

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Wednesday, July 1, 2009
7:00 p.m. Adjourned Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order on July 1, 2009 at 7:00 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Ohlig-Hall led the Pledge of Allegiance.

ROLL CALL

Directors Present

Shawn Dewane, President
Fred R. Bockmiller, First Vice President
James F. Atkinson, Vice President
Trudy Ohlig-Hall, Vice President

Directors Absent

Paul E. Shoenberger, Vice President

Staff Present

Coleen L. Monteleone, Administrative Services Manager/
District Secretary
Victoria L. Beatley, Financial Services Manager/Treasurer
Barbara Wiseman, Human Resources Manager

Others Present

None

PUBLIC COMMENTS

President Dewane invited members of the public to address the Board of Directors (Board) on matters that were not on the agenda. There being no members of the public present, President Dewane proceeded with the meeting.

ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED ON THE AGENDA

I. ACTION ITEMS:

- A. 2008 PENSION REFINANCING LOAN/NOTE – REFINANCING OF 1998 CERTIFICATES OF PARTICIPATION:

Director Ohlig-Hall asked Ms. Beatley to describe the refinancing item.

Financial Services Manager Beatley noted that this is a recommended action by the disclosure counsel for the refinancing of the Certificates of Participation (COPs). Mesa refinanced the CalPERS past service obligation with a loan from Union Bank of California. The Union Bank of California pension debt is subordinated to the COPs debt, which Mesa currently has. Mesa wanted the bank to agree that the new COPs would replace the old COPs rather than put additional debt on Mesa's books. The

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amendment will be sent to Union Bank of California for signature, which will verify that they agree that the two debts replace each other.

Financial Services Manager Beatley explained that the term subordinated debt means that in the event of a default, the debt at Union Bank of California would be repaid after more senior obligations of the District are paid. The senior obligations are the COPs.

MOTION 2009-52

Motion by Director Bockmiller, seconded by Director Atkinson to approve as to form an amendment to the 2008 Pension Refinancing Loan/Note as it relates to the Refinancing of 1998 Refunding Certificates of Participation. Motion passed 4-0-1 with Director Shoenberger absent.

B. CLOSED SESSION:

President Dewane announced that the Board of Directors was going into Closed Session at 7:10 p.m.

1. PUBLIC EMPLOYEE APPOINTMENT
PURSUANT TO GOVERNMENT CODE SECTION 54957:
Title: General Manager

RETURN TO OPEN SESSION.

The Board returned to Open Session at 9:20 p.m.

President Dewane announced that the Board conducted one Closed Session pursuant to Government Code Sections 54957. The Board received information from its Recruitment Consultant and no other announcement was made.

C. DISTRICT MANAGEMENT:

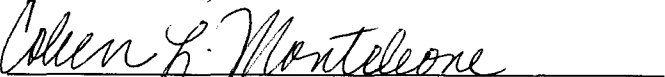
There was no discussion or action taken on this item.

President Dewane adjourned the Board meeting at 9:21 p.m. to a regular Board meeting to be held on Tuesday, July 14, 2009 at 7:00 p.m.

Approved:



Shawn Dewane, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer