



City of Clearlake

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September 24, 2010

Honorable Richard C. Martin
Presiding Judge of the Superior Court
County of Lake
255 North Forbes Street
Lakeport, CA 95453

RE: Grand Jury Response.

Dear Honorable Judge Martin:

We were asked to respond to a number of items in the 2009-10 Grand Jury's Final Report. The Council reviewed the items at the September 23, 2010 City Council meeting and approved the responses below.

LAKE COUNTY PEG CHANNEL

R8 p 40 The City of Clearlake not pay any bill without the documented approval of the PEG Board. (F9)

Response: No bills are paid unless approved by Councilmember Joyce Overton and signed by the City Administrator Dale Neiman. Councilmember Joyce Overton is the City's member of the PEG Board.

R9 p 40 A professional fair market evaluation be performed by an outside commercial real estate appraiser of the "space" the City provided PEG TV8 for the operation of the PEG station in lieu of the City's \$5,000 cash obligation in the fiscal years 2008/2009 and 2009/2010; and, any shortfall between the fair market value of that space and the \$5,000 cash obligation in those fiscal years be met retroactively. (F11, F16)

Response: The City owns and operates the PEG Station. The City annually decides how and to what extent the PEG Station is funded when the City's budget is adopted.

R10 p 40 PEG TV8 pay rent to the City of Clearlake based on the fair market evaluation for the "space" the City provides to PEG TV8 for the operation of the station. This payment be done retroactively for the same years as R9. (F11, F16)

Response: See the response to number R9 above.

R11 p 40 An audit of PEG TV8 financials be conducted by and *outside* Certified Public Accountant no less than every second year. (F11)

Response: As discussed above, the City owns and operates the PEG station. The revenues and expenses are audited in the City's annual audit.

R14 p 41 The PEG Board follow the long ignored direction of the 2007 Agreement and immediately apply to implement the Public Utilities Code Section 5870(n) franchise fee available to PEG TV8 for the specific purpose of funding support and allowable expenses for operation of the channel. Until this is accomplished, obtain part of the \$400,000 in Franchise Fees from each public agency who are members of the 2007 Agreement to fund the budget for TV8. (F10, F12)

Response: The City will work with the County to determine if the fee should be imposed on the rate payers of the cable system.

R15 p 41 The PEG BOD verify that either or both the City of Clearlake and the County of Lake have PEG TV8 and/or PEG TV8 staff and volunteers as designated and registered insured under their blanket Worker's Compensation Insurance, Commercial General Liability Insurance and Automobile Liability Insurance policies. If not so designated and registered in any or all of these policies, PEG TV8 independently and immediately seek to procure these coverages as prescribed within the 2007 Agreement and signed by the parties; establish a process so all volunteers are properly covered both within and without the PEG TV8 station, i.e. traveling to and from and while taping community events. Then the PEG BOD ensure that personnel folders on each volunteer include a copy of said coverage. (F13)

Response: All volunteers of the PEG station are signed up as volunteers with the City and are covered by the City's workers comp insurance in the PEG station. The City does not plan to acquire liability insurance or automobile insurance for when volunteers are not in the station. The City Attorney has prepared an agreement that each volunteer will have to sign that states only workers' comp insurance will be provided in the station and not outside City Hall.

R16 p 41 One of the parties to the 2007 Agreement (either the County or the City of Clearlake) procure legal counsel fully familiar and experienced with Public Access Television rules, regulations and issues to support the PEG Board as it moves forward. (F19, F19)

Response: The City's legal counsel, Best Best and Krieger, who specializes in municipal law, provides legal advice on the PEG station for the City. Best Best and Krieger has the legal expertise to provide legal services.

CITY OF CLEARLAKE

R1 p 46 The Redevelopment Agency establish priorities to fix and upgrade the current roads before attracting new businesses and offsetting the possible million dollars held back from the State. (F1)

Response: The City has been focusing on upgrading the arterial and collector streets because these are the streets that carry the majority of traffic in the City. The City has been able to obtain \$ 4.9 million in grants the last three years. This money was used to rehab eleven miles of streets. The following is taken from the latest Pavement Management Study prepared by an engineering consulting firm:

(...) For 2008, 62% of the area of the residential streets has a remaining life of 0 to 5 years. If no treatments are applied this percentage will increase to 78% after the next ten years. By 2017, only 5% of the residential streets will have a remaining life of 15 years or more. (...)

The condition of streets are measured with what is called a pavement management index (PCI). Streets with a PCI of 50 and below are considered to be in poor to very poor condition. The cost to bring the streets with a PCI of 50 or less up to a normal standard is \$44.5 million. 78% of the residential streets with some pavement are going to revert to dirt in the next 10 years. The City annually receives \$ 0.5 million in street revenues. In conclusion, the residential streets are going to ultimately revert to gravel unless the residents are willing to form assessment districts.

Further, the City has had to eliminate approximately 43% of the staff since 2007. The Redevelopment Agency should use its money to generate income for the City so that the residents can be provided better services.

R2 p 46 Budget money to improve grant writing and managing the Public Works department to attract funds and personnel for maintaining the streets. (F1)

Response: As discussed above, the City has obtained \$ 4.9 million in grants the last three years to improve eleven miles of arterial and collector streets.

R3 p 47 In order to do their part to meet the financial constraints placed on the city and to demonstrate their leadership to the employees who are continuing to take the brunt of the cost reductions and workload increases, the elected officials take an equivalent reduced benefit or pay. Even though they are allowed the benefits by state code, we recommend the elected officials show solidarity with the employees and voluntarily take a significant amount of reduction. (F2, F3)

Response: We disagree with the Grand Jury's recommendation.

During the last year's budget preparation, the Council voluntarily eliminated all expense reimbursements which can add up to several hundred dollars per month for

some Councilmember's. The Council pays out of their own pockets all expenses incurred too conduct City business.

To begin with, every time our cars move for city business, which is daily for some of us, the gasoline is on us along with wear and tear on our vehicles. We pay all of our own supplies (including month ink cartridge replacements for our printers) and we pay for all of our own telephone calls, which many are long distance charges. We pay our own expenses to meet with constituents and also our own expenses to meet and confer with individuals and various agencies for the benefit of the City. We pay our own expenses at events to represent the City.

These expenses are all reimbursable expenses that other agencies provide. For some Councilmember's, the amount is substantial each month; anywhere from \$200 to \$300 plus per moth out of our own pocket. Many times this is all or more of our monthly pay. Often there are months we go into the hole.

Vice Mayor Overton pays her own motel bills and travel expenses to attend League of California Cities regional and state meetings.

To say the Council has done nothing to do their part in helping to meet the financial constraints placed on the City is an erroneous statement.

R4 p 47 The Finance Director establish a separate Fund/Department for Animal control to include ALL related costs. (F4)

Response: This was done in September, 2009.

R5 p 47 The City Council establish a policy that when decisions are made affecting the City budget, the City Council be provided backup financial detail prepared by the Finance Director and that the detail be available and kept with the budget for future measurement purposes. (F4)

Response: The City Council is provided backup financial detail when decisions are made that affect the budget. Backup information is maintained.

R6 p 47 The City Council renegotiate with the County to have them continue to provide the Animal Control services. This is based on the City Manager now forecasting only a \$25K annual savings and the fact that no detail has been provided for any of the savings and it is likely to actually cost more with the current approach. In addition, a cost benefit analysis which includes documented estimates of all costs as compared to savings covering the next 5 years be prepared and provided to the City Council. (F4)

Response: Detailed information was not available when the budget was adopted. Both the City Administrator and Police Chief have managed animal control facilities in the past. Based on their management experience, the cost to provide services could be reduced if the City assumed most of the responsibilities.

The contract with the County expired on October 30, 2009. A new contract was executed with the County as part of the City assuming animal control services. The new contract took effect on November 1, 2009.

The City's cost will decrease in the future when a holding facility is constructed and additional services are assumed by the City.

Between November 1, 2009 and June 30, 2010 the City's monthly cost to provide animal control services averaged \$10,525/month. The total cost during this time period was \$126,300.

The City paid the County \$200,724 to provide the services in 2008-09.

In conclusion, the staff recommendation and Council's approval to assume animal control services saved the City \$74,424 in 2009-10 and these costs will be decreased further in the future.

R7 p 47 The City Manager complete the preparation and compilation of City policies and procedures and present to the Council for approval. (F5)

Response: The City has two types of policies and procedures. The administrative polices are approved by the City Administrator. The City Council approves all the other policies. The City started preparing Administrative and Council policies in 2007. In November, 2009 all the policies were placed in one document and they are updated and new policies prepared when needed.

CLEARLAKE POLICE DEPARTMENT

R1- p 190 The Grand Jury recommends that the Clearlake Police Department comply with subpoenas issued from Lake County Superior Court.

Response: We do not agree with the Grand Jury recommendation. To infer our Department fails to comply with Court orders is erroneous. Our officers routinely comply with subpoenas issued by the Courts. It appears one officer was subpoenaed and failed to appear. This does not make it an organizational issue, but an individual one. The officer in question no longer works for this department.

R2 p 190 The Grand Jury recommends that the Clearlake Police Department cooperate as required under law with the Grand Jury.

Response: We do not agree with the Grand Jury recommendation. To infer our Department failed to cooperate with the Grand Jury is false. Members of the Grand Jury sat in my office and reviewed the entire police report on this incident and I answered all of their questions.

R3 p 190 The Grand Jury recommends the Clearlake Police Department be more aware of the physical limitations of an aging population.

Response: We do not agree with the Grand Jury recommendation. We work very closely with the seniors' we serve and have approximately fifty senior volunteers. The person in question in this complaint was arrested for interfering with officers who were attempting to arrest her son on a domestic violence issue and resisted arrest. Both individuals in this case entered guilty pleas.

R1 p 194 The Clearlake Police Department become more cognizant of effective communication, especially in dealing with the elderly population.

Response: We do not agree with the Grand Jury recommendation. Overall we do a good job communicating with the people we serve. However, in this case a young officer responded to this call and he should have done a better job explaining what he had and what was going to happen to next.

R1 p 211 Initiate increased community policing utilizing in-house training.

Response: We do not agree with the Grand Jury recommendation, as we utilize in-house training resources provided by P.O.S.T. and Sergeants provide daily training during briefings. It is extremely difficult to initiate new programs or to become more proactive within the community when we have lost 33% of our sworn staff.

R2 p 211 Develop the CPD web page to recognize the heroic efforts of law enforcement staff serving Clearlake's citizens.

Response: We agree with the Grand Jury recommendation. We have worked with the city in an attempt to develop a web page to promote the positive aspects Clearlake has to offer, but in our current fiscal crisis the cost of developing this web site is cost prohibitive.

R3 p 211 CPD leadership develop more proactive responsibility for the morale of its officers and clerical staff.

Response: We disagree with the Grand Jury recommendation. We actively work to provide a work environment that allows our employees to grow and achieve their career goals. Unfortunately it is hard to keep morale up when in the last three years we have laid off 33% of sworn staff, my secretary, and two code enforcement officers. Our employees have been told there is no money for raises, asked to give up benefits and watched as the department budget has been cut every year reducing our ability to give them the tools they need to get the job done. While all this is happening our calls for service continue to go up and we handle as many calls for service in Clearlake as the rest of the county combined. To compound these issues they are bombarded with the issues surrounding the commercial project at the old airport property and whether this will help bring in the needed revenue to keep our heads above water. The members of the Clearlake Police Department have done an *Outstanding Job* with the resources they have been given. Is their morale low, absolutely! But I could not be

prouder of each and every one of them for what they have accomplished and I would not trade them for any other department in the world.

R1 p 216 The Grand Jury recommends the Clearlake Police Department design an informational web page to acknowledge individual officers' achievements, advertise the mission statement, promote community relations.

Response: We agree with the Grand Jury recommendation. We have worked with the city in an attempt to develop a web page to promote the positive aspects Clearlake has to offer, but in our current fiscal crisis the cost of developing this web site is cost prohibitive.

CLEARLAKE CITY ADMINISTRATOR

R1 p 159 Garbage collection mandates should be met regardless of financial burden to residence. (F1).

Response: This comment deals with requiring garbage service for every business and residence in the City. The City supports service for all businesses and residences, but the problem is who will take the responsibility for those people who do not pay their bills. The standard practice in other cities is to turn off the water service if a bill is not paid. This is not possible in Clearlake due to the three independent water companies.

The City could collect the fees for services by adding them to the property tax bills. The City, however, does not have the financial resources to use this mechanism.

R2 p 159 The City should consider shrinking the city limits through legal means (F2).

Response: The Council considered completing several studies to evaluate the financial benefits of shrinking the City. The Council felt the current boundaries should remain as they are.

R3 p 159 Have the Department of Public Works generate a map and include all streets the City will not maintain (F3, 4).

Response: The City has information that shows what streets the City has historically maintained. We were in the process of preparing a map, but the person was laid off due to the financial problems the City is experiencing.

CLEARLAKE PUBLIC WORKS DEPARTMENT

R1 p 255 Monitor availability of grant funding to repair and improve the park (F3).

Response: The City has started monitoring the availability of grant funding to improve the parks. We submitted a grant application for \$ 1.2 million to improve the launch facilities in Redbud Park. The State staff has indicated we will most likely receive the grant.

R2 p 255 Schedule with the County jail for inmate use when staff is available to supervise.
(F5)

Response: We initiated the inmate program working with the Sheriff's office in 2007. Unfortunately, the last year the jail has not had enough inmates to provide us with the number we need.

If you have any questions, please feel free to contact me at (707) 994-8201, extension 120.

Sincerely,

A handwritten signature in black ink, appearing to read "D. W. Neiman". The signature is written in a cursive style with a horizontal line underneath the first part.

Dale W. Neiman
City Administrator