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# COMMUNITY NEWS

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## Dirty Water:

# LCCN's Investigative Series on the Central Basin Municipal Water District

By Brian Hews

Hews Media Group-Community News first exclusively reported on the Central Basin Municipal Water District in December 2012 with its first article published January 2013.

By the time 2014 rolled around HMG-CN had published over 47 articles. The saga was aptly named "Dirty Water" with the articles uncovering major crime and corruption at Central Basin.

The exposé uncovered many serious problems and produced increased public awareness that led to significant reform and change.

As of Mar 2014, the exposé had produced many significant outcomes:

1. It exposed Gil Cedillo Jr. abusing public funds shortly after the article published Cedillo Jr. resigned.
2. The articles compelled Central Basin to fire Pacifica Services employees, owned by Ernie Camacho, who worked inside Central Basin offices.
3. Interim GM Dave Hill was fired and escorted from his office.
4. Exposed illegally altered no-bid contracts by then-GM



Art Aguilar in favor of Pacifica Services

5. HMG-CN was the first to publish articles on the \$2.7 million "slush fund."

6. The FBI initiated an investigation involving Central Basin resulting in Ron and Tom Calderon being arrested.

The Dirty Water exposé also involved two newly elected Central Basin Board members Leticia Vasquez, James Roybal, and also long-time Board member Robert "Bob"

Apodaca.

The articles exposed that Vasquez and Roybal's campaign were:

1. Financed by convicted felon Rick Mayer.
2. The two owed Mayer large amounts of money after their campaigns.

Due to these revelations, HMG-CN broke the story that Mayer threatened fellow Central Basin Director Art

Chacon's life due to Chabattle with the two Directors.

The articles caused the DA to open an investigation; other articles exclusively revealed:

1. That Ernie Camacho and his company Pacifica gave thousands to Vasquez and Roybal's campaigns
2. That Vasquez was giving

out sole-source contracts to her longtime campaign director and her boyfriend Ron Wilson's law partner valued at \$44,000 shortly after her taking office.

3. Exclusive revealed that then-President Roybal was in LAUSD "Teacher Jail"

4. Exclusive revealed that Roybal was going back to his job ad Director a direct violation of LAUSD "teacher Jail" policy

Because of the articles, the LAUSD Office of Inspector General is investigating Roybal for violating policy.

5. Exclusive revealed that Director Vasquez had filed a "Qui Tam" whistleblower lawsuit based on isider information she gleaned from three people she fired against the very agency she was elected to serve, potentially making \$2.5 million if successful.

6. Caused Roybal to resign as President of the board.

7. Caused a recall campaign to be started against Director Vasquez.

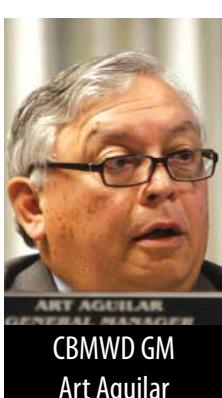
The saga is by no means over, as witnessed by three CB Directors missing an important meeting causing the agency's insurance to be cancelled.



Speaker John Perez



Tom Calderon



CBMWD GM  
Art Aguilar



CBMWD Director  
James Roybal



CBMWD Director  
Leticia Vasquez



CBMWD Director  
Robert "Bob" Apodaca



Bus. Devel. Director  
Gil Cedillo, Jr.

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## Dirty Water:

### LCCN's Investigative Series on the Central Basin Municipal Water District

#### Exclusive:

#### Central Basin Municipal Water Board Director Campaigns Financed by Convicted Felon

Feb 8, 2013

By Brian Hews

An examination by Los Cerritos Community News of recently filed California 460 Campaign Financial Disclosure statements for new Central Basin Municipal Water District (CBMWD) Directors James Roybal and Leticia Vasquez, both of whom campaigned on ridding the troubled water district of corruption, show extremely heavy financial support from two individuals with substantial criminal backgrounds, one convicted on political corruption charges, and the other a convicted felon.

Vasquez, who defeated Rudy Montalvo in Division Four, declared paying political campaign manager Angel Gonzalez

\$4,000.00 before the actual June 5, 2012 election and owing him another \$18,399.98.

Leticia Vasquez and James Roybal both got a large amount of campaign funds from two individuals with substantial criminal backgrounds, one, Rick Mayer, is a convicted felon.

Gonzalez was prosecuted and convicted by the District Attorney for illegal campaign activities in the past.

Vasquez also owes money to R&M Associates, controlled by former CBMWD Director and convicted felon Rick Mayer. R&M is part of Mayer's other company Golden State Consul-

while running for city council in South Gate.

Furthermore, Rick Mayer's campaign manager was "Big Al" Robles who was indicted on fed-



eral corruption charges in 2004. He was found guilty of 30 felony counts, sentenced to

#### President Removed



James Roybal

**Year-long HMG-CN investigation revealed:**

- His campaign was financed by a convicted felon.
- He took in over \$10,000 from Pacifica Services, a vendor of CBMWD.
- Earned money while in LAUSD Teacher Jail, a violation of LAUSD policy.

#### Recall Target



Leticia Vasquez

**Year-long HMG-CN investigation revealed:**

- Her campaign was financed by a convicted felon.
- She took in over \$10,000 from Pacifica Services, a vendor of CBMWD.
- She sued CBMWD costing the district over \$300,000 in fees.

\$8,559.

Documents show that some of the \$31,146 came from the same special interest groups that she vigorously campaigned to root out.

Tom and Ron Calderon gave \$2,250, Vasquez' own mailer criticized Tom Calderon for taking money from the CBMWD.

Douglas Wance, former CBMWD General Counsel, gave \$2,500. Wance was fired in November when facts emerged regarding the expenditure of nearly three million dollars in an off-the-books "Trust Fund" purportedly used for district lawsuits.

James Roybal's financial dis-

#### Under Investigation



Bob Apodaca

**Year-long HMG-CN investigation revealed:**

- He took thousands from Pacifica Services, a vendor of CBMWD.
- His wife was awarded a \$10,000 contract for flowers.
- Secretly settled a sexual harassment lawsuit costing CBMWD thousands.

closure forms showed similar patterns and reliance on Gonzalez and Mayer.

Before the June 5th election, Roybal made payments to Angel Gonzalez and Mayer's R&M Associates totaling \$10,400.00 and

10 years in federal prison, and ordered to pay the city of South Gate \$639,000 in restitution.

Vasquez raised only \$4,900.00 before the June 5th election, she raised \$31,146 after. Vasquez still owes Gonzalez and Mayer

for political crimes in the past.

Former felon Ricardo "Rick" Mayer, and political consultant Angel Gonzalez, who donated huge sums of money, were the two key figures responsible for getting Vasquez and Roybal elected.

And both Roybal and Vasquez now owe the two a lot of money.

An examination by LCCN of the California Form 460 Form F, which documents Accrued Expenses and Unpaid Bills, show that both Vasquez and Roybal owe the two convicted figures more than \$40,000.

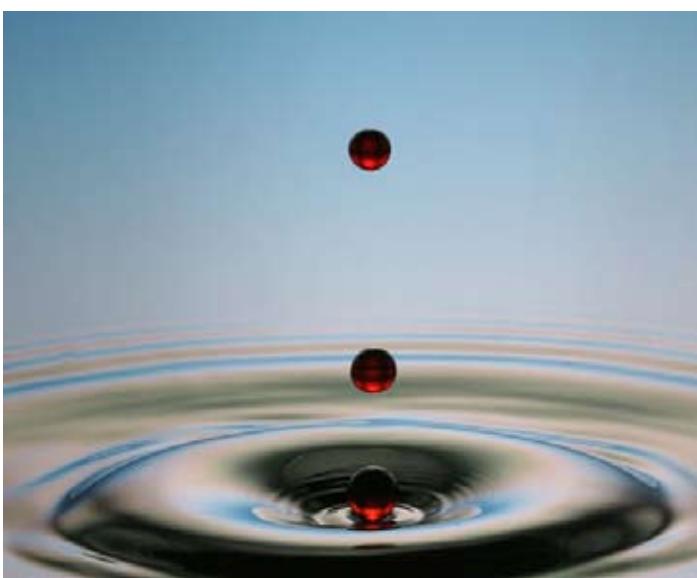
Vasquez told state officials that she still owes Gonzalez at least \$18,399 for campaign signs and mailing costs, more than eight months after being elected last June.

Roybal owes \$22,878 to Mayer in expenses.

Los Cerritos Community Newspaper has been told by several sources that both Mayer and Gonzalez could be rewarded for their connections with Vasquez and Roybal by being granted consulting contracts that could bring in hundreds of thousands,

if not millions of dollars.

Since taking office on January 7th, 2013, in less than one month, Roybal and Vasquez joined ranks with long-time Director Bob Apodaca and created



a new "voting bloc majority" at Central Basin.

Within one week of being sworn into office, the three fired Chief Operating Officer Chuck Fuentes, along with Assistant to General Manager Ron Beilke and Attorney Arnold Alvarez-Glasman. They also ordered all contracts to be reviewed.

The three also changed the Administrative Code and removed President Art Chacon from overseeing the Board just barely one week after he was

seated for the position. Roybal is now serving as president of the five-member board.

The three also immediately

removed CBMWD Director and

Cerritos resident Phil Hawkins

from his long held seat on the board of the Metropolitan Water District. Hawkins served as chair of the important Real Estate and Asset Management Special Committee.

Los Angeles County Supervisor Don Knabe was angered about the recent decision to remove Hawkins from his key slot.

"I'm very upset to see Phil removed from his MWD seat. Phil has been a tireless advocate for the Southeast area on water issues and his tenure means a great deal on such a large Board as the MWD. His experience as Chair of the Real Estate and Asset Management Committee will be missed," Knabe said.

"When reached by phone, Hawkins was equally as angry, "They removed me for no reason. It's all about egos. We were doing a good job there; we were

still carries an IOU of \$28,878.39 to Mayer.

Some say Mayer is going after "outreach contracts" similar to those he is getting from the Water Replenishment District of Southern California located in Lakewood.

Since taking office on January 7th, Roybal and Vasquez joined ranks with long-time Director Bob Apodaca and fired recently hired Chief Operating Officer Chuck Fuentes, along with Asst. to the General Manager Ron Beilke.

Upon his termination, Beilke raised the suspicion of a cover-up by the firings. According to Beilke, "little doubt exists about the direction of the new board majority given who financed their campaigns. A quick look at their 460 disclosure forms speaks volumes about the character of these two supposedly highly educated people."

Other significant actions taken include the three meeting to amend the CBMWD Administrative Code to permit Roybal to take over the presidency. The meeting could constitute a possible Brown Act Violation.

actually making money. Roybal was going to take my seat, but his school commitments prevented that, so now Leticia will be taking the seat, and she has zero experience."

Roybal as president is now in a powerful position, responsible for forming committee, items that will be allowed on the agenda, and what contracts are vetted and reviewed before they come to a vote.

Vasquez is no stranger to political controversy. South Gate Councilman Henry Gonzalez, who is considered to be one of the most respected elected officials in Southeast Los Angeles County told LCCN in an interview on Monday that Vasquez is as "dirty as they come."

"She was groomed by convicted felon and ex-Lynwood Mayor Paul Richards, she knows how to play dirty, and doesn't care about rules. Leticia does what she wants," the South Gate councilman said.

In 2005, former longtime Mayor Paul Richards was convicted of steering \$500,000 worth of city contracts to a front corporation he secretly owned and was sentenced to 16 years in federal prison.

Gonzalez understands just how rough politics can be. In

See DIRTY WATER page 3

**DIRTY WATER**

Continued from page 2

1999, then at age 64, he was shot in the head by an assailant after he returned home from a South Gate City Council meeting.

"Listen, I understand politics around here better than anyone. Everyone needs to pay attention on what's going on over at the Central Basin Water District, espe-

cially in light of what has taken place just this past month alone," said Gonzalez.

**Series Result:****DA Confirms Complaints Filed Against Central Basin Directors Vasquez and Roybal****Feb. 22, 2013**

By Brian Hews

Los Cerritos Community News has learned that recently sworn in Central Basin Municipal Water District Director Leticia Vasquez is the subject of numerous complaints filed last week with the Los Angeles County District Attorney's office, including one surrounding a campaign event held while a teacher at El Camino Compton Center.

LCCN also confirmed that numerous complaints were filed against fellow (Division One Director) James B. Roybal.

The Vasquez complaint alleges that she booked an event on December 6, 2012 at La Huesteca Restaurant in Lynwood as a fundraising event for the college, when in reality it was a fundraising event to pay for her successful water board campaign.

Vasquez did not report the fundraiser on her signed Campaign Statement Form 460. Under government code section 81000, signing false statements is a violation under penalty of perjury that carries heavy fines and prison terms.

The first event, on a document obtained by LCCN, outlines a "special event proposal" prepared by a representative of La Huesteca for Dec. 6. The proposal outlines all costs associated with the event.

The proposal also clearly states that the event was booked by Vasquez for the

purpose of an El Camino College fundraiser. Vasquez lists herself and school email as the contact, and the type of event as "recaudacion de fondos" which means fundraiser.

However, LCCN has obtained another document describing an event on the same date (Dec. 6) at the same time (5:30pm-8pm) at the same restaurant (La Huesteca) to "Come Help Celebrate Leticia's Election to the Water Board."

According to several sources, the two and half hour event was well attended by several of Vasquez' El Camino political science class students, with one seated at the door checking in guests and collecting donations.

Students in attendance confirmed that their appearance was mandatory for Ms. Vasquez' class credit.

Those same sources told LCCN that all other people at the event were there "to pay for her water board campaign," contradicting the claim that it was a college fundraiser party.

The complaints to the District Attorney come on the heels of two articles exposing former felon Ricardo "Rick" Mayer, and political consultant Angel Gonzalez as key figures responsible for getting Vasquez and Roybal elected.

Mayer and Gonzalez donated huge sums of money to Vasquez and Roybal.

An examination by LCCN of the Cali-

fornia Form 460 Form F, which documents Accrued Expenses and Unpaid Bills, show that both Vasquez and Roybal now owe the two convicted figures more than \$40,000.

Vasquez told state officials that she still owes Gonzalez at least \$18,399 for campaign signs and mailing costs, more than eight months after being elected last June.

Roybal owes \$22,878 to Mayer in expenses.

Los Cerritos Community Newspaper was told by several sources that both Mayer and Gonzalez could be rewarded for their connections with Vasquez and Roybal by being granted consulting contracts that could bring in hundreds of thousands, if not millions of dollars.

Since taking office on January 7th, 2013, Roybal and Vasquez quickly joined ranks with long-time Director Bob Apodaca and created a new "voting bloc majority" at Central Basin.

Within one week of being sworn into office, the three fired Chief Operating Officer Chuck Fuentes, along with Assistant to General Manager Ron Beilke and Attorney Arnold Alvarez-Glasman. They also ordered all contracts to be reviewed.

They also changed the Administrative Code and removed President Art Chacon from overseeing the Board just barely one week after he was seated for the position.

Roybal is now serving as president of the five-member board.

They also immediately removed CBMWD Director and Cerritos resident Phil Hawkins from his long held seat on the board of the Metropolitan Water District. Hawkins served as chair of the important Real Estate and Asset Management Special Committee, angering LA County Supervisor Don Knabe.

"I'm very upset to see Phil removed from his MWD seat. Phil has been a tireless advocate for the Southeast area on water issues and his tenure means a great deal on such a large Board as the MWD. His experience as Chair of the Real Estate and Asset Management Committee will be missed," Knabe said.

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"She was groomed by convicted felon and ex-Lynwood Mayor Paul Richards, she knows how to play dirty, and doesn't care about rules. Leticia does what she wants," the South Gate councilman said.

**Exclusive:****Directors Roybal and Vasquez Major Campaign Donor Rick Mayer Threatened Director Chacon's Life****Feb. 28, 2013**

By Brian Hews

A Los Cerritos Community News investigation has revealed that Art Chacon, a Director at the Central Basin Municipal Water District in Commerce, had his life threatened by former convicted felon Rick Mayer just 24 hours prior to a controversial meeting that resulted in the firing of three top executives at the District in January of this year.

In an interview with LCCN on Wednesday from his Commerce home, Chacon said that Mayer, who is the owner of Golden State Consultants and R & M Associates, and who funded Leticia Vasquez' and James Roybal's campaigns, came to his home in January.

Mayer handed Chacon a type written document instructing him to vote for the firing of then Acting COO Chuck Fuentes, Attorney Arnold Alvarez Glasman, and Assistant Ronald Belike.

"Rick Mayer came to my home and handed me a piece of paper and instructed me to vote in favor of several items that were appearing on the agenda," Chacon said.

"After he handed me the document, Mayer told me 'if I don't vote this way... remember what happened to that guy in South Gate, and then he looked me in the eye and turned around and walked back to his car,'" Chacon said.

Chacon said, "Mayer could have possibly been reminding me of what happened to former South Gate Mayor Henry Gonzalez who was shot in the head after he left a city council meeting."

The document contained certain agenda items calling to "review, amend or terminate the COO's position (Chuck Fuentes), the Assistant to the General Manager (Ron Bielke) and the Public Affairs Manager."

The document also called to "terminate all existing and current contracts to include service providers, consultants and other contracts deemed necessary by board. All contracts then terminated will be reviewed immediately by committee appointed by board president for recommendation for restatement."

Chacon said that he decided to talk about the situation after LCCN called him about the investigation and plans to file a report with the Los Angeles County Sheriff's Department as early as Thursday morning.

"I got really concerned about my safety, and frankly, I am still scared about what Mayer said to me," Chacon said.

LCCN called Mayer at Golden State Consultants on Wednesday afternoon to response and as of press time on Thursday he had not responded.

Director James Roybal said that he "had no knowledge" of what "may or may not" have taken place between Chacon

and Mayer.

"This is the first time that I have heard about this situation," Roybal told LCCN on Thursday.

Mayer along with political consultant Angel Gonzalez donated huge sums of money and were the two key figures responsible for getting Vasquez and Roybal elected. According to documents filed with the California Secretary of State's Office both Vasquez and Roybal owe the two convicted figures more than \$40,000 combined.

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Los Angeles County Supervisor Don Knabe was angered about the recent decision to remove Hawkins from his key slot.

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"When reached by phone, Hawkins was equally as angry, "They removed me for no reason. It's all about egos. We were doing a good job there; we were actually making money. Roybal was going to take my seat, but his school commitments prevented that, so now Leticia will be taking the seat, and she has zero experience."

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## Series Result:

# District Attorney Opens Inquiry Into Central Basin Water Director Vasquez

**LCCN expose on campaign donations culminates in investigation.**

**Mar. 13, 2013**  
By Brian Hews



A Los Cerritos Community News investigation has culminated in an official inquiry by the Los Angeles County District Attorney's Bureau of Fraud and Corruption Prosecutions/Public Integrity Division pertaining to controversial Central Basin Water District Director Leticia Vasquez.

The case against Vasquez was opened on February 27. The focus of the investigation centers on Vasquez "failure to report donations" to the California Secretary of State on a Form 460 as reported in LCCN three weeks ago.

In the letter, obtained by LCCN, Dis-

trict Attorney Jackie Lacey and Head Deputy District Attorney Anne Ingalls confirmed that a "complaint has been assigned" and a case was opened for "preliminary review."

During the past several weeks, LCCN has published a number of investigative articles that has called into question how Vasquez conducted her successful 2012 campaign and her association with past convicted individuals who according to sources make up her political inner-circle.

Those people in the inner circle include Rick Mayer, a convicted felon, along with political consultant Angel Gonzalez. The two donated huge sums of money and were the two key figures responsible for getting Vasquez and Roybal elected. According to documents filed with the California Secretary of State's Office both Vasquez and Roybal owe the two more than \$40,000 combined.

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The three also immediately removed CBMWD Director and Cerritos resident Phil Hawkins from his long held seat on the board of the Metropolitan Water District. Hawkins served as chair of the important Real Estate and Asset Management Special Committee.

"I am very much going to cooperate with District Attorney on this matter," Vasquez told LCCN in an interview on Thursday.

Vasquez said she was "not aware" that a complaint was filed against her.

"I know that I am accountable to the newspapers, I am accountable to the people, I recognize that, and that's what I am trying do here at Central Basin," Vasquez said in an interview.

"I am trying to do my job as a public servant," Vasquez said.

## Exclusive:

### Director Vasquez' 'Pay to Play Culture' Trickling Out At Central Basin

**Director Vasquez wastes no time in approving contracts for political friend and fiancé's law firm.**

**Apr. 4, 2013**  
By Brian Hews

(Commerce)-Despite repeated claims at Board meetings of promoting transparency, embattled Central Basin Municipal Water District Board Director Leticia Vasquez is using her newfound -and possibly illegal - majority voting bloc status to benefit longtime personal associates including Maurice Chenier, the law office partner of her fiancé Ronald N. Wilson and another close personal associate Jasmyne Cannick.

Chenier was hired as a special attorney and Jasmyne Cannick as a media consultant by the CBMWD recently, raising ire from two elected directors of the agency.

CBMWD Director Art Chacon suspects that the two were awarded the lucrative work because of their close ties to Vasquez, telling Los Cerritos Community Newspaper in a series of interviews this past week, "The District apparently has added yet another lawyer and for some unknown reason some sort of media relations specialist, whatever that means."

CBMWD Director Phil Hawkins was even more outspoken telling LCCN, "The very first board meeting, after she was elected, I said her whole plan was basically to hire all her (Vasquez) campaign team, friends, and relatives and put them on staff so they would be ready for her

next campaign, and it is all coming true now."

Hawkins went on to say that, "for no reason they fired our attorney, COO, and assistant manager, now its time to fill those positions with her cronies." Hawkins represents Cerritos on the five member board and is a former member of the California State Assembly.

Chacon contends that Chenier and Cannick have no prior experience working for the District and were hired "without process" by Interim Chief Operating Officer Dave Hill at the sole request of Vasquez.

Chenier has apparently been hired to investigate possible Brown Act violations related to election of officers, LCCN has determined. Chenier has been charged to "investigate facts relating to agenda posting procedures for January 24, 2013 special meeting to analyze and render legal opinions concerning procedures."

Chenier will be paid a minimum of \$300 an hour plus expenses, he lists his office on Flower Street in Los Angeles.

An examination of Vasquez' 2012 California Form 460 disclosure statements lists Ronald N. Wilson as a multiple contributor and his address as 3700 Wilshire Blvd. Suite 655 Los Angeles, CA 90010. Chenier's website and LinkedIn account lists the same address as Wilson's.

"It's obvious this is a sweetheart deal, literally for the benefit of Vasquez fiancé's legal associate," said Chacon. "I don't think anyone is being fooled by the awarding of this contract to another law-

yer who's website says that he works out of the same office as her fiancé, regardless of what they the contract states."

As evidence of the deal, LCCN found numerous connections between Vasquez, Chenier, and Wilson.

An internal document from Central Basin clearly displays Chenier as having RSVP'd for the District's January 7, 2012 swearing-in as an invited guest of Director Vasquez, Wilson was also in attendance.

An internet search also produced numerous links in which Chenier and Vasquez' fiancé Wilson are described as "co-counsels." A lawsuit filed against the City of Lynwood's Redevelopment Agency show the Law Offices of Ronald N. Wilson & Associates with Ronald N. Wilson and Maurice L. Chenier are described as defendant and respondent for the City.

Vasquez served on the City Council in Lynwood at that time and was subsequently recalled along with her colleagues who were later convicted on political corruption charges.

Cannick was hired under similar circumstances. At last Monday's Board meeting, staff offered a presentation of "specialized media relations services" to be provided by Cannick. Vasquez did not disclose her prior relationship with Cannick during the presentation.

LCCN has obtained a video from the January 7th swearing-in event where Cannick refers to Vasquez as her "good friend."

LCCN also found a Wave Newspaper article dated March 14, 2012 featuring

Cannick that refers to her working for various elected officials including Rep. Laura Richardson and former Lynwood Mayor Leticia Vasquez.

LCCN's investigation into Cannick's hiring has also revealed questionable hiring practices within the District.

The District entered into the contract with Cannick on February 1, 2013, but did not obtain signatures until the 15th. In addition almost two months passed before the contract was brought to the Board for review. Interim Chief Operating Officer Dave Hill's contract was entered into Feb. 1, 2013 and not signed until the 21st.

According to Chacon, Chenier and Cannick's contract were authorized only under the Interim Chief Operating Officer Dave Hill's spending approval, not the Boards.

"Roybal, Apodaca and Vasquez are playing ignorant like they knew nothing about these contracts. They want the public to believe Hill just stumbled upon these Vasquez buddies by chance so it would seem", stated Chacon.

One source who declined to be identified said "I have no doubt that Leticia is leveraging her majority team of Jim Roybal and Bob Apodaca to secure contracts for her supporters and friends, that's how these type of people operate. I think South Gate Councilman Henry Gonzalez said it best when he stated that Vasquez was 'as dirty as they come'."

## Exclusive:

### Calderon's Cashed in on Relationships at Water Agency

**Jun. 5, 2013**  
By Brian Hews

Records obtained by Los Cerritos Community Newspaper from Central Basin Municipal Water District via a public records request show that Tom Calderon, brother of California State Senator Ronald Calderon, and their company The Calderon Group, was paid in excess of \$11,000 per month, over \$438,000, in "Government Consulting" fees between 2009 and 2013.

During that time, Tom Calderon was

also serving as a Board of Director for a for-profit company called Water2Save based out of Solano Beach.

"Tom Calderon brings a quarter of a century experience in California on Governmental Affairs and Legislation on Water Issues. He founded the Calderon Group specializing in public affairs and political strategies. He has a broad spectrum of business relationships in both real estate development and water utilities. He was elected to the California State Assembly in 1998, where he became one of the leaders of the Moderate Democratic Caucus.

He served as the Chair of Select Committee on Ground Water Contamination," Calderon's bio stresses.

According to their website, Water2Save is a "privately held water and energy conservation company. The company is a "new age" water utility revolutionizing the way water is managed and conserved for commercial and common area residential landscapes."

Records show that in June 2009, Water2Save was granted a "Managed Landscape Program" contract by CBMWD, amounting to over \$223,000 from 2009-

Jan 2012.

On Tuesday, the owner of a company similar to Water2Save based in Oceanside, and who lost the bid against Water2Save, was interviewed by the FBI. No further details about the interview are available

On Tuesday, officials from the United States Attorney's Office and the Federal Bureau of Investigation conducted a raid on Senator Ron Calderon's office in the State Capitol.

Boxes of potential evidence were taken from Calderon's office by armed investigators.

## Exclusive:

# Political Contributor Banked Millions From Central Basin Municipal Water District Contracts

**Contract extended seven times by CBMWD executives, sidestepping the agency's Board of Directors.**

**Jun. 21, 2013**

By Brian Hews

(Commerce)~Central Basin Municipal Water District (CBMWD) documents obtained exclusively by Hews Media Group-Community News show that a contract given to Pasadena based Pacifica Services, owned by politically connected CEO Ernie Camacho, has netted his company more than \$5 million during the past six years, including nearly \$1.2 million since June 2012.

Documents also show that Camacho's contract was extended seven times by CBMWD executives who sidestepped any formal approval by the five-member Board of Directors.

Camacho is considered to be one of the most politically influential figures in East Los Angeles political circles.

The eighth and final amendment to the agreement indicated that Pacifica would determine the "method, details, and means" of performing the services basically allowing Camacho's company to operate without any approval or oversight from the District's Governing Board of Directors.

The approved contract was signed by then General Manager Art Aguilar, who has since retired.

Officials at Central Basin told HMG-CN that they cannot "legally dispute" any work performed or bills submitted since June 25, 2012.

Pacifica was awarded a \$600,000 12-month competitive bid contract in September 2007 to provide technical services during the construction of the Southeast Water Reliability Project to provide recycled water from an area in Pico Rivera to the Montebello Golf Course.

The Montebello Golf Course is owned and operated by the City of Montebello.

One member of the Montebello City Council, who did not want to be named publicly, said they had "never heard of Pacifica Services and had no idea about the agreement between Pacifica and Central Basin."

"This is news to me, I have no idea who Pacifica Services is or what they represent," the elected official said.

The contract was extended seven times, valued at over \$4 million, without further competitive bidding and by all accounts was done outside of the public glare.

One source, who was close to the process, but requested anonymity, told HMG-CN, "by anyone's standards, bidding only one time over nearly six years while pocketing millions and millions of the public's money is off-the-charts in terms of unusual, but that's exactly why CBMWD is at the center of this latest storm."

Another source told HMG-CN that no Board action took place that authorized funding for the modification anywhere near the amount that has been currently billed by Pacifica. "In fact, payments already made of approximately \$600,000 were done without Board approval, which are illegal, and an additional \$200,000 have been remitted."

The source told HMG-CN that personnel, directed by then Interim Chief Operating Officer Chuck Fuentes, and Assistant to the General Manager Ron Bielke, at CBMWD were tasked with evaluating the Pacifica contract.

The process involved reviewing millions of dollars of Pacifica's invoices and interviewing key staff about the validity of the charges, including determining if rates charged were "industry-standard". There were questions as to whether part of the work invoiced was ever started.

"Given the amount of money involved and the fact that no competitive bidding

had taken place since 2007, we had every reason and right to look upon every charge with a microscope" said the source.

The investigation into Pacifica abruptly came to a halt in 2012 when Fuentes, Beilke, and the District's legal counsel Arnold Alvarez-Glasman were fired.

The vote was 3-2, with longtime member Bob Apodaca, who is related by marriage to Pacifica's CEO Ernie Camacho, and the two newly elected members Jim Roybal and Leticia Vasquez voting to terminate.

According to California State Conflict of Interest disclosure filings, Roybal, Vasquez and Apodaca have accepted tens of thousands of dollars in campaign donations from Pacifica Services and another firm MLJ Property Management that is located at the same address as Pacifica in Pasadena.

The source said, "this is where the FBI should be looking next, these three are the new kings of pay to play."

In an interview with HMG-CN, CBMWD Director Art Chacon said that he has been "fighting for years to break the lock Pacifica has on CBMWD's engineering contracts."

Chacon cites a 2012 Board meeting where he questioned the District's management pushing a record setting eighth no-bid extension to Pacifica.

At that same meeting, Chacon also questioned why Apodaca, whose common-law wife Caroline is first cousin to Ernie Camacho, did not excuse himself from voting on Pacifica contracts.

Chacon said that Apodaca "exploded" into a tirade against him, saying at one point that he's been "trouble" since he got elected in 2006.

According to Chacon, it was March 2012 when District staff was "desperately" trying to push a two-year, \$2.2 million final no bid extension to Pacifica. At that time, all previously approved funding for

Pacifica had been exhausted.

"I fought that extension month after month," stated Chacon, "and they kept bringing it back. I saw no reason to give Pacifica two more years."

With all efforts to secure an eighth extension dead, the Board finally sided with Chacon's request that the District put the contract out to bid.

Apodaca was the lone no vote.

According to the source, that's when questionable changes seem to have been made to Pacifica's existing contract. "The way the contract was modified, Pacifica was basically allowed to bill as they saw fit on a monthly basis until such time that the contract went out to bid."

Chacon adds that one excuse after another was given by management, "they seemed to be stalling," he said.

When personnel, directed by Fuentes and Bielke, began investigating the contracts and billings, Fuentes told HMG-CN that he was threatened by Vasquez and Roybal to not terminate any contracts until they were sworn-in in January.

Fuentes and Bielke kept the investigation going and were subsequently fired, with Roybal and Vasquez siding with Apodaca to terminate their employment.

Thereafter, Roybal, Vasquez, and Apodaca pushed to promote the district's Water Resources Manager Dave Hill to the interim General Manager position to replace Fuentes.

According to the source, the 8th extension signed by Aguilar was written by David Hill and, "of course he didn't take the contract out to bid, because he's the one who wrote the questionable modification as well as being the one who approved all their invoices. Hiring Hill was akin to the fox watching the hen house."

The new General Manager Tony Perez subsequently replaced Hill.

## Exclusive:

# Pacifica Services, Camacho Brothers Donated Thousands to Central Basin Director Apodaca

**Jun. 28, 2013**

By Brian Hews



**Bob Apodaca**

Documents obtained exclusively by Hews Media Group-Community News confirm that Pacifica Services, and its CEO Ernest Camacho, along with his well-connected brother Andy Camacho, poured over \$53,000 into the political coffers of current and past elected Directors of the Central Basin Municipal Water District (CBMWD) during the past decade.

During this period, Pacifica Services was granted several multi-million dollar contract extensions by CBMWD officials, contracts that have now caught the attention of Federal investigators who are looking into the activities of the beleaguered agency.

This week, officials at the CBMWD cut ties with Pasadena based Pacifica Services on Monday just three days after HMG-CN revealed that the private company had made in excess of \$5 million during the past six years.

Sources told LCCN that at least four contract employees with Pacifica Services were escorted out of the CBMWD headquarters on Washington Boulevard in Commerce on Monday by a private secu-

rity detail.

The security detail could be seen carrying boxes of the four Pacifica Services employees "personal belongings" to their individual vehicles to a gated enclosed parking lot.

One inside source commented, "watching those do-nothings from Pacifica leave brought tears to our eyes today. Things are really beginning to change here and once again, why is it always as a result of the press, and not those elected officials? Those four from Pacifica made off with over \$5000.00 every day they were in our office. They sat around their desks and did nothing."

