Hi Neighbors, to help you decide how to vote this fall, we want to provide you with our

**Vote3IfYouAgree: Fultz, Henry and Swan**

response to the Grand Jury report so you can compare and contrast with the current Board’s response.

The Grand Jury looked at two issues: Deficiencies in district communications practices, and shortfalls in implementation of the Lompico annexation.

Both issues point to a common flaw: Lack of adequate Board oversight, response, and follow-up.

For example, the current Board unfortunately missed an opportunity to create a model annexation with Lompico by not understanding how the Assessment District and Annexation worked -- by not being proactive, by not addressing the resident’s concerns and by not following up promptly on agreed upon construction.

Let’s expand on that last point, so you can see how Board inaction ultimately affects the entire district.

1. As part of the annexation agreement, the people of Lompico agreed to tax themselves to fund construction projects that both the Lompico community and the SLVWD agreed were critical.
2. Costs were calculated by an engineer, including contingencies and inflation. Lompico also agreed to fund interest on a loan, as required by SLVWD, to meet a construction plan to complete projects within five years, when funding changed from a bond to an assessment. All conditions, including costs and loan terms were reviewed and accepted by SLVWD.
3. This was a good plan, altered when our district fell behind in implementation. The longer we go without action on these critical projects, the more likely it is that funds Lompico residents agreed to and voted on will not cover those costs. Any shortfall caused by the District’s lack of understanding of how to manage an Assessment District and delays in these construction projects becomes a district-wide financial responsibility; that’s unfair to both Lompico and other ratepayers. We want to take advantage of the good plan—and we can as long as we move quickly in specific areas to get the Lompico annexation back on track.
4. Multiply this shortfall of Board oversight, such as in finances and project management, over the whole district to understand how the more our rates increase, the less work it seems is getting done.

What you will see below is a copy of **Findings and Recommendations of the 2018 Grand Jury report** on the SLVWD—and our responses. We encourage you to compare and contrast these documents with the Board’s official response and ask yourself which group you would rather have in charge of the District—a passive group with a vague “plan” or a group that has a **Specific and Measurable Plan**.

If you want the latter, then please **Vote3IfYouAgree: Fultz, Henry and Swan**.

Findings:

F1 The lack of effective communication between the District and the community concerning the administration of the Assessment District has caused public concern regarding the timing and implementation of the Assessment District projects.

**We Agree. But with a very different explanation from the current Board response:**

This topic concerns the recent annexation of the Lompico County Water District. Specifically, even in the face of consistent and repeated reasonable public requests for clarification from the people of Lompico, this Board took no action until they were confronted by this Grand Jury report. The current board’s excuse sounds curiously passive—as if the board were bystanders in this process.

On this and many other topics, we need a proactive board—that will solve problems without waiting years for a Grand Jury intervention. Therefore, we believe that our District requires a new majority on the board with “clean hands” and who have the credibility to reach a mutually beneficial conclusion that meets both the spirit and the letter of the Lompico annexation agreement.

F2 The District has not provided adequate authority, guidance, training, or support to the Lompico Assessment District Oversight Committee (LADOC) to ensure that the committee can fulfill its assessment district oversight responsibilities, thus reducing transparency and accountability to the public.

**We Agree. But with a very different explanation from the current Board response:**

We’ve heard from Lompico residents who are unhappy with this Board’s continued efforts to minimize the scope and effectiveness of the LADOC committee, including reducing meetings from once a month to once a quarter; some wanted to restrict meetings to no more than once a year.

More importantly, the Grand Jury investigation found misunderstandings and conflicting ideas between staff members of how an Assessment District is managed, and what may be charged to it. The district has made no effort to find a third-party authority on Assessment Districts to answer questions from the public for over two years. Without this knowledge and authority, LADOC has been unable to properly do their job to evaluate financial reports on Assessment District expenses

Neither the Board’s response to F2 or the accompanying response to R3 provide any assurance to the people of Lompico that they will get anything close to what they signed up for as part of the annexation, nor LADOC the level of transparency and authority intended. Everything in the Board’s response is general and vague and gives the Board the ability to do whatever they want—once they are past this election.

We don’t believe this is fair, or in keeping with the spirit of the annexation. Friends, when an annexation is undertaken and those people tax themselves to bring their part of the system up to a level that is equal to or better than other parts of the system, it is incumbent upon all of us to treat them with dignity and respect. They have a right to the financial and project progress information that will enable them to provide an oversight role and we have a duty to provide that information to them. That’s just good business—and being a good community.

Specifically, we believe that the timing of the committee meetings should be up to the committee and should reflect the tasks at hand. That may be once a month to start—or perhaps even more often. Once the committee catches up, then they may choose to dial back the number of meetings. But in the end, that should be the committee’s decision at the committee’s discretion. The Board should be there to support this process and not direct it. In our view, LADOC is more like an independent auditor for the Lompico tax money and so it should be granted wider latitude than other Board committees.

But, as we’ve said before, this isn’t only about Lompico. The approach of our current Board applies to everything they do. **Lompico is just a symptom of a much bigger issue**. On this and many other topics, our current Board believes that the requirements in state law—which were intended to be a minimum set of requirements—represent the most that they will do.

The **Vote3IfYouAgree** team has a vastly different and better approach. There is nothing in state law that prevents a Board from doing MORE than the minimum in the interests of achieving the best outcome for our District. In our view, that is the true meaning of transparency. And this kind of transparency is what builds trust—something that our community desperately needs.

Our slate has heard from the residents of Lompico. Our team will fulfill the promises the District made to the people of Lompico—and their good faith funds meant to cover project costs. Our slate rejects passivity and will take a proactive approach to resolving this issue—please see below for more details.

F3 Lack of effective District communication practices has reduced public access to the decision-making process, and contributed to acrimony and on-going relationship challenges with the community, causing stress on elected officials and staff, as well as frustration among ratepayers.

**We Agree. But with a very different explanation from the current Board response:**

Folks, the dysfunction between this Board and the entire SLVWD community are 100% due to the inability of this Board to keep the promises they made in the 2014 election—and that includes a recently appointed incumbent who has joined with the rest of the incumbents whole-heartedly.

Most of us thought that new faces on the Board after the 2014 election would bring about change. Unfortunately, we ended up with a board unable to move past the paralysis of that dysfunction.

This has resulted in a continuation of the same inability to successfully communicate with the public, with the same vague policies and lack of accountability. What this Board now calls “experiments” were designed to do just one thing—limit the ability of the community to engage with its elected Board. We disagree with that approach. And we disagree with the Board response explaining these limitations as “experiments” gone bad— they were poor practices needlessly imposed upon the public.

From the day we are seated on the board, here are a few of the changes we will make:

* We will personally welcome everyone that attends our meetings, especially new faces, and we will shake your hand and thank you for attending. Whether you come to applaud us or criticize us or coach us, we mean it when we say: “Welcome, we’re all part of the SLVWD community. Let us discuss and debate and reason together.”
* We will encourage you, our customers, to ask questions. And if we or the staff cannot answer those questions immediately then we will follow up at the next meeting to make sure your questions are answered. And all questions (and answers) will be documented in the minutes and posted on our website.
* We will treat you with respect and decorum, especially if you come to disagree. We promise that we will not berate members of the community for asking tough or challenging questions nor will any of us sit by silently as a fellow Board member engages in this behavior. We believe that a Board can achieve much better results if discussions on pros and cons are civil, respectful, and focused on a search for the facts.
* We will use regular Board and committee meetings to conduct business. We will not use Ad-hoc committees unless those meetings are open to the public nor will we use an abundance of Special Meetings to conduct regular business. We believe in using Special Meetings for single topics only—and only those single topics that cannot wait for the next regularly scheduled meeting. By contrast, this Board has 12 regularly scheduled meetings per year, and convened 19 special Board meetings in 2017 and 7 to date in 2018, as well as many special committee meetings. In addition, this Board convened 2 Ad-hoc Committees in 2018, one on Capital Improvements (of critical importance to the ratepayers) and one on the Grand Jury report—clearly needing to be public.
* We are going to investigate live streaming the Board meetings and possibly the committee meetings. If it can be done, we will do so.
* We will immediately scrap this Board’s template for minutes—something called “action minutes” promoted in a workshop called Jurassic Parliament. Action minutes record vote actions only—no context about the debate that led to a decision, no record of an item that is discussion only. We don’t believe this is appropriate for a government agency, where the documentation of the deliberation process is key to public understanding and transparency. Presently, unless you attend the meeting or listen to every word of the recording you are unable to have a sense of supporting or opposing viewpoints, board and public, on an issue that may be important to you.
* We are going to dramatically expand our social media outreach and use of e-mail communications to provide substantive information and encourage public comments on all topics, especially those where there is an ongoing community debate.
* Even though the current Board promised to redo the website to make it easier to use, there has been no action on that. We will have a new website completed within a year—hopefully sooner.
* We recognize that our community is changing. Many new and younger families are and will be, over the next decade, moving into our beautiful area. We need to develop the next generation of leadership for the SLVWD. To that end, we will be very proactive in recruiting people to join committees and volunteer to help us make our district the very best that it can be. No one will be turned away from service—we will find a place for you.
* And more to come…

