

Ms. Miyo Prassas
1753 Valley Park Ave.
Hermosa Beach, CA 90254
jwprassas@yahoo.com

July 5, 2017

Mr. Alan Yochelson
Head Deputy - Public Integrity Division
Los Angeles County District Attorney's Office
211 West Temple Street, Suite 1000
Los Angeles, CA 90012

Dear Mr. Yochelson,

I am reporting evidence of criminal conduct to purposefully defraud voters by Superintendent Pat Escalante from the Hermosa Beach City School District, located in Hermosa Beach, CA using taxpayer paid facilities and funds in violation of Education Code 7054:

ARTICLE 2. Political Activities of School Officers and Employees [7050 - 7058]

(Article 2 added by Stats. 1977, Ch. 36.)

7054.

(a) No school district or community college district funds, services, supplies, or equipment shall be used for the purpose of urging the support or defeat of any ballot measure or candidate, including, but not limited to, any candidate for election to the governing board of the district.

(b) Nothing in this section shall prohibit the use of any of the public resources described in subdivision (a) to provide information to the public about the possible effects of any bond issue or other ballot measure if both of the following conditions are met:

(1) The informational activities are otherwise authorized by the Constitution or laws of this state.

(2) The information provided constitutes a fair and impartial presentation of relevant facts to aid the electorate in reaching an informed judgment regarding the bond issue or ballot measure.

(c) A violation of this section shall be a misdemeanor or felony punishable by imprisonment in a county jail not exceeding one year or by a fine not exceeding one thousand dollars (\$1,000), or by both, or imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for 16 months, or two or three years.

HBCSD Superintendent Pat Escalante and the HBCSD's attorney, Mr. Terry Tao, Senior Partner of Atkinson, Andelson, Loya, Ruud and Romo, conspired to defraud the taxpayers of Hermosa Beach as to Hermosa Beach City School District facility options prior to the June 7, 2016 election. The collusion between Ms. Escalante and Mr. Tao was to purposefully misinform voters as to the agreement between the City and the District for the Sale and Purchase of Pier Avenue School, the structural integrity of both Pier Avenue School and North School and the Historical significance of the main circa 1934 classroom building at North School in order to pass a \$59 million dollar bond of which \$34 million was slated to completely demolish and rebuild North School. Over the life of the bond, Measure S is estimated to cost taxpayers \$127 million.

I believe that HBCSD Superintendent Escalante violated California Department of Education law governing the political activities of District employees in order to increase her standing with the HBCSD School Board. Previously, there had been an election in November 2014 for a \$54 million dollar facilities bond, Measure Q, which the HBCSD had lost.

The Hermosa Beach City School District is a very small district with enrollment at the time of the bond campaign (Spring 2016) of 1,430 students in two schools, Valley School and View School. North School, the District's third campus, has historically housed approximately 300 students and had been leased-out to a private pre-school and after-school day care used by Hermosa parents. Pier Avenue School was the District's former Middle School and was sold with a Lease Back provision to the City in 1978. The Lease Back (Please see attached Memorandum of Understanding, Exhibit B) arrangement specified priority use of Pier Avenue School in perpetuity by the District when District enrollment exceeded 1,266 students. Since the bond was passed enrollment has dropped by approximately 56 students and is now projected to drop by an additional 250 students by 2021. Current District plans are to demolish and rebuild North School to accommodate 510 3rd and 4th grade students in almost three acres ostensibly to qualify for State matching funds.

HBCSD Superintendent Pat Escalante violated CDE Election Code 7054 (a) and (b) (2) by using \$10,901.25 of district funds to conspire with Senior Partner Mr. Terry Tao from Atkinson, Andelson, Loya, Ruud and Romo in six hours of meetings to give a one hour presentation at a public meeting at which time Mr. Tao made false and misleading statements to indirectly advocate the passage of the \$59 million dollar bond. The meeting was held one week before the election hampering the opposition efforts to respond. This information could have and should have been discussed in an open forum months or years before the bond was placed on the ballot as was requested by community members.

Mr. Tao was identified in the District and City's meeting agenda as being a seismic "expert" although Mr. Tao does not hold an engineering degree nor did he have the necessary information or qualifications to make correct statements regarding city and district property. Mr. Tao's presentation was not a fair and impartial presentation of relevant facts which is in violation of CDE Election Code 7054 (b) (2). The meeting was held at a public facility that was not made available to the opposition and at which the opposition was not allowed to ask questions of Mr. Tao during or after his presentation violating CDE Election Code 7058. The meeting was held in the presence of the entire Hermosa Beach City Council and City Manager giving it an air of added legitimacy. The Hermosa Beach City Council and City Manager were in cahoots with the District in their plan to deceive the community. They had information that would dispute Mr. Tao's claims but did not disclose it during the presentation. The entire presentation was videotaped and streamed live on cable television and later embedding in the HBCSD website for bond information. Normally the HBCSD website does not carry embedded videotaped City or District meetings; this was done specifically to pass the District's bond, Measure S. The meeting was also covered by a local newspaper that subsequently published a news article less than a week before the election stating that Attorney Tao was an expert and that his testimony supported the bond.

In another HBCSD organized Measure S "Informational" meeting on May 25, 2016, Superintendent Pat Escalante made numerous factually incorrect statements in an effort to bolster's the district desire to completely demolish and rebuild North School. Again HBCSD violated CDE Election Code 7054 and 7058 since public facilities were used to promote a bond under the guise of an "informational" meeting yet did not provided citizens with fair and impartial information regarding district options, did not allow the

opposition equitable use of the public forum, and while Superintendent was acting as an employee of the school district and **paid with public money**.

It is also clear that Superintendent Escalante purposely conspired with Mr. Terry Tao to provide incorrect information to Historian Pam Daly of Daly & Associates in her report regarding the Historical significance of the main circa 1934 four room classroom at North School. In addition, reports provided by the District's hired traffic impact analyst, Garland & Associates and the District's enrollment and demographic analyst, Decsion Insite also provided questionable information. (Please see the attached Decision Insite year to year changes in enrollment for HBCSD summary.)

California Education Code 7050 states that the State has deemed that the political activities of school officers and employees are of significant statewide concern and that the provisions of article 7054 – 7058 shall supersede all provisions on this subject in any city, county, as well as in the general law of this state.

I contend that several members of the HBCSD Board of trustees were aware of the violations and condoned them. Those board members, with help from the Hermosa Beach City Council and the District's hired vendors flagrantly flouted the law in order to influence the vote in favor of the District's facilities plan. The HBCSD superintendent, hired consultants and attorneys seemed not to be the least bit worried about getting caught or prosecuted for violating CDE Code governing district political campaigns. In fact the Superintendent gave a public presentation to School Board members of CDE law governing political activities before the start of the election campaign.

Since we completed our fact checking, information outlining illegal activity by Superintendent Escalante has been available for more than six months to HBCSD Board of Trustees and Hermosa Beach City Council members, yet Superintendent Escalante has not been sanctioned nor has the public been notified of the violations. We have also approached local newspapers with our information, but they are reluctant to broadcast our findings and thereby question District and City actions.

This illegal, self-serving and short-sighted maneuvering needs to be prosecuted. School districts enjoy an unfair advantage over taxpayer groups in their trusted community position, ability to direct information gathering, selectively divulge or mischaracterize information and influence bond campaigns using district funds and private donations from vendors. Their ability to use their power to improperly advance deceptive and unjustified bonds based on incorrect information are likely to waste millions in taxpayer money and since they were not properly vetted by the public are likely to produce future unintended negative consequences.

A taxpayer group and I have been working with a pro bono attorney for over a year in the hope of holding our Superintendent and hired vendors accountable for illegal activity to pass a \$59 million dollar bond. We have found no other avenue that would investigate and prosecute HBCSD Superintendent and the HBCSD attorney for defrauding taxpayers. We have considered the Private Attorney General route but there seems to be no investigation or criminal prosecution associated with it. According to the Department of Education website, there seems to be no area for the reporting of illegal District employee and vendor activity for violations of Ed Code 7054 through 7058. In addition the Fair Political Practices Commission does not rule on violations of the Ed Code. We need a criminal prosecution in order to hold our Superintendent and District attorney accountable and to send a message to other school districts that such illegal behavior will not be tolerated by the State of California. If the District

Attorney's office is the incorrect venue to prosecute violations of Education Code, please direct us to the proper forum to do so.

Thanks you for your attention and assistance to this serious violation of the public trust.

