## <u>Arrowhead Woods Informed</u> Lake Arrowhead, California 92352

May 15, 2023

Arrowhead Woods Property Owners The Arrowhead Woods

## **RE: RECAP OF THE LACSD-AWAC TOWN HALL AND UPCOMING JUNE MEETING.**

Dear Woods Property Owner:

On Thursday April 27<sup>th</sup>, LACSD and AWAC, Inc. gave a short five-day notice in the *Mountain News* that they would be holding a town hall meeting with the Woods Property Owners on May 2<sup>nd</sup> at 5:30 pm in the LACSD BOARD ROOM concerning the LACSD-AWAC takeover. Unfortunately, the arriving property owners discovered that LACSD and AWAC, Inc. had provided only a room with a maximum seating capacity of 75 seats and a Zoom login cap of 100 for 10,000 eager and anxious property owners. Many were left standing in the hall and unable to log into the Zoom meeting.

For those of you who were unable to attend, the video highlights are available below uploaded to YouTube. Unfortunately, the placement of the LACSD camera blocked by an obtrusive 3-minute warning sign displayed Richard Scott, the President of AWAC, Inc. and Crystal Upton, the new Executive Director who spent the first 30 minutes of the meeting pleading ignorance and then asking for help.

The staging allowed the LACSD General Manager, Catherine Cerri to sit silently to one side all but off camera and out of view. So much out of view, that Ted Heyck, not realizing that she was sitting six feet behind him, demanded "Where is the LACSD Board?" The General Manager of LACSD continued to sit silently and said nothing. It's amazing, that with her combined 2022 salary and benefits of <u>\$23,194.80</u> a month, the GM of LACSD could not even be bothered enough to respond. It is almost equally as amazing that not one person from AWAC, Inc. pointed her out sitting there. It's in the video link below of Ted Heyck asking questions.

There were two big takeaways from the meeting. First, an informal vote was conducted of those that were present and not one person raised their hand when asked if they wanted LACSD to takeover AWAC, Inc. Second, a homeowner asked if and when LACSD does take over AWAC, Inc., who will get to vote for the LACSD board members and for the special and general tax assessments? Kathleen Field, the Executive Assistant for LACSD, was present, seated next to General Manager Cerri. It was stated that only full-time residents of Lake Arrowhead would be able to vote. Many of the Woods property owners then became upset because although they would be required to pay all assessments, 70% of them don't live in Lake Arrowhead and would not have a say in either picking the LACSD Board or approving of any future tax assessments.

As for the electronic vote in June, they have now put that on hold so they can figure out what they want to do next. There are 10,000 Woods property owners and they need 5,000 to vote YES for LACSD to take over AWAC, Inc.

We have been informed by Senator Ochoa Bogh's Field Representative (Sydney Sonck) and her District Director (Nick Calero) that Senator Ochoa Bogh will be holding her own Saturday, June 10<sup>th</sup> Informative Meeting explaining why the 10,000 Woods property owners should accept her legislation mandating that LACSD assume the rights and obligations of AWAC, Inc. As yet no location or Zoom limitations have been announced. We will update everyone as to this important upcoming town hall.

Below is <u>the only informative local article</u> about the 3-hour May 2<sup>nd</sup> "Town Hall Meeting" written by Mary-Justine Lanyon, Editor of the Alpine Mountaineer and the video highlights of the meeting.

Alpine Mountaineer Article – <u>The Town Hall Meeting Questions About LACSD-AWAC Merger.</u>

Highlights from the May 2<sup>nd</sup> Town Hall Meeting:

George Hatt - His past experiences with AWAC, Inc.

*Ted Heyck* - The DOJ suspension of AWAC, Inc. and the illegality of a non-profit merging with a for-profit.

Ben Naraghi - Discussed the 2010 CCRs renewal vote ballots for Tract 8053.

Ana Rojas - LACSD said there would be no cost to the Woods property owners but that was a lie.

Garin Vartanian - Question on the upcoming 10,000 Woods electronic vote and 50% voting YES.

Frank Smedley - Not happy with LACSD taking over AWAC, Inc.

Seline Karakaya - Possible conflicts of interest and need for independent counsel.

Marilyn Dishell - How does a merger with a water utility company make any sense?

Jeff Altmeyer - LACSD is the big gorilla in Lake Arrowhead and it has run out of bananas to eat.

Jim Hannon - Will AWAC, Inc. provide financial statements and the general ledger for review?

*Roberta Rindenow* - Took an informal vote of the Woods homeowners if they want LACSD to take over AWAC, Inc.

Bob Mattison - Proposed alternate ideas including Tracts forming their own committees.

*Garin Vartanian* - The original senate bill didn't give two "blanks" about the Woods homeowners even having the ability to vote on the takeover.

Woods Homeowner - Kevin asked what the end game is for LACSD wanting to take over AWAC, Inc.

Woods Homeowner - Woods homeowners will have little to no control over LACSD if they takeover.

LACSD cannot take over the powers and duties of AWAC without our approval, therefore we must <u>VOTE NO</u>. The LACSD-AWAC takeover involves nothing more than *Money* and *Power*.

Yours,

Maria Vartanian

Garin Vartanian

J. p. Hy .-

Ted Heyck