

Board of Directors

Trish Bello-Kunkel, Chairperson
Gilbert Somerhalder, Vice Chairperson
Linda Matteri, Treasurer
Curt Caldwell, Director
Angie de Fremery, Director

**Knightsen Town Community Services District
P.O. Box 763
Knightsen, CA 94548**



April 28, 2023

Supervisor Diane Burgis
3361 Walnut Boulevard, Suite 140
Brentwood, Ca 94513

Dear Supervisor Burgis:

Our District is in receipt of your letter dated March 30, 2023 (postmarked 4/3/23 and received on 4/5/23). In your letter you state, "KTAC (Knightsen Town Advisory Council) members are concerned that the KTCSD Board has not been carrying out its obligations," and you then express questions that you say KTAC members have.

First, we understand that the Municipal Advisory Council (MAC) Policies adopted by the Board of Supervisors in 2008, prohibit KTAC from making representations, "to any federal, state, other county, city, special district, agency or commission, or any other organization on any matter concerning the community." The policy states that MAC's (and KTAC is a MAC), may only make representations to the Board of Supervisors, the Planning Commission and Zoning Administrator. As a result, we view your letter as an inappropriate attempt by the KTAC Council to circumvent County policy.

Second, **the appointed KTAC Council has no jurisdiction regarding drainage, flood control and water quality in Knightsen.** The elected KTCSD Board of Directors represent Knightsen on these subjects. In 2018, three current members of the KTCSD Board, Linda Matteri, Gilbert Somerhalder and myself, were elected in an election landslide over one of the prior incumbents. Since then, we were reelected, unopposed, in 2022. The other two members, Curt Caldwell and Angie de Fremery, were appointed and then elected, unopposed, in 2020. Our mandate from the community is clearly established. **KTAC is NOT the voice of the community on these matters. KTCSD is.**

Nevertheless, some points regarding the alleged concerns from KTAC need to be addressed. As you know, all KTCSD Board meetings are open to the public. However, you may not be aware that to the best of our recollection, NONE of your current appointees to KTAC have attended KTCSD meetings in the last five years (except for Maria Jehs who attended one

meeting, our last meeting in February). **You state they have various concerns about what KTCSD is doing, yet they have not participated in, or even attended our meetings.**

Several KTCSD board members frequently attend and participate in KTAC meetings. Therefore, we can speak from a position of knowledge and understanding about what happens at KTAC meetings and the decisions and actions of KTAC. KTAC Council members cannot say the same about KTCSD.

I began attending KTAC and KTCSD meetings in 2017. At that time, the members of KTAC and KTCSD were one in the same. Even then, Chairperson Steve Ohmstede made sure that when meeting as KTAC the Council members ONLY discussed KTAC issues and when meeting as KTCSD, Board members only discussed KTCSD issues related to drainage, flood control and/or water quality. He appropriately ensured that there be no overlap or blurring of responsibilities. Current KTAC Council member, Kim Carone, was on KTCSD/KTAC at that time and should be aware of the distinction between the two boards.

Even after it became clear that KTCSD membership would become elected in 2018 and you abruptly divided the membership of the two boards, we ensured that KTAC matters did not become the subject of KTCSD meetings. On MANY occasions, attendees have asked us to address KTAC matters and the KTCSD Board has declined to do so. We question why at this late date, KTAC Council members are seeking to intervene in matters so obviously out of their jurisdiction.

We take exception to the assertion that the KTCSD Board of Directors is not carrying out its obligations. In fact, since the current KTCSD Board took office in December 2018, we have spent a tremendous amount of time evaluating the community's needs, considering alternatives, and pursuing what we firmly believe is the best course of action for the District and the community. Everything we have done is detailed on our website, <https://knightsentowncsd.specialdistrict.org> If you have ever looked at our website, you would see there is abundant detail about District meetings, studies, reports, etc.

When the new KTCSD Board took office in 2019, the District was awaiting the results of a \$50,000 stormwater study commissioned by the prior Board of Directors. When the current KTCSD Board assumed office, that study was already one and half years overdue, but the prior KTCSD Board had made nearly full payment for the study. Because nearly full payment had been remitted to the consultant, the new Board of Directors had very little leverage to compel the consultant to complete the long overdue study. Nevertheless, the current KTCSD Board through great effort and perseverance, was able to convince the consultant to complete the study. The study results were received in July 2019, and the KTCSD Board and community members began a lengthy and thorough review of the study results. Former KTAC Council members Karen Reyna and Debbie Allsup actively participated, as community members, in the review and discussion of the study results. Again, none of the current KTAC members attended those meetings.

It became apparent that the study had many serious flaws. The study proposed a set of enhanced drainage projects projected to cost \$4.1 million, but many costs were omitted from the study and many costs were clearly underestimated when compared to real-world examples. After many KTCSD meetings (formatted as workshops to obtain detailed community, localized knowledge and understanding), the District prepared a 55 page response to the consultant <https://knightsentowncsd.specialdistrict.org/files/e6b28e010/KTCSD+Response+to+ESA+SWR>

[P_20191108_FINAL+with+Enclosures.pdf](#) .The consultant responded that the District would need to pay an additional amount (estimated as an additional \$50,000) to correct the study. That was unacceptable to the District and the contract with the consultant was terminated and the study was determined null and void.