Sincerely,



Miyo Prassas
Hermosa Beach, CA

Attachments:

1. Invoice #499132, dated May 31, 2016 from Atkinson, Andelson, Loya, Ruud & Romo to the Hermosa Beach City Elementary School District, for \$11,276.25
2. Transcript with fact checking of the Joint Hermosa Beach City School District and Hermosa Beach City Council meeting of May 31, 2016 with presentation by Mr. Terry Tao
3. Transcript with fact checking of HBCSD Measure S Informational Meeting of May 25, 2016.
4. Factual evaluation of the Historical Assessment of North School by Pam Daly, Daly & Associates, May 2016.
5. Copy of Memorandum of Understanding, Exhibit 'B' of the Sale and Purchase Agreement for Pier Avenue School, stamped and recorded by the Los Angeles County Recorder's office, #78-241041.
6. Copy of the HBCSD Resolution of Intention to Sell and Authorize the Sale of Real Property to the City of Hermosa Beach and Prescribing the Terms Thereof (June 13, 1977) Exhibit 'G' of the Purchase and Sale Agreement for Pier Avenue School.
7. Copy of the Hermosa Beach City Council Meeting Minutes from June 14, 1977
8. Copy of the Hermosa Beach City Council Meeting Minutes from June 28, 1977
9. Copy of the Office of Public School Construction letter to HBCSD Superintendent Pat Escalante dated March 26, 2014
10. Photos of North School in Hermosa Beach
11. Photos of Pier Avenue School in Hermosa Beach
12. Decision Insite demographic/enrollment report summary showing year to year enrollment estimate changes before Measure Q failed, before the Measure S election, and after Measure S passed.

cc: Mr. Tom Torlakson, State Superintendent of Public Instruction, California Department of Education
Ms. Amy Holloway, General Counsel Legal, Audits and Compliance, California Department of Education

State of California
County of Los Angeles

I, the undersigned, do hereby swear, certify, and affirm that:

I am over the age of 18 and am a resident of the State of California. I have personal knowledge of the facts herein, and, if called as a witness, could testify competently thereto.

1. I watched a video-taped Informational Meeting from May 25, 2016 regarding a \$59 million dollar facilities bond Measure S that was sponsored by the Hermosa Beach City School District on the June 7, 2016 ballot.

http://hermosabeach.granicus.com/MediaPlayer.php?view_id=6&clip_id=4167

2. In the meeting HBCSD Superintendent Patricia Escalante repeatedly gave false information regarding North School in Hermosa Beach, CA.
 - a. Superintendent Escalante incorrectly states that North School campus is not ADA accessible. (01:04:37 time mark on video)
 - b. Superintendent Escalante incorrectly states that North School campus is unsafe for use by public school students. (01:05:30 mark) (North School conforms to CA Department of Education Code #17280.5 (e) which states that any school that is built to Field Act standards is deemed safe for public school students. According to CDE code North School is Grandfathered-in for use for public school students. The Office of Public School Construction sent a letter to HBCSD Superintendent Pat Escalante dated March 26, 2014 in which it states that North School is eligible to be used as a school.)
 - c. Superintendent Escalante incorrectly states that North School campus was not set up as a functioning school. (01:05:21 mark)
 - d. Superintendent Escalante incorrectly states that HBCSD has put in \$15,000/year to maintain the North School campus. (01:05:21 mark)
 - e. Superintendent Escalante incorrectly states that North School's building have been structurally modified which would trigger a Department of State Architects inspection of the buildings. (01:04:50 time mark)

- f. Superintendent Escalante incorrectly states that it would only take 43 additional students for operating costs to become “cost neutral” in order for HBCSD to afford the operating expenses to open a third district school at North School.
 - g. Superintendent Escalante incorrectly states that the renowned architect Samuel Lunden was not responsible for reconstructing the main four-room school building at North School in 1934. (Superintendent Escalante was trying to minimize the contributions of the renowned architect in order to bolster the District’s desire to completely demolish and reconstruct North School.)
- 3. HBCSD did not give equal time to the opponents of Measure S either during or after the Informational meeting held at the Hermosa Beach City Council chambers.
 - 4. HBCSD imbedded the video-tape of the May 25, 2016 Measure S Informational Meeting with the incorrect information on the HBCSD website under information about the \$59 Million Dollar Bond, Measure S.
 - 5. I also watched a video-taped Joint HB City and HBCSD meeting presented May 31, 2016.
http://hermosabeach.granicus.com/MediaPlayer.php?view_id=6&clip_id=4169
 - 6. The joint meeting was sponsored by the Hermosa Beach City School District and advertised to the public for the purpose of “Clearing up misunderstandings and questions about Pier Avenue School”.
 - 7. Superintendent Pat Escalante, brought in an attorney from Atkinson, Andelson, Loya, Ruud and Romo, Mr. Terry Tao, to make a presentation to the City Council members and the public regarding the availability of the Pier Avenue School in Hermosa Beach, CA for use by HBCSD students. HBCSD wished to discredit the use of Pier Avenue School for District students in order to bolster their case for the community to pass Measure S to completely demolish and rebuild North School.
 - 8. At the 02:01:46 mark Mr. Terry Tao states that Superintendent Pat Escalante called him up and asked him to help dispel “misunderstandings” regarding Pier Avenue School. In addition the billing invoice from AALRR to HBCSD for the month of May 2016 shows that the **District personnel had six hours of meetings with Mr. Terry Tao to review issues with Pier Avenue School prior to his presentation at the May 31, 2016 Joint City/District meeting.**
 - 9. **Terry Tao, Senior Partner of AALRR charged HBCSD \$10,901.25 to prepare and give an approximately one hour presentation at the May 31, 2016 Joint Meeting.**

