



June 24, 2010

Honorable Judge Arthur A. Garcia, Presiding Judge
Santa Barbara Superior Court
Cook Division
312 East Cook Street, Department 4
Santa Maria, CA 93454

TRUSTEES:

DIVISION 1
LOS OLIVOS
Harlan J. Burchardi

DIVISION 2
SOLVANG
Jeff P. Clay

DIVISION 3
SOLVANG
Lee F. Bettencourt

DIVISION 4
SANTA YNEZ
Harry F. Poor

TRUSTEE-AT-LARGE
Matthew Loudon

MANAGER/SECRETARY
Chris Dahlstrom

BROWNSTEIN HYATT
FARBER SCHRECK, LLP
General Counsel

**RE: 2009/2010 SANTA BARBARA GRAND JURY REPORT;
CURRENTS AND UNDERCURRENTS IN THE SANTA YNEZ VALLEY**

Honorable Judge Garcia:

The Santa Ynez River Water Conservation District, Improvement District No. 1, ("ID No. 1") appreciates the opportunity to respond and provide clarification to the Grand Jury Report ("Report") entitled "Currents and Undercurrents in the Santa Ynez Valley." By this letter, and in compliance with Penal Code section 933.05, the ID No.1 submits its comments on the Grand Jury's findings and recommendations in the Report within the specified sixty (60) day time period. ID No.1's specific comments to the Report are included below.

Overview

This overview is intended to highlight the overarching problems and shortcomings of the "Observations and Analysis" section of the Report¹, which is supposed to form the basis for the Grand Jury's findings and recommendations. The Report, however, does not contain the requisite factual basis to support its findings, recommendations or conclusions.

The Report is almost entirely focused on a single narrow issue that occurred two (2) years ago – ID No.1's efforts to resolve a jurisdictional dispute with the Santa Barbara Local Agency Formation Commission ("LAFCO") by means of special legislation, Assembly Bill 2686. The Grand Jury takes this single issue and attempts to build a broad based criticism of ID No.1 over a number of facets including intergovernmental relations, governance, transparency, financial expenditures and inadequate public information. Because the Report is essentially about one issue, Assembly Bill 2686, the Grand Jury overlooks all other aspects of ID No.1 operations, such as extensive Board meetings and agendas, administrative operations, customer service, local, state and federal interagency coordination, extensive and reliable water resources, financial

¹ These problems and shortcoming are carried over into other sections of the Report, including the Summary, Background and Conclusions. ID No. 1 will not separately comment on the conclusions in the Report as these are essentially a regurgitation of the Grand Jury's comments in the "Observations and Analysis" section of the Report.

stability, low cost of service, Trustee commitment and customer participation. The Report should have placed its criticism in context and recognized that, absent the critique of matters related to Assembly Bill 2686, ID No. 1 is well governed, managed and operated and provides high quality, reliable, low cost water service to its customers.

The Report generally reflects a comprehensive misunderstanding of special district governance in general and jurisdictional issues in particular. This is not surprising, given that the Grand Jury members are volunteer lay persons without expertise or training in this area. However, a meaningful analysis of ID No.1's jurisdictional issues demanded that the Grand Jury members develop a solid understanding of special district fundamentals. Because of this lack of background, much of the analysis in the Report is absent context and the recommendations ignore the existing obstacles and avenues to address jurisdictional issues.

To provide an accurate and balanced perspective of ID No.1, this response will identify areas where the Report leaves out relevant information, mischaracterizes ID No.1, fails to provide support for its findings, recommendations and conclusions, and attempts to connect unrelated matters. As an example, the Report does not distinguish ID No.1's obligations to its customers and non-customers by use of the terms "public," "citizens" and "valley residents," does not acknowledge ID No.1's extensive inter-governmental relations with other local, state and federal agencies, does not recognize ID No.1's involvement in multiple complex water and policy issues and does not appreciate the commitment of its customers to regularly serve on its Board of Trustees. Notwithstanding the Report's myopic view, ID No.1 takes the Grand Jury's comments seriously and will provide a thorough and constructive response to each of the applicable findings and recommendations.

Grand Jury Findings and Recommendations

Finding 1a.

Santa Ynez River Water Conservation District, Improvement District #1 and Santa Ynez Community Services District, each provide some form of water service and have separate governing boards, administration, staff, and legal counsel.

