

Item #: 6

Project: Discussion/Action/Direction to consider the Municipal Service Review/Service Area Plan for the Salton Community Service District, the recent passage of a Proposition 218 rate increase, and to make a determination on the Commissions prior direction at the August 25, 2022 meeting to Commence the Initiation to dissolve the district pursuant to Resolution #2022-06.

Meeting Date: Thursday August 24, 2023

Meeting Time: 08:30 a.m.

Location: El Centro City Council Chambers

1275 W. Main Street El Centro, CA 92243



EXECUTIVE OFFICER'S REPORT

COMMISSIONERS

David H. West [Public]
Maria Nava-Froelich, Chair [City]
Javier Moreno, Vice-Chair [City]
Ryan E. Kelley [County]
Michael W. Kelley [County]

ALTERNATES

Jose Landeros [Public] Robert Amparano [City] Jesus E. Escobar [County]

REPORT DATE:

August 1, 2023

FROM:

Paula Graf, Assistant Executive Officer/Sr. Analyst

PROJECT:

Discussion/Action/Direction to consider the "Order of Dissolution approved

by the Commission on August 25, 2022, and the Municipal Service Review/Service Area Plan for the Salton Community Service District, in addition to the recent passage of a Proposition 218 rate increase, to make a determination by the Commission regarding prior direction from the August 25, 2022, meeting at which the Commission initiated the Dissolution of the

SĆSD.

HEARING DATE: August 24, 2023

TIME: 08:30 am.

AGENDA ITEM #: 6

HEARING LOCATION: El Centro City Council Chambers, 1275 Main St., El Centro,

CA 92243

RECOMMENDATION(S) BY THE EXECUTIVE OFFICER (In Summary & Order)

OPTION #1:

Conditionally rescind the Notice of Intent to Dissolve the Community Services District (SCSD) issued on August 25, 2022, according to partial compliance with Resolution #2022-06. The District shall be placed on a "probationary" status, during which the District shall provide the following:

- 1. Report all actions, including litigation or potential litigation, that could affect the financial health or viability of the District.
- 2. Monthly accounting statements showing the revenues and expenditures and any of the financial information requested by the Executive Officer including audited financials
- 3. Agenda and minutes from all board meetings, including special meetings.
- 4. Any staff changes and the reasons.
- 5. The District shall acknowledge through a resolution that they understand and agree that LAFCO may proceed with a dissolution at any time that LAFCO makes the necessary findings that the District is not in compliance or is in financial distress or other findings that support a dissolution

OPTION #2:

Proceed with the Dissolution by giving the District Notice that LAFCO will conduct dissolution hearing on September 28, 2023.

Proceed with the Dissolution by giving the District and the County of Imperial Notice that LAFCO will conduct the dissolution hearing on September 28, 2023 and direct the Executive Officer to continue discussions with the County of Imperial to commence the transition and for purposes of winding up the affairs of the District.

If the Commission proceeds with this option, the County of Imperial would automatically become the successor entity pursuant to G.C. 57451(b).

OPTION #3:

Continue the hearing not to exceed 60 days to provide additional information requested by the Commission.

ANALYSIS/REPORT

I. Purpose of the ACTION:

Imperial LAFCO must conduct a Service Area Plan (SAP)/Municipal Service Review (MSR)/Sphere of Influence update for the cities and special districts within Imperial County at least once every five years.

The Salton Community Services District (SCSD) last updated SAP/MSR was completed in 2016. An update to the plan would have been due in 2021. However, a change in services (SCSD ceased providing Fire Protection in 2019) triggered an immediate update to its plan.

This report is an update on the Salton Community Service District, including a discussion on the recent passage of Proposition 218, a sewer rate increase, and to make a recommendation to take one of three alternative actions to the Notice of Intent to Dissolve the Community Services District that was issued on August 25, 2022.

Exhibit A

Since the LAFCO issued a Notice of Intent to Dissolve the SCSD in August of 2022, the Commission must now consider whether to continue with the Dissolution or to rescind the Notice of Intent with or without conditions or to continue this hearing if the Commission requires additional information following this hearing.

II. Closure of the Fire Department & Immediate Update to the Service Area Plan/Municipal Service Review

The Salton Community Services District operated a Fire Department with an all-volunteer staff from 1957 until its unilateral termination in 2019.

The Fire Department did not have a tax to support the service. Funding was limited to payments from the District's general fund, including property taxes, rental income, a contract with Red Earth Casino, and some support from the County of Imperial.

In early 2019, The SCSD Board adopted Resolution #2019-05-01, authorizing an election for a Special Tax to fund Fire Protection services. It stated in part, "The District does not have adequate financial resources to continue providing staffing, equipment, and facilities for Fire Protection Services."

The tax that would have funded Fire Protection services failed to pass by the voters. Due to the failed measure, the entire Fire Department staff quit, leaving the residents without service.

The County of Imperial, not the District, notified LAFCO that the District ceased providing service and began providing Fire Protection service on November 5, 2019. The District ceasing Fire Protection triggered an immediate update to its plan.

