FORMAL RESERVATION OF RIGHTS AND OBJECTION

I hereby submit this formal, written objection to the proposed Felton Fire Protection District Benefit Assessment pursuant to **Government Code § 53759.1**. This submission is made expressly for the purpose of preserving my right and legal standing to pursue all administrative remedies and subsequent judicial action against the validity of this assessment under the **California Constitution, Article XIII D (Proposition 218)**, and all related statutes, including **Government Code Section 1090**, should the assessment be adopted.

I object to the assessment on all grounds of fact, procedure, and constitutionality, including but not limited to the failure of proportionality, lack of substantial evidence, and conflicts of interest.

To: Interim Fire Chief Blum, Felton Fire Board of Directors **Subject:** Formal Written Objection to Proposed Benefit Assessment (AB 2257)

To the Felton Fire Protection District Board of Directors and Interim Fire Chief Isaac Blum:

I am submitting this formal written objection to the proposed Felton Fire Protection District Benefit Assessment pursuant to Government Code § 53759.1. I object to the validity of this assessment and the balloting proceeding on the following Constitutional grounds under Article XIII D:

1. Violation of Uniformity and Proportionality (Article XIII D, Section 4)

Under Proposition 218, an assessment and its method of apportionment must be applied fairly and uniformly to all assessed parcels receiving the same level of special benefit. The Engineer's Report, authored by SCI Consulting Group, legally justifies this assessment on the premise that the financial burden is shared equally, explicitly claiming that "all public properties that are specially benefited are assessed" at the same rate as privately owned property.

However, the proposed enforcement methodology demonstrates a severe lack of uniformity. At a public Felton Board Meeting, an SCI representative admitted that the district generally cannot enforce collections or place tax liens on churches and county or government buildings if they refuse to pay. This structural inability to enforce collections is further compounded by anecdotal claims that department officials have had off-the-record conversations assuring schools and churches that the assessment will not be enforced against them.

This creates a fatal contradiction. Because SCI often serves as the initial year collection agency for districts pursuing 218 assessments (an option presented in their original contract with Felton), the very firm hired to design and collect the assessment intends to threaten private homeowners with tax default while knowingly turning a blind eye to institutional non-payment. This selective enforcement and deliberate picking of "winners and losers" renders the Engineer's Report's claim of 'proportional and equitable apportionment' factually and legally invalid.

2. Unconstitutional Dilution of the Weighted Ballot Process

Proposition 218 mandates a weighted ballot system where a parcel's voting power is tied to its financial assessment. Large institutional parcels—such as schools, churches, and government properties—carry the equivalent of dozens of single-family homeowner votes. Allowing these entities to cast heavily weighted ballots while the district holds structural inabilities to actually enforce their payments undermines the legitimacy of the entire election. If an institutional property can cast a massive "yes" vote without facing the same mandatory financial consequences (liens) as a private homeowner, it effectively dilutes the voting power of ordinary, paying homeowners and manipulates the election's outcome.

3. Conflict of Interest and Due Process Violation (Government Code § 1090)

The budget and salary scales for the proposed staffing—the primary cost driver of this assessment—were developed with the participation of the Interim Fire Chief, who has a direct financial interest in the outcome. The proposed budget includes a significant salary increase for the permanent Fire Chief position, a role the Interim Chief has publicly stated he intends to apply for. Directing property owners to submit their administrative legal objections directly to the Fire Chief—who stands to personally profit if the assessment passes—creates a severe conflict of interest. This violates the requirement that assessments be based on the "reasonable cost" of the service, undermines the integrity of the Substantial Evidence provided in the Engineer's Report, and violates Government Code Section 1090.

4. Lack of "Substantial Evidence" for Claims in the Ballot Guide

Under Proposition 218, any claims made to justify the assessment must be backed by "Substantial Evidence" in the administrative record. The official Ballot Information Guide mailed to voters explicitly uses the threat of higher costs under CSA 48 to encourage a "yes" vote, claiming CSA 48 charges "may, in some instances, exceed" the proposed assessment. However, the Engineer's Report contains zero financial analysis or comparative cost studies to support this projection. Because the district is making factual claims in a ballot guide without providing the legally required supporting evidence in the Engineer's Report, it fails the constitutional requirement for full and transparent disclosure. The ballot guide also makes the claim that "the Fire District's revenues and expenditures WILL be reviewed annually by a citizen review panel"(emphasis mine). This is stated as fact, yet as of the time of this complaint this panel remains an "intention" of the district, not yet created or actualized, as related by Director Winter at the 6-3-26 town hall.

