

Final Draft Response to the 2011-12 Grand Jury Final Report



El Dorado County Board of Supervisors

September 11, 2012

Explanation of Response Format

Many of the Grand Jury Reports contain findings and recommendations for both the Board of Supervisors as well as other county elected officials. Not all findings and recommendations will warrant a response from the Board of Supervisors.

Board of Supervisors Policy A-11 provides guidance on the response format for Grand Jury reports. Specifically:

1. In order to meet response deadlines the Grand Jury is encouraged to:
 - a. work with the Chief Administrative Officer to provide a Final Report copy in a computer format compatible with the County;
 - b. to have all findings and recommendations individually identified in sequential order.
2. Each Grand Jury Finding and Recommendation should be individually identified in sequential order. The Response must clearly indicate which Finding and which Recommendation is being responded to.
3. All responses shall be organized similarly to the Grand Jury's final report. Each Finding and Recommendation shall be responded to separately.
4. Finding responses shall follow the format in Section 933.05 (a) of the Penal Code.
5. Recommendation responses shall follow the format and timelines specified in Section 933.05 (b) of the Penal Code.

All county responses to each finding and recommendation are embedded within each Grand Jury report using *italicized* font.

El Dorado County Grand Jury 2011-2012

El Dorado County Policies and Procedures Case Number GJ-11-001

Reason for Report

A recommendation was made by the 2010-2011 El Dorado County Grand Jury that the 2011-2012 El Dorado County Grand Jury consider investigating El Dorado County Counsel's preparation of contracts entered into by the Board of Supervisors.

Background

The Board of Supervisors considers many contracts in the course of the year. Each contract is negotiated by the respective department with the party or parties involved. County Counsel is not engaged in the negotiation and/or preparation of contracts that do not directly affect their department; however, they are asked to review all contracts before the Board acts on them. County Counsel does not format or pass judgment on the content of contracts or their reasonableness, only on their legal structure. The Grand Jury broadened its inquiry into the contract negotiation and acceptance of policies for all County departments.

Methodology

Documents reviewed:

- El Dorado County Board of Supervisors Policy C-1
- El Dorado County Board of Supervisors Policy C-17 ([Attachment 1](#))
- El Dorado County Departmental responses – 11/20/11
- El Dorado County Procurements and contracts
- Government Code §31100 ([Attachment 2](#))
- Government Code §54202 ([Attachment 3](#))
- Policy/Procedure # II-G-0-007

Interviews:

- El Dorado County Chief Administrative Office
- El Dorado County Counsel
- El Dorado County Department of Transportation
- El Dorado County District Attorney's Office
- El Dorado County Health Services

Facts/Findings

1. C-17: Government Code §54202 requires the Board to adopt policies and procedures governing purchases of supplies and equipment.
2. C-1: This policy which covers purchasing has subsequently been deleted.
3. El Dorado County Department of Agriculture
Policies and procedures manuals for compliance with safety law,
resolutions, directives by the Board of Supervisors
Does not utilize Policy C-17
4. El Dorado County Assessors Office
Uses a multitude of policies and procedures manuals
5. El Dorado County Auditor/Controller's Office
No response to Grand Jury letter
6. El Dorado County Board of Supervisors
Utilizes Policy C-17
7. El Dorado County Chief Administrative Office
Helped coordinate responses
No response to Grand Jury letter
8. El Dorado County Department of Child Support Services
Has developed and adheres to a number of policies and procedures
manuals, as well as to the Code of Federal Regulations and California
Family Code
Utilizes Policy C-17
9. El Dorado County Counsel's Office
No response to Grand Jury letter
10. El Dorado County Department of Transportation
Contract Services Unit Procedures Manual
Utilizes Policy C-17
11. El Dorado County Development Services
Utilizes Environmental Department Administration Division for
processing contracts
Utilizes Policy C-17
12. El Dorado County District Attorney's Office
No response to Grand Jury letter

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13. El Dorado County Elections Department
Utilizes Policy C-17
14. El Dorado County Environmental Management
Uses Environmental Management Request Form for initiation of a new contract
Utilizes Policy C-17
15. El Dorado County Health Services
Public Health and Mental Health maintains policies and procedures manuals
16. El Dorado County Human Resources
Follows guidelines of Government Code §31100
El Dorado County Charter
Personnel Management Resolutions
Compensation Resolution
17. El Dorado County Department of Human Services
Utilizes Policy C-17
18. El Dorado County Information Technologies
No response to Grand Jury letter
19. El Dorado County Library Department
No letter was sent to this department
Voluntary response
Procurement and Contracts division
20. El Dorado County Probation Department
No response to Grand Jury letter
21. El Dorado County Procurement and Support Services
No response to Grand Jury letter
22. El Dorado County Public Defender
No response to Grand Jury letter
23. El Dorado County Recorder Clerk's Office
Utilizes Policy C-17
24. El Dorado County Sheriff's Department
No response to Grand Jury letter

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25. El Dorado County Surveyor's Office
Utilizes Policy C-17
26. El Dorado County Treasurer/Tax Collector
Procurement and Contracts division
27. University of California Cooperative Extension
This department is appointed by the state, therefore no letter was sent to them
28. El Dorado County Veterans Affairs
Utilizes Policy C-17

Board of Supervisors Response: *The respondent agrees with the above findings with the exception of Finding 3 to which it partially disagrees. All County departments follow the purchasing policy (Board of Supervisors Policy C-17) and the County purchasing ordinance. Some departments with complex or voluminous purchasing needs have developed internal procedures manuals to ensure efficient compliance with purchasing law and County policy. The Grand Jury's September 20, 2011 letter was unclear, but interpreted by most departments and confirmed by representatives of the Jury as a request for internal procedures manuals. Departments without complex or voluminous purchases do not have need of internal procedures manual. The Chief Administrative Office discussed this with representatives of the Grand Jury at the time of their request. It therefore seemed clear at the time of the request that, where no additional internal procedures manuals exist relative to writing of contracts, no additional response was warranted.*

Recommendations

1. The Grand Jury recommends that the El Dorado County Auditor/Controller's office respond to our letter dated September 20, 2011.
2. The Grand Jury recommends that the El Dorado County Chief Administrative Office respond to our letter dated September 20, 2011.
3. The Grand Jury recommends that the El Dorado County Assessor's Office outline their policies and procedures used.
4. The Grand Jury recommends that the El Dorado County Counsel's Office respond to our letter dated September 20, 2011.
5. The Grand Jury recommends that the El Dorado County District Attorney's Office respond to our letter dated September 20, 2011.

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6. The Grand Jury recommends that the El Dorado County Information Technologies respond to our letter dated September 20, 2011.
7. The Grand Jury recommends that the El Dorado County Probation Department respond to our letter dated September 20, 2011.
8. The Grand Jury recommends that the El Dorado County Procurement and Support Services respond to our letter dated September 20, 2011.
9. The Grand Jury recommends that the El Dorado County Public Defender respond to our letter dated September 20, 2011.
10. The Grand Jury recommends that the El Dorado County Sheriff's Department respond to our letter dated September 20, 2011.

Board of Supervisors Response: *The recommendations will not be implemented because they are not warranted. See response to Findings.*

Responses

Responses to both the findings and recommendations in this report are required by law in accordance with California Penal Code §933 and §933.05. Address responses to: The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Blvd., South Lake Tahoe, CA 96150.

This Report has been provided to:

El Dorado County Auditor/Controller
El Dorado County Assessor
El Dorado County Board of Supervisors
El Dorado County Chief Administrative Office
El Dorado County Counsel's Office
El Dorado County District Attorney's Office
El Dorado County Information Technologies
El Dorado County Probation Department
El Dorado County Procurement and Support Services
El Dorado County Public Defender
El Dorado County Sheriff's Department

El Dorado County Grand Jury 2011-2012

El Dorado County Business Licenses Case Number GJ-11-003

Reason for Report

A complaint was received regarding non-compliance with the El Dorado County Business License Ordinance.

Background

The Treasurer/Tax Collector and the Sheriff's Department are responsible to issue and/or enforce Business Licenses. They are responsible to ensure all businesses are accounted for and in compliance with the Business License Ordinance.

Businesses that do not have a Business License could potentially not be paying business property tax; therefore, this non-compliance could result in an enormous loss of tax revenue to the county.

Methodology

Documents reviewed:

[Business License application form TC120 \(Attachment 2\)](#)

[Business Licenses – Active List](#)

Citizen's complaint – 09/16/2011

Comparable sized counties:

Butte
Humboldt
Imperial
Kings
Mariposa
Napa
Shasta
Yolo

County Chambers of Commerce member lists:

Coloma-Lotus
El Dorado County
El Dorado Hills
Georgetown Divide
Shingle Springs-Cameron Park
South Lake Tahoe

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El Dorado County Code of Ordinances

[Title 1 – General Provisions](#)

[Title 5 – Business Licenses and Regulations](#)

El Dorado County Business License Utilization Survey (**Attachment 1**)

Interviews:

El Dorado County Assessor

El Dorado County Board of Supervisors:

District 1

District 2

District 3

District 4

District 5

El Dorado County Chief Administrator’s Office

El Dorado County Complainant

El Dorado County Counsel

El Dorado County Treasurer/Tax Collector’s Office

[Sierra Economic Development Corporation](#)

Facts/Findings

1. The current Business License Ordinance (Chapter 5.08) has not been properly administered by the authorized authorities who oversee the ordinance.

Board of Supervisors Response: *The respondent disagrees with the finding. The ordinance is properly administered.*

2. In March of 2012 the Treasurer/Tax Collector’s Department stated that non-compliance is only 10%. In the fall of 2011, the Grand Jury discovered that there is approximately 50% non-compliance with the ordinance by businesses and organizations that are required to have a business license.
3. The Business License Complaint was received by the Grand Jury in September of 2011. The Treasurer/Tax Collector’s Department began verifying Business Licenses in roughly November or December of 2011. Through the verification process, they now have a list of businesses that do not have a Business License.
4. The Business License fee is intended to cover the cost of processing the form pursuant to 5.16.010 of the Business Taxes, Licenses & Regulations Ordinance Code.

Board of Supervisors Response: *The respondent agrees with the finding.*

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5. The Assessor's Office uses business licenses to determine who shall pay business property taxes, and in their opinion there is no better method available to determine who shall pay.
6. The majority of the Board of Supervisors indicated that the Business License Ordinance is an ineffective and/or inefficient way to regulate businesses in the county.

Board of Supervisors Response: *The respondent disagrees with the finding. The basic structure of the business license ordinance is similar to most other counties.*

7. Businesses exempt from a Business License include: *Agriculture, Employment, Public Agencies, Charities, Religious, Charitable and non-profit organizations, Newspapers, and Fair Concessions.* (Chapter 5.08.070)

Board of Supervisors Response: *The respondent agrees with the finding.*

8. When an agricultural item is repurposed, the business is no longer exempt from requiring a Business License. (Example: As soon as a winery crushes their grapes, they are no longer exempt from a Business License.)

Board of Supervisors Response: *The respondent agrees with the finding.*

9. Multiple businesses at the same location owned by the same person(s) require only one Business License under one of the business names.

Board of Supervisors Response: *The respondent agrees with the finding.*

10. Businesses in the City of Placerville and the City of South Lake Tahoe are required to have a County Business License if they solicit business outside of the city limits. (Chapter 5.04.040)

Board of Supervisors Response: *The respondent agrees with the finding.*

11. The Grand Jury sent a survey on the use of the "Business License – Active List" by County Departments. Many County Departments use the list of businesses. [\(Attachment 1\)](#)

Board of Supervisors Response: *The respondent agrees with the finding.*

12. Of eight similar sized counties, the highest Business License cost is Humboldt County at \$294 per license annually plus a percentage of gross income. The lowest cost per license is El Dorado County at \$32 per license annually.