10. HBCSD identified Mr. Terry Tao as a "Seismic Expert" in the agenda and in the minutes for the meeting although **Mr. Tao does not hold an Engineering degree.**
11. I believe that the reason Superintendent Escalante hired an attorney to present the information instead of presenting it herself was to add legitimacy to incorrect statements made concerning the use by HBCSD of North School and Pier Avenue School.
12. I believe that the reason Superintendent Escalante choose the forum for the meeting to be a Joint City and District meeting was to also lend more legitimacy to the meeting by having the City Council members in attendance.
13. The opponents to the district's facilities bond Measure S were not allowed equal time to give the opposing argument to the bond at the Joint meeting.
14. The public was not allowed to ask questions of the speaker during the meeting.
15. The HB City Chamber Offices in which the Joint meeting was held were not available for use by the Measure S Opposition.
16. Mr. Tao repeatedly makes incorrect and misleading statement regarding the:
 - a. Cost of historical renovations (02:00:55 & 02:34:00 marks) (To bolster's the District argument that North School should be demolished and rebuilt).
 - b. Earthquake safety of Pier Avenue School and North School.
 - i. Mr. Tao ignores the fact that both schools were built to Field Act earthquake safe specifications in 1934 and 1935 and implies that both schools are unsafe.
 - ii. Mr. Tao repeatedly ignores the fact that both Pier Avenue School and North School were deemed safe and eligible for use by the Office of Public School Construction and a Title 5 California Code Regulation assessment.
 - iii. Mr. Tao mischaracterizes the purpose of Assembly Bill AB300 to list and assess the number California public schools that may have structures in need of earthquake retrofit. (By mischaracterizing AB300, Mr. Tao attempts to imply that North School and Pier Avenue School are unsafe structures for school children as is.)
 - iv. Mr. Tao incorrectly identified the structural classification of Pier Avenue School as one that is unsafe. (02:19:00 mark) (Mr. Tao attempts to discourage the use of Pier Avenue School by HBCSD students in order to bolster the District case to demolish and rebuild North School.)

- v. Mr. Tao incorrectly associates the damage done to the Olive View Hospital and to the freeway bridges in the 1972 and 1994 earthquakes to the structural integrity of Pier Avenue School and North School. (02:18:24 through 02:23:00)
 - c. Mr. Tao states that the Memorandum of Understanding (MOU), Exhibit B, included in the HBCSD and City of Hermosa Beach Agreement for the Sale and Purchase of Pier Avenue School is not binding (02:08:47 through 02:10:28).
 - d. The MOU (See attached selected pages of the stamped and recorded MOU, Exhibit B, Article 4 and page 9 of the minutes from HB City Council Meeting from June 14, 1977) specifies the District use of classrooms, office space and storage space at Pier Avenue School when District enrollment exceeds 1,266 students. (Mr. Tao attempts to bolster the District's desire to completely demolish and rebuild North School for \$34 million dollars by stating that the Sale and Purchase Agreement for Pier Avenue School does not provide for HBCSD students use of classrooms.)
 - e. Mr. Tao incorrectly states that there was a **remodel** of North School in 1934. (02:28:10 mark) According to Department of State Architect documents North School was **reconstructed** in 1934. (Mr. Tao tries to minimize the contributions of renowned architect Samuel Lunden to North School main building.)
 - f. Mr. Tao incorrectly states that Samuel Lunden did not actually design the North School main building because he only submitted 6 pages of blueprints in 1934. (02:29:00) (Mr. Tao attempts to discredit the contributions of renowned architect Samuel Lunden in order to bolster the District's case to pass a \$59 million bond that would completely demolish and rebuilt North School.)
17. HBCSD imbedded the video-tape of the May 31, 2016 Joint District and City Meeting with the incorrect information on the HBCSD website under information about the \$59 Million Dollar Bond, Measure S.
18. HBCSD Pat Escalante hired third-party vendor Daly & Associates using public money to write a Historical Assessment of North School. The resulting report was released on May 16, 2016 and embedded in the HBCSD website under Measure S information.
- a. Daly & Associates Historical Assessment of North School contained five significant errors regarding the contributions of renowned architect Samuel Lunden to North School. (Pam Daly of Daly & Associates purposely wrote an incorrect historical assessment of

North School in order to bolster's HBCSD desire to completely demolish and rebuild the campus for \$34 million.)

19. Misuse of Public School funds:

- a. **In November 2014 HBCSD LOST a \$54 million dollar school facilities bond, Measure Q, bid to demolish and rebuild North School.**
- b. **At February 11, 2015 school board meeting**
http://hermosabeach.granicus.com/MediaPlayer.php?view_id=6&clip_id=3577
(01:19:58 mark), HBCSD Superintendent Pat Escalante, with HBCSD Business Manager, Angela Jones in attendance, informs school board members that **the district would lose \$500,000 in State Class Size Reduction (CSR) funding if classroom enrollment exceeds 24 students/classroom by even one child.**
- c. School Board members vote to purchase four portable classrooms and one portable restroom building to provide additional classroom space for 3rd graders in case 3rd grade enrollment continues to rises in the 2015/2016 school year.
- d. HBCSD spends \$717,000 on temporary facilities and installs four classrooms and one restroom facility at View School, a Kindergarten through 2nd grade elementary school which is already overcrowded.
- e. **The State of California disbanded CSR funding in the 2012/2013 school year. HBCSD has not received funding for CSR for several years.** The information that Superintendent Pat Escalante and Business Manager Angela Jones provided to School Board members is incorrect. Although the Local Control Funding Formula compensates districts to keep TK through 3rd grade classroom size at 24, funding is based on an average classroom size, so unexpected additional students would not imperial funding.
- f. **HBCSD's purchased demographic study by Decision Insite and presented March 2014 showed no increase in 3rd grade enrollment through 2023. HBCSD's own enrollment report at February 11, 2015 reported less students in 2nd grade than in 3rd grade.** It would be reasonable to assume that there would be less students moving on to 3rd grade in September 2015.
- g. In the past HBCSD has handled Class Size Reductions requirements to keep TK-3rd classrooms size at 24 students by splitting the 3rd grade between the two existing

schools and by utilizing mixed grade class combinations of 2nd and 3rd graders or 3rd and 4th graders.

- h. According to an inspection and subsequent letter sent by the CA Department of General Services, Office of Public School Construction to HBCSD Superintendent Pat Escalante dated March 26, 2014, both North School and Pier Avenue School were okayed for use by HBCSD students.
 - i. The Sales and Purchase Agreement for Pier Avenue School between HBCSD and the City of Hermosa Beach; Exhibit B, Article 4 specifies that HBCSD is entitled to use of classroom space at Pier Avenue School when district enrollment exceeds 1,266 students. District enrollment in February 2015 was approximately 1,430 students.
 - j. **In September 2015, six months before HBCSD puts another, this time \$59 million dollar facilities bond measure on the June 2016 ballot, View school enrollment is increased by 120 additional students through the actions of the School Board members panicking parents, teachers and residents.**
20. Unfair collusion between the Proponents of Measure S, the HBCSD Board of Trustees, HBCSD employees and the City of Hermosa Beach City Council members, City Manager and City Attorney.
- a. The Yes on S Committee Chairman, Michael Collins, is the husband of the HBCSD School Board President Mary Campbell. There was seamless communication and coordination of activities between the Yes on S Committee Chairman, HBCSD School Board, HBCSD Superintendent and employees and City Council members and staff that was not afforded to the opposition.

I declare under penalty of perjury, under the laws of the State of California that the foregoing is true and correct.

Executed this 11 day of April, 2017 in Hermosa Beach, California.

Name: Miyo Prassas

Signature: Miyo Prassas

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

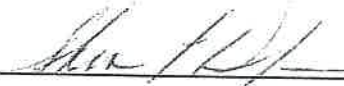
State of California
County of Los Angeles)

On April 11, 2017 before me, Sheri L. Wilson, Notary Public
(insert name and title of the officer)

personally appeared Miyo Prassas
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

