

CITIES AND JOINT POWERS COMMITTEE



Enrique Vicuna, Chairperson

Bonnie Lyday

Dwayne Ardis

MISSION STATEMENT

Pursuant to California Penal Code §925(a), the Cities and Joint Powers Committee may examine the books and records of all incorporated cities and joint power authorities within the county of Kern.

The Committee may also investigate any department, and records of the officers, accounts and operations of any city or joint power agency. Recommendations may be made that are deemed proper and fit.

CITIES AND JOINT POWERS COMMITTEE

ACTIVITIES

REPORTS WRITTEN AND PUBLISHED:

- City of California City Measure M
- City of Tehachapi
- City of Maricopa
- City of Taft
- City of Wasco
- City of Arvin
- Bakersfield City Red Light Cameras
- Bakersfield Measure N Citizen Oversight Committee

MEMBERS OF THE COMMITTEE ALSO VISITED AND ATTENDED:

- Kern County Sheriff's Office Central Receiving Facility
- California Department of Corrections North Kern Prison
- Kern County Sheriff's Search and Rescue Unit
- Kern County Grand Jury Awareness Month participation
- Kern County Toys for Tots participation
- Kern County Home and Garden Show participation
- Bakersfield Police Department Red Light Camera Enforcement Unit
- Kern County Board of Supervisor Meetings
- Kern County District Attorney Department Indictment Hearing
- Arvin City Council Meeting
- Taft City Council Meeting
- Tehachapi City Council Meeting
- Wasco City Council Meeting
- California City Measure M Election
- Kern County Sheriff's Crime Lab
- City of Maricopa Code Compliance
- Kern County Sheriff's Special Operations
- Arvin, California City, Maricopa, McFarland, Taft, Tehachapi and Wasco City Hall



Photo from: www.arvin.org

The City of Arvin

“A Steep Climb Ahead”

PREFACE:

Nestled against Bear Mountain, Arvin depicts a small town atmosphere. The area is primarily an agricultural-based economy with a growing manufacturing presence.

Arvin currently has public safety issues, especially with its increasing homicide rate. Additionally, over the past two years, they have struggled financially due to past managements misuse of the General Funds.

Arvin faces a steep climb toward financial stability, however, there are many positive factors that encourage this effort. The new city management is experienced and committed, and new manufacturing/distribution centers are opening. The Arvin community is proud of their city and this year's crowning achievement is Arvin High School's award winning Color Guard.

PURPOSE OF INQUIRY:

The Cities and Joint Powers Committee (Committee) of the 2018-2019 Kern County Grand Jury (Grand Jury) visited the City of Arvin (Arvin) to inquire into the operations and management of Arvin pursuant to California Penal Code §925a.

PROCESS:

The Committee attended Arvin's City Council Meeting on January 22, 2019 and interviewed City Officials on March 26, 2019 and April 11, 2019. The Committee also reviewed financial reports and budgets, researched past Grand Jury Reports, newspaper articles and internet information.

BACKGROUND AND FACTS:

Arvin was established in 1908 when the Staples family opened a store on the east end of Bear Mountain Boulevard. The city was incorporated December 21, 1960 and was named after a landowner's son from Ohio, Arvin Richardson.

During the 1930s, "Dust Bowl" farmers and their families throughout the Great Plains began to migrate and settle in California labor camps. The most famous of these camps was the "Sunset/Weedpatch Camp." Weedpatch Camp (also known as the Arvin Federal Government Camp and the Sunset Labor Camp) was built by the Works Progress Administration (WPA) in 1936 during the Great Depression. Several historic buildings at the camp were placed on the National Register of Historic Places on January 22, 1996. Today, this area continues to serve as housing for farm workers.



Original Weedpatch Camp-Wikipedia



Current camp (photo by Bobak Ha'Eri)

Located along the railroad tracks are many different packing houses from which fresh fruits and vegetables are shipped world-wide. Grimmway Farms, one of the largest producer of carrots in the world, is Arvin's largest employer.

- A. The 2015 United States Census reported that Arvin had a population of 20,328.
- B. Arvin has a council/manager form of government and is governed by a five member elected council.
- C. Crops such as cotton, grain, carrots, potatoes, grapes, almonds and oranges surround the city as well as dairies and farmland.
- D. Municipal water is provided by Arvin Community Services District.
- E. Arvin is served by the Arvin Union School District which consists of:
 - Sierra Vista Elementary School
 - Bear Mountain Elementary School
 - El Camino Real Elementary School
 - Haven Drive Middle School
 - Arvin State Preschool (Arvin Family Resource Center)

- F. Grimmway Academy (Charter School) also serves the Arvin area.
- G. The Kern High School District serves grades 9-12 in Arvin and operates Arvin High School, which also serves students from the surrounding rural areas and the nearby town of Lamont. In March 2019, the Arvin High School Color Guard Team, after a competition in Las Vegas, was ranked #1 in the world.



(Provided by Arvin HS website)

- H. Station 54 of the Kern County Fire Department is responsible for fire protection services.
- I. Through the National Cemetery Expansion Act of 2003, Congress authorized the expansion of six new national cemeteries. Bakersfield National Cemetery is located in the White Wolf area of the Tehachapi Mountains east of Arvin.
- J. Just to the east of Arvin, the Arvin Edison Canal ends a fluid journey from the high Sierras mid-state to percolation ponds which provide irrigation.
- K. Recently, Texas-based Ulrich Barn Builders opened a manufacturing and distribution center in Arvin.

FINDINGS:

- F1. On July 31, 2018, Arvin received a Single Audit Financial Report for Fiscal Year End (FYE) June 30, 2017, which reported a cash shortfall of approximately \$1,800,000. The audit also stated:
- The Finance Department operated for many years with limited accounting staff and insufficient government accounting experience
 - Significant turnover resulted in a lack of segregation of duties
 - There were inadequate thorough reviews, analysis and reconciliation of financial statements
- F2. In late 2017, Arvin hired a new Finance Director with 20 years experience in the private sector and 13 years in the public sector.

- F3. After completing an analysis of the \$1,800,000 deficit, Arvin's new Finance Director determined that the deficit was actually between \$800,000 and \$1,000,000. It was concluded there were accounting irregularities, including duplicate debit entries and errors in general ledger postings. The Finance Director stated that Arvin is in the process of reducing the deficit.
- F4. Since FYE 2017, the following factors have helped correct the deficit:
- 10% increase in general sales tax revenue
 - 20% increase in revenue from Measure L (1% city sales tax)
 - Reduction of staff and operating expenses
- F5. The FYE June 30, 2017 audit revealed that Arvin's Proprietary Funds, i.e. Traffic Impact Fees, Special Revenue Fund and Sanitation Enterprise Fund, were used to subsidize the cash needs of the General Fund.
- F6. City Officials are monitoring the 2018-2019 budget monthly to address any shortfalls and make adjustments for the remaining fiscal year. The Budget Report dated March 19, 2019 reflects General Fund revenue at 59.2% with General Fund expenses of 63.2%.
- F7. In 2015, Arvin received a \$570,000 *Caltrans* Grant for specific road improvements. However, Arvin misdirected the funds and made improvements on non-specified roads. *Caltrans* has since sued Arvin to recover the grant funds. As of April 11, 2019, negotiations are in the process of settling the suit. In order to complete the *Caltrans* specified road improvements, Arvin enlisted Kern Council of Governments (KCOG) assistance in finding alternate sources of funding.
- F8. For the past decade, Arvin has had five City Managers, the longest serving three years and three months.
- F9. The current City Manager served three years as Arvin's Chief of Police.
- F10. In March 2019, Arvin hired a new Chief of Police with approximately 30 years law enforcement experience.
- F11. Arvin reported 14 homicides from 2014 through 2018, with six occurring in 2017. However, overall crime decreased 30.2%.
- F12. City Officials state that Arvin residents are fearful to come forward and report violent crime. Officials are confident new police strategies and community involvement will improve public safety:
- "Coffee with a Cop" meetings
 - Forming a community crime prevention awareness group consisting of churches, schools and businesses

- Joint effort with Kern County Sheriff's Gang Suppression Unit

F13. Arvin is in the process of forming a Housing Advisory Committee that will play a key role in developing and advising the City Council regarding policies that will facilitate the implementation of various housing programs.

COMMENTS:

The 2018-2019 Grand Jury would like to thank Arvin City Officials for their cooperation and assistance in providing needed information. The Grand Jury recognizes the progress Arvin is making towards correcting the financial condition of their city.

RECOMMENDATIONS:

- R1. Arvin should continue monitoring and updating their financial information and budgets monthly in order to address and correct budget shortfalls. (Findings 1 through 6)
- R2. Arvin should continue working with KCOG to complete the *Caltrans* specified road improvements. (Finding 7)
- R3. Arvin should continue to improve public safety. They should also consider starting a Secret Witness Program to encourage residents to "say something if they see something." (Findings 11 and 12)

NOTES:

- The City of Arvin should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at: www.kerncounty.com/grandjury.
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: www.kerncounty.com/grandjury.

RESPONSE REQUIRED WITHIN 90 DAYS TO:

**PRESIDING JUDGE
KERN COUNTY SUPERIOR COURT
1415 TRUXTON AVENUE, SUITE 212
BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**

CITY OF BAKERSFIELD

Measure N Citizen Oversight Committee

SUMMARY:

On November 6, 2018, Bakersfield City voters went to the polls to vote on Measure N to raise the sales tax from 7.25% to 8.25%. The added 1% sales tax is anticipated to generate \$50 million annually. Measure N revenues will be part of the City of Bakersfield General Fund. Measure N was passed by a margin of 97 votes (.05%).

Measure N required the Bakersfield City Council to appoint an independent Citizen Oversight Committee to review the expenditure of revenues generated by the ordinance. The Citizen Oversight Committee shall advise City Council on goals and objectives associated with the revenues collected, and produce an annual report.

The Bakersfield City Council did not anticipate the volume of interest from the public. The City Council received 87 applications for the Citizen Oversight Committee. The Bakersfield City Council then faced the daunting task of selecting nine members from the list of 82 qualified applicants.

