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ATTORNEYS AT LAW

February 24, 2017

VIA U.S. MAIL AND E-MAIL

Board President Hawkins and Directors
Central Basin Municipal Water District
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Re: City of Huntington Park and City Director Appointment Pursuant to AB 1794

Dear Board President Hawkins and Directors:

This office serves as the City Attorney's Office for the City of Huntington Park (the "City"). The purpose of this letter is to call your attention to the invalidity of Central Basin Municipal Water District's ("District") recent appointment of the Director nominated by city water purveyors pursuant to Assembly Bill ("AB") 1794.

AB 1794, effective January 1, 2017, mandates Kevin Hunt, General Manager of the District to implement a nomination process and election of three water purveyor representatives on the District's Board of Directors. The new law requires one director to be elected in the following categories: large water purveyors, city water purveyors, and all water purveyors. In early January of 2017, Mr. Hunt released forms to all water purveyors seeking nominations for Directors in each category. Subsequently, the District named nominees in each category, elections were held, and on February 23, 2017, three appointed Directors were announced. The appointed Directors are scheduled to be installed on March 3, 2017.

It is the City's understanding that the General Manager and/or counsel for that District may have failed to inform the Board of Directors that the City raised serious concerns during the nomination phase of the appointment process.

Mr. Hunt improperly rejected the City's nominee for Director in the city water purveyor category. As such, **the City challenges the validity of the District's recent appointment of John Oskoui as the Director appointed by all city water purveyors.**

THE DISTRICT'S DENIAL OF DR. GOMEZ'S NOMINATION WAS IMPROPER.

Pursuant to the authority vested in her by the City Council, Vice Mayor Marilyn Sanabria executed and submitted a City Purveyor Nomination Form ("nomination form") dated January 24, 2017. The City's nomination form listed Dr. Michael Gomez as the City's nominee as both a Director "representing cities" pursuant to Water Code §71267 (c)(1)(B) and as a Director "representing all water purveyors" pursuant to Water Code §71267 (c)(1)(C).

Mr. Hunt's notice to all water purveyors denied the City's nomination of Dr. Gomez as a Director in the city water purveyor category. The notice explained Dr. Gomez was disqualified because he "is not a qualified candidate for the city Directorship because he is not an employee or designated representative of the city."

In the City's February 8, 2017, letter to Mr. Hunt, the City refuted Mr. Hunt's disqualification of Dr. Gomez as a nominee for Director in the city water purveyor category. There is no question that Dr. Gomez resides within the District, and that after serving 26 years on the Board of Walnut Park Mutual Water Company he has the expertise required to serve as an appointed Director. (See Cal. Water Code §§ 71267 (b) and (d)). **Most importantly, Dr. Gomez became a "representative of a city" under AB 1794 once he was duly nominated by the City as its representative.** As such, Mr. Hunt's allegation that Dr. Gomez is not a "representative of a city" and his subsequent denial of Dr. Gomez's nomination was improper.

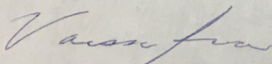
Our office received a responsive letter by the District's counsel on February 13, 2017, which generally alleged that "while nominated by a city, Dr. Gomez, by virtue of serving on the Board of a mutual water company which serves an unincorporated community in which he resides, is not a *representative of the city*." The City disputes any claims that a "representative of a city" imposes a residency requirement on nominees. Such a requirement is absent from AB 1794. **AB 1794 does not expressly require a nominee to reside in his nominating city to qualify as a Director appointed by city water purveyors.** Counsel for the district fails to cite adequate authorities and loosely points to "the legislative theme throughout [AB 1794] that cities will have a representative of their own, something that would not result if someone associated with an unincorporated community were to be selected for that position." **AB 1794's requirements are clear, and the law clearly does not require Dr. Gomez to reside in the City to qualify as a nominee for appointment as Director by city water purveyors.** The denial of Dr. Gomez's nomination was improper.

The City views the District's recent appointment of John Oskoui as the Director appointed by all city water purveyors as invalid and in violation of California law. Should the District fail to provide the City with adequate statutory authorities, legal opinions, and legal reasoning supporting Dr. Gomez's disqualification as a nominee for appointment as Director by city water purveyors, then the City intends to pursue future legal action to resolve this dispute. **The City demands the District take prompt corrective actions to remedy this matter.**

If you have questions please contact the City Attorney's Office at (562) 699-5500.

Sincerely,

CITY ATTORNEY



Vanessa Segura
Deputy City Attorney

cc: Mayor and Members of the City Council
Edgar Cisneros, City Manager
Kevin P. Hunt, General Manager, Central Basin Municipal Water District
Lloyd W. Pellman, Nossaman LLP