN ROHRBACHER**

External Affairs Manager Taylor introduced Constance Towers, representative from the office of Congressman Rohrabacher, who recognized Immediate Past President Shawn Dewane and his contributions and service to the District.

President Temianka thanked Past President Dewane for his service.

Past President Dewane offered comments and thanked the Board for this recognition.

Photographs were taken.

RECOGNITION OF PUBLIC WORKS MAGAZINE COVER STORY

General Manager Shoenberger offered that Public Works Magazine is a national magazine that covers trends, legislation, projects, technology, and products. Public Works recently published an article, *Rising to the Top – How Your Department Can Become a High Performance Organization*.

GM Shoenberger introduced Interim Public Affairs Manager Cynthia Ragland who reviewed the article, noting how Mesa Water has become a high performing organization. She recognized Assistant General Manager Lauri and Business Administrator Lind who partnered with OC Public Works and LA Consulting to share Mesa Water's story at the national level.

Photographs were taken.

PUBLIC COMMENTS

President Temianka asked for public comments on non-agendized items. There were no comments and President Temianka proceeded with the meeting.

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

GM Shoenberger offered there were no items to be added, withdrawn, or reordered.

CONSENT CALENDAR ITEMS:

Director Bockmiller pulled Items 7, 11, 15 and 18. There were no objections.

1. Approve minutes of regular Board meeting of December 8, 2016.
2. Approve minutes of special Board meeting of December 15, 2016.
3. Approve minutes of special Board meeting of December 19, 2016.
4. Approve minutes of special Board meeting of December 20, 2016.
5. Approve attendance considerations (additions, changes, deletions).
6. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
7. Approve the 2017 Legislative Platforms.
8. Approve a contract change order with Lewis Consulting Group through June 30, 2017 for a not to exceed amount of \$24,000 for Orange County Advocacy Consulting Services.
9. Approve a contract with California Advocates through December 31, 2017 for a not to exceed amount of \$84,000 for State Advocacy Consulting Services.
10. Approve a contract change order with Fraser Communications for a not to exceed amount of \$50,000 for Public Outreach Services.

11. Approve a two year extension to John Robinson Consulting, Inc. for a not to exceed amount of \$75,000 per year and direct staff to competitively solicit proposals for the next contract term.
12. Approve an additional allocation of \$100,000 to the On-Call Design and Construction Management budget for Fiscal Year 2017 for a not to exceed amount of \$350,000 and approve an increase in the contract authority for the MWH Constructors' On-Call Design and Construction Management contract in the amount of \$50,000 for a not to exceed amount of \$300,000 in Fiscal Year 2017.
13. Approve the updated sections to Mesa Water's Standard Specifications and Standard Drawings.
14. Approve a contract with Carollo Engineering for a not to exceed amount of \$100,000 to perform additional water system modeling.
15. Approve a proclamation honoring the career of Scott Peca for his more than 28 years of dedicated and committed service to Mesa Water District.
16. Approve a contract with White Nelson Diehl Evans LLP for a not to exceed amount of \$100,000 to perform additional auditing services in Fiscal Year 2017.
17. Approve Option #6 - to advance refund the 2010 Certificates of Participation debt issuance along with adding \$8 million of new money using existing debt service levels, utilizing the negotiated sale structure.
18. Ratify the 2017 Board Committee & Other Agency Liaison Assignments.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Vice President Atkinson, to approve Items 1 – 6, 8 – 10, 12 – 14, and 16 of the Consent Calendar. Motion passed 5-0.

Item 7 – Approve the 2017 Legislative Platforms.

Discussion ensued amongst the Board and staff responded to questions from Director Bockmiller.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Dewane, to approve Item 7 of the Consent Calendar. Motion passed 5-0.

Item 11 – Approve a two-year extension to John Robinson Consulting, Inc. for a not to exceed amount of \$75,000 per year and direct staff to competitively solicit proposals for the next contract term.

GM Shoenberger offered that the Engineering and Operations Committee recommended a contract limit of \$50,000 per year as specified in the Fiscal Year 2017 budget. However, after a review of the contract, the Executive Committee recommended a contract limit of \$75,000 per year.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Dewane, second by Director Fidler, to approve Item 11 of the Consent Calendar. Motion passed 4-1, with Director Bockmiller voting no.

Item 15 - Approve a proclamation honoring the career of Scott Peca for his more than 28 years of dedicated and committed service to Mesa Water District.

Director Bockmiller read the proclamation into the record:

A Day of Celebration to Honor the Career of Scott Peca

Whereas, Scott Peca began his career at Mesa Water® District on January 18, 1988, as a Water Maintenance Worker I and worked his way up through the organization holding job titles including Water Maintenance Worker II and Facility Maintenance Worker I & II; and

Whereas, as a Water Maintenance Worker, Scott was involved in operating, maintaining, installing, and repairing the District's water distribution infrastructure to ensure an uninterrupted supply of quality potable water to the customers of Mesa Water District; and

Whereas, as a Facility Maintenance Worker, Scott performed a variety of building and grounds maintenance and repair duties; and monitored contract services for alarm, air conditioning, landscaping, custodial, and elevator services for the District; and

Whereas, Scott was indispensable when it came to the set-up of meeting rooms in the preparation of the District's Board of Directors' meetings, employee meetings, and other meetings and events; and

Whereas, Scott was nominated for the Silver Lining Award in 2015; and served as a Safety Ambassador for numerous years.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Mesa Water District hereby recognizes and honors you for your more than 28 years of dedicated and committed service to the District and wishes you the best as you begin your retirement.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Dewane, to approve Item 15 of the Consent Calendar. Motion passed 5-0.

Item 18 - Ratify the 2017 Board Committee & Other Agency Liaison Assignments.

Director Bockmiller offered that, in addition to the assignments listed, he has been selected by ACWA/JPIA to serve on the Risk Management Committee. He requested clarity that, for his service as an ACWA/JPIA director, meetings affiliated with the position requirements will be

attended although not specifically listed on the meeting schedule. Director Dewane asked staff to clarify that a Director's attendance at an ACWA/JPIA meeting is covered by the Directors' Fees resolution. Assistant General Monteleone confirmed.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Dewane, to approve Item 18 of the Consent Calendar. Motion passed 5-0.

PRESENTATION AND DISCUSSION ITEMS:

19. BOARD WORKSHOP PLANNING:

GM Shoenberger reviewed the proposed topics for the Board Workshop:

- Designated Funds Policy
- Financial Advisory Services
- Regional Water Issues Update
- Strategic Plan Update
- Measure TT Follow-up
- Closed Session – Labor Negotiations
- Directors' Fees

Discussion ensued regarding a date for the workshop. The Board agreed to meet on Thursday, March 23, 2017.

ACTION ITEMS:

20. LONG RANGE FINANCIAL PLANNING:

GM Shoenberger provided an overview of the topic. In late 2013, in order to meet the Board's fiscal policy goals, debt service, and anticipated capital expenditures, Mesa Water created a Long Range Financial Plan using a five-year financial model. At the December 19, 2016 meeting of the Finance Committee, the Committee requested that staff solicit vendor quotes to conduct a new Long Range Financial Plan.

President Temianka asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Dewane, to authorize staff to select, for a not to exceed amount of \$60,000, a consultant who will develop a Long Range Financial Plan, perform a Cost of Service analysis, and propose an updated Water Rate Design. Motion passed 5-0.

The agenda was reordered to take Items 22 and 23 before Closed Session. There were no objections.

REPORTS:

Item 22 - REPORT OF THE GENERAL MANAGER:

- December Key Indicators Report
- Other (no enclosure)

Item 23 - DIRECTORS' REPORTS AND COMMENTS:

RECESS

President Temianka declared a recess at 7:02 p.m. The meeting reconvened at 7:14 p.m.

21. CLOSED SESSION:

President Temianka announced that the Board was going into Closed Session at 7:15 p.m.

CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION/ADJUDICATORY PROCEEDINGS:

Pursuant to California Government Code Sections 54956.9 (d) (2) and 54954.5 (c) - based on existing facts and circumstances, the Board is meeting with General Legal Counsel to review matters relating to legal proceedings presented to the California Fair Political Practices Commission involving Mesa Water District.

Number of Matters: 1

The Board returned to Open Session at 7:35 p.m.

AGM Monteleone announced that the Board conducted one Closed Session with the General Manager, AGM Monteleone, and Rutan and Tucker Attorney A. Patrick Munoz pursuant to California Government Code Sections 54956.9 (d) (2) and 54954.5 (c). The Board received information and there were no other announcements.

REPORTS:

22. REPORT OF THE GENERAL MANAGER:

- December Key Indicators Report
- Other (no enclosure)

Item taken earlier in the agenda.

23. DIRECTORS' REPORTS AND COMMENTS:

Item taken earlier in the agenda.

INFORMATION ITEMS:

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

25. OTHER (NO ENCLOSURE)

President Temianka adjourned the meeting at 7:36 p.m. to a Regular Board Meeting scheduled for Thursday, February 9, 2017 at 6:00 p.m.

Approved:



Ethan Temianka, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer