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Satisfying our Community's
Water Needs

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March 13, 2018

The Honorable Michael Scheafer
President, Board of Directors
Costa Mesa Sanitary District
290 Paularino Avenue
Costa Mesa, CA 92626

Dear President ^{Mike} ~~Scheafer~~:

Thank you for your response to our letter dated January 24, 2018. We appreciate your time and attention on this very important matter of public policy that confronts our two Boards of Directors. As you know, this has been a topic of consideration amongst the public for many years, and everyone appreciates the dialogue on it, with an eye to maintaining local control for Costa Mesans.

When public agencies fight, everyone loses. That is why Mesa Water has chosen to stand down on the issue since the passage of Measure TT and will continue to do so unless and until the consensus of the Costa Mesa Sanitary District Board changes.

Those of us in a position to know have an obligation to discover the facts and relay them to the public we serve. It is in this spirit that we originally chose to study the efficient delivery of water, wastewater, and solid waste to the areas served by our mutual Special Districts. Please know that our door remains open to further dialogue with you on that issue. We have and will continue to share all information in a timely and transparent manner.

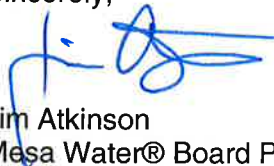
It strikes us as curious that you specifically asked for a seat at the table when the matter was first raised. As quoted in a Daily Pilot article, dated June 24, 2016:
" 'I don't think any of us are opposed to looking at ways to benefit our ratepayers and provide more efficiencies for our ratepayers, but we need a stake in that', said sanitary district board President Mike Scheafer. 'We need to have a stake in getting the information to make those decisions.' "

Before initiating the study, we invited your participation in drafting the scope of work and have repeatedly welcomed you to join the dialogue. Instead, you withdrew to a defensive posture by initiating legal action, in which you claim to have been deprived of knowledge concerning the very study you were invited to join. In addition, you hired lobbyists Roger Faubel, Peter Whittingham, and Matt Cunningham to write negative and denigrating articles about the consolidation concept and Mesa Water itself under the pseudonym of "Glenn Huntley".

Your response of January 24th states that you would "consider" dropping your lawsuit if a statement of reconciliation is made by our Board. We had hoped for a more affirmative reply than mere consideration. We respectfully request that you cease and desist from all legal actions and public relations campaigns and cooperate in the spirit of good faith and fair dealing.

Thank you for your time and attention.

Sincerely,


Jim Atkinson
Mesa Water® Board President

c: CMSD Board of Directors
Mesa Water Board of Directors
Scott C. Carroll, CMSD General Manager
Paul E. Shoenberger, P.E., Mesa Water General Manager