ID No.1 Response: Partially agree with the finding.

ID No.1 and the Santa Ynez Community Services District ("SYCSD") do have separately elected governing boards, administrative staff and legal counsel. However, to say that SYCSD and ID No.1 "each provide a form of water service" greatly oversimplifies the type and scope of services furnished by each agency. The agencies provide distinctly different services to vastly different populations under separate regulatory frameworks and legislative authority. Of the two agencies, only ID No.1 provides water service.

SYCSD was formed in 1971 under the Community Services District Law. The SYCSD only collects untreated sewage from the small community of Santa Ynez and certain adjacent parcels, serving about 680 connections within an area of approximately 464 acres. The SYCSD does not treat the sewage it collects but transmits the sewage to the City of Solvang for treatment. Its boundaries are generally north of and adjacent to State Highway 246, three miles east of the City of Solvang and approximately a mile and a half west of State Highway 154.

ID No.1 was formed in 1959 under the Water Conservation Law of 1931. It provides retail water service to more than 2,500 connections (domestic, commercial and agriculture customers) within an area of approximately 10,850 acres, inclusive of the City of Solvang, the communities of Los Olivos, Ballard and Santa Ynez (including the intervening lands and properties in the Santa Ynez Valley) and land adjacent to Lake Cachuma for the County park. ID No.1 appropriates water from the Uplands Groundwater Basin and the Santa Ynez River in addition to holding contractual entitlements to surface water from the Cachuma Project and State Water Project. In association with these water supplies, ID No.1 is a member of two (2) joint powers agencies: the Central Coast Water Authority and Cachuma Operations and Maintenance Board, and it works cooperatively with a third joint powers authority, the Cachuma Conservation and Release Board to protect the Cachuma water rights permits held by the United States Bureau of Reclamation.

To perform their respective services, each agency's operational staff is specially trained and receives different certifications related to the safe operation for their respective types of service. Likewise, each agency's equipment is unique and cannot be comingled. Unlike the SYCSD's public agency legal counsel, ID No.1's legal counsel also specializes in water rights and environmental issues, such as the Endangered Species Act.

Finding 1b.

A merger of Santa Ynez River Water Conservation District, Improvement District #1 and Santa Ynez Community Services District, establishing a new single publicly accountable agency to provide both water distribution and sewage collection that shares administrative and field staff, will provide opportunities for economic efficiencies.

ID No.1 Response: Disagree with the finding.

Finding 1b concludes that a single agency would be more accountable and more efficient than the existing agencies. Both conclusions are factually unsupported and inaccurate.

It is legally incorrect to suggest that a new single agency would be any more "publicly accountable" than two agencies. Every special district in California is subject to the same public transparency laws such as the Brown Act, the Public Records Act, and the Political Reform Act. As a result, the same standards of public accountability apply regardless of the number of agencies involved. ID No.1 prides itself on its transparency and openness to its customers and the general public. ID No.1's transparency is supported by the Report in that the Grand Jury Commissioners reviewed numerous agendas and the only criticism of ID No.1 is related to Assembly Bill 2686, which occurred two years ago.

It is also inaccurate to assume that a single agency is inherently more economically efficient than two. The suggestion of combining these two agencies takes an extremely simplistic view of a complex issue that has not been adequately studied to justify such a conclusion².

² The Grand Jury Report erroneously uses the term "merger" to refer to a combination of ID No. 1 and SYCSD. Under the Reorganization Act, that word is a term of art that refers to a special district combining with a city. The proper terminology to refer to the combination of two special districts is a "consolidation."

There is no factual basis in the Report to support the conclusion that a consolidation of these districts would provide any economic efficiencies. By all accounts, both agencies are operating efficiently and there is no basis to suggest that either is overstaffed or has excessive overhead. For example, given the differing skill sets and qualifications required to operate water and sewer facilities, nothing in the Report suggests that eliminating staff positions through a consolidation would create greater efficiency. Similarly, because both agencies have legal work focused on their respective types of service, which is performed by outside legal counsel on an hourly basis, there is nothing to suggest that combining the agencies will reduce the legal costs. Rather, it is likely that the total amount of staff and legal work required by a combined agency would be similar to that which is currently performed.