PURPOSE OF INQUIRY:

Pursuant to California Penal Code §925(a), the 2018-2019 Kern County Grand Jury (Grand Jury) inquired into and investigated the Bakersfield City Council selection process to establish a Citizen Oversight Committee.

PROCESS:

The Cities and Joint Powers Committee (Committee) interviewed several Bakersfield City Council members, researched the internet, newspaper articles and TV/radio newscasts.

FACTS:

The Bakersfield City Council (Council) consists of seven elected officials who represent the citizens of Bakersfield. The Council has the responsibility to oversee the business of the City, which includes filling various Boards and Commissions with citizen volunteers.

Measure N requires the Council appoint a Citizen Oversight Committee, selected from the public, to give guidance and oversight into how the Measure N revenue would be spent. The appointment of the Citizen Oversight Committee was portrayed as a key to transparency.

FINDINGS:

- F1. With the passage of Measure N, Bakersfield City residents were invited to apply for a position on the Citizens Oversight Committee by submitting an application and resume by January 25, 2019. There were 87 applications submitted. Applicants with obvious conflicts of interests, or who resided outside of the city limits were eliminated, leaving 82 applicants.
- F2. A Coalition (Coalition) was formed and consists of the Greater Bakersfield Chamber of Commerce, Kern County Taxpayers Association, Bakersfield Association of Realtors, Bakersfield Police Officers Association and the Bakersfield International Association of Firefighters reviewed the 82 applicants and made recommendations to the City Council. The Coalition recommended people with business, accounting and budget backgrounds.
- F3. At the February 6, 2019 Bakersfield City Council meeting, the Council decided to use a unique voting method to select the Citizen Oversight Committee. Each Council Member voted for nine applicants on the first ballot. Those applicants who received four or more votes were automatically given a position on the Citizen Oversight Committee. Those applicants who did not receive any votes were eliminated. The remaining applicants were voted on again in a second and third round of voting until all nine positions had been filled. This voting process was used in hopes that only the “best of the best were selected.” Of the nine seated positions, seven were recommended by the Coalition.
- F4. The selection process made no provision for future Committee vacancies that may occur.
- F5. This Citizen Oversight Committee was appointed to a three-year term to review how tax funds are spent and to make expenditure recommendations to the City Council. After three years, their term will expire and Bakersfield residents will once again be asked to submit applications to be on the Citizen Oversight Committee.
- F6. The Citizen Oversight Committee reviews and advises, however, the City Council has the final say as to how and where funds are spent.
- F7. The Citizen Oversight Committee will hold public meetings on an as-needed basis, no less than twice per year. The public is encouraged to attend the Citizen Oversight Committee meetings to give input.
- F8. The Citizen Oversight Committee does not receive compensation.

- F9. After the Citizen Oversight Committee was selected, public complaints began to surface. According to newspaper editorials and TV/radio interviews, the public perceived that Measure N would provide transparency by selecting members from the public with various backgrounds. The consensus of the complainants is that the selection process was not fair because the Council relied heavily on Coalition recommendations and did not provide transparency. There was also anger that Measure N failed to mention that some of the funds would be used to make California Public Employees Retirement System (CAL-PERS) payments.

COMMENTS:

The Grand Jury would like to thank members of the Bakersfield City Council for their information and cooperation.

RECOMMENDATIONS:

- R1. To ensure fairness and transparency in the selection process, the Grand Jury recommends the Bakersfield City Council hold random drawings from applicants to select future Citizen Oversight Committee members. (Finding 3)
- R2. In the event Citizens Oversight Committee vacancies occur, the Grand Jury recommends the vacant position be filled by a random drawing from the remaining pool of applicants. (Finding 4)
- R3. The Grand Jury recommends the members of the Citizen Oversight Committee have staggered four-year terms of service to avoid having all new members empaneled every three years. (Finding 5)
- R4. The Grand Jury recommends the Bakersfield City Council initiate steps to ensure full disclosure on future tax measures by providing detailed information on how funds are to be spent. (Finding 9)

NOTES:

- The Bakersfield City Council should post a copy of this report where it will be available for public review.
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KERN COUNTY GRAND JURY
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BAKERSFIELD, CA 93301**



B A K E R S F I E L D

Alan Tandy • City Manager

May 15, 2019

The Honorable Charles R. Brehmer, Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue
Bakersfield, CA 93301

Dear Judge Brehmer:

The City is in receipt of the Kern County Grand Jury Report for **FY 2018-2019 City Of Bakersfield, Measure N Citizen Oversight Committee**. On May 8, 2019, the City Council reviewed and authorized the transmittal of the responses to the Grand Jury's findings and recommendations as outlined below.

F1. With the passage of Measure N, Bakersfield City residents were invited to apply for a position on the Citizens Oversight Committee by submitting an application and resume by January 25, 2019. There were 87 applications submitted. Applicants with obvious conflicts of interests, or who resided outside of the city limits were eliminated, leaving 82 applicants.

City agrees with finding.

F2. A Coalition (Coalition) was formed and consists of the Greater Bakersfield Chamber of Commerce, Kern County Taxpayers Association, Bakersfield Association of Realtors, Bakersfield Police Officers Association and the Bakersfield International Association of Firefighters reviewed the 82 applicants and made recommendations to the City Council. The Coalition recommended people with business, accounting and budget backgrounds.

City disagrees with Finding No. 2. Although the City did receive correspondence in regards to appointments to the Committee from the groups the Grand Jury labeled as the "coalition", the City cannot independently verify or determine the decision-making process of the individual organizations or the formation of a "coalition" as described within the finding.

F3. At the February 6, 2019 Bakersfield City Council meeting, the Council decided to use a unique voting method to select the Citizen Oversight Committee. Each Council Member voted for nine applicants on the first ballot. Those applicants who received four or more votes were automatically given a

position on the Citizen Oversight Committee. Those applicants who did not receive any votes were eliminated. The remaining applicants were voted on again in a second and third round of voting until all nine positions had been filled. This voting process was used in hopes that only the "best of the best were selected." Of the nine seated positions, seven were recommended by the Coalition.

City partially disagrees with Finding No. 3. The City wishes to clarify that the voting procedures for the Measure N Citizen Oversight Committee was not decided during the meeting when the Committee appointments were made on February 6, 2019. A request was made by a councilmember during the public session of the January 9, 2019 City Council meeting to further discuss and publicly clarify the appointment voting procedures prior to the application period ending.

A detailed discussion of the voting method for this Committee was publicly noticed and occurred in public session during its 5:15 p.m. City Council meeting on January 23, 2019 (item 6. a.). During this discussion, staff provided several voting/appointment options to the City Council for its consideration. Additionally, several members of the public provided input on the voting procedures. Upon conclusion of the public statements and extensive Council discussion, it was determined the voting procedure would be completed as generally described within Finding No. 3.

F4. The selection process made no provision for future Committee vacancies that may occur.

City disagrees with Finding No. 4. Resolution No. 009-19 and the accompanying exhibit satisfy the requirement of the Measure by establishing the Citizens Oversight Committee prior to the operative date of the Measure. The exhibit includes language that states "If a Committee member resigns or is removed by the Council, his or her seat shall be declared vacant. The Council in accordance with established appointment processes contained within this document, shall fill any vacancies on the Committee."

Subsequently, should a vacancy occur, City staff is directed to make applications available to the public and complete the recruitment process to fill the vacant position.

F5. This Citizen Oversight Committee was appointed to a three-year term to review how tax funds are spent and to make expenditure recommendations to the City Council. After three years, their term will expire and Bakersfield residents will once again be asked to submit applications to be on the Citizen Oversight Committee.

City agrees with finding.

F6. The Citizen Oversight Committee reviews and advises, however, the City Council has the final say as to how and where funds are spent.

City agrees with the finding. However, the City wishes to clarify the Citizens Oversight Committee acts in its advisory capacity to review the expenditure of revenues generated solely by the tax imposed by the Measure. The Committee does not have any advisory capacity over any other revenues or expenditures of the City.

F7. The Citizen Oversight Committee will hold public meetings on an as-needed basis, no less than twice per year. The public is encouraged to attend the Citizen Oversight Committee meetings to give input.

City agrees with finding. Furthermore, the City encourages the public to attend future meetings to provide input on future expenditures associated with the Measure.

F8. The Citizen Oversight Committee does not receive compensation.

City agrees with finding.

F9. After the Citizen Oversight Committee was selected, public complaints began to surface. According to newspaper editorials and TV/radio interviews, the public perceived that Measure N would provide transparency by selecting members from the public with various backgrounds. The consensus of the complainants is that the selection process was not fair because the Council relied heavily on Coalition recommendations and did not provide transparency. There was also anger that Measure N failed to mention that some of the funds would be used to make California Public Employees Retirement System (CAL-PERS) payments.

City disagrees with Finding No. 9. Transparency and accountability are top priorities of the City Council and City staff. As part of the feedback process prior to the Measure being placed on the ballot in June 2018, the public voiced strong preference in ensuring an oversight committee was established if the Measure was passed by the voters. As such, City staff recommended and the City Council included the requirement that a Citizens Oversight Committee be established prior to the operative date of the Measure. It should be noted that state law does not require an advisory committee be established for City sales tax measures, however it was imperative to City staff and the City Council that an advisory committee be established in concurrence with public input. Furthermore, it was emphasized that the intended make-up of the committee was to be "a diverse demographic cross section of the community with experience in business, leadership, accounting and related fields..." The selection process for the committee was open and transparent. The voting procedures were known to all interested parties in advance of the appointments. As with the 11 other committees and boards in which citizens are appointed by the Council, it is within

the purview of the City Council to make the individual appointments based on the merits of each applicant through a majority vote.

In keeping with the City's fiscally-conservative, award-winning budget approach, the Measure also requires the publishing of an annual report, annual financial audits and distinct accounting procedures that will allow residents to track all revenues and expenditures to ensure Measure revenues are expended in a manner consistent with the priorities of the community.

Additionally, as part of the community outreach and public discussions that occurred prior to the passage of the Measure, staff highlighted an opportunity whereby the City could save taxpayers \$8.7 million over seven years by changing the methodology in which the City pays part of its retirement cost obligations.

