



# Actions Speak Louder than Words – You be the Judge!

## Ukiah Valley Sanitation District v. City of Ukiah

To the District Ratepayers:

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**Did You Know?** On September 9, 2013, the Ukiah Valley Sanitation District (District) filed a “Claim” for money against City of Ukiah (City) for approximately **\$15,991,772** due to the City’s breach of contract and breach of fiduciary duties owed to the District.

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**Did You Know?** The City has paid the District **55.755%** of the amount originally claimed by the District.

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**Did You Know?** On October 3, 2013, the City paid the District **\$2,871,814** in response to the District’s claims.

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**Did You Know?** On October 7, 2013, the City rejected the District’s damage claim even though the City had already paid **\$2,871,814**.

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**Did You Know?** Despite the City’s payments to the District of **\$2,871,814**, the following quote appeared in the Ukiah Daily Journal.

November 16, 2013, *Ukiah Daily Journal*, Dave Rapport, Ukiah City Attorney:  
“[...] the lawsuit **lacks merit**.”

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**Did You Know?** On October 13, 2013, the District was compelled to file the lawsuit because the City refused to extend the statute of limitations that could have barred the District’s claim for damages, while the City and District worked out their differences.

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**Did You Know?** On April 21, 2016, the City agreed to pay, and did pay, the District an additional **\$1,500,000** in damages through an agreement in the lawsuit signed by City Manager, Sage Sangiacomo.

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**Did You Know?** Despite the City’s payments to the District, the following quotes appeared in the Ukiah Daily Journal as the result of the claim and lawsuit.

November 6, 2016, *Ukiah Daily Journal* , “In Our Opinion”:  
“The San District has filed a fairly **bogus lawsuit** against the city claiming the city owes them money ... “

August 10, 2017, *Ukiah Daily Journal*, Maureen Mulheren, Ukiah City Councilperson:  
“I had hoped that we would make **progress** with mediation, but clearly that **is not occurring**.”

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**Did You Know?** On August 16, 2017, as a result of mediation in the lawsuit, the City Attorney signed an agreement for the City to pay, and the City did pay, the District an additional **\$4,544,482**.

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**Did You Know?** As a direct result of the claim and lawsuit, the City has paid the District a **TOTAL** of **\$8,916,296** in damages.

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**Did You Know?** The District has discovered an **additional \$9,755,652** in potential City accounting errors, which does not include other District damage claims.

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**Did You Know?** The City has acknowledged that they have overcharged the District an additional **\$6,430,756** since 2012.

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**Did You Know?** The **\$6,430,756** (acknowledged overcharges) plus the **\$8,916,296** (paid) = **\$15,347,052**, which represents **95.96%** of the amount originally claimed by the District on September 9, 2013.

## So We Ask:

- Does the lawsuit “lack merit”?
- Is the lawsuit “bogus”?
- Is “progress [...] not occurring”?



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