

Letter to news editors about candidate CC Steve Dicterow (2020)

Facts relating to Dicterow's debt to LBCWD

In response to Dicterow's public announcement, where he failed to mention some key facts, I'll provide my personal accounting of events.

In October 2018, two weeks prior to my retiring from my position as your Mayor and Board President of the Water District, I called the LBCWD general manager to inquire if Steve Dicterow was paying his insurance. She told me Steve was three months behind and would pay it soon, and never mentioned that he was or had been on an "unwritten" hardship program.

June 2019, I placed a Public Records Request to LBCWD for documents relating to Dicterow and his insurance payments going back four years. To my complete shock, invoices mailed to him for monthly premiums (ranging from \$170 to \$223) showed Dicterow paid nothing, zero, for five years. Each invoice only noted his new "Total Due" with the most recent invoice noting a premium of \$223, Total Due \$8,994!

LBCWD provided no document or statement of any interest due or any hardship-program in place. Two payments were made: (1) Just days after my phone inquiry on 11/1/18 for \$9,000, and (2) just days after my records request in June 2019 for \$2,219, which shows Dicterow immediately began a new debt after paying the \$9,000. I was appalled at the seemingly deliberate deception made to me during my first phone inquiry while I was Mayor and Board President!

October 2019, the general manager resigned and Dicterow as Mayor Pro-Tem announced that he would not be Mayor in 2020. Also I was told that a lump sum interest payment was made about this same time.

These type of "quiet" arrangements are not what a Council and Board should be about. Are ratepayers given such pass on not paying their bills?

Dicterow has been on the Council a very long time, too long?

Kelly Boyd

Former City Council Member and Mayor

Former LBCWD Board President

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Response relating to Dicterow's debt to LBCWD (STUNEWS)

Kelly Boyd's letter in response to Steve Dicterow's debt to LBCWD appears to be another attempt to smear City Council candidates during election season. It is unfortunate that every election year seems to get uglier and uglier.

For many residents who may not be aware, in November of 2000, Laguna Beach County Water District became a subsidiary of the City of Laguna. This was an attempt to keep the District under local control and circumvent LAFCO from incorporating it into a neighboring and larger water district. Per the LAFCO agreement, the District remains a water district under government code and has kept all of its assets. When becoming a subsidiary of the City, the City Council began serving as the District's Ex-Officio Board of Directors, providing oversight on District matters, as well as becoming eligible for health insurance.

As a former City Council member and former Board President for LBCWD for several years, Mr. Boyd's letter regarding Steve Dicterow failed to provide all of the facts. As the former General Manager of Laguna Beach County Water District, it is true that Steve Dicterow was late in paying for health insurance for his wife. For a period of time, Steve was under extreme duress due to major financial hardship and bankruptcy. He came to me regarding this issue, and because his wife is disabled, he was distraught at the thought of losing insurance for her. I felt empathy and compassion for his situation and agreed to some flexibility in making his insurance payment. This flexibility was with the understanding that he would pay what he owed, which he did. As the General Manager, it was within my discretion, which was later corroborated by the Board of Directors.

When did we become so heartless and ruthless that we cannot be compassionate when others are suffering? Yes, Steve paid late due his circumstances, but he paid. Mr. Boyd asked the question in his letter to the editor...“are ratepayers given such a pass on not paying their bills?” My answer to that question is “yes, during certain hardships,” because the water district does work with its customers who are going through a difficult time or a hardship situation and cannot pay their bills. Also, there was no “quiet” arrangement. The Board President and the District's General Counsel at that time were aware that Steve Dicterow was having financial difficulties and was late in his insurance payments. The “unwritten” hardship program that has been referred to simply means that as the General Manager, I had the discretion to work with Steve in regard to his wife's health insurance.

To set the record straight, my retirement had nothing to do with this situation. I did not resign my position. I retired with a 45-year career, with 30 years in water management and 20 of those years in service to residents as General Manager of LBCWD.

I think most would agree that the mean-spirited behaviors and attacks that surface during election years are disturbing and demeaning. Using someone's unfortunate circumstances as a political ploy to cause embarrassment and humiliation seems a desperate attempt to influence voters.

Renae Hinchey, Former General Manager of Laguna Beach County Water District

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Response to former LBCWD General Manager Renae Hinchey regarding Dicterow

Council Member Steve Dicterow was the first to make public his former debt to Laguna Beach County Water District. His choice! My letter of response was done to provide key facts, backed by documents, about the situation that were omitted by Steve.

In Hinchey's and Dicterow's letters to the editor, they both conveniently do not mention that over five years, *no* payments were made! Yet Dicterow managed to keep his personal karate lessons going. Renae let Steve pay nothing for five years, and on 10/15/18 he owed \$9,436 and then 6/10/19 he owed another \$2,219 liability to the water district! Those actions went way beyond a compassionate assistance. The LBCWD written insurance policy #3415 states that with non-payment of 90 days, insurance may be terminated, at the discretion of the GM. The discretion of GM Hinchey was to allow Board Member Dicterow's *non*-payment to go beyond 90-days – to be five years!

Renae stated, "he paid late, but he paid," but she doesn't tell you why, it seems, he paid! He paid immediately after my phone inquiry October 2018, while I was Mayor and Board President, and again following my formal request for public documents eight months later. If I had not inquired, in my opinion this secret, excessive, liability would still be ongoing, and Steve would be voting on Renae's contract and benefits as usual!

They both omit key facts from the public and misdirect you to believe my response is a hit piece! It is important for the community to have all the facts, not just select, favorable ones to them. In the end, the citizens will decide for themselves who is best to represent them on the City Council and Water Board!

Kelly Boyd

Former City Council Member and Mayor
Former LBCWD Board President

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Regarding Renae Hinchey's letter to the editor

While I appreciate that Ms. Hinchey would like to revise what Steve Dicterow stated in his own words as an off the books arrangement with the GM of Laguna Beach County Water District (he referred to it as an "existing unwritten" program in his statement to *Stu News*), I have only one question.

I have submitted various public records requests to said Water Board. No such agreement has surfaced.

What public agency head gets to create a private agreement with anyone?

You are subject to laws and regulations; if you did enter into agreements, off the books as Steve alluded to, prove it was legal to do so.

What else was done under Ms. Hinchey's management time at the Water Board?

If there was indeed something approved by board members as she claims, simply produce the document Ms. Hinchey, showing there was no tit for tat. In other words, having someone you have entered into a private arrangement with actually voting on raises and bonuses for you. Maybe your intentions were innocent, maybe not. The optics are bad for certain.

Cindy Shopoff
Laguna Beach