Currently, the City does not have the cash reserves on hand to pay the annual unfunded liability component of its payment to CalPERS at the beginning of the fiscal year. Therefore, the City has historically utilized a payment option whereby the City pays this cost on a monthly basis, which incurs an interest charge of 7 percent. With a one-time infusion of \$12 million to the City's reserves, the City could select the lump sum payment option, therefore eliminating the interest charges, resulting in annual, ongoing savings to the taxpayer of approximately \$1 million.

The payment to CalPERS must be remitted annually regardless of which payment option the City selects or whether or not the Measure had passed. However, staff believes it is most prudent to utilize this opportunity to take advantage of the lump sum option and relieve the taxpayers of the ongoing interest charges. To take advantage of this payment option, the City must allocate the funding for this purpose prior to July 1, 2019.

The one-time infusion of \$12 million would only be used for cash flow purposes and would still be in the bank at the end of each year, as well as at the end of the seven-year period. Having additional reserves also improves bond ratings and provides additional resources should a catastrophic event occur.

Additionally, this action would bring the City closer to government accounting standards as it relates to available reserves. The City's general fund balance as a percentage of operating revenues is significantly below the nationwide median, and the cash balance as a percentage of operating revenues is far weaker than other cities nationwide as rated by Moody's Investors Service, Inc. This action would create tangible, ongoing savings to the taxpayer and provide more stability to the City's finances, in direct accordance with the priorities of the Measure and consistent with information provided to the public prior to the election.

The Citizens Oversight Committee voted on March 11, 2019, finding that this proposal consistent with the priorities contained within the Measure and that they

be approved with the condition that all allocations be tracked separately within the City's accounting system. Subsequently, this proposal was approved by the City Council during its March 20, 2019 meeting.

RESPONSE TO RECOMMENDATIONS:

R1. To ensure fairness and transparency in the selection process, the Grand Jury recommends the Bakersfield City Council hold random drawings from applicants to select future Citizen Oversight Committee members. (Finding 3)

This recommendation will not be implemented. The appointment process for the Measure N Citizens Oversight Committee members was established through extensive public discussion by the City Council and with input from the public. In making its appointments to the Committee, the City Council may, at its discretion, consider various factors applicable to each candidate including, but not limited to the candidate's professional and educational background. All City Council appointments of citizens to committees and boards are completed through an open, transparent voting process, whereby each member of the Council casts independent votes to establish a majority for the purposes of individual appointment. Conducting random drawings to place individuals on any committee or board circumvents the very foundation in which the City Council makes all decisions on behalf of the citizens of Bakersfield.

R2. In the event Citizens Oversight Committee vacancies occur, the Grand Jury recommends the vacant position be filled by a random drawing from the remaining pool of applicants. (Finding 4)

This recommendation will not be implemented. The appointment process for the Measure N Citizens Oversight Committee members was established through extensive public discussion by the City Council and with input from the public. In making its appointments to the Committee, the City Council may, at its discretion, consider various factors applicable to each candidate including, but not limited to the candidate's professional and educational background. All City Council appointments of citizens to committees and boards are completed through an open, transparent voting process, whereby each member of the Council casts independent votes to establish a majority for the purposes of individual appointment. Conducting random drawings to place individuals on any committee or board circumvents the very foundation in which the City Council makes all decisions on behalf of the citizens of Bakersfield.

R3. The Grand Jury recommends the members of the Citizen Oversight Committee have staggered four-year terms of service to avoid having all new members empaneled every three years. (Finding 5)

This recommendation will not be implemented. The term of the Committee was established through Resolution No. 009-19, which specifies each member will serve a three-year term. The three-year term was intended to provide continuity

for the Committee to be engaged for the first three funding cycles, which generally represents the majority of the Measure implementation plan.

R4. The Grand Jury recommends the Bakersfield City Council initiate steps to ensure full disclosure on future tax measures by providing detailed information on how funds are to be spent. (Finding 9)

This recommendation has been implemented. Since October 2017, City staff has been over 30 community presentations regarding this Measure. In each of those presentations, staff has listed the spending priorities of the Measure. Furthermore, the City has developed a web page (<https://bit.ly/2TyauLH>) containing Measure-related information, which includes, but is not limited to:

- All applicable documents associated with the placement of the measure on the November 6, 2019 ballot
- An overview of the 13 spending priorities of the Measure, as prioritized by the community
- Information on the Citizens Oversight Committee, including the individuals currently appointed to the Committee and information on how to apply for vacant seat(s) on the Committee
- All presentations made by staff to the Citizens Oversight Committee, which include details of all proposed expenditures of the Measure revenues for Fiscal Years 2018-19 and 2019-20
- Information on how the public can track Measure-related expenditures using the City's online Open Budget transparency tool (budget.bakersfieldcity.us), which is updated monthly
- Information for retailers and sellers regarding the application of the new sales tax on transactions within the City of Bakersfield

Furthermore, the Measure includes specific safeguards for the use of the Measure funds and ensures transparency and accountability. The Measure requires citizens' oversight, the publishing of an annual report and annual mandatory financial audits to ensure that all funds are spent as pledged.

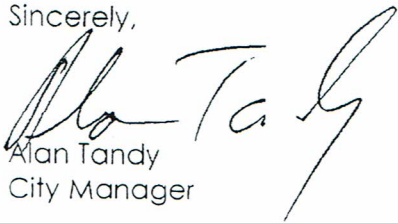
As outlined previously, the citizens oversight committee has been established and will meet regularly for the purposes of ensuring the proceeds of any revenue pursuant to the Measure are expended in a manner consistent with the priorities contained within the Measure. The Committee will also be required to review the annual report and audit to confirm these investment priorities.

Staff will continue to ensure the Measure web page is updated regularly with all Measure-related information and share relevant information with the public as it becomes available.

The City would like to express a sincere thanks to the members of the Grand Jury's Cities & Joint Powers Committee for their thorough review, findings and

recommendations as it relates to the operations of the City Of Bakersfield. Please do not hesitate to reach out to my office should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Tandy", with a long, sweeping flourish extending from the end of the signature.

Alan Tandy
City Manager

cc: Foreperson
Kern County Grand Jury
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

THE CITY OF BAKERSFIELD BAKERSFIELD POLICE DEPARTMENT “SMILE, YOU’RE ON RED LIGHT CAMERA”

SUMMARY:

Red Traffic Light cameras (RTL) were first developed in the Netherlands in 1965. In 1967, an “All In One” red light camera was developed that could take 54 photographs, which recorded 27 traffic violations. Exports soon began to South Africa and Luxembourg. From the 1980s onward, red light camera usage expanded worldwide. The cameras first received serious attention in the United States in the 1980s, following a highly publicized crash in 1982, involving a red light runner who hit an 18-month-old girl in a stroller in New York City. Subsequently, a community group worked with the city's Department of Transportation to research automated law enforcement systems to identify and ticket drivers who ran red lights. New York's red light camera program went into effect in 1993.

Initially, all RTL systems used film, which was delivered to local law enforcement departments for review and approval. In December 2000, the first digital camera system was introduced in Canberra, Australia, and digital cameras have increasingly replaced older film cameras in other locations since then.

How the RTL system works in Bakersfield:

- At RTL intersections, ground loop sensors detect autos entering the intersection after the traffic light has turned red. The RTL system triggers photo and video recorders and transmits it, via the internet, to the system manufacturer. The manufacturer reviews the digital photos and video recordings for image quality and stores them to a computer server for Law Enforcement Officers and suspected violators to view.
- Law Enforcement Officers review the incident to confirm that a violation did occur and the listed vehicle owner information is correct, including comparing the photograph of the driver to possible CA driver's license photographs.

PURPOSE OF INQUIRY:

Pursuant to California Penal Code §925(a), the 2018-2019 Kern County Grand Jury (Grand Jury) inquired into and investigated the operations and management of the City of Bakersfield Police Department (BPD) Traffic Division - Red Light Photo Enforcement, and the Bakersfield City Public Works Department - Traffic Engineering.

PROCESS:

The Cities and Joint Powers Committee (Committee) researched RTL systems and functions via the internet, newspaper articles and interviews.

The Committee toured the BPD Traffic Division - Red Light Photo Enforcement office on November 7, 2018 and interviewed the Supervising Lieutenant, a Sergeant and one of three Patrol Officers tasked with reviewing alleged RTL violations. A demonstration was presented showing how officers review video and photos of RTL incidents to determine if a citation should be issued.

On December 10, 2018, the Committee met with the Bakersfield City Public Works Director, the Bakersfield Traffic Engineer, a Traffic Operations Technician, and a supervisor from General Services Division for Signals and Lighting, to discuss repair and maintenance procedures for traffic lights and RTL. The Committee then toured the Traffic Operations Center (TOC) where traffic lights are monitored and traffic light timing is set and controlled. The Committee learned that only specifically trained personnel are permitted to change traffic light duration times. Yellow light duration times are set following established Caltrans yellow interval times for approach speed.

BACKGROUND:

In 1995, California passed legislation authorizing the testing of automated RTLs at various intersections. In 1998, California passed additional legislation making RTLs permanent. The objective was to reduce primary collisions when a car runs a red light and impacts another car at the side (T-bone), causing severe injury or death to the occupants. Secondary collisions are mainly rear end and sideswipe type accidents.

In a search of past Bakersfield City Council meeting agendas, the Committee found the first mention of Red Light Cameras was in a *City Council Goals and Policies* document dated June 30, 1999. A search of past City Manager memos found an Administrative Report, dated March 15, 2000, where the BPD began a workshop to evaluate the feasibility of implementing an automated red light traffic enforcement tool. At the February 20, 2002 Bakersfield City Council meeting, the Assistant City Manager presented a BPD workshop report called, *Status of Red Light Camera Enforcement Project*. On April 10, 2002, the City of Bakersfield entered into a five year contract with a red light camera manufacturer to begin installing the first of many RTL systems.

The City of Bakersfield (City) implemented the RTL system on January 1, 2003. The first locations to have RTL were the intersections of Brundage Ln. at Chester Ave. and Bernard St. at Oswell St. Today, there are 10 intersections that utilize RTL enforcement. Those intersections are:

- Chester Ave. at Brundage Ln.
- Bernard St. at Oswell St.
- Coffee Rd. at Truxtun Ave.
- Ming Ave. at Valley Plaza (Fwy 99)

- Ming Ave. at Real Rd.
- Ming Ave. at Old River Rd.
- California Ave. at Oak St.
- California Ave. at New Stine Rd./Stockdale Hwy.
- White Lane at Wible Rd.
- Coffee/Gosford Rd. at Stockdale Hwy.

As each new RTL intersection was activated, public announcements were made in newspaper and TV ads. Warning notices were issued to violators during the first 30 days.

RTL equipment is installed and maintained by the system manufacturer. Monthly service fees are paid to the manufacturer by the City from citation fines as determined by the courts. To date, the City has collected more in citation fines than the RTL manufacturer's monthly service fees. Over the past 10 years, approximately \$1,000,000 has been collected and placed into the City's General Fund.

For Bakersfield calendar year 2017:

- There were 13,598 alleged traffic violations
- After a review, 9,572 citations were issued:
 - 2,894 for traveling straight through the intersection
 - 3,109 for turning right
 - 3,569 for turning left
- Of these violations, 66 (.07%) were dismissed by the Court

The Chart 1 below shows intersection collisions before and after RTL installation:

Intersections with Automated Enforcement System	Installation Date	One Year Prior to Installation	2017 Calendar
California Ave. / Oak St.	11/10/2004	27	23
California Ave. / Stockdale	4/28/2005	15	21
Chester / Brundage	1/1/2003	0	7
Coffee Rd. / Stockdale Hwy.	10/30/2015	10	18
Coffee Rd. / Truxtun	3/14/2003	1	6
Ming Ave. / Freeway 99	3/29/2004	10	0
Ming Ave. / Real	4/29/2004	0	10
Old River Rd. / Ming Ave.	10/30/2015	8	6
Oswell / Bernard	1/1/2003	2	4
White Ln. / Wible Rd.	7/18/2005	48	17

(Collision Report Data from Bakersfield Police Department)

The Chart 2 below shows the intersection collision averages before and after RTL activation:

Intersection with Automated Enforcement System	Installation	Average Primary Collision per year		Average Secondary Collisions per year		Decrease / Increase	
		Before	After	Before	After	Primary	Secondary
California Ave. / Oak St.	11/10/2004	16.8	3.3	19.2	10.7	-80.36%	-44.27%
California Ave. / Stockdale	4/28/2005	12.2	2.1	14.3	9.5	-82.79%	-33.57%
Chester / Brundage	1/1/2003	9.3	2.3	5.1	4.3	-75.27%	-15.69%
Coffee Rd. / Stockdale Hwy.	10/30/2015	N/A	N/A	N/A	N/A	N/A	N/A
Coffee Rd. / Truxtun	3/14/2003	10.4	0.6	10.3	3.7	-94.23%	-64.08%
Ming Ave. / Freeway 99	3/29/2004	10.8	3.1	4.7	4.9	-71.30%	4.26%
Ming Ave. / Real	4/29/2004	15.6	2.5	21.1	7.8	-83.97%	-63.03%
Old River Rd. / Ming Ave.	10/30/2015	N/A	N/A	N/A	N/A	N/A	N/A
Oswell / Bernard	1/1/2003	6.4	1.2	1.9	0.8	-81.25%	-57.89%
White Ln. / Wible Rd.	7/18/2005	15.8	2.9	21.8	9.2	-81.65%	-57.80%

(Before Accident Data taken for an average of 7 years prior to activation.

After Accident Data taken from 10/01/2013 through 08/15/2018.

Primary collisions are right-of-way violations such as broadsides and head-ons.

Secondary collisions are mainly rear end and sideswipe type accidents.)

Results show a decrease in primary collisions with only one intersection showing a slight increase in secondary collisions (Ming/Freeway 99). Secondary collisions are typically less severe because of slower impact speeds.

The Committee inspected several RTL intersections and has determined the red light cameras are operating as designed. Timed yellow light intervals are set using Caltrans minimum standards for approach speeds.

FINDINGS:

- F1. A computer search of Bakersfield City Council meeting minutes failed to find any record of public hearings for RTL systems prior to the activation of the first RTL system on January 1, 2003.
- F2. California Vehicle Code §21455.6 (a) states a City Council or County Board of Supervisors shall conduct a public hearing on the proposed use of an automated enforcement system authorized under §21455.5 prior to authorizing the City or County to enter into a contract for the use of the system. This does not apply to a contract that was entered into by a City or County and a manufacturer or supplier of automated enforcement equipment before January 1, 2004, unless that contract is renewed, extended, or amended on or after January 1, 2004.

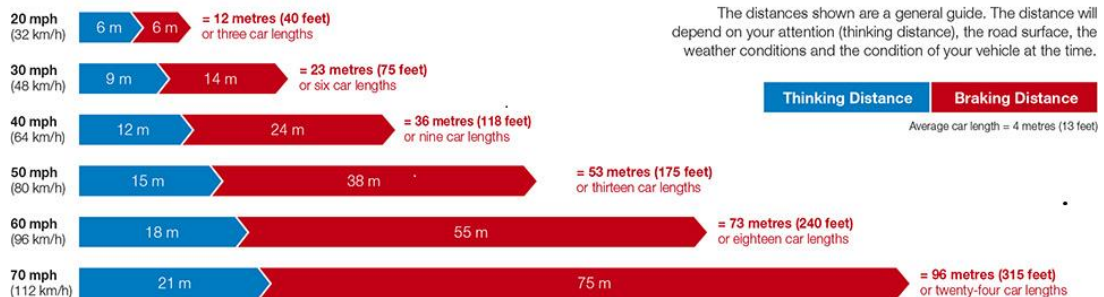
- F3. On August 12, 2015, the City signed a new 5 year contract with the RTL manufacturer, extending service to August 2020. A search of Bakersfield City Council meeting minutes found no record of public hearings discussing RTL contract renewal, extension or amendment.
- F4. Three Bakersfield Police Officers currently monitor the RTL incident queue and provide testimony for violations in Traffic Court.
- F5. Bakersfield Police Officers (Officers) assigned to the program are invited to attend training presented by the system manufacturer. Officers may visit the facility where the photos and video clips are viewed for image clarity and then posted to a computer server for viewing by Officers and alleged violators.
- F6. Several hundred RTL incidents are captured each week in the Bakersfield area. Each RTL incident is reviewed by assigned Officers and citations are issued when warranted. If the Officers are unable to confirm the identity of the driver, a courtesy notice is sent to the car's registered owner.
- F7. Officers receive several subpoenas each week for the RTL citations they issue. Officers prepare more than 10 pages of evidence for each court appearance.
- F8. Violators are encouraged to view the video of the RTL incident on line or at the Bakersfield Police Department.
- F9. Between October 1, 2013 and August 15, 2018, RTL intersections have had primary and secondary collisions reduced by approximately 81.35% and 41.51% respectively (see Chart 2).
- F10. When a red light violation occurs, the RTL activates three digital cameras and records four still images and a 12 second video.
- F11. Officers may reject RTL incidents for several reasons, including:
- Poor image quality
 - Unclear scene images
 - Emergency vehicle response
 - Officer discretion (safe turn on red, screeching stop, etc.)

- F12. Depending on the approach speed limit, yellow light time intervals are set by Caltrans as follows:

APPROACH SPEED	YELLOW INTERVAL
MPH	Seconds
25 or less	3.0
30	3.2
35	3.6
40	3.9
45	4.3
50	4.7
55	5.0
60	5.4
65	5.8

- F13. Left turn yellow light time is set for 3.0 seconds because approach speeds are typically slower.
- F14. The chart below illustrates the stopping distance at various speeds.

Typical Stopping Distances



- F15. Computerized Traffic Controllers (CTC) regulate the traffic lights at 427 intersections throughout the City of Bakersfield. 358 intersections are directly connected to the Traffic Operations Center (TOC). From either the TOC or the CTC, Traffic Operations Technicians have the ability to change traffic light timing intervals. Any maintenance done to the CTC is recorded in a logbook left inside the CTC cabinet.
- F16. CTC detect cars at an intersection by either ground loop sensors or cameras that operate like a motion detector. Special sensors can also detect approaching emergency vehicles and turns the traffic light to green for them.
- F17. CTC cabinet doors are locked but are not equipped with *open door* alarms to indicate when a cabinet door has been opened.

- F18. Only two Traffic Operations Technicians are trained to modify traffic light time duration. Other Traffic Operations Technicians and their Supervisor do not have this training.
- F19. In addition, malfunctioning traffic lights may be reported via the City of Bakersfield web site. The app is free to download for both Apple and Android platforms by searching for “Bakersfield Mobile” in the respective app store:
- Android: <https://goo.gl/WCgaFw>
 - iOS: <https://goo.gl/zDZuuS>

COMMENTS:

The Committee would like to thank the City of Bakersfield, the Bakersfield Police Department Traffic Division, Red Light Photo Enforcement and the Bakersfield City Public Works Department for their information and assistance.

RECOMMENDATIONS:

- R1. To avoid violating California Vehicle Code §21455.6 again, the Bakersfield City Council should hold public hearings before signing another contract renewal, extension or amendment. (Findings 2, 3)
- R2. The Grand Jury recommends the City of Bakersfield look into adding more RTL intersections to further reduce red light running and primary/secondary accidents. (Finding 9)
- R3. The Bakersfield City Roads Department should increase the left turn yellow light time interval from the current 3.0 seconds to 3.9 seconds on streets where the speed limit is 40 MPH or higher. This would not affect the total intersection cycle time and would accommodate faster approach speeds in the turn lanes. (Findings 12, 13)
- R4. Each computerized Traffic Controller cabinet should be equipped with an *open door* alarm to allow for remote monitoring to prevent tampering. (Finding 17)
- R5. The Traffic Operations Supervisor should be trained to adjust traffic signal timing. (Finding 18)
- R6. The City of Bakersfield should advertise the Bakersfield Mobile app more frequently to keep the public informed and to help ensure traffic lights are repaired as quickly as possible. (Finding 19)

NOTES:

- The City of Bakersfield should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at: www.kerncounty.com/grandjury.
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: www.kerncounty.com/grandjury.

