

Ms. Miyo Prassas  
1753 Valley Park Ave.  
Hermosa Beach, CA 90254  
[jwprassas@yahoo.com](mailto: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 3<sup>rd</sup> and 4<sup>th</sup> 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 embedded 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