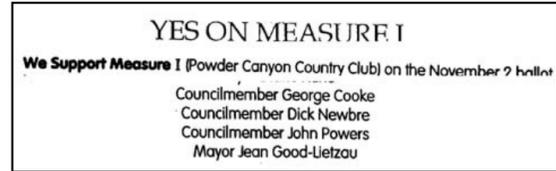


A recent mailer by a group called “Save LHH” says we could lose 1 acre zoning, local control, large animal zoning and look like Hacienda Heights unless local activists are stopped. The senders of the mailer include Jean Good Leitzau, George Cooke and John Powers. All 3 were named on citywide flyers in the early 1990’s supporting developing Powder Canyon a 545 acre project with 10 million yards of grading. The project was ultimately defeated 2-1 by a vote of the residents after a hard fought battle.



Excerpt - Powder Canyon Development Flyer

Another mailer supporter, Planning Commissioner Ray Fernandez, is past president of the Building Industry Association of Southern California. At the November 12, 2009 Joint City Council/Planning Commission meeting, on bringing low income housing to La Habra Heights, Planning Commissioner Ray Fernandez (appointed by Layne Baroldi) said, “We have that land on West Rd. Why can’t we rezone that to multi-family, high density.” “This is the right thing to do. We have a moral obligation to help those less fortunate.” Layne Baroldi was Mayor during a raid on a resident for animal keeping and shepherded through code changes to facilitate development. Residents George Edwards, Phil & Aida Lough, and Stephen Blagden have fought for open government, preserving our rural environment and against wasteful spending, and tax increases. The mailer proponents single out and malign these vocal residents and call for ending the broadcast of public comments at Council meetings. With the important current issue of Matrix Oil, upcoming tax increase proposals and pro-development code changes, cutting out public comments from the broadcast would be just another way to silence the opposition and attempt to control information. It also could have a chilling effect that extends far beyond a select few.

Legal Battle Over City Hall Expansion

A public interest lawsuit was filed by George Edwards on behalf of concerned residents, citing the City’s

refusal to follow the municipal code and state CEQA (California Environmental Quality Act) laws in the renovation and expansion of city hall. The lawsuit asked that an EIR (Environmental Impact Report) be done, which would identify any hazardous materials such as lead paint and asbestos. An EIR would consider earthquake safety for the building, traffic patterns and adequate parking. Neither the appeal nor the lawsuit was intended to stop renovation permanently. Mr. Edwards and others have always acknowledged that the city hall building is in need of repair. With a pre-school neighboring the city hall property and fire fighter’s dormitories immediately adjacent to the construction site, safety should be the number one priority. The City first reported that all hazardous materials had been mitigated, only to discover that there was more asbestos in the roof, resulting in costly delays to have it removed. The EIR process would have widened the scope of discovery to consider locations of hazards. Instead, the city chose to exempt itself from CEQA.

City Attorney of the Month

The latest City Attorney to resign made the decision in June after only a few months working for the City. In a Whittier Daily News interview, Christi Hogin said, “We just thought the city’s management might be better served with someone with a different style.” The previous City Attorney, Holly Whatley, resigned after less than a year, saying, “It seemed to me that my ability to be effective for the city is not what it once was, and it’s in the city’s interest to resign my position as city attorney.” While neither the City nor the resigned attorneys provided any detail, public agency attorney ethics guidelines state, “if indeed it is clear that the agency is taking an unlawful action and the attorney’s efforts to encourage corrective action have failed, the attorney’s only recourse is to resign” We welcome our 4th City Attorney in just over a year, John Brown of Best, Best, & Krieger (BBK). BBK was City Attorney for the City of Bell.

City Services Out, Builder Subsidy In

In deciding whether to cut the Paramedic subscription program, Airport Shuttle Vouchers, City Hall hours, or other services to save money, the Builder Subsidy program was spared. The Council had voted for taxpayers to subsidize 40% of Building Permits, about \$80,000 for 2013.

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A Community Supported Publication

“Heights Watch”

Watching Out For Your Safety?

Councilmen Kyle Miller and Michael Higgins recently created the La Habra Heights Community Support Foundation. The “Foundation” uses the Fire Department’s need for a new Jaws of Life to solicit funds from the community. Councilmen Miller and Higgins have twice voted not to support the purchase of this essential rescue tool, used to extract car accident victims from vehicles, as part of the City budget. Instead, they’ve voted for items such as \$75,000 for new furniture for City Hall and \$8,000 for a City newsletter, raising the question of whether community safety is being compromised. The City’s General Plan already identifies a way for residents to donate money for items needed by the Fire Department or the City without involving local politicians.

In starting their watch program, a recent Council agenda included removing the existing signs of the long established Neighborhood Watch program so that Councilmen Higgins and Miller’s Foundation watch signs could be installed. With Higgins and Miller recusing themselves, the 3 remaining Councilmembers did not approve the plan, however the Foundation has since placed advertising signs for their watch program around the City.

City Hall “Visiting Hours”



Outside Waiting Room

In a new City procedure, Residents must now wait outside until it is their turn to be served at City Hall.

In January, City Hall was closed to residents over half the day, purportedly to catch up on public records requests and put documents online. City Hall counter hours are currently 8 a.m. to 11:00 a.m. and 2:00 p.m. to 4:00 p.m. Visitors can only enter the City Hall building during these five hours. City Hall is locked and closed to the public for the remainder of the day. Yet, business hours for city staff are 7:30 a.m. to 6:00 p.m. Monday through Thursday. City Council approved this reduction in counter hours in November 2013. Council member Kyle Miller told the Whittier Daily News in an article from 12/21/13, “I favor limiting counter traffic,” Miller said. “You never know when you will get interrupted. How disruptive is that to your focus.” Almost 7 months later, even with a dramatic reduction in requests, residents are still unable to obtain records in a timely manner as required by law, and the online system has yet to be completed. Even more disturbing, several records requests from residents, met with “no such records exist” from city staff, were later shown to be in City files, including a lawsuit against the City. A number of requests have been submitted in the last year for documents showing who works for the city, positions and salaries. Again, the City answers that no such records exist. Recently an investigating Deputy found 3 children in a back room at City Hall after public hours. Councilman Higgins stated at the July Council meeting that employees sometimes bring their children to the City offices, raising the question of why the public cannot be served from 4-6 p.m. too..

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.

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**Proposed Matrix Oil Project
 “Fuels” Controversy**



Button distributed at Avocado Festival

property on the far west side of the City. The site is located on the eastern edge of the Whittier Oil field.. It had been used for gas storage and has 7 existing, non-producing, wells. Matrix proposes an exploratory phase of 3 wells with approximately 600 barrels total of oil per day to be trucked out. If production meets their goals a total of 30 wells will be constructed, producing up to 6,000 barrels of oil and 6 million cubic feet of natural gas per day. At a January 2012 public meeting, initial documents indicated Matrix proposed using existing Occidental Oil pipelines to avoid trucking, and said residents would receive royalty payments. Construction would occur over a period of 5 years. A draft Environmental Impact Report (EIR) is currently in process. There are multiple reports of residents encountering extended delays and/or being denied access to the Matrix documents at City Hall, as well as being prevented from copying documents. These are violations of the California Public Records Act and California Environmental Quality Act (CEQA). Residents and neighbors are encouraged to learn about the Matrix project, participate in the public hearing process, and take advantage of opportunities to provide input and comment.

Opposition

A neighborhood group, Heights Oil Watch (H.O.W.) was formed with the mission, “opposed to the Matrix Oil Project and further oil drilling developments in La Habra Heights”. Having already retained an attorney, their stated strategy includes voicing opposition, a referendum if the council approves the project, an initiative, and a recall of the Council.



Opposition Group Sign

Oil in the city

What is now La Habra Heights, encompasses most of the Sansinena Oil Field. The first producing well was drilled in 1898. In the 1940’s Union Oil discovered significant oil and started drilling many wells. Residents objected to the effects and met with Union Oil. Union agreed to screen the well sites, use only temporary derricks, no trucking of oil, paid millions of dollars in royalties, and contributed to the Fire Department and community needs. This oil production mitigation became a model in California. Peak production occurred in the 1950s at about 6,000 barrels per day. The State Division of Oil and Gas reports that there are 208 wells with 104 active in the City as of 2014, including 24 on Hacienda Rd, 20 on Canada Sombre, 18 on the east side of the Golf Course, 17 on Ranch Hill Rd, 10 on Ardsheal, 7 on El Empino, and 3 above El Cajonita. As production and oil prices declined, the fields were purchased by smaller and smaller producers. When the General Plan was being drafted from 2001-03, the expectation was the oil fields would soon be uneconomical, abandoned and converted to other uses. The policies in the General Plan reflected that future. (Continued inside on page 2)

In 2006, the City entered into a Settlement Agreement with Commerce Realty spelling out minimum building lot sizes and minimum oil facility sizes. Most of the resource production land and oil fields were no longer owned by an oil company, other than the Sempra property. Rising oil prices and new production techniques sent the oil fields back up the food chain, with Occidental Petroleum currently producing oil.

The site

The 99 acre Sempra property is comprised of two lots. Twenty nine acres are leased to the City of Whittier for Murphy Ranch Park. The remaining 70 acres includes the 18 acres leased to Matrix Oil.