RESPONSE REQUIRED WITH 90 DAYS

**PRESIDING JUDGE
KERN COUNTY SUPERIOR COURT
1415 TRUXTUN AVENUE, SUITE 212
BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**



BAKERSFIELD
Alan Tandy • City Manager

May 15, 2019

The Honorable Charles R. Brehmer, Presiding Judge
Kern County Superior Court
1415 Truxtun Ave
Bakersfield, CA 93301

Dear Judge Brehmer:

The City is in receipt of the Kern County Grand Jury Report for FY 2018-19 **Red Light Photo Enforcement Program**. On May 8, 2019, the City Council reviewed and authorized the transmittal of the responses to the Grand Jury's findings and recommendations as outlined below.

FINDINGS:

F1. A computer search of Bakersfield City Council meeting minutes failed to find any record of public hearings for RTL systems prior to the activation of the first RTL system on January 1, 2003.

City disagrees wholly with the findings. There was a public hearing held in front of City Council on April 10, 2002, regarding the implementation of the Red Light Photo Enforcement Program.

F2. California Vehicle Code #21455.6 (a) states a City Council or County Board of Supervisors shall conduct a public hearing on the proposed use of an automated enforcement system authorized under #21455.5 prior to authorizing the City or County to enter into a contract for the use of the system. This does not apply to a contract that was entered into by a City or County and a manufacturer or supplier of automated enforcement equipment before January 1, 2004, unless that contract is renewed, extended or amended on or after January 1, 2004.

City disagrees wholly with the findings. There was a public hearing held in front of City Council on April 10, 2002, regarding the implementation of the Red Light Photo Enforcement Program. In addition, there was a public meeting held in front of City Council on August 12, 2015, when the City amended/extended the existing agreement of the Red Light Photo Enforcement Program.

F3. On August 12, 2015, the City signed a new 5 year contract with the RTL manufacturer, extending service to August 2020. A search of Bakersfield City Council meeting minutes found no record of public hearings discussing RTL contract renewal, extension or amendment.

City disagrees wholly with the findings. There was a public hearing held in front of City Council on April 10, 2002, regarding the implementation of the Red Light Photo Enforcement Program. In addition, there was a public meeting held in front of City Council on August 12, 2015, when the City amended/extended the agreement of the Red Light Photo Enforcement Program.

F4. Three Bakersfield Police Officers currently monitor the RTL incident queue and provide testimony for violations in Traffic Court.

City agrees with findings.

F5. Bakersfield Police Officers (Officers) assigned to the program are invited to attend training presented by the system manufacturer. Officers may visit the facility where the photos and video clips are viewed for image clarity and then posted to a computer server for viewing by Officers and alleged violators.

City agrees with findings.

F6. Several hundred RTL incidents are captured each week in the Bakersfield area. Each RTL incident is reviewed by assigned Officers and citations are issued when warranted. If the Officers are unable to confirm the identity of the driver a courtesy notice is sent to the car's registered owner.

City agrees with findings.

F7. Officers receive several subpoenas each week for RTL citations they issue. Officers prepare more than 10 pages of evidence for each court appearance.

City agrees with findings.

F8. Violators are encouraged to view the video of the RTL incident on line or at the Bakersfield Police Department.

City agrees with findings.

F9. Between October 1, 2013 and August 15, 2018, RTL intersections have had primary and secondary collisions reduce by approximately 81.35% and 41.51% respectively (see Chart 2).

City agrees with findings.

F10. When a red light violation occurs, the RTL activates three digital cameras and records four still images and a 12 second video.

City agrees with findings.

F11. Officers may reject RTL incidents for several reasons, including:

- Poor image quality
- Unclear scene images
- Emergency vehicle response
- Officer discretion (safe turn on red, screeching stop, etc.)

City agrees with findings.

F12. Depending on the approach speed limit, yellow light time intervals are set by Caltrans as follows:

APPROACH SPEED	YELLOW INTERVAL
MPH	Seconds
25 or less	3.0
30	3.2
35	3.6
40	3.9
45	4.3
50	4.7
55	5.0
60	5.4
65	5.8

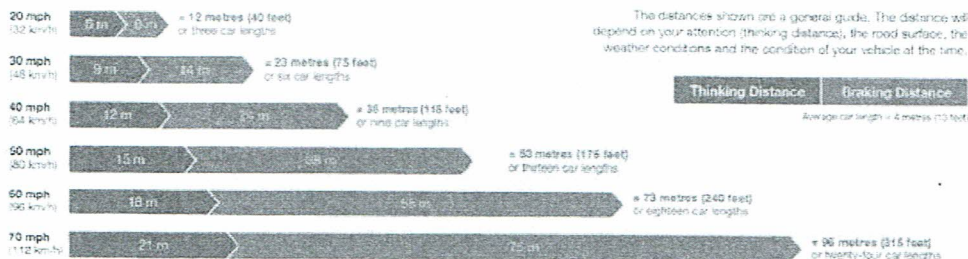
City agrees with findings. The yellow light time intervals are set by the California Manual on Traffic Control Devices (CA MUTCD) Section 4D-102 (CA) (Minimum Yellow Change Interval Timing).

F13. Left turn yellow light time is set for 3.0 seconds because approach speeds are typically slower.

City agrees with findings. The typical approach speed for left turning vehicles is assumed to be 25mph per the CA MUTCD. However, the approach speed can vary depending on approach grades, number of collisions, visibility, geometry of the roadway and roadway classifications.

F14. The chart below illustrates the stopping distance at various speeds.

Typical Stopping Distances



City agrees with findings.

F15. Computerized Traffic Controllers (CTC) regulate the traffic lights at 427 intersections throughout the City of Bakersfield. 358 intersections are directly connected to the Traffic Operations Center (TOC). From either the TOC or the CTC, Traffic Operations Technicians have the ability to change traffic light timing intervals. Any maintenance done to the CTC is recorded in a logbook left inside the CTC cabinet.

City agrees with findings.

F16. CTC detect cars at an intersection by either ground loop sensors or cameras that operate like a motion detector. Special sensors can also detect approaching emergency vehicles and turns the traffic light to green for them.

City agrees with findings.

F17. CTC cabinet doors are locked but are not equipped with *open door* alarms to indicate when a cabinet door has been opened.

City agrees with findings.

F18. Only two Traffic Operations Technicians are trained to modify traffic light time duration. Other Traffic Operations Technicians and their Supervisor do not have this training.

City agrees with findings.

F19. In addition, malfunctioning traffic lights may be reported via the City of Bakersfield website. The app is free to download for both Apple and Android platforms by searching for "Bakersfield Mobile" in the respective app store:

- Android: <https://goo.gl/WCgaFw>
- iOS: <https://goo.gl/zDZuuS>

City agrees with findings.

RECOMMENDATIONS:

R1. To avoid violating California Vehicle Code #21455.6 again, the Bakersfield City Council should hold public hearings before signing another contract renewal, extension or amendment. (Findings 2, 3)

This recommendation has been implemented. As clarified in Findings 1, 2, and 3 the City has been in full compliance of California Vehicle Code #21455.6. The City will continue to bring any new contracts or any existing contract renewals, amendments, or extensions regarding the Red Light Photo Enforcement Program before the City Council at a public meeting.

R2. The Grand Jury recommends the City of Bakersfield look into adding more RTL intersections to further reduce red light running and primary/secondary accidents. (Finding 9)

As indicated under Finding 9, City agrees. However, this recommendation does require further analysis. Empirical data supports the addition of red light cameras at intersections having a disproportionate number of collisions annually can play a vital role in reducing injury, serious injury and fatal collisions. City staff continuously monitors and reviews traffic collision data to identify possible trends, roadways and intersections that experience a disproportionate number of motor vehicle collisions citywide. City Staff maintains ongoing communications with Redflex red light camera systems regarding potential future intersections where such technology can assist in promoting improved public safety. However, the City also recognizes the need to devote hundreds of man hours annually for the review and prosecution of incidents captured at red light camera intersections within the City of Bakersfield. The City must consider and weigh the impact of devoting additional man hours against our overall traffic safety approach and strategies. There must exist a balance between the number of red light cameras operated by the city, due to the required man hours spent reviewing red light camera incidents by Traffic personnel. It is important City Staff acknowledge man hours spent reviewing such red light camera violations decreases hours spent in the field by reviewing officers conducting high visibility patrols to deter, education and focus on not only red light violations, but other primary collision factors and driving behaviors known to put motorists, pedestrians and bicyclist most at risk.

R3. The Bakersfield City Roads Department should increase the left turn yellow light time interval from the current 3.0 seconds to 3.9 seconds on streets where the speed limit is 40 mph or higher. This would not affect the total intersection cycle time and would accommodate faster approach speeds in the turn lanes. (Findings 12, 13)

This recommendation requires further analysis. As discussed in Finding No. F12, the yellow light time intervals are set in accordance to the CA MUTCD. CA MUTCD Table 4D-102, which is shown in Finding No. F12, shows a yellow interval of 3.9 seconds is appropriate for a through movement of 40mph. As noted in Finding No. F13, the speed of vehicles for the left turn movement is assumed to be 25mph or less and the minimum yellow time is 3 seconds. Per Caltrans Traffic Signal Operations Manual 2017, the typical approach speed for left turning vehicles is assumed to be 25 mph. The CA MUTCD does allow the length of the yellow change interval to be increased based on engineering judgement taking into consideration factors such as approach grades, number of collisions, visibility, geometry of the roadway and roadway classification, as well as truck traffic and local traffic characteristics. Two of the RTL locations have longer yellow light time intervals of 3.5 seconds and 3.6 seconds for the left turn movement. The City looks at each intersection on a case by case basis.

R4. Each computerized Traffic Controller cabinet should be equipped with an open door alarm to allow for remote monitoring to prevent tampering. (Finding 17)

This recommendation requires further analysis. As noted in Finding No. F17, traffic signal control cabinets doors are always locked. It is also a federal offense to tamper with any traffic control device. The City's existing signal cabinet equipment currently monitors and detects if a controller has been tampered with or goes faulty. Signal operation technicians can also monitor changes to the signal timing software. The use of open door

This recommendation requires further analysis. As noted in Finding No. F17, traffic signal control cabinets doors are always locked. It is also a federal offense to tamper with any traffic control device. The City's existing signal cabinet equipment currently monitors and detects if a controller has been tampered with or goes faulty. Signal operation technicians can also monitor changes to the signal timing software. The use of open door alarms on traffic signal cabinets is not common practice with traffic signal construction and operations. However, this added security feature may be added in the future.

