

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, SUPPORTING MEASURE TT ON THE NOVEMBER 8, 2016 GENERAL ELECTION BALLOT, THE PURSUIT OF CONSOLIDATION OF MESA WATER DISTRICT AND THE COSTA MESA SANITARY DISTRICT, AND THE PROVISION OF WATER, SEWER AND TRASH COLLECTION SERVICES BY AN INDEPENDENT SPECIAL DISTRICT IN THE CITY OF COSTA MESA

THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, Measure TT is on the November 8, 2016 General Election ballot asking voters in the City of Costa Mesa, "Shall the Mesa Water District and the Costa Mesa Sanitary District pursue consolidation?"; and

WHEREAS, both Mesa Water and Costa Mesa Sanitary District (CMSD) are independent special districts that operate effectively, efficiently and transparently; and

WHEREAS, an independent special district is a form of local government that is closest to the people, created by its community to meet a specific need, and governed by a Board that is locally elected, usually according to the neighborhood where they live; and

WHEREAS, an independent special district is focused on performing and administering a distinct set of services that are: 1) specifically funded by the district's ratepayers or taxpayers; and, 2) may not be provided by cities or counties due to inadequate tax bases and/or competing demands for existing taxes; and

WHEREAS, consolidation of special districts in Orange County has long been discussed by multiple individuals and parties at the local, regional and state levels, including elected officials, the press and public, the City of Costa Mesa, CMSD, Mesa Water, the Orange County Grand Jury and, most recently, by the Little Hoover Commission; and

WHEREAS, Mesa Water provides drinking and recycled water services and, separately, CMSD provides sewer and trash collection services, with the two districts serving primarily the same service area and customers within the City of Costa Mesa; and

WHEREAS, many water and sanitary services in Orange County are grouped together under the service of one area-specific special district or municipality; and

WHEREAS, a recent "Optimal Governance Structure Study" by nationally recognized firm Arcadis U.S., Inc. shows that consolidating Mesa Water and CMSD could provide a one-time, up-front cost savings of approximately \$15.6 million that could be passed on as an immediate rebate of up to \$650 per customer; and

WHEREAS, the study by Arcadis shows that consolidating Mesa Water and CMSD could result in additional annual savings of \$2.7 million that could reduce customers' sewer rates by up to 28 percent; and

WHEREAS, the study by Arcadis further shows that consolidating Mesa Water and CMSD could provide the potential for increased flexibility and transparency, increased environmental benefits, and improved customer service under one financially strong agency providing high-quality water, sewer and trash collection services; and

WHEREAS, as public agencies, Mesa Water and CMSD are fiscally obligated to the public and to ensuring good stewardship of public funds; and

WHEREAS, the Costa Mesa City Council desires to promote reducing the size and cost of local government to benefit all Costa Mesa residents.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COSTA MESA that it supports and endorses Measure TT on the November 8, 2016 General Election ballot.

BE IT FURTHER RESOLVED that the City Council supports and endorses the pursuit of consolidation of Mesa Water and CMSD.

BE IT FINALLY RESOLVED that the City Council supports and endorses the provision of water, sewer and trash collection services by an independent special district in the City of Costa Mesa.

PASSED AND ADOPTED this ____ day of October, 2016.

Stephen M. Mensinger, Mayor

ATTEST:

APPROVED AS TO FORM:

Brenda Green, City Clerk

Thomas P. Duarte, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 16-__ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 4th day of October, 2016, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ____ day of _____, 2016.

Brenda Green, City Clerk

(SEAL)