



Kyle Miller Announcing Chapter 11 Filing. Excerpts at Right

Case 8:11-bk-16411-RK Doc 1 Filed 05/04/11 Entered 05/04/11 18:14:31 Desc Main Document Page 1 of 14

United States Bankruptcy Court Central District of California		Voluntary Petition		
Name of Debtor (if individual, enter Last, First, Middle): Miller, Kyle Steven		Name of Joint Debtor (Spouse) (Last, First, Middle): Miller, Catherine		
Estimated Number of Creditors 1-49 50-99 100-199 200-999 1,000-5,000 5,001-10,000	(1) Name of creditor and complete mailing address including zip code	(3) Nature of claim (trade debt, bank loan, government contract, etc.)	(5) Amount of claim [if secured, also state value of security]	
Estimated Assets \$0 to \$50,000 \$50,001 to \$100,000 \$100,001 to \$500,000 \$500,001 to \$1 million \$1,000,001 to \$5 million \$5,000,001 to \$10 million	Hacienda Golf Club 718 East Road La Habra, CA 90631	Golf Club Membership	12,000.00	
Estimated Liabilities \$0 to \$50,000 \$50,001 to \$100,000 \$100,001 to \$500,000 \$500,001 to \$1 million \$1,000,001 to \$5 million \$5,000,001 to \$10 million	La Habra, CA ZIP Code 90631	La Habra, CA ZIP Code 90631		

Candidate Kyle Miller Announces Personal Bankruptcy

At the February 14th City Council meeting, candidate Kyle Miller announced that he had in 2006 purchased commercial property in Phoenix and Las Vegas. He said he filed Chapter 11 reorganization as a result of tenants not paying. He said he learned a hard lesson in risking capital. He stated, "Unlike other candidates I know the downside of business risk." He said it is important to protect the City's reserves.

Public documents indicate Mr. Miller filed bankruptcy in May 2011, with proceedings continuing to August 2012. The Bankruptcy filing showed 1-49 creditors including Hacienda Golf Club in La Habra Heights. An August 2012 modification showed Los Angeles County Treasurer and Tax Collector. When asked, Mr. Miller did not respond whether the L.A. Tax Collector was for his La Habra Heights property taxes.



All Candidates Attend League Forum

All candidates attended the Whittier League of Women Voters Forum on February 12th. Topics included City finances, Measures A & B, roads, and public safety. A split between candidate George Edwards and the others quickly became apparent as Edwards opposed Measures A & B, said he voted against the Road Tax and sought to find a way to increase the less than 10% return to the City of property taxes, with the others supporting the measures and dismissing the possibility of

increasing the revenue share. Brian Bergman emphasized the efforts of the Council to maintain the city reserves. "We must preserve this city from the pressures of urban sprawl." He cited his eight years of experience on the City Council and need to balance competing spending demands.

George Edwards, executive vice president of a communications company, said that his business is mission critical, with no room for failure and must coordinate and work with large teams to get things done. He said he hasn't stopped volunteering since moving to the City. Mr. Edwards was the only one of the five to oppose proposed tax increases and who had personally worked to defeat the road tax, which was voted down 2-1.

Kyle Miller stated he voted for the road tax and went on to propose a new trash tax in the form of a franchise fee. Trash haulers have stated several times that they have no choice but to pass the franchise fee on to their customers if one were established. Mr. Miller touted his community involvement and business experience.

Michael Higgins said it is rewarding to talk to people in the community. He said, "living in this environment has a cost, we have to make up the difference in revenue." He revealed he is paid a "stipend" to edit the Heights Life.

In a surprising reversal, Michael Higgins, who said in a candid October 2012 interview with the City Council when he was seeking appointment to a vacant seat, "I hate the Brown Act (Open Meeting Law)" explaining that he thought the Council should be able to meet and bring decisions forward to the public, told the 80+ residents assembled that he supported the Brown Act and open government.

Chester Jeng said he is a fast learner, both dentist and an attorney. He said he is an immigrant with a strong work ethic, and paid back all his student loans.

Dr. Jeng emphasized bringing back Volunteers on Patrol to supplement law enforcement and suggested working with La Habra for a way to have them help find funds for our roads, as Heights residents send a lot of sales tax dollars to La Habra.

The entire forum can be viewed on cable Channel 3 thru the election.



www.LaHabraHeights.net
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La Habra Heights, CA 90631

A Community Supported Publication

Measure A – A Blank Check, Higher Taxes?