5. Failure of Proportionality and "Special Benefit" (Article XIII D)

A benefit assessment must fund a specific "special benefit" deliverable to the assessed parcel, and the cost must be proportional to that benefit. Approximately 80+% of the proposed budget of the special benefit is allocated to salaries and training, leaving an insufficient amount (roughly $200,000) for critical equipment maintenance and apparatus replacement. Because the assessment is dedicated almost entirely to staffing costs with insufficient funds left to safely maintain the million-dollar fire engines needed to actually respond to emergencies, it fails to demonstrate a deliverable "special benefit".

6. Inaccurate Engineer's Report and Misuse of Public Funds

Because the Engineer’s Report fails to disclose the district's structural inability to enforce collections against certain high-weight institutional parcels, the report lacks the "Substantial Evidence" required to justify the assessment and misleads the voting public. Furthermore, using public funds to mail ballot guides containing unsubstantiated threats regarding alternative governance models crosses the line from education into illegal advocacy. Informational sessions provided by the department as “town halls” further blurred the lines between acceptable neutral information sharing and illegal advocacy.

7. Compounded Conflict of Interest and Invalid "Substantial Evidence" (WCG Report)

I further object to this assessment on the grounds that the District's operational justification relies on a potentially egregious conflict of interest and fails the Constitutional standard for "Substantial Evidence." First, the District utilized public taxpayer funds to commission a supportive operational report from Western Confluence Group (WCG). WCG's fire consulting division employs a current or previous Fire Chief from the NASA Ames Fire Department, an agency where the Felton Interim Fire Chief holds professional ties as a current Fire Captain. The CEO of WCG is or was a firefighter at Nasa Ames who may have been the direct reporting subordinate of Interim Chief Blum. Steering a publicly funded contract to a firm employing a close colleague from an outside agency—specifically to manufacture a third-party endorsement for an assessment that will heavily fund a salary increase for the Chief position—raises serious questions of cronyism and compounds the Government Code Section 1090 conflict of interest violations previously stated.

Second, the taxpayer-funded WCG report completely fails to provide the localized "Substantial Evidence" legally required. The document explicitly relies upon a generic "900 Calls Per Year AI Analysis" (Page 16) that fails to analyze Felton's specific operations, even referencing irrelevant practices like "cross-staffing ambulances" which Felton Fire does not do. Furthermore, the report's comparative financial data is demonstrably flawed and misleading, utilizing mismatched, deceptive color coding on its comparative budget pie charts (Page 12). Relying on a flawed, Artificial Intelligence-generated summary featuring mismatched data charts—purchased from a colleague’s firm—to justify a permanent $1.7 million benefit assessment burden is arbitrary, capricious, and unequivocally fails the Constitutional requirement that assessments be backed by independent, localized, and verifiable substantial evidence.

Please confirm receipt of this written objection as required under Government Code § 53759.1 and include it in the official administrative record for this proceeding. I also request this objection be placed in the Board Meeting packet for 06-08-2026 with my APN and contact information other than name redacted. I do not request this objection be read aloud, but you certainly may if you so desire.

Sincerely,

Luke Moeller

FORMAL RESERVATION OF RIGHTS AND OBJECTION

I hereby submit this formal, written objection to the proposed Felton Fire Protection District Benefit Assessment pursuant to **Government Code § 53759.1**. This submission is made expressly for the purpose of preserving my right and legal standing to pursue all administrative remedies and subsequent judicial action against the validity of this assessment under the **California Constitution, Article XIII D (Proposition 218)**, and all related statutes, including **Government Code Section 1090**, should the assessment be adopted.

I object to the assessment on all grounds of fact, procedure, and constitutionality, including but not limited to the failure of proportionality, lack of substantial evidence, and conflicts of interest.

To: Interim Fire Chief Blum, Felton Fire Board of Directors **Subject:** Formal Written Objection to Proposed Benefit Assessment (AB 2257)

To the Felton Fire Protection District Board of Directors and Interim Fire Chief Isaac Blum:

I am submitting this formal written objection to the proposed Felton Fire Protection District Benefit Assessment pursuant to Government Code § 53759.1. I object to the validity of this assessment and the balloting proceeding on the following Constitutional grounds under Article XIII D:

1. **Lack of Special Benefit - Operational Attack: The OSHA "2-In/2-Out" Structural Threshold**

The SCI Consulting Group Engineer's Report premises its "special benefit" claim on the hiring of a 3-person crew. However, as a matter of fire operations law, this staffing level creates an operational dead-end regarding structural preservation. Under 29 CFR 1910.134(g)(4) and Title 8, CCR, Section 5144, the "Math of Interior Attack" renders the proposed model legally insufficient to protect a home's interior:

- Mandatory Safety Threshold: OSHA mandates that for any interior structural attack in an "Immediately Dangerous to Life and Health" (IDLH) environment, two firefighters must enter as a team ("2-in") while two additional firefighters remain outside ("2-out") to facilitate immediate rescue.
- Staffing Deficiency: The proposed 3-person crew (1 Engineer/Operator and 2 Firefighters) is legally restricted from crossing the threshold of a burning building by 29 CFR 1910.134(g)(4) because they lack the "4th body" required to establish the mandatory rescue team.
- General vs. Special Benefit**:** A 3-person crew is limited to "exterior attack" and "defensive exposure protection." In fire operations, protecting "exposures" means preventing fire spread to *neighboring* properties. This constitutes a "General Benefit" to the public at large, not a "Special Benefit" to the assessed parcel's interior structure.

- Zero Operational Delta: The District currently relies on a 2-person response baseline per the SCI engineers report. Because neither a 2-person nor a 3-person crew can legally perform an interior attack, the move to 3-person staffing provides **zero change** in the legal ability to preserve the interior of the assessed structure. Consequently, there is no distinct or measurable special benefit.

2. **Unlawful Packaging of General Benefits**

Proposition 218 prohibits assessing parcels for general public services. The District's model, as designed by SCI Consulting Group, violates the standards established in *Silicon Valley Taxpayers Association v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431:

- Mutual Aid Dependency: Because a 3-person crew cannot legally enter a structure, the preservation of the assessed home relies entirely on the arrival of mutual aid from neighboring jurisdictions (e.g., Ben Lomond, Zayante).
- System-Wide Operation: Mutual aid and regional coordination are the definitions of regional, system-wide operations. Funding a staffing model that is operationally dependent on these general public networks to perform its stated function is an unlawful packaging of general services as a localized assessment.

3. **Mathematical and Factually Indefensible Defects in the Apportionment Methodology**

The SCI Consulting Group Engineer's Report contains critical defects that fail the "strict mathematical nexus" and "proportionality" tests required for special benefit assessments:

- Artificially Suppressed EMS Deduction (3%)**:** The 3% deduction for Emergency Medical Services (EMS) is factually indefensible. The District's own ballot guide admits that call volume has risen by over 180%, driven largely by EMS needs. Attributing a 180% rise in calls to a mere 3% budgetary deduction is a mathematical fabrication designed to over-assess property owners for general medical services. The general axiom in the fire service is that EMS calls account for approximately 65-80% of call volume.
- Indefensible Indirect Benefit Claim (0%)**:** The Engineer's Report claims "0% Indirect Benefit" regarding regional mutual aid. This is logically impossible. Given the District's total operational reliance on mutual aid to meet the OSHA "2-in/2-out" standard for interior structural attack, the general benefit to and from the regional system is substantial and must be quantified and deducted.
- Arbitrary Travel Time Factor (0.82): Applying a 0.82 multiplier to the $697.43 SFE rate for homes 20+ minutes away is an arbitrary, non-scientific figure. A 20-minute response time is effectively a "total loss" scenario for modern structure fires. Assessing a property for a "service" that cannot arrive in time to perform a legal interior attack fails the distinct and measurable benefit test.