The donation documents go back as far as 2002 when the Committee to Elect Bob Apodaca was formed and show that in addition to the over \$53,000 from Pacifica, Apodaca received \$5,500 from TELACU, owned by the influential David Lizarraga, and \$7,500 from Phil Pace, who owns a large amount of property in Montebello.

Pace is the owner of Pace Development located in Montebello, and is the landlord of California State Senator Ronald Calderon's district office. Calderon recently had his offices in the California State Capitol in Sacramento raided by members of the Federal Bureau of Investigation.

The law firm of Sedgwick, Detert, Moran, & Arnold also gave \$4,000 to

Apodaca.

In the time between March 2009 and May 2011, Sedgwick billed CBMWD over \$1.7 million in legal fees pertaining to the PEIR-Groundwater Study, billing over \$610,000 the last two month of their work, which occurred in May and June of 2011.

HNG-CN requested the Sedgwick billings via a public records request. When the documents were received, all explanations of the work that was done was redacted.

HMG-CN has attempted to obtain the billings without redaction but was rebuffed by CBMWD's law firm Olivarez/Madruga.

In an email to HMG-CN, Victor Ponto, lawyer at the firm Olivarez/Madruga, said, "there are instances where attorneys will conduct research, share impressions and convey advice that is privileged during the process of drafting public documents. In those instances, the communications could/would be exempt from production under the attorney-client privilege, the work product doctrine and/or the deliberative process exemption."

Pacifica Services and Ernie Camacho's MLJ Properties also donated \$5,000 each to Leticia Vasquez and James Roybal.

Sources told HMG-CN that Andy Camacho hosted a very lucrative fundraiser

for Vasquez at his El Paseo Inn on Olvera Street. Vaquez did not report that on her 460 Campaign Statements. "She is attempting to hide her Pacifica connection, and the DA should be looking into that," the source told HMG-CN.

In addition, Ron Calderon donated \$1,500 in December of that same year, and Tom Calderon donated \$750.

"The political cash that has poured into the bank accounts of elected Directors CBMWD for the past decade is just plain criminal when you stop and think about it," said one longtime observer of the agency who spoke on condition of anonymity.

"This is 'pay to play' politics at its very worst," the source said.



## Exclusive:

# Central Basin Water District Paid \$22K for Gilbert Cedillo Jr. College Expenses

**Jul. 3, 2013**

By Brian Hews

It pays to have the name Gilbert Cedillo in Los Angeles political inner circles these days.

This past week, Gilbert Cedillo, Sr. was sworn in as a new member of the Los Angeles City Council, a job that will land the former Sacramento legislator around \$200,000 annually in salary and retirement benefits.

For Gilbert Cedillo, Jr., the 20-something year old off spring of the political figure, it is paying dividends as well.

Records obtained by Hews Media Group – Community News show that taxpayers have paid more than \$22,000 so Cedillo can complete his college education at the Christian based Azusa Pacifica University in the East San Gabriel Valley area.

Cedillo Jr. was taking 39 units during four terms at Azusa Pacific during the 2012- 13 years to obtain a Bachelor of Science in Organizational Leadership/

Applied Management.

During that time, Cedillo also worked as the Business Development Manager for Central Basin Water District in Commerce and earned more than \$110,000 annually.

According to General Manager Tony Perez, Cedillo Jr. has not been to work for several months but has still been collecting his salary.

Copies of checks written to Azusa Pacific University on behalf of Cedillo, Jr., show that former CBMWD General Manager Art Aguilar authorized and approved the payments.

Sources told HMG-CN that Aguilar, with Cedillo, Sr. and Calderon's approval, was attempting to groom Cedillo Jr. to be the next CBMWD General Manager.

Cedillo Jr., wrote on his initial application form that he wanted "to continue my education and learn the most effective

methods at becoming a great leader and manager."

"I will also be fulfilling the terms and conditions of my employment by enrolling in this program per GM Art Aguilar's

requirement. The start date is July 24, 2012," Cedillo Jr. stated in the Professional Development Authorization application.

Cedillo said that his anticipated graduation date is in October 2013.

The Documents also indicate that Dina Hidalgo, a Human Resources Manager with CBMWD assisted Cedillo Jr., with his application process back in August of 2012.

Hidalgo states in a memo dated August 13, 2013 that it is part of the "conditions of employment for Gil Cedillo, Jr., at the time he was hired for Business



Development Manager position on April 18, 2011...he would pursue and complete a Bachelor's degree in a related area of study to fulfill the requirements of the position."

Aguilar is also a long time personal friend of the Cedillo's and the Calderon's dating back several decades. Aguilar left in 2012 and since then, investigators with the Federal Bureau of Investigation have been zeroing on the embattled agency.

Perez would not get into the specifics about the current employment status of Cedillo, Jr., during a phone interview last week "I have no comment about Mr. Cedillo, Jr., other than I am currently reviewing his employment situation at this time."

HMG-CN has learned from several sources that FBI investigators are currently interviewing several key officials at the Commerce based agency.

Last month, FBI officials raided the Sacramento offices of California State Senator Ronald Calderon of Montebello and hauled away boxes of potential evidence in the growing probe.

## Series Result:

### Gilbert Cedillo Jr. Relieved of Duties at Central Basin Water District

**Firing comes days after HMG-CN revelation of CBMWD paying his college tuition.**

**Jul 18, 2013**

By Brian Hews



The Central Basin Municipal Water District has cut its ties with Gilbert Cedillo, Jr., who oversaw Business Development for the embroiled public agency just days after Hews Media Group – Community News published details of how taxpayers picked up \$22,000 in tuition costs for him to attend an elite private university here in Southern California.

CBMWD spokesman Joseph Legaspi confirmed that Cedillo, Jr. was officially relieved of his job in which he earned \$112,970 annually. That does not include

medical and retirement benefits.

Cedillo, Jr. is the son of Los Angeles City Councilman Gilbert Cedillo, Sr. His father is considered by many to be one of the most powerful and influential political figures in East Los Angeles.

Legaspi confirmed in interviews that Cedillo Jr. will "no longer be associated with Central Basin Municipal Water District as of July 31st 2013."

HMG-CN has also confirmed that Cedillo, Jr. was offered and accepted a severance package "per the district administration policy" that will allow him an additional six weeks of salary and benefits. The severance is worth over \$13,000.

On July 5th, HMG-CN published records showing that taxpayers have paid more than \$22,000 so Cedillo Jr. could complete his college education at the Christian based Azusa Pacifica University in the East San Gabriel Valley area.

It was documented that Cedillo Jr. was

taking 39 units during four terms at Azusa Pacific during the 2012- 13 years to obtain a Bachelor of Science in Organizational Leadership/

Professional Development Authorization application.

Cedillo said that his anticipated graduation date is in October 2013.

A public records request by HMG-CN pertaining to Cedillo's grades and if he graduated was refused by CBMWD attorneys citing Government Code Section 6255 which states, "the public interests served by non-disclosure clearly outweighs the public interest served by disclosure of the records."

The firm also cited privacy laws in revealing the grades.

Legaspi also confirmed that Cedillo Jr. will not be "responsible" for paying back the public tuition doled out by taxpayers.

"Mr. Cedillo, Jr., does not have to pay Central Basin Water Municipal District back the tuition, per our Professional Development Assistance Program."

A replacement for Cedillo has not been made public.

## Exclusive:

### Consulting Firm With Calderon Ties Banked Thousands in Central Basin Contracts

**Gil Cedillo Jr., son of LA Councilman Gil Cedillo, managed the contract process.**

**Jul. 31, 2013**

By Brian Hews

Documents obtained by Hews Media Group – Community News confirm a Los Angeles based consulting firm, who acknowledged to HMG-CN a long personal relationship with the Calderon family, landed a lucrative public contract in November 2011 to help redraw political voting lines for the Central Basin Municipal Water District, despite the fact that they were the least qualified and the highest bidder.

Gil Cedillo Jr., hired in April 2011, oversaw the process despite having no experience in the field of redistricting. Cedillo Jr. was a former Field Director for Senator Ron Calderon.

In the proposal, CBMWD "sought an expert consultant in the field of redistricting to assist in the process of analyzing the 2010 United States Census Bureau data and provide recommended changes to the District boundaries."

CBMWD accepted three bids for final approval. One from Golden State Consultants, owned by the late US Congressman and former California Lt. Governor Mervyn Dymally, another from Redistricting Partners, co-owned by Matt Rexroad, who at the time was a Yolo County Supervisor, and a third from a little known firm called DeAztlan Consulting, run by Tizoc DeAztlan.

Dymally and Rexroad each boasted several large redistricting projects while DeAztlan had only five small projects.

In an interview with HMG-CN, Rexroad said, "once we saw Dymally at the bid presentation, we knew right then we did not have a good chance, Dymally would probably win the bid."

Rexroad said his and Dymally's presentation went well, each bidding \$35,000 for their services.

DeAztlan's presentation, according to one source, "had a couple misspellings and also referred to census tracts as census tracks." The bid for their services was \$40,000.

There was no way that any reasonable person who was in the room would have voted for DeAztlan," said Rexroad. "We (Dymally and Rexroad) never heard of DeAztlan before this presentation and have not heard from him since."

DeAztlan Consulting was awarded the contract. After the presentation, one source told HMG-CN that they heard an angry Dymally say that, "the Calderons, using Gil Cedillo Jr., fixed the bid process and that's why DeAztlan won the contract."

Additional documents show that this was not the end of the gravy train for the DeAztlan Consulting family.

Toni DeAztlan, Tizoc's daughter and an

attorney in Los Angeles, signed an agreement, with Cedillo Jr., who was listed as Project Manager, for "Election Selection Services" on November 2, 2011 for "no more than" \$25,000.

Ms. DeAztlan was paid the entire \$25,000 in Dec. 2011. The contract called for "studying the cost/benefit of moving the Nov. 6, 2011 election for Districts 1, 4, and 5 to June 5, 2011." DeAztlan recommended the move to June 5, which was implemented.

That move benefited the now embattled CBMWD President James Roybal and Director Leticia Vasquez, who won their respective elections.

But the money to DeAztlan did not stop there. An examination of CBMWD's check register revealed Ms. DeAztlan received \$8,300 in May and June of 2012 for "Consulting" and another check for \$8,400 in October for "Consulting-Election."

## Exclusive:

# Business Owned by Central Basin Director Apodaca's Wife Paid Over \$10,000 by Agency

**Aug. 8, 2013**

By Brian Hews

(Commerce) In documents obtained via a public records request, Hews Media Group-Community News found files detailing over \$10,000 in District payments to Director Bob Apodaca's widely acknowledged common-law wife and Whittier City Commissioner Caroline Medrano, as well as to another Whittier area firm that District sources claim Medrano utilized to conceal a bulk of her fees.

The charges totalling \$10,276 were for "floral arrangements" provided for special events at the embattled water agency as well as for employees and friends of District.

The documents compound concerns that may result in further legal challenges for longtime Director Apodaca.

Apodaca has recently come under fire for his ties to controversial Central Basin contractor, Pacifica Services, Inc, as well as being the subject of a \$1 million sexual harassment claim filed by another vendor for the District.

Apodaca represents the cities of La Habra Heights, La Mirada, Norwalk, Santa Fe Springs, Whittier and South Whittier.

An audit of invoices and statements received by HMG-CN indicate that between 2003 and 2004, invoices for floral arrangements were submitted by, and paid directly to Apodaca's "wife" Caroline Medrano.

In 2006 until 2008, Medrano again submitted invoices for the same services; however, payments were issued to B. Marshall & Co.

The address on those invoices listed a Whittier home located at 8633 Ocean View Ave. Medrano and Apodaca have

resided since 1998 about a mile away on Sargent Ave. in Whittier. HMG-CN investigation into B. Marshall & Co. has proved elusive.

Beginning again in 2010 until as recently as this past April 4th, invoices submitted to the District have again reappeared in the name of Medrano.

HMG-CN also noted that all invoices appearing in Medrano's name appeared to have her remitting address redacted. Sources at Central Basin claim that was done at the request of Director Bob Apodaca presumably to avoid providing conclusive proof that he and Medrano reside together.

The files document several large invoices for floral arrangements ordered specifically for events where Apodaca was featured proximately including his 2008 Local Agency Formation Commission (LAFCO) which Apodaca ran for as a candidate representing Special Districts in 2007, a 2007 \$1,500 invoice to celebrate Apodaca's 2006 Central Basin reelection that revealed 52 separate centerpieces and vase arrangements.

By comparison, former Director Rudy Montalvo also celebrated his board appointment installation in 2007 that featured only 7 arrangements at a cost of only \$189.44.

Other charges included \$2,911.93 for two Central Basin BBQ's held in 2006 and 2007 while Apodaca was President as well as a floral arrangement given to former Central Basin employee Gil Cedillo Jr. in celebration of "National Administrative Assistant Day" in 2010.

HMG-CN was the first to report Cedillo Jr.'s annual salary of \$112,970 as well as being paid \$22,000 up front to attain a job-required college education. Cedillo

Jr. was eventually terminated last week by the District with six additional weeks of severance.

The most recent charge that appears was dated April 4, 2013 for a "funeral service floral arrangement" sent to Ernie Camacho in Pasadena. Camacho is President and CEO of Pacifica Services, Central Basin's longtime engineering management service provider that was sued by the District in Superior Court last month for fraud, breach of contract and deceit.

Camacho and Pacifica have long been at the center of controversy at the District for having received 8 consecutive contract amendments and extensions that were not subject to a required open bidding process. It is also acknowledged that Caroline Medrano is the cousin of Ernie Camacho and that Bob Apodaca has repeatedly been questioned about his practice of not recusing himself from voting in support of Central Basin contracts reportedly to be in excess of \$5 million since 2007.

The invoice for the floral arrangement sent to Camacho in April indicates it was requested by Board President James Roybal. Roybal also voted not to sue Pacifica and was the recipient of \$5,000 in campaign donations from Ernie Camacho.

Bob Apodaca's campaign records indicate that he has received in excess of \$50,000 in campaign support from Camacho's companies and family over the past decade.

Apodaca has been the longest serving and most controversial figure on Central Basin's Board. First elected in 1998, Apodaca worked on the staff of former Assemblyman and longtime Central Basin consultant Tom Calderon. Calderon, along with his younger brother and Senator Ron, are currently subjects of an intense federal

corruption investigation.

Apodaca has also received attention for being the focus of numerous sexual harassment complaints, one reportedly involving Caroline Medrano's daughter, Kara Medrano. Ms. Medrano was employed at the water agency for almost three years from 2006 until 2009 as the District's Legislative Analyst.

According to former Director Montalvo, he acknowledged being aware of an incident involving Apodaca and Medrano where Director Art Chacon and former Director and Board President Ed Vasquez witnessed Apodaca "groping" Medrano in his shared District office.

According to current Director and former State Assemblyman Phil Hawkins, the (sexual harassment) situation swirling around Apodaca is "a cancer that we have to cut out of our system before it kills us."

This was not the first time Apodaca's spending habits have drawn negative attention to the agency.

It was reported in 2008 that Apodaca was paid nearly \$100,000 over two years for meetings, travel and communication allowances. Half of those costs came from attendance at District and Metropolitan Water Board meetings. Then other half he received for mileage, transportation, registration fees, housing, meals and a monthly communications allowance.

At the time, General Manager Art Aguirar stated in response to Apodaca's excessive costs to the District "I don't think it's outrageous, you need to compensate these people for the efforts they are putting in."

## Series Result:

### Central Basin Water Ethics Committee to Investigate Board President James Roybal

**Aug. 14, 2013**

By Brian Hews

(Commerce) Hews Media Group-Community News has received a copy of a response letter written by Los Angeles County District Attorney Jackie Lacey that confirmed that Central Basin Municipal Water District Board President James Roybal leaked a confidential internal document to the Whittier Daily News pertaining to a closed session discussion about former Interim Chief Operating Officer Chuck Fuentes.

The letter was in response to a complaint sent to the DA that alleged improper disclosure of confidential information approved in a closed session, which is a violation of Government Code Section 54956.9.

The letter stated, "based upon a June 3 (2013) memorandum from (CBMWD GM) Tony Perez, it would appear the details of the agreement disclosed to the

WDN were subject to confidentiality clause and were not to be released."

Fuentes was fired from the agency in December by a new voting Board majority that consists of Director Leticia Vasquez, Director Robert Apodaca and Roybal.

In the letter, the District Attorney declined to take action on the disclosure, referring the matter back to the embroiled agency that has been a focal point of a massive investigation by members of the Federal Bureau of Investigation for the past several months.

The District Attorney cited the California Government Code 54963 that states "violations can result in disciplinary action against the employee who willfully disclosed confidential information and/or referral of the member to the grand jury."