Recommendations on the Lompico Annexation:

R1 LADOC should produce an annual report detailing the status of the Assessment District revenues and expenditures. (F1, F2) ; see also R2-6 details, following, included in this response.

**We will implement all recommendations in stages beginning on the day we are seated.**

Unlike the current Board’s plan, ours is concrete and measurable.

1. If the LADOC committee is not at full strength (it has 3 vacancies at the time of this writing), we will proactively seek participants. Given the amount of work to do, we would like to expand the size of the committee to 7 or 9 members—if we can possibly do so. If new members are needed, we will get those appointed by December 31, 2019, even if we have to have a special meeting for the sole purpose of appointing members.
2. By January 31, 2019, the District will provide all of the training needed so the LADOC can operate with knowledge of Assessment District standards, and in compliance with the Brown Act, ethics laws and other governing laws and regulations. All members will be expected to attend.
3. Concurrent with that training, we are asking LADOC to draft its ideal charter for the committee that describes in detail its responsibilities and its authority to fulfill its oversight role. We will assign a Board member to help. Our goal is to have this revised charter document approved prior to the workshop in the next point.
4. As soon as possible upon completion of the training, the District will provide a 1-day workshop (on the weekend, or as can be arranged to accommodate all committee members) designed to provide a complete financial and construction picture for the Lompico Assessment District. This information will be gathered by staff in parallel with the recruitment and training process.
5. Our team believes that a once-a-year annual report is certainly required. This workshop, which should take place no later than February 2019, is intended to provide the foundation for the LADOC generating an annual report for 2018.
6. We want the annual report completed no later than April 11, 2019 so it can be presented for a first reading at the regularly scheduled Board meeting on April 18, 2019.
7. All annual report information will go the Lompico page on the SLVWD website (while we are working to redo the website). Unlike the current Board’s plan, we do not envision needing an entire year to post the annual report and individual project summaries. We expect this information will be developed by the LADOC with support from District staff and the Board.
8. The LADOC will then hold a “townhall meeting” no later than April 30, 2019 at a nearby venue like the Zayante Fire Hall on a weekday evening to engage the residents of Lompico. While this will be a formally noticed and agendized Board meeting, after the Board formalities we will turn over the meeting to the LADOC who will be in charge of and will run the meeting—the District staff and Board will provide support. The primary purpose of this meeting is for the LADOC to present its findings to the Lompico community and to the Board and ask for feedback. Certainly for the first annual report meeting, given the troubled nature of the Lompico annexation to date, we expect a lot of Q&A and back and forth discussion and will schedule plenty of time. We welcome and encourage that kind of participation on the part of the community. It is what will make the ultimate outcome much better for the Lompico community—and the entire SLVWD community. We expect to approve the annual report at the Board’s regularly scheduled May meeting. Changes to the annual report as a result of the “townhall” must be submitted no later than May 9, 2019.
9. We also believe that an annual report is not enough. We want the LADOC to have the freedom to meet on a schedule that matches the tasks in front of them even if that means, for a time, it meets once a month (like all of the other board committees). We also believe that LADOC should schedule meetings to review finances and construction on a schedule that means there isn’t a crunch at the end of the year for the annual report.
10. We will not place any limits on the content of the annual report prepared by the LADOC, including the implementation of the AD-16 projects, nor will we place any limits on the length of the report. Unlike the current Board, we believe the LADOC charter should include not just finances, but also information about the AD-16 construction projects. It is unreasonable to tell those in the Lompico community they must go to two different committees about a single topic—how their tax money is being spent. We want access to all in the interests of complete transparency for the LADOC tax money and on the progress made by the District on fulfilling its obligations to the people of Lompico. The Board may comment, but has an obligation to formally accept the LADOC report.
11. While the Board is legally responsible and the sole authority for making funding decisions, we believe that the content of the annual report, assuming it is done well and properly, will make it clear what decisions the Board needs to make in the coming months.
12. And on that point, in order to make sure that Lompico and the rest of district ratepayers are treated fairly in regard to construction and costs, we will start implementation of those high priority projects immediately. The longer we wait the more the constructions costs are going to go up and even though an inflation factor was built-in to the Assessment District, it won’t cover the current Board’s estimate of 10 years to completion.

The Grand Jury’s further comprehensive recommendations for corrections to LADOC and the Assessment District follow; Our responses to **R2-6** are wrapped in the above.

R2 The District should schedule annual public study sessions or workshops to review the LADOC annual report and discuss the administration of the Assessment District (AD), in order to provide in-depth information to the public about the timing, funding, and execution of the AD projects. (F1, F3)

R3 The Board and LADOC should work in concert to create a charter for LADOC that describes in detail the committee’s responsibilities and its authority to fulfill its oversight role. (F1, F2)

R4 The Board should ensure that LADOC receives adequate professional, technical and administrative support from the District, as well as the authority to carry out its oversight responsibilities. (F2)

R5 The District should provide formal training for all LADOC citizen committee members in governance, meeting management and the Brown Act. (F2)

R6 The District should provide formal training about assessment districts to LADOC and all others involved in the administration of the Assessment District. (F2)

Recommendations on Communications

R7 The district should record all Board and committee meetings, and post the recordings on line for public access (F3) Please see our additional action items detailed in F3:

**We will implement this right away**, not wait 6 months to a year as in the Board response. Unlike present practices, past meeting recordings will not be deleted from the website after a time, but will remain online for posterity. Again, we will do more than the minimum requirements of California law.

R8 The district should provide formal training to all Board and committee members and senior staff on how to communicate with the public on contentious issues (F3). See also F3 response.

**We want to improve the district’s interest and ability to listen to our customers**. We believe in the unfettered ability of the Board to communicate with the public, not just in three-minute public comment segments. Much of good public relations is dependent upon a healthy organizational culture that respects differing opinions and encourages public participation. Formal training to help get the district back on track with those skills is beneficial to everyone.

**We want to separate official policy from opinion.** The training we will provide to Board members and staff is “unless you’ve been designated to speak on behalf of the Board, always preface your remarks with ‘this is my personal opinion and does not represent board view or policy’, and then speak freely. Both staff and board should be able to identify formal policies and bring to the Board items that require a policy clarification or improvement.

**Outside of Brown Act training,** which will cover Closed Session and Serial Meeting no-no’s, we do not want to erect any barriers that would inhibit your representatives from communicating with you, with an emphasis on respectful listening and engagement.

**We can do better reaching out to you.** We realize not everyone has the time or interest in attending meetings, therefore, at least once a quarter we’ll come to you. We will table a few hours at a grocery store or other public place on a rotating basis, so that if you want to discuss anything about the water district you can do that as part of your normal routine. We’ll publish these times and places, but our first one will be in December, just after we are seated on the Board.

Please compare our comprehensive plan with the District’s response below

<http://www.slvwd.com/agendas/Full/2018/7-19-2018/DRAFT%20Grand%20Jury%20Response.pdf>

and consider the following:

* **Which plan** is concrete and measurable and which “plan” is…something else?
* **Which approach** do you want for running the District?

We believe that your choice this fall is the most clear-cut choice in recent memory.

You can have more of the same OR you can have positive, substantive and concrete change.

If you want the latter,

**Please Vote3IfYouAgree. Vote Fultz, Henry and Swan**.