R5. The Traffic Operations Supervisor should be trained to adjust traffic signal timing. (Finding 18)

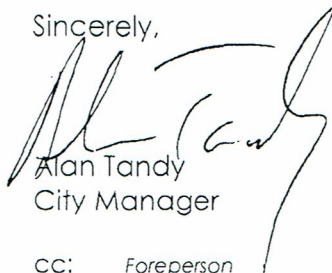
This recommendation has been implemented. The current Traffic Operations Supervisor has attended a signal timing instruction class on April 15-16, 2019 through ITS Berkeley Technology Transfer Program. Furthermore, as a clarification to Finding No. F18 the Traffic Operations Supervisor position has training and knowledge of signal timing. The Traffic Operations Supervisor is a licensed Professional Civil Engineer and Traffic Engineer with the State of California. However, two Traffic Operations Technicians and seven Signal Technicians are specifically trained on entering timing data into the specialized signal controller software which is done as part of their daily job duties. Generally, only the two Traffic Operations Technicians make timing changes that impact signal timing patterns or time durations. The City will continue to train staff and supervisors as training opportunities occur.

R6. The City of Bakersfield should advertise the Bakersfield Mobile app more frequently to keep the public informed and to help ensure traffic lights are repaired as quickly as possible. (Finding 19)

This recommendation has been implemented. The City will continue to make every effort to keep the public informed that they may give input to the City so signal lights may be repaired in a timely manner.

The City wishes to express its sincere thanks to the members of the Grand Jury's Cities & Joint Powers Committee for their thorough review, findings and recommendations as it relates to operations of the City of Bakersfield. Please do not hesitate to reach out to my office should you have any questions.

Sincerely,



Alan Tandy
City Manager

CC: Foreperson
Kern County Grand Jury
1415 Truxtun Ave, Suite 600
Bakersfield, CA 93301

THE CITY OF CALIFORNIA CITY

“A Time to Come Together”

PREFACE:

The City of California City (The City) tried twice but failed to pass Parcel Tax measures by the required two-thirds majority vote. A Parcel Tax election was held on July 31, 2018 named Measure C, which would add an annual property Parcel Tax of \$182.00 with a provision that the City Council reduce that rate if warranted. Another provision was written into the measure that would “sunset” the tax after six years. On July 31, 2018, Measure C passed with a majority 79.46% vote total.

There were complaints of fraud and collusion from concerned residents because the measure was written and implemented as a “stand-alone” election.

PURPOSE OF INQUIRY:

The 2018-2019 Kern County Grand Jury (Grand Jury) received resident complaints regarding this election. Pursuant to California Penal Code §925(a), the Cities and Joint Powers Committee (Committee) launched an inquiry. The Committee conducted interviews with concerned residents, The City Officials and observed the ballot counting procedure.

PROCESS:

The Committee conducted interviews with The City Officials, concerned residents and Kern County Officials. Interviews were conducted in California City, Bakersfield, and by telephone.

Conference calls were conducted with concerned residents prior to the election. On July 31, 2018, four members of the Grand Jury traveled to California City to observe the ballot counting procedure. After the election, the Committee conducted follow-up interviews with The City Officials and concerned residents.

The Committee visited the Kern County Law Library to research election law. The Committee also conducted online research of California Election Code §§15201, 15104, and 15109 (See Appendix A). Newspaper articles were useful to expand the Committee’s understanding of the history and intricacies of The City’s parcel tax measures, past and present.

BACKGROUND:

According to City Officials, The City was in financial crisis and needed a solution to help finance The City’s day-to-day operations. The existing tax approved by voters in 2012 was set to expire on July 31, 2018, therefore The City put forth two parcel tax initiatives

dated June 6, 2017 and April 10, 2018. Both failed to pass by the required two-thirds majority vote. The City then initiated the third measure, Measure C, which passed on July 31, 2018. The City Officials further contend that they fully communicated with their citizens the facts regarding The City's budget crisis and offered opportunities for concerned residents to voice their concerns at The City Council meetings.

According to concerned residents, the first two Measures did not pass because Kern County Elections managed those elections. They allege the third Measure passed because:

- The City managed and certified the election instead of the Kern County Elections Department.
- The City Officials colluded to commit fraud by altering the voting ballots.
- Sealed mail-in ballots were not secured properly.
- Fear and intimidation were used by City Officials to sway the vote toward passage.
- False advertising and propaganda mailings may have swayed the vote to pass.

The concerned residents were also worried about the approximate 4,500 parcel owners who were not allowed to vote because they did not live within city limits. Residents were concerned that many of these owners outside the city limits would abandon their parcels instead of paying the Parcel Tax, adding to Code Enforcement problems for The City.

FINDINGS:

- F1. California City Officials contacted the Kern County Elections Department in an attempt to have them manage the Measure C election dated July 31, 2018. The Kern County Elections Department could not accommodate The City until the General Election date of November 6, 2018. The City needed to have the election no later than July 31, 2018 in order to avoid lapsed assessed tax funding for the 2018-2019 fiscal year. Therefore, The City proceeded with its own "stand alone" election.
- F2. The residents' concern that The City Officials purposely avoided election management of Measure C, by the Kern County Elections Department, is unfounded.
- F3. The City hired a Technical Election Advisor. Their task included the acquiring of the Registrar of Voters, printing of the ballots, mailing of the absentee ballots and providing other miscellaneous voting equipment, and training. The fee for services: \$47,650. The stated fee on the vendor invoice was \$52,605, which included the services of an electronic ballot counter.

- F4. On Election Day, The City chose not to use the electronic counter, which saved approximately \$5,500, which reduced the fee total to \$47,650. (See Appendix B)
- F5. The City hired an Election Consultant to organize the ballot counting procedure. This included training and overseeing the whole process on Election Day. The fee for services: \$4,465 (See Appendix B).
- F6. Prior to Election Day, incoming sealed and signed absentee ballots were photo scanned by The City Officials and e-mailed to the Kern County Elections office for signature verification.
- F7. On July 31, 2018, four members of the Grand Jury traveled to The City and briefly observed two voting precincts. The Grand Jury members then observed the ballot counting procedure at City Hall. The Election Consultant was present and managed the proceedings. The proceedings were open to the public. The Elections Consultant made available Sample Tally Sheets for the public to follow along during the counting process. (See Appendix C)
- F8. The ballot vote counting process proceeded as follows:
- The Consultant with three Assistants participated in the ballot counting.
 - Together, the Consultant and Assistants counted the YES and NO votes and crosschecked each other for errors.
 - During the counting process, an error was noted and the Consultant stopped the process of counting the ballots and began a recount.
 - At follow-up interviews after the election, a City Official explained the ballot counting procedure and noted they had made a mistake and corrected it publicly during the procedure.
 - At the end of the counting process, the YES votes totaled 79.46% and the NO votes 20.54%.
 - The City Council approved and certified Measure C on August 10, 2018.
- F9. The voters passed Measure C by the required two-thirds majority. However, the concerned residents still contend this was an illegal election. The relationship between The City Officials and the concerned residents remains contentious.
- F10. The City is in the process of developing a Cannabis Industry. Until this new industry is generating revenue, the Parcel Tax remains The City's main source of funding. Measure C is needed as a "bridge tax" until cannabis revenues are realized. Because of its remote location in relation to major highways, The City has encountered extreme difficulty in attracting other sources of taxable income such as retail outlets or industries.

COMMENTS:

The City and Joint Powers Committee of the 2018-2019 Kern County Grand Jury would like to thank The City Officials for their cooperation in providing information for this report. The Committee would also like to thank all who participated in interviews and conference calls.

RECOMMENDATIONS:

- R1. The Grand Jury recommends that The City of California City Officials continue to maintain transparency and open lines of communication with their citizens, especially those who opposed Measure C. (Finding 9)
- R2. The Grand Jury recommends that The City Officials continue to explore other forms of revenue sources in order to diversify The City's future financial revenue position. (Finding 10)
- R3. The Grand Jury recommends that The City Officials establish an emergency reserve fund when additional revenues become available. (Finding 10)

NOTES:

- The City of California City should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at www.kerncounty.com/grandjury.
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: www.kerncounty.com/grandjury.

RESPONSE REQUIRED WITHIN 90 DAYS

**PRESIDING JUDGE
KERN COUNTY SUPERIOR COURT
1415 TRUXTUN AVENUE, SUITE 212
BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**

APPENDIX A:

State of California ELECTIONS CODE Section 15104

15104. (a) The processing of vote by mail ballot return envelopes, and the processing and counting of vote by mail ballots, shall be open to the public, both prior to and after the election.

(b) A member of the county grand jury, and at least one member each of the Republican county central committee, the Democratic county central committee, and of any other party with a candidate on the ballot, and any other interested organization, shall be permitted to observe and challenge the manner in which the vote by mail-ballots are handled, from the processing of vote by mail ballot return envelopes through the counting and disposition of the ballots.

(c) The elections official shall notify vote by mail voter observers and the public at least 48 hours in advance of the dates, times, and places where vote by mail ballots will be processed and counted.

(d) Notwithstanding paragraph (2) of subdivision (b) of Section 2194, vote by mail voter observers shall be allowed sufficiently close access to enable them to observe the vote by mail ballot return envelopes and the signatures thereon and challenge whether those individuals handling vote by mail ballots are following established procedures, including all of the following:

(1) Verifying signatures and addresses on the vote by mail ballot return envelopes by comparing them to voter registration information.

(2) Duplicating accurately damaged or defective ballots.

(3) Securing vote by mail ballots to prevent tampering with them before they are counted on election day.

(e) A vote by mail voter observer shall not interfere with the orderly processing of vote by mail ballot return envelopes or the processing and counting of vote by mail ballots, including the touching or handling of the ballots.

(Amended by Stats. 2009, Ch. 548, Sec. 2. (AB 1573) Effective January 1, 2010.)