Around 2000 – 2001, the 99 acre property was considered for purchase from Sempra for use as permanent open space park land. No deal was made. During their May 2014 meeting, the Wildlife Corridor Conservation Authority discussed that possible funds in the amount of \$2 million may be available for land purchases west of Harbor Blvd, pending approval by the county supervisor. With public support, the Sempra property could become a target for those funds. A recent resident inquiry to Sempra Energy received a response that, while they might entertain a purchase offer, Matrix Oil would have the right of first refusal.

Royalties

In 1999, Crimson Oil reported paying over \$800,000 in royalties to residents at a 15.5% rate, with 260,000 barrels a year of production and oil prices at around \$20 per barrel. In 2013, with oil production at about 160,000 barrels and \$105 per barrel price, residents would be receiving around \$3 million in royalties, an average of \$1500 per parcel at that rate. If Matrix paid royalties as they stated in 2012, royalties to residents at 6,000 barrels per day of oil would be about \$35 million per year, or average about \$17,000 annually per parcel at that same percentage. In response to a query, Matrix said residents would receive no royalties.

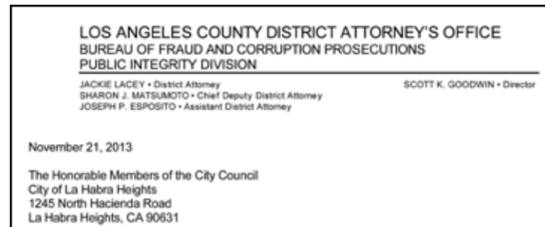
Trucking

Matrix proposes three to eight 18 wheel trucks per day transporting oil until the field is proven and pipelines are built. Matrix proposes widening the roads at curves and narrow areas, and possible installation of new traffic signals (stop lights).

The proposed truck route uses Las Palomas Rd, West Rd, and north or south on Hacienda Rd. The City of La Habra sent a letter to La Habra Heights stating that oil trucks will not be allowed to enter their City.

In 1999-2000, a pipeline break on Citrus St. in La Habra resulted in oil being trucked out of La Habra Heights. At that time, the City Council forbade the oil company to use northbound Hacienda due to the steepness, curves, and safety concerns, requiring the trucks to head south on Hacienda. Since that time, Hacienda Rd has become more curved due to the repair of the landslide above Canada Sombre Rd. According to the Crimson Oil Fact Sheet from 1999, Crimson had up to 60 weekly truck trips. The 18 wheelers carried 125 barrel tanks loaded with 100 barrels of oil, each one weighing 35 tons.

DA Bureau of Fraud & Corruption Investigates City...Again!



In two separate letters to the City dated November 21, 2013, acting on complaints and their own investigations, the District Attorney's Bureau of Fraud and Corruption issued a stinging rebuke for multiple counts of City failure to let members of the public speak. "The commissioner violated the Brown Act by interfering with Ms. Kurtz's right to make public comments." the District Attorney's letter said. "The public right to address the Commission includes the right to criticize the Commission or other city personnel." "This effect of censorship violated a principle right of the public under the Brown Act. It must not be repeated." warned the District Attorney.

The second letter dealt with possible City Council decisions made out of public view (back room deals). "Serial communications as inferred from the scenarios described above, violate the primary concern of the Brown Act of allowing public access to the decision making process by local government

bodies. We urge all members of the City Council to not engage in improper communications and to take caution to avoid even the appearance of such conduct."

In late 2012, in a 6 page letter addressing another Brown Act violation, the District Attorney's Office warned the City, "...if similar conduct occurs in the future, we will not hesitate to convene a grand jury.."

Does Eden-the-Llama Scare Employees Away?



Tweet used as example of scaring potential employees

The Council approved spending \$25,000 to hire an independent recruiter for a new City Finance Manager, after a Staff report indicated difficulties filling the position, including Tweets that the City claimed scared off potential employees.

Residents Complain That New Trash Deal Stinks



Armed Deputies keep public out of Trash meeting

Many residents were hit with higher trash bills as a result of the transition from Haul-Away Rubbish to Republic Waste. What was promised by the City Council to be a means of bringing economies of scale and a rate reduction, resulted in about one half the city paying more than they were led to believe. A City search for a new trash hauler, advertised by the City to be done with "integrity and transparency", got off to an opaque start as the City posted armed deputies to keep the public and press out of a November 14th orientation meeting for prospective trash haulers.

The City would not answer questions as to why the hauler must be able to service an area of "townhouse condominiums" since there are none in the City, or why forcing haulers not to disclose to customers an annual \$80,000 payment to the City was an example of "integrity and transparency." Long time refuse company Haul-Away got demerits and fell out of the running for asking too many questions about the contract. The agreement also includes free service for the City and free service for certain La Habra Heights Improvement Association events, with the costs to be built into rates.

The proposal indicated 115 homes would pay a higher rate due to difficult access. However, after the bid was awarded a subjective selection survey of properties conducted by the City and Republic resulted in 552 properties being designated for double the rate. Residents have questioned why streets that Waste Management, a high capacity hauler, and Haul Away vehicles traveled for years, are suddenly too narrow or difficult to navigate necessitating the use of a smaller vehicle at double the price.

While residents have been directing their ire at Republic Waste, section 4.2.1 of the contract designates the City as the final authority in who pays the higher rates. If residents are not satisfied with Republic's explanation they should contact their Council members.

Blurred Lines in Fire Department Budget

At their June 2014 meeting, the City Council voted to increase the Fire Tax to about \$500 per house. The Council laments that the Fire Department operates at a deficit and needs to be "subsidized" by the General Fund, to the tune of \$240,000 for Fiscal Year 2014. The budget shows a Fire Tax revenue of \$1,035,000 with expenses of \$1,277,000. Asking voters to raise the Fire Tax has been mentioned several times.

A closer look shows the finances are not quite as has been presented by the Council. The Fire Department does Oil Well inspections, generating over \$127,000 in revenue. However, the Fire Department does not keep the revenue. It goes into the City General Fund, but the Fire Department is left with the payroll and associated costs of doing the inspections. Paramedic subscription fees and recoveries generated over \$53,000 in FY 2014. Just like inspection fees,

these went into the General Fund, while leaving the expenses charged to the Fire Department. Just directing those two revenue streams back into the Fire Department reduces the so called "deficit" from \$240,000 to \$60,000.

The City charges the Fire Department for grounds maintenance, utilities, information technology expenses, internet service, etc at over \$50,000. The City also charged the Fire Department \$134,000 for services provide by City Hall staff. On average, the Fire Department responds to 1 call per day.

Is the Fire Department a black hole, depleting City reserves as the Council claims? Or is it a cash cow the City charges off expenses to and bleeds of revenues? The numbers tell the story. Remember these numbers when the Council asks you to vote "Yes" to raise the Fire Tax.

La Habra Heights Fire Watch Working to Keep the Community Safe

The drought has again raised awareness of fire safety. In recent years, the City Council has eliminated the Emergency Preparedness Committee, cut fire engine staffing from two engines to one, replaced the full time fire chief with a part-time position, eliminated on-site volunteer dispatch, removed the Fire Department Training Room from the new city hall and reduced Sheriff Dept patrols to about 12 hours per day. Seeing a need, a group of residents got together and started La Habra Heights Fire Watch, Inc. in 2008. The non-profit organization includes the official Neighborhood Watch program which was established by the National Sheriff's Organization in 1972. The group has a radio network consisting of individuals throughout the community with portable radios. A transmitter network (Repeater) exists in and out of town to provide coverage under most conditions. The group patrols the city during times of high fire danger looking out for problems before they develop, and during other significant events. Fire Watch members do not respond to incidents, but rather report any activity to the appropriate authority. The group also keeps an eye out for suspicious individuals or activities and alerts the Sheriff's Dept. Fire Watch patrols the City each July 4th reporting illegal fireworks or unlawful activity to the authorities. This is done in cooperation with the LA County

Sheriff's department. Recently, Fire Watch volunteers were prepared to deliver water to those affected by the Hacienda Rd water main break on June 27th. One of its most valuable services is an online



FireWatch pre-patrol meeting July 4, 2014

resource that allows anyone to listen to the La Habra Heights Fire Dept, the Sheriff's Dept and Fire Watch radio communications. The link is also available via a mobile smart phone. You can obtain 'real time' information on what's happening. More and more residents have tuned in when they hear sirens approaching and want to know what is going on. Access the link at www.LHHFireWatch.com. Fire Watch/Neighborhood Watch has monthly meetings at Hacienda Golf Club. New members are enthusiastically welcome. Anyone can join and there is no fee to become a member.

Council Votes to End Shuttle Vouchers

The Council voted to end the popular Airport Shuttle voucher program effective January 1, 2014 to save staff time. Many residents took advantage of the discount Shuttle Vouchers. The vouchers were funded with State Proposition A monies.

Advocacy and Preservation in the Heights The Real Battle

That La Habra Heights exists as a green oasis in the urban concrete sprawl of the Los Angeles metropolis is no accident. It has taken the dedication of activists for the past 70 years fighting development proposals and high density. With most residents moving to La Habra Heights because of the rural lifestyle, developers and their proponents often use the language of preservation to disguise their intentions.

