



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, March 12, 2025
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order at 4:30 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE

Vice President Dewane led the Pledge of Allegiance.

Directors Present

Marice H. DePasquale, President
Shawn Dewane, Vice President
Jim Atkinson, Director
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Khalifa, Chief Administrative Officer/
District Secretary
Tyler Jernigan, Water Operations Manager/
Acting District Treasurer
Andrew D. Wiesner, P.E., District Engineer
Lynda Halligan, Public Affairs Manager
Stacy Taylor, Water Policy Manager
Kurt Lind, Business Administrator
Kirk Harper, Interim Chief Financial Officer
Karyn Igar, Senior Civil Engineer
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

John Kennedy, P.E., General Manager, Orange County Water District
Steve Gagnon, Vice President, Raftelis Financial Consultants, Inc.

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.

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ITEMS TO BE ADDED, REMOVED OR REORDERED ON THE AGENDA

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

CONSENT CALENDAR ITEMS:

1. Approve minutes of special Board meeting of February 10, 2025.
2. Approve minutes of regular Board meeting of February 12, 2025.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
 - Conferences, Seminars and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
5. Receive and file the Water Quality Call Report.
6. Receive and file the Accounts Paid Listing.
7. Receive and file the Monthly Financial Reports.
8. Receive and file the Fiscal Year 2025 Second Quarter Financial Update.
9. Receive and file the Quarterly Training Report for October 1, 2024 to December 31, 2024.

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to approve Items 1 – 9 of the Consent Calendar. Motion passed 5 – 0.

PRESENTATION AND DISCUSSION ITEMS:

10. ORANGE COUNTY WATER DISTRICT BRIEFING:

GM Shoenberger introduced Orange County Water District (OCWD) General Manager John Kennedy who provided a presentation that highlighted the following:

- FY25-26 Proposed Budget:
 - FY25-26 Budget Recommendations
 - Historical Basin Production Percentage
 - Recent OCWD Replenishment Assessment and Five Year Projection (\$/af)
 - OCWD 19 Producers Historical Total Water Demands and Groundwater Production
- Talbert Seawater Barrier:
 - Talbert Barrier Monitoring Well OCWD-M26
- Groundwater Basin Conditions:
 - OCWD Anaheim Field Headquarters Rain Gage
 - Prado Dam Water Conservation Program
 - OCWD Groundwater Basin Accumulated Overdraft
- Sunset GAP:
 - Seawater Intrusion Pathways
 - Seawater is intruding inland towards Huntington Beach production wells primarily in the Beta Aquifer
 - Feasibility Study Scope of Work

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- Extension of South Orange County Emergency Service Program Agreement:
 - SOC Emergency Service Program

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

11. WATER COST COMPARISON STUDY:

GM Shoenberger introduced Raftelis Financial Consultants, Inc. Vice President Steve Gagnon who provided a presentation that highlighted the following:

- Sample Water Rate Comparison 2023
- Using Water Rates to Measure Operational Efficiency
- Sources of Income 2023
- Water Sales Revenue as a % of Total Revenue 2012 – 2023
- Total Expenditure Per Capita
- MGD of Water Delivered Per Employee
- Summary
- Percentage of Water Revenue from Commodity Charges

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

RECESS

President DePasquale declared a recess at 5:10 p.m.

ACTION ITEMS:

12. MESA WATER DISTRICT IMPROVEMENT CORPORATION ANNUAL MEETING

The Board meeting reconvened at 5:15 p.m.

13. PIPELINE INTEGRITY PROGRAM:

MOTION

Motion by Vice President Dewane, second by President DePasquale, to approve a sole source contract with Pipeline Inspection and Condition Analysis for \$99,700 and a 10% contingency of \$9,970 for a total contract amount not to exceed \$109,670 to provide non-destructive condition assessment of 4,200 linear feet of pipeline. Motion passed 5 – 0.

14. BILLING AND MAILING SERVICES:

MOTION

Motion by Director Bockmiller, second by Vice President Dewane, to approve a contract with InfoSend, Inc. for two years, with the option for two additional one-year renewals,

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for an amount not to exceed \$100,000 annually to provide Billing and Mailing Services.
Motion passed 5 – 0.

15. ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE
AUTHORITY EXECUTIVE COMMITTEE ELECTION CONCURRING NOMINATION:

MOTION

Motion by Director Atkinson, second by Director Bockmiller to:

- a. Adopt Resolution No. 1600 Concurring in Nomination of Melody McDonald to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority; and
- b. Adopt Resolution No. 1601 Concurring in Nomination of Brent Hastey to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority.

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

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

REPORTS:

16. REPORT OF THE GENERAL MANAGER:
 - January Key Indicators Report
17. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

18. CLAIM OF HYUNJAE KANG
19. FEDERAL ADVOCACY UPDATE
20. STATE ADVOCACY UPDATE
21. ORANGE COUNTY UPDATE
22. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

RECESS

President DePasquale declared a recess at 5:26 p.m.

The Board meeting reconvened at 5:30 p.m.

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President DePasquale announced the Board was going into Closed Session at 5:31 p.m.

CLOSED SESSIONS:

23. CONFERENCE REGARDING CYBER SECURITY PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957(A):

The Board will meet in Closed Session regarding cyber security risks and protections.

The Board returned to Open Session at 5:40 p.m.

District Secretary Khalifa announced the Board conducted one Closed Session with the General Manager, District Secretary, Business Administrator, and General Legal Counsel pursuant to California Government Code Section 54957(a). The Board received information and subsequently took the following action on Item 23:

MOTION

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

- a. Approve a contract with an identified cyber security firm for an amount not to exceed \$85,785 to provide Fiscal Year 2024 Information Technology Audit Services; and
- b. Approve a contract with an identified cyber security firm for an amount not to exceed \$33,633 to provide the services necessary to support the Fiscal Year 2024 Information Technology Audit.
- c. Establish a three-year cycle for the Information Technology Audit by adopting a comprehensive Cyber Security Assessment Matrix.

Motion passed 5 – 0.

President DePasquale adjourned the meeting at 5:42 p.m. to a Regular Board Meeting scheduled for Wednesday, March 26, 2025 at 4:30 p.m.

Approved:

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Marice H. DePasquale

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Marice H. DePasquale, President

Signed by:

Denise Khalifa

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Denise Khalifa, District Secretary

Recording Secretary: Sharon D. Brimer