

## H2GO: The Court and the Candidates – In Their Own Words

### Judge Henry, North Carolina Superior Court, April 22, 2019 ruling:

- “The court finds that there was competent and substantial evidence to support the legal conclusion that the commissioners of both governing boards of H2GO and Belville, acting in concert, failed to act in good faith, and their actions were so clearly unreasonable as to amount to an oppressive and manifest abuse of their discretion”. (p. 53-54).
- “The challenged Resolution of the Brunswick Regional Water and Sewer H2GO, the Agreement to Convey Water and Sewer Systems, and the Assignment and Bill of Sale and Special Warranty Deed are unlawful, void and of no effect”. (p. 67)
- **Comments:** The three H2GO commissioners who instigated the attempted takeover of H2GO by Belville in order to subvert the 2017 election results, and who voted in favor of the unlawful transfer to Belville - former commissioners Bill Browning and Carl Antos, and current commissioner Ron Jenkins - have endorsed Steve Hosmer and Barry Laub. Current candidate and chairman of the board, Jeff Gerken, and outgoing commissioner Trudy Trombley, were kept in the dark about the attempted transfer (as was H2GO’s own attorney), and voted against it.

### League of Women Voters Candidates Forum (October 5<sup>th</sup>): “Are you in favor of H2GO paying Belville’s legal fees”?

- **Jeff Gerken:** “Absolutely not - that’s the end of my comment.”
- **John Bradley:** “No, I do not think that they should pay Belville’s legal expenses. Belville went into this with their eyes wide open, they knew what they were getting into. Now I’m not a lawyer, but I was here the night that the resolution was passed and to me, it just seemed just absolutely ludicrous that anyone would believe that that would stand up in court. It was just so inane, that for Belville to come back to H2GO and request to have their legal bills paid is just absurd. No, and I’m sorry, some of these things bother me.”
- **Barry Laub:** “You have issued a question that is, in my opinion, way way too simplistic. There needs to be an interlocal agreement ironed out that makes sense, where not everybody’s happy, but everybody’s happy. And there are so many moving parts to the potential of an agreement that that question, or the answer to that question alone, does not do justice to what needs to be answered or discussed. So I can’t speak to that.”
- **Steve Hosmer:** “ If we agree that the intention of the commissioners that took control of H2GO after the November elections was to destroy the RO project – and certainly those were their statements, that was consistent with their statements – if we believe that they intended to dump the RO project and move on to other things, and maintain the purchase of water from the County, if we believe that, and if we then look at their recent transformation, in terms of their concept that now, all of a sudden we should be building the RO plant and then we look back at what Belville spent in order to protect the assets to enable them to be able to say that we will build the RO plant and to plan

for building the RO plant, I believe there's grounds for consideration of that. I can't tell you until I see the interlocal agreement what it finally looks like, whether that makes sense or not, and there are lots of moving parts. But we have to take into account the fact that it is Belville's actions that protected these assets so that we customers of H2GO still have the potential ability to actually have an RO plant built, fed by aquifer water so that we get clean aquifer water completely free of industrial contaminants..." (ran out of time).

**Port City Daily Candidate Profiles (published October 6<sup>th</sup>): Do you have any remaining reservations about working with the Town of Leland...? With Belville...? (Full questions and responses of all four candidates are posted at GerkenBradley.com)**

- **Jeff Gerken:**
  - **Leland:** "None whatsoever. In 2015, the commissioners of H2GO made no secret of their hatred of both Leland and Brunswick County Public Utilities. Since that time, I have worked to improve the relationship with both the Town and the County."
  - **Belville:** "The attorneys for the Town of Belville, the Town of Leland, and H2GO are working on language that will protect all parties."
- **John Bradley:**
  - **Leland:** "No, I do not foresee any problems working with the Leland government."
  - **Belville:** "No, I don't think there should be any problems. They seem to have their own agenda on some topics, but I see no reason not to be able to work with Belville to the benefit of both H2GO and Belville."
- **Steve Hosmer:**
  - **Leland:** "Leland has proven itself a worthy adversary of H2GO for the last four years. Leland has also proven itself an aggressive and predatory enemy of H2GO for the last four years. I am hopeful that the Town of Leland voters, for their own welfare as well as the welfare of H2GO, will rise to the challenge and elect new blood to their mayor and town council positions."
  - **Belville:** "None.... I look forward to working with the Town of Belville."
- **Barry Laub:**
  - **Leland:** "I have many reservations because there always seems to be a self-serving motive that doesn't reveal itself until 'gotcha' happens."
  - **Belville:** "In my opinion, the Town of Belville performed a heroic feat. They came to the table and saved the day for the citizens of this area beyond anything one could have expected. Mayor Allen should receive a medal of honor for his determination. He alone will be seen as responsible for the survival of H2GO."

**Steve Hosmer email to Belville Mayor Allen, December 11, 2017 (from litigation record):**

"I have been working as a citizen to raise awareness and interest in making sure that Belville successfully acquires all of H2GO."