III. Service Area Plan/Municipal Service Review

In late 2019, LAFCO informed the District that because the District stopped providing Fire Protection, an update to its Service Area Plan/Municipal Service Review was due immediately.

The District retained the services of Rick Engineering Company to complete the update.

LAFCO, as part of its review process and to assist staff in gaining an understanding of the services the District provides, started working with the District's general manager and team, spending a substantial amount of time requesting and analyzing information.

Information requested as part of the review process:

- Audited Financial Statements
- Current and Prior Budgets
- Bank & Credit Card Statements
- Policies and Procedures
- Status of the wastewater facilities with the Regional Water Quality Control Board
- Resolutions adopted by the Board of Directors

G.C. Section 56430 states in part (a) that the Commission shall conduct a service review of the municipal services provided in the County or other appropriate areas designated by the Commission. The Commission shall include in the area designated for service review the County, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed and shall prepare a written statement of its determinations concerning each of the following:

- Growth and population projections for the affected area.
- Disadvantaged Unincorporated Communities within or contiguous to the sphere of influence.
- The location and characteristics of disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- Present and planned Capacity of public facilities
- Adequacy of public services and infrastructure needs or deficiencies, including needs or
 deficiencies related to sewers, municipal and industrial water, and structural fire protection in any
 disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- Financial ability of agencies to provide services.
- Status of, and opportunities for, shared facilities.
- Accountability for community service needs, including governmental structure and operational efficiencies.
- Any other matter related to effective or efficient service delivery, as commission policy requires.
- In conducting a service review, the Commission shall comprehensively review all agencies that provide the identified service or services within the designated geographic area. The Commission may assess various alternatives for improving the efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.

What we learned about the District

The Salton Community Service District (SCSD) has operated as the successor agency to the previously established Desert Shores Community Services District since 1957. Formed under the Community Service District Act, the District's service area covers approximately 20,480 acres and serves 6,307 residents. The District is enabled to provide Wastewater, Solid Waste, and Parks & Recreation.

Authorized Services: Parks & Recreation, Wastewater Treatment, and Solid Waste Services

(no additional services may be provided unless approved by LAFCO)

Service Area: Desert Shores, Salton City, Salton Sea Beach

Estimated Population: 6.307

Local Representation:

5-Member Board of Directors

Meetinas:

2nd Wednesday of each month at 1:00 pm

Website: www.saltoncsd.ca.gov

i. Fire Protection Service

The SCSD operated a Fire Department with an all-volunteer staff from 1957 until its closure in 2019.

The Fire Department did not have particular tax revenue to support the service. Funding was limited to the District's general fund payments, including property taxes, rental income, and a contract with Red Earth Casino.

In early 2019, The SCSD Board adopted Resolution #2019-05-01, authorizing an election for a Special Tax to fund Fire Protection services. It stated in part, "The District does not have adequate financial resources to continue providing staffing, equipment, and facilities for Fire Protection Service."

The special tax that would have funded Fire Protection services failed to pass by the voters. Due to the failed particular tax measure, the entire Fire Department staff quit, leaving the residents without service. The District, although required, failed to notify LAFCO.

On November 5, 2019, LAFCO was made aware of the closure by the County of Imperial's Fire Department. As of this report, the County continues to provide Fire Protection services to the service area.

If the District wishes to provide Fire Protection services in the future, it must first obtain the approval of LAFCO.

ii. Solid Waste

The District provides Solid Waste services through a contract with Burrtec. In August 2020, the District adopted an ordinance establishing parcel fees to collect solid waste. Funding is received through a special tax assessment placed on the county tax roll or billed directly if requested by the property owner. The District gets 5% of the annual revenue for administration.

iii. Parks & Recreation

The District maintains two park facilities, the Salton Community Park (10.5 acres) and the Desert Shores Park (4.59 acres). The District owns an additional 117.46 of undeveloped parkland.

The Parks Department does not have a particular tax revenue to support the service. Funding is limited to the District's general fund payments, including property taxes, and rental income.

There is one full-time employee responsible for collecting recreational fees, mowing, and providing general park oversight for both parks.

Salton Community Park

The Salton Community Park is approximately 10.5 acres at the northwest corner of Harbor Drive and Iridescent Avenue.

The District is currently seeking a Park Host.

Desert Shores Community Park

The Desert Shores Community Park is approximately 4.59 acres within the Community of Desert Shores. The park has a host that is responsible for maintaining the park.

iv. Wastewater Treatment Facilities and Conveyance System

LAFCO, after commencing the review, was made aware of the District's sewer treatment facilities operating at, near, or above its current capacities. The wastewater conveyance system is aging, and portions of the system are in poor condition, requiring replacement of sewer force mains and upgrades to pump stations and manholes.

The District owns and operates three Wastewater Treatment Facilities (ponds). Funding is received through an assessment placed on the county tax roll and consists of sewer capacity, connection, and sewer user fees.

Lansing

i. Capacity
ii. Current Demand
iii. Adequacy

120,000 Gallons per Day
120,000 Gallons per Day
100% Capacity

Desert Shores

Capacity200,000 Gallons per DayCurrent Demand160,000 Gallons per DayAdequacy80% Capacity

Thomas R. Cannell

Capacity 185,000 Gallons per Day
Current Demand 170,000 Gallons per Day
Adequacy 90% Capacity

Wastewater Rate Study & Infrastructure Deficiencies

In January 2020, the District retained the services of the Rural Community Assistance Corporation (RCAC) to conduct a Sewer Rate Study in compliance with Proposition 218, that would "address the existing and future revenue needs of the wastewater treatment facilities and to develop a five-year rate structure and annual fee schedule that produces revenues adequate to meet the operating and capital financial needs of SCSD."

The Rate Study was finalized in January 2023 and on July 19, 2023, the SCSD adopted the following:

- Resolution #2023-07-19-05, adopting the annual sewer maintenance standby charge
- Resolution #2023-07-19-02, establishing rates for wastewater fees

IV. Analysis of Information & Recommendation to Commence Dissolution

From late 2019 and up until the 2nd quarter of 2022, LAFCO started working with the District's general manager and staff, requesting information, and reviewing the operations of the District.

LAFCO met with staff several times and attended district board meetings to present status updates and answer questions. The District experienced management and staff turnover during the review, leaving LAFCO with more questions and concerns.

Areas of concern:

- Inadequate funding to support Fire Protection Services and their unilateral decision to end service without notice.
- Wastewater Facilities at, nearing, or exceeding Capacity
- Inadequate funding to support Wastewater Facilities Infrastructure Upgrades
- Lack of Policies & Procedures for Personnel and Board of Directors
- Management and staff turnover
- Potential financial irregularities
- Potential regulatory issues

LAFCO, after spending a substantial amount of time reviewing the financials and operations of the District, and the District's failure to remediate the deficiencies, the Executive Officer, at the August 25, 2022, hearing recommended the Commission commence the Dissolution of the District based on the findings listed below.

- The District has one or more documented chronic service provision deficiencies that substantially
 deviate from industry or trade association standards or other governmental regulations. Its board or
 management needs to be actively engaged in efforts to remediate the documented service
 deficiencies.
- The District spent public funds unlawfully or recklessly inconsistent with the principal act or statute governing the District and has not taken any action to prevent similar future spending.
- The District must consistently adhere to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and other public disclosure laws to which the agency is subject.
- The District needs to meet the minimum number of times required in its principal act in the prior calendar year and has yet to take action to remediate the failures or ensure future meetings are conducted on a timely basis.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 grants a "remediation period" of 12 months, during which the District may remedy the deficiencies. If, after the remediation period, the Commission finds that the District has failed to rectify the defects, it may adopt a resolution to dissolve the District.

The recommendation to Conditionally Rescind the Notice of Intent to Dissolve is based in part on the following findings:

- The District, with the support of the Rural Community Assistance Corporation (RCAC) is in the process of applying for grant funding to address the capital improvements and upgrades to the sewer conveyance system.
- 2. A Sewer Rate Study was finalized in January 2023 and on July 19, 2023, the SCSD adopted the following resolutions to support the operations and capital improvements to the Wastewater Facilities.
 - Resolution #2023-07-19-05, adopting the annual sewer maintenance standby charge.
 - Resolution #2023-07-19-02, establishing rates for wastewater fees.
- 3. The Pun Group was retained by the District to provide the following:
 - Aid the District to organize and reconcile all financial statements and accounting records for fiscal years ending June 30, 2021, and 2022.
 - Review of internal financial records.
 - Finalizing year end-procedures and gathering documents for the audits.

The Pun Group has provided an overall positive status of the District's financial operations. **Exhibit B**

- 4. Rick Engineering Company was retained by the District to update its Service Area Plan/Municipal Service Review. The update is in process and a revised Draft is expected to be received in mid-September.
- 5. The District is actively engaged in communications with the Regional Water Quality Control Board regarding the Wastewater Facilities.
- 6. The District is actively engaged in communications with LAFCO staff.
- 7. The District hired a full-time staff member for the Parks & Recreation Department.
- 8. The District is in the process of obtaining grant funding to support improvements to the Salton City and Desert Shores Parks. The District will need to show that it can adequately provide this service.

EXECUTIVE OFFICERS RECOMMENDATION

The Executive Officer recommends that LAFCO conduct a public hearing and consider all information presented in both written and oral form. The Executive Officer then recommends, assuming no significant public input warrants to the contrary, that LAFCO take the following action:

OPTION #1:

Conditionally rescind the Notice of Intent to Dissolve the Community Services District according to partial compliance with Resolution #xxxx presented by the Executive Officer. The District shall be placed on a "probationary" status, during which the District shall provide the following:

- 1. Monthly accounting statements showing the revenues and expenditures
- 2. Report any actions, including litigation or potential litigation, that could affect the District's financial health.
- 3. Agenda and minutes from all board meetings, including special meetings.
- 4. Any changes in staff
- 5. The District shall acknowledge through a resolution that they understand and agree that LAFCO may proceed with a dissolution at any time that LAFCO makes the necessary findings that the District is not in compliance or is in financial distress.