One fact that became obvious to the District's Board of Directors and community members who attend KTCSD meetings was that the small community of Knightsen does not have enough residents and a large enough tax base to implement, operate, administer, and maintain enhanced drainage and flood control projects. For example, in Fiscal Year 2022-2023 the KTCSD special tax (maximum \$312 per developed parcel and \$156 per undeveloped parcel), could only generate \$172,607 per year.

For that reason, as well as others, in 2020, the KTCSD Board of Directors and community members attending determined the best course of action for the community was to dissolve the District and eliminate the special tax. Therefore, in 2020, KTCSD applied to LAFCO for dissolution.

When we applied for dissolution in 2020, we understood that when the District dissolved, the special tax authorization would also be eliminated, and that requirement was clearly expressed as a prerequisite to dissolution. We were shocked to learn that in fact, upon dissolution, the special tax authorization would remain in place and the County Public Works Department said they would re-implement the tax if needed. County control of the tax was totally unacceptable to the KTCSD Board and community members and the application to dissolve was withdrawn.

Since then, we have considered many alternatives including doing smaller projects and/or asking LAFCO and the voters to change or expand the District's charter to include other functions. (Again, those discussions were well attended. None of the current KTAC members attended those meetings, although former Council member Karen Reyna did attend). The problem we repeatedly confronted is that Knightsen doesn't have a sufficient tax base to cover even the ongoing costs of administration and maintenance for a district that truly performs a function.

Grants have been suggested as an alternative for the District, but grants are not the silver bullet. As you know, grants are not free. Grants require matching contributions. Agencies typically must contribute at least \$1 for every matching grant \$1. Grants typically do not cover maintenance or administrative costs, so any improvements constructed using grant money require sufficient tax revenue to administer and maintain. As you also know, many agencies compete for grants, so grants can be very expensive to obtain. Cities, counties, and special districts spend many thousands of dollars for staff and/or consultants to prepare grant applications.

I recently attended the February 28, 2023, Board of Supervisors meeting in which County Public Works Department/Flood Control gave a presentation entitled "Public Infrastructure Budget Challenges". They have access to VASTLY greater funds than KTCSD yet complained that they do not have the funding necessary to hire staff or consultants to prepare grant applications.

Last year, KTCSD hired a long-established California public finance consulting firm, SCI Consulting Group, to conduct a feasibility study and determine the viability of the District continuing operations in the future. SCI verified that it is not feasible for the District to provide the improvements or services for which it was created. SCI concluded that the administrative

costs to begin to operate a functioning district would be \$212,030 per year. That number includes \$169,000 total pay and benefits for two employees, a District Manager and a part-time Office Assistant. The District presently has no paid employees, but SCI stated, "A District being run entirely by volunteers donating most of their own resources is not sustainable, even more so if the District were to undertake to provide any flood control or water quality improvements or services." We are certain that given your experience in local government you would concur with that statement.

Clearly, the maximum annual special tax revenue of \$172,607 was insufficient to cover basic administrative costs of a functioning district let alone insufficient to fund any actual projects of any kind.

The District is certain that the community has no appetite to increase the special tax. In 2017, when the prior Board of Directors increased the tax to \$200 per developed parcel and \$100 per undeveloped parcel a large and vocal group of taxpayers began attending meetings leading to the eventual resignation of most of the board members. Every year when we meet to discuss the special tax rate for the following year, attendance at our meetings spikes because many people want to ensure we do not raise the tax.

In 2021, the District conducted a survey https://knightsentowncsd.specialdistrict.org/files/e7fafa89b/KTCSD+Survey+Results_2021_FIN_AL.pdf. One of the findings confirmed that there is little interest in increasing the special tax. Only one respondent expressed willingness to increase the tax to a level (\$1,000 per year) likely sufficient to fund an actual operating district. 57% said they did not want to be taxed at all.

Thus, after all the careful consideration documented above, the District Board of Directors and community members attending KTCSD meetings determined the best course of action was to again pursue dissolution, this time with the special tax permanently repealed so that the tax authority could not be assumed by the County.

Measure R was placed on the November 2022 ballot seeking to repeal the KTCSD special tax. The KTCSD Board of Directors sent an informational, non-advocacy letter to voters. The letter clearly informed voters that if Measure R passed, the District would seek to dissolve.

As you know, Measure R passed 58% to 42%. Of note, this passing percentage virtually matched the 2021 survey response that showed 57% of respondents did not want to be taxed at all.

We are confident that as the ELECTED representatives for this community, we are fulfilling our responsibility to our constituents and certainly we are fulfilling our obligations to the voters. The people have spoken at our meetings, in response to our survey and at the polls in 2018, 2020 and 2022. **We are carrying out our obligations and doing what is best for this community and any assertion otherwise is completely unfounded and mistaken.**

Sincerely,



Trish Bello-Kunkel
Chairperson, Knightsen Town Community Services District