HMG-CN has learned that, based on the response letter from the District Attorney, the CBMWD Ethics Committee will convene a meeting this Friday Aug 16 at 10 a.m. to investigate the allegations

against Roybal.

The Ethics Committee is composed of two District Directors, Phil Hawkins of Cerritos and Art Chacon of Commerce along with General Manager Tony Perez, as well as the agencies Human Resource Manager, Board Secretary, District General Counsel, and other district employees.

If Roybal is determined to have violated any part of the state statutes by the group, the matter could be referred to the California Fair Political Practices Commission, the California Attorney General, or back to the District Attorney's office for further action.

"It is very clear that Roybal violated the code," said one source inside the CBMWD that declined to be identified.

"I cannot see the Ethics Committee not concluding that Roybal violated the code, and that proper action should be taken against him," the source said.

If the committee does find Roybal in violation, he can appeal the decision with-

in five business days, according to state code.

Sources also tell HMG-CN that the Ethics Committee "will in all likelihood submit its findings involving Roybal, along with any dissent, to the Board of Directors for action that could take place as early as next week."

"At this point I am outraged that an elected Director of the Central Basin Municipal Water District has blatantly broken the law," Hawkins said in an interview with HNG-CN on Wednesday afternoon.

Hawkins said he will ask the Central Basin's attorney for "a list of options on what action we can take against Director Roybal."

"Roybal is an elected official. He is putting the district in jeopardy. We need to take action in this situation as soon as possible," said Hawkins.

"Once we have the investigation, we will determine if he should resign," said Hawkins.



**Exclusive:****Employee, Central Basin Water Cut Deal in Harassment Allegation Against Apodaca****Aug. 30, 2013**

By Brian Hews

Hews Media Group-Community News has obtained a 2010 Separation Agreement and General Release (SAGR) document via a public records request between a former employee and the Central Basin Municipal Water District that outlines payments to the employee for, according to sources, not filing sexual harassment charges against embattled CBMWD Board Director Robert "Bob" Apodaca.

HMG-CN exclusively reported on a separate harassment claim against Apodaca brought by Sigrid H. Lopez and filed on July 3 of this year.

The SAGR dictates a payment of \$1,700 in vacation and sick leave, standard payout when an employee leaves an organization.

It also paid \$1,500 for one month of

medical premiums and \$4,300 for the amount the CBMWD would have paid to CalPERS for one year.

But on the last line of the payment agreement, a 37-day salary-the "Severance Pay"-amounting to over \$18,000 is listed. Total payout was \$25,500.

"A SAGR is typically a "gotcha" that specifies the terms of your termination, to your employer's advantage," says Jeff Ward a labor lawyer in Norwalk.

"The agreement is a contract in which you relinquish your legal rights, while the severance is effectively a bribe to influence you to sign it," Ward said.

The document states, "if you do not enter into this agreement you will not be entitled to Severance Pay described above."

The second page defines the "Terms of the Agreement" and states, "this agreement shall not be in anyway construed

as an admission by the district that it has acted wrongfully with respect to you."

It goes on to say that, "in exchange for the promises contained in this agreement the district will pay you the Severance Payment. You acknowledge that you would not be entitled to the Severance Payment but for the execution of this agreement."

"It is exactly what I said," Ward commented after reviewing the document, "the person would not have received the severance unless they signed the document which released the District from all claims."

One clause in the SAGR states that the employee will "irrevocably release, acquit, and forever discharge the District and its employees against any claims."

The clause specifically mentions "claims including but not limited to discrimination and harassment, based on

race, religion...sex."

The agreement goes on to say, "you shall not bring any administrative or legal action and the employee waives and releases any rights they might have to recover in any lawsuit or proceeding brought by them."

It also states that the employee will not disclose the agreement to anyone.

"The employee agreed that the consideration set forth in the SAGR, which is in addition to anything of value to which they might otherwise be entitled, constituted a complete and final settlement of any and all causes of actions or claims they had," said Ward. "The employee has no recourse."

Several calls into Apodaca for comment went unanswered.

**Exclusive:****Gil Cedillo Jr. Spent \$15K on Lavish Meals While at Central Basin Municipal Water District****Sept. 4, 2013**

By Brian Hews

The Palms, Steven's Steakhouse, The Dal Rae, The Vintage.

They are some of the most elegant, exclusive, and expensive dining rooms in Los Angeles.

A steak can cost as much as \$65, and that doesn't account for additional 'toppers' of bleu cheese crumbles, mushrooms and grilled onions at \$6 dollars a spoonful.

But for Gilbert Cedillo Jr., a former executive with the Central Basin Municipal Water District, dining and enjoying expensive steaks and 'toppers' at these restaurants was almost an everyday occurrence.

Receipts obtained via a public records request by Hews Media Group-Community News document how Cedillo Jr. spent more than \$15,000 over a 23-month period to wine and dine private consultants; consultants who landed hundreds of thousands of dollars in contracts, some overseen by Cedillo, Jr. himself.

CBMWD is currently involved in two criminal probes by the Federal Bureau of Investigation.

Cedillo Jr. is the son of current Los Angeles City Councilman Gilbert Cedillo. HMG-CN reviewed more than 40 pages from the 31-year old Cedillo's credit card receipts that showed he spent a great deal of time and taxpayer money in swanky

LA eateries.

Cedillo wined and dined Tom Calderon, who at the time, was a Board Member on a San Diego firm called Water2Save. From 2009-2012, Water2Save was paid \$222,000 for 'Landscape Services,' including over \$91,000 after Cedillo was hired.

Calderon was also banking \$11,000 per month as a 'consultant' to CBMWD.

The two went to the Turf Terrace for lunch and spent \$53 on lunch. Cedillo Jr. enjoyed a Seagram's Gin at 2:00 in the afternoon as they dined.

Calderon is a former State Assemblyman who is also laying the ground-work for a possible run for a California State Senate seat that is currently held by his brother Senator Ronald Calderon, a Democrat from Montebello.

Earlier this year, FBI officials, armed with search warrants and guns raided Senator Calderon's Sacramento office and carted off boxes of potential evidence in their investigation.

Along with his expense account, Cedillo Jr. was paid \$112,000 annually even though he did not possess a college degree.

He also received \$22,000 in taxpayer funds to finish his degree at the private Azusa Pacifica University.

And when he drove to the airport or to seminars in Las Vegas or San Diego, he was paid .51 cents per mile, sometimes collecting over \$400 for mileage.

It was also revealed exclusively by

HMG-CN that Cedillo Jr. oversaw the award of millions of dollars of contracts even though he had no experience or knowledge of the contracts contents. Several of those contracts were given to companies where Calderon served as a top executive.

One of the very first trips Cedillo took after getting the job at CBMWD was in December 2011.

Documents show that he, former CBMWD Attorney Doug Wance, and Tom Calderon attended the "Michael Jackson: The Immortal World Tour" at Mandalay Bay in Las Vegas.

Just hours prior to the performance Wance hosted a dinner for Calderon, Cedillo, and other executives from CBMWD at the exclusive "Strip Steak: A Michael Mina Restaurant" that is also housed at Mandalay Bay.

A closer examination of the dining receipts revealed a concerted effort to wine and dine people who had submitted bids for contracts overseen by Cedillo Jr. and CBMWD.

Claudia Cruz the District Director for Senator Ronald Calderon and Cedillo Jr. enjoyed a 'traditional prime rib, with garlic mushrooms' for \$66 at Rosemead's Charley Brown's in January 2012. Cedillo and Cruz also visited the same restaurant in March of 2012 where Cedillo Jr. turned in a receipt for himself claiming a \$55 reimbursement for one 'Charley Prime Rib' lunch special.

Bell Gardens Mayor Pro-Tem Sergio

Infanzon and Cedillo Jr. dined frequently together. The two enjoyed a massive \$193 lunch at The Los Angeles Palm on South Flower Street in late January 2012. They dined on Caesar Salad, Lettuce Wedges, and Prime New York Steaks that cost \$46 and \$50, respectively.

The two longtime friends and political allies also dined at Steven's Steak House in Commerce in March, 2012, where Cedillo Jr. had a \$33 Rib Eye Steak.

Former CBMWD GM Art Aguilar and Cedillo, Jr. also dined frequently, going to Steven's Steak House in Commerce. They dined on salads, prime rib, New York Steaks, mushrooms, and onions that totaled \$125 and \$88.

Cedillo also had a \$145 dinner with Toni DeAztlan to "discuss district matters" at the Vintage Café on Bright Avenue in Uptown Whittier in April, 2012.

Toni DeAztlan was the daughter of Tizoc DeAztlan; Tizoc was awarded a \$40,000 contract under extremely questionable circumstances, as reported in HMG-CN, the award process overseen by Cedillo Jr.

Toni DeAztlan signed her own agreement, again overseen by Cedillo Jr., for "Election Selection Services" in November 2011 for \$25,000.

Tom Calderon and Cedillo frequented the Dal Rae in Pico Rivera and spent \$243 at two different lunches. Both dined on prime steaks and left \$39 in tips to the wait staff.



**Exclusive: News Media Group-Community News**

# SPEAKER JOHN PEREZ IMPLICATED IN CENTRAL BASIN WATER SCHEME

**“ Here's the deal, we need to be proactive, if we are not, if we do not put a plan together that we can all support, the Mutuals (Maywood Water) can be dissolved with a stroke of the pen, it can be done. ”**

*Tom Calderon, July 2010 meeting with Maywood Water District Officials.*

**Oct. 25, 2013**

By Brian Hews

(Maywood, CA) News Media Group

– Community News has obtained an audiotape that details how the Office of California State Assembly Speaker John Perez collaborated with former Assemblyman Tom Calderon and officials with the Central Basin Municipal Water District in an attempt to coerce three Maywood Mutual Water Districts (MMWD) into taking on unwanted projects that if they did not accept, the districts, as Calderon said, would be “dissolved with a stroke of a pen.”

The “stroke of a pen” meaning legislation that would be championed by Speaker Perez and passed in Sacramento to “dissolve the water companies.” The entities would then be taken over by CBMWD.

Even more disturbing, the projects would have landed Calderon, and his allies, as well as the CBMWD a lucrative \$25 million dollar consulting contract to “fix problems” that one MMWC General Manager insisted twice in the audio recording “we don’t have, or we were already working with the WRD to fix.”

Further, HMG-CN has determined that several figures currently under probe by the FBI in a complex political “pay to play scheme” at the CBMWD also played active roles in pushing for the legislation that targeted the tiny MMWD.

HMG-CN has also been told by sources that investigators with the FBI have been given a copy of the audio tape.

It was back on June 7, 2010 when Calderon is heard on the audio recording saying he was “summoned” by Speaker Perez and the Los Angeles Mayor Antonio Villaraigosa to call the meeting that included Enrique Gasca, one of Perez’s top staff lieutenants, CBMWD General Manager Art Aguilar, Sergio Palos, General Manager of MMWD #1, Gustavo Villa, GM of MMWD #2, and Bob Ruhlf, who is the GM in District #3.

Villaraigosa and Perez are cousins and are considered to be close political allies.

Two parties who attended the meeting recorded the conversations. HMG-CN was provided a copy of the recording two weeks ago. HMG-CN was also told by sources that the Los Angeles Times was given a copy of the same audio recording but ‘refused’ to print the contents of the meeting.

At the time, records show that Calderon was being paid \$11,000 per month by CBMWD for ‘public affairs’ earning, as reported by HMG-CN, more than \$750,000 in consulting fees with the besieged agency during a six year period.

Aguilar begins the meeting with an ex-

planation of why they were “summoned” by Perez and Villaraigosa and then says to the MMWD GM’s, “anything can happen if the money is there.”

One of the MMWD GM’s later asked who Calderon was, with Calderon answering, “I was a State Assemblyman, my other brothers were Assemblymen too, so (laughing) we got the politics covered.”

Almost three minutes into the meeting, Enrique Gasca enters the room and is introduced as Speaker Perez’ Director by Calderon.

Calderon goes on to say, “if we can’t make this (the project) happen we are all in a lot of trouble, in terms of things you want from Sacramento and his (Speaker Perez) ability to retaliate or encourage things... I have never seen a Speaker who does not get what he wants.”

He goes on to say, “here’s the deal, we need to be proactive, if we are not, if we do not put a plan together we can all support, the MMWD’s can be dissolved with (Calderon snapping his fingers) a ‘stroke of the pen’, it can be done.”

One of the GM’s angrily says, “and this is your solution to better quality water?”

Calderon answers him, “it (the water quality) doesn’t matter, the (goal of the project) does not matter.”

The bill that Calderon was talking about was Assembly Bill 240, first carried by Perez after he became Speaker nearly three years ago and revived this year almost verbatim by Assemblyman Anthony Rendon. Perez touted the bill as his “first legislative bill after his election.”

The bill was being pushed by Calderon too, and only targeted the MMWD.

Rendon carried the bill through the halls of Sacramento during his first ten months in office and touted the bill as

being able to “address the water quality problems in the 63rd Assembly District.”

The bill, Rendon said in a press statement issued by his office this past week, now requires “mutual water companies like those that deliver water to Maywood’s residents to comply with the Brown Act and the Public Records Act—two icons of public agency law.”

Rendon and Perez have been close personal friends and allies for several years.

High-ranking officials in Sacramento tell HMG-CN that Rendon now has the backing and support

“personal of Perez to be the next Speaker of the California State Assembly. Perez is termed out of office in 2014 and is in the process of running for state wide office.

Perez and Tom Calderon have also been strong allies for more than twenty years back before Calderon was elected to the State Assembly in the 1990’s and when Perez was working for a local labor union and working as a political activist in Los Angeles County.

The recording goes on and details how Calderon tells the group that “the quality of the water is not an issue, but painting a perception that the water is bad is the intent and if the water is presented as being bad, then the money will be there.”

He goes on to say, “if we can do that, then that will make him (Speaker Perez) feel comfortable enough to go ahead and move forward (to disburse the \$25 million). He (Perez) will want to have an independent agency receive the disbursement—Calderon indicates that CBMWD as the agency—and would be the appropriate entity to control the process.”

Calderon also said that the data will have to be “proved-up by CBMWD and our (Calderon’s) engineers to justify getting money.”

Twenty minutes into the meeting one

of the MMWD GM’s asks “what do you want us to do?” Calderon’s response was, “as long as it is agreeable to us (Calderon, Aguilar), I don’t think the Speaker (Perez) is going to care how it is done, as long as it is getting there.”

Aguilar then prompts the GM’s for a “needs list” and tells them that, “it is in the best interests of you and your owners to cooperate with us and Speaker Perez.”

In what was probably indicative of the entire meeting, one GM says to Aguilar, “so you want me to give you a list of things that I need to replace to solve a problem I don’t have.”

Aguilar’s response was a loud laugh followed by “yeah.”

The meeting ended with all parties agreeing to submit the “plans” to Aguilar in one month, in as “non-technical format as possible, I am not dealing with technical people,” said Aguilar.

“With Rendon, Tom (Calderon) followed through on his threats,” one of the Maywood water executives who did not want to be specifically named due to possible retaliation and “safety concerns for his family” told the newspaper in a phone interview during the past month.

Rendon championed the bill this past year and touted its passage as “AB 240 makes \$1 million available from the state to help fund efforts to provide clean water to the residents of Maywood.”

“The residents of Maywood have had to drink, cook and bathe in dirty water for too long. AB 240 gives local residents the ability to monitor the companies that deliver their water and brings \$1 million into the district to make sure our residents get cleaner water,” Rendon stated.

One lawmaker in Sacramento, who did not want to be named publicly, told the newspaper that the bill “flew under the radar.”

“No one really paid much attention to it, since it was narrowly crafted,” the lawmaker continued.

“As far as I was concerned, it was a District bill that was important to Anthony. Now, I wish I would have known more about the background, since the Calderon criminal investigation is on everyone’s mind in Sacramento,” the same elected state legislator quipped.

Just hours before this article was published, Tom Calderon told the Sacramento Bee that he would not be a candidate for his brother Ron Calderon’s state senate seat.

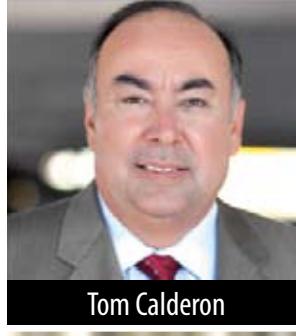
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INVESTIGATION



Speaker John Perez



Tom Calderon



CBMWD GM Art Aguilar



## Exclusive:

# Central Basin President Roybal Pulled From LAUSD Classroom Duties; Attends 'Teacher's Jail'

**Under LAUSD rules, CBMWD special daytime meetings constitute a second job, which could result in felony fraud charges filed against Roybal, as well as immediate termination by the LAUSD.**

**Nov. 14, 2013**

By Brian Hews

A Hews Media Group-Community News undercover investigation has revealed that embattled Central Basin Municipal Water District President James B. Roybal has been removed from his teaching responsibilities and has been placed in Los Angeles Unified School District's infamous "Teacher's Jail."

