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Satisfying our Community's
Water Needs

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Tuesday, October 26, 2021
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Adjourned Regular Board Meeting**

BOARD OF DIRECTORS COMMITTEE MEETING

CALL TO ORDER The meeting of the Board of Directors was called to order at 3:30 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE President DePasquale led the Pledge of Allegiance.

Directors Present Marice H. DePasquale President
Shawn Dewane, Vice President *(arrived at 3:37 p.m.)*
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director

Directors Absent Jim Atkinson, Director

Staff Present Paul E. Shoenberger, P.E., General Manager
Phil Lauri, P.E., Assistant General Manager
Denise Garcia, Administrative Services Manager/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Stacie Sheek, Customer Services Manager
Syndie Ly, Human Resources Manager
Tracy Manning, Water Operations Manager
Kurt Lind, Business Administrator
Andrew D. Wiesner, P.E., Principal Engineer
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present Gregg Rademacher, Chief Executive Officer, San Diego City
Employees' Retirement System

WATER PROFESSIONALS APPRECIATION WEEK VIDEOS

Item taken later in the agenda.

PUBLIC COMMENTS:

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

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

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

General Manager Shoenberger recommended reordering the agenda to take Item 12 followed by the Water Professionals Appreciation Week Videos prior to the Consent Calendar. There were no objections.

Item 12 - SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM (SDCERS):

GM Shoenberger introduced SDCERS Chief Executive Officer Gregg Rademacher who proceeded with a presentation that highlighted the following:

- 30-year Funding Ratio History
- SDCERS Board, Pre-2005
- Blue Ribbon Committee
- Consequences
- The Fallout
- New Governance
- Proposition B: The Promise and The Path Forward
- Rebuilding SDCERS
- SDCERS Board Post-2005
- Committee Structure
- Meeting Schedule
- Operational Governance
- Plan Funding
- California Amortization Survey
- California Investment Earnings Assumption Survey
- Core Values
- Stakeholders
- Mesa Water District Funding Survey
- California Funding Survey
- Lessons Learned

Mr. Rademacher and GM Shoenberger responded to questions from the Board and they thanked Mr. Rademacher for the presentation.

WATER PROFESSIONALS APPRECIATION WEEK VIDEOS

Administrative Services Manager Garcia launched three videos that were produced for Water Professionals Appreciation Week featuring Mesa Water employees.

The Board thanked Ms. Garcia for the information.

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. Receive and file the Developer Project Status Report.
2. Receive and file the Mesa Water and Other Agency Projects Status Report.
3. Receive and file the Water Quality Call Report.
4. Receive and file the Water Operations Status Report.
5. Receive and file the Accounts Paid Listing.

6. Receive and file the Monthly Financial Reports.
7. Receive and file the Major Staff Projects.
8. Receive and file the State Advocacy Update.
9. Receive and file the Orange County Update.
10. Receive and file the Outreach Update.
11. Approve support for the proposed updates to the California Special Districts Association bylaws, and authorize President Marice H. DePasquale to cast the District's ballot.

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

MOTION

Motion by Director Fisler, second by Director Bockmiller, to approve Items 1 – 11 of the Consent Calendar. Motion passed 4 – 1, with Director Atkinson absent.

PRESENTATION AND DISCUSSION ITEMS:

12. SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM:

Item taken earlier in the agenda.

13. WATER RATE STUDY:

CFO Khalifa provided a presentation that highlighted the following:

- Financial Plan Assumptions
 - CIP Scenarios, Uninflated, \$MM
 - Self-Insurance Scenarios, \$MM
- Financial Plan
 - Scenarios
- Rate Design
 - 5/8" Meter, Single Family Residential Average Bi-monthly Bill
 - Percent Collected by Property Fee
 - Dollars Collected for 5/8" Meter by Property Fee
 - 5/8" Meter Basic, Bi-monthly Charge
 - Consumption Rate
 - Recommendation
 - Next Steps

Discussion ensued amongst the Board.

Mr. Khalifa and GM Shoenberger responded to questions from the Board and they thanked Mr. Khalifa for the presentation.

14. RESERVOIRS 1 AND 2 PUMP STATION UPGRADES PROJECT:

Principal Engineer Wiesner proceeded with a presentation that highlighted the following:

- Reservoir Project Benefits
- Reservoir 1 – Site and Pump Station Layouts
- Reservoir 2 – Site and Pump Station Layouts
- Reservoir Pump Station Flows

- Cost Estimate and Budget
- Project Benefit Summary

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

15. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MEMBER-AGENCY FACILITATED DISCUSSIONS/STAKEHOLDER INTERVIEWS:

GM Shoenberger provided an overview of the topic.

Discussion ensued amongst the Board.

GM Shoenberger responded to questions from the Board and the Board thanked him for the information.

ACTION ITEMS:

16. SCADA CONTROL ROOM AND WET LAB UPGRADE PROJECT:

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

MOTION

Motion by Director Bockmiller, second by Vice President Dewane, to award a contract to Hamel Contracting, Inc. for \$4,053,008 and a 10% contingency of \$405,301 for a total contract amount not to exceed \$4,458,309 to provide construction for the SCADA Control Room and Wet Lab Upgrade Project, and authorize the General Manager to execute the contract. Motion passed 4 – 1, with Director Atkinson absent.

REPORTS:

17. REPORT OF THE GENERAL MANAGER

18. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

19. TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY

20. CUSTOMER WATER ARREARAGE ASSISTANCE

21. OTHER (NO ENCLOSURE)

RECESS

President DePasquale declared a recess at 5:35 p.m.

The Board meeting reconvened at 5:37 p.m.

President DePasquale announced that the Board was going into Closed Session at 5:38 p.m.

CLOSED SESSION:

22. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO CALIFORNIA GOVERNMENT CODE 54957.6:
District Negotiator: General Manager
Employee Organization: District Employees

The Board returned to Open Session at 5:57 p.m.

District Secretary Garcia announced that the Board conducted one Closed Session with the General Manager, District Secretary and Human Resources Manager pursuant to California Government Code 54957.6. The Board gave direction to staff and there was no further announcement.

President DePasquale adjourned the meeting at 5:58 p.m. to an Adjourned Regular Board Meeting scheduled for Tuesday, November 9, 2021 at 3:30 p.m.

Approved:

DocuSigned by:

Marice DePasquale

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Marice H. DePasquale, President

DocuSigned by:

Denise Garcia

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Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer