



Shasta County Grand Jury

Final Report 2012 -2013



*Investigate
Findings
Recommendation*

Shasta County Grand Jury

Final Report 2012 - 2013



2012-2013 Shasta County Grand Jury

Diana Sturges, Foreperson Larry Johnson, Pro tem

Donald Blankenship	Robert Smith
Larry Brandon	James Smith
Richard Camillieri	Sonya Spencer
Sheris Fine	Bea Tew
Jeffery Herndon	Charles Thomas
Albert Johnson	Cheryl Toliver
Patricia Ann Morningstar	Eleanor Townsend
Donald Olsen	Harry Tully
Thomas Vlahos	



Table of Contents

Your 2012—2013 Grand Jury	i
Table of Contents	ii
Submittal Letter To Presiding Judge	iii
Your Shasta County Grand Jury	1
Responses to the Grand Jury Reports	4
Summary of 2012 / 2013 Grand Jury Activities	18
Grand Jury Committees	4
Shasta County Local Districts and Agencies	35
Shasta County Grand Jury Investigative Reports 2000 to 2013	37

Reports

Quality Takes Time	5
Facilitating Conservation	9
California Departments Cooperating	13
What is a Permissible Gifts?	19
Diploma or Certificate of Completion?	22
Audit and Finance Report	27
Let There Be Light—At A Discount	29



Shasta County

GRAND JURY

P. O. BOX 992086
REDDING, CA 96099-2086
VOICE MAIL: (530) 225-5098

June 28, 2013

The Honorable Molly Bigelow
Superior Court Judge
Shasta County Courthouse
1500 Court Street
Redding, California 96001

Re: 2012/2013 Shasta County Grand Jury

Dear Judge Bigelow:

On behalf of the 2012/2013 Grand Jury, and in accordance with the laws of the State of California, the Shasta Grand Jury's Final Report is respectfully submitted. Our report represents thousands of hours of work interviewing, inspecting, and researching subjects important to the citizens of Shasta County.

As Foreperson, I would like to express my gratitude to my fellow Grand Jury members for their hard work, integrity, dedication, time and energy that they devoted to this important community service. In the process, we have made great friendships and learned enumerable information about our community and its leaders. It is our hope, that because of our efforts, our community's standards and wishes were represented to the agencies and leaders in Shasta County.

I would like to express my appreciation to the leaders of the Shasta County Grand Jury's Association and Grand Jury State Trainers like Marsha Caranci, David Plowman, and Ray Frisbee for supporting this year's Grand Jury. We know that we stand on the shoulders of those citizens who served in the past, and secured a budget, equipment, and rooms in which to work. Not every county in California has a budget and an office in which to carry out the assignment to be the "watchdog" of the county and ensure a good use of taxpayer's money. Thanks also to Senior Deputy County Counsel, David Yorton, former County Counsel, Karen Jahr, your honor's assistant, Diana Wasson, and Megan Dorney and Amy Cavendar from the County Administration Office for their invaluable help.

My favorite saying is: "It's amazing what can be accomplished when no one cares who gets the credit." It has been a pleasure and honor for me to serve on the Shasta County Grand Jury. I sincerely hope our efforts will have a positive impact on the government entities we reported on this year.

Sincerely,

Diana Sturges
Foreperson

Your Shasta County Grand Jury

Authority to Act

In California, the state constitution requires the Superior Court in each county to impanel at least one grand jury each year. The California Penal Code and other state laws govern and guide grand juries. More specifically, Section 925, et. Seq. of the Penal Code authorizes the grand jury to investigate and report on the operations of any local governmental agency within the county.

The Shasta County Grand Jury functions as an arm of the judicial branch of government, operating under the guidance of the Presiding Judge of the Shasta County Superior Court. In this capacity, the grand jury inquires into and investigates the operations of local government agencies and officials, ensuring that their activities are authorized by law and services are efficiently provided.

All communications with the grand jury are confidential. Information provided to the grand jury to support a complaint is carefully reviewed to determine what further action, if any is required. If it is determined that the matter is not within the investigative authority of the grand jury, no further action is taken. If the matter is within the legal scope of the grand jury's investigative powers and warrants further inquiry, the grand jury will contact and interview those individuals who may be able to provide additional information. During an investigation, all information and evidence will be considered; however, a review may not result in any action or report by the grand jury.

Jurisdiction

Acting on its own initiative or responding to a written complaint, the grand jury:

May investigate aspects of county and city government departments and programs, local public officials' functions and duties, and the operations of special districts. Almost any governmental entity that receives public money may be examined may be examined.

May return indictments for crimes committed in the county. When an indictment has been voted on, the case proceeds through the criminal justice system. The decision whether or not to present criminal cases to the grand jury is made by the county District Attorney.

May bring formal accusations against public officials for willful misconduct or corruption in office. These accusations can lead to removal from office.

The grand jury must inquire into the condition and management of all the adult or juvenile detention or correctional facilities within the county.

The grand jury is not allowed to continue an oversight from a previous panel. If the grand jury wishes to look at a subject which a prior panel was examining, it must start its own investigation and independently verify all information. It may use information obtained from the prior jury, but this information must be verified before it can be used by the current jury.

The grand jury is exempt from the requirements of the state's open meeting law (the Brown Act). Actions are taken by vote of the jury, in accordance with an approved set of rules of procedure. The ability to internally police itself allows the grand jury to operate completely independent of external pressures. The desired result is a self-directed body of citizens that has the power to uncover and pursue unlawful conduct within local government.

Citizen Complaints

As a grand juror, you will have an opportunity to make a difference. You will become involved with other interested citizens in learning more about the operations of local government, including the county, cities, special districts and school districts. The grand jury issues informational reports about the performance of local government agencies, offering recommendations aimed at improving the agencies that serve this community. A challenging year of investigations, interviews and reporting will give you a unique opportunity to delve into local government issues, while working with a group of civ-minded individuals.

Why should you serve?

As a grand juror, you will have an opportunity to make a difference. You will become involved with other interested citizens in learning more about the operations of local government, including the county, cities, special districts and school districts. The grand jury issues informational reports about the performance of local government agencies, offering recommendations aimed at improving the agencies that serve this community. A challenging year of investigations, interviews and reporting will give you a unique opportunity to delve into local government issues, while working with a group of civic-minded individuals.

To be a Grand Juror

The Shasta County Grand Jury is composed of 19 county citizens. A prospective juror should be willing to work as a team member, understand small group dynamics and be willing to work in a collaborative manner to each consensus. Although not essential, access to a computer and the ability to research topics on the internet will be helpful to the prospective juror. Prospective jurors apply in April for the coming fiscal year. The Presiding Judge randomly selects grand jurors from a pool of up to 30 applicants. To preserve continuity, the Presiding Judge may select a few jurors to continue into a second term; however, jurors may not serve more than two consecutive terms.

Prospective Grand Jurors

An application to serve on the Grand Jury may be requested from the following address:

Shasta County Superior Court

Courthouse Room 205

1500 Court Street

Redding, CA 96001 or online at www.co.shasta.ca.us

Reports issued by the grand jury do not identify the individuals interviewed. Penal Code Section 929 requires that reports of the grand jury not contain the name of any person, or facts leading to the identity of any person who provides information to the grand jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in civil grand jury investigations by protesting the privacy and confidentiality of those who participate in any civil grand jury investigation.



Responses to the Grand Jury Final Report

Section 933.05 of the California Penal Code requires that the responses to the final report of the grand jury be submitted to the court no later than 90 days after the report's released to the public if the respondent is a governing body, or 60 days if the respondent is an elected official. The responses must be sent to the Presiding Judge of the Superior Court.

The respondents are required to comment on the findings and recommendations contained in the report. With regard to each finding, the respondent must indicate whether the respondent agrees with the finding, or disagrees wholly or partially with the finding, and the grounds for any disagreement. With regard to recommendations, the respondent must indicate that the respondent has implemented the recommendations, plans to implement the recommendation in the future, will further analyze and study the recommendation or will not implement the recommendation and, if not, provide an explanation as to why it will not be implemented.

Copies of the Shasta County Grand Jury's reports and the required responses made by governing boards and elected officials may be found on the Shasta County Grand Jury's webpage at www.coshasta.ca.us Electronic copies of reports and responses date back to 2001/02 Grand Jury's report.

At the time this Consolidated Final Report was compiled, the information it contained was accurate to the best of the grand jury's knowledge and belief. However, some facts may have changed since the individual reports were completed.

When there is a perception of a conflict of interest involving a member of the grand jury, that member has been required to recuse herself or himself from any aspect of the investigation involving such a conflict and from voting on the acceptance or rejection of that report.

Grand Jury Committees

Audit and Finance
City Government
County Government
Continuity and Editorial Committees
Local Districts and Agencies
Criminal Justice
Information Technology
Publication

Quality Takes Time

Recruitment/Hiring Process for Correctional Officers



SUMMARY

In 2009, budget constraints imposed upon the Sheriff's Office resulted in the layoff of 45 employees, of which seven were correctional officers. Due to these layoffs, the third floor of the County jail was closed.

Passage of Assembly Bill 109 (AB109) in April, 2011, resulted in the transfer of inmates from State prisons to county jails, making an increase in local jail capacity a matter of urgency. In October, 2011, funding under the terms of AB109 enabled the Sheriff's Office to hire additional correctional officers which allowed for the reopening of the third floor of the jail.

Due to community concern over the increase of criminal activity following these transfers, the Shasta County Grand Jury investigated the length of time it took to re-open the third floor of the jail, specifically addressing the hiring process. Upon review of the steps necessary to ensure the hiring of the most qualified correctional officers we determined that while the application and interview process was appropriate, there was a short delay while a testing contract was being renegotiated. We also determined that some applicants withdrew themselves from consideration due to the length of the process.

BACKGROUND

In 1984, the Shasta County Jail was opened at its present location. In the years that followed, the jail was fully staffed with all three floors available for the housing of inmates. On June 9, 2009, the third floor of the Shasta County Jail was closed due to reduced funding, which resulted in a reduction of staff that would have created an unsafe environment for both the staff and the inmates. With the closure of the third floor, the maximum capacity of the jail decreased from 381 to 253 inmates.

The implementation of Assembly Bill 109 (AB109) on October 1, 2011, reassigned lower level inmates from state prisons to county jails. The reassignment of inmates to Shasta County filled the jail to its decreased capacity. Some arrestees were booked and, by necessity, promptly released. Other arrestees were booked and incarcerated, requiring the release of lower level inmates. As inmates were released there was a concurrent rise in local criminal activity.

It was clear that the re-opening of the third floor of the jail was imperative, but staffing was inadequate to do so. The Sheriff's Office determined that it could not begin hiring until AB 109 funding was received which occurred on October 7, 2011. The re-opening of the third floor of the jail became a critical issue to the citizens of Shasta County. Presentations to the Shasta County Grand Jury by the Shasta County Sheriff's Office, the City of Redding Police Department, and Shasta County Administration confirmed that a lack of qualified correctional officers prevented the reopening of the third floor.

In October, 2011, the Sheriff's Office hired correctional officers from its active hiring list. Once this list was exhausted (in December, 2011), a new recruitment was initiated by Shasta County Support Services (SCSS).

SCSS contracts with Cooperative Personnel Services Human Resources (CPS HR) to administer and score a standardized written test for correctional officer screening. Prior to the date that new recruitment for correctional officers began (December 16, 2011), the County Auditors' office discovered that the contract with CPS HR had expired. SCSS renegotiated the contract which was approved by the County Board of Supervisors on January 24, 2012. SCSS has subsequently assigned staff to monitor expiration dates on contracts.

Our investigation focused on the Shasta County process for recruiting/hiring correctional officers for opening the third floor of the jail which has since been staffed and reopened.

APPROACH

The Grand Jury:

- attended a presentation by administrative staff with the City of Redding Police Department;
- attended presentations by administrative staff of the Shasta County Sheriff's Office;
- attended a presentation by executive staff of Shasta County;
- inspected the Shasta County Jail, guided by administrative and jail staff;
- interviewed SCSS Department personnel;
- interviewed administrative staff from the Sheriff's Office;
- interviewed a supervisory officer assigned to the jail;
- interviewed recently hired correctional officers;
- interviewed staff with CPS HR Consulting;
- reviewed recruitment documents;
- reviewed media accounts.

DISCUSSION

In order to comply with State mandates and to ensure that only those best suited for the positions are hired, the Shasta County Sheriff's Office and SCSS have established a detailed and lengthy process for hiring correctional officers. The recruitment process that began in December 2011 resulted in 159 applicants, with only six eventually being hired. The Sheriff's Office and SCSS stated that the lengthy recruitment process caused some applicants to withdraw, and correctional officers interviewed confirmed incidents where this had occurred. They stated that they were unaware that the hiring process would take as long as it did, and it would have been beneficial for their planning to know this. SCSS personnel confirmed that they did not notify applicants regarding the length of the process.

Both agencies have studied the recruitment process, seeking ways to streamline it without losing the ability to eliminate applicants who would not be suited for working in the jail. The Sheriff's Office and Support Services instituted several enhancements to the process, one of which allowed a new recruitment to begin prior to the expiration of the existing list.

The Grand Jury examined the correctional officer recruitment/hiring process to determine if efficiencies could be gained by eliminating or streamlining specific steps. We developed the following time line narrative from information provided by the Sheriff's Office and SCSS. It depicts the steps taken between the closing and the re-opening of the third floor of the jail.

Time Line Narrative

June 9, 2009	Third floor closed due to lack of funding
October 7, 2011	AB 109 funding received
October-November, 2011	Correctional officers hired from existing active list
December 16, 2011	New recruitment for correctional officers opened
December 30, 2011	Recruitment period closed
January 3, 2012	159 applications received, and of those 115 applicants were deemed eligible (44 elected not to take test or did not pass minimum qualifications.)
January 9, 2012	SCSS discovered contract with CPS HR to test for correctional officers lapsed
January 24, 2012	Renegotiated contract with CPS HR approved by Shasta County Board of Supervisors
February 3, 2012	48 applicants took written test; tests sent to CPS HR for scoring. (At this time, the Sheriff's Office advised applicants of the tentative dates for oral and agility tests and that they could review requirements for completion of the background check online.)
March 8, 2012	Results of written test received; 42 applicants passed and were contacted by SCSS

- March 20, 2012 The Sheriff's Office provided 'tour and talk' at jail for those applicants who passed the written test.
- March 25, 2012 Agility test: 28 applicants passed. (4 withdrew, 4 no-showed, and 6 failed.) At that time, those who passed were immediately scheduled for oral boards which streamlined the process by a week.
- March 29, 2012 Confirmation letters sent to 28 applicants regarding oral boards' schedule.
- April 9-10, 2012 Oral boards' interviews: 24 passed, 3 no-showed, 1 withdrew.
- April 18, 2012 Applicants who passed the oral boards were provided a questionnaire to complete and return within a week in preparation for their background checks. A list of the top 10 applicants, as ranked by testing scores, was sent to the Sheriff's Office, to be assigned personal background investigators.
- May – June 2012 Applicants who passed background checks received a written offer of employment conditional upon passing psychological and medical exams. 18 applicants did not pass the background check due to information discovered in this process.
- July-August, 2012 Third floor of jail opened with 6 new hires.

FINDINGS

- F1 While the hiring process is lengthy and cumbersome, a revision of current procedures and/or the lowering of current standards could result in the hiring of less qualified correctional officers.
- F2 Applicants were not fully informed of the length of time necessary to complete the recruitment/hiring process.
- F3 The delay in opening the third floor of the jail was due to the lack of adequate correctional officer staffing and the extensive recruitment/hiring process.

RECOMMENDATIONS

- R1 The Sheriff's Office and SCSS should continue to adhere to the standards of the current recruitment/hiring process
- R2 In order to minimize the number of applicants who withdraw from the process

REQUIRED RESPONSES

Pursuant to Penal Code section 933.05, the Grand Jury requires that:

- The Sheriff respond to F.1, and R.1,

REQUESTED RESPONSES

The Grand Jury request that

- The Shasta County Chief Administrative Officer respond to F.2, and R.2

DISCLAIMER – This report was issued by the Grand Jury with the exception of two members who were recused due to a potential conflict of interest. These jurors were not present for any of the interviews and were excluded from all parts of the investigation, including deliberations and the



Facilitating Conservation

Western Shasta Resource Conservation District



SUMMARY

The Western Shasta Resource Conservation District (WSRCD), a special district formed in 1957, operates with the stated mission to “Collaborate with willing landowners, government agencies and other organizations to facilitate the conservation and restoration of Western Shasta County’s natural resources.” The district encompasses approximately 1.7 million acres bounded on the east by the watershed divide between eastern and western Shasta County; the north by the Siskiyou County line; the west by the Trinity County line; and the south by the Tehama County line.

Through its investigation the Grand Jury determined that while the WSRCD is now facing the same financial difficulties as most special districts, it is still effective in accomplishing its mission. We did find areas where the benefit to the citizens of Shasta County could be enhanced by (1) adding additional members to the Board of Directors, (2) selectively pursuing “fee for service” contract work, and (3) updating its website. We have made specific recommendations with regard to each of these issues.

BACKGROUND

California Penal Code section 925 grants authority to the Grand Jury to review the operations of special districts such as the WSRCD. The local media recently publicized both the financial difficulties confronting special districts within Shasta County in general and the specific activities of the WSRCD. As it has been ten years since the Grand Jury reviewed the operations of the district, we elected to conduct an extensive review of both the financial operations and the effectiveness of the WSRCD in accomplishing its stated mission.

APPROACH

The Grand Jury:

- interviewed four past and present WSRCD Board members;
- interviewed three past and present WSRCD employees;
- attended two WSRCD Board meetings;
- attended an information workshop on conservation easements co-hosted by the WSRCD;
- reviewed the regulations under which the WSRCD operates;
- reviewed the WSRCD Board of Directors' meeting agendas, and the minutes of those meetings, covering a six month period;
- reviewed the past three annual audits summarizing the finances of the WSRCD;
- reviewed an awarded grant proposal covering the period January 1, 2012 through June 30, 2013 by which inmate labor has been provided to the District through Sugar Pine Conservation Camp and Cal-Fire;
- toured the WSRCD facility in Anderson;
- toured a WSRCD job site in Shasta Lake City;
- discussed with a representative from Cal-Fire the work of the WSRCD.

DISCUSSION

During our investigation of the WSRCD the Grand Jury found the District to be an important resource for the citizens of Shasta County. The WSRCD provides essential information and assistance to those citizens seeking fuel reduction, watershed management and erosion control activities. We learned at a Board meeting and through interviews that a number of fuel reduction sites worked by WSRCD had been used or considered for use as staging areas for fire fighting activities .

The Grand Jury was impressed by both the expertise and the dedication of the members of the Board of Directors and the employees interviewed. The Grand Jury did, however, find areas where the benefits available through the District could be enhanced. Those areas concerned the internal workings of the Board of Directors, the continued financial stability of the District in years to come, and the imparting of information to the public on the WSRCD website.

The Grand Jury began its investigation of the WSRCD by conducting a series of interviews as listed above. We also toured a WSRCD work site location where we viewed fuel reduction work being performed by inmates from the Sugar Pine Conservation Camp east of Redding.

Our interviews with members of the WSRCD Board of Directors, as well as our review of the regulations under which the District operates, confirmed that the Board is allowed to have as many as nine members. Each member is appointed to a four year term by the Shasta County Board of Supervisors. As we began our investigation there were four members on the Board. Since that time an additional member has been added. Having only

four members on the board presented difficulties for the WSRCD both with regard to potential “tie” votes and quorum requirements. It also presented difficulties in setting up sub-committees in which no more than two Board members could be present so as to avoid violating the Brown Act. This issue was well recognized by the Board members with whom we spoke. Appointing more members to the Board would allow for greater Board member participation in sub-committees and the infusion of new ideas.

Our interviews with members of the Board and current employees confirmed that the District has, in recent years, experienced increased difficulty in securing grant money for many of its proposed projects. Our review of the financial reports pertaining to the District supported what we were told. While there has been a decrease in the amount of grant money awarded the District, it has nevertheless been able to continue its work in fuel reduction, watershed management, and erosion control. The District also continues its outreach to the local community through programs such as the Student Restoration Project (Outreach of students, grades 4 thru 12 from various schools working on a variety of restoration projects such as planting native shrubs and trees) and by co-sponsoring informational seminars on land conservation easements. The WSRCD has “partnered” with Cal-Fire to utilize inmate labor from the Sugar Pine Conservation Camp at a cost of \$200 to \$225 per crew (15 to 17 workers) per day. Through its use of inmate labor, the District has been able to minimize its labor costs while obtaining the services of highly skilled individuals trained in fire prevention and fire suppression activities.

The Grand Jury learned that a majority of the revenue received by the District is derived from state and federal grants. Only a small percentage of its revenue is derived from private landowner “fee for service” contracts. No monies are received from local tax assessments. As such, the District faces the same financial difficulties that many special districts face in hard financial times. Up to this point the WSRCD has been reluctant to “market” its ability to enter into “fee for service” contracts with private landowners out of concern that it would be perceived as competing with the local business community. While the Grand Jury considers this position to be a relevant concern, various options could be considered. As is the case with many service organizations which provide assistance to the public, the WSRCD could selectively contract with private landowners in those instances where the local business community is either unable or uninterested in providing such assistance.

The WSRCD maintains a website for the purpose of informing the public as to the nature of its operation and the availability of conservation resources. The website is extensive but out-of-date. A majority of the “links” on the website fail to “forward” individuals to the appropriate site. In addition, many of the website pages refer to activity which was last updated in 2004, 2006, or 2007.

The website contained conflicting information as to the dates and times of the WSRCD Board meetings. While the meetings of the Board were noted on the website calendar, other information contained within the website provided conflicting information as to when those meetings were to be held. On occasion, meetings of the Board were changed to a different date or time without those changes being noted on the website. In addition, neither the agendas nor the minutes of those meetings were available on the website. Updating the website would provide the public with additional information and would thus be an effective means to further the mission of the WSRCD.

FINDINGS

- F1 Additional members added to the Board of Directors would allow for a greater diversity of opinion in the operation of the district and would reduce difficulties in setting up subcommittees due to constraints imposed by the Brown Act.
- F2 Marketing the availability of the resources of the WSRCD to the public on selected “fee for service” projects would both promote resource conservation and assist the District in meeting its financial obligations.
- F3 Inmate labor from the Sugar Pine Conservation Camp is the most economical way for the WSRCD to obtain experienced and qualified labor at minimal cost while working on selected projects.
- F4 The WSRCD website is out-of-date and fails to provide the public with necessary information.

RECOMMENDATIONS

- R1 The Grand Jury recommends that the WSRCD seek out interested citizens in order to nominate them to the Shasta County Board of Supervisors for appointment to the board. This should be accomplished within the next three months.
- R2 The Grand Jury recommends that the WSRCD review its practice of not marketing “fee for service” contracts with a view toward performing such services for private landowners who would not otherwise avail themselves of conservation work on their property. This review should be undertaken as soon as possible following the addition of new members to the Board.
- R3 The Grand Jury recommends that the WSRCD continues to utilize (through Cal-Fire) inmate labor from the Sugar Pine Conservation Camp as a means of obtaining experienced and qualified labor while at the same time keeping down the cost of services provided.
- R4 The Grand Jury recommends that the WSRCD review and update its website for the specific purpose of providing the public with accurate, relevant and timely information concerning its activities and the dates, times and agendas of the WSRCD Board meetings. The review and update of the website should be completed within three months (the committee feels that 3 months is adequate.).

REQUESTED RESPONSES

Pursuant to California Penal Code section 933.05 the Grand Jury requests that:

The Board of the WSRCD is requested to respond to Findings F1, F2, F3 and F4 as well as to Recommendations R1, R2, R3 and R4 within 90 days.



California Departments Cooperating

Sugar Pine Conservation Camp



SUMMARY

California Penal Code Section 919 mandates that the Shasta County Grand Jury “inquire into the condition and management of the public prisons within the county.” Sugar Pine Conservation Camp, also known as Sugar Pine, is a public prison. In the summer of 2012, there were many large wildfires in and around Shasta County. The Sugar Pine inmate crews played a large part in the suppression and mitigation of these fires, which resulted in significant monetary savings to the California Department of Forestry and Fire (Cal Fire) and the local community. The Grand Jury decided to inquire into the operations of Sugar Pine.

DISCUSSION

Sugar Pine, located 25 miles east of Redding off highway 299, is one of 39 camps in California jointly operated by Cal Fire. Of the 39 camps, 37 house male inmates and two house female inmates. Sugar Pine houses only adult males and can accommodate 120 inmates.

The Sugar Pine camp opened on June 24, 1988, as a minimum security facility with no walls or fences. Boundaries are, however, clearly marked. An unsupervised inmate crossing over any boundary, for any reason, is judged to be an escapee and is immediately returned to prison. The California Department of Corrections and Rehabilitation (CDCR) reported that in the last ten years, a total of four inmates walked beyond the Sugar Pine boundaries. All four returned on their own volition to the camp, but were nevertheless sent back to the California Correctional Center (CCC) in Susanville.



Inmates are transferred from CCC to Sugar Pine after completing a rigorous screening process. The Classification Committee reviews inmate eligibility for Sugar Pine placement utilizing a classification scoring system based on the following criteria:

- a medical evaluation;
- a review of the inmate's file;
- an eligibility risk assessment for minimum security confinement and offsite assignments;
- a determination that custody at Sugar Pine will not exceed four years;
- a medical evaluation confirming capability for vigorous activity;
- one to seven and a half years remaining on sentence for 50% eligible inmates;*
- one to five years remaining on sentence for 80% to 85% eligible inmates.*

*depending upon the inmate's offense and original sentence, each day worked by an inmate at the conservation camp can reduce his sentence by 15% to 50%

An inmate is excluded from camp placement if any of the following exist:

- serving a life sentence;
- prior conviction for escape;
- prior conviction for arson;
- felony hold.

In the past, only the prison's lowest risk level inmates (level 1) were eligible to be assigned to the camp. Under California Assembly Bill 109 (AB 109) these lowest risk level inmates are now directly released to the county in which the inmate resides. The counties may contract with CDCR to assign county inmates to conservation camps. However, such assignments may only be made to camps out of the inmates' county of residence. Until counties finalize contracts for inmate bed space at conservation camps, the CDCR is assessing and assigning higher risk level inmates from State prisons to maximize camp populations. The CDCR now allows inmates who have committed certain violent or serious felonies to be assigned to camps. For these inmates, the Classification Committee considers five additional criteria:

- a review of the circumstances of the offense;
- a consideration of the extent of injuries sustained by the victim;
- the rationale for committing the offense;
- the criminal intent of the crime, or consideration of the inmate's history of similar offense;
- a consideration of public, staff and inmate safety.

After being selected, inmates undergo a vigorous two week physical fitness evaluation. Those who pass the evaluation are then provided training for another two weeks in fire safety and suppression techniques. After completing the program the inmates are sent to their assigned conservation camp.

In the past, the average stay for inmates selected for the camp was less than two years, with most inmates serving the last nine months of their sentence at the camp. This average stay may increase if the counties do not contract for enough bed space to achieve full camp capacity with lower level inmates.

The primary mission of the Sugar Pine camp is to provide for public safety through inmate supervision. Secondly, its purpose is wild land fire prevention and suppression in Shasta and Trinity counties. However, crews can be sent to any area of California. Five crews are assigned off site daily on a rotational basis with one crew remaining in camp on maintenance duty. The custody of each crew member is transferred daily from the CDCR to Cal Fire for work assignments. The number of inmates assigned to a crew is usually 17. Due to camp vacancies at the time of our investigation, crews were averaging 12 inmates and one Cal Fire supervisor.



Cal Fire staff receives an intense two week course on how to deal with inmates at the camp as well as on the fire lines or at other work assignments. After this course, they are given a list of required skills to demonstrate and events to complete before they are allowed to supervise a crew.

A new captain must “job shadow” experienced fire crew captains and maintain a certification log which indicates when specific skills needed for inmate supervision are attained. The new captain assumes command of a fire crew while under the guidance of an experienced captain for a minimum of ten days after basic skills and abilities have been developed. The crew chiefs interviewed felt that the training was adequate and anything else was learned through experience.

Traditionally, inmate crews perform labor intensive duties involving fires, floods, heavy snow, search and rescue, and earthquakes. According to estimates given to the Grand Jury by CDCR and Cal Fire, 67% of fire suppression hand crews in Shasta County during 2012 were conservation camp inmates. During the non-fire season, inmate crews are called upon for community services such as:

- flood control and clean up;
- conservation projects;
- highway right-of-way maintenance;
- maintenance of public buildings, grounds, and cemeteries.



CDCR and Cal Fire estimated the fire suppression and community services provided by the Sugar Pine camp inmates within Shasta County were valued at \$1.8 million in 2012. Statewide, the estimate was \$80 million.

The following chart provided by CDCR and Cal Fire lists the man hours, over the last three year period, which the Sugar Pine camp has spent on fire prevention and community services.

Public Entity	Hours total 2010-2012	Public Entity	Hours total 2010-2012
Fire/Search & Rescue	11,905	Schools/Cemetery/Sheriff	9,864
Shasta Mosquito & Abatement	2,480	Cal Trans	22,468
Anderson Cottonwood Irrigation District	3,852	Local fire defense improvements	65,768
Bureau of Land Management	51,578	US Forest Service	9,258
Shasta County Public Works	1,920	City of Shasta Lake	19,108
Bella Vista Water District	1,554	Shasta District Fairgrounds	216

Projects for schools range from general maintenance and clearing vegetation to creating a cross country running trail. Inmates are not assigned to school projects when children are present.

The inmate fire crews perform irrigation canal maintenance, including tree and brush cutting and burning of vegetation.

For the Forest Service, the crews construct fire breaks, helicopter landing pads and safety zones. The inmates also reconstruct and maintain trails and campsites, dig water lines, and dispose of trash.

Organizations that utilize the services of inmate crews are billed by Cal Fire for the work performed at a rate of \$200 to \$225 per day, per crew assigned. This charge covers the cost for fuel and maintenance of Cal Fire vehicles, tools and supplies. In lieu of charges for work performed, in-kind contributions to Cal Fire are frequently made. Organizations are provided a list of materials, tools and supplies, such as truck tires, chain saws, and weed eaters needed by the camp.

Inmates are paid for the work they perform. The majority are laborers who earn \$1.45 per day. Skilled inmates: i.e., mechanics, clerks, cooks, plumbers, welders, carpenters and electricians, earn up to \$2.56 per day. While fighting fires, inmates earn \$1.00 an hour.

We contacted some of the organizations that utilize the services of Sugar Pine inmates to determine the value of work performed. Responses were positive and indicated that it would be impossible to do the amount of work that is accomplished each year without the help of the camp crews. All expressed satisfaction with the quality of the work performed.

Many inmates at the camp have been participating in educational services. There are two counselors assigned to work with inmates to obtain GEDs, earn high school diplomas, and complete correspondence courses (which inmates must purchase). In addition to gaining job skills and work ethics in fire suppression, some inmates receive on the job training and work experience in food preparation, small engine repair, auto mechanics, grounds maintenance, wood shop, metal shop, and water and sewer plant operations. There is a music appreciation program with instruments donated by the community, a library and recreational areas for use during non-work hours. Bible study and religious services are available. Counseling is provided for alcohol and narcotics addiction.

Shasta County's AB 109 implementation plan allows for the Sheriff's Office to contract with CDCR for bed space with conservation camps outside of Shasta County. They are now in final negotiations for assignment of inmates to camps in the north state. The cost of bed space under the proposed contract is \$46.00 per day. The daily cost to house an inmate in the Shasta County jail is \$102.45 per day.

The Sheriff's Office has contracted with four other counties to house Shasta County inmates in their jails: Del Norte, \$80 per day; El Dorado, \$90 per day; Lassen, \$63 per day; Mendocino, \$80 per day.

As of 2008, the recidivism rate (inmates returning to the prison system within three years of release) in all other types of California State correctional facilities was 63.7%. The recidivism rate for inmates released from conservation camps was 52.2%. Inmates interviewed at the Sugar Pine camp expressed appreciation for the opportunity to receive services which could assist in rehabilitation and redirection of their lives rather than continuing the cycle of crime and incarceration.

APPROACH

The Grand Jury:

- toured the Sugar Pine camp in December 2012 and January 2013 and participated in question and answer sessions with CDCR and Cal Fire staff;
- met with senior administrative staff from the CCC;
- observed two work crews performing fire-break activity at Shasta Lake City;
- met with Cal Fire worksite supervisors;
- interviewed administrative staff within the Shasta County Probation Department;
- interviewed administrative staff within the Shasta County Sheriff's Office;
- reviewed media accounts;
- reviewed CDCR 2012 *Outcome Evaluation Report*;
- reviewed public information documents regarding the Sugar Pine camp, provided by CDCR;
- spoke with more than 30 Sugar Pine inmates;
- discussed quality of work with five sponsors who utilized Sugar Pine work crews.

FINDINGS

- F1. Sugar Pine and other conservation camps in California provide significant monetary savings to the State in fire prevention and suppression.
- F2. Sugar Pine provides significant monetary savings and community service to local public entities, many of whom would not otherwise be able to accomplish necessary maintenance.
- F3. The cost of conservation camp bed space is substantially lower than inmate housing costs now incurred by Shasta County at other holding facilities.
- F4. The recidivism rate from conservation camps is lower than that of the general prison population.
- F5. Sugar Pine provides rehabilitation, education and training opportunities that can be beneficial to the inmates.



Summary of 2012-2013 Grand Jury Activities

Agencies, Departments and Facilities Toured	14
Autopsies Attended	3
Committee Meeting Held	228
Complaints Received	44
Criminal Hearings Held	0
Interviews Conducted During Course of Investigation	87
Final Reports Issues	7
Government Board Meeting Attended	13
Indictments Issued	0
Joint Audit Committee Meetings Attended	3
Meetings of the Full Grand Jury	28

What is a Permissible Gift?

City Of Redding Employee Conduct and Honesty Policy



SUMMARY

The City of Redding currently has in place an *Employee Conduct and Honesty Policy* which has not been revised since 1987. While the policy addresses violations for accepting a gift, it does not define a gift, nor does it adequately detail the consequences of a violation. Interviews with city employees indicated a lack of understanding of what constitutes a gift and what is a violation of this policy. A well-defined gift policy would provide guidance for employees, and adherence would lessen the potential for a conflict of interest. Department heads or direct supervisors should review all reports of an employee receiving gifts.

BACKGROUND

In August, 2012, a City of Redding official forwarded to the Grand Jury information regarding allegations of misconduct made against a former employee. One allegation concerned the acceptance of gifts. After reviewing the *Employee Conduct and Honesty Policy*, we found that the section referring to gifts is vague and subject to misinterpretation. We also discovered that there was no procedure in place for management review of documentation regarding gifts received by city employees.

APPROACH

The Grand Jury reviewed:

- the *Employee Conduct and Honesty Policy*;
- *Fair Political Practice Commission (FPPC) Limitations and Restrictions on Gifts, Honoraria, Travel and Loans – FPPC Gift Reporting Pamphlet*;
- *FPPC Statement of Economic Interest (Form 700)* which includes *Gift Reporting Schedules D and E*;
- *California Government Code 87200*;
- *Redding Municipal Code, Chapter 2.90 (Conflict of Interest for Designated Positions of the City)*.
- elected City of Redding Officials;
- City of Redding employees.

DISCUSSION

The only reference to gifts within the *City of Redding Personnel Policies Manual, Employee Conduct and Honesty* is:

“C. CONFLICT OF INTEREST

“Some examples of violations:

“C2. When an employee accepts gifts, payments, entertainment, loans, services, or promises of future benefits from any concern doing business or seeking to do business with the City, except personal loans from banks or other lending institutions.”

Some of the city employees interviewed interpreted the above referenced policy as a “zero tolerance” policy which prohibits employees from accepting any gifts. Other employees interviewed stated that some gifts were allowed. Among acceptable gifts listed by some of those interviewed were boxes of candy at Christmas, rounds of golf, pens and pencils, and other trinkets.

California Government Code 87200 requires elected officials, other designated employees and consultants to file an annual FPPC 700 Form which lists gifts received to an allowable maximum of \$420 per any single source in 2011 and 2012. The maximum was increased to \$440 beginning January 1, 2013.

While the majority of city employees are not required to file the FPPC 700 Form, all are expected to comply with the current *Conduct and Honesty Policy*. The state policy allows acceptance of gifts while the city policy does not allow gifts “from any concern doing business or seeking to do business with the City, except personal loans from banks or other lending institutions.”

For the period January 1 through November 28, 2012, the City Clerk’s office had received 232 FPPC 700 Forms. Ten employees, none of whom was an elected official, filed FPPC 700 Forms reporting gifts received in excess of \$50. This violated the city policy.

The *City of Redding Personnel Policies Manual*, Page No. 17.14, “MISCELLANEOUS: POLICY – EMPLOYEE CONDUCT AND HONESTY” states:

“1. Violation of this policy will subject any employee to disciplinary action, up to and including discharge. In addition, supervisors and management who knowingly allow others to engage in acts of misconduct are subject to appropriate disciplinary action...”

City officials and staff members interviewed were unaware of any disciplinary action ever taken against employees violating this policy.

Current city practice requires management review of FPPC 700 Forms only if a reported gift is over \$440.

FINDINGS

- F1. The City of Redding’s Conduct and Honesty Policy disallows the acceptance of gifts. However, the policy does not define “gifts”; therefore, misinterpretation is possible.
- F2. City employees lack an understanding of what constitutes a gift and what constitutes a violation of the policy.
- F3. While city management reviews FPPC 700 Forms Schedule D & E only if reported gifts are over \$440, there is no provision to alert management of city employees receiving lesser gifts
- F4. Violations of the *Honesty and Conduct Policy* concerning acceptance of gifts are not enforced.

RECOMMENDATIONS

- R1 The Grand Jury recommends the Redding City Council, working with city management, revise and adopt an Employee Honesty and Conduct Policy specific to accepting gifts.
- R2 The Grand Jury recommends the Employee and Honesty and Conduct policy clearly defines what is a gift, what is an acceptable gift, and set a maximum value an employee may receive.
- R3 The grand jury recommends the Redding City Council, working with management, develop a vehicle for employees not required to file FPPC 700 forms to report gifts received.
- R4 The Redding City Council adopt a policy that requires department heads or immediate supervisors to review all FPPC 700 Forms to determine if employees are adhering to the adopted City Gift policy.
- R5 The Grand Jury recommends the Redding City Council develop a plan to enforce the adopted city gift policy.

REQUIRED RESPONSES

Pursuant to Penal Code section 933.05, the Grand Jury requires that:

- The Redding City Council shall respond to F1, F2, F3, and F4 and R1, R2, R3, R4, and R5.



Diploma or Certificate of Completion?

Shasta Union High School District, Special Education Department Adult Transition Program



SUMMARY

The Shasta Union High School District (SUHSD) Special Education Department's Adult Transition Program provides services for a maximum of four years to students with significant disabilities who are between the ages of 18 and 22. The students in the program have a wide variety of physical and intellectual developmental disabilities such as autism, Down syndrome, and cerebral palsy. The Adult Transition Program is designed to develop the students' life skills and experiences necessary for their everyday living.

After a series of parental complaints to the SUHSD Board of Trustees, several of the parents/guardians expressed frustration at the response received, and submitted written complaints to the Grand Jury. The Grand Jury focused on the following areas:

- communication in general between parents/guardians and the district;
- confusion as to whether the Special Education student would obtain a Diploma or a Certificate of Completion (students who have obtained a Diploma are ineligible for the Adult Transition Program);
- staff to student ratio;
- termination of the fund-raising recycling program;
- parent club funding issues.

The Grand Jury determined through our investigation that, although there are a number of parents of Adult Transition students who have complaints regarding the program, it does meet the needs of the target population.

BACKGROUND

In 2006-2007 SUHSD administration withdrew the district's students from the Adult Transition Program operated by Shasta County Office of Education (SCOE) and moved the program to an SUHSD site. They determined that a district-administered program would be more cost effective and better serve the needs of district students. Since that time, many parents have expressed dissatisfaction with the program. Parents of both current and past Adult Transition students have complained about:

- lack of communication between district staff and parents/guardians;
- confusion over the consequences of the Diploma versus the Certificate of Completion pathway (often referred to as a “track”) decision;
- transportation issues;
- destruction of classroom materials;
- discontinuation of the fund-raising recycling program;
- staff to student ratio;
- relocation of the program from Shasta College;
- confiscation of parent club funds.

APPROACH

The Grand Jury:

- interviewed nine parents of current and past Adult Transition Program students;
- interviewed one parent of a student entering the Adult Transition Program;
- interviewed four SUHSD administrators;
- interviewed Shasta County Special Education Local Plan Area (SELPA) staff;
- interviewed a SCOE administrator;
- interviewed Adult Transition Program teachers;
- toured the Adult Transition Program classrooms at Enterprise High School;
- toured Far Northern Regional Center;
- attended two SUHSD Board Meetings;
- reviewed the Special Education Department pamphlet *Continuum of Services*;
- reviewed the *Notice of Procedural Safeguards and Parents' Rights* under the *Individuals with Disabilities Education Act, (IDEA) Part B*;
- reviewed a draft document titled *Course of Study Decisions*.

DISCUSSION

Numerous complaints were expressed by parents/guardians regarding a lack of communication between them, and the staff and administrators of SUHSD. Among the complaints were:

- a lack of a forum to discuss everyday issues;
- a failure to provide a timely and clear explanation about education pathway choices;
- an inadequate explanation of why students were moved from one school site to another;
- an inadequate explanation of the change in transportation policies.

This lack of communication led to misunderstandings and mistrust by parents/guardians.

As early as elementary school, a child may be identified as a special education student. Once this occurs, an Individualized Education Plan (IEP) is proposed for the student. The IEP process team may include the parents/guardians, school psychologist, counselor, social worker, the student's teachers, a school administrator, and any therapists identified in the plan. The IEP is a legally binding document that spells out exactly what special education services and/or therapies a child will receive and why. It is tailored to the child's needs. Provisions for modifications, accommodations, and other special services are included in the plan created for the student by the IEP team. The team meets at least once a year to review the student's progress and the continued appropriateness of the plan. Any IEP team member, including a parent/guardian, may call for an IEP meeting at any time.

There are two pathways a high school student in special education can take; one is the Diploma pathway, and the other is the Certificate of Completion pathway. The Diploma pathway leads to a traditional high school diploma (earned through a modified program). The Diploma awarded at graduation ends the student's free public education entitlement under the Federal IDEA. By comparison, the Certificate of Completion pathway allows a student to be eligible for additional free public education, including the Adult Transition Program, and other services for up to four years or to the age of 22.

Numerous parents complained, and some administrators agreed, that the differences between and consequences relating to these two pathways have been inadequately explained. When parents/guardians were informed there was a possibility for their child to obtain a diploma, many wanted to pursue that opportunity. However, they said they were not adequately informed that by accepting a diploma their child would be precluded from participating in the Adult Transition Program. In order to earn the required 230 credits to graduate, the student must be on the Diploma path throughout most of high school. If a student has been enrolled in the Certificate of Completion path, it is difficult to switch over to the Diploma path because they cannot earn the appropriate credits to graduate. A Special Education student has until age 22 to earn these essential credits.

In the fall of 2012, SUHSD and SELPA informed us that they were working on a document to more clearly outline the consequences of the pathway choice. In May 2013, SUHSD provided us with a draft copy of *Course of Study Decisions*, “Decision: High School Diploma or Certificate of Completion.” This new draft document, provided by SUHSD, more clearly defines the differences in the choice between the two pathways and states that the conversation should be started by the end of eighth grade.

Two years ago, the program had exclusive use of two vans for transporting students to activities in the community. These activities included classes at Shasta College and life skills training such as shopping trips, work opportunities, and recycling. Citing safety concerns the district eliminated both vans from the program last year. Without the vans, the students were transported by bus. After dropping the students off at their destination, the bus then returned to the garage. The parents/guardians expressed concerns about the bus not being immediately available, as the vans had been, in case of an emergency. In response to these concerns one teacher-driven van has recently been returned to service.

Another complaint expressed by the parents was that an administrator had cleared out a retiring teacher’s classroom of items they believed still useful to the students. Small appliances, work books, text books, bookcases and other articles were thrown into the dumpster. Subsequently some parents recovered these articles, and an apology was made by the administrator.

A further complaint concerned use of money raised by students. A “Parents’ Club” had been in operation in order to raise money for non-school activities such as class trips, and special events. Money was raised by recycling and bake-sales. Eventually however, there were no parents involved with the club, leaving only a staff member responsible for the funds. As this was against district policy, fundraising was halted, and the district demanded that the unauthorized account be closed. The money was re-deposited with the district into a separate account. The district requested that an Associated Student Body (ASB) account be established in order for fundraising to resume. After a few months, during which no ASB account had been opened, the district put the money into the classroom incidental account. Later, after those funds were spent for the classroom, an appropriate ASB account was established and fundraising activities resumed.

Currently, there is one certificated teacher and ten support staff for the 19 students in the Adult Transition Program (classroom aides, including a one-on-one aide, therapist, and nurse). In the past there have been as many as 38 students with three teachers and additional support staff. The staffing ratio is dependent upon enrollment as well as the severity of disability and the overall class makeup. Generally, enrollment in local schools has declined in recent years. In addition, Anderson Union High School District and Gateway Unified School District each started their own Adult Transition Program and reclaimed their students. This resulted in significantly less enrollment in SUHSD’s Adult Transition Program.

The Grand Jury received numerous complaints about the Adult Transition Program no longer being located on the Shasta College campus. The parents/guardians felt that it had been advantageous for the Adult Transition Program students to be among students their

own age. SCOE had provided classroom space at Shasta College for the Adult Transition Program. When SUHSD elected to operate and administer its own Adult Transition Program, SCOE offered to rent the classroom space to the district. SUHSD declined because they had district classrooms available. Currently, the classrooms are at Enterprise High School.

FINDINGS

- F1 There has been a lack of communication between SUHSD’s Special Education Department and the parents/guardians of special needs high school students regarding graduation options (Diploma vs. Certificate of Completion pathways).
- F2 There is no adequate forum for groups of parents/guardians to communicate with the special education staff on a regular and ongoing basis.
- F3 The Adult Transition Program Parents’ Club funds were not managed according to district policy; however, this has since been rectified.
- F4 The SUHSD Board of Trustees was responsive to several of the parents’ concerns, for example reinstating the use of a van and resuming recycling.
- F5 Based on the ratio of staff to students of 1:2, the SUHSD Adult Transition Program is staffed appropriately when compared to other local school districts.

RECOMMENDATIONS

- R1 The Grand Jury recommends that by September 1, 2013 the SUHSD Board of Trustees finalize the *Course of Study Decisions* document. It should contain a clear explanation of the outcomes of choosing the educational pathway leading to a diploma versus the pathway leading to a certificate of completion. The district should provide it to parents/guardians in a timely fashion
- R2 Jury recommends that SUHSD schedule regular meetings between parents/guardians and the special education staff to address and discuss general concerns beginning at the start of the next semester.

REQUIRED RESPONSES

Pursuant to Penal Code section 933.05, the Grand Jury requires that:

- The SUHSD Board of Trustees shall respond to F1 and R1.

REQUESTED RESPONSES

The Grand Jury requests that

- The Director of Special Education, SUHSD, respond to F1, F2, and R1, R2.

DISCLAIMER – This report was issued by the Grand Jury with the exception of two members who were recused due to a potential conflict of interest. These jurors were not present for any of the interviews and were excluded from all parts of the investigation, including deliberations and the making and acceptance of this report.
--



Audit and Finance Report

SUMMARY

Penal Code Section 925 requires the Grand Jury to annually examine the accounts and records of the County. Government Code Section 25250 requires the Board of Supervisors to conduct an annual audit of all County accounts. The audit is conducted by a “contract auditor” pursuant to Government Code Section 31000.



Penal Code Section 926 allows the Grand Jury to enter into a joint contract with the Board of Supervisors to employ an auditor for both of these purposes. The members of the Grand Jury’s Audit and Finance Committee and County financial/audit staff comprise the Joint Audit Committee, which oversees the work of the contract auditor.

The Grand Jury reviewed the 2012 annual audit report; no exceptions were noted by the contract auditor. The Audit and Finance Committee also reviewed the 2012-2013 Grand Jury “budget to actual accounting” data and determined that the grand jurors’ mileage and per diem reports and charges were accurate and complete.

DISCUSSION

The annual audit is performed to obtain reasonable assurance that the County’s financial statements are free of material misstatements. The County’s contracted audit firm, Gallina LLP, issued its final report for fiscal year 2012 with an “unqualified opinion” meaning no exceptions were noted. Gallina reported: “In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.”

The Audit and Finance Committee reviewed accounting data, financial reports, and departmental procedures, policies and reports for accuracy and content. The information reviewed was shared with the full Grand Jury.

In addition to the above, a review of the monthly budget to actual accounting data for all accounts assigned to the Grand Jury was performed. The Audit and Finance Committee monitored the charges applied to these accounts on a monthly basis and reported this information to the full Grand Jury. We also reviewed the accuracy and completeness of all per diem and mileage reports submitted by all Grand Jury members.

APPROACH

The Grand Jury:

- reviewed the County’s annual audit report;
- participated on the County’s Joint Audit Committee;
- met with County accounting and budget personnel;
- interviewed County audit personnel;
- reviewed accounting and financial data for Grand Jury investigative committees;
- reviewed Grand Jury monthly budget to actual reports and monitored per diem and mileage charges for completeness and accuracy;
- attended the entrance and exit meetings with the contract auditor;
- performed follow up on items charged to the Grand Jury accounts for appropriateness.

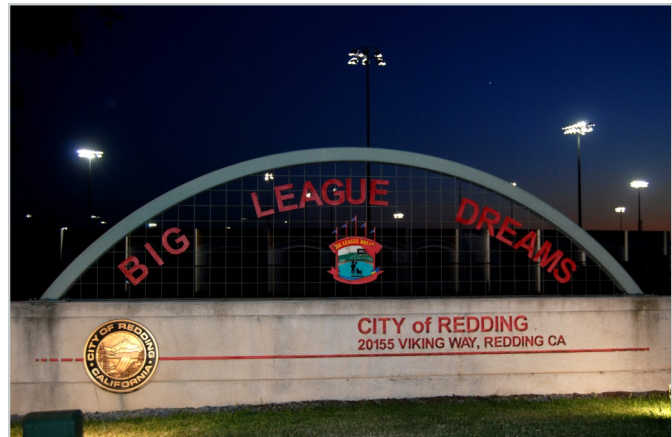
FINDINGS

- F1 The County’s outside audit firm, Gallina, LLP, issued the annual report for 2012 with an “unqualified opinion” and had no exceptions or management comment in the report. Gallina, LLP has reported that the County is performing its financial function in an acceptable manner.
- F2 The Grand Jury budget to actual accounting information and charges to these accounts are correct and complete.
- F3 All Grand Jury per diem and mileage reports and the associated charges we reviewed are accurate and complete.



Let There Be Light – At A Discount

Big League Dreams



SUMMARY

In August of 2004, the City of Redding built a sports park on land that it owns in the northeast area of Redding. The City of Redding leased the sports park to Big League Dreams Redding, LLC (BLD) for a period of 35 years. Included within the lease agreement was a provision that BLD would be billed for electricity used at the sports park at the lowest rate in effect for any other commercial or municipal user with comparable energy consumption. At the outset of the lease, BLD was also provided a reduced economic incentive rate for the electricity used at the sports park. That economic incentive rate eventually expired in March of 2011. For seven months following the expiration of the economic incentive rate, Redding Electric Utility (REU) billed BLD for electricity at a much higher Large Commercial Service rate. During that time, however, a lower Stadium Lighting Service rate was available to, but not being used by, eligible customers. In September of 2011, REU recommended, and the Redding City Council approved on the Consent Calendar, an item which authorized a new “blended” rate for BLD.

The Shasta County Grand Jury received a citizen complaint alleging that the electric rate reduction afforded BLD in September of 2011 was a gift of public money to a “private corporation” and was therefore improper. Upon investigating the matter, the Grand Jury determined that the complainant was not aware of the specific provision in the lease agreement that pertained to the rate that was to be charged for electricity at the sports park. The Grand Jury found that the electric rate being charged to BLD was, in fact, in substantial compliance with the terms of the original lease agreement and the directives of the City Council.

The Grand Jury also found that information contained within an REU staff report to the City Council dated September 8, 2011 was inaccurate. This inaccuracy led to misunderstanding by City Council members as to the amount of savings that BLD would realize under the proposed “blended” rate. Additionally, the Grand Jury found that the City Council approved the “blended” rate on the Consent Calendar of September 20, 2011. This action was taken despite objection being voiced to the proposal by a member of the City Council and a member of the public. Finally, the Grand Jury found that REU applied the “blended” rate retroactively, giving BLD a refund of nearly \$50,000 for electricity already billed to BLD. The Grand Jury has made recommendations addressing each of these findings.

DISCUSSION

The rate that electric utility companies charge their customers for their electricity varies. Large commercial customers are generally afforded a lower rate for electricity than are small commercial customers. The same is often true for customers who use electricity primarily during off-peak hours. This is a common practice among utility companies due to the lower demand for electricity during off-peak hours. Until May of 1997, when the City Council imposed a moratorium on the practice, REU had offered an off-peak usage rate to its large commercial customers. Some long term REU customers were “grandfathered in” and still take advantage of that rate.

When the sports park opened in 2004, BLD was provided an economic incentive rate. That rate was to have lasted for five years, but was subsequently extended and eventually expired in 2011. The lease agreement between the City of Redding and BLD also addressed the issue of the rate at which BLD would be charged for electricity used at the sports park. It contained the following provision:

“During the Term, Landlord shall cause the City owned electrical utility (so long as it is owned by the City) to provide electricity to the Sports Park at a rate no higher than the lowest rate in effect at any given time for any other commercial or municipal user with comparable energy consumption.”

In December of 2010 (prior to the expiration of the BLD economic incentive rate) a Stadium Lighting Service rate was created and adopted for eligible REU customers who had a separately metered outdoor lighting load such as stadium lighting, playing field lighting, parking lot lighting, etc. The Stadium Lighting Service rate was lower than the Large Commercial Service rate, in part to acknowledge the off-peak usage of electricity for stadium, playing field and parking lot lighting. The Stadium Lighting Service rate was made available to large commercial customers at the option of REU. When the City of Redding built the electric infrastructure for BLD, it did not include the equipment necessary to separately meter field lighting from other electric usage. Therefore, BLD did not have the required metering equipment when the BLD economic incentive rate expired in April of 2011. As a result, it was not immediately put on the Stadium Lighting Service rate. With the expiration of the BLD economic incentive rate, BLD was charged for the electricity used at the much higher Large Commercial Service rate between April and September of 2011.

An REU staff report to the City Council, dated September 8, 2011, addressed alternatives that would allow REU to bill the sports park at the lowest rate available to commercial or municipal customers with comparable energy consumption. One alternative would have required BLD to install the necessary switch gear and metering equipment in order to qualify for the Stadium Lighting Service rate. Such equipment would allow REU to determine what percentage of electricity delivered to the sports park was used for lighting the playing fields and parking lots. A second alternative, and the one proposed by REU, would provide BLD with a “blended” Stadium/Large Commercial Service rate for its electricity without the need to install the switch gear and metering equipment.

The proposed “blended” rate would result in BLD being charged the Stadium Lighting Service rate for 80% of its electric usage, with the remaining 20% being charged at the Large Commercial Service rate. To arrive at these percentages, REU conducted an on-site analysis of electricity used at BLD. This analysis estimated that 80% of the electric usage at the sports park was for off-peak lighting, and the remaining 20% was for all other demands (snack bar, sports bar, batting cages, etc.).

The issue of the proposed rate change for BLD was placed before the City Council at its regular meeting on September 20, 2011. The issue appeared on the City Council Consent Calendar. The preface to the Redding City Council Consent Calendar states, in part:

“The Consent Calendar contains items considered routine and/or which have been individually scrutinized by City Council members and require no further deliberation. *There will be no separate discussion of these items unless an item is removed from the Consent Calendar.*” (Emphasis added.)

During the September 20, 2011 meeting, one City Council member indicated that he would vote “no” on the proposed rate change, and gave the reason for that decision. Another member of the City Council discussed why she supported it. In addition, a member of the public spoke out against the proposed rate change, and requested that the item be removed from the Consent Calendar and placed on the regular agenda. Despite such discussion and request, the City Council opted not to remove this item from the Consent Calendar to allow for further discussion. The City Council did not rule upon the request made by the member of the public. Based upon the staff report provided by REU, the City Council voted to amend the lease agreement with BLD to allow for the “blended” rate for electricity provided to the sports park. The “blended” rate was recorded in the official minutes as having been approved by the City Council on a 4 to 1 vote.

At this point, it is necessary to briefly discuss what many have considered to be a misleading and inaccurate statement contained within the September 8, 2011 REU staff report to the City Council. Within that report, it was stated that:

“The current estimate of the required switch gear and related metering equipment and facilities in BLD is approximately \$75,000 – *far more than BLD could ever expect to recoup from the savings under the Stadium Lighting Rate.*” (Emphasis added.)

According to interviews conducted by the Grand Jury, that statement was interpreted by the complainant and by members of the City Council to mean that the cost savings to BLD, and the resultant reduction in income to REU, would be less than \$75,000. It remains unclear as to whether the \$75,000 figure was intended to represent the difference between the “blended” rate and the Large Commercial Service rate or the “blended” rate and the previous economic incentive rate. We have determined, however, that over the term of the lease the savings to BLD under the “blended” rate, when compared to either prior rate, will be significantly more than the \$75,000 that it would have cost BLD to install the switch gear and metering equipment.

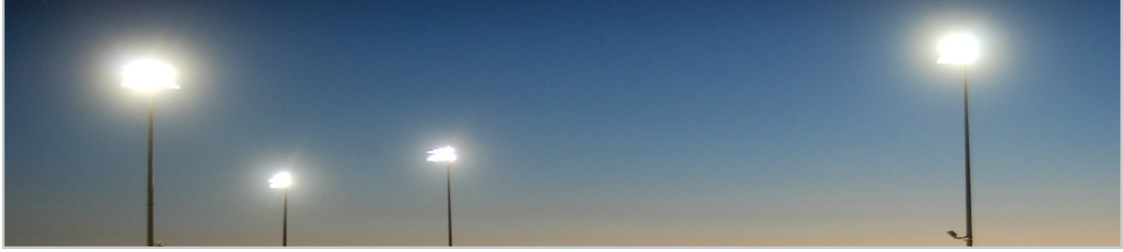
At the request of the Grand Jury, REU provided information which we compiled into the chart below. It shows, on a monthly basis, what BLD would have been charged for electrical usage under the economic incentive rate and the Large Commercial Rate compared to the actual charge at the “blended” rate.



Rate Comparison Chart

Month	Economic Incentive Rate	Large Commercial Rate	Blended 80/20 Rate	Savings over Economic Incentive Rate	Savings over Large Commercial Rate
June 2012	\$ 11,489	\$ 18,896	\$ 8,020	\$ 3,469	\$ 10,876
July	\$ 11,809	\$ 18,972	\$ 8,252	\$ 3,557	\$ 10,720
August	\$ 12,699	\$ 20,129	\$ 8,892	\$ 3,807	\$ 11,237
September	\$ 12,236	\$ 19,188	\$ 8,553	\$ 3,683	\$ 10,635
October	\$ 11,667	\$ 18,743	\$ 8,148	\$ 3,519	\$ 10,595
November	\$ 10,812	\$ 16,906	\$ 7,565	\$ 3,247	\$ 9,341
December	\$ 8,712	\$ 15,009	\$ 6,317	\$ 2,395	\$ 8,692
January 2013	\$ 7,537	\$ 13,771	\$ 5,618	\$ 1,919	\$ 8,153
February	\$ 7,679	\$ 13,731	\$ 5,703	\$ 1,976	\$ 8,028
March	\$ 9,353	\$ 15,149	\$ 6,698	\$ 2,655	\$ 8,451
April	\$ 9,410	\$ 16,098	\$ 6,815	\$ 2,595	\$ 9,283
May	\$ 9,563	\$ 16,669	\$ 6,906	\$ 2,657	\$ 9,763
Totals	\$122,966	\$203,261	\$87,487	\$35,479	\$115,774

The above chart demonstrates the inaccuracy of the REU staff report submitted to the City Council. A similar cost comparison could have been developed and included within the REU staff report of September 8, 2011. The chart should not, however, be relied upon to determine the actual savings in electric charges that BLD was afforded by way of the vote of the City Council on September 20, 2011. Had the City Council not voted to approve the “blended” rate, BLD (or the City of Redding) would most certainly have installed the required switch gear and metering equipment that would have resulted in a reduction of the electric rate charge to the level of the “blended” rate. Had the City Council been fully informed of the savings by way of the “blended” rate, it may have made a different decision on whether or not to require BLD to install the switch gear and metering equipment.



In its investigation as to the actual cost savings to BLD by way of the “blended” rate, the Grand Jury found that during December of 2011, REU adjusted its billings to BLD retroactive to June of 2011. Electric service charges for the months of June, July, August, September and October of 2011 were reduced by \$49,947.82 based upon the “blended” rate. In our interviews with REU administrative staff and members of the City Council, we found no evidence that the City Council specifically authorized REU to apply the “blended” rate retroactively. We ascertained that the City Council has generally granted REU authority to make retroactive rate adjustments as it deems appropriate.

We considered whether it was reasonable for the City of Redding to have waived the need for the switch gear and metering equipment in this instance. One could certainly argue that as the City of Redding built and owns the sports park, it should be required to incur the cost of installing the necessary switch gear and metering equipment. REU indicated that requiring BLD to spend \$75,000 for the equipment would not have been reasonable or necessary in order to obtain the lowest rate available. The issue is not, as the complaint alleged, that the savings afforded BLD under the lease agreement “cost” REU rate payers hundreds of thousands (or even millions) of dollars over the term of the lease. The issue is rather whether it was necessary for BLD to incur a \$75,000 expense in order to secure what it had bargained for in the original lease agreement. Even if BLD had been required to expend that sum of money, the savings to BLD for their electric usage (and the alleged “cost” to REU rate payers) would have been the same.

APPROACH

The Grand Jury:

- reviewed a “Report to City Council”, prepared by Redding Electric Utility, dated September 8, 2011;
- reviewed Minutes of the September 20, 2011 Redding City Council meeting;
- reviewed the on-line archived video of the September 20, 2011 Redding City Council meeting;
- reviewed Redding Electric Utility internal memoranda dated December 7, 2011 and March 21, 2013;
- reviewed electrical billings of Big League Dreams Redding, LLC covering the period January 2010 through April 2013;
- reviewed the lease agreement between City of Redding and Big League Dreams Redding, LLC;
- interviewed the citizen complainant;
- interviewed Redding City Council members;
- interviewed 7 members of the Redding Electric Utility administrative staff.

FINDINGS

The Grand Jury finds:

- F1 the Redding Electric Utility staff report dated September 8, 2011 contained misleading and inaccurate information which led to misunderstanding as to the savings afforded Big League Dreams Redding, LLC under the recommended “blended” rate;
- F2 the City Council failed to follow its established procedure concerning its Consent Calendar when it considered and approved a rate reduction for Big League Dreams Redding, LLC during its regular meeting on September 20, 2011;
- F3 the City Council failed to respond to a request from a member of the public that the item related to the electric rate change for Big League Dreams Redding, LLC be taken off of the Consent Calendar and moved to the general agenda;
- F4 Redding Electric utility adjusted the electrical billings for Big League Dreams Redding, LLC retroactive to June 2011 without specific City Council Approval;
- F5 The rate reduction afforded Big League Dreams Redding, LLC was in substantial compliance with the terms of the Big League Dreams Redding, LLC lease agreement.

RECOMMENDATIONS

The Grand Jury recommends:

- R1 Redding Electric Utility ensure that all staff reports provided to members of the City Council are complete and accurate;
- R2 the City Council follow its established procedure and either remove an item from the Consent Calendar to allow for discussion or allow no spate discussion of that item;
- R3 the city council respond to and verbally approve or disallow any request from the public that an item on the Consent Calendar be moved to the general agenda;
- R4 Redding Electric Utility fully inform the City Council and the public whenever any significant retroactive rate reduction is afforded any large commercial customer.

RESPONSES REQUIRED

Pursuant to California Penal Code section 933.05 the Grand Jury requires that:

The City Council respond to F1, F2 and F3 as well as R2 and R3.

RESPONSES REQUESTED

Pursuant to California Penal Code section 933.05 the Grand Jury requests that:

The Redding Electric Utility Director respond to F1 and F4 as well as R1 and R4.



Shasta County Local Districts and Agencies

Cemetery Districts

Anderson Cemetery District
Burney Cemetery District
Cottonwood Cemetery District
Fall River Mills Cemetery District
Halcumb Cemetery District
Manton Joint Cemetery District
Millville Cemetery District
Pine Grove Cemetery District

Mosquito Districts

Burney Basin Mosquito Abatement District
Pine Grove Mosquito Abatement District
Shasta Mosquito & Vector Control District

Conservation Districts

Fall River Resource Conservation District
Western Shasta Resource Conservation District

School District, Agencies & Programs

Anderson Union High School District
Bella Vista Elementary School District
Black Butte Union School District
Cascade Elementary School District
Castle Rock Elementary School District
Columbia Elementary School District
Cottonwood Union Elementary School District
Enterprise Elementary School District

Water Districts

Anderson Cottonwood Irrigation District
Bella Vista Water District
Burney Water District
Cottonwood Water District
Shasta County Water Agency

Community Service Districts

Centerville Community Service District
Clear Creek Community Service District
Fall River Mills Community Service District
Igo-Ono Community Service District
Mountain Gate Community Service District
Shasta Community Service District

Other Districts/Agencies

Shasta Area Safety Communications Agency
Mayers Memorial Health Care District
Shasta County Air Quality Management District
LAFCO

Fire Districts

Anderson Fire Protection District
Burney Fire Protection District
Castella Fire Protection District
Cottonwood Fire Protection District
Fall River Mills Fire Protection District
Happy Valley Fire Protection District
McArthur Fire Protection District
Millville Fire Protection District
Shasta Lake Fire Protection District
Buckeye Fire Protection District

School District, Agencies and Programs (continued)

Fall River Joint Unified School District
French Gulch-Whiskeytown Union
Elementary school District
Gateway Unified School District
Grant Elementary School District
Happy Valley Union School District
Igo-Ono Platina School District
Indian Springs Elementary School District
Junction Elementary School District
Millville Elementary School District
Mountain Union School District
North Cow Creek School District
Igo-Ono-Platina School District
Indian Springs Elementary School District
Millville Elementary School District

Oak Run Elementary School District
Pacheco Union School District
Redding School District
Shasta County Office of Education
Shasta County Board of Education
Shasta-Tehama-Trinity Joint
Community College District
Shasta Regional Occupational Program
Shasta Union Elementary School District
Shasta Union High School District
Shasta-Trinity Regional Occupational
Program
Whitmore Elementary School District
Junction Elementary School District

Grand County Grand Jury
Investigative Reports – 2000-2013

CITY OF ANDERSON

City of Anderson.....	2006/07
Economic Development.....	2007/08

CITY OF REDDING

Development Services Department

Land Purchases.....	2004/05
Redevelopment Agency.....	2005/06
Redding Fire Department.....	2005/06
Zoning and Planning.....	2004/05
Nuisance Water Complaint.....	2010/11
Stillwater Business Park.....	2007/08
Wastewater Treatment Plants.....	2009/10
Redding Ballot Measures A and B.....	2010/11
Redding Employees Gift Policy.....	2012/13
Redding City Transfer Station.....	2011/12

Electric Utility Department

Big League Dreams Complaint.....	2012/13
----------------------------------	---------

Finance Department

Assessment Districts (General).....	1999/00
-------------------------------------	---------

Information Technology..... 2008/09

Police Department..... 2001/02, 2005/06, 2008/09

Police Department Complaints.....	2008/09
Police Department Facility.....	2008/09
Red Light Enforcement Program.....	2008/09, 2011/12
Firearms Training Simulator.....	2011/12
Sobriety Check Points.....	2010/11

PUBLIC WORKS DEPARTMENT

Airport Expansion.....	2011/12
------------------------	---------

CITY OF SHASTA LAKE

Economic Development.....	2007/08
----------------------------------	----------------

COUNTY OF SHASTA

Agriculture/Weights and Measures.....	2008/09
--	----------------

Assessor/Recorder Office.....	2005/06, 2008/09
--------------------------------------	-------------------------

Auditor/Controller's Office.....	2001/02, 2008/09
---	-------------------------

Audit and Management Report.....	annually
----------------------------------	----------

Employee Orientation/Training.....	2000/01
------------------------------------	---------

Management Audit.....	2003/04
-----------------------	---------

Audit – Retired Senior Volunteer Program.....	2002/03
---	---------

County Clerk's Office

Registrar of Voters.....	2000/01, 2003/04
--------------------------	------------------

Investigative Reports – 2000 to 2013

COUNTY OF SHASTA (Continued)

County Fire Department	2006/07, 2011/12
Economic Development	2007/08
Mental Health Department	2001/02, 2004/05, 2007/08
Registrar of Voters.....	2000/01, 2003/04
County Fire Department	2006/07, 2011/12
Economic Development	2007/08
Planning Division	2007/08
Probation Department	
Juvenile Assessment Center.....	2000/01
P.A.C.T.....	2008/09
Shasta County Juvenile Hall.....	annually
Public Health Department	
Small Pox Vaccination Program.....	2002/03
Water Fluoridation Ballot Measure.....	2003/04
Public Works Department	
Fall River Mills and Shingletown Airports.....	2000/01
Public Works.....	2006.07
Sheriff/Coroner’s Office	
Animal Shelter.....	2004/05, 2006/07, 2009/10
Boating Safety.....	2007/08
Crystal Creek Boy’s Camp.....	Annually to closing in 2008
Firearms Confiscation.....	2008/09
Fire Arms Training Simulator.....	2010/11
Hiring Practices for Correctional Officers.....	2012/13
Jail Inmate Welfare Fund.....	2006/07
Property/Evidence Facility.....	2008/09
Shasta County Coroner.....	2010/11, 2011/12
Shasta County Detention Annex.....	Annually to closing in 2004
Shasta County Jail.....	annually
Shasta County Jail Cell Searches.....	2010/11
Shasta County Jail Female Inmates.....	2011/12
Sheriff/Patrol Division.....	2005/06
Sugar Pine Conservation Camp.....	2012/13
Training – Handling the Mentally Ill.....	2004/05
Work Release Program.....	2002/03, 2003/04, 2005/06, 2007/08
Missing Person Complaint.....	2011/12
Social Services Department	
Public Guardian.....	2002/03
Adult Services.....	2008/09
Support Services.....	2008/09
Treasurer/Tax Collector’s Office	
Use Permits.....	2004/05

INVESTIGATIVE REPORTS – 2000-2013

COUNTY OF SHASTA (Continued)

Treasurer/Tax Collector’s Office (Continued)

Vehicle Usage..... 2004/05

Special Districts

Management of District Boards..... 2009/10

Anderson/Cottonwood Irrigation District..... 2004/05

Anderson Fire Protection District..... 2009/10

Burney Fire Protection District..... 2000/01, 2004/05, 2005/06, 2007/08

Burney Water District..... 2010/11

Centerville Community Services District..... 2005/06

Cottonwood Fire Protective District..... 2004/05

Fall River Mills Community Services District..... 2003/04

Mountain Gate Community Services District..... 2008/09, 2010/11, 2011/12

Shasta Community Service District..... 2003/04, 2005/06, 2006/07

Shasta Mosquito and Vector Control District..... 2001/02, 2004/05, 2008/09

Shasta Lake Fire Protection District..... 2002/03

Western Shasta Conservation District (WSRCD)... 2002/03, 2012/13

SCHOOLS AND SCHOOL DISTRICTS

Anderson Union High School District..... 2002/03

Black Butte School District..... 1999/00

Consolidation/Unification of Shasta County Schools.. 2005/06

Cottonwood Union School District..... 2007/08

Gateway Unified School District..... 2004/05

Grant Elementary School..... 2003/04

Safe School Initiative..... 2006/07

Shasta County Office of Education

Camp Latieze..... 1999/00

Shasta Union High School District..... 2004/05

Shasta Union High School District Adult Transition Program
Complaint 2012/13

MISCELLANEOUS

City and County Websites..... 2007/08

Credit Cards – Usage by Public Entities..... 2003/04

Duration of Independent Audit Contracts..... 1999/00

Gangs/Gang Activities (SAGE)..... 2006/07

Law Enforcement Preparedness: School..... 2000/01

Railroad Operations in Shasta County..... 2001/02

Redding Area Bus Authority (RABA)..... 2006/07

SHASCOM: Shasta Area Safety Communications 2000/01, 2003/04, 2005/06
2007/08, 2011/12

Shasta Interagency Narcotics Task Force..... 2003/04, 2006/07

Special Districts in Shasta County..... 2007/08

What It Takes to Become a Law Enforcement Officer.. 2010/11

California Assembly Bill AB109 (Realignment)..... 2011/12

Sugar Pine Conservation Camp..... Annually

Shasta County Grand Jury 2012 -2013



Photo courtesy of T.A. Schmidt & Associates

**Front row, left to right: Ann Morningstar, Pro tem - Larry Johnson,
Foreperson - Diana Sturges, Don Blankinship, Bob Smith, Bea Tew
Third row: Sonya Spencer, Jim Smith, Cheryl Toliver
Back row, Tom Vlahos, Harry Tully, Sheris Fine, DC Olson,
Al Jensen, Eleanor Townsend, Rich Camillieri, Jeff Herndon,
Chuck Thomas, Larry Brandon**



CITY OF REDDING

OFFICE OF THE CITY MANAGER

777 Cypress Avenue, Redding, CA 96001

P.O. Box 496071, Redding, CA 96049-6071

530.225.4060 FAX 530.225.4325

Kurt Starman, City Manager

Barry Tippin, Assistant City Manager

Greg Clark, Deputy City Manager

July 17, 2013

B-080-600-800

The Honorable Molly Bigelow
Presiding Judge
Shasta County Superior Court
1500 Court Street
Redding, CA 96001

The Shasta County Grand Jury published a report titled "Let There be Light - At A Discount" in June 2013. The Grand Jury's report includes five findings and four recommendations. The Grand Jury has requested that the City of Redding Electric Utility Director respond to two of these findings and two of the recommendations within 90 days. The purpose of this letter is to respond to that request:

- F1. The Redding Electric Utility staff report dated September 8, 2011 contained misleading and inaccurate information which led to misunderstanding as to the savings afforded Big League Dreams Redding, LLC under the recommended "blended" rate.

Response: The respondent agrees with this finding.

- F4. Redding Electric Utility adjusted the electrical billings for Big League Dreams Redding, LCC retroactive to June 2011 without specific City Council Approval.

Response: The respondent agrees with this finding but notes that the adjustments were within staff authorities.

- R1. The Grand Jury recommends that the Redding Electric Utility ensure that all staff reports provided to members of the City Council are complete and accurate.

Response: The Redding Electric Utility staff has implemented this procedure in the past and will continue to implement this procedure.

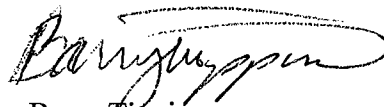
- R4. The Grand Jury recommends that the Redding Electric Utility fully inform the City Council and the public whenever any significant retroactive rate reduction is afforded any large commercial customer.

Response: The respondent will implement this recommendation immediately.

The City of Redding appreciates and respects the important function that the Shasta County Grand Jury serves in local government.

If you have any questions regarding this matter, please do not hesitate to contact me at 225-4067.

Sincerely,



Barry Fippin
Assistant City Manager/Electric Utility Director

N:\GrandJury\L07-17-13GrandJuryResponseREU.wpd

c: City Council Members
Kurt Starman, City Manager
Rick Duvernay, City Attorney
Pam Mize, City Clerk



CITY OF REDDING

RICK BOSETTI, MAYOR

777 Cypress Avenue, Redding, CA 96001

P.O. Box 496071, Redding, CA 96049-6071

530.225.4447 FAX 530.225.4463

July 17, 2013

B-080-600-800

The Honorable Molly Bigelow
Presiding Judge
Shasta County Superior Court
1500 Court Street
Redding, CA 96001

The Shasta County Grand Jury published a report titled "Let There be Light - At A Discount" in June 2013. The Grand Jury's report includes five findings and four recommendations. The Grand Jury has requested that the City Council of the City of Redding respond to three of these findings and two of the recommendations within 90 days. The purpose of this letter is to respond to that request:

F1. The Redding Electric Utility staff report dated September 8, 2011 contained misleading and inaccurate information which led to misunderstanding as to the savings afforded Big League Dreams Redding, LLC under the recommended "blended" rate.

Response: The respondent agrees with this finding.

F2. The City Council failed to follow its established procedure concerning its Consent Calendar when it considered and approved a rate reduction for Big League Dreams Redding, LLC during its regular meeting on September 20, 2011.

Response: The respondent respectfully disagrees with this finding. When considering the Consent Calendar, City Council members and members of the public are entitled by law (Brown Act) to comment on individual items on the Consent Calendar. Additionally, Council Members are permitted to vote no on an item found on the Consent Calendar while voting to approve the balance of the Consent Calendar. On September 20, 2011, the City Council of the City of Redding followed its procedures.

F3. The City Council failed to respond to a request from a member of the public that the item related to the electric rate change for Big League Dreams Redding, LLC be taken off of the Consent Calendar and moved to the general agenda.

Response: The respondent respectfully disagrees with this finding. City Council Policy 204 states "It shall be the prerogative of any Council Member to pull any agenda item off the Consent Calendar, and place it on the regular portion of the agenda." At the meeting of September 20, 2011, a member of the public spoke on the agenda item regarding the stadium lighting rate for Big League Dreams. At the end of his dialogue, he requested the Council to reconsider the item

being on the Consent Calendar. Following this comment, no Council member asked for the item to be removed from the Consent Calendar.

- R2. The Grand Jury recommends that the City Council follow its established procedure and either remove an item from the Consent Calendar to allow for discussion or allow no separate discussion of that item.

Response: The City Council will partially implement this recommendation immediately. While the Council has consistently adhered to its policies and procedures and did so at the subject meeting in 2011, language changes will be made on the agenda to more clearly describe the Council's established practice with respect to consideration of the Consent Calendar. The new language will be as follows:

CONSENT CALENDAR

The Consent Calendar contains items considered routine and/or which have been individually scrutinized by City Council Members and are anticipated to require no further deliberation. If a member of the public wishes to address an item on the Consent Calendar, please fill out a "Speaker Request" form and submit it to the City Clerk before the Consent Calendar is considered. It shall be the prerogative of any Council Member, before the Consent Calendar is acted upon, to: (1) comment on an item; (2) respond to any public comment on an item; (3) request the record reflect an abstention or nay vote on an item; or (4) remove an item and place it on the Regular portion of the agenda for delivery of a staff report and/or an extended discussion or deliberation.

- R3. The Grand Jury recommends the City Council respond to and verbally approve or disallow any request from the public that an item on the Consent Calendar be moved to the general agenda.

Response: This recommendation will not be implemented. City Council Policy 204 states "It shall be the prerogative of any Council Member to pull any agenda item off the Consent Calendar, and place it on the regular portion of the agenda." Should a member of the public request an item to be removed from the Consent Calendar, it is the prerogative of any individual Council Member to grant said request. A new policy requiring the Council as a body to act would actually be more restrictive than the current practice.

The City of Redding appreciates and respects the important function that the Shasta County Grand Jury serves in local government.

If you have any questions regarding this matter, please do not hesitate to contact City Manager Kurt Starman at 225-4060, City Clerk Pamela Mize at 225-4444, or me at 225-4447.

Sincerely,



Rick Bosetti
Mayor



Board of Trustees

*Bev Stupek
Kristen Schreder
James M. Schwerdt
Constance Pepple
Mike Wharton, Jr.*

Superintendent

Jim Cloney

July 29, 2013

Honorable Molly Bigelow
Presiding Judge
Superior Court of California – County of Shasta
1500 Court Street
Redding, CA 96001

Dear Judge Bigelow ~

The Shasta Union High School District Board of Trustees, hereinafter the “Board”, discussed the Shasta County Grand Jury report entitled “Diploma or Certificate of Completion?” at its regularly scheduled meeting on July 9, 2013. As required in a letter from the Shasta County Grand Jury on June 6, 2013, the Board is responding to the report within the 90 day timeline on the following two items:


F1) With respect to the required response to the first finding in the report, the Board acknowledges a communication breakdown between the Shasta Union High School District’s (SUHSD) Special Education Department and some parents of special needs high school students regarding graduation options.

R1) With respect to the required response to the first recommendation in the report, the Board agrees communication is a priority and it can always be improved. The Board has been assured by the Superintendent and the Director of Special Education that the *Course of Study Decisions* document, along with other written material (the *Adult Transition Program* pamphlet and the *Special Education Program Completion Conditions* document) are to be provided to all pertinent parents in a timely fashion. These documents contain a clear explanation of the pathways leading to a diploma versus the pathway leading to a certificate of completion.

A separate response will be prepared by the SUHSD Director of Special Education regarding all *other* findings and recommendations in the report. Please contact the District Superintendent, Mr. Jim Cloney, should you have further questions regarding this response to the Shasta County Grand Jury Report.

Sincerely,


Mrs. Beverly Stupek
Board President


Mr. Jim Cloney
Superintendent



Board of Trustees

*Bev Stupek
Kristen Schreder
James M. Schwerdt
Constance Pepple
Mike Wharton Jr.*

Superintendent

Jim Cloney

July 30, 2013

Honorable Molly Bigelow
Presiding Judge
Superior Court of California – County of Shasta
1500 Court Street
Redding, CA 96001

Dear Judge Bigelow

Please accept this letter from the Shasta Union High School District, Special Education Department as the required response pursuant to the Shasta County Grand Jury report entitled “Diploma or Certificate of Completion?” The Special Education Department is responding to the report within the 90 day timeline regarding the following four items:

- F1) With respect to the required response to the first finding in the report, the Special Education Department acknowledges a lack of communication with some parents/guardians of special education parents regarding graduation options. This is an area where improvement can be made.
- F2) With respect to the required response to the second finding in the report, the Special Education Department acknowledges a regular forum for parents to communicate with special education staff would improve parents understanding of the special education graduation options and allow them to ask general questions about the programs available to their students.
- R1) With respect to the required response to the first recommendation in the report, the Special Education Department will distribute to all pertinent parent during each Individualized Educational Program meeting in the 2013-2014 school year and beyond, the following documents: *Course of Study Decisions* document, the *Adult Transition Program* pamphlet, the *Special Education Local Planning Area*, *Community Advisory Committee Parent Handbook* and the *Special Education Program Completion* document.
- R2) With respect to the required response to the second recommendation in the report, to improve communication the Special Education Department has taken the following steps: the creation of a district wide phone message and e-mail system to inform parents of upcoming Special Education Local Planning Area, Community Advisory Committee, and Area 2 Board workshops and events; connecting parents to Rowell Family Empowerment (a local parent support agency); the production of a parent newsletter to be delivered quarterly; and open access to the Director of Special Education at the start of the next semester during “Back to School Night” in the fall and the “Curriculum Faire” in the spring, as well as other school functions. Parents will be informed of these functions and opportunities for an open dialogue regarding the special education program.

Please contact me with any further questions regarding this response to the Shasta County Grand Jury Report.

Sincerely,

Tim Calkins
Director of Special Education



CITY OF REDDING

RICK BOSETTI, MAYOR

777 Cypress Avenue, Redding, CA 96001

P.O. Box 496071, Redding, CA 96049-6071

530.225.4447 FAX 530.225.4463

June 19, 2013

B-080-600-800

The Honorable Molly Bigelow
Presiding Judge
Shasta County Superior Court
1500 Court Street
Redding, CA 96001

The Shasta County Grand Jury published a report titled "What is a Permissible Gift?" in May 2013. The Grand Jury's report includes four findings and five recommendations. The Grand Jury has requested that the City Council of the City of Redding respond to these findings and recommendations within 90 days. The purpose of this letter is to respond to that request:

- F1. The City of Redding's Conduct and Honesty Policy disallows the acceptance of gifts. However, the policy does not define "gifts"; therefore, misinterpretation is possible.

Response: The respondent agrees with this finding.

- F2. City employees lack an understanding of what constitutes a gift and what constitutes a violation of the policy.

Response: The respondent agrees with this finding; more clarification would be beneficial.

- F3. While city management reviews FPPC 700 Forms Schedule D & E only if reported gifts are over \$440, there is no provision to alert management of city employees receiving lesser gifts.

Response: The respondent respectfully disagrees with this finding. Designated City employees must report any gift that is worth \$50 or more on FPPC Form 700.

- F4. Violations of the Honesty and Conduct Policy concerning acceptance of gifts are not enforced.

Response. The respondent respectfully disagrees with the finding. Violations of the City's Employee Conduct and Honesty Policy are subject to disciplinary action as deemed appropriate by City management.

- R1. The Grand Jury recommends the Redding City Council, working with city management, revise and adopt an Employee Honesty and Conduct Policy specific to accepting gifts.

Response: This recommendation will be implemented by October 31, 2013.

- R2. The Grand Jury recommends the Employee and Honesty and Conduct policy clearly defines: what is a gift, what is an acceptable gift, and sets a maximum value an employee may receive.

Response: This recommendation will be implemented by October 31, 2013.

- R3. The Grand Jury recommends the Redding City Council, working with management, develop a vehicle for employees not required to file FPPC 700 forms to report gifts received.

Response: This recommendation will be implemented by October 31, 2013.

- R4. The Redding City Council adopt a policy that requires department heads or immediate supervisors to review all FPPC 700 Forms to determine if employees are adhering to the adopted City gift policy.

Response: The City does not intend to implement this recommendation. Compliance with the requirements set forth in the Political Reform Act is the individual responsibility of each employee (similar to filing an individual tax return). Enforcement responsibilities are specified in state law. Enforcement does not involve oversight by supervisors or department heads and that responsibility should not be imposed upon them by City policy.

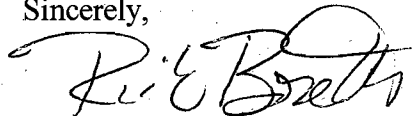
- R5. The Grand Jury recommends the Redding City Council develop a plan to enforce the adopted city gift policy.

Response: This recommendation will be implemented by October 31, 2013.

The City of Redding appreciates and respects the important function that the Shasta County Grand Jury serves in local government.

If you have any questions regarding this matter, please do not hesitate to contact City Manager Kurt Starman at 225-4060, City Clerk Pamela Mize at 225-4444, or me at 225-4447.

Sincerely,



Rick Bosetti
Mayor

N:\GrandJury\L06-19-13GrandJuryResponse.wpd

c: City Council Members
Kurt Starman, City Manager
Rick Duvernay, City Attorney
Pam Mize, City Clerk



SHASTA COUNTY

Office of the Sheriff



May 1, 2013

Tom Bosenko
SHERIFF - CORONER

2012-2013 Shasta County Grand Jury
P O Box 992086
Redding, CA 96099-2086

Dear Grand Jury:

Attached is the Shasta County Sheriff's Office responses to the findings of the Shasta County Grand Jury on "**Recruitment/Hiring Process for Correctional Officers**" in the 2012/2013 Shasta County Grand Jury Final Report.

My thanks and appreciation to the 2012/2013 Grand Jury members for their commitment to serving Shasta County and its citizens. If I can be of further assistance to you in this matter or any of the Sheriff's Office activities, please feel free to contact me. I look forward to a positive working relationship with this year's Grand Jury.

Sincerely,

A handwritten signature in black ink that reads "Tom Bosenko". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

TOM BOSENKO
Sheriff-Coroner

TMB/bw

Attachment

cc: Presiding Judge Molly Bigelow, Shasta County Superior Court
Undersheriff Sheila Ashmun, Shasta County Sheriff's Office
Capt. Anthony Bertain, Shasta County Sheriff's Office Custody Division

“Recruitment/Hiring Process for Correctional Officers”

Findings:

F1. While the hiring process is lengthy and cumbersome, a revision of current procedures and/or the lowering of current standards could result in the hiring of less qualified correctional officers.

Response: The Respondent concurs with the Finding.

Recommendations:

R1. The Sheriff's Office and SCSS should continue to adhere to the standards of the current recruitment/hiring process until or unless a more efficient process can be developed without placing the staff or the inmates at risk.

Response: The Respondent concurs with the Recommendation.



Shasta County

ADMINISTRATIVE OFFICE

LAWRENCE G. LEES
COUNTY EXECUTIVE OFFICER

1450 COURT ST., SUITE A
REDDING, CALIFORNIA 96001-1680
VOICE - (530) 225-5561
(NORTH STATE) - (800) 479-8009
FAX - 229-8238

May 24, 2013

The Honorable Molly Bigelow
Presiding Judge, Shasta County Superior Court
1500 Court St., Rm. 205
Redding, CA 96001

Dear Judge Bigelow:

Re: Response of County Executive Officer to Fiscal Year 2012-2013 Grand Jury Report

The County Executive Officer appreciates the time and dedication which the 2012-2013 Grand Jurors contributed to their charge. The County has implemented changes pursuant to the Grand Jury's Findings and Recommendations.

FINDINGS AND RESPONSES

A. Quality Takes Time – Recruitment/Hiring Process for Correctional Officers

FINDINGS

The Grand Jury findings:

F2. Applicants were not fully informed of the length of time necessary to complete the recruitment/hiring process.

RECOMMENDATIONS

The Grand Jury recommends:

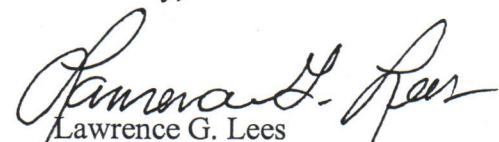
R2. In order to minimize the number of applicants who withdraw from the process, Shasta County Support Services should fully inform them of the projected timeline and remaining steps in the hiring process. This should be done at the time that applicants are informed that they have passed the written test

The Honorable Molly Bigelow
Shasta County Superior Court
May 24, 2013
Page 2

Response: The County Executive Officer agrees with this finding and concurs with this recommendation. A more thorough explanation of projected time frames to all pre-qualified applicants has been incorporated into Shasta County's hiring process.

This concludes the response of the Shasta County Executive Officer to the FY 2012-2013 Quality Takes Time – Recruitment/Hiring Process for Correctional Officers Grand Jury Report.

Sincerely,


Lawrence G. Lees
County Executive Officer

LGL:jd