Board of Supervisors Response: *The respondent agrees with the finding.*

13. The Coloma-Lotus, El Dorado County, El Dorado Hills, Georgetown Divide, Shingle Springs-Cameron Park, and South Lake Tahoe Chambers of Commerce were cooperative in helping the Grand Jury review their membership lists. The Pollock Pines-Camino Chamber of Commerce did not comply with the Grand Jury's request.

Recommendations

1. The Grand Jury recommends that the Board of Supervisors update the Business License Ordinance for better enforcement and compliance with the county's needs, as reflected in Attachment 1.

Board of Supervisors Response: The recommendation will not be implemented because it is not warranted. Attachment 1 is a survey of existing practice and does not recommend specific improvements to the ordinance.

2. The Grand Jury recommends that the Treasurer/Tax Collector update the Business License Application Form TC120. The following changes should be made:
 - a. Update "clearance (if applicable)" - The signee's Employee Identification Number should also be written as verification.
 - b. Update "Exemption A" - Agriculture exemptions do not apply if products are repurposed.
 - c. Update "Note 2" - Ordinance Code 5.04.040 states that businesses within the city limits require a County Business License if those businesses solicit orders or deliver merchandise to the unincorporated area of the county.
3. The Grand Jury recommends that the Sheriff's Department utilize the Sheriff's Team of Active Retirees (S.T.A.R.) to assist in enforcement of the Ordinance.
4. The Grand Jury recommends that the Treasurer/Tax Collector should implement a computer program that will verify issues at the initiation of the application process (Examples: check correct zoning for type of business by verifying parcel number, check for past due taxes, and check State Board of Equalization).
5. The Grand Jury recommends that the Treasurer/Tax Collector should maintain appropriate staffing to manage the Business License Ordinance.
6. The Grand Jury recommends that the Treasurer/Tax Collector should ensure personnel involved in the Business License process be properly trained in all requirements of the Business License Ordinance.

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7. The Grand Jury recommends that the Business License Ordinance should require businesses, even when owned by the same person at the same location, to obtain a separate Business License.

Board of Supervisors Response: *The recommendation requires further analysis. The Chief Administrative Office will research this issue in conjunction with the Treasurer/Tax Collector's Office and report to the Board by the end of the calendar year.*

8. The Grand Jury recommends that the Treasurer/Tax Collector should share the list of businesses that do not have a Business License with other departments that utilize the "Business License-Active List".
9. The Grand Jury recommends that all County Departments required to sign off on the Business License Application should enact a time study that will look into the actual cost of issuing the Business License.

Board of Supervisors Response: *The recommendation will not be implemented because it is not warranted. A time study will be considered should specific amendments to the ordinance are recommended.*

10. The Grand Jury recommends that the Treasurer/Tax Collector should revise the Business License Application so that all approval signatures for the Business License Application be verified by the signee's Employee Identification Number.
11. The Grand Jury recommends that the Treasurer/Tax Collector should have a copy of all the membership lists for Chambers of Commerce and other business related organizations within the County. Those lists should be compared annually to the "Business License – Active List."
12. The Grand Jury recommends that the Treasurer/Tax Collector publish a list of businesses that are not operating with a current Business License, monthly on the Treasurer/Tax Collector's website and in other public media.

Responses

Responses to both the findings and recommendations in this report are required by law in accordance with California Penal Code §933 and §933.05. Address responses to: The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Blvd., South Lake Tahoe, CA 96150.

This Report has been provided to the:

El Dorado County Board of Supervisors
El Dorado County Building Department
El Dorado County Environmental Management Department

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El Dorado County Fire Protection Districts
El Dorado County Planning Department
El Dorado County Sheriff's Department
El Dorado County Treasurer/Tax Collector

El Dorado County Grand Jury 2011-2012

El Dorado County Department of Transportation
Case Number GJ-11-004

Reason for Report

The Grand Jury is charged by law to identify inefficiencies in government. On May 2, 2011 a water and sewer invoice was submitted to the County Department of Transportation (DOT), in the amount of \$208,759.57, which was extremely high for a 60 day billing cycle.

Background

The El Dorado County Government Center is located within the City of Placerville. The billing for water and sewer service is routed from Eldorado Irrigation District through the City of Placerville. DOT reviews and approves the billing, then forwards it to the County Auditor/Controller's Office for payment.

Methodology

Documents Reviewed:

City of Placerville Utility Bills (2/16/09 - 2/15/11)
Department of Transportation Invoice Processing Flowchart ([Attachment 1](#))
Department of Transportation Memos

Interviews:

El Dorado County Auditor-Controller and Staff
Eldorado Irrigation District Accounting Staff
Eldorado Irrigation District Director
Placerville Accounting Supervisor
Placerville City Manager

Facts/Findings

1. EID misread El Dorado County's Government Center water meter, forwarding a \$208,759.57 bill for payment.

Board of Supervisors Response: The respondent agrees with the finding.

2. DOT worked with EID and the City of Placerville to check the consumption of each account. The meter were electronically verified on several occasions and found to be accurate.

Board of Supervisors Response: The respondent agrees with the finding.

3. On May 2, 2011, the DOT Director signed and submitted the above claim for payment. This claim represented an 800% increase in services from the previous year.

Board of Supervisors Response: The respondent agrees with the finding.

4. As a result of the Auditor/Controller's persistence, the meters were read manually. Due to the discovery of an error this resulted in a \$130,000 credit to the County.

Board of Supervisors Response: The respondent agrees with the finding.

5. The acting DOT Director is in the process of modifying the department's Invoice Processing Flowchart.

Board of Supervisors Response: The respondent agrees with the finding.

Recommendations

1. The Grand Jury recommends that the El Dorado County Department of Transportation continue their efforts to modify the DOT Invoice Processing Flowchart.

Board of Supervisors Response: The recommendation has been implemented. DOT will continue efforts to modify the flowchart.

2. The Grand Jury recommends that the DOT Director submit the modified Invoice Processing Flowchart to the Grand Jury and the Auditor/Controller upon completion.

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Board of Supervisors Response: *The recommendation has been implemented. The Chief Budget Officer and Auditor are working with DOT finance and administrative staff to improve processes.*

Responses

Responses to both numbered findings and recommendations in this report are required in accordance with California Penal Code §933 and §933.05. Address responses to: The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Boulevard, South Lake Tahoe, CA. 96150

This report has been provided to:
El Dorado County Auditor/Controller
El Dorado County Chief Administrative Office
El Dorado County Department of Transportation
Eldorado Irrigation District
Placerville City Manager

El Dorado County Grand Jury 2011-2012

Fee Waivers - Iron Gate Case Number GJ-11-006

Reason for Report

In October 2011, the Grand Jury received a complaint in regards to an alleged theft of a community gate on a private road, and the Sheriff's Department's response to that alleged theft. For the installation of a replacement gate, the county requires a permit. Because the Grand Jury cannot look into criminal matters, it was decided that the Grand Jury could help the complainant with the fee waiver for their new gate. The county's current fee waiver policy B-2 provides for people to apply for a fee waiver if they meet certain criteria as specified. This waiver does not currently include the theft of an item that requires permitting.

Methodology

Documents reviewed:

2009-2010 El Dorado County Grand Jury Report
Fee Waivers – Case number GJ 09-019
Board of Supervisors Policy B-2 ([Attachment 1](#))
Sheriff's Department Incident Report - 8/22/11

Interviews:

El Dorado County Community Members
El Dorado County Development Services Department
El Dorado County Sheriff's Department

Facts/Findings

1. Fee waivers, when requested, may be granted for building permits, encroachment permits, variances, zone reclassifications, administrative permits, or use permits only.

Board of Supervisors Response: *The respondent agrees with the finding.*

2. Board of Supervisors Policy B-2 authorizes the Chief Administrative Officer to waive fees according to the established procedure and must report said waivers to the Board.

Board of Supervisors Response: *The respondent agrees with the finding.*

3. The following are current acceptable reasons to apply for a fee waiver: extreme financial hardship, delayed actions caused by the county, a facility or project proposed by a non-profit or special district will provide a public benefit, there is no actual cost to the county, the project is an emergency project carried out by a public agency, and a project is carried out by a private agency to address life threatening and/or public safety issues.

Board of Supervisors Response: *The respondent agrees with the finding.*

Recommendations

1. The El Dorado County Grand Jury recommends that the Board of Supervisors review Board of Supervisors Policy B-2 (last updated in 1989), and should consider updating the policy to include situations such as theft or other criminal acts of an item which requires permitting.

Board of Supervisors Response: *The recommendation will not be implemented because it is not warranted. Policy B-2 covers a sufficient range circumstances allowing the Chief Administrative Officer to waive fees. The Board of Supervisors may consider circumstances outside of that range. However, it is unreasonable to amend such a long established and practical policy based on a single complaint the Grand Jury received regarding an “alleged” theft. In addition, the Chief Administrative Officer should not be placed in the position of determining what does and does not constitute a criminal act. Finally, it is conceivable that permitting costs may be covered under the property owner’s insurance policy.*

2. The El Dorado County Grand Jury recommends that the Board of Supervisors develop a procedure which outlines how Development Services and the Chief Administrator’s Office handle fee waivers.

Board of Supervisors Response: *The recommendation will not be implemented because it is not warranted. Policy B-2 already includes the following procedure:*

“An entity applying for a fee waiver shall present a request in writing to the department head of the department that charges the fee in question. The request shall contain a description of the project in question along with a statement as to why the applicant believes the fee should be waived. The department head will review the request and present it to the Chief Administrative Officer. The Chief Administrative Officer will approve or disapprove the request for fee waiver in accordance with provisions set forth in this policy and report said waivers to the Board of Supervisors.”

Responses

Final Draft Response to the 2011-12 El Dorado County Grand Jury

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The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Blvd., South Lake Tahoe, CA 96150.

This Report has been provided to:

El Dorado County Board of Supervisors
El Dorado County Chief Administrator's Office
El Dorado County Developmental Services

El Dorado County Grand Jury 2011- 2012

El Dorado County Sheriff's Department Incentive Pay
Diploma Gate – Follow Up
Case Number GJ-11-009

Reason for Report

The El Dorado County Grand Jury has learned that two out of the five of the sheriff's department officers involved in receiving Educational Incentive Pay (EIP) and receiving diplomas through "diploma mills" did not fully repay the county of El Dorado from their increases in pay.

Background

The 2010-2011 El Dorado County Grand Jury report Case Number GJ-10-011 reported that five sheriff officers received increases in pay through the previous December 12, 2000 through December 31, 2007 county contract with the Deputy Sheriff's Association Law Enforcement Unit, but they did not receive diplomas from accredited colleges.

Methodology

Documents reviewed:

California Code of Civil Procedure §338 (C)(5)(d)
California Penal Code §932
El Dorado County Grand Jury Report 2010-2011 GJ-10-011
El Dorado County Sheriff's Department
Law Enforcement Code of Ethics
Internal Affairs

Interviews:

El Dorado County Counsel
El Dorado County District Attorney's Office

Facts/Findings

1. The El Dorado County Sheriff's Department Code of Ethics states in part "I will keep my private life unsullied as an example to all..." and "Honest in thought and deed in both my personal and official life..."
2. One of the five Sheriff's Department Officers paid back 59% of the pay increases.
3. One of the five Sheriff's Department Officers paid back 67% of the pay increases.
4. Three of the five Sheriff's Department Officers paid back 100% of the pay increases.
5. California Code of Civil Procedure §338 (C)(5)(d) states "Within three years: An action for relief on the ground of fraud or mistake. The cause of action in that case is not deemed to have accrued until the discovery, by the aggrieved party, of the facts constituting the fraud or mistake."
6. A total of \$23,353.11 in overpayments is due to the County of El Dorado.

Board of Supervisors Response: *The respondent agrees with the finding.*

Recommendations

1. The Grand Jury Orders the El Dorado County District Attorney's Office institute suit pursuant to Penal Code §932, to recover the \$23,353.11.
2. The Grand Jury recommends that the Human Resources Department readjust CALPERS pursuant to the Grand Jury's order.

Board of Supervisors Response: *The recommendation has been implemented. It is the Board of Supervisors understanding that the Auditor-Controller's office proactively addressed the necessary changes with CalPERS.*

Responses

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This Report has been provided to:

El Dorado County Board of Supervisors

Final Draft Response to the 2011-12 El Dorado County Grand Jury

El Dorado County District Attorney's Office
El Dorado County Human Resources
El Dorado County Sheriff's Department

El Dorado County Grand Jury 2011-2012

Consolidation of City and County Services Case Number GJ-11-010

Reason for Report

The Grand Jury is charged by law to look for cost savings and inefficiencies in government.

Background

Cities were established to address specific needs that existed at the time of their creation, using the resources that were available. The 1850's Gold Rush saw the arrival of thousands of new citizens, and with them new problems. These new outposts formed communities that needed services. Assistance was several days away by horseback. As a result, citizens banded together to appoint law officers, fire chiefs, and bodies or councils to manage these new, local services.

Today, cities throughout California and our nation are facing financial crises, yet the last option that is considered is consolidation of city and county services. While the ability to handle large quantities of data and communication has grown dramatically, the potential consolidation of once needed smaller units into larger ones seems to go unnoticed. In business, consolidation is one of the first issues to be looked at for efficiency and cost savings. Consolidation of city and county offers inherent efficiencies.

The resistance to the idea of consolidation seems to be met with two major objections: history, "we have always done it this way"; and the notion of "local control." Modern technology makes consolidation possible; however, this seems to go unnoticed. Consolidation of services means major cost savings with an actual increase in services.

Methodology

Documents:

Placerville Budget Report
South Lake Tahoe Business Plan

Interviews:

El Dorado County Sheriff
Placerville City Manager
Placerville Financial Manager
Placerville Mayor Pro Tempore
South Lake Tahoe City Manager
South Lake Tahoe Mayor

Facts/Findings

1. The five City of South Lake Tahoe Council Members are paid \$452/month. With health insurance, retirement benefits and expenses, the council actually costs \$201,000 annually.
2. The South Lake Tahoe City Clerk, which exists to serve the City Council, has an annual budget of \$332,252.00.
3. The cities of South Lake Tahoe and Placerville have combined police budgets of over \$3 million dollars. Administrative costs would be reduced and/or eliminated if the El Dorado County Sheriff's Department were to oversee law enforcement.

***Board of Supervisors Response:** The respondent agrees with the finding. It is conceivable that some costs could be reduced.*

4. The combined budgets of the two cities is over \$50 million. The county of El Dorado maintains duplicate departments with existing offices in Placerville and South Lake Tahoe.

***Board of Supervisors Response:** The respondent partially disagrees with the finding. While some services are similar, the finding does not take into account different responsibilities of cities and counties.*

5. There would be substantial cost savings with consolidation of city and county services.

***Board of Supervisors Response:** The respondent partially disagrees with the finding. It is conceivable that some costs could be reduced; however the finding is not supported by the evidence presented by the Jury.*

Recommendations

Final Draft Response to the 2011-12 El Dorado County Grand Jury

1. The Grand Jury recommends that South Lake Tahoe City Council and Manager should perform a city services review by comparing the actual cost of city services versus the cost of the county absorbing these services.
2. The Grand Jury recommends that South Lake Tahoe City Council and Manager make the results of the city services review available for public comment.
3. The Grand Jury recommends that Placerville City Council and Manager should perform a city services review by comparing the actual cost of city services versus the cost of the county absorbing these services.
4. The Grand Jury recommends that Placerville City Council and Manager make the results of the city services review available for public comment.
5. The Grand Jury recommends that the El Dorado County Board of Supervisors collaborate with the city Councils and Managers of South Lake Tahoe and Placerville and El Dorado County Department Heads in order to consolidate the services provided to citizens.

Board of Supervisors Response: *The recommendation requires further analysis. The Board of Supervisors and County department heads will consider any proposals from the City of Placerville or the City of South Lake Tahoe that would enhance public services. City and county representatives already meet approximately every six weeks to discuss operations, issues and efficiencies.*

6. The 2011-2012 Grand Jury recommends that the 2012-2013 Grand Jury hold town hall meetings in an open forum to discuss the benefits of consolidation of city and county services.

Responses

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This Report has been provided to:

2012-2013 Grand Jury
El Dorado County Board of Supervisors
Placerville City Council
Placerville City Manager
South Lake Tahoe City Council
South Lake Tahoe City Manager

El Dorado County Grand Jury 2011-2012

El Dorado County Contracts Case number GJ-11-013

Reason for Report

The Grand Jury received a complaint that the El Dorado County Department of Transportation (DOT) was not diligent in their payment for water/sewer services (See GJ-11-004). During that investigation the Grand Jury discovered that many of the County's contracts are with businesses that are outside of El Dorado County.

Background

During an investigation of any government entity, the Grand Jury reviews and evaluates procedures, methods, and systems utilized by government to determine whether they can be made more efficient and effective.

Department of Transportation's duties include contracts for: goods, services, and supplies to be used by various county departments.

The El Dorado County Charter states that when the combination of price, quality, terms, and conditions of sale are substantially equal, the county shall give a preference to vendors located within the County of El Dorado for the purchase of goods and supplies, but provides no such preference for services that could be contracted from within El Dorado County.

Methodology

Documents reviewed:

- El Dorado County Billings
- El Dorado County Charter
 - Article VI, Section 601
- El Dorado County Contracts
- Grand Jury Reports
 - 2007-2008, Procurement Department, GJ-08-019
 - 2008-2009, Charter Review, GJ-09-005

Interviews:

El Dorado County Chief Administrator's Office
Chief Administrator
Assistant Chief Administrator
El Dorado County Department of Transportation employees
El Dorado County Senior Analyst (Procurement and Contracts)

Facts/Findings

1. Departments within El Dorado County have the ability to approve smaller contracts without a bid process, and do so on a regular basis.

***Board of Supervisors Response:** The respondent partially disagrees with the finding. Department heads have authority for services under certain limits and subject to the approval of the Purchasing Agent.*

2. Administrators/Department Heads from various departments frequently contract with businesses from outside El Dorado County.

***Board of Supervisors Response:** The respondent agrees with the finding.*

Recommendations

1. The Grand Jury recommends that the Board of Supervisors amend the El Dorado County Charter to include 'services' under Article 6, Section 601, when purchases are made for the county.

***Board of Supervisors Response:** The recommendation will not be implemented because it is not reasonable. The Board of Supervisors does not have the authority to amend the County Charter.*

2. The Grand Jury recommends that all county contracts be awarded to vendors within El Dorado County so long as they meet the requirements and unless it is found that that type of business does not exist in the county.

***Board of Supervisors Response:** The recommendation requires further analysis. The Board of Supervisors and county departments will continue to follow County Charter Section 601 as currently adopted by the voters:*

When the combinations of price, quality, terms and conditions of sale are substantially equal, the county shall give preference to vendors located within the County of El Dorado for the purchase of goods and supplies.

Final Draft Response to the 2011-12 El Dorado County Grand Jury

The addition of “services” may be considered when the Board and/or Charter Review Committee begin the next Charter review.

Responses

Responses to both the findings and recommendations in this report are required by law in accordance with California Penal Code §933 and §933.05. Address responses to:
The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Blvd., South Lake Tahoe, CA 96150.

This Report has been provided to:

El Dorado County Board of Supervisors
El Dorado County Chief Administrator’s Office
El Dorado County Department of Transportation