Conclusion and Demand

The Felton Fire Protection District has failed to demonstrate a "special benefit" that is concrete, distinct, and proportionate to the individual parcel. The District is attempting to fund a staffing model that remains legally barred from performing interior firefighting without the intervention of general public mutual aid.

I demand that this protest be officially recorded and counted. Pursuant to the administrative requirements to preserve the right to legal challenge, **I demand that the Board of Directors abandon this assessment due to its legal, operational, and mathematical deficiencies**.

Please confirm receipt of this written objection as required under Government Code § 53759.1 and include it in the official administrative record for this proceeding. I also request this objection be placed in the Board Meeting packet for 06-08-2026 with my APN and contact information other than name redacted. I do not request this objection be read aloud, but you certainly may if you so desire.

Sincerely,

Luke Moeller

To the Board of Directors, Felton Fire District 131 Kirby St. Felton, CA 95018

Subject: Formal Notice of Allegations Regarding Conflicts of Interest and Violations of Government Code Section 1090 by Interim Fire Chief Isaac Blum

Dear Members of the Board of Directors,

This letter serves as a formal notice of concern and an allegation of severe conflicts of interest and statutory violations allegedly committed by Interim Fire Chief Isaac Blum. Based on Fair Political Practices Commission (FPPC) guidelines and California Government Code Section 1090, Chief Blum's recent actions regarding the Western Confluence Group (WCG) contract and the proposed Proposition 218 benefit assessment represent a critical breach of public trust, actual impropriety, and a severe appearance of self-dealing.

I urge the Board to immediately investigate the following violations:

1. Violation of California Government Code Section 1090 (Indirect Financial Interest)
Under Government Code Section 1090, public officers and employees are strictly prohibited from being financially interested in any contract made by them in their official capacity. The FPPC explicitly notes that "prohibited financial interests may be indirect as well as direct, and may involve financial losses, or the possibility of losses, as well as the prospect of pecuniary gain". The courts have established that "However devious and winding the chain may be which connects the officer with the forbidden contract, if it can be followed and the connection made, the contract is void".

Chief Blum is utilizing his official capacity to advocate for a Proposition 218 benefit assessment that would fund a budget including an approximately $50,000 salary increase for the permanent Fire Chief position compared to previous Felton Chief pay and surrounding SLV comps. This position Chief Blum has publicly stated he intends to pursue. By participating in the preliminary planning, discussions, and drafting of this budget and salary structure, Chief Blum **a**ppears to have participated in the "making" of a contract in which he has a foreseeable financial interest. Furthermore, Chief Blum likely had input into the minimum qualifications for the position, allowing him to make it either a) more expansive to include his current qualification level, or b) more narrow to exclude other candidates than himself. California courts interpret this law very strictly to close loopholes and guarantee that an official's only loyalty is to the taxpayers, eliminating the temptation for public officials to put their own financial interests ahead of the community. By helping design a position and a salary increase that he intends to personally benefit from, his loyalty is divided, which appears to clearly violate this rule.

2. Undisclosed Conflicts and the WCG Contract To justify the aforementioned benefit assessment, Chief Blum directed the District to hire Western Confluence Group (WCG) to provide a "third-party validation study". At the meeting where the community request for a third party evaluation was made, minutes reflect that "No formal comment or action was taken". Chief Blum approached the board to request engagement of WCG for the project just one board meeting later after the community request for independent third party validation was made. On December 30, 2025, Chief Blum signed an agreement on behalf of the Felton Fire District with WCG's CEO, Tony Arce [attached image 1].

Tony Arce is or was concurrently a firefighter at the NASA Ames Fire Department, where Chief Blum serves as a Fire Captain. It is highly inappropriate for Chief Blum to direct taxpayer funds—including a $2,480 Calcard charge on April 4, 2026—to a private consulting firm owned by a previous direct subordinate or close colleague from his outside employment without prior disclosure. WCG also employs Roger Bloom who was a previous Fire Chief at Nasa Ames.

Even if this arrangement is argued to be a legally recognized "remote interest," the FPPC mandates a strict safe harbor process: the official must fully disclose the financial or professional interest to the public agency, have it noted in the official records, and completely abstain from participating in the making of the contract. Board minutes indicate Chief Blum failed to disclose his professional relationship with WCG's CEO to the Board of Directors, bypassing critical legal mechanisms designed to protect the public.

3. Appearance of Impropriety and Invalidity of "Substantial Evidence" The FPPC emphasizes that Section 1090 is intended "not only to strike at actual impropriety, but also to strike at the appearance of impropriety". Purchasing a potentially flawed report that appears to be AI-generated from a close colleague, creating the appearance of manufacturing independent justification for a massive personal salary increase, represents severe self-dealing and cronyism. Chief Blum served as the primary source of information for this report. The WCG report says it includes an attachment regarding a reviewed document list, but no such list is included. I question the ability of WCG to remain objective in their third party analysis given the close personal and professional ties to Chief Blum.

Because the WCG report is deeply compromised by this conflict of interest, it cannot serve as the unbiased "Substantial Evidence" required under the California Constitution (Article XIII D) to justify the Proposition 218 assessment. Any contract made in violation of Section 1090 is legally void, and the official involved may face civil, administrative, and criminal penalties. This point alone is a massive vulnerability to the success of the 218.

Demand for Action Chief Blum should have had ethics training multiple times during his career as it is a frequent requirement for a) fire officers b) those who hold security clearances, like those needed to work at Moffet Field and c) State Fire Marshall instructors or ProBoard instructors. In a review of SEI form 700s submitted to the County, both Jim Anderson and Isaac Blum have not yet filed for the year, or their filing is not reflected on the County portal [attached image2]. A presumption of regularity and public trust are imperative for the effective functioning of our fire department. When poor behavior goes unchecked, a "normalization of deviance" occurs, eroding the department's reputation and alienating the taxpayers who fund it.

I demand that the Board of Directors:

1. Formally review the WCG contract and Chief Blum's failure to disclose his relationship with Tony Arce.
2. Declare any unfulfilled or future WCG contracts void pursuant to Government Code Section 1090.
3. Disqualify the compromised WCG report from being used as operational justification for the pending Prop 218 tax assessment.
4. Take immediate corrective action to restore transparency and public trust should Chief Blum’s self-dealing and conflict of interest be substantiated.

I look forward to your prompt response and immediate action on this matter. Please include this correspondence in the June 8th Board of Directors meeting packet, with my email address redacted. I furthermore request it be read aloud into the record.

Sincerely,

Luke Moeller

Docusign Envelope ID: 3EA0DFEA-5A99-4AC5-8E6D-101B9D8A6E77

7.6. Non-Waiver. No delay or omission by Client or WCG in exercising any right under this Agreement shall operate as a waiver of that or any other right. Any party hereto may waive any of its rights hereunder without invalidating this Agreement or waiving any other rights hereunder, provided, however, that no waiver of any provision of or any default under this Agreement shall affect the right of any party thereafter to enforce such provision or to exercise any right or remedy in the event of any other default, whether or not similar.

7.7. Notices. All notices given under this Agreement shall be considered effecting when received, in the form of a duly authorized writing, and directed as follows:

If to WCG	If to Client
Western Confluence Group Inc. 10012 Brentwood Circle Auburn, CA 95603 Attention: Tony Arce	Felton Fire District Attention: Chief Isaac Blum 131 Kirby St. Felton, CA 95018

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives effective as of the Effective Date.

Western Confluence Group Inc.	Felton Fire District
By: Signed by: Richard A. Arce (signature)	By: Signed by: Isaac Blum (signature)
Name: Tony Arce Title: CEO Date: 12/30/2025 | 10:02:52 PST	Name: Isaac Blum Title: Fire Chief Date: 12/30/2025 | 10:01:45 PST

County of Santa Cruz California

Serving the Community – Working for the Future

Government | Departments | Living | Working | Business | Visiting

Subscribe to RSS Filing Feed

How to Set Up an RSS Feed

Statement of Economic Interests (SEI) Form 700

Go to Search for E-Filed Transaction Data

Search for Filed Statements

Filing Date

By default, the Filings Completed are for the current year and will display when you click the Search button.

Search for Filed Statements

Filer Name	
Position	
Department	Felton Fire Protection District
Statement Type	All
Filer Type	All
Filings Completed *from* Date	1/1/2026
Filings Completed *to* Date	6/4/2026

Search   Clear

Filer Name	Filed	Statement Type	Position	View	Paper Amds	E... Am...
Brownlee, Stacie	1/21/2026	Annual	Fire Chief	View		
Crandell, Norman	2/8/2026	Annual	Director	View		
Schwenbeck, Erica	3/27/2026	Annual	Director	View		
Shults, Mike	2/17/2026	Annual	Director	View		
Winter, Craig	2/3/2026	Annual	Director	View		

Excel 2007   Export

Need help with this website? Contact NetFile.

Terms Of Use | Privacy Statement

County Clerk Home | Contact Webmaster

Felton Fire Protection District
131 Kirby Street, Felton CA 95018
Office (831) 335-4422

Date: June 5, 2026

To: Luke Moeller

Re: Response to Ethics/Conflict-of-Interest Complaint Regarding Western Confluence Group and Proposition 218 Assessment

Dear Mr. Moeller:
The Felton Fire Protection District (the "District") acknowledges receipt of your letter alleging conflicts of interest and violations of California Government Code section 1090 relating to
(1) the District's engagement of Western Confluence Group, Inc. ("WCG")
and
(2) the District's Proposition 218 benefit assessment process, including Interim Fire Chief Isaac Blum's compensation and position qualifications. We understand your letter requests Board review of the WCG engagement, voiding of any WCG contracts, exclusion of the WCG report from use in the Proposition 218 process, and corrective Action.

The District takes conflicts of interest, transparency, and legal compliance seriously. We are committed to evaluating your concerns promptly and fairly, based on the complete factual record and applicable law.

You allege that Interim Fire Chief Isaac Blum participated in matters in which he has a financial interest, including related to the Proposition 218 assessment and Fire Chief compensation/qualifications; directing the District engage WCG while having a prior professional relationship with WCG's CEO; that the WCG report is compromised and lacks attachments; and that Interim Fire Chief Isaac Blum had not filed a Statement of Economic Interest (Form 700).
We understand you assert these actions violate Government Code section 1090 and may create an appearance of impropriety.

To ensure a complete review, please provide any documentation you have regarding:

Alleged outside-employment relationships, reporting lines, or subordinate/supervisor relationships between the Interim Fire Chief and WCG's CEO or personnel.
The referenced $2,480 CalCard charge on April 4, 2026.
Board minutes or recordings referenced.
Any records supporting the asserted approximately $50,000 salary increase for the permanent Fire Chief position, and any draft or adopted minimum qualification language that you contend was tailored.
The full WCG report you reviewed, including any versions, metadata, or indications suggesting AI generation.
Any correspondence or filings related to Form 700 obligations beyond the portal excerpt, and any notifications from the filing officer.

The District cannot and will not reach conclusions without reviewing the full factual record.

To that end, the District is initiating the following steps:

1. Preservation of Records: The District is preserving potentially relevant records, including emails, messages, files, and financial and procurement documents related to the WCG engagement and Proposition 218 process.
2. Document Collection and Review: The District will collect and review Board agendas and minutes; procurement and contracting authority documents; the WCG contract file; invoices and payments (including CalCard); and the full WCG report with all referenced attachments.
3. Form 700 Verification: The District will verify Form 700 filing requirements and current status with the filing officer and through the County portal, and will address any identified discrepancies or compliance needs.
4. Conflict-Disclosure/Recusal Review: The District will review disclosures, recusals, and any related agenda/minute entries and staff communications concerning the WCG engagement and Proposition 218 matters.
5. Independent Review: The District will consider whether to engage an independent reviewer or investigator to assess the facts and advise on any potential conflicts, disclosures, or process issues.
Please direct correspondence and materials to the undersigned.

This response is provided to acknowledge and facilitate review of your complaint.

Nothing herein constitutes an admission of fact, liability, or wrongdoing by the District or any District official or employee.
The District expressly reserves all rights, objections, privileges, and defenses, and may supplement or amend this response as appropriate.

We will provide a further update following our initial review.
We appreciate your engagement on matters of public concern.

Sincerely,

Norm Crandell,

Board Chair
Felton Fire Protection District
ncrandell@feltonfire.com