Sources have given HMG-CN specific details that claim that Roybal is attending the controversial program at LAUSD's Local District Five Offices on Soto Street since approximately March 2013. Roybal was a special education instructor at Wilson High School at 4500 Multnomah Street in El Sereno.

Beginning in the mid 90's, teachers accused of misconduct have been removed from their teaching assignments and held in district offices while administrators and law enforcement agencies investigate allegations. The process typically drags on for months, with teachers collecting their full pay - an average of \$6,000 a month, plus benefits - until they're returned to work or fired.

Under written rules, teachers in jail are to check in at a designated location every day for 2 hours and then go back to their home. They are not to seek a second job, take a day trip, or enjoy outside entertain-

ment, such as, going to the movies, sporting events, shopping, etc.

On Wednesday, HMG-CN took a video camera inside the embroiled water district offices in Commerce and confronted Roybal about the situation while he was attending an Administrative Committee Meeting that started at noon.

Roybal was directly asked if he is enrolled in Teachers Jail and he quickly acknowledged that he goes "to the building" where Teacher's Jail is held, but quickly ended the interview by saying "this conversation is over."

HMG-CN asked him if he thought he was breaking the rules by working when he should have been home and Roybal again said "this conversation is over."

In a January 15, 2013 televised statement made by LAUSD Superintendent John, only teachers accused of "egregious acts" are housed. They are returned to their classrooms only after being cleared by law enforcement.

Deasy went on to characterize actions that would land a teacher in teacher's jail as "molesting a child and acts involving prostitution."

A HMG-CN source inside teacher's jail could only confirm that "allegations had been made" about Roybal but could not be specific regarding the case.

According to information provided by LAUSD, teachers are pulled from their classrooms only after credible allegations of misconduct are made. Figures provided by the District as of September 2013 indicate that 280 teachers are currently being housed costing the struggling school district upwards of \$2.2 million a month in

teacher's salaries while the District also pays for substitutes to actually teach students.

Roybal was elected to the five-member CBMWD Board in 2012, and has only been in office since January of 2013. In his campaign, Roybal boasted on his campaign literature that he has earned two Master's Degrees in Education.

One former LAUSD administrator also confirmed to HMG-CN in an interview that Roybal was indeed enrolled at Teachers Jail.

"How can we have a guy like this elected board member overseeing a water district for God sakes? If you are in Teacher's Jail, you cannot just come and go at your pleasure," the source said in an interview.

Roybal has openly discussed his teaching career with colleagues at the water agency during the past several months, and sources tell HMG-CN that the elected official "moves between schools quite often" and has recently taught at Garfield High School and Griffith Middle School before landing at Wilson High.

HMG's sources at Teachers Jail noted that Roybal was seen wearing a CBMWD logo shirt.

During the course of the HMG-CN investigation, a document was received listing the rules for those held in teacher's jail. The one-page rules document is an inter-office correspondence entitled Procedures/Protocol During Reassignment.

The document lists stringent rules prohibiting all electronic equipment and a direct order to "refrain from speaking to, contacting, emailing, intimidating, or retaliating against students, staff, or parents

at your school."

According to the HMG-CN source, the rules prohibiting contact is strictly enforced and monitored by the District.

Roybal's regular attendance at CBMWD meetings, maximized as a result of his position as Board President, could be a felony and grounds for dismissal according to the rules document obtained by HMG-CN.

The document refers to a teacher's assigned hours and work hours when a teacher may be reprimanded to home assignment.

The policy states that, "you are to remain at home...you are assigned no duties while at home." The policy continues to state..."you are not to seek a second job, take a day trip, or enjoy outside entertainment, such as, going to the movies, sporting events, shopping, etc."

According to CBMWD on-line documents, Roybal attends upwards of seven daytime meetings monthly including committees, caucus, board and frequent special meetings, while earning an LAUSD teacher's salary that averages \$67,000.

Each of these meetings render financial payment to CBMWD Directors with Roybal having received \$28,856.61 since being sworn in January 7, 2013.

Such payments would constitute a second job by LAUSD's definition according to a HMG-CN source familiar with school district policy which could result in felony fraud charges filed against Roybal and as well as immediate termination by the LAUSD.

## OP-ED:

### Central Basin Municipal Water President James Roybal Must Resign

**Dec. 10, 2013**

By HMG-CN Publisher Brian Hews

**Note: Roybal resigned his Presidency on Feb 7, 2014.**

Break the rules go to jail, LAUSD Teacher Jail.

With the latest revelation by HMG-CN that Central Basin Municipal Water President James Roybal has been sentenced to LAUSD 'Teacher Jail,' and then blatantly violated LAUSD policy by attending CBMWD committee meetings, Roybal has once again shown that he is not fit for the office of the president of CBMWD and should resign immediately.

HMG-CN does not take this decision lightly, but given the overwhelming evidence of corruption, cover-up, and blatant disregard for authority Roybal has exhibited, it is an inevitable conclusion.

The reign started when Roybal, along with his ally, Director Leticia Vasquez, took office at the beginning of this year. By the first meeting Roybal, Vasquez and long-time friend Bob Apodaca disregarded Section 8 of the CBMWD Administrative Code and elected Roybal president, stripping Director Art Chacon of the position.

Later, in a blatantly vindictive maneuver, Roybal then removed Chacon and Director Phil Hawkins from all but one committee position, giving a majority to Vasquez, including Hawkins' Metropolitan Water District seat.

It was the start of the "Roybal Three"; the Roybal, Apodaca, and Vasquez Reign of Corruption led by Roybal.

Late 2012, Interim COO Chuck Fuentes and assistant to the General Manager Ron Beilke were getting a little too close for the Roybal Three. Fuentes and Beilke had noticed billing discrepancies and asked Pacifica, owned by the politically-connected Ernie Camacho, to give them detailed billings on their engineering

services to CBMWD. Camacho reportedly took exception to the questioning and let the Roybal Three know about it.

In January of this year we reported the Roybal Three unexpectedly fired Fuentes and Beilke.

**BREAKING: Chuck Fuentes Fired by Central Basin Water District Board During Special Session**

Later, our research revealed that the Roybal Three received over \$50,000 in donations from Pacifica, Pacifica's owner Ernie Camacho, and Camacho's children.

Both Fuentes and Beilke are suing the CBMWD for wrongful termination.

In February, HMG-CN reported that Roybal and Vasquez received a substantial amount of money for their election campaigns from convicted felon Rick Meyer and accused felon who-plead-down-to-a-misdemeanor, Angel Gonzalez.

**Dirty Water: Central Basin Water Board Directors Campaigns Financed by Convicted Felon**

Later that month we reported that Roybal and Vasquez owed Meyer and Gonzales over \$40,000 in campaign debts. As of this month, the debts remain owed.

**DIRTY WATER: Central Basin Directors Vasquez, Roybal Owes Campaign Cash to Convicted Political Figures**

At the end of February, based on all the reports, the LA District Attorney confirmed complaints filed against the Roybal and Vasquez.

**Dirty Water: DA Confirms Complaints Filed Against Central Basin Directors Vasquez and Roybal**

By that time things were getting out of hand, so much so that Rick Meyer went over to Director Art Chacon's house and threatened his life. We exclusively obtained the letter Meyer handed to Chacon and published in print and online.

**Dirty Water: Directors Roybal and Vasquez Major Campaign Donor Rick Meyer Threatened Director Chacon's Life**

In April, we exclusively reported the 'pay to play' culture at CBMWD catching Vasquez-with Roybal's blessings-giving large contracts to a firm that Maurice Cheiner worked for, her boyfriend/lawyer Ron Wilson's long-time law partner, while also hiring her friend Jasmine Cannick and paying her \$9,000.

**Dirty Water: 'Pay to Play Culture' Trickling Out At Central Basin**

In June, after newly hired GM Tony Perez started digging into Pacifica, similar to Fuentes and Beilke, the Roybal three attempted to fire Perez.

**Central Basin Water Directors Form Committee to 'Evaluate' Newly Hired General Manager**

In August, we obtained a letter from the LA District Attorney that confirmed Roybal illegally leaked a confidential internal document to the Whittier Daily News and that the DA was investigating him and WDN reporter Mike Sprague. The leak pertained to a closed session discussion about former Interim COO Chuck Fuentes. The Ethic Committee referred the case to the LA County Civil Grand Jury.

**Central Basin Water Ethics Committee to Investigate Board President James Roybal**

In September, Roybal canceled the Ethics Committee investigation into Director Apodaca's sexual harassment charges, ignoring the legal opinion provided by District Council Rick Olivarez. Roybal was accused of orchestrating an illegal cover-up. The ethics committee meeting was rescheduled.

**Central Basin President Roybal 'Illegally' Cancel Ethics Committee Meeting Centering on Director Apodaca**

Two weeks later Roybal canceled that meeting and in a memo wrote, "effective immediately I am canceling all future ethics committee meetings and installing myself and Apodaca as the new standing members of the committee."

**Central Basin President Roybal Attempts to Cancel Ethics Meeting Hearing Allegations Against Director Apodaca**

A week later, the Roybal Three voted to eliminate the ethics committee altogether, with Vasquez leading the charge. Vasquez recommended giving investigative authority to GM Tony Perez knowing full well that he would never call for an investigation because the Roybal Three would fire him.

**Dirty Water: Roybal, Apodaca and Vasquez Eliminate Central Basin Ethics Committee**

Finally, and what should be the last straw, we exclusively reported that Roybal was sent to LAUSD 'Teacher Jail' in March of this year while attending meetings at CBMWD and collecting over \$25,000 in committee meeting fees-in direct violation of LAUSD policy.

**Central Basin President Roybal Pulled From LAUSD Classroom Duties; Attends Teacher's Jail**

The effects of Roybal's antics will be felt for years at CBMWD. As president, he has directed corruption, coordinated cover-ups, attempted to pay off those who helped him get elected, and blatantly disregarded authority. Just a few weeks ago he voted to give Pacifica Engineering, who is suing CBMWD, and whom CBMWD is counter-suing, over \$400,000 for 'services rendered.'

The power has clearly gone to Roybal's head. As Lord Acton said, "power corrupts, and absolute power corrupts absolutely."

Putting water in front of power is what Roybal does, and for that he must resign.

**EXCLUSIVE:**

# Public Records Request Reveals Central Basin Water President Roybal Attends LAUSD Teacher Jail

**December 18, 2014***Records confirm Roybal is violating procedures and protocol of LAUSD.*

By Brian Hews

Hews Media Group-Community News has obtained documents through a public records request that definitively show embattled Central Basin Municipal Water District President James Roybal has been assigned to LAUSD Teacher Jail, formally known as the Education Service Center-East, since February 20, 2013.

See document click here.

The documents, obtained Dec. 12 and Dec. 17 from the LAUSD Office of General Counsel by the newspaper, stated that, "pursuant to California Government code sections 6254 (f) and (k), your request for these documents is being partially denied. This partial denial is based upon a determination that at this time these records are exempt from disclosure."

The exempt records are presumably

for the alleged violations committed by Roybal.

However the last line of the letter indicates that Roybal was "reassigned on February 20, 2013 to the Education Service Center-East."

HMG-CN obtained an inter-office correspondence letter from the LAUSD that outlines the procedures and protocol during "reassignment." The document's letterhead indicates it originated from the Educational Service Center-East confirming that Roybal is in Teacher Jail.

See document click here.

On Wednesday Nov. 13, HMG-CN took a video camera inside the embroiled water district offices in Commerce and confronted Roybal about the situation while he was attending an Administrative Committee Meeting that started at noon.

Roybal was asked if he is enrolled in Teachers Jail and he quickly acknowledged that he goes "to the building" where Teacher's Jail is held. When pressed further on the subject he quickly ended the

interview by saying "this conversation is over."

HMG-CN confirmed with sources that Roybal has attended at least 50 meetings since February, earning over \$25,000 in committee attendance fees.

HMG-CN asked CBMWD Director Leticia Vazquez, who is a teacher and close friend of Roybal to comment but she refused to do so until she confirmed Roybal was at the teacher jail.

Beginning in the mid 90's, teachers accused of misconduct have been removed from their teaching assignments and held in district offices while administrators and law enforcement agencies investigate allegations.

In a January 15, 2013 televised statement made by LAUSD Superintendent John Deasy, only teachers accused of "egregious acts" are reassigned. They are returned to their classrooms only after being cleared by law enforcement.

The process typically drags on for

months, with teachers collecting their full pay – an average of \$6,000 a month, plus benefits – until they're returned to work or fired.

Under written rules, teachers in jail are to check in at a designated location every day for 2 hours and then go back to their home. They are not to seek a second job, take a day trip, or enjoy outside entertainment, such as, going to the movies, sporting events, shopping, etc.

Failure to follow these rules will lead to disciplinary action such as Notice of Unsatisfactory Act, suspension without pay, and/or dismissal from District services.

HMG-CN has made an inquiry to the LAUSD Office of the Inspector General as to whether any action will be taken given the new evidence of Roybal earning the committee attendance fees.

The OIG asked for the documents but would not comment further.

HMG-CN also attempted to contact Roybal, with no response.

## UTLA Subpoenas HMG-CN Publisher for Roybal Teacher Jail Documents

Staff Report

HMG-CN Publisher Brian Hews received a subpoena from the United Teachers of Los Angles attorneys relating to documents obtained through a public records request on Central Basin Municipal Water Director James Roybal and his "Teacher Jail" status, documents that could dramatically alter a UTLA lawsuit against LAUSD demanding more information on teachers remanded to the now infamous teacher jail facilities.

See subpoena click here

Hews was ordered to appear by UTLA attorney Dana Martinez, partner at Holguin, Garfield, Martinez, and Quinonez, at the Public Employee Relations Board in Glendale this past February 7 to testify

in the matter of UTLA v. LAUSD.

HMG-CN was first to publish that CBMWD Director Roybal was remanded to teacher jail and that Roybal was violating LAUSD policy by going to work at CBMWD immediately after attending teacher jail.

Based on those HMG-CN revelations, the LAUSD Office of Inspector General is now investigating Roybal for violations.

The documents were obtained December 12 and December 17 from the LAUSD Office of General Counsel. The OGC declined to answer two questions but did answer that Roybal "was reassigned on February 20, 2013 to the Education Service Center East."

Teachers continue to earn a paycheck when they are remanded to teacher jail.

They must go to the service center for two hours, then immediately go home.

HMG obtained documents through another public records request that showed Roybal earning in excess of \$45,000 from CBMWD after he was remanded to teacher jail.

UTLA has been fighting LAUSD asking for documents describing what violations teachers who are in teacher jail committed. LAUSD has refused to give those documents to UTLA, so UTLA filed the lawsuit.

When HMG-CN published its story with the letter from LAUSD pertaining to Roybal, the UTLA issued the subpoena on Hews.

Hews said, "it was a very short stay on the witness stand. The UTLA attorney

asked me a few questions and the LAUSD attorney asked me a few questions and that was it. But from the questions they asked, this document that was sent to HMG-CN could alter the lawsuit UTLA has against LAUSD to obtain teacher jail documents."

Hews continued, "I knew when I got the document telling me that Roybal was in teacher jail that somebody had made a mistake. The attorneys for UTLA saw the online story and subpoenaed me to bring the documents. I know the attorneys for UTLA were very happy to see that document."

Roybal continues to blatantly violate LAUSD policy by showing up at CBMWD for board meetings, the most recent one was this past Monday February 26.

## 2014.....Exclusive:

### Central Basin Director Apodaca Votes to Settle His Own Sexual Harassment Claim

**Jan. 8, 2014**

By Brian Hews

Hews Media Group-Community News has obtained an audio recording of Central Basin Municipal Water District's Special Board Meeting on Monday that shows, despite a strong warning of conflict from CBMWD legal counsel, President James Roybal, Directors Leticia Vasquez and Bob Apodaca orchestrating a legal session to settle a sexual harassment and battery claim against Apodaca.

The claim, filed by Sigrid Lopez, seeks \$1 million in damages.

HMG-CN first published the claim filed against Apodaca by Lopez in November 2013 that detailed shocking examples of abuse including Apodaca's claims of "tag teaming" women at District-paid educational conferences.

With CBMWD Directors Phil Hawkins and Art Chacon absent, Roybal, Vasquez, and Apodaca seized the opportunity as a quorum and forged a quiet settlement to Apodaca's latest incident of alleged sexual inappropriateness.

The three voted to refer the case to CBMWD GM Tony Perez for a decision on whether to send to the Association of California Water Agencies Joint Powers Insurance Authority (ACWAJPIA) for outside settlement or keep the case in-house. Keeping the case in-house would cause major problems for Apodaca.

