



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Thursday, April 14, 2016
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 April 14, 2016 at 6:07 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Atkinson led the Pledge of Allegiance.

Directors Present

Shawn Dewane, President
Ethan Temianka, Vice President
Jim Atkinson, Director
Fred R. Bockmiller, 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, Assistant General Manager
Andrew Hamilton, Chief Financial Officer
Stacy Taylor, Public & Government Affairs Manager
Stacie Sheek, Customer Services Manager
Noelle Collins, Public Affairs Coordinator
Justin Finch, Resource Efficiency Specialist
Denise Garcia, Executive Assistant to the General Manager/
Assistant District Secretary
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

Others Present

Matthew Harper, Assembly Member, State of California
Michelle Steele, Vice Chair, Orange County Board of Supervisors
Stephen Mensinger, Mayor, City of Costa Mesa
Katrina Foley, Council Member, City of Costa Mesa
Cathy Green, President, Orange County Water District
Michael P. Wehner, Assistant General Manager, Orange County Water District
Robert Ooten, Director, Costa Mesa Sanitary District
Constance Towers, Representative from the Office of Congressman Dana Rohrabacher
Chris Palmer, Public Affairs Field Coordinator, California Special Districts Association

Heather Stratman, Chief Executive Officer, Association of California Cities-Orange County
Brett R. Barbre, Director, Municipal Water District of Orange County
Joan C. Finnegan, Director, Municipal Water District of Orange County
Rob Hunter, General Manager, Municipal Water District of Orange County
Janice and Steven Frates, Single-family Residential Awardees
Susan and Geoff West, Single-family Residential Awardees
Julia Lawson, Board Secretary, Brookview Owners Association, Multi-family Residential Awardee
Shannon Bradfield, Harbor Village Apartments, Multi-family Residential Awardee
Justin McCusker, Director of Community and Government Relations, C. J. Segerstrom & Sons, Business & Commercial Customers Awardee
Rick Contreras, Facilities Manager, Mariners Christian School, Business & Commercial Customers Awardee
David Vasquez, Director of Strategic Partnerships, Vanguard University, Business & Commercial Customers Awardee
Lawrence Wiley, Lead Maintenance Worker, City of Costa Mesa, Institutional (Public Agencies) Awardee
Melinda McCoy, Environmental Manager, John Wayne Airport, Institutional (Public Agencies) Awardee
Tim Marsh, Administrative Director of Facilities & Support Services, Newport-Mesa Unified School District, Institutional (Public Agencies) Awardee
Christine Parker, Member of the Public

PUBLIC COMMENTS

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

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

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

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of March 10, 2016.
2. Approve minutes of special Board meeting of March 21, 2016.
3. Approve minutes of special Board meeting of March 24, 2016.
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar

- Upcoming Community Outreach Events
6. Declare the following list of computer equipment, printers, servers, UPS, and miscellaneous computer equipment as surplus and authorize the General Manager to dispose of the items within the established rules and regulations set forth by Resolution No. 1463.
 7. Approve Smart Timer Rebate Program Option 2: Increase supplemental funding to the regional program for a total of \$150 per residential timer and \$15 per commercial station capacity, up to a total expenditure of \$15,000 per fiscal year, effective FY 2017.
 8. Approve a letter of support for the Nomination of Charley Wilson for the Orange County Local Agency Formation Commission Regular Special District Member seat.

President Dewane asked for comments. There were no comments.

MOTION

Motion by Director Atkinson, second by Director Fidler, to approve the Consent Calendar.
Motion passed 5-0.

PRESENTATION AND DISCUSSION ITEMS:

9. CONSERVATION COMMEMORATION:

General Manager Shoenberger offered that the State gave Mesa Water® a rigorous conservation requirement of 20%, which the District achieved. This commemoration is a celebration of Mesa Water customers' achievements in water use reduction.

GM Shoenberger introduced Public & Government Affairs Manager Taylor who presented the Mega Mesa Water Saver Awards Program.

President Dewane then thanked Mesa Water's customers for their accomplishments in meeting the State's water reduction goals.

Mesa Water received numerous proclamations, including ones from the offices of California State Senator John Moorlach and California Assembly Member Matthew Harper. Harper offered he was pleased and honored to be at this meeting to recognize Mesa Water District for its efforts and achievements in water conservation.

Orange County Board of Supervisors Vice Chair Michelle Steele congratulated Mesa Water's customers for their water reduction efforts and thanked the District's staff responsible for outreach programs that educated the public on water conservation.

Costa Mesa Mayor Stephen Mensinger congratulated Mesa Water for the great work done at the District on behalf of the citizens and also for its leadership on the issue of water conservation. He acknowledged Council Member Katrina Foley, also in attendance.

Orange County Water District President Cathy Green offered supportive comments regarding Mesa Water's achievements. She continued that Mesa Water actually exceeded the State's goal, achieving a water conservation total of 21%.