Conclusively determining whether any economic efficiencies can be achieved by consolidation is a complex issue that requires a comprehensive study of the agencies' operating costs to identify any potential savings that may be realized. The savings, if any, must then be evaluated in relation to the administrative costs of undertaking an extensive reorganization process with LAFCO and the transition costs of combining the two agencies into one. As none of these studies have been conducted, ID No.1 does not agree with the Grand Jury finding that a new single agency will provide opportunities for economic efficiencies.

Recommendation 1.

Santa Barbara County Third District Supervisor convene a Santa Ynez Blue Ribbon Commission or its equivalent; that includes members of the public and elected representatives from Santa Ynez River Water Conservation District, Improvement District #1 and Santa Ynez Community Services District. This commission shall review jurisdictional issues and conduct public meetings to discuss the potential efficiencies and economic benefits to the public to be derived through a merger of these two districts.

ID No.1 Response: Recommendation 1 will not be implemented because it is not warranted and is not reasonable.

Recommendation 1 is misguided both in its intent, target, participation and scope; it is also premature.

The apparent intent of this recommendation is to achieve “efficiencies and economic benefits to the public...” However, as stated above, there is no evidence to suggest that either agency is currently operating inefficiently or that combining the districts would produce economic efficiencies.

Moreover, the focus is misdirected as the relevant question is not whether the “public” would derive economic benefits but rather would the customers of these two districts derive benefits. These districts, like other special districts, do not provide services to the public in general. Rather, each district provides services to persons residing in their respective service area that desire the receipt of each district's services – an important distinction the Report fails to identify. Throughout the Report, the Grand Jury repeatedly references the “public,” “citizens” and “valley

residents” rather than describing the correct and relevant class - customers, demonstrating the Grand Jury’s lack of understanding of special district operations. As an example, a special district’s fiscal obligations are owed to its customers while a special district’s open meeting obligations are owed to the public in general.

There is not any basis in the Report for the Grand Jury to conclude that each districts’ customers seek or would support a consolidation of the agencies. ID No. 1’s experience with Assembly Bill 2686 suggests that at least some members of the public are opposed to governmental changes and wish to maintain the status quo. Indeed, when LAFCO’s executive director presented the concept of combining the districts in the 2006 Municipal Service Review, the SYCSD stated that “it is not interested and see[s] no advantage in merging with any other agency and is uncertain it is possible to merge with the SYRWCD ID#1 due to the water code that it was formed under.” Thus, Recommendation 1 appears to be a solution in search of a problem.

Even assuming that there are potential efficiencies to be gained by consolidation, the Grand Jury’s recommendation improperly targets a County Supervisor with the responsibility to create a “Blue Ribbon Commission” to study jurisdictional issues between the SYCSD and ID No.1. LAFCO, not a Blue Ribbon Commission, is the proper entity to analyze such a matter.

The legal ability of a Supervisor to form a Blue Ribbon Commission is questionable at best. Procedurally, we are not aware of any state or local authority that would allow a single County Supervisor to empanel and preside over a commission made up of officials from independent special districts and members of the public. Substantively, organizational issues do not appear to be within the proper jurisdiction of the County. Ultimately, the Blue Ribbon Commission’s work will be futile, because it would have no legal authority to either reorganize the two agencies or require LAFCO to do so. Further, such a commission could potentially create legal problems that may actually prevent future consolidation, because participation in such a commission could create conflict of interest and/or due process problems at LAFCO.

Creating and empanelling a Blue Ribbon Commission would unnecessarily incur public expense with no benefit to each districts’ customers because the panel would have no experience on how to evaluate jurisdictional issues or identify economic efficiencies or benefits. It is also unclear how such a commission would be funded. Such a commission would require the County, ID No.1 and SYCSD to expend funds, if each decided to participate, something that is not certain. Further, any such commission should not involve members of the “public” generally, as those persons do not have a stake in a consolidation, but rather the public’s involvement must be limited to each district’s customers. Adding a new layer of bureaucracy to governmental reorganization decisions in this difficult fiscal climate is not appropriate, particularly given the lack of apparent need to do so.