An internal investigation of the case, initiated by CBMWD management, began in May 2013 and sources close to the District claim that over 17 witnesses have provided testimony, including all current Directors, two former Directors, numerous current and former staffers and consultants, as well as the longtime girlfriend of Apodaca. Sources tell HMG-CN that the investigation has cost CBMWD over \$30,000, not including considerable and ongoing attorney fees.

In the recording, Richard Padilla sternly advised Apodaca during open session prior to adjournment to closed session, and during closed session, that he should not participate during legal discussions in the matter of Lopez v. CBMWD/Bob Apodaca. Padilla said legal discussions would constitute conflicts for at least two members. He stated, "it may behoove Director Apodaca to recuse himself."

As he continued, President Roybal silenced Padilla by repeatedly interrupting him during open session, insisting they discuss these issues in closed session, which they did.

In the audio Padilla reported that, "legal counsel and the General Manager provided an update on the claim and the referring of this matter to JPIA. The direction from the Board was unanimous of those present in the closed session proceeding to delegate the claim to the ACWAJPIA. Our legal staff will work with Mr. Perez to verify this

can be done."

HMG-CN contacted Director Art Chacon who had an opportunity to listen to the audio recording and felt that Padilla went "above and beyond" to warn the three about potential conflicts.

Chacon said Padilla went so far as to spell the conflict out by saying "I cannot direct either of you not to be in closed session, however, my admonishing here does not inoculate you from any potential violations you might receive, so I just want to be very clear-you're on your own."

Chacon was outraged that Director Apodaca participated in any discussion or vote pertaining to his own legal case. Chacon was also very concerned that Roybal and Vasquez ignored legal advice and allowed Apodaca to discuss and vote on the claim.

Chacon added that he would have preferred CBMWD to handle the matter from within. He said that if our insurance keeps paying for Apodaca's perversions, then in essence our premiums are akin to paying Apodaca's dues in some "perverts club." "Apodaca knows that the ACWAJPIA will find an amount to settle out of court while making the victim sign a confidentiality agreement ensuring her silence, people's water bills are paying for this guy's fun and games," he said.

HMG contacted Director Hawkins who also felt that Apodaca's participation in the closed session was inappropriate and

illegal. "Those three could have held off meeting to discuss these issues until the full Board was available," he said. "The action they took was to make the handling of a serious matter, the sexual assault of another person, a routine administrative issue to pass off to ACWAJPIA, it's outrageous," added Hawkins.

Scott Collins, a 14-year Norwalk Planning Commissioner who has announced that he intends to challenge Apodaca in the November election, says, "he agrees that CBMWD should keep the lawsuit in house and force Apodaca to face his demons. This is why we need a change of leadership at CBMWD."

When made aware HMG-CN knew of the vote, Director Vasquez first said, "there was no vote on that matter, there was no quorum." Her statement, in direct conflict with the statement on audio by Padilla that said, "the direction from the Board was unanimous of those present in the closed session."

Vasquez was then told HMG-CN possessed the audio tape and she repeated that "there was no quorum on the issue therefore no decision was made, but it would be great to see and hear them for accuracy; please forward them to me."

Three hours after Vasquez was made aware of the story, HMG-CN received an email from CBMWD scheduling, "a special legal matters meeting on the Apodaca case" for next Monday Jan. 13.

## Central Basin Directors Obstruct Lawsuit Against Pacifica Services

**Wednesday January 15, 2014**

By Brian Hews

(Commerce)~In August 2013, Hews Media Group – Community News obtained exclusive documents that detailed an orchestrated collaboration between former Central Basin Municipal Water District GM Art Aguilar, former Interim GM Dave Hill, and Ernie Camacho, CEO of Pacifica Services, that showed large contracts being altered that were never approved by the Directors at CBMWD.

HMG-CN also obtained email exchanges between Hill, Camacho, his son Michael Camacho, and Pacifica Vice President Mike Sission dating back several years that outlined how Pacifica leveraged its political clout using Aguilar as a pawn in the agency outside of the public glare.

Pacifica Services and the CBMWD ended up suing each other in Los Angeles County Superior Court on allegations ranging from contract fraud to negligence.

Shortly after the initial lawsuits were filed, amid mounting evidence of wrongdoing, CBMWD amended its lawsuit against Pacifica and added Aguilar as part of the complaint.

The documents obtained and published by HMG-CN outlined how Camacho and Aguilar interfaced via company emails and weekly golf outings, displaying how the “pay to play” scheme between Aguilar, the agency, and Pacifica Services was conducted.

Now, concerns are being raised by two long-time Central Basin Board Members that three of their Board colleagues, along with Aguilar, are purposely attempting to sink their own District’s case against the politically powerful Pacifica Services.

For the second time in a span of less than three weeks at a Special Board meeting attended only by President James Roybal, Director Robert “Bob” Apodaca, and Director Leticia Vasquez, the three inexplicably fired its legal counsel, Grant Burton, who has been successfully litigating the District’s case against Pacifica.

Director Phil Hawkins, who represents the Cerritos area, stated that the “Roybal Three” have “no logical reason” to fire Burton and his firm Cohen & Burge LLP.

“Grant retired recently after more than 20 years with Metropolitan Water where he served as their in-house litigator. He has shown to be successful in proving CBMWD’s case to the court. Grant is the best of the best and he was winning our case as evidenced by the court rejecting Pacifica’s request to throw the case out

on December 30th. This shows we have a great case against Pacifica, the firing makes no sense at all, unless you look at the contributions,” Hawkins told HMG-CN in a recent interview.

HMG-CN previously reported contributions affiliated with Pacifica Services, and it’s politically influential President Ernie Camacho, to Roybal, Vasquez, and Apodaca.

Campaign reports filed with the Los Angeles County Registrar-Recorder’s Office in Norwalk and the California Secretary of State in Sacramento reveal that a combined \$45,797 has been contributed by known Pacifica sources, which include Ernie Camacho, his brother Andy Camacho, via his restaurant El Paseo Inn, MLJ Properties, owned by Ernie’s children, and Pacifica itself.

Over the years, Apodaca has received \$34,000 including \$10,000 in “forgiven loans”, Vasquez \$6,797 and Roybal \$5,000.

In addition, during Apodaca’s November 2006 reelection, he received \$20,000 in contributions from Pacifica. Apodaca has also acknowledged publicly, amid conflict of interest claims, that his long-time live-in girlfriend Caroline Medrano is a cousin of Ernie and Andy Camacho.

Roybal also reported \$6,617 in unitemized contributions, where he does not identify the source of the funding. Those donations are currently under official investigation by the California Political Practices Commission, who is charged with enforcement on political misdeeds in the Golden State.

Adding to concerns within the water community, both Roybal and Vasquez accepted their substantial donations from Pacifica sources well after their June 5, 2012 election dates.

In an exclusive HMG interview, Hawkins and Director Art Chacon stated that they felt that the time had come for the public to be made aware of what they describe as a possible “growing criminal conspiracy” orchestrated by Roybal, Apodaca, and Vasquez.

“I don’t think it’s a stretch to see that the ongoing actions of Board President Roybal, Vice President Apodaca, and Director Vasquez make it clear that they are working against the best interests of their own agency in favor of their largest financial campaign contributor, Pacifica,” Chacon said.

When asked to comment about the firing of Burton, Director Vazquez told HMG-CN in a written statement, “our general manager has communicated to me he believes Pacifica committed fraud and

Grant Burton has refused to articulate the fraud. He originally filed a lawsuit claiming fraud then changed it; also Burton was recently fined by the court.”

Sources tell HMG-CN that the fraud charges stemmed from Aguilar altering the Pacifica contracts, which would not be included in the Pacifica case.

In response Burton said, “Director Vasquez’s comments are unfortunate and uninformed. The so-called ‘fine’ was in reality a routine mild discovery sanction when we opposed a motion to compel the early deposition of our expert witness. The other side made the motion claiming he was a percipient witness. Although the judge agreed with us that he is an expert, he nonetheless decided to allow the deposition and therefore granted the small sanction, which is routine for discovery motions.”

Burton also told HMG-CN, “as for everything else in Director Vasquez’s comments those were matters both discussed in closed session and/or privileged attorney-client communications and I will not comment.”

Chacon and Hawkins also see an active and well-coordinated “conspiracy” stretching back to Aguilar who retired last October. In December, Aguilar was deposed on behalf of Pacifica and said the lawsuit against Pacifica was Hawkins and Chacon’s fault for allegedly demanding larger campaign donations from Pacifica.

Campaign filings show that Chacon received \$3,000 and Hawkins’ \$1,500 over a combined 20 year time span as Board Members from Pacifica Services and affiliated employees.

According to Chacon, his contributions from Pacifica were not solicited. “They were obviously insignificant compared to the nearly \$46,000 the “Roybal Three” received. Aguilar failed to mention that in his deposition. It seems obvious that the sky was the limit if you were willing to be bought. Pacifica has proven that they’ll pay whatever necessary if you give in to them, so I’m pretty sure they would have given more had I asked.”

“Aguilar’s deposition comparing \$4,500 that Art and I received while failing to mention the \$46,000 Apodaca, Roybal, and Vasquez squeezed from Pacifica was a joke,” stated Hawkins. “He was obviously coached by his attorney.”

The attorney representing Aguilar is Steven J. Elie, who is an elected Board Member on the Inland Empire Utilities Agency, representing Chino and Chino Hills. One of Elie’s Board colleagues is Michael Camacho, son of Ernie Camacho. Both Elie and Michael Camacho are con-

sidered to be staunch political friends and close allies.

HMG-CN called Elie for comment; the phone calls were not returned.

Hawkins also noted that internal investigations at the District have raised serious concerns about Aguilar’s involvement in illegally amending official documents related to Pacifica’s contract.

“That would be a pretty good excuse for Aguilar to attempt to divert attention away from the \$5 Million paid to Pacifica by fabricating lies about Art and I,” Hawkins said.

Central Basin filed its lawsuit against Pacifica on July 25, 2013 seeking reimbursement of \$539,000, stating it mistakenly paid above Board established spending limits.

Pacifica filed their counter lawsuit shortly thereafter demanding payments of nearly \$300,000 they claimed it was owed. Sources say Pacifica has been unable to substantiate those charges with detailed invoices.

According to Director Chacon, Board President Roybal requested mediation in October 2013 that was attended by attorneys, President Roybal and himself. No deal was reached.

Previous HMG-CN investigations confirmed that Pacifica billed over \$5 million to the District bypassing the competitive bidding process.

Their lone contract was won on a competitive bid back in 2007 for a fee not to exceed \$600,000.

According to a former high-level employee at CBMWD who was terminated as a result of the District’s attempt to investigate Pacifica’s questionable billings by telling the newspaper: “Pacifica and its President Ernie Camacho control the “Roybal Three” and until I see those three fight to protect the District’s best interest, I’ll continue to believe that. By taking one look at Roybal and Vasquez’ campaign statements it is plain to see they won their seats on I.O.U.’s, they won with almost no money, and now they have to pay the piper.”

HMG-CN sources have acknowledged Pacifica, along with other companies, are under scrutiny by the FBI looking into past business practices at CBMWD and that one of those investigations surrounds the now well known \$2.7 Million “Slush Fund.”

Pacifica was a principal player in CBMWD’s ill-advised Groundwater Management Plan, spear-headed by Aguilar, and sources claim Pacifica reaped over \$750,000 in fees.

## Exclusive: Central Basin President Roybal and Director Vasquez Cashing in on New Positions

**Monday January 20, 2013**

By Brian Hews



Leticia Vasquez

Hews Media Group-Community News has obtained documents from a public records request that show Central Basin Municipal Water District Director Leticia Vasquez and President James Roybal leveraging their new positions at CBMWD, taking in large monthly checks from the embattled agency for attending Board and Committee meetings.

Both directors were elected in June 2012 and took office early 2013. They quickly banded with Director Bob Apodaca to form an alliance that would soon pay big dividends.



James Roybal

Within one week of taking office, Roybal illegally suspended the CBMWD Administrative Code. Roybal, along with Vasquez and Apodaca, removed Director Art Chacon from the Presidency and installed himself as President.

Roybal then removed Chacon and Director Phil Hawkins from all but one committee, giving most to Vasquez and the pay that comes with each meeting.

According to Payroll Disbursement Records from CBMWD, since Vasquez gained her new committee appointments, she has garnered over \$47,000 in 12 months, taking in as much as \$5,600 per month.

When contacted by HMG-CN, Vasquez said, “as a Director on both Central Basin and Metropolitan Water District boards I spend countless hours representing my constituents and understanding the needs of the communities I serve.”

Records show that Vasquez has missed several committee and Board meetings citing “previous commitments.”

Vasquez was elected to CBMWD under a cloud of shady dealings and contributions from questionable sources. Engineering firm HDR, Sedgewick attorney Doug Wance, Ernie Camacho and his company Pacifica, MLJ Properties, owned by Camacho’s children, and Ron and Tom Calderon gave Vasquez over \$14,000 for her campaign. Most of the contributors are now targets of the FBI and its investigation of CBMWD and the Calderons.

In addition, in February an exclusive HMG-CN investigation revealed that Vasquez’ campaign was financed by convicted felon Rick Meyer and Angie Gonzalez, who was charged with a felony but pled down to a misdemeanor.

Similar to Vasquez, Roybal is reaping rewards from his new position. An exami-

nation of the same Payroll Disbursement Records from CBMWD show Roybal making over \$35,000 since January, taking in as much as \$4,100 per month for attending those same meetings.

Texts and phone calls from HMG-CN to Roybal for comment were not returned.

Similar to Vasquez, Roybal’s road to CBMWD election was helped by the same contributors; Mayer and Gonzales also financed his campaign. Roybal also received \$5,000 from Camacho and reported \$6,617 in un-itemized contributions, where he does not identify the source of the funding. Those donations are currently under official investigation by the California Fair Political Practices Commission, who is charged with enforcement of campaign financing in California.

[See DIRTY WATER page 13]

**DIRTY WATER***Continued from page 12*

Compounding the pay situation, in November of this year, an exclusive HMG-CN investigation revealed that President Roybal, a teacher at Wilson High, was remanded to LAUSD "Teacher's Jail" February 20, 2013.

Beginning in the mid 90's, teachers accused of misconduct have been removed from their teaching assignments and held in district offices while administrators and law enforcement agencies investigate allegations.

In a January 15, 2013 televised statement made by LAUSD Superintendent John Deasy, only teachers accused of

"egregious acts" are reassigned. They are returned to their classrooms only after being cleared by law enforcement.

Under written rules, teachers in jail are to check in every day for 2 hours and then go back to their home. They are not to seek a second job, take a day trip, or enjoy outside entertainment, such as going to the movies, sporting events, shopping, etc.

The records show that over \$30,000 of

the \$35,000 Roybal has realized has been paid after February 20, a direct violation of LAUSD's Teacher Jail rules. Most meetings Roybal attended were immediately after his 2-hour stay at teacher jail violating the policies of LAUSD

Calls into the Integrity Division of the LAUSD asking what actions will be taken against Royal went unreturned.

**Exclusive:****Central Basin Water Director Vasquez Party to Lawsuit Against Own District Seeking Millions****Wednesday January 22, 2013**

By Brian Hews

Hews Media Group-Community News has obtained documents that indicate Central Basin Municipal Water District Director Leticia Vasquez is a party to a "Qui Tam" whistleblower lawsuit against CBMWD, suing the district for the now infamous \$2.7 million "slush fund," an unprecedented move by an elected official and one that could net Vasquez over \$2 million.

A "Qui Tam" action is also known as the False Claim Act and allows whistleblowers to bring civil fraud lawsuits filed on behalf of the government against companies and individuals that are allegedly cheating the government.

CBMWD could be on the hook for triple damages amounting to over \$8.1 million plus fraud charges if found guilty.

Vasquez, as a plaintiff herself, could walk away with over \$2 million.

Vasquez, who was recalled as a Councilmember in scandal plagued Lynwood, and according to sources, avoided prosecution by turning state's evidence that helped send many of her then-colleagues to prison, is now a self-proclaimed whistleblower.

Vasquez was elected to CBMWD under a cloud of shady dealings and contributions from questionable sources. Engineering firm HDR, Sedgewick attorney Doug Wance, Ernie Camacho and his company Pacifica, MLJ Properties, owned by Camacho's children, and Ron and Tom Calderon gave Vasquez over \$14,000 for

her campaign. Most of the contributors are now targets of the FBI and its investigation of CBMWD and the Calderons.

In addition, in February an exclusive HMG-CN investigation revealed that Vasquez' campaign was financed by convicted felon Rick Meyer and Angie Gonzalez, who was charged with a felony but pled down to a misdemeanor.

Documents and interviews point to Vasquez having the lawsuit in mind from the very start of her term at CBMWD using insider information not available to the general public to file the lawsuit against her own public agency.

Vasquez was sworn into office on January 7, 2013. By then Vasquez knew of the \$2.7 million slush fund through administrative briefings given by then General Manager Chuck Fuentes, Assistant GM Ron Bielke, and CBMWD Attorney Arnold Glassman. It was Fuentes, Bielke and Glassman who originally found the obscure fund.

Within days of the swearing-in, Vasquez formed a voting-bloc majority that included President James Roybal and Director Bob Apodaca. The three immediately moved to suspend provisions of the Administrative Code and circumvent the proper selection of a Board President, ousting Director Art Chacon, who was the most vocal critic of the slush fund, and removing Chacon and Director Phil Hawkins from several committees.

In a highly unusual and controversial move, Vasquez voted to fire Fuentes, Bielke, and Glassman, removing those responsible for finding the slush fund.

The three were preparing to hire a firm to audit the fund but Sedgewick LLP, the firm paid over \$1,000,000 from the fund and their attorney Douglas Wance, were slow in giving the documents.

But the fact remained, and Vasquez knew, that an investigation had started and information was being reported, which resulted in Director Chacon dubbing it the slush fund.

The question remains as to why Vasquez put a stop to the investigation by firing Fuentes, Bielke, and Glassman.

HMG-CN became aware of the whistleblower lawsuit when the item was "reported out" of Closed Session following the October 3, 2013 Board meeting.

The report showed that the Board had discussed a "Qui Tam whistleblower matter" and that CBMWD hired special counsel Craig Engle with the State's Attorney General Office to represent the District. The case number is BC 518653.

An audio of the Jan. 6 Special Board meeting indicates attorney Richard Padilla warning Vasquez of a potential financial conflict in relation to Item 3B which was discussed in closed session. Vasquez participated in the session ignoring Padilla's warning.

Item 3B referred to at the Jan. 6 meeting had the same case number as the case Padilla reported out of closed session on October 3rd, 2013, confirming that Vasquez filed the lawsuit or is a party to the lawsuit.

Ignoring Padilla's warning and remaining in the discussion about the lawsuit also gave Vasquez additional inside

information, which could be a violation of federal laws.

HMG-CN requested legal billings for all legal services billed in relationship to the matter. It is rumored that that the financially troubled water district has spent in excess of \$50,000 to date.

Because the slush fund was administered by District legal counsel under the secretive veil of "litigation" strategy, little is known of how the \$2.7 million was actually spent.

The water agency has retained the law firm of Arnett Fox to conduct a full inquiry and analysis. It is also reported that federal authorities are also actively investigating the secretive fund.

HMG-CN contacted other CBMWD Directors but they declined to speak on the matter.

But sources close to the district expressed doubt that a sitting Director could legally be a plaintiff against the agency they represent. "This is probably unprecedented; an elected official does not attempt to reap a financial windfall from suing the organization they were elected to serve, but this is Leticia Vasquez we're talking about here. This is probably a scheme concocted by her ambulance chasing boyfriend to make a quick buck, she was acting with the benefit of insider information given her position, which makes the case all that much more preposterous."

The source added, "Vasquez sees this as a win-win situation where she can come off as a hero to the public being a "whistleblower" trying to make some quick cash legally for her efforts."

**Series Result:****Central Basin Water Board President Roybal Removed from Presidency**

By Brian Hews

Controversial Central Basin Municipal Water District President James Roybal was removed as President of the five member governing board on Friday during a special meeting.

Directors Phil Hawkins, Robert "Bob" Apodaca, Art Chacon, and Leticia Vasquez voted to remove Roybal.

HNG-CN was told that Roybal was extremely angry and demanded to know how the item got put on the agenda.

GM Tony Perez explained to Roybal that Apodaca met with him, with Chacon and Hawkins meeting later. The three votes allowed it to be put on the agenda.

Roybal has been under intense scrutiny by HMG-CN for the past year with Publisher Brian Hews calling for his resignation in an Editorial several weeks ago.

HMG-CN reported that Roybal, who was elected in 2012, had been enrolled

in the controversial program known as "Teacher Jail" by his employer the Los Angeles Unified School District.

Roybal has yet to publicly comment about his participation in "Teacher Jail" publicly.

Roybal is currently under investigation by several agencies including the LAUSD who last week issued a subpoena to Brian Hews, Publisher and Owner of Hews Media Group-Community Newspaper after the publication printed specific documents and details documenting Roy-

bal's participation in Teacher Jail.

Hews confirmed that he has turned over documents to LAUSD Investigators last week regarding in regards to the subpoena request, but would not disclose the contents of their contents.

Director Phil Hawkins, a former Assemblyman from Cerritos, will be chosen as the new President of the Central Basin Municipal Water Board of Directors to replace Roybal; Apodaca will be VP.



**EXCLUSIVE:**

## Despite Denials, Director Leticia Vasquez Filed \$2.75 Million Law Suit Against Central Basin Water District

**Thursday February 13, 2014**

By Brian Hews

HMG-CN has exclusively confirmed today that Central Basin Municipal Water District Director Leticia Vasquez, despite denying the lawsuit in public and on HMG-CN's website several times, filed a whistleblower "Qui Tam" law suit in August 2013 against the very agency she was elected to serve, an unprecedented move that could net her over \$2 million dollars in damages.

Vasquez is alleging in her lawsuit that powerful law firms and political operatives hired by CBMWD received over \$2.75 million from a secret "slush fund."

[Vasquez Qui Tam lawsuit click here](#)

The slush fund was initially found by COO Chuck Fuentes, Assistant GM Ron Beilke, and Arnold Glassman in 2012.

Under alleged pressure from Ernest Camacho, President of Pacifica Services and, sources tell HMG-CN, a recipient of money from the fund, Vasquez, along with Directors Bob Apodaca and James Roybal, voted to fire Fuentes, Beilke, and Glassman in early 2013.

Camacho, along with convicted felon Rick Mayer and Angel Gonzales, bankrolled Roybal's and Vasquez' campaigns in 2012.

The firing and slush fund were first reported by HMG-CN in February of 2013.

The details of the whistleblower lawsuit were officially unsealed by Los Angeles County Superior Court Judge Susan Bryant Deason this week.

Vasquez repeatedly lashed out at HMG-CN during public meetings saying

"the lawsuit never existed," after HMG-CN exclusively reported the existence of the lawsuit three weeks ago.

In comments left on the HMG-CN website, Vasquez also denied being a party to the lawsuit and demanded a retraction several times. She also sent text messages denying the lawsuit.

Vasquez is claiming in the lawsuit that she and CBMWD are the victims and included large law firms and influential Los Angeles political operatives in the filing.

Named in the suit are the law firms of Segwick, Detert, Moran & Arnold, LLP; Buchalter-Nemer; former Central Basin attorney Douglas Wance, attorney Curtis Parvin, and former CBMWD General Manager Art Aguilar.

Vasquez also names "Does 1-50," which presumably includes former Assemblyman Thomas Calderon, The Calderon Group, as well as Pacifica Services, controlled by Ernest Camacho, and HDR Engineering.

Both Calderon and Pacifica Services are under scrutiny in a complex wide ranging investigation by the Federal Bureau of Investigation, US Attorney's Office and other law enforcement agencies.

HMG-CN was the first to report the FBI probe into CBMWD. Since then, the little known agency based in Commerce has become a lightning rod for investigative journalists as far away as the Middle East, Europe, New York, and throughout every major media outlet in Southern California.

According to the lawsuit, Vasquez said that she first learned from "non-media" and "non-public sources" that "some mil-

lions of dollars of Central Basin funds were secretly, improperly and without authority" transferred to one or more bank accounts exclusively owned, controlled and managed by the two law firms Segwick and Buchalter-Nemer.

The revelation came from Fuentes, Beilke, and Glassman, in late 2012. Vasquez fired all three in Jan 2013.

Vasquez claims that she made "various and formal and informal inquiries" about the fund.

Records show that the first of the Vasquez' inquiries came in May of 2013, five months after learning about the fund. When asked about why she waited five months to file inquiries, Vasquez refused to comment.

Vasquez is claiming that Segwick and Buchalter as well as others, with the assistance of former GM Aguilar "conspired" and "agreed to conceal the theft and transfer of these funds from the public and from law enforcement agencies."

Vasquez and her attorney Sabrina Venskus also filed a nine page "disclosure statement" in court under the California False Claims Act that includes the names of several other parties whom she claims received hundreds of thousands of dollars in tax payer funds.

In that filing, also obtained by HMG-CN, Vasquez claims that Ronald Calderon and the Calderon Group landed a \$140,000 in consulting fees, plus an untold amount in expenses during a closed session held by CBMWD Board Directors on June 28, 2012.

It also claims that \$40,000 went to Fabiani and Lahane. Mark Fabiani is a

well-established political strategist, crisis management expert, and former Deputy Mayor of Los Angeles and chief of staff to Mayor Tom Bradley, and former White House lawyer and spokesman under President Bill Clinton.

But Vasquez was not getting the attention she wanted because of her checkered past. Then Vasquez found a willing player to participate in her whistleblower lawsuit strategy rouse, KPCC investigative reporter Karen Foshay.

Foshay and KPCC entered the CBMWD saga back in May 2013, five months after HMG-CN wrote its first article on CBMWD. HMG-CN had written 14 articles, most slamming Vasquez, Roybal, and Apodaca before May yet Foshay claimed the saga as her own.

That is when Vasquez became Foshay's source.

Foshay then published a slush fund article in Dec 2013 that made Vasquez look like a hero and a savior to CBMWD, not knowing Vasquez had filed the lawsuit.

Sources inside CBMWD told HMG-CN that everyone involved in the investigation of the lawsuit were extremely angry at Foshay for the Dec. article, and that she could have compromised the investigation writing a story on the fund with Vasquez as a source.

Foshay continued to ignore investigating Vasquez, and, in a recent radio show, mentioned all other players in the fund investigation with the exception of Vasquez.

**EXCLUSIVE:**

## Sources: CB Directors to Payoff Pacifica Services Tomorrow After Alleged Shakedown Meeting

**Monday March 4, 2014**

By Brian Hews

High-level sources have told News Media Group-Community News that Central Basin Municipal Water District (CB) Director Leticia Vasquez sent a "personal friend" to represent her in the capacity as legal counsel to secretly negotiate a "yes" vote for settlement on what is being referred to as a "shakedown" of Pacifica Services CEO Ernie Camacho.

Sources inside Pacifica have confirmed that Vasquez' representative met in Pasadena at least twice and as recently as only two weeks ago to broker the vote from Vasquez to settle the District's lawsuit against Pacifica in favor of Pacifica.

CB's suit against Pacifica is potentially worth upwards of \$5 million to the cash-strapped water agency. According to sources, Pacifica may not have possessed the necessary California State License to contract with public agencies while doing work for CB. If this is the case, fraud may have been committed by Pacifica and CB could sue for the entire \$5 million.

Pacifica has counter-sued the District and is seeking in excess of \$300,000 in unpaid invoices that CB has determined are invalid.

Only a few days after the "shakedown" meeting with Camacho, and possibly violating Brown Act laws, Vasquez, Apodaca and Roybal called for a Special Board meeting this Tuesday, March 4th at 11am with only Pacifica and the District's lawsuits on the agenda.

Also noteworthy is the fact that Pacifica Vice President Mike Sisson is scheduled for a deposition this week.

Normal practice would have been for the Board President to call the Special Meeting, but according to current President Phil Hawkins, he was blindsided once again by the three banding together.

Central Basin has a regularly scheduled Board Meeting set for March 13th, and held a meeting only eight days ago.

Hawkins, a former State Assemblyman and longtime CB Director, questioned the process to call for the meeting and indicated the three could have violated Brown Act Open Meeting Laws. Hawkins said, "if these three are coming in to give Pacifica a sudden victory and huge financial windfall against the strong advice of our legal counsel, then I think we have a bigger problem here."

Pacifica's long association with CB began in 2007 with a presentation by then CB Consultant Tom Calderon strongly recommending that CB retain the services of the minority-owned Pasadena engineering firm.

Subsequently, Pacifica bid and won a \$600,000 contract in 2007. HMG-CN exclusively published documents that showed eight no-bid contract extensions over the next five years resulting in Pacifica billing in excess of \$5 million.

During this time, Board Members Phil Hawkins and Art Chacon were demanding an audit and accountability of the contract and sought to block further extensions including a final \$2.2 million two-year extension that would have ran into 2015.

Attempts to audit Pacifica's contract and billings were then blocked by Vasquez, Apodaca, and Roybal.

Then in January 2013, Vasquez, Apodaca, and Roybal stopped the investigation

by Interim Chief Operating Officer Chuck Fuentes and Assistant to the General Manager Ron Beilke into Pacifica's contracts by firing the two without notice.

HMG-CN reported in Feb 2013 that Vasquez, Apodaca, and Roybal accepted a combined \$45,000 in "reported" campaign contributions from Camacho and his Pacifica-related sources, including his family.

Sources familiar with the District claim that Roybal and Vasquez boasted that Camacho may have provided huge "unreported" support to their respective campaigns.

Both candidates secured victories while reporting almost \$30,000 in unpaid campaign debt. Some of the debt remains unpaid.

HMG-CN has published a series of articles highlighting Pacifica's influence at the troubled water agency. Reports initially published by HMG-CN highlighted the existence of a \$2.7 million "slush fund" that secretly netted Pacifica an estimated \$750,000 in fees.

Also reported was the discovery of regularly scheduled day-long Friday golf outings at lavish exclusive courses that included Pacifica's Camacho, Vice President Mike Sisson, Pacifica employee Scott Hennessey and former CB General Manager Art Aguilar.

Aguilar reported only three "golf donations" made to him by Pacifica on his mandatory 700 Statement of Economic Interests disclosure forms while golfing at least 20 times and is expected to be investigated by the Fair Political Practices Commission.

This weekend, HMG-CN received part

of an estimated 16,000 emails distributed by Pacifica's VP and CB point man Mike Sisson that were extremely offensive and sexually explicit.

These emails, generated onsite at CB and on District-owned equipment by Sisson, can be best described as homophobic and racist while targeting Muslims, Palestinians, Hispanics, Blacks, Asians, seniors, naked woman, obese individuals, liberals, immigrants, Wal Mart shoppers and rednecks.

Sisson, a conservative republican, also distributed extremely offensive emails pertaining to President Obama, First Lady Michelle Obama, Rep. Nancy Pelosi, Senate Majority Leader Harry Reid as well as other well-known liberal U.S. politicians.

When informed of Tuesday's Special Board Meeting, CB Director Art Chacon commented, "considering we held a Board Meeting only eight days ago where our newly hired legal counsel assured us that the outcome of our lawsuit against Pacifica would result in the likely recovery of millions in ratepayer monies, I question where Apodaca, Roybal, and Vasquez plan to go with this emergency meeting."

Chacon added, "with the discovery that these three Directors solicited over \$40,000 in campaign contributions from Pacifica as well as the recent news of all the golf outings and now the discovery of thousands and thousands of racially offensive emails initiated by Pacifica's VP Mike Sisson, I think this Board needs to get out of the way and let the legal system do its job".

## Series Result:

# Recall Campaign Launched Against Central Basin Water Director Leticia Vasquez

**Wednesday March 5, 2014**

By Brian Hews

Leticia Vasquez is no stranger to recall campaigns in Southeast Los Angeles County.

The embattled Director of the Central Basin Municipal Water District was booted out of office by voters in Lynwood on political corruption allegations ten years ago.

The case was the focus of one of the biggest federal indictments in US history that landed then Lynwood Mayor Paul Richards in federal prison for a decade.

She was recalled in 2007 after serving just one term in office in Lynwood. In addition to Richards, two other fellow councilmembers at that time went on to serve prison sentences for public corruption.

Hews Media Group-Community Newspapers has learned that Vasquez is now the main target from a group of "concerned water customers" throughout the Central Basin territory. They want the Division 4 Director stripped of her elected duties for misusing her public office.

This week, proponents announced a recall effort to oust Vasquez and HMG-CN has confirmed that organizers have begun the formal legal process of drafting the necessary documents to be filed with the Los Angeles County Registrar-Recorder's Office in Norwalk.

The organizers, who do not want to be publicly identified at the time this article was written, said the gathering of the needed signatures could commence as soon as recall notices are published in a newspaper of general circulation.

One proponent said, "concerned ratepayers have grown frustrated with the antics and possible criminal activities that seem to be a part of everyday life for Vasquez. For over a year Leticia Vasquez

has consistently made headlines for a campaign financed by a convicted felon, receiving substantial campaign funds from Pacifica Services and CEO Ernie Camacho, steering government contracts to personal friends and campaign supporters, filing a lawsuit against CBMWD, and allegedly shaking-down doing business with the struggling water agency."

Central Basin has been at the center of growing controversy since Vasquez' election. HMG-CN has published numerous articles since Jan 2013 highlighting Vasquez' suspect dealings.

HMG-CN was the first to reveal that Vasquez filed an August 2013 "Qui Tam" whistleblower lawsuit against several former contractors and employees of Central Basin, most of whom she aggressively sought campaign contributions from during her 2012 run for office.

The revelation of the lawsuit showed that Vasquez was trying to cash in on a possible \$2.5 million verdict by using her insider status at the District as a sitting-Director.

According to the proponent, "Vasquez took information that previous management at the District uncovered and claimed it as her own. She then proceeded to concoct a devious plan to portray herself as a "watchdog" at the District while simultaneously seeking a substantial reward."

Fellow Board Members Art Chacon and Phil Hawkins have labeled Vasquez an opportunist trying to get rich.

In addition, numerous constituent complaints have been filed against Vasquez with the District Attorney and the Fair Political Practices Committee who as recently as January 21, 2014 opened an active investigation against Vasquez for attempting to conceal campaign donations.

One substantial donation that went unreported was a \$1,797.80 lavish campaign

fundraiser hosted by Andy Camacho, brother of Pacifica Services, Inc. owner Ernie Camacho.

Camacho and his firm, longtime contractors with Central Basin, sued the District months ago. Last week, HMG-CN revealed that Vasquez sent a representative to shakedown Camacho in exchange for her vote to settle the lawsuit in Pacifica's favor.

CBMWD lawyers have said their case against Pacifica is very strong, given more strength with the articles published this week by HMG-CN about Mike Sisson's numerous Friday golf outings with former GM Art Aguilar and the thousands of racist and homophobic emails Sisson sent out from CBMWD while making \$160 per hour.

Recall proponents also cited Vasquez' questionable 2012 campaign contributors that helped propel her back into public office. HMG-CN was the first to report Vasquez' campaign had largely been managed and financed by a convicted felon and former Central Basin Director Ricardo "Rick" Mayer of Whittier.

It was also revealed that notable campaign contributors to Vasquez' campaign included recently indicted Senator Ronald Calderon of Montebello, Central Basin Director Robert "Bob" Apodaca (a staunch ally on the Board), attorney Ron Wilson, who is her long time life partner, past Central Basin vendors such as recently indicted former Assemblyman Tom Calderon, Pacifica Services Inc., Robert Garcia, Southwest Management Consultants, Golden State Advocacy, HDR Inc., Attorney Doug Wance, and C2 Group.

Vasquez has also faced ongoing skepticism about her official place of residence. Her voter-identified residence is listed as 3817 Walnut Ave. in Lynwood while multiple sources claim that address is actually

her brother's home and that she resides in Baldwin Hills with her boyfriend Ron Wilson.

The Baldwin Hills address is not in her Central Basin service District. HMG-CN has learned that the Los Angeles County District Attorney's Office of Public Corruption is aware of the residential controversy swirling around Vasquez and Wilson.

The recall proponent noted that residency issues existed when Vasquez was on the Lynwood Council and the fact she did not live in Lynwood was a huge factor in her overwhelming recall.

"Leticia Vasquez has always felt she was too good for the people she was elected to represent, she was more than willing to exploit them to get herself elected, but not to live among them," he added.

Recall organizers have 160 days to collect the 10,420 signatures required to force an election to recall Vasquez.

"That may seem like a lot, but we have a motivated and well-funded team in place that are sick and tired of "bottom of the barrel" predator politicians like Leticia Vasquez," the proponent said.

He was told that Vasquez was talking about running for higher office the second she was sworn-in at Central Basin already plotting bigger paydays for herself. "This will hopefully be Leticia's last recall and the last time area voters will have to deal with this self-serving so-called public servant, we are done with her," he concluded.

Below is an interview of Central Basin Water Director Vasquez by HMG-CN Investigative Reporter after the March 4, 2014 CB Special Meeting.

## EXCLUSIVE:

### Lavish Friday Golf Outings 'Routine' With Ex-Central Basin Water GM Aguilar, Pacifica Services Executive Sisson

**Friday, February 28, 2014, 5:15 p.m.**

**Pacifica Services VP Mike Sisson treated former Central Basin Water GM Art Aguilar to more than twenty golf outings in a 17-month period.**

By Brian Hews

Friday could not come quick enough at Central Basin Municipal Water District for former General Manager Art Aguilar and his close friend Mike Sisson, Vice President at Pacifica Services, Inc.

Friday was usually golf day for the pair with outings often including Pacifica Owner/CEO Ernie Camacho, and Scott Hennessey, another employee of Pacifica.

At the time of the golf dates, Pacifica Services was banking millions of dollars in lucrative engineering consulting contracts with the besieged agency that is the focus of a massive criminal probe by the US Department of Justice, the Federal Bureau of Investigation, the Los Angeles County District Attorney's Office and the Internal Revenue Service.

Almost every Friday, Maggie Gomez, administrative assistant at the Commerce-based water utility would book tee times for the group at some of the most exclusive courses in Southern California, with Aguilar always treated and serving as the center of attention.

Talega in San Clemente, Tijeras Creek in Ranch Santa Margarita, Black Gold in

Yorba Linda, and Industry Hills in the city of Industry. Most of these courses have green fees over \$90 per person, sometimes much more than that figure, and that does not count on-course and after-round food and beverages.

Taking into account the hourly pay rates of those involved, Ernie Camacho (estimate) \$500; Sisson \$165; Hennessey \$125; and Aguilar \$100 per hour and adding those to the green fees and the food and beverage, the total could easily reach \$6,000.

Worse, the outings would last the entire day with no one from the group going back to work at CBMWD.

Shockingly, CBMWD would be charged for those hours by Pacifica. Aguilar, always invited yet never paying, would relish the perks of being GM and cozy up to one of the district's biggest vendors, Pacifica Services, a company now suing CBMWD, with CBMWD counter suing for negligence and contract fraud in Superior Court.

But Aguilar forgot something in the process of schmoozing with Camacho and Sisson.

Hews Media Group-Community News has obtained documents through a public record request that show Aguilar and Sisson taking more than twenty golf outings in a 17-month period, with Aguilar failing to report all but three outings on his Statement of Economic Interest-Form 700.

One source at CBMWD said, "these

are the golf dates mentioned in emails, there were many more that were not documented in writing electronically, I can tell you that."

State laws are clear; failure to report or amend carries a late fine of \$10 per day, up to a \$100 fine may be assessed. In addition, if a matter is referred to the FPPC Enforcement Division for failure to file or failure to include all required economic interests, the fine may be substantially higher, and could also be subject to criminal prosecution.

According to the Fair Political Practices Commission website Form 700's are "an important means for the official that files them, the media, and the public to help gauge where potential conflicts of interest may exist. These state mandated forms include information about the sources of an official's income, investments, business positions, real property holdings and gifts. Merely reporting an economic interest is not a conflict in itself; a conflict arises when an official governmental decision, made by the official, impacts their economic interests."

The key words here are "impacting their economic interests." For Aguilar and Pacifica Services, using golf courses to conduct taxpayer business became routine, and standard operating procedure.

In August of 2012, HMG-CN exclusively obtained documents that detailed an orchestrated collaboration between Aguilar, former Interim CBMWD GM Dave Hill, Sisson, and Camacho, showing

contracts being altered that were never approved by the Directors at CBMWD.

See documents, click here.

At the time, the besieged public agency was the focus of a massive criminal probe by the Federal Bureau of Investigation.

HMG-CN also obtained email exchanges between Hill, Camacho, his son Michael Camacho, and Sisson dating back several years that graphically outlined how the private consulting firm leveraged its political clout at the agency outside of the public glare.

The documents outlined how Camacho, Sisson, and Aguilar interfaced via company emails and graphically displayed how the "pay to play" scheme between the agency and Pacifica Services was conducted both at CBMWD and on the golf course.

Based on source inside CBMWD, HMG-CN has made an additional public record request that could further show the depth of control Pacifica and Sisson had over CBMWD and Aguilar.

One CBMWD source who did not want to be identified said, "Sisson, Aguilar, and Hennessey would go golfing almost every week, blatantly using company resources to schedule their outings, everyone here knew where they were going, Sisson would make sure of that by wearing golf outfits on Friday. They did not care because they had Aguilar in their pocket." Calls into Aguilar and Pacifica for comment went unanswered.

## EXCLUSIVE:

# Pacific Services, Central Basin Officials Exchanged Thousands of Offensive Emails Bashing Obama, Gays, Ethnic Groups

**Vice President Mike Sisson of Pacifica Services was leader of the email group.**

**March 14, 2014**

By Brian Hews

Top executives at Pacifica Services and officials within the Central Basin Municipal Water District (CB) exchanged thousands of highly racist emails during a three-year period that disparaged Muslims, Palestinians, Hispanics, Blacks, Asians, Seniors, naked woman, obese people, liberals, immigrants, Wal-Mart shoppers, rednecks, gays and lesbians. Hews Media Group-Community News obtained more than 2,500 emails from a public records request between Mike Sisson, a high-ranking Vice President at Pacifica Services, and several other people sent from his office computer system located at CB. The emails were written and exchanged during regular business hours, and many were also generated by Pacifica Services executive Scott Hennessey.

Pasadena based Pacifica Services is

owned and operated by Ernest Camacho, a very powerful and politically well-connected businessman in Los Angeles. Camacho donated large amounts of political cash to water district official's campaigns all over Southern California including current CB Directors Leticia Vasquez and James Roybal.

In addition to Sisson and Hennessey, others who were involved in the emails included James Cathcart, who at that time worked for HDR Engineering as well as Robert Shaffer, an attorney at Sedgwick Law Firm LLP. Both HDR and Sedgwick have secured hefty contracts granted in the past by CB officials.

Others participants in the emails included Steve Know who is an attorney at SK Law Group, Dave Hill, who at the time was a top executive at CB and who briefly served as Interim General Manager at the besieged agency, and another Pacifica official, Executive Vice President Steve Carpino.

Ironically, most of the parties involved in the "email exchange group" were also allegedly involved in the CB \$2.75 Mil-

lion "secret slush fund" that is now part of a massive criminal investigation by the Federal Bureau of Investigation, the US Attorney's Office, the Internal Revenue Service and other federal agencies. Over the length of the emails, which started in 2008, the 2,500 emails reviewed by HMG-CN showed a pattern of blatant disregard by Sisson toward his consulting job at CB. In the emails, he continually makes disparaging remarks about current and past employees at the agency as well as current and former elected directors.

The emails are being sent in batches to HMG-CN; there is reportedly a staggering 16,000 emails that Sisson sent in his time at CB. Sources tell HMG-CN that over 80% of the 16,000 emails are extremely offensive.

Shockingly, during the time the emails were being sent by Sisson, he was billing CB \$160 per hour; Hennessey billed CB \$136 per hour.

The emails graphically show that Sisson and his email group were homophobic racists who liked to pass around offensive

pictures and descriptions of people including Muslims, Palestinians, Hispanics, Blacks, Asians, Seniors, naked woman, obese people, liberals, immigrants, Wal-Mart shoppers and "rednecks."

Sisson, who touts himself as a Conservative Republican in his emails, also sent extremely offensive emails pertaining to President Barack Obama, First Lady Michelle Obama, Rep. Nancy Pelosi, Senate Majority Leader Harry Reid and other well-known "liberal" U.S. politicians. CB Board President Phil Hawkins told HMG-CN in an interview on Saturday, "when HMG-CN informed me of the content of these emails I was extremely shocked and offended. This is one of the reasons why we have had trouble with this particular organization and I will be looking into these emails and contacting our lawyers for possible legal action. When called for comment, current General Manager Tony Perez said he "could not comment due to the ongoing litigation, but if what you describe is true, I personally find it highly offensive and an affront to the values of our organization."

## 'Teacher Jail' Assignment Prompts Central Basin Director Roybal to Request Change of Board Meetings

**April 11, 2014**

By Brian Hews

**Request to move Board Meetings is attempt to finally comply with LAUSD Teacher Jail rules.**

Virtually admitting that he is in LAUSD Teacher Jail, combined with the exclusive story published by HMG-CN that he is under investigation by the Office of Inspector General of the LAUSD for violating teacher jail policy several months ago, Central Basin Director James Roybal has requested the agency move their Board Meetings to 3 p.m. from the long-time traditional 10 a.m. time period.

The move is unprecedented and an attempt by Roybal to circumvent his assignment to Teacher Jail.

Beginning in the mid 90's, teachers accused of misconduct have been removed from their teaching assignments and held in district offices while administrators and law enforcement agencies investigate allegations.

The process typically drags on for months, with teachers collecting their full pay – an average of \$6,000 a month, plus benefits – until they're returned to work or fired.

Under written rules, teachers in jail are to check in at a designated location every day for 2 hours and then go back to their home. They are not to seek a second job,

take a day trip, or enjoy outside entertainment. Failure to follow these rules will lead to disciplinary action.

In Thursday's Board Meeting, which Roybal missed, the motion was brought up to excuse him from meetings.

Central Basin Director Leticia Vasquez, who proclaims to be the savior of Central Basin, and who has known that Roybal has been enrolled in Teacher Jail for months, made the motion to excuse Roybal.

The motion was quickly shot down by current Central Basin Board President Phil Hawkins, after which Vasquez withdrew her motion.

Seemingly unfazed by Roybal's Teacher Jail assignment or the admonishment

from Hawkins, Vasquez went on to say, the meetings should be moved because Roybal's constituents want him there representing them and he can't make morning meetings.

Director Art Chacon, who had placed an enlarged photo of the HMG-CN picture of Roybal entering Teacher Jail on Roybal's empty seat at the dais, snapped back at Vasquez saying, "if he was sick or a family member was ill we would gladly consider excusing him, but not when he's suspected of possibly molesting children!"

A seemingly perturbed Vasquez then left the dais, during the all-important approval of warrants and expenditures, to "take a phone call."

## Series Result:

### Twelve Local Elected Officials Demand LAUSD's Deasy Fire Central Basin Director James Roybal

**April 18, 2014**

By Brian Hews

In a letter sent to LAUSD Superintendent John Deasy a dozen local elected officials have demanded that embattled Central Basin Municipal Water Board Member James Roybal be fired from his position as a teacher with the Los Angeles Unified School District.

The letter to Deasy was obtained exclusively by Hews Media Group-Community Newspaper.

Roybal has been enrolled in the controversial program known as "Teacher's Jail" for several months, as first reported by HMG-CN back in November, 2013.

"The undersigned are writing to demand that the Los Angeles Unified School District take immediate action to prevent the continued illegal practice being perpe-

tated by LAUSD employee James Roybal," the letter states.

The signers of the five paragraph letter are Pico Rivera City Councilman Bob J. Archuleta, Downey Mayor Pro-Tem Luis H. Marquez, Bell Gardens City Councilwoman Jennifer Rodriguez, Commerce City Councilwoman Denise Robles, Montebello Unified School Board Members Benjamin Cardenas and Hector Chacon, El Rancho School Board President Dr. Aurora R. Villon, Pico Rivera City Councilman Gustavo V. Camacho and Montebello City Councilmembers Art Barajas and Vivian Romero.

Copies of the demand letter was also sent to all to Central Basin Municipal Water District, the Metropolitan Water District Board of Directors, the LAUSD Board of Education, California State Su-

perintendent of Public Instruction Tom Torlakson, Los Angeles Mayor Eric Garcetti, Rep. Grace F. Napolitano, Rep. Lucille Roybal-Allard, Rep. Linda Sanchez, Los Angeles County Supervisor Don Knabe, Assemblymember Cristina Garcia and Los Angeles County District Attorney Jackie Lacey.

"Mr. Roybal, an elected member on the Central Basin Municipal Water District (CBMWD) board of directors, has routinely and consistently attended CBMWD meetings and received per diem payments and financial benefits in violation of LAUSD's rules," the letter states.

"Mr. Roybal has received tens of thousands of CBMWD ratepayer dollars while in teacher's jail, while still drawing LAUSD salary and benefits, and continues to attend CBWMD meeting with impunity,

ty, blatantly disregarding LAUSD rules," the officials state in the letter to Deasy.

The elected officials also stated that "it is LAUSD's duty to ensure that Mr. Roybal abide by the rules or suffer consequences." They also state that they recognize that "the actions of Mr. Roybal reflect negatively on the vast majority of good, hard-working teachers and staff employed by LAUSD."

"However, given that LAUSD has allowed Mr. Roybal to leave teacher's jail and continue to draw an additional salary for over a year demonstrates that LAUSD is either unwilling or unable to properly manage this program, and now appears to advocate Mr. Roybal's poor behavior," the elected officials tell Deasy in their letter.