Measure A seeks to increase the City's State Constitution imposed spending cap, known as the Gann Limit. The "Impartial Analysis" of the Measure, authored by the City Attorney, in the Sample Ballot details a connection to the Fire Tax. The "Argument in Favor" authored by the City Council states that the failure of the measure "would limit the amount available for life-safety and law enforcement services."

October 5, 2012
City Manager Clark:

California Independent Petroleum Association
1001 K Street, Sixth Floor
Sacramento, CA 95814

production. There are also hundreds of thousands of royalty owners in California, including in the City of La Habra Heights. **An increase in the barrel tax comes directly out of their royalty checks.**

However, the Gann Limit imposes no such targeting for spending reductions.

It is up to the City Council to determine if reductions should be made to Golf Course luncheons, pay raises for staff or Fire Safety and Law Enforcement.

In fact, the City did not need to exceed the base Gann Limit in the past two fiscal years, and only minor reductions would have been needed in the previous two.

Having the ability to exceed the spending cap the past four years has not stopped the City Council from reducing both Sheriff and Fire Department services in recent years. Sheriff patrol hours have been reduced by about 20 percent. Staffing of Fire Engines has been reduced by 50 percent from two to one. All full time Fire Department positions have been eliminated. The Fire Chief position went from full time to part time. The dramatic reduction in paid positions and service raises the question: "where did the Fire Tax money go?" The City has reported that non-fire safety personnel are now being paid from the Fire Tax as a proportion of work done. Though cuts have been made to Fire and Sheriff's services, the City Council has not stopped Golf Club luncheons, pay raises or adding new city staff. The "Argument in Favor" also states "Measure A does not raise taxes". In fact, Measure A can allow existing taxes to automatically increase. For example, the Fire Tax has an automatic 3% annual inflator, which the passage of

Measure A would allow to continue.

A Special City Council meeting was called after it was discovered that the City financial figures used to justify the Gann override were found to be inaccurate. The City Manager said that if Measure A failed, property owners may receive a refund. Both those in favor and opposed to Measure A agree that City spending has not exceeded the base cap for several years. Voters will need to determine if they want to give the City a "blank check" or wait for justification when the need arises.

Measure B Will Reduce Your Oil Royalties

Measure B proposes to increase taxes on oil production. The information provided by the City does not tell voters that property owner's oil royalty payments will be reduced if Measure B passes.

During discussions about the Measure at the October and November City Council meeting, council members expressed ignorance of the effect of the Measure on royalty payments. However, documents obtained through Public Records Requests and other means indicate that a letter was sent to the City in early October by the Oil Company organization. The letter stated the effect on property owner royalties, "**An increase in the barrel tax comes directly out of their royalties.**"

The letter (excerpt above) can be seen at LaHabraHeights.net. A City email indicates this letter was sent to council members later in October. Councilmember Roy Francis asked to have the topic agenda'd for discussion, but received no second. This publication contacted Rock Zierman of the California Independent Petroleum Association who wrote the letter. He stated that the City could have negotiated with the oil producers for an increase in the oil production tax or fees which might not have affected property owner's royalties. Since this was not done, the letter states royalties will be reduced if the measure passes. All candidates except George Edwards are in favor on the tax. Edwards authored the opposition argument.

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4 Candidates "No Shows" at Forum Cancel at Last Minute - Forum Goes On Without Them



Candidate George Edwards only Council Candidate keeping his commitment to face questions from voters

The Coalition to Protect the General Plan (CPGP) is an organization that seeks to educate the community on the City's General Plan, which serves as the foundation for planning and future development in the City. The CPGP held two candidate forums for the 2011 Council election with all candidates attending one or both forums.

Once again the CPGP scheduled a candidate forum for the upcoming 2013 City Council election. All 5 candidates had confirmed attendance, the MPR room was booked, video facilities had been hired, and the event publicized. Just hours before the Forum was to begin, three candidates cancelled. Kyle Miller and Mike Higgins gave no reason, dentist Chester Jeng said he had a last minute dental emergency. Brian Bergman told the Whittier Daily News, "I wasn't going to participate if it's just two people", adding that he felt it should have been cancelled.

With over 50 voters in attendance the CPGP made the determination to proceed with the Forum as planned with the one remaining candidate, George Edwards. Moderator Norm Geiser gave the audience the option to leave, however all but a few stayed with several more arriving later. Edwards began by stating that he would have preferred the other 4 candidates attended, but recognized that many had taken time to come to the event and felt obligated to be present and participate. For approximately 90 minutes questions were asked by moderator Norm Geiser as well as audience members on a range of topics including the General Plan, city finances and public safety. The format deviated somewhat in that the

public was allowed to freely ask uncensored questions of the candidate.

Resident Walt Ferrari, said "I've been sitting here fuming because we have 5 candidates and only one showed up. This is ridiculous."

Former resident Karen Vipperman accused CPGP of giving the questions to Edwards in advance, but not the other candidates, stating: "This is their [CPGP] thing and the one next week [League Women Voters] is the city's thing, so they'll all be here". Edwards and Geiser corrected her, saying that no candidate received the questions other than the opportunity for opening and closing statements. Geiser stated that all candidates were treated equally. It was also pointed out that the February 12th forum was to be hosted by the Whittier League of Women Voters, not the City. Cities are prohibited from sponsoring political events.

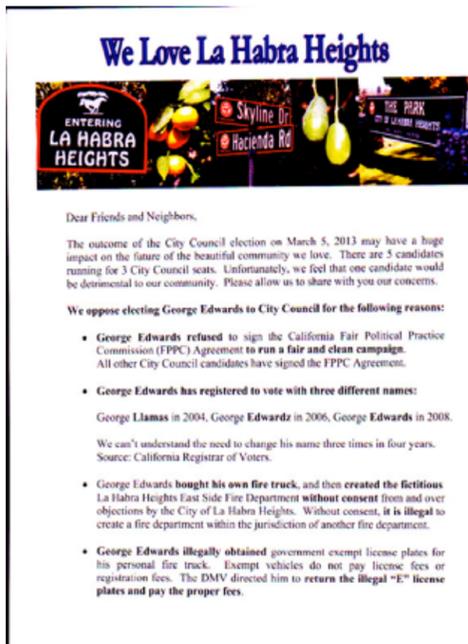
Councilmember Jane Williams asked Mr. Edwards if there was any tax he would support. He responded that he supports the property tax.

Resident Cecelia Borrowe asked of those candidates who didn't show up, "Do they only participate when they can be in control? Do they only participate when they can have it their way? I'm disappointed, greatly disappointed by this." She proceeded to thank Mr. Edwards for participating.

All candidates claim support for the General Plan, despite their no-show for the event.

A link to the forum video can be found at www.LaHabraHeights.net

“Hit piece” Mailer - LHHIA Connection?



Residents received a “hit piece” mailer on February 9th from “We love La Habra Heights”. Investigation found that the address is that of former councilmember Howard Vipperman.



Locale Address 1717 Chota Rd

The property has a “For Sale” sign on it and also has campaign signs for Higgins, Miller and Jeng. Most of the authors listed on the flyer are supporters and/or signatories (or spouses) on nomination papers for Higgins, Jeng and Miller; or closely associated with the La Habra Heights Improvement Association (LHHIA).



Campaign Signs in front of “Hit Mailer “Address

Michael Higgins and Kyle Miller’s nomination papers were signed by 10 of the 13 directors of the Improvement Association. Kyle Miller and Michael Higgins both have the same campaign treasurer, Monica Gunns, who is also listed on the LHHIA Directors web page. Michael Higgins wife Pam McVicar is a current director and past President of the Improvement Association, and is also a paid board member of the Water District. Michael Higgins is paid by the LHHIA to edit the Heights Life.

\$2 Million City Hall Expansion Approved Councilmember Discusses Disincorporation Scheme Crafted to Tie Next Councils Hands

A \$2 million City Hall expansion scheme was approved 3-2 at the February 14 City Council meeting. The project started as a less than \$200k re-roof and asbestos and lead paint abatement. Several speakers called for a Town Hall meeting, a vote of the residents, and better notification before spending almost half the City’s savings. The proposal had been kept under wraps until that evening, with no posting of the plans on the City website. The architect worked with a City Hall renovation committee consisting of a group of residents hand-picked by City Manager Shauna Clark. The committee also included the former City Manager of Buena Park. Plans include increasing the size of the administration buildings from 5,246 square feet to 6,597, with 18 employee suites and work areas. There will be indoor and outdoor staff lounges. The current floor plan allows residents to meet with staff in each department. The new plan isolates the public to the front lobby and locates mid level and senior staff out

of public view with private doorways to the outside. The multi-purpose room is excluded from the project. When discussing whether to use City reserves or finance the project, the City Manager said if it was financed, the interest would likely be double the 1% the



city earns on savings, and a bond would be needed. The Council voted to use the reserves. When a question was raised about where to go during construction, and a suggestion of using an offsite office building in La Habra was raised, the City Manager said she had a plan to address the issue, but didn’t want to discuss it. Councilmember Westerhoff said that there are unfunded employee retirement costs of \$2-\$3 million. Combined with the \$2+ million to remodel City Hall, this could deplete the City \$5M reserves. Mr. Westerhoff said that if the City is going to disincorporate and go back to the county it makes no sense to use that money on roads, but should instead be put into buildings. He also indicated he would not support the proposal because



of a possible conflict of interest, but did not elaborate. Documents provided to the Los Angeles County District Attorney’s office suggest that a possible undisclosed conflict of interest exists between City Manager Shauna Clark and Ewing Architects. It was unclear if this was the conflict of interest to which Mr. Westerhoff was referring. Westerhoff asked the architect if he would indemnify the city, but received no response.

The City Council expressed some concern that the

newly elected incoming council members might want to overturn the decision. In the end the approval was crafted with a “poison pill” to tie the hands of the next council by authorizing the budgeting of \$2 million and building plans, and making any attempt to back out of the project expensive.

Voting – Bullet Votes & Voting “Parties”

Questions have been raised in the community about voting options. In this election, there are three open seats for City Council. Voters can choose up to three candidates, but are not required to cast all three votes.

“Bullet” voting

If there is one candidate you would like to see elected above others, a vote for only that candidate helps that strategy. By voting for more than one, you may be giving a vote to a candidate who ends up defeating the one you really wanted elected. Similarly, if there are two candidates you definitely want elected, voting for a third could help defeat one or both of the two you really want. If you have examined all candidates and find three who meet your requirements, you can vote for all three. Staying home and not voting means someone else will be deciding who will sit on the City Council.

Vote by Mail “Parties”

No one should be pressured or intimidated to vote for a candidate or a slate directly or indirectly via peer pressure, such as a “party” where vote- by-mail ballots are filled out and collected.. If you feel you have been pressured, have questions about the campaigning practices of a candidate or their supporters, or to file a complaint, you can call the Fair Political Practices Commission at (916) 322-5660 or their “tip line” at (800) 561-1861.

More Information on All Stories can be found at www.LaHabraHeights.net

Correction and Retraction Policy

To report errors or omissions requiring correction or clarification, e-mail the editor at LHHnet@aol.com or mail to the address on the back of this newsletter.

City Council Candidates



Brian Bergman - Current City Council Member 2005 - 2013
City Planning Commissioner 2001-05, 26 year resident, Hacienda Trash Pick-up volunteer, voted for Road Tax. Noted for respect and courtesy toward residents as Mayor. Mayor 2007-08, 2011-12. 4H Project Leader
Voted for City Hall remodel. Opposes AERA development. Points out he has helped preserve \$5 million City reserves.



George Edwards - 10 year resident. A founder of LHH Fire Watch, past Council and Water Board candidate, fought Water Rate increase and lead defeat of recent Road Tax. Co-authored argument against increased City spending Measure A. Authored argument against Measure B that would reduce residents’ Oil Royalties. Opposes new taxes, Editor TheAvocadoExpress.com. Whittier Daily News 2009 endorsement for City Council. Opposes \$2 million City Hall expansion and remodel.



Michael Higgins - 23 year resident. Member Los Compadres, Highland Riders, LHHIA. Paid editor of Heights Life. Stated, “I hate the Brown Act” (Open Meeting Law) at interview for appointment to Council. Voted for Road Tax. Husband of LHH Water Board member Pam McVicar. A retired businessman, Mr Higgins says he will bring mature and levelheaded experience to the City Council. At League candidate forum reversed earlier statement, now supports Brown Act. He said, “living in this environment has a cost, we have to make up the difference in revenue.” Supports \$2 million City Hall remodel.



Chester Jeng - 5 year resident. No stated involvement in City. Did not vote in Road Tax ballot. Past volunteer Corona-Norco schools. Licensed dentist in California and New Zealand, and an attorney. He says he will not let high density housing enter our city. Dr. Jeng says he wants to know what residents are concerned with. Wants to restore Volunteers on Patrol to supplement Sheriff service. Would work with La Habra to seek financial assistance for our road repairs.



Kyle Miller - 14 year resident, Director LHHIA, an advocate of \$527 Road Tax as member of Roads Committee, Supports Measure A which increases City spending limit and Measure B an Oil Tax which reduces residents’ Oil royalties. Past Co Chair - Hillcrest Festival of Fine Arts. Member Los Compadres. Former Member Hacienda Golf Club. Supports \$2 million City Hall remodel. Proposed new Trash Franchise Fee at candidate forum. Announced he had declared Chapter 11 Reorganization at February Council meeting. Bankruptcy proceedings occurred in 2011-12.