Costa Mesa Sanitary District's Director Robert Ooten offered that his Board of Directors is pleased to commend Mesa Water on its achievements.

Constance Towers, a representative from the office of Congressman Dana Rohrabacher office, commended the constituents of Mesa Water and thanked the Board of Directors for its contributions.

California Special Districts Association Public Affairs Field Coordinator Chris Palmer offered that Mesa Water has been a valued member of his association for over 45 years and congratulated the District on achieving its water reduction goal.

President Dewane then acknowledged the efforts of the Mega Mesa Water Savers present tonight for achieving water savings between 31 and 56%. He finished up the commemoration by thanking the evening's awardees and participants for attending the awards program.

Photographs were taken.

RECESS

President Dewane declared a recess at 6:45 p.m. The meeting reconvened at 7:00 p.m.

10. ASSOCIATION OF CALIFORNIA CITIES-ORANGE COUNTY (ACC-OC) OVERVIEW:

President Dewane introduced ACC-OC Chief Executive Officer Heather Stratman. Ms. Stratman proceeded with the presentation. The following was highlighted:

- ACC-OC Overview & Membership Benefits
- The Bridge from Districts to Cities
- County Wide Water Initiatives & Success
- Legislative & Regulatory Advocacy
- Education and Awareness

Ms. Stratman received comments from the Board and responded to questions. The Board thanked Ms. Stratman for the presentation.

11. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) BRIEFING:

President Dewane introduced MWDOC Director Joan C. Finnegan and MWDOC General Manager Rob Hunter.

Director Finnegan thanked the Board for the opportunity to address Mesa Water's Board of Directors. She offered that the new Vice President of MWDOC, Brett Barbre, was in attendance.

MWDOC GM Hunter proceeded with the presentation. The following topics were highlighted:

- MWDOC Rate Study
- MWD Rates & Fixed Treatment Charge
- OC Reliability Study
- Water Supply/Allocation Issues

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

RECESS

President Dewane declared a recess at 8:05 p.m. The meeting reconvened at 8:12 p.m.

12. ORANGE COUNTY WATER DISTRICT (OCWD) BRIEFING:

President Dewane introduced OCWD Assistant General Manager Michael P. Wehner who proceeded with the presentation. The following topics were highlighted:

- Groundwater Basin Conditions
- Ocean Desalination Update
- FY2016-17 Basin Production Percentage and Replenishment Assessment
- Ground Water Replenishment System Expansion
- GAP Update

AGM Wehner responded to questions and the Board thanked him for the presentation.

13. YORBA LINDA WATER DISTRICT (YLWD) REQUEST FOR AMICUS CURIAE LETTER ASSISTANCE:

MWDOC Director Brett R. Barbre provided background and an update on the water issues with YLWD.

A brief discussion ensued and the Board requested this item be moved from a presentation item to an action item. There were no objections.

GM Shoenberger offered that YLWD is facing a legal challenge to its Prop. 218-approved rates via a Referendum petition (Ebinger v. Yorba Linda Water District, Orange County Superior Case No. 30-2016-00829548), and is requesting assistance from public water agencies in California, including Mesa Water and others in Orange County, to prepare and file an Amicus Curiae letter. He proceeded with a brief presentation. It was noted that ten water agencies/associations have written briefs in support of YLWD. In addition, nine water agencies/associations are in the process of submitting briefs.

President Dewane asked for comments. Directors offered comments.

MOTION

Motion by Vice President Temianka, second by Director Atkinson, to direct staff to draft an Amicus Curiae letter to the Yorba Linda Water District and to authorize Mesa Water's legal counsel to assist South Coast Water District with submitting its letter. Motion passed 5-0.

ACTION ITEMS:

14. SB 814 (HILL) DROUGHT: EXCESSIVE WATER USE: URBAN RETAIL WATER SUPPLIERS:

President Dewane asked for comments. There were no comments.

MOTION

Motion by Director Bockmiller, second by Vice President Temianka, to oppose SB 814 Drought: Excessive Water Use: Urban Retail Water Suppliers, introduced by Senator Jerry Hill (D-San Mateo), and approve staff to actively advocate against and continue efforts to amend this bill. Motion passed 5-0.

15. FINANCIAL AUDITOR SELECTION:

MOTION

Motion by Vice President Temianka, second by President Dewane, to approve a contract with White Nelson Diehl Evans LLC (WNDE) to perform annual financial audit services for fiscal years ending June 30, 2016, June 30, 2017, and June 30, 2018 with two optional one-year extensions. Motion passed 4-1, with Director Bockmiller voting no.

REPORTS:

16. REPORT OF THE GENERAL MANAGER
- March Key Indicators Report
 - Other (no enclosure)
17. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

18. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)
19. OTHER (NO ENCLOSURE)

President Dewane adjourned the meeting at 9:43 p.m. to an Adjourned Regular Board Meeting scheduled for Monday, April 18, 2016, at 3:30 p.m.

Approved:



Shawn Dewane, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer