

**From:** [Kevin Knauss](#)  
**To:** [comments](#)  
**Subject:** New BoD Districts  
**Date:** Sunday, August 9, 2020 3:45:56 PM

---

The representational governance of the San Juan Water District (SJWD) has been problematic since the formation of the special district back in the 1950s. At the core of the problem is a conflict of interest between the wholesale water side and the retail function of the district relative to wholesale consumers.

In short, there have been times when some wholesale consumers felt the SJWD gave preferential treatment and rates to their retail consumers. Most of these issues have been addressed with new rate structures in the retail division, largely precipitated by the 2015 drought.

The wholesale operation of water treatment and distribution is separate from the retail distribution and maintenance at SJWD, as it should be. There are separate budgets in accordance with good accounting practices.

However, with a shift to board districts, and away from at-large directors, a new problem has been created. The board will be divided up into districts based on the wholesale operation of SJWD. The wholesale territory and population are far larger than the retail service area.

From the district map proposed by Citrus Heights and Fair Oaks Water Districts, it is possible to have 3, or possibly 4, SJWD board members who do not live in the retail division. This means that a majority of the SJWD Board of Directors will be making decisions for SJWD retail consumers who don't live in the area and are not subject to the decisions such as a change in the rate structure.

Three of the wholesale consumers, Citrus Heights, Fair Oaks, and Orangevale, all have elected boards governing their respective retail operations. The obvious question that arises is; if these wholesale consumers can have a separate board governing their retail operation, why can't the retail consumers of the SJWD also have an elected board?

The simple answer is there is no special district for the retail operations. Simply creating board districts won't solve the problem of retail representation. The transition to board districts will codify the disenfranchisement of retail consumers. SJWD retail consumers will be governed by people who do not live in the service area and do not have to respond to their concerns.

I can't be the first person to have considered the unintended consequences of attempting to comply with California Voting Right Acts upon SJWD. If SJWD goes forward with the wholesale district boundaries and does not address the representation of the retail side, there will be angry retail consumers.

Kevin Knauss  
Granite Bay, CA  
916-521-7216  
[kevin@insuremekevin.com](mailto:kevin@insuremekevin.com)



**Health: Individual - Family - Small Group - Medicare**

Certified Covered California Agent  
CA LIC 0H12644

Ph: 916-521-7216

[kevin@insuremekevin.com](mailto:kevin@insuremekevin.com)

[www.insuremekevin.com](http://www.insuremekevin.com)

Facebook: [Insure Me Kevin](#)

Linked In: [Kevin Knauss](#)

This transmission contains confidential information intended for the parties identified above. If you have received this transmission in error, please immediately notify me by telephone and return the original message to me at the address listed above. Distribution, reproduction or any other use of this transmission by any party other than the intended recipient is strictly prohibited.



Secured by [Paubox](#) - HITRUST CSF Certified