

Chuck Rust
5222 Westridge Avenue
Auburn, CA 95602

January 20, 2021

Margaret Long, Prentice/Long PC
2240 Court Street
Redding, CA 96001

Christian Valley Park Community Service District
Kathleen Daugherty, Board President
P.O. Box 6857
Auburn, CA 95604

Ms. Long and Ms. Daugherty,

I am in receipt of your letter dated January 13, 2021 requesting payment in the amount of \$2860 for over-payment of the monthly stipend during my tenure on the Christian Valley Community Service District Board. While a list of payments made to me was attached, there is no explanation of how the fifty-five percent figure was developed. No attempt to bring the parties together to resolve this issue was made. It is presumptuous to assume that I would simply agree to your terms without some semblance of due process.

I hold a Masters Degree in Public Administration and had a thirty year career in municipal government at the executive level and am experienced on how government works and the scope of responsibility of a city/county administrator or in this case, district general manager. My qualifications are what initially drew me to service on the board, as I felt my experience could be an asset during a time when no current members had a similar background.

At the time that I joined the board, the move from a waiver of service fees 'payment' to a direct stipend had just been put in place. As I had attended numerous board meetings prior to expressing an interest in serving, I am fully aware of the discussion regarding this change and that general manager Don Elias raised no concerns over the legality of this. At that time, no action to make the District whole as a result of (waiver based) over-payments was discussed, although State Code was ostensibly reviewed by Mr. Elias and the District's auditor and attorney. If it was acceptable to acknowledge the error at that time and move on, why is a different standard being used now? I assert that past practice sets a clear precedent and that the current attempt to collect

and threat of litigation is entirely a result of pressure made by Diane Alessi and her informal band of followers.

Regardless of past practice, the fact remains that elected public officials at all levels of government rely on their agency's administrators to pay them a stipend/salary that is permissible under State Code. Using the city example, it is not a council candidate's responsibility to research Code to ensure that the amount established by the city is legal. In the same manner it is not and should not be the responsibility of CVPCDS board candidates or members to investigate whether or not the proffered stipend is permissible. Just as I never questioned that contracts were entered into legally or that water testing protocols were followed, I did not question the stipend, nor would I have had cause to. For this reason I strongly maintain that responsibility for the failure to ensure that compensation was proper falls entirely on Mr. Elias, as it would administrators in any other agency. I was not involved in any manner in the establishment of the stipend I received. The impact of his failure to fulfill a fundamental requirement of his position resulting in this "*mistake*" (your paragraph three) should not be borne by others who served in good faith and based on his assurances. It was not a mistake; it was a clear dereliction of responsibility.

As such, your proffered settlement agreement represents a shortcut in determining actual liability and I request that the District revisit the issue. My suggestion is that either you remain consistent with past practice by acknowledging the mistake, take corrective action and move on, or if the District must be made whole you look to Mr. Elias for reimbursement.

Respectfully,

A handwritten signature in black ink, appearing to read "Chuck Rust", written in a cursive style.

Charles (Chuck) Rust