OPTION #2:

Proceed with the Dissolution by giving the District and the County of Imperial Notice that LAFCO will conduct the dissolution hearing on September 28, 2023 and direct the Executive Officer to continue discussions with the County of Imperial to commence the transition and for purposes of winding up the affairs of the District.

If the Commission proceeds with this option, the County of Imperial would automatically become the successor entity pursuant to G.C. 57451(b).

OPTION #3:

Continue the hearing to be at most 60 days to provide additional information requested by the Commission.

Exhibits:

Exhibit A

Resolution #2022-06

Exhibit B

Letter from The Pun Group

Cc:

SCSD, Interim General Manager

County of Imperial, CEO

County of Imperial, Public Works

EXHIBIT A

Resolution #2022-06



RESOLUTION #2022-06

August 25, 2022

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL MAKING A DETERMINATION AND COMMENCING THE INITIATION FOR THE DISSOLUTION OF THE SALTON COMMUNITY SERVICE DISTRICT.

RESOLVED by the Local Agency Formation Commission of Imperial, State of California, that

WHEREAS the Commission at the August 25, 2022, hearing, met and discussed the Salton Community Service District; and

WHEREAS the Commission voted unanimously to Initiate the Dissolution of the Salton Community Service District.

NOW THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED AS FOLLOWS:

- Initiate the Dissolution of the Salton Community Service District based on the finding that:
 - (A) The district has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies.
 - (B) The district spent public funds in an unlawful or reckless manner inconsistent with the principal act or other statute governing the district and has not taken any action to prevent similar future spending.
 - (C) The district has shown willful neglect by failing to consistently adhere to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and other public disclosure laws to which the agency is subject.
 - (D) The district has failed to meet the minimum number of times required in its principal act in the prior calendar year and has taken no action to remediate the failures to ensure future meetings are conducted on a timely basis.
- II. The District is granted a remediation period of 12 months, during which the district may take steps to remedy the deficiencies.
- III. If, at the conclusion of the remediation period, the Commission finds that the district has failed to remedy the deficiencies, they may adopt a resolution to dissolve the district.

CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted by the IMPERIAL LOCAL AGENCY FORMATION COMMISSION at the meeting thereof held on August 25, 2022.

AYES:

FROELICH, KELLEY, CASTILLO, WEST

NAYS:

NONE

ABSENT: ABSTAIN: MORENO NONE

David H. West, Chair

Jurg Heuberger, Executive Officer

EXHIBIT B

Letter from The Pun Group



200 E. Sandpointe Avenue, Suite 600 Santa Ana, California 92707



www.pungroup.cpa



August 3, 2023

Imperial County Local Agency Formation Commission 1122 W. State St., Suite D El Centro, CA 92243

Subject: Update on the Current State of Salton Community Services District

Dear Commissioners,

Hope this letter finds you well. As the external consultant of the Salton Community Services District (the "District"), we are writing to provide you with an update on the overall status of the District's operations.

FY2021 and FY2022 Audits

Our firm has been instrumental in aiding the District to organize and reconcile all financial statements and accounting records for the fiscal years ending June 30, 2021 and 2022. The audit process is presently underway, carried out by our designated Independent Auditors, O'Connor & Company, whose responsibility is to render professional auditing services to the District. Our firm is collaborating diligently with O'Connor & Company to guarantee the audits' finalization within a practical and acceptable time period.

FY2023 Financials Records

We are currently in the midst of the FY2021 and FY2022 audit and are delighted to report that our internal financial records are current through June 30, 2023. As we approach the completion of this fiscal year, we are in the process of finalizing year-end procedures and gathering the requisite documents for the audit.

As of the fiscal year-end on June 30, 2023, the District reported a net position of \$2.48 million (unaudited) across its entire governmental activities. During the year concluding on June 30, 2023, the District recognized revenues of \$2.6 million and incurred expenses totaling \$2.1 million. This resulted in a net increase of \$500,000 in the District's net position.

As you are aware, transparency, accountability, and good governance are fundamental to our operations and to maintaining the public's trust. Therefore, I would like to assure you that our firm is steadfast in ensuring all employees involved in financial transactions are held accountable for their actions. This includes meticulous tracking of all monetary exchanges, detailed record-keeping, and rigorous internal checks.





Imperial County Local Agency Formation Commission Page 2

We will continue to strive for the highest standards in our financial management practices and we understand the importance of this audit in demonstrating our commitment to fiscal responsibility and transparency. Once the audit is completed, we will promptly share the results and any relevant documents with LAFCO.

We appreciate LAFCO's continued support and guidance. If you require any additional information, please do not hesitate to contact me at ken.pun@pungroup.cpa or (949) 777-8801.

