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SPECIAL DISTRICTS

ALPAUGH—TOO MANY DISTRICTS

BACKGROUND

The community of Alpaugh is an unincorporated “Census Designated Place” located in Tulare County. The town was founded in 1905 and named for one of the founders, John Alpaugh. In 2007 the population was listed as 865. This community is served by three Special Districts and a Joint Powers Authority, which are connected by location, function and services they supply.

The Tulare County Waterworks District No. 1 (Waterworks District) supplied water to the community of Alpaugh until the formation of the Alpaugh Joint Powers Authority. Now their only business is collecting and administering the money collected from Measure R.

The Alpaugh Irrigation District (Irrigation District) supplies agricultural irrigation water to farmland surrounding, but not including, the community of Alpaugh.

The South Tulare County Memorial District (Memorial District) owns several buildings in South Tulare County. A portion of the building located in the community of Alpaugh is rented to the Alpaugh Joint Powers Authority for business use.

The Alpaugh Joint Powers Authority (Alpaugh JPA) was formed in 2003 by the Tulare County Water Works District No. 1 and the Alpaugh Irrigation District. The Alpaugh JPA supplies domestic water to the community of Alpaugh. This formation is documented and governed by a Joint Exercise of Powers Agreement.

REASONS FOR INVESTIGATION

The 2009-2010 Tulare County Grand Jury received citizen complaints alleging employee harassment, sexual harassment, Brown Act violations and improper procedures by members of the Alpaugh JPA Board of Directors and the Memorial District Board of Directors.

PROCEDURES FOLLOWED

1. Interviewed relevant witnesses.
2. Inspected the business office, well site and the community serviced by the Alpaugh JPA.
3. Reviewed relevant documents.
4. Attended Alpaugh JPA Board meetings.

FINDINGS

Alpaugh JPA

1. Members of the Alpaugh JPA Board of Directors are appointed by the “Parent” Districts (Three from the Waterworks District and three from the Irrigation District.)
2. The Alpaugh JPA By-Laws state when a resignation is submitted to the Secretary, “no further action is required”. No provisions are made to reverse the decision. Members are appointed to the board by one of the “Parent” Districts. However, one Board Member resigned on May 15, 2009 and continued to serve on the Board without reappointment.

3. A member of the Board designated himself as "Chairman" without election. This is a violation of the Alpaugh JPA By-Laws Article V Section 1 and the Joint Exercise of Powers Agreement Article III Section 3.01.
4. The Alpaugh JPA Board of Directors do not communicate well with each other, nor do they agree on how the Alpaugh JPA should be run.
5. No violations of the Ralph M. Brown Act were found.
6. At least 6 meetings were observed to be out of control with members of the public talking at will, speaking directly to each other or Board Members and Board Members speaking at will to each other or responding to the public.
7. The Alpaugh JPA By-Laws Article IV, Section 7 states, "The Secretary of the Authority shall cause minutes of all meetings of the Board to be noted and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to each Member Agency." Article V, Section 6 states, "The Secretary shall provide a copy of the minutes to each Director and each member agency as soon as possible after the meeting, but no later than seven (7) days prior to the next regular meeting." Minutes were not prepared as required above.
8. The Alpaugh JPA By-Laws and the Joint Exercise of Powers Agreement state that the Executive Director, "...shall be responsible for the hiring, firing, promoting, and disciplining of the Authority employees, except the Secretary, Treasurer, Legal Counsel, and other professional staff and consultants." During the July 8, 2009 Alpaugh JPA Board meeting a resolution was passed to "...leave all hiring and disciplinary action to the Board." The Alpaugh JPA can amend their By-Laws, but the Joint Exercise of Powers Agreement can only be amended by the Irrigation District and the Waterworks District.
9. Prior to July 8, 2009, without Board approval, a Board Member other than the Executive Director, and in the absence of the office manager, frequented the office and was overly vigilant of staff. This person yelled at the employees and insisted they track (in writing), breaks, bathroom visits and sign a new employment agreement.
10. A special meeting was called in April of 2009 for the purpose of an employee's evaluation. The employee's personnel file was examined in September 2009 with the written permission of the employee. No employee evaluations were found in this file although the employee had worked directly under the Alpaugh JPA Board's supervision since December 2007.
11. California Government Code Section 6505 requires JPAs to submit an audit to the State of California every year. As of February 23, 2010, audits have not been received by the State from the Alpaugh JPA since formation.
12. California Government Code Section 6505 requires JPAs to file an audit with their County every year. An audit has not been received by Tulare County from the Alpaugh JPA since 2006.
13. Some Board Members have not received ethics training. California law AB1234 requires public officials to

complete an ethics training course within six months of assuming office and every two years thereafter.

14. The Alpaugh JPA Employee Handbook defines sexual harassment and describes complaint procedures. It states, "...a thorough investigation will be conducted and appropriate action taken."
15. One alleged incident of sexual harassment was reported to the Manager by an employee. The Manager did not report it to the Board at the employee's request. However, a second and separate alleged incident of sexual harassment was reported by the Manager to the Board. The Board did not investigate. One Board Member stated the reason for not investigating was the accused resigned from the Board and relocated.
16. There have been three managers in the last four years at the Alpaugh JPA. The first left due to relocation, the second was hired as a temporary and a third was hired in September of 2009 and resigned in April of 2010.
17. The first and second Manager approved extended contracts (extended payments) on some water bills allowing customers to accumulate large unpaid balances.
18. The first and second Manager allowed some customers with delinquent accounts to open a new account at a different address.
19. The practice of allowing unpaid bills to be deferred or customers with delinquent accounts to open a new

account at a different address was corrected by the third Manager.

20. Personnel files were kept in an unsecured location.

South Tulare County Memorial District

22. In October 2008, the Memorial District increased the Alpaugh JPA's rent from \$250 per month to \$500 per month. An increase in the electric bill was the reason given for the rent increase. A review of the electric bills revealed an average increase of approximately \$41 per month.
23. On May 11, 2009, at the regular meeting of the Memorial District, it was suggested to the Director in charge of the Alpaugh Memorial Building that to avoid possible conflict or other problems, notice be given pursuant to the rental agreement of October 1, 2008 terminating the agreement with the Alpaugh JPA. The minutes of this meeting reflected no action taken on this suggestion.
24. On May 18, 2009, a letter dated May 15, 2009 was submitted to the Alpaugh JPA giving notice to vacate the building within 30 days.
25. On June 22, 2009, at a special meeting of the Alpaugh JPA, a representative from the Memorial District outlined problems leading to the eviction letter submitted on May 18, 2009. He stated that he was there to "offer an extension". The Alpaugh JPA Board of Directors appointed a Board Member to negotiate with the Memorial District to cancel the eviction. The eviction notice was withdrawn shortly thereafter.
26. The Memorial District Director in charge of the Alpaugh Memorial Building is