State of California ELECTIONS CODE Section 15109

15109. Except as otherwise provided in this chapter, the counting and canvassing of vote by mail ballots shall be conducted in the same manner and under the same regulations as used for ballots cast in a precinct polling place.

(Amended by Stats. 2007, Ch. 508, Sec. 93. Effective January 1, 2008.)

State of California
ELECTIONS CODE
Section 15201

15201. (a) As soon as the polls are closed, the precinct board shall, in the presence of the public do all of the following:

(1) Seal the container used to transport voted ballots and insure that the precinct number, or in an election conducted using a voter center, the vote center number, is designated on the ballot container.

(2) Certify, sign, and seal the several packages or envelopes as directed by the elections official.

(3) By not less than two of their number, deliver the ballot container and packages to the elections official at the central counting place in the manner prescribed by the elections official. The ballot container and packages shall remain in their exclusive possession until delivered to the elections official.

(b) This section also applies to ballots counted manually pursuant to Article 6(commencing with Section 15290).

(Amended by Stats. 2017, Ch. 806, Sec. 72. (SB 286) Effective January 1, 2018.)

APPENDIX B:

4/30/2018

Estimate based on:

Total Active Voters 5,325

PVBM Voters 2,935

Includes Costs of 1 Measure in ES

SPECIAL MUNICIPAL ELECTION

July 31, 2018

2018 Prices

Quantity	Description	Unit Price	Total
1	PRE-ELECTION SUPPLIES / STANDALONE CITIES, INCLUDES . . .		
1	Election Handbook w/Resolutions, Forms, Notices, Manual		NC
1	Calendar of Events		NC
1	Election Night Procedures Manual		NC
	MILITARY AND OVERSEAS VOTER SUPPLIES		
1	Process Military and Overseas Voters	\$ 90.00	\$ 90.00
1	Extract emails, gather and attach forms and ballots to email	\$ 90.00	\$ 90.00
1	Ballot Groups	\$ 30.00	\$ 30.00
67	Military & Overseas Voters & Supplies	\$ 1.80	\$ 120.60
	PERMANENT VOTE-BY-MAIL VOTER LABELS		
2935	54 Day PVBM / VBM Voter Labels	\$ 0.30	\$ 880.50
1	Setup/Generate 54 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
17	29 Day PVBM / VBM Voter Labels (29 day voters)	\$ 0.30	\$ 5.10
1	Setup/Generate 29 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
9	14 Day PVBM / VBM Voter Labels (14 day voters)	\$ 0.30	\$ 2.70
1	Setup/Generate 14 Day PVBM / VBM Voter Labels	\$ 31.20	\$ 31.20
	VOTE-BY-MAIL BALLOT SUPPLIES		
25	Provisional Ballot Envelopes	\$ 0.42	\$ 10.50
3800	Instructions for Voters - 8.5 x 11 - ES	\$ 0.30	\$ 1,140.00
1	Setup for Instructions for Voters - 8.5 x 11	\$ 30.00	\$ 30.00
3800	Gray/Secrecy Envelopes	\$ 0.09	\$ 342.00
3800	Outgoing Envelopes - #600 / ES	\$ 0.41	\$ 1,558.00
1	Setup for Outgoing Envelopes with Indicia	\$ 60.00	\$ 60.00
1	Setup for Outgoing Envelopes without Indicia	\$ 60.00	\$ 60.00
3100	PVBM ID/Return Envelopes - #575 - Yellow /ES	\$ 0.47	\$ 1,457.00
1	Setup for PVBM Return Envelopes	\$ 60.00	\$ 60.00
700	VBM ID/Return Envelopes - #575 - Yellow /ES	\$ 0.47	\$ 329.00
1	Setup for VBM Return Envelopes	\$ 60.00	\$ 60.00
	VOTED BALLOT BOXES AND LABELS FOR VBM SUPPLIES		
2	Voted Ballot Boxes for VBM Ballots-regular size	\$ 3.72	\$ 7.44
4	Voted Ballot Boxes for VBM Ballots-1/2 size	\$ 4.20	\$ 16.80

California City_Special Election_July 2018 / Invoice

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Quantity	Description	Unit Price	Total
6	Labels for VBM Voted Ballot Boxes	\$ 0.60	\$ 3.60
6	Seals for VBM Voted Ballot Boxes	\$ 0.60	\$ 3.60
VBM TRACKING SYSTEM			
6757	Vote by Mail Tracking System / Active and Inactive Voters	\$ 0.042	\$ 283.79
1	Setup for VBM Tracking Program	\$ 1,020.00	\$ 1,020.00
VOTE REMOTE SIGNATURE VERIFICATION SYSTEM			
	Vote Remote - Rental Fee	\$3,000.00	\$ -
	Vote Remote - Format Voter Signature File	\$ 600.00	\$ -
	Vote Remote - Installation & Training	\$ 900.00	\$ -
0	Barcode capturing from Vote Remote to VBM Tracking	\$300.000	\$ -
	Signature Verification (MC to pay directly to ESS)	\$0.30	\$ -
PRECINCT SUPPLIES			
2	Precinct Supply Sets (incl. " / Voted Stickers" & Opto-Mark Pens)	\$ 159.60	\$ 319.20
1	Sample Set	\$ 159.60	\$ 159.60
1	Vote by Mail Canvass Set	\$ 54.00	\$ 54.00
4	Kiosks - 1 for Inside & 1 for Outside each Polling Place	\$ 48.00	\$ 192.00
270	Roster pages / Active & Inactive Voters voters		\$ 327.51
320	Street Index pages / Active & Inactive Voters / 3/precinct +1 for city clerk		\$ 233.54
2	Election Officer / Inspector's Guidelines & Checklists	\$ 3.72	\$ 7.44
5	Election Officer Appointment Forms / Blank	\$ 0.30	\$ 1.50
13	Election Officer Outgoing Window Envelopes	\$ 0.30	\$ 3.90
2	Ballot Boxes - Cardboard	\$ 9.60	\$ 19.20
REPORTS			
29 DAYS BEFORE			
6723	Polling Place Location Report - (29 day reports) voters	\$ 0.0102	\$ 68.57
1	Setup for 54 Day Polling Place Location Report	\$ 72.00	\$ 72.00
VOTER INFORMATION GUIDES / 8.5 X 11			
5900	Voter Information Guides / 12 of 12 pages / ES	\$ 0.44	\$ 2,596.00
12	Each page with text	\$ 100.00	\$ 1,200.00
1	Setup	\$12,262.00	\$ 12,262.00
VOTER INFORMATION GUIDES / MAILING LABELS			
1	NCOA (National Change of Address) Set-up charge	\$ 90.00	\$ 90.00
5,325	NCOA Processing for Change of Address	\$ 0.005	\$ 26.63
1	Mail Manager Automated Sort & Palletization	\$ 240.00	\$ 240.00
5,325	Generate Voter Address Labels / 54 day labels	\$ 0.06	\$ 319.50
1	Ballot Types	\$ 30.00	\$ 30.00
2	No. of Precincts	\$ 12.00	\$ 24.00
67	Generate Voter Address Labels / 29 day labels	\$ 0.06	\$ 4.02
1	Ballot Types for 29 days labels	\$ 30.00	\$ 30.00
34	Generate Voter Address Labels / 15 day labels	\$ 0.06	\$ 2.04
1	Ballot Types for 15 day labels	\$ 30.00	\$ 30.00
OFFICIAL BALLOTS AND SUPPLIES			
1	Official Ballots - Typeset Ballot / per side / English & Spanish	\$ 370.80	\$ 370.80
3800	Official Ballots / Vote by Mail	\$ 0.29	\$ 1,102.00
1800	Official Ballots / Precincts	\$ 0.29	\$ 522.00
600	Official Ballots / Test-Duplicates / 600 per Ballot Type	\$ 0.29	\$ 174.00
6200	Total Official Ballots		
1	Test / Duplicate Overprint / each Card	\$ 30.00	\$ 30.00

Quantity	Description	Unit Price	Total
1500	Gray Secrecy Envelopes - Rental	\$ 0.05	\$ 75.00
BALLOT COUNTING / ELECTION NIGHT SUPPLIES			
1	Election Night Supply Kit	\$ 42.00	\$ 42.00
16	Counted Ballot Seals / 3 per precinct + 10 extras	\$ 1.20	\$ 19.20
1	Ballot Counter Rental / incl. 2 Operators / Card 1-side 1	\$ 5,500.00	\$ 5,500.00
2	Add'l Programing to count VBM's/Provisionals by precinct	\$ 24.00	\$ 48.00
1	Add'l Tally of Late VBM's & Provisional Ballots	\$ 750.00	\$ 750.00
SUBTOTAL			
	Subtotal / Taxable Items		\$ 34,699.88
	Sales Tax	0.0725	\$ 2,515.74
			\$ 37,215.62
PROCESSING OF COUNTY VOTER FILES RECEIVED			
1	E - 54 Day County Voter File for 1st Mailings	\$ 246.00	\$ 246.00
1	E - 29 Day County Voter File for 2nd Mailings	\$ 246.00	\$ 246.00
1	E - 14 Day County Voter File for 3rd Mailings	\$ 246.00	\$ 246.00
MISCELLANEOUS SERVICES			
2	Typed Election Officer Appointment Forms / Precincts	\$ 30.00	\$ 60.00
1	Election Officer Training Class	\$ 750.00	\$ 750.00
1	Mileage to Election Officer Class	\$ 40.00	\$ 170.00
4	Rental of Voting Booths - Regular	\$ 18.00	\$ 72.00
2	Rental of Voting Booths - Disabled	\$ 18.00	\$ 36.00
1	Repair/maintenance/re-wrapping of Voting Booths / hour	\$ 30.00	\$ 30.00
1	Repair/maintenance/re-wrapping of Kiosks / hour	\$ 30.00	\$ 30.00
TRANSLATIONS			
1	Department of Justice compliance requirements - Annual revision/editing of new and current materials for Notices, Voter Information Guide pages, VBM Materials, and Precinct Supplies into all languages - bi-annual charge per city	\$ 240.00	\$ 240.00
	Spanish Translations		
1	Ballot(s)/Designations (& Measure Question(s) if applicable)	\$150.00	\$ 150.00
4	Ordinance Text / pages	\$500.00	\$ 2,000.00
1	Analysis	\$375.00	\$ 375.00
2	Arguments	\$225.00	\$ 450.00
2	Rebuttals	\$200.00	\$ 400.00
MAILING SERVICES / VOTER INFORMATION GUIDES			
1	54 Day File transfer to mailer, address machine setup	\$ 420.00	\$ 420.00
1	Ballot Group setups	\$ 36.00	\$ 36.00
5,325	Affixing Address Labels / <20,000 / Flat Fee	\$ 900.00	\$ 900.00
1	Postal documentation(s)	\$ 84.00	\$ 84.00
1	29 Day File transfer to mailer, address machine setup	\$ 300.00	\$ 300.00
1	Ballot Group setups	\$ 30.00	\$ 30.00
67	Affixing Address Labels	\$ 0.60	\$ 40.20
1	15 Day File transfer to mailer, address machine setup	\$ 120.00	\$ 120.00
1	Ballot Group setups	\$ 30.00	\$ 30.00
34	Affixing Address Labels	\$ 0.60	\$ 20.40
POSTAGE ACTIVITY / VOTER INFORMATION GUIDES			