Thank you for your attention and cooperation.

Best regards,

The Pun Group, LLP

16:11. PZ

Kenneth H. Pun, CPA, CGMA

Engagement Partner

ITEM #6 SCSD

INFORMATION ITEM

Petition of Writ of Administrative Mandamus (CCP 1094.5)

1 Jose Luis Fuentes, SBN 192236 LAW OFFICE OF JOSE LUIS FUENTES 2198 Cleveland Avenue Thermal, CA 92274 3 Tel. (213) 454-0997 Fax. (213) 444-3154 4 E-Mail: fuentes@ilflaw.net 5 Attorney for Petitioner: Jalynda Ellen Alexander 6 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 IN AND FOR THE COUNTY OF IMPERIAL COUNTY 8 JALYNDA ELLEN ALEXANDER, Case No.: 9 PETITION FOR WRIT OF Petitioner. 10 **ADMINISTRATIVE MANDAMUS (CCP §** 1094.5) VS. 11 Date: SALTON COMMUNITY SERVICES DISTRICT 12 Time: 8:30 a.m. 13 Dept. Respondent, 14 Immanuel Ramos; Manuel Henry Ramos 15 Real Parties in Interest. 16 17 Petitioner, Jalynda Ellen Alexander, petitions this Court for a writ of mandate under Code 18 of Civil Procedure section 1094.5, directed to respondent Salton Community Services District 19 ("SCSD"), and by this verified petition alleges as follows: 20 1. Petitioner, Jalynda Ellen Alexander, is a resident of Imperial County, and a client/sewage 21 payor of SCSD, who has been subjected to paying for services not provided by SCSD and will 22 be subjected to an illegal sewage increase fee by SCSD for July 2023 to July 2028. Petitioner 23 appealed the determination of real party in interest, Michelle Gilmore, SCSD Board President, 24 that Mrs. Alexander is legally subjected to a sewage increase fee by SCSD for July 2023 to July 25 2028. The SCSD conducted a hearing as required by law and upheld the decision of the real 26 party in interest by a vote of 3-2. As such, petitioner is beneficially interested in and aggrieved 27 by the decision of respondent as alleged below. 28 2. Respondent is authorized and required to conduct a hearing, give proper notice and to Notice of Motion and Motion for Peremptory Writ of Mandamus

render a final decision on a fee increase to clients of SCSD under Cal Const, Art. XIII D § 6; Proposition 218 Omnibus Implementation Act (Gov C §§ 53750-53753.5).

Respondent conducted a hearing on the Sewer System Rate Increase and rendered a final decision to increase the sewer system rate to petitioner by a vote of 3-2.

- 3. Real party in interest Emmanuel Ramos is named here in his representative capacity as the general manager of SCSD, and is the person vested by SCSD with the power to direct the implementation of the Sewer System Rate Increase. Real party in interest determined that Sewer System Rate Increase was legal and defended that action, through a representative-Rural Community Assistance Corporation ("RCAC"), at the hearing before respondent. Therefore, real party in interest has an interest in the outcome of petitioner's proceeding to set aside the decision of respondent.
- 4. Real party in interest Manuel Henry Ramos is named here in his representative capacity as a Directors for SCSD, and is the person vested by SCSD with the power to direct his son and general manager Emmanuel Ramos to implement the Sewer System Rate Increase. Real party in interest determined that Sewer System Rate Increase was legal and defended that action, through a representative-RCAC, at the hearing before respondent. Therefore, real party in interest has an interest in the outcome of petitioner's proceeding to set aside the decision of respondent.
- 5. The Week of March 31st, 2023, real party in interest caused to be mailed to petitioner the first Proposed Sewer Rate Increase Protest Form and information. The mailing had conflicting public hearing times pamphlet enclosed in mailing state May 17th, 2023 @ 2:00p.m. but Protest Form stated May 17th, 2023 @ 7:00 p.m.
- 6. On May 4th, 2023- Rostros y Corazon (RyC), a non-profit based in Salton City, Imperial County and who was assisting petitioner, sent a letter to SCSD regarding violations of Cal Const, Art. XIII D § 6; Proposition 218 Omnibus Implementation Act (Gov C §§ 53750-53753.5) and requested that SCSD cancel May 17th, 2023 public hearing.
- 7. On May 5th, 2023- SCSD responded to RyC letter stating the public hearing would not be cancelled and public hearing would begin @2:00 p.m. and would continue through 7:00 Notice of Motion and Motion for Peremptory Writ of Mandamus

p.m.

- 8. On May 17th, 2023 respondent's public hearing started at 2pm & 7 pm. Residents protested on the number of residents that never received notice mailed the week of March 31st. Attorney for district recommended that sewer rate increase not be voted on and the process redone, and the hearing continued to a future date to be announced.
- 9. On May 18th, 2023 a request was made to real party in interest Emmanuel Ramos to provide the mail number of protest forms that were returned to district by post office as undeliverable. SCSC provided petitioner's representative with almost 200 protest forms that were returned to SCSD by post office as undeliverable.
- 10. On June 1st, 2023, real party in interest caused to be mailed to petitioner a second mailing for Prop 218 sewer rate increase with notice of a Public hearing date of July 19th, 2023.
- 11. On July 19th, 2023- SCSD commenced the second public hearing at 2p.m. After hearing Protest, Manuel Henry Ramos did not recuse himself and voted to approve sewer rate increase thereby approving the sewer rate increase with a 3 to 2 vote. Manuel Henry Ramos ignored SCSD conflict of interest policy and did not recuse himself from voting due to conflict of interest. Manuel Henry Ramos' son Emmanuel Ramos is Interim General Manager who directed the sewage increase consideration so he can keep his job. Emmanuel Ramos is subject to hire and fire by the Board of Directors of SCSD that includes his father Manuel Henry Ramos. If sewer rate Prop 218 increase did not pass, the Imperial Local Agency Formation Commission (LAFCO) had stated that they might execute their already made decision to dissolved SCSD, and a Prop 218 majority protest would affect Manuel Henry Ramos' son Emmanuel Ramos employment.
- 12. On July 27, 2023, SCSD held a special meeting to pass a resolution related to the Sewer Rate Increase fee. Petitioner protest the resolution because Manuel Henry Ramos did not rescue himself due to a conflict of interest on July 19, 2023. Again, Manuel Henry Ramos did not recuse himself on July 27, 2023 and voted in favor of the resolution related to the Sewer Rate increase fee. Petitioner also protested that the first and second mailing for Prop 218 sewer rate increase with notice of a Public hearing date of July 19th, 2023 did not include the Notice of Motion and Motion for Peremptory Writ of Mandamus

mandated language dictated by the Proposition 218 Omnibus Implementation Act (Gov C §§ 53750-53753.5).

- 13. Respondent's decision to approve a sewer rate increase, and by extension real party in interest's vote, is invalid under Code of Civil Procedure section 1094.5, for the following reasons:
- a. Respondent committed a prejudicial abuse of discretion, in that real party in interest Manuel Henry Ramos did not rescue himself from voting due to a conflict of interest- his son Immanuel Ramos being the designated employee making decisions which may foreseeably have a material effect on financial interests, or member of his immediate family for SCSC. CONFLICT OF INTEREST CODE OF THE SALTON COMMUNITY SERVICES DISTRICT (Adopted March 15, 2017), Gov't Code § 18730 (b)(2); Id. ((9) Section 9. Disqualification.
- b. Respondent committed a prejudicial abuse of discretion, in that respondent sustained the determination of real party in interest Manuel Ramos, including the following implied findings:
- i. Finding No. 1 (Gov. Code, § 53759 is inapplicable.) Petitioner protested that pursuant to Gov. Code, § 53759 the SCSC Proposed Sewer System Rate Increase Protest Form mailed to petitioner did not include the mandated statutory language ["shall include in the written notice a statement that there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge."]. RCAC rate study directed respondent to include such language, but respondent chose not to include the mandatory language.
- ii. Finding No. 2 (Cal Const, Art. XIII D § 6 (a)(2); Gov. Code, § 53755.5 is inapplicable.)

 Petitioner protested that pursuant to Gov. Code, § 53755.5 the SCSC Proposed Sewer System

 Rate Increase Protest Form mailed to petitioner did not include the mandated statutory

 language ["shall include ... the person's support or opposition to the proposed fee."]
- iii. Finding No. 3 (Cal Const, Art. XIII D § 6 (a)(1) is inapplicable.) Petitioner protested that pursuant to Cal Const, Art. XIII D § 6 (a)(1) not all "record owner of each identified parcel upon which the fee or charge is proposed for imposition" was mailed a "written notice by mail of the proposed fee".)

Notice of Motion and Motion for Peremptory Writ of Mandamus

iv. Finding No. 4 (Cal Const, Art. XIII D § 6 (b)(3) is inapplicable.) Petitioner protested that pursuant to Cal Const, Art. XIII D § 6 (b)(3) "The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.")

c. Respondent committed a prejudicial abuse of discretion, in that respondent's implied findings regarding Cal Const, Art. XIII D § 6 (b)(1) ["Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service"] not being applicable is not supported by the weight of the evidence. SCSD Wastewater Rate Study that was the bases of respondent imposition of a sewer increase fee states that the fee increase is for "reserve funding projected at \$2,379,072" over five years for "operating reserve, emergency reserve, and Capital improvement Reserve".

d. Respondent committed a prejudicial abuse of discretion, in that respondent's implied findings regarding Cal Const, Art. XIII D § 6 (b)(2) ["Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed."] not being applicable is not supported by the weight of the evidence. SCSD Wastewater Rate Study that was the bases of respondent imposition of a sewer increase fee states that the fee increase is for "operating reserve" which include "legal fee, membership/association dues, election cost, property tax collection services, professional services, advertising, SM Finance, Budgeting & Audit Expense."

e. Respondent committed a prejudicial abuse of discretion, in that respondent's implied findings regarding Cal Const, Art. XIII D § 6 (b)(5) ["No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners"] not being applicable is not supported by the weight of the evidence. SCSD Wastewater Rate Study that was the bases of respondent imposition of a sewer increase fee states that the fee increase is for "operating reserve" which include "advertising, SM Finance, Budgeting & Audit Expense."

14. Respondent is a local agency. A fundamental vested right is involved in that Mrs. Notice of Motion and Motion for Peremptory Writ of Mandamus

- 15. Petitioner has exhausted the available administrative remedies required to be pursued by her, as follows: SCSD has not implemented any claim for damages administrative procedure or appeal process for fee increase hearing decision.
- 8. Petitioner does not have a plain, speedy, and adequate remedy in the ordinary course of law.
- 9. Petitioner will offer, at the hearing on this petition, evidence of statements by third parties attesting to the hearings at issue in Mrs. Alexander's appeal to respondent.
- 11. Petitioner is personally obligated to pay her attorney for attorney services to prosecute this action. Petitioner is entitled to recover attorney fees as provided in Government Code section 800(a) if she prevails in this case, on the ground that respondent's decision was the result of arbitrary and capricious conduct as set forth above.
- 12. On August 2, 2023, petitioner, through petitioner's representative, requested that the SCSD prepare a true and correct copy of the administrative record. A true and correct copy of the record will be lodged with the court as expeditiously as possible after it is prepared and delivered at least five days before the hearing date.

WHEREFORE, petitioner prays:

- 1. For a peremptory writ of mandate, under Code of Civil Procedure section 1094.5, directed to respondent, and compelling respondent to set aside its ordinance dated July 19, 2023;
- 2. That petitioner recover his costs in this action, including attorney fees under Government Code section 800(a); and
 - 3. That such other relief be granted that the Court considers proper.

Dated: August 14, 2023,

Law Office of Jose Luis Fuentes

By:

Notice of Motion and Motion for Peremptory Writ of Mandamus

27

28

VERIFICATION

I, Jalynda Ellen Alexander, am the petitioner in the above-entitled proceeding. I have read the foregoing petition and know the contents thereof. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: August 14, 2023

By:

DocuSigned by:

Jalynda Ellen Alexander

Notice of Motion and Motion for Peremptory Writ of Mandamus

SUM-100

SUMMONS (CITACION JUDICIAL)

NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

Salton Community Services District

YOU ARE BEING SUED BY PLAINTIFF: (LO ESTÁ DEMANDANDO EL DEMANDANTE):

Jalynda Ellen Alexander

FOR C	OURT USE	ONLY
(SOLO PAR	RA USO DE	LA CORTE

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. [ANISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

pagar el gravamen de la corte antes de que la corte pueda desechar el caso.						
The name and address of the		2	CASE NUMBER:	<i>5</i> 1		
(El nombre y dirección de la contra C	orte es): CALTEODNIA COUNT	W OF IMPEDIAL	(Número del Caso):			
Civil	CALIFORNIA, COUNT	I OF IMPERIAL				
939 Main St, El Centro,	CA 92243					
The name, address, and telep	hone number of plaintiff's attorr	nev, or plaintiff without an atto	rnev. is:			
(El nombre, la dirección y el ne	úmero de teléfono del abogado	del demandante, o del dema	ndante que no tiene abogado, es)	:		
Jose Luis Fuentes (Bar #	192236) E		Fax No.: (213) 444	-3154		
Law Office of Jose Luis 2198 Cleveland Avenue, DATE:	Thermal CA 02274		Phone No.: (213) 454	-0997		
DATE:	Thermal, CA 922/4	Clerk, by		, Deputy		
(Fecha)		(Secretario)		(Adjunto)		
(For proof of service of this sur	mmons, use Proof of Service of	Summons (form POS-010).)	*·····································			
(Para prueba de entrega de es	sta citatión use el formulario Pro	oof of Service of Summons, (F	POS-010)).			
[SEAL]	NOTICE TO THE PERSON					
	1 as an individual def					
	2. as the person sued	under the fictitious name of (s	specify):			
	3. X on behalf of (specif	y): Salton Community Se	rvices District			
·	under: CCP 416.1	0 (corporation)	CCP 416.60 (minor)			
		0 (defunct corporation)	CCP 416.70 (conservated	a)		
		0 (association or partnership)		•		
	other (spec	cify):				
	4. X by personal deliver	y on <i>(date)</i> :				
				Page 1 of 1		

	POS-01
ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Jose Luis Fuentes (Bar # 192236)	FOR COURT USE ONLY
Law Office of Jose Luis Fuentes	
2198 Cleveland Avenue, Thermal, CA 92274	
TELEPHONE NO.: (213) 454-0997 FAX NO. (Optional): (213) 444-3154	
E-MAIL ADDRESS (Optional): fuentes@jlflaw.net	
ATTORNEY FOR (Name): Jalynda Ellen Alexander, Petitioner	
SUPERIOR COURT OF CALIFORNIA, COUNTY OF IMPERIAL STREET ADDRESS: 939 Main St	
MAILING ADDRESS: 939 Main St	
CITY AND ZIP CODE: El Centro 92243	
BRANCH NAME: Civil	
PLAINTIFF/PETITIONER: Jalynda Ellen Alexander	CASE NUMBER:
DEFENDANT/RESPONDENT: Salton Community Services District	
PROOF OF SERVICE OF SUMMONS	Ref. No. or File No.:
(Separate proof of service is required for each p	•
 At the time of service I was at least 18 years of age and not a party to this action I served copies of: 	•
a. X summons	
b. complaint	
c. Alternative Dispute Resolution (ADR) package	
d. Civil Case Cover Sheet (served in complex cases only) e. cross-complaint	
21 Said (Spear) decamend). See Attachment 21	
 a. Party served (specify name of party as shown on documents served): Salton Community Services District 	
b. X Person (other than the party in item 3a) served on behalf of an entity or under item 5b on whom substituted service was made) (specify name a Thania Garcia, SCSD Board Secretary	as an authorized agent (and not a person and relationship to the party named in item 3a):
4. Address where the party was served: 1209 Van Buren Avenue Themal, Ca 92274	
5. I served the party (check proper box)	
a. X by personal service. I personally delivered the documents listed in it receive service of process for the party (1) on (date):	tem 2 to the party or person authorized to (2) at (time):
b. by substituted service. On (date): at (time):	I left the documents listed in item 2 with or
in the presence of (name and title or relationship to person indicated in	in item 3):
(1) (business) a person at least 18 years of age apparently in of the person to be served. I informed him or her of the ger	charge at the office or usual place of business neral nature of the papers.
(2) (home) a competent member of the household (at least 18 place of abode of the party. I informed him or her of the ge	B years of age) at the dwelling house or usual neral nature of the papers.
(3) (physical address unknown) a person at least 18 years of address of the person to be served, other than a United St him or her of the general nature of the papers.	of age apparently in charge at the usual mailing tates Postal Service post office box. I informed
(4) I thereafter mailed (by first-class, postage prepaid) copies at the place where the copies were left (Code Civ. Proc., § (date): from (city):	415.20). I mailed the documents on or a declaration of mailing is attached.
(5) Lattach a declaration of diligence stating actions taken fi	
	Page 1 of 2

PLAINTIFF/PETITIONER: Jalynda Ellen Alexander					CASE NUMBER:				
DE	DEFENDANT/RESPONDENT: Salton Community Services District								
5.	с. [by mail and acknowledgment of receipt of service. I mailed the documents listed in item 2 to the party, to the address shown in item 4, by first-class mail, postage prepaid,							
			(1) on (date):	(2) from (city):				
			to	ith two copies of the <i>Notice and Ackno</i> o me. <i>(Attach completed</i> Notice and Ac o an address outside California with ret	knowledgement of Receip				
	d. [by other me	eans (specify means of service and au	thorizing code section):				
					- ,				
	[age describing service is attached.					
6.	 The "Notice to the Person Served" (on the summons) was completed as follows: a as an individual defendant. 								
	b. c.	\vdash		on sued under the fictitious name of (sp	ecify):				
	d.	X	as occupant	i. (specify): Salton Community Serv	ices District				
				llowing Code of Civil Procedure section					
				416.10 (corporation)		ss organization, form unknown)			
				416.20 (defunct corporation) 416.30 (joint stock company/associati	☐ 416.60 (minor) on) ☐ 416.70 (ward o	r conservatee)			
				416.40 (association or partnership)	416.90 (authori	•			
			X	416.50 (public entity)	415.46 (occupa	int)			
7.	Pers	on wl	ho served pa	pers	☐ other:				
		Name:		, CA 92274					
			one number:	, CA 92214					
			e for service	was: \$					
	e. I	am:							
		` ' ===		jistered California process server.					
		(2)		rom registration under Business and P	rofessions Code section 2	2350(b).			
	(3) a registered California process server: (i) owner employee independent contractor.								
				gistration No.:	•				
			(iii) Co	unty:					
8.	X	l de	clare under p	penalty of perjury under the laws of the	State of California that the	e foregoing is true and correct.			
		or							
9.		l an	n a California	a sheriff or marshal and I certify that t	he foregoing is true and co	prrect.			
Dat	e:								
					•				
	(N/	AME OF	PERSON WHO SE	RVED PAPERS/SHERIFF OR MARSHAL)	<u> </u>	(SIGNATURE)			
				8.		*			

Attachments

Attachment 2f

Petition for Writ of Administrative Mandate, Notice of Motion and MOTION FOR PEREMPTORY WRIT OF MANDAMUS; DECLARATIONS OF JALYNDA ELLEN ALEXANDER AND JOSE LUIS FUENTES IN SUPPORT THEREOF, MPA