

**MINUTES OF THE BOARD OF DIRECTORS
MESA CONSOLIDATED WATER DISTRICT
1965 Placentia Avenue, Costa Mesa, CA
Monday, December 14, 2009
4:00 p.m. Special Board Meeting**

CALL TO ORDER

The Special Board meeting of the Board of Directors was called to order on December 14, 2009 at 4:15 p.m. by President Dewane at the District Office Boardroom, located at 1965 Placentia Avenue, Costa Mesa, California.

PLEDGE OF ALLEGIANCE

Director Bockmiller led the Pledge of Allegiance.

Directors Present

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

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Barbara Wiseman, Human Resources Manager
Barry Carlson, Conservation/Customer Service Coordinator
Denise Garcia, Executive Assistant
Wendy Duncan, Records Management Specialist
Rob Anslow, Attorney, Bowie, Arneson, Wiles & Giannone

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. No comments were made on items not on the agenda. President Dewane proceeded with the meeting.

ITEMS TO BE WITHDRAWN OR REORDERED ON THE AGENDA

General Manager Shoenberger commented there were no items to be added, withdrawn, or reordered on the agenda.

I. ACTION ITEMS:

A. ORANGE COUNTY FAIRGROUNDS:

General Manager Shoenberger reviewed the issues concerning the fairgrounds. He noted it was staff's understanding that the Board is in favor of cancelling the sale of the

Orange County Fairgrounds and in support of keeping the property as a fairgrounds. Staff was asked to investigate options for Mesa. He provided an update on the process that is being followed.

A recommendation was made to present a resolution and letter opposing the sale of the Orange County Fairgrounds.

General Manager Shoenberger reported on meetings he has had with City of Costa Mesa and County of Orange representatives. He noted that both the City and County officials oppose the sale of the fairgrounds. Additionally, he noted that there is interest in forming a joint powers authority (JPA) for governance of the OC Fairgrounds.

Director Bockmiller mentioned that the District needs to evaluate its position on the economic value of the property. Currently, the water use from Fairgrounds maintenance and activities consumes 200 AF per year. If high density housing (condominiums for example) were built, the water use would increase. Is it in the best economic interest of the District to oppose the sale of the property? Mr. Carlson noted if the property would be converted to residential property, water use would be about 2,600 AF per year, which would be a substantial increase in revenue for the District.

Director Atkinson commented that the City's position is to maintain the property as an event/exposition center.

Director Fisler reported that in discussions he has had with City Council members as well as Planning Commission representatives, the City would like to put the issue on the ballot and have the citizens vote on the zoning issue. With this approach, the zoning could only be reversed by a vote of the citizens.

The Board discussed distribution of the Resolution and the letter opposing the sale of the property to Governor Schwarzenegger and California Assemblyman Jose Solorio.

President Dewane spoke in favor of Mesa taking a leadership role in establishing the governance of the property.

Director Fisler asked about the economic feasibility and availability of funds should Mesa be included in the venture.

Attorney Anslow commented that it may be necessary to pass special legislation to allow the local agencies to participate in a uniform governance structure for the fairgrounds.

President Dewane offered that with Mesa's interest in the property, there would be an identifiable real property interest and potential infrastructure development for the District (i.e. property for additional wells, water treatment facility, a reservoir etc.)

The Board directed staff to do an economic analysis on how this project would be funded, cost benefit analysis to include income potential. This evaluation would include a review of the current financial status of the OC Fairgrounds.

Director Ohlig-Hall commented that she was not opposed to this project, but noted that the District is in the business of providing water to the ratepayers and cautioned the Board about going too far beyond that mission.

MOTION 2009-117

Motion by Director Ohlig-Hall, seconded by Director Bockmiller, to approve the draft Resolution, as amended, opposing the sale of the Orange County Fairgrounds. Motion passed with the following roll call vote:


AYES: DIRECTORS Ohlig-Hall, Atkinson, Fisler, Bockmiller, Dewane
NOES: DIRECTORS None
ABSENT: DIRECTORS None
ABSTAIN: DIRECTORS None

MOTION 2009-118

Motion by Director Ohlig-Hall, seconded by Director Bockmiller, to approve a letter of opposition to be sent to Governor Schwarzenegger and California Assemblyman Jose Solorio. Motion passed 5-0:

President Dewane adjourned the regular Board meeting at 5:04 p.m. to a regular Board meeting to be held on Tuesday, December 22, 2009 at 7:00 p.m.

Approved:



Shawn Dewane, President



Coleen L. Monteleone, District Secretary

Recording Secretary: Sharon D. Brimer