1	¹ BEFORE THE PUBLIC UTILITIES THE STATE OF CALIF	COMMISSION OF ILED	
2	2	ORNIA 01-14-13 04:59 PM	
3	Fred Coleman		
4	Steven Wallace Larry L. Vaughn Ruth Dargitz Vaughn P. O. Box 184 Long Barn, CA 95335 Telephone: (209) 586-0551 Email: mtbunch@dishmail.net		
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8	Vaughn and Ruth Dargitz,	O. C-1203017	
9	Complainants,		
10	vs.		
11	Odd Fellows Sierra Recreation Association,		
12 13	Defendant)		
14 15 16	4 5 I. STATUS REPORT OF COMPLAINANT	`S	
17	1. On November 8, 2012 the Local Agency Formation Commission (LAFCO)		
18	issued a letter to Defendant stating "After reviewing the application materials		
19	submitted for the project, the Tuolumne County Local Agency Formation		
20	0 Commission (LAFCO) has determined t	Commission (LAFCO) has determined that your application is incomplete or	
21	requires additional information." The le	requires additional information." The letter continues with a request for	
22	2 clarification, information, and concerns a	about seven items. As of January 9,	
23	2013 at approximately 09:00 AM Defend	dant had not responded to LAFCO's	
24	4 request.		
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2. Per the agreement during the conference call on November 30, 2012 some lot owners have paid their water bill based on the quarterly charge minus what they had previously paid for water. The bill was paid up through the first two quarters of the fiscal year, November, 2012. The next payment will be made at the end of February, 2013 and the final payment will be made at the end of May, 2013. This payment schedule is consistent with the established method for the payment of utility bills. Utilities are paid for following their use, not before they are used.

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3. Based on the December 20, 2012 filing by Complainants, it is obvious that Defendant has inflated their water charges in order to convince LAFCO that there is adequate funding to finance the proposed Community Service District (CSD). However, if the CSD is formed there will be serious problems of finance since, as a governmental agency, the proposed CSD will be bound by the terms of Proposition 218 and Proposition 26. Both of these propositions require much more accountability and scrutiny concerning taxation, assessments, and spending than what Defendant has been required to follow during the past twenty- five years. Also, water charges, based on recent court decisions per Proposition 218, fall under the initiative process. Lot owners can use the initiative process to reduce water charges. It is also illegal under Proposition 218 to divert income from water to pay other costs incurred by the CSD. This has been a practice of Defendant for at least twenty-five years, 4. Complainants would like access to all documents used by Defendant to generate exhibits "A", "B", and "C" contained in their December 7. 2012 filing.

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2	DATED: January 11, 2013	Respectfully Submitted,
4	DATED. January 11, 2015	h. I C C
5		By: Med Olema
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