

April 28, 2019

Ms. Teresa Barrett, Board Chair
Mr. Mark Bramfitt, Executive Director
Sonoma LAFCO
111 Santa Rosa Avenue Suite 240
Santa Rosa, CA 95404

Re: Request for Municipal Service Review of Timber Cove County Water District (TCCWD)

Dear Ms. Barrett and Mr. Bramfitt:

On behalf of the undersigned residents and customers of the TCCWD, this letter requests that LAFCO immediately undertake a full Municipal Services Review of the TCCWD.

We are property owners in the Timber Cove subdivision located north of Fort Ross on the Sonoma Coast. Along with many of our neighbors, we have grave concerns about the financial sustainability, current provision of services, and governance of the TCCWD. The following outlines several reasons supporting this request:

1. **Unsustainable Current Financial Position and Operations.** This topic is large, and requires immediate analysis. The TCCWD has not had a completed audit in many years; current contractors just recently completed a long-in-process audit for FY 2013/14 and are now working on subsequent years' audit. In addition, review of the publicly available operating statement and balance sheets show numerous reporting irregularities including a format designed for a private-sector business (with labels such as retained earnings, etc. on the balance sheet, improper fund accounting, etc.). The balance sheet also shows an over \$220,000 negative "retained earnings" balance, which should not be present in a public agency. Also, due to irregular revenue receipts throughout the year, it is particularly challenging to trace whether necessary capital improvement funding is occurring, and even whether this agency is solvent.
2. **Continued Provision of Services: Water.** The TCCWD does not have a publicly available Capital Improvements Plan (CIP). Many knowledgeable parties have stated publicly that the water system is extremely aged, and is risking failure. Due to both above issues regarding financial reporting, as well as this general concern regarding lack of infrastructure investment plans, the future capability of the TCCWD to continue operations is highly uncertain. As you know, this status must be better analyzed, as it

impacts both provision of service as well as the health and property values of all TCCWD customers.

3. **Continued Provision of Services: Fire Abatement.** The TCCWD adopted a Fire Abatement Ordinance several years ago, but the current Board has taken numerous steps to gut enforcement of this ordinance, despite the increased concern about wildfire in this area. In 2018, the Board terminated a TCWWD staff person who had been hired on a part-time basis to conduct property inspections, advise owners about compliance, and coordinate the enforcement process. This staff person has not been replaced, Subsequent Board action in February 2019 suspended the Fire Abatement Fee, which defunded the program. As far as we can discern, no public notification or Public Hearing regarding these changes occurred. No information regarding how Fire Abatement will be managed going forward has been provided to property owners in the District.

4. **Improper Governance by Current Board Members.** There have been several recent examples of highly improper governance by the current Board of TCCWD. These include:
 - a. A "vote of no confidence" regarding sitting Board Member John Howland was on the agenda for the Dec. 8, 2018 TCCWD meeting. John Howland is a long-time devoted and still current Board Member and Treasurer. During the meeting, instead of holding this improper vote, John Howland was asked to resign. He refused to resign.
 - b. Also, prior to, and subsequent to the December 8 Board Meeting, both John Howland and his wife, have received threats and strongly worded statements in public, made by other standing Board Members, that John and his family should move out of Timber Cove.
 - c. At the Dec. 8, 2018 TCCWD Board meeting, there were numerous Brown Act violations observed by members of the public including: Sylvia Todd was refused her right to speak at Public Comment (she then requested that the minutes to reflect that refusal, but they do not); another member of the public was ordered to leave the meeting after the newly seated President, Chris Feddersohn, stood up, leaned over the table and slammed his fist on the table demanding she leave; when reassigning board positions, the nomination for Treasurer was on the table and after the nominee expressed his concerns about accepting the nomination based on the fact he misses meetings, Chris Feddersohn asked the nominee to step outside for a private discussion, but no recess was called.
 - d. Additional potential Brown Act violations occurred with regard to the recent March 23, 2019 TCCWD Board meeting, including: no meeting notice or agenda/Board packet was circulated prior to the meeting, and 3 members of the

Board were observed meeting privately off-site at a local restaurant 30 minutes prior to the start of this Board meeting.

- e. Additional ongoing violations of governance have occurred regarding Board meeting minutes – some months there are none, other months there are recordings on individuals' phones only (not publicly available), and some months there are incorrectly-written minutes not recording public comment or squashing thereof.

If you have any questions or need more information, please contact any of the residents of Timber Cove listed below. Thank you for your consideration.

Sincerely,

Janet Smith-Heimer:	janetsmithheimer@gmail.com
Sylvia Todd:	sylviatodd4@gmail.com
Brian Todd:	bwtodd.61@gmail.com
Thomas Giacinto:	giacinto@mcn.org
Claudia Giacinto	chimaera@mcn.org
Sue Ellen McCann	sueellenmccann@gmail.com
John Howland	johnhowland1@sbcglobal.net
Hannah Clayborn	hannahclayborn@sbcglobal.net