The scope of Recommendation 1 is also improper. If the goal is to find ways to improve governmental efficiencies in the Santa Ynez Valley, it is unreasonable to limit the analysis to consolidation of SYCSD and ID No.1. Instead, a broad range of reorganizations should be explored. One option that LAFCO has identified is the concept of “...dissolving the [SY]CSD and having the City of Solvang assume responsibility for maintaining and operating the collection system...” Many other combinations of agency dissolution, annexation, merger, and consolidation within the Valley are possible. Only when all of the viable options are explored

and compared will it be appropriate to conclude whether consolidation of ID No.1 and SYCSD is most beneficial to their respective customers.

Ultimately, the Recommendation 1 is premature. As LAFCO lacks authority over improvement districts, it cannot seek to combine ID No.1 with any other district, including the SYCSD. Thus, before any combination of agencies involving ID No.1 can be considered, the question of LAFCO's jurisdiction over ID No.1 must be resolved.

Finding 2.

Agendas of Santa Ynez River Water Conservation District, Improvement District #1 and Local Agency Formation Commission did not provide adequate information to inform the public as to their legislative reorganization actions.

ID No. 1 Response: Partially agree.

The Grand Jury reviewed ID No.1's agendas over a significant period of time. Each agenda for its Board of Trustees' meetings routinely lists 25 to 35 agenda items. The only criticism of ID No.1's agendas concerned the description of its legislative reorganization that occurred over the span of a few months. The Grand Jury did not raise any concerns with the descriptions of ID No.1's other agenda items. This response will therefore focus on the Grand Jury's comments about the adequacy of ID No.1's agenda descriptions related to its legislative reorganization.

ID No.1's agenda descriptions for the legislative reorganization complied with the Brown Act because they contained a brief general description of less than 20 words to inform the public about the subject matter under consideration so they could decide whether to participate. The District's January 23, 2008 agenda is a good example; it noted under the Manager's Report that "The board will consider introducing special legislation regarding reorganization of the District."

It is also important to understand that the nature of the matter before the ID No.1 Board was not always "legislative reorganization" as Finding 2 suggests. The jurisdictional issues between ID No.1 and LAFCO have existed for decades and the means of resolving this issue have evolved over the course of time. For that reason, ID No.1's agendas referred to the matter generally as "LAFCO Jurisdiction Resolution" prior to the time that a legislative resolution was sought. Afterwards, as a sponsor was obtained, the legislation developed and proceedings commenced in the Legislature, the agenda description evolved from the above description to "District Reorganization" to "District Reorganization – Legislative Update" to "District reorganization – Assembly Bill 2686." These descriptions clearly impart notice to the public of the substance of the agenda item to be discussed at the meetings as required by the Brown Act. In fact, this item was agendized on more than twenty (20) of ID No.1's agendas.

Furthermore, ID No.1's agendas are not a stand alone document. ID No.1 makes its agenda and all agenda related materials available to the public at least 72 hours before a regular meeting. The public had full access to relevant agenda materials regarding the reorganization efforts as well as the meeting minutes memorializing the Board of Trustees' prior action on the matter. Thus, the information provided by ID No.1 regarding this matter was more than legally adequate to inform the public about ID No. 1's legislative reorganization.

To the extent that Finding 2 relates to practical (non-legal) adequacy, ID No.1 recognizes that there is always room for improvement when it comes to transparency. In most instances, additional detail on an agenda will be more informative. However, public agencies must balance the demand for transparency with the need to operate a utility service efficiently and expend limited resources wisely. The District's approach to balance these competing interests is described in the response to Recommendation 2a, below.

Recommendation 2a.

Santa Ynez River Water Conservation District, Improvement District #1 provide wording in agenda items to fully inform the public of all items on the agenda to be discussed, in compliance with Section 54954.2 of the Ralph M. Brown Act - Open Meetings for Local Legislative Bodies: "The purpose of the brief general description is to inform interested members of the public about the subject matter under consideration so that they can determine whether to monitor or participate in the meeting of the body."

ID No. 1 Response: Recommendation 2a has been implemented.

ID No.1 understands that its agendas are for the benefit of the public, customers and non-customers, and welcomes their attendance at its meetings. ID No.1 strives to ensure that the public is informed about the matters being discussed by its Board of Trustees to keep the public informed and to encourage participation. ID No.1 takes the comments of customers and non-customers into account before taking any action on an item.

ID No.1 staff and the Board of Trustees have received regular training regarding compliance with the Brown Act, including how to draft adequate agenda descriptions. This training has helped ID No.1 improve its agenda description procedures and implement some new best practices. In addition, prior to posting an agenda, staff provides a draft to legal counsel for review to ensure compliance with the law.

ID No.1 recognizes that the public may expect more than what the law requires in its agenda descriptions. ID No.1 believes that it can always improve on its transparency and has in fact made a concentrated effort to be even more descriptive in its agenda items. ID No.1 will continue to focus on making sure that its agenda items provide a clear and unambiguous brief description of matters to be considered at its meetings. In addition, if a member of the public has questions about the nature of any item on ID No.1's agenda, he or she can contact staff to ask questions and/or obtain copies of relevant public records to help them decide whether they want to participate. ID No.1 will continue these practices in the future.

Finding 3.

Santa Ynez River Water Conservation District, Improvement District #1 has spent at least \$328,000 of public funds between 2006 and 2008 on the Local Agency Formation Commission jurisdictional issue and the reorganization effort, both of which remain unresolved.

ID No. 1 Response: Agree.

The background underlying the dispute with LAFCO is critical to understanding how and why ID No.1 eventually incurred the costs associated with trying to resolve it. The jurisdictional dispute between LAFCO and ID No.1 has been simmering for decades. The dispute revolves around certain ID No.1 obligations under the Water Code that are required of the Santa Ynez River Water Conservation District (“Parent District”), under which it was formed, and the contrasting role of LAFCO and jurisdictional exemptions under the Government Code. There was no clear solution to the dispute, despite numerous prior attempts to resolve it, resulting in an “agreement to disagree” that has existed for years.

LAFCO eventually considered commencing legal action against ID No.1 in order to obtain a judicial determination to resolve this jurisdictional dispute. LAFCO staff and ID No.1 staff then met again to discuss the situation and explore less expensive options to litigation. The result was an approach to seek legislation to amend certain provisions of the Water Code and the Government Code, which was supported by ID No.1 and LAFCO. When that solution was submitted to various State Legislative Counsel and Consultants, ID No.1 was advised that such amendments were unlikely to be successful due to the amendments having state-wide implications. An alternative approach was then recommended to ID No.1 to instead introduce special legislation to convert ID No.1 from an improvement district under the Water Conservation District Act to a special act district. LAFCO and ID No.1 again both supported this approach as a more certain and less expensive alternative to litigation.

The assembly bill was drafted and submitted to the legislature for consideration. After a few early modifications recommended by State Legislative Counsel and Consultants, as anticipated, the bill moved through the Assembly and the Senate with overwhelming support. The legal costs at that point were roughly half of what would eventually be expended and certainly significantly less than the cost of defending a lawsuit by LAFCO. At this juncture, certain special interest groups and other individuals outside ID No. 1’s boundaries (non-customers) raised objections to Assembly Bill 2686 that were related to their own interests. The result was numerous additional public meetings at ID No. 1 and before other public agencies, private meetings with these groups and individuals and the development of amendments to the Assembly Bill to address their concerns. In the end, after approval of Assembly Bill 2686 by the Assembly and the Senate, an unanticipated event occurred. Specifically, the Governor vetoed the Assembly Bill due to his frustration with the state budget process³.

In the end, Assembly Bill 2686 represented a collaborative effort to resolve the dispute in a much less expensive manner than engaging in high cost litigation involving an unprecedented jurisdictional legal issue and avoiding the uncertainty associated with litigation. But for the Governor vetoing the bill, the historic jurisdictional issues between ID No.1 and LAFCO would have been resolved.

³ At the same time the Governor vetoed Assemble Bill 2686, he also vetoed over one-hundred (100) other bills, with each vetoed bill including a message similar to the one provided to ID No. 1 - “I am returning Assembly Bill 2686 without my signature. The historic delay in passing the 2008-2009 State Budget has forced me to prioritize the bills sent to my desk at the end of the year's legislative session. Given the delay, I am only signing bills that are the highest priority for California. This bill does not meet that standard and I cannot sign it at this time.”

Recommendation 3a.

Santa Ynez River Water Conservation District, Improvement District #1 work with Local Agency Formation Commission to resolve the LAFCO jurisdictional issues efficiently and inexpensively.

ID No.1 Response: Recommendation number 3a has been partially implemented and will continue to be implemented in the future.

Following the veto of AB 2686, the ID No.1 and LAFCO have a common goal of resolving the jurisdictional dispute and a common understanding that litigation is not the preferred method to achieve that goal. ID No.1 and LAFCO staff and legal counsel have recommenced discussions to explore ways the ongoing jurisdictional issues can be resolved. As with any organizational issue, though, the matter must be carefully studied by ID No.1 to ensure that any resolution meets the requirements of its statutory framework and is in the best interest of its customers. Likewise, LAFCO must make certain that resolution meets the requirements of its statutory framework.

While a resolution is being developed by the agencies, more practical aspects of LAFCO's desired jurisdiction are being accommodated by ID No.1. One of the primary purposes of LAFCO exercising jurisdiction over ID No.1 is to receive funding for its activities. ID No.1 has agreed to pay, and will continue to pay, LAFCO's fees in a manner which it regards as consistent with its enabling act by making payment through the Santa Ynez River Water Conservation District, which is subject to LAFCO jurisdiction. Another purpose of LAFCO exercising jurisdiction over ID No.1 is to control annexations and exercise of latent powers. As a practical matter, annexations are rare so it is unlikely this will become a significant issue in the immediate future. ID No.1 will also provide LAFCO the information that it needs for preparation of its municipal service reviews and development of spheres of influence through the Santa Ynez River Water Conservation District.

ID No.1 will continue to strive to keep its costs to a minimum in reaching a resolution with LAFCO, just as it does with its other activities and operations. Cost sensitivity was one of the primary reasons that a legislative resolution was selected in lieu of litigation, as obtaining a judicial resolution would have undoubtedly been significantly more costly to both parties than the legislative efforts, and without any certainty as to result. Nevertheless, ID No.1 recognizes that it spent a significant amount of money. It must be noted, though, that this expenditure was budgeted for and has not affected ID No.1's rates. In addition, ID No.1's customers pay some of the lowest water rates in Santa Barbara County and ID No.1 is financially sound as evidenced by its annual audits and fiscal management⁴.

⁴ ID No. 1's fiscal soundness stands in sharp contrast to many other special districts and local public agencies in Santa Barbara County who are experiencing significant monetary shortfalls resulting in the curtailment of services, rate increases, and delays in proceeding with much needed capital improvement projects.

Recommendation 3b.

Local Agency Formation Commission work with Santa Ynez River Water Conservation District, Improvement District #1 to resolve the LAFCO jurisdictional issues efficiently and inexpensively.

ID No. 1 Response: See response to 3a, above.

Recommendation 3c.

Santa Barbara County Board of Supervisors ratify County Counsel's earlier opinions (letter from Alan Seltzer, October 29, 2001; letter from Bill Dillon dated July 19, 2006) on LAFCO's jurisdiction over Santa Ynez River Water Conservation District, Improvement District #1.

District Response: Recommendation 3c will not be implemented because it is not necessary.

The purpose of this recommendation is unclear. LAFCO's jurisdiction is defined by state law. State law expressly provides that LAFCO has no jurisdiction over improvement districts. For that reason, ID No.1 believes that LAFCO has no jurisdiction over it. LAFCO's counsel interprets the law differently. This difference of legal opinion is the basis for the historical dispute between the agencies.

Because LAFCO's jurisdiction is established by law, the County cannot give LAFCO jurisdictional authority over ID No.1 by ratifying a legal opinion. Moreover, Alan Seltzer and Bill Dillon are legal counsel to LAFCO, not to the Board of Supervisors. Thus, there seems to be no rationale for the Board of Supervisors to ratify another public agency's legal counsel's opinion. It is unclear what purpose ratification of LAFCO legal counsel's legal opinion would serve.

More to the point, carrying out this recommendation would entrench the jurisdictional issues between LAFCO and ID No.1, not resolve them. This would not be a productive use of the County's public resources. ID No.1 believes that litigation should be avoided and that a legislative, reorganizational or other non-adversarial resolution would more efficiently and effectively address the jurisdictional issues between ID No.1 and LAFCO. The County should decline to follow this recommendation and allow ID No.1 and LAFCO to work collaboratively to resolve the dispute.

We thank you for the opportunity to respond to the Grand Jury report. Please let us know if there is anything further that you require.

Sincerely,



Harlan Burchardi

Board President

cc: Board of Trustees
Chris Dahlstrom, General Manager
Gary M. Kvistad, Brownstein Hyatt Farber Schreck, LLP