

From: **BUDD SANFORD**, for and on behalf of, The **BAY/OSOS CSD MOVEMENT**

To: The Contractors

April 15, 2005

**PLEASE CANCEL YOUR BID. SAVE TIME AND MONEY**

The community of Los Osos feels obligated to inform you that the Los Osos CSD has developed a strategy to possibly award a portion of the Los Osos project to you. The **majority** of the citizens of Los Osos are opposing the current sewer project, location, cost and design.

The contentious issues have resulted in a **successful petition to recall three board members, a Coastal Development Permit revocation hearing** that will likely stall or derail the project, **a ballot initiative** requiring a majority vote before construction can begin, and **lawsuits** over the funding for the project.

We felt the most responsible course was to inform your firm that the CSD may opt to award a bid to your company with **no ability or intention** to fulfill the terms and conditions of the contract. In fact, the strategy in the award would be only to assist in the CSD Directors maintaining their positions on the board.

In the face of an almost **certain recall**, the likelihood of a successful project is highly doubtful. Regardless of the high probability of delays or the **outright cancellation** of the contract altogether, these Directors seek only to protect their own interests, and we ask that you consider **pulling your bid**.

This community has provided you with ample warning of the financial risk to your enterprise and the probable failure of the project. If you chose not to take the appropriate steps to protect your interests and ignore this warning and request, then you do so at your own risk.

Sincerely,

**BUDD SANFORD** for and on behalf of,  
The **BAY/ OSOS CSD MOVEMENT**

From: **BUDD SANFORD**, for and on behalf of,  
a **MAJORITY** of the residents of Los Osos

To: **PRESIDENT, MONTEREY MECHANICAL**

**April 19, 2005**

Dear Sir:

Your company recently bid on an allegedly fraudulent sewer project for the town of Los Osos, California. You and approximately **38** other companies were asked not to participate. All other companies except you, **Whitaker** and **Barnard Construction** complied by withdrawing. We thank all of them.

You had been informed that, in addition to other remedies, Recall petitions to remove three (3) LOCSD Directors (**Gustafson, Hensley and Legros**) were being circulated and that once they were removed, all sewer activity would be ended.

**The petition drive was successful.** Nearly **3,000 voters** signed the petitions. An election will be held within **4 months**. There is little doubt that these three LOCSD miscreants will be recalled. In the last election, more than **5,000 voters (a majority of registered voters)** voted for **Lisa Shicker**, formerly with the **Los Osos Technical Task Force** and a voice in full opposition to the allegedly fraudulent sewer.

FYI, as soon as a new Board is sworn in, all sewer and related matters will be stopped and any contracts issued under the current board will be suspended pending full criminal forensic audits. Civil actions will also be considered.

Despite all this, it has just been announced that the LOCSD is going to vote (**3/2**) to award contracts. We have included a copy of correspondence (**2 pages**) from one of our law firms that clearly show this vote and any awards allegedly to be illegal and that the LOCSD Board is aware of this. Regardless they are willing to place your company and our community at risk to further their own desires.

To protect yourself and for the sake of our community, we are asking that you withdraw from this project. Our community does not need, does not want, nor can it afford a sewer of any kind, let alone a **\$150 million dollar** allegedly **fraudulent** sludge factory. You don't need the aggravation, expenses and ill will.

The costs are primarily being forced on the backs of people with fixed incomes, young families and the disabled. Many long term residents have already moved away and more will follow if this is not stopped. "Selected" higher income neighborhoods and residents have been conveniently exempted.

If this were your community under assault and these people being terrorized and forced to pay for this were your neighbors, your family and friends, would you still be so willing to move ahead? There is more than enough work out there that walking away from this nest of trouble would be of no consequence to your bottom line and will guarantee to save your company time and money.

The majority of the community of Los Osos thanks you in advance for your understanding and cooperation.

Sincerely,

**Budd Sanford**, for and on behalf of  
the **MAJORITY** of the residents of Los Osos

**July 12, 2005**

**To: THREE CONTRACTORS**

**Re: PLEASE HAVE THE INTEGRITY TO STOP NOW!**

Forty (**40**) contractors were considering bidding on the alleged fraudulent sewer project in Los Osos. After two faxes, thirty-seven (**37**) had the decency and integrity to pull out.

We have asked you to please do the same and you have refused. We have told you of the serious conflict that has been ongoing for more than 5 years and of the allegedly terrorist tactics used by the LOCSD, the RWQCB and the SWQCB to force this

unnecessary, unaffordable most expensive sewer (per capita) in the history of the world on the financial backs of mostly middle and lower income families, widows and disabled.

We will be holding a Recall election on **September 27, 2005**. If only one of the current miscreant Directors is recalled, the sewer project will be stopped. Civil litigation will be sought to permanently end the project as well as cancellation of all contracts and obligations.

There exists a possibility that any contractors who have refused to stop all activity until after the results of the Recall election may be subject to civil litigation.

Please inform the LOCSD that you will not begin any activity until after the **September 27, 2005** Recall election. Thank you. This is written on behalf of all Los Osos residents.

To: **Whitaker Construction, Barnard Construction & Monterey Mechanical**

From: Budd Sanford, for and on behalf of, the Community of Los Osos  
(to quote one of you, "More **drivel from Sanford.**")

**August 04, 2005**

Be advised that an appellate court has allowed the Initiative regarding the site of the proposed sludge factory (sewer) to be placed on the ballot for the **September 27, 2005** Recall election ballot. If passed, this initiative will change or **STOP** the project.

You have a "**conditional notice to proceed**" which is clearly a risk to you that, if you proceed, you take knowingly and without legal recourse in the event anything legal happens that prevents or permanently **STOPS** you from proceeding.

There is a serious financial risk to contractors if you break ground, the probability that you would be sued and have to restore all the **ESHA** as well!!!

**The SRF funding is not assured!** Not only is there **NO MONEY** flowing from the state at this time, an LOCSD Wastewater fund cash analysis shows only a fraction over **\$200,000** in the account.

In addition, there was another law suit brought by the **Los Osos Taxpayers Association** that was heard this week that will hold up funding and, if found in favor of a **vote for funding**, will jeopardize **YOU** contractors from **EVER** being paid.

Once again you are being asked to do nothing before **September 28, 2005** when the results from the **Recall and Initiative Election** are known. In fact, under the circumstances, you should **RUN**, not walk, away from this terrible mess.

**BUDD SANFORD**

