



*Dedicated to
Satisfying our Community's
Water Needs*

**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, April 23, 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

Director Fisler 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
Stacy Taylor, Water Policy Manager
Kurt Lind, Business Administrator
Andrew Phou, Controller
Kirk Harper, Interim Chief Financial Officer
Kaitlyn Norris, Public Affairs Specialist
Karyn Igar, Senior Civil Engineer
Camille Shehadeh, Senior Human Resources Analyst
Rob Anslow, General Legal Counsel

Others Present

Karl W. Seckel, P.E., Director, Municipal Water District of
Orange County (MWDOC)
Harvey De La Torre, General Manager, MWDOC
Veronica Rodarte, Operations Manager, Orange County
Employees Association
Rachael Sanders, Vice President, Consulting, Public Agency
Retirement Services
J. Keith Stribling, CFA, Senior Portfolio Manager, PFM Asset
Management LLC

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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 suggested reordering the agenda to take Item 12 after Item 8. There were no objections.

CONSENT CALENDAR ITEMS:

1. Approve minutes of regular Board meeting of March 26, 2025.
2. Receive and file the Developer Project Status Report.
3. Receive and file the Mesa Water and Other Agency Projects Status Report.
4. Receive and file the Water Quality Call Report.
5. Receive and file the Accounts Paid Listing.
6. Receive and file the Monthly Financial Reports.
7. Receive and file the Outreach Update.

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve Items 1 – 7 of the Consent Calendar. Motion passed 5 – 0.

PRESENTATION AND DISCUSSION ITEMS:

8. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY BRIEFING:

General Manager Shoenberger introduced MWDOC General Manager Harvey De La Torre who proceeded with a presentation that highlighted the following:

- MWDOC & Mesa Water's Partnership FY 24-25
- Metropolitan Rates Historical and Future
 - Metropolitan Key Rate Drivers
 - Metropolitan Rate Increases
- Metropolitan's Business Model
 - Climate Adaptation Master Plan for Water (CAMP4W) & Business Model Background
 - Business Model Sub-Working Group Scope
 - Business Model Next Steps

Mr. De La Torre introduced Director Seckel who offered additional comments. The Board thanked Messrs. Seckel and De La Torre for the presentation.

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ITEM 12 - PUBLIC HEARING REGARDING ASSEMBLY BILL 2561 – LOCAL PUBLIC EMPLOYEES; VACANT POSITIONS:

President DePasquale announced the Public Hearing was now opened for the purpose of receiving comments in accordance with Assembly Bill 2561 – Local Public Employees; Vacant Positions.

District Secretary Khalifa stated Assembly Bill (AB) 2561 mandates public agencies conduct a public hearing at least once each fiscal year prior to budget adoption.

To comply with AB 2561, Ms. Khalifa introduced Senior Human Resources Analyst Camille Shehadeh who proceeded with a presentation that highlighted the status of Mesa Water's vacant positions, recruitment and retention efforts:

- Employee Life Cycle/Preferred Employer
- Reason for New Law
- Vacancy Information - General
- Recruitment Information - General
- Hiring Obstacles - General
- Retention Information - General
- Vacancy Information – Represented
- Temporary Employees

Ms. Khalifa offered that the Fiscal Year 2026 Staffing Plan will be presented to the Board at its May 28, 2025 meeting at which time staff will also present recommendations for any new positions.

Ms. Khalifa and Ms. Shehadeh responded to questions and the Board thanked them for the presentation.

President DePasquale opened the floor for discussion by the Board. Discussion ensued amongst the Board.

RECESS

President DePasquale declared a recess at 5:19 p.m.

The Board meeting reconvened at 5:25 p.m.

District Secretary Khalifa introduced Orange County Employees Association (OCEA) Operations Manager Veronica Rodarte who spoke on behalf of OCEA.

Ms. Rodarte thanked Mesa Water for its strong employment policies and provided comments on Mesa Water's status of vacant positions, recruitment and retention efforts.

President DePasquale thanked Ms. Rodarte for her comments.

President DePasquale opened the floor for discussion by the Board. Discussion ensued amongst the Board.

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President DePasquale opened the floor for public comments. There were no members of the public present and she declared the public comments section of the hearing closed.

President DePasquale opened the floor for discussion by the Board. Discussion ensued amongst the Board.

President DePasquale declared the Public Hearing closed.

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to file Mesa Water District's 2024 Vacant Positions Report as presented in the April 23, 2025 Public Hearing. Motion passed 5 – 0.

9. PENSION & OTHER POST-EMPLOYMENT BENEFITS TRUST UPDATE:

Interim Chief Financial Officer Harper introduced Public Agency Retirement Services Vice President of Consulting Rachael Sanders and PFM Asset Management Senior Portfolio Manager J. Keith Stribling.

Ms. Sanders proceeded with a presentation that highlighted the following:

- Summary of Agency's Other Post- Employment Benefits (OPEB) Plan
- OPEB Actuarial Results
- Summary of Agency's Pension Plan
- Pension Funding Status
- Annualized Return Comparison

Mr. Stribling continued the presentation highlighting the following:

- Investment Discussion Highlights: Mesa Water District
- Quarterly Market Summary – Factors to Consider Over the Next 6 – 12 Months

Ms. Sanders and Mr. Stribling responded to questions from the Board and they thanked them for the presentation.

10. RESERVOIRS 1 AND 2 PUMP STATION UPGRADES PROJECT QUARTERLY UPDATE:

District Engineer Wiesner introduced Senior Civil Engineer Igar who proceeded with a presentation that highlighted the following:

- Reservoir 1 – Site Layout
- Reservoir 1 – Dewatering Pit
- Reservoir 1 – Heavy Equipment Port Foundation
- Reservoir 1 – Chemical Facility Concrete Pads
- Reservoir 1 – Generator Forms
- Reservoir 2 – Site Layout
- Reservoir 2 – Chemical System Pad and Panels
- Variable Frequency Drives Delivered
- Reservoir Project Schedule
- Reservoir Project Planned vs. Actual

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

11. MESA WATER EDUCATION CENTER FLAGPOLE:

District Engineer Weisner proceeded with a presentation that highlighted the following:

- Site Map
- Locations 1 – 4
- Potential Next Steps

Discussion ensued amongst the Board.

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve flagpole locations 1 and 3, and to grant staff the authority to select the specific location by meeting the following conditions:

- Location 1 –
 - That the adjacent heating, ventilation and air conditioning (HVAC) unit be screened with appropriate equipment screening;
 - That the flagpole be installed at a height sufficient to ensure the flag cannot, under any circumstances, come into contact with any building, physical object, or living being while being flown; and
 - That the flag be properly illuminated, 24/7, with lighting directed solely at the flag and not toward neighboring properties.
- Location 3 –
 - That staff be granted creative discretion to design the installation appropriately and to rule it out entirely if, in the staff's professional judgment, it is not feasible.
- Direct staff to design and construct a thirty-foot flagpole located on Gisler Avenue in Fiscal Year 2026 for an amount not to exceed the General Manager's contracting authority with the above noted conditions. Motion passed 5 – 0.

ACTION ITEMS:

12. PUBLIC HEARING REGARDING ASSEMBLY BILL 2561 – LOCAL PUBLIC EMPLOYEES; VACANT POSITIONS:

Item 12 taken after Item 8 on the agenda.

13. FINANCIAL KEY PERFORMANCE INDICATORS DASHBOARDS:

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to approve a contract amendment with Plante Moran, PLLC for \$120,000 to expand their consulting services to include Financial Key Performance Indicators Dashboards. Motion passed 5 – 0.

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14. FINANCIAL SERVICES INITIATIVES:

MOTION

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

- a. Approve a contract with Plante Moran, PLLC for \$488,000 and a 10% contingency of \$48,800 for a total contract amount not to exceed \$536,800 to provide Standard Operating Procedure Implementation Services.
- b. Approve a contract with Plante Moran, PLLC for \$38,000 and a 10% contingency of \$3,800 for a total contract amount not to exceed \$41,800 to provide Resource Support Services.
- c. Approve a contract with Plante Moran PLLC for \$745,910 and a 10% contingency of \$74,591 for a total contract amount not to exceed \$820,501 to provide Financial Software Selection and Implementation Support.
- d. Approve a contract with Burke, Williams & Sorensen, LLP for \$100,000 and a 10% contingency of \$10,000 for a total contract amount not to exceed \$110,000 to provide Transaction Testing Services.

Motion passed 5 – 0.

15. CUSTOMER INFORMATION SYSTEM IMPLEMENTATION SUPPORT SERVICES:

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to approve a contract with The Northridge Group, Inc. for \$97,500 and a 10% contingency of \$9,750 for a total contract amount of \$107,250 to provide support services for the Customer Information System Implementation, and authorize the General Manager to execute the contract.

Motion passed 5 – 0.

REPORTS:

16. REPORT OF THE GENERAL MANAGER:

- March Key Indicators Report

17. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

18. ORANGE COUNTY ADVOCACY CONSULTING SERVICES

19. FEDERAL ADVOCACY UPDATE

20. STATE ADVOCACY UPDATE

21. ORANGE COUNTY UPDATE

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RECESS

President DePasquale declared a recess at 6:29 p.m.

The Board meeting reconvened at 6:32 p.m.

President DePasquale announced the Board was going into closed Session at 6:32 p.m.

CLOSED SESSIONS:

22. CONFERENCE WITH GENERAL LEGAL COUNSEL – PENDING LITIGATION:
Pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b)
Number of Cases: 1
Ferreira Construction Co. Inc. v. Mesa Water District, et al

The Board returned to Open Session at 6:35 p.m.

Attorney Anslow announced the Board conducted one Closed Session with the General Manager, District Secretary, District Engineer, Senior Civil Engineer and General Legal Counsel pursuant to California Government Code Sections 54956.9(d)(4) and 54954.5(b). The Board received information and there was no further announcement.

President DePasquale adjourned the meeting at 6:45 p.m. to a Regular Board Meeting scheduled for Wednesday, May 28, 2025 at 4:30 p.m.

Approved:

Signed by:

Marice 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