California City_Special Election_July 2018 / Invoice

3

Quantity	Description	Unit Price	Total
27	Affix Meter Tape 1st class Postage to Out of Country	\$ 0.30	\$ 8.10
67	Affix 1st class Postage to Pamphlets-29 day	\$ 0.30	\$ 20.10
34	Affix 1st class Postage to Postcards-15 day	\$ 0.30	\$ 10.20
MAILING SERVICES / VOTE-BY-MAIL BALLOTS			
1	Track 'N Trace / tracking for VBM Ballots / Setup	\$ 180.00	\$ 180.00
2935	Track 'N Trace / ea	\$ 0.006	\$ 17.61
1	Intelligent Mail Barcode Full Service Preparation Fee	\$ 240.00	\$ 240.00
PVBM's / 54 DAY VOTERS			
2935	Addressing PVBM Envelopes / 54 days	\$ 0.30	\$ 880.50
1	Ballot Group setups for Addressing	\$ 12.00	\$ 12.00
2935	Insert PVBM's/54 day only/4 Items	\$ 0.30	\$ 880.50
1	Setup Inserter for 4 items (envelope, ballot, instructions, secrecy)	\$ 120.00	\$ 120.00
1	Ballot Group setups for Inserting	\$ 12.00	\$ 12.00
1	Mail preparation, Postal Documentation	\$ 180.00	\$ 180.00
CITY CLERK'S VBM'S FOR ISSUING			
865	Insert VBM's/4 Items (envelope, ballot, instructions, secrecy)	\$ 0.30	\$ 259.50
1	Ballot Group setups for Inserting	\$ 12.00	\$ 12.00
PVBM's / 29 DAY VOTERS			
1	Ballot Group setups	\$ 12.00	\$ 12.00
17	Addressing PVBM Labels (or Envelopes) / 29 days	\$ 0.30	\$ 5.10
PVBM's / 15 DAY VOTERS			
1	Ballot Group setups	\$ 12.00	\$ 12.00
9	Addressing PVBM Labels (or Envelopes) / 15 days	\$ 0.30	\$ 2.70
DELIVERY SERVICES			
1	Deliver Voter Information Guides to Post Office / 54 days	\$ 600.00	\$ 600.00
2	Deliver Voter Information Guides to Post Office / 29 days & 15 day	\$ 90.00	\$ 180.00
1	Deliver PVBM Ballots to Post Office	\$ 600.00	\$ 600.00
1	Deliver VBM Supplies to City	\$ 240.00	\$ 240.00
1	Deliver Precinct Supplies to City	\$ 500.00	\$ 500.00
1	Pickup Precinct Supplies after election from City	\$ 500.00	\$ 500.00
	UPS/Fed Ex charges		\$ 120.00
	Total Nontaxable Items		\$ 13,085.91
TOTAL OF THIS ELECTION			\$ 50,301.53

invoice
continues

POSTAGE RECONCILIATION / VOTER INFORMATION GUIDES MAILED		ESTIMATE	
5298	Standard Rate Postage - 1st mailing-54 day file	\$1,430.46	
27	1st Class Postage - 1st mailing -Out of Country	\$29.43	
67	1st Class Postage - 2nd mailing-29 day file	\$73.03	
34	1st Class Postage - 3rd mailing-15 day file	\$37.06	
	Total Postage Used	\$1,569.98	
	Additional Postage Due (Credit for unused postage)	\$1,569.98	\$ 1,569.98

Quantity	Description	Unit Price	Total
POSTAGE RECONCILIATION / PERMANENT VOTE BY MAIL BALLOTS MAILED		ESTIMATE	
2935	PVBM ballots - 54 day file	\$733.75	
	Total Postage Used	\$733.75	
	Additional Postage Due (Credit for unused postage)	\$733.75	\$ 733.75
	TOTAL OF POSTAGE DUE (OR CREDIT TO CITY)		\$ 2,303.73
	TOTAL AMOUNT FOR THIS ELECTION		\$ 52,605.26

DATE
8/11/2018
TERMS

INVOICE NO.
3951
P.O. / VENDOR ...
17872

CLIENT
California City
4100 ... Hall California City, CA 93505-2259

ITEM	DESCRIPTION	AMOUNT
Election Serv	Special Municipal Election - Precinct Officer's training class, Election Day services, Semi-final Canvass, Official Canvass, Advice - includes off-site preparation & follow-through (no charge for travel reimbursement) On site 7/27, 7/31, and 8/8/2018 (33.5 hours total)	3,372.50
Total		\$3,372.50

DATE
7/8/2018
TERMS

INVOICE NO.
3936
P.O. / VENDOR ...
17872

CLIENT
California City
Attn: Election Serv. - City Hall California City, CA 93505-2259

ITEM	DESCRIPTION	AMOUNT
Election Serv	Special Municipal Election - Advice, Vote-by-Mail Procedures, Planning, Training, etc. on site 7/5/2018, includes off-site hours - 11.5 hours total	1,092.50
Total		\$1,092.50

UBM-1 II

TALLY SHEET Precinct: S (A1118)

80

NOV 20 2018



CITY HALL
21000 Hacienda Blvd.
California City, CA 93505

760-373-8661
www.californiacity-ca.gov

COUNCIL MEMBERS
Jennifer Wood
MAYOR
J. Carlos Gomez
MAYOR PRO TEM
Chuck McGuire
Donald Parris
Eugene Stump

Robert Stockwell
CITY MANAGER

November 16, 2018

Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue, Suite 212
Bakersfield, CA 93301

Foreperson
Kern County Grand Jury
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

Re: Response to 2018-2019 Grand Jury Report, "*A Time to Come Together*" October 9, 2018

This letter is the formal response of the City of California City to the October 9, 2018 Kern County Grand Jury report entitled City of California City "*A Time to Come Together*". In contrast to the prior Grand Jury Reports, the current Grand Jury has done an admirable job in filtering through the negative agenda of California City's chronic complainers and focusing on the realities we are facing. It is in this positive light that I respond to the Findings and Recommendations.

FINDINGS:

- F 1. Agree
- F 2. Agree
- F 3. Agree
- F 4. Agree
- F 5. Agree
- F 6. Agree
- F 7. Agree
- F 8. Agree
- F 9. **Partially Disagree.** Not knowing the identity of the "concerned citizens" we cannot know whether the relationship remains contentious. However, there are certainly citizens who still disagree with City Officials on the merits and process of Measure C.
- F 10. Agree

RECOMMENDATIONS:

- R 1. The City is continuing to maintain transparency and open lines of communications with our citizens and will pay particular accurate and timely records on

the implementation of Measure C during upcoming budget preparations and in the financial reporting processes of the City.

R 2. The City continues to explore other forms of revenue to further enhance and diversify its economic base. Specifically, attracting new businesses that can service the emerging cannabis industry and bring in more workers requiring additional housing and retail services.

R 3. The City Council has established various strategic reserves in each of its various funds to ensure that there are enough funds to weather the initial impacts of economic downturns, natural disasters and increased demands for service.

We appreciate the work of the Grand Jury in thoughtfully sorting through the issues raised by concerned citizens and recognizing the efforts of our City Officials to conduct the City's business in an open and transparent manner.

Sincerely,

Robert Stockwell
City Manager

THE CITY OF MARICOPA

“Small City, Huge Corporate Nuisance”



PREFACE:

The City of Maricopa (Maricopa) has struggled to remain financially solvent. The lack of industry, a decline in the working class population, the certification and decertification of a police force and a lack of a business-creating atmosphere have led to a city struggling to survive. Adding to this struggle is Maricopa's current Code Enforcement problem regarding a single Corporation, which owns many parcels within city limits.

On the bright side, Maricopa City Officials report Maricopa is currently operating without a deficit and they have employed a part-time Code Enforcement Officer.

PURPOSE OF INQUIRY:

The City and Joint Powers Committee (Committee) of the 2018-2019 Kern County Grand Jury (Grand Jury) conducted an inquiry into city operations and management, pursuant to California Penal Code §925(a).

PROCESS:

The Committee toured Maricopa on October 2, 2018 and October 11, 2018, and interviewed City Officials at City Hall on November 13, 2018. The Committee also researched the internet, reviewed newspaper articles, past Grand Jury Reports and conducted specific research regarding waste management and code enforcement issues.

BACKGROUND and FACTS:

Maricopa stands as a legacy of Kern County's rich oil history. Its first Post Office opened in 1901. In 1910 it was incorporated and was named after a Native American Pima tribe. An historical monument stands at the location of the Lakeview Gusher oil well, which, in 1910, reached an estimated 90,000 barrels a day for 544 days. In this era, Maricopa boasted a population of 30,000 residents.

- A. Maricopa has a population that varies between 1,100 and 1,200. The variance depends on seasonal migrant farm and oil related employment.
- B. Maricopa employs a City Treasurer, an Administrative Assistant, one full time Maintenance worker, one part time Maintenance worker and one part time Code Enