



Del Paso Manor Water District

February 4, 2022

Hon. Russel L. Hom, Presiding Judge
Sacramento County Superior Court
720 9th St.
Sacramento, CA95814

Dear Judge Hom:

On November 4, 2021, the Del Paso Manor Water District (hereinafter “the District” or “DPMWD”), along with myself, received the Grand Jury Report entitled “Del Paso Manor Water District Flooded with Public Safety Dangers.” Pursuant to California Penal Code sections 933 and 933.05, the Grand Jury requested that the District, along with myself, each respond to the Grand Jury’s findings and recommendations.

On November 2, 2021, DPMWD requested an extension of time to respond, which your Honor graciously allowed. DPMWD was required to provide a response by February 4, 2022, and I was to separately respond.

I thank the Court and the Grand Jury for its work. This serves as my response, which consists of an Introduction, and replies to each Finding and Recommendation. Please note, I was not a member of the DPMWD Board of Directors during the period of time for which much of the Grand Jury investigation and subsequent Findings and Recommendations are targeted. As such, my responses will be limited to the time for which I did serve on the Board, and will defer to the District response as appropriate.

The following documents are my responses as the President of the Del Paso Manor Board of Directors to the Grand Jury. These are respectfully submitted with full transparency and complete integrity.

Respectfully,

A handwritten signature in blue ink, appearing to read "R.S." followed by a stylized, flowing line.

Ryan Saunders
President
Del Paso Manor Water District

INTRODUCTION

My name is Ryan Saunders. I have lived in the Del Paso Manor Water District service area with my family since 2004. I am currently the President of the Board of Directors. The following is a timeline of my service that will provide some context for my introduction and responses to the Findings and Recommendations.

In 2010, I was appointed by the DPMWD Board to be a Director when a Board member unexpectedly passed away. I was reelected in 2014, and defeated in 2018. In late August of 2021, I was appointed by the Sacramento County Board of Supervisors to the Board after three Directors abruptly resigned, and the Board no longer held a quorum.

"If a tree falls in the forest, and no one is around to hear it, does it make a sound?"

During the years of 2010 – 2016, the District accomplished much. There was a successful 218 in mid-2010 that generated the revenue stream necessary to begin work on the Phases of capital infrastructure replacement identified in the 2009 Master Plan. We built two new wells, installed a few thousand feet of new water mains associated with the construction of Well 9, completed electrical upgrades to the older wells to improve the reliability and safety of the service panels, installed a modern SCADA system to monitor and control the water system remotely, partnered with Sacramento Suburban Water District (SSWD) to install a new intertie on the East side of the District, and were in discussions with Carmichael Water District (CWD) to bring in surface water to the District. This last prospect was particularly exciting because it would achieve a goal of the 2009 Master Plan of conjunctive use, as well as potentially unlock an opportunity to generate revenue with our groundwater via a water banking structure that was in the process of being established by the Regional Water Authority (RWA) and the Sacramento Groundwater Authority (SGA). Additionally, we were very involved in regional water policy, particularly our General Manager as she served on the RWA Executive Committee, was the Vice President of the California Rural Water Association, and was named the RWA Water Statesperson of the Year in 2016. It was exciting times at Del Paso Manor.

However, trouble was on the horizon. In 2017, when we attempted a Proposition 218 rate structure to generate additional revenue to continue the phases of the Master Plan, a significant grassroots coalition opposed the rate increase. They sowed seeds of discontent and mistrust in the community. Ultimately, the 218 was defeated.

The Board attempted to pivot by implementing recommended changes and partnering with this grassroots coalition. However, many of the items of concern brought forth by this grassroots coalition that occupied the Board and Staff's time were red herrings and distracted from the District's actual need: infrastructure replacement. Meanwhile, the seeds of discontent and mistrust had been sown and were germinating.

The lesson I took from this unfortunate turn of events was that, while the District was doing good things and accomplishing much, it was toiling away in anonymity. This anonymity was not intentional, but rather a byproduct of lack of outreach by the District, and lack of engagement from the community. At

the time, we were stunned by the opposition to what seemed to us, on the inside, as an absolute necessity. In hindsight, we really should have seen the opposition coming. But the reality is that we did not, the seeds of mistrust and discontent were sown, had taken root, and were ripe for harvest.

2018 was an election year, and three of the five seats were up for election, including my own. This grassroots coalition swept all three seats and were sworn in January 2019. I was defeated in a fair election and walked away.

“When you say, over and over, that government is the problem, it becomes the problem. So much so that when you are in charge of it, you don’t know how to run it. And you have such contempt for its functions that you appoint partisan hacks to run lifesaving agencies.” – U.S. Senator Harry Reid.

When I was defeated in 2018, my perspective was that the voters had spoken and I could accept that. I walked away and was not involved in District activities. I did not attend Board meetings, I did not read the agendas and minutes, I intentionally kept my distance. Admittedly, I was somewhat relieved to no longer be on the Board. The past two years had been brutal. To be considered the enemy and mistrusted by the very same community in which I lived was not a pleasant experience. I chose to run for reelection in 2018 because I felt an obligation to my community to continue to provide my experience and expertise that I had gained over the previous eight years. However, I was defeated and moved on.

Votes have consequences. After the 2018 election, the District found itself with a Board majority that had no experience in running a Special District. Over the coming years, 2019 through mid-2021, these consequences became self-evident as the District cycled through multiple General Managers, neglected the day to day operations, and did not move any closer to infrastructure replacement. The Findings and Recommendations articulated by the Grand Jury are a result of both the actions and the inactions of the grassroots coalition Board members that held a majority from 2019 to August 2021.

I am not insinuating the Board majority had bad intentions. But I do believe their misaligned objectives, combined with their lack of experience, led to the “reckless and irresponsible” outcomes identified by the Grand Jury.

“With great power comes great responsibility.” - Spiderman.

When I was defeated in the 2018 election, friends and neighbors in the community that had supported my campaign reached out to me with genuine concern. Their consensus question was, “What is going to happen?” My response was “Nothing, everything will be fine.” I shared my belief that no infrastructure replacement would be pursued, but other than that, everything would remain status quo.

My belief was that there are so many governmental oversight agencies, and so many groups that would be willing to provide support, that they won’t be able to fail, no matter how inexperienced the new Board majority is. I shared that agencies like Sacramento County Local Agency Formation Commission (LAFCO), State Water Resource Control Board (SWRCB), Division of Drinking Water (DDW), the County District Attorney, and the Environmental Protection Agency (EPA) would provide oversight to ensure the

District continued to be successful in its mission to “provide safe drinking water in accordance with California and federal regulations and to maintain a reliable water supply for water consumption and fire protection.”

Additionally, there were groups that would be available to support them, including adjacent Sacramento Suburban Water District (SSWD), the Regional Water Authority (RWA), the California Special Districts Association (CSDA), and the Association of California Water Agencies (ACWA).

From what I understand, SSWD did an outstanding job of supporting DPMWD during times of need. But otherwise, based on the Grand Jury Findings and Recommendations, it appears my perception of oversight was incorrect. I feel this was a failure of these oversight agencies, particularly in light of a new Board majority having been elected to direct policy at a Special District tasked with a public health responsibility, namely drinking water.

Fast forward to August 2021. I was contacted by a current DPMWD Director, Bob Matteoli, with whom I had served on the board from 2013-2018. He had reached out regarding the situation the District was in. He shared with me they did not currently have a General Manager, and three of the five Directors had abruptly resigned. The District was without a General Manager and the Board was without a quorum. It was essential a beached whale, washed up on the shore and left for dead. Director Matteoli wanted to submit my name to the Sacramento County Board of Supervisors for appointment to the Board so they would have a quorum and could conduct business. I was very unenthusiastic about this prospect, but nevertheless I agreed as I felt an obligation to my community to help get the District back on its feet.

I was appointed by the Board of Supervisors later that month. During the September 7th meeting of the Board of Directors, Director Matteoli and Director Osmar Macias voted me as Board President. Later that month, we appointed two additional Directors to the Board. In October we hired a new General Manager, and in November we hired a new general counsel. We intend to hire a District Engineer in February. We are beginning to right the ship.

It is within this context that I find myself once again on the DPMWD Board of Directors, this time as Board President, amidst a Grand Jury investigation, significant infrastructure needs, and continued community division and mistrust. My commitment is to serve this District and my community to the best of my ability, with utmost transparency and honesty, and the audacity of hope that we can change the hearts and minds of our rate payers to come together as a community to support a rate increase and infrastructure replacement.

**DEL PASO MANOR WATER DISTRICT
PRESIDENT'S RESPONSE TO GRAND JURY FINDINGS**

F1. The DPMWD has abdicated its mission to “provide safe drinking water in the accordance with California and federal regulations and to maintain a reliable water supply for water consumption and fire protection.”

Response to F1.

I disagree with the finding.

As I articulated in the Introduction, for the period time during which I served on the Board, the District had been taking responsible steps towards infrastructure replacement and had been derailed by a failed 218 in 2017, and a wholesale change in Board majority after the 2018 election. I respectfully defer to the District response to this finding for a more robust explanation.

F2. The DPMWD has deferred action on the District’s 2009 Water Master Plan, the 2011 LAFCO Municipal Service Review, the 2021 HydroScience Strategic Water Solutions Technical Memorandum, and the July 2021 General Manager Final Recommendations Report, all of which outline the urgent need to address the District’s critical infrastructure needs for repair or replacement.

Response to F2.

I agree in part, and disagree in part, with this finding.

During the time in which I served on the DPMWD Board, the District actively pursued the capital infrastructure strategy outlined in the 2009 Water Master Plan. Additionally, the 2011 LAFCO Municipal Service Review indicated that our operations were “adequate.” Given that I was not a member of the Board during the period in which the HydroScience Technical Memorandum, nor during the tenure of the previous General Manager Adam Coyne, I respectfully defer to the District response to this finding for a more robust explanation.

F3. The DPMWD Board of Directors awarded a \$56,830.00 contract to HydroScience Strategic Water Solutions, to complete a Water District Master Plan Updated, without officially taking a public re-vote at its December 2020 board meeting to authorize the contract as requested by the Sacramento County District Attorney.

Response to F3.

I was not a member of the DPMWD Board at this time, so I respectfully defer to the District response to this finding for a more robust explanation.

F4. During its October 20, 2020 general meeting, the DPMWD Board of Directors failed to provide all of the meeting documents in its board packets to the public. Upon request from the public for the materials, the Board president denied their release to the public as required by both the Brown Act and the Public Records Act.

Response to F4.

I was not a member of the DPMWD Board at this time, so I respectfully defer to the District response to this finding for a more robust explanation.

F5. The DPMWD failed to follow the California State Water Resources Control Board, division of Drinking Water guidance in publicly reporting notable Maximum Contamination Level violations in the required timeframe. Additionally, the DPMWD did not follow the prescribed reporting requirements in the Consumer Confidence Reports (2018, 2019).

Response to F5.

I was not a member of the DPMWD Board at this time, so I respectfully defer to the District response to this finding for a more robust explanation.

F6. The agendas for the public meetings of the DPMWD Board of Directors have provided inadequate and vague descriptions of the items to be discussed or acted upon at its General and Special meetings.

Response to F6.

I was not a member of the DPMWD Board at this time, so I respectfully defer to the District response to this finding for a more robust explanation.

F7. The ambiguous agenda item descriptions of the DPMWD Board of Directors meetings violate the intent of the Ralph M. Brown Act, which is designed to properly inform the public of the business to be undertaken at public meetings by public officials and to encourage their participation.

Response to F7.

I was not a member of the DPMWD Board at this time, so I respectfully defer to the District response to this finding for a more robust explanation.

**DEL PASO MANOR WATER DISTRICT
PRESIDENT'S RESPONSE TO GRAND JURY RECOMMENDATIONS**

R1. The DPMWD should publish and distribute a district-wide report, to meet its public transparency obligations, disclosing the extent of the District's immediate and longer-term water quality, delivery, and fire flow infrastructure improvement needs, and the resulting cost impact to water district ratepayers. This report should be the subject of a Special Board Meeting as well. The Grand Jury recommends that this work should begin immediately and be completed within six months.

Response to R1.

This recommendation will be implemented, as proposed.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R2. The DPMWD should address the findings and recommendations of the May 2021 HydroScience Strategic Water Solutions Technical Memorandum, originally authorized by the DPMWD as a Proposed Update to its 2009 Water District Master Plan; formal public involvement should be documented to meet the requirements of the Brown Act. This process should begin immediately and be completed within 60 days.

Response to R2.

This recommendation has been implemented.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R3. A Municipal Service Review should be performed by LAFCO to study and analyze information about the Water District's governance structures and efficiencies. The Grand Jury also recommends that DPMWD fully cooperate with LAFCO to initiate this process by January 31, 2022 for completion of a new Municipal Service Review by June 20, 2022.

Response to R3.

This recommendation will be implemented as proposed.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R4. The DPMWD should notify ratepayers in the required timeframe for any Notice of Violation, including when a water sampling test result exceeds the water Maximum Contaminant Level, along with its corrective actions. The DPMWD Board of Directors and staff should be trained on the public notification requirements. The Grand Jury recommends that the DPMWD complete this training by January 31, 2022, and the Policy Manual should be updated accordingly by March 31, 2022.

Response to R4.

This recommendation will be implemented as proposed.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R5. The DPMWD should prepare its 2021 Consumer Confidence Report and all subsequent annual reports to fully comply with the requirements issued by the State of California. The DPMWD should request that its draft 2021 Consumer Confidence Report be reviewed by DDW to ensure that it meets all of the State requirements before its final release. The review of this draft public document should be completed in May 2022.

Response to R5.

This recommendation will be implemented as proposed.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R6. The DPMWD board meeting agendas and minutes should be reviewed by their legal counsel to ensure that the documents have clear and unambiguous descriptions. The Grand Jury recommends that reviews begin immediately and continue for every meeting.

Response to R6.

This recommendation will be implemented for the foreseeable future, and until such time that staff is adequately prepared and trained to draft and review meeting agendas and minutes.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R7. The DPMWD board members and staff should attend annual and detailed Brown Act training sessions with an emphasis on developing unambiguous agenda descriptions. That Brown Act training could include participation in the California Special District Association's Certificate of Excellence Program for District Transparency. The Grand Jury recommends that the Board of Directors conduct its first training session by January 31, 2022, particularly as more than half of the Board members are new.

Response to R7.

This recommendation will be implemented.

I respectfully defer to the District response to this recommendation for a more robust explanation.

R8. The DPMWD board members and staff must ensure that all materials in the board meeting packets are available to the public 72 hours prior to any Board meeting to avoid any Brown Act violations. The Grand Jury recommends that this begin immediately and continue for every meeting.

Response to R8.

This recommendation has been implemented, as proposed.

I respectfully defer to the District response to this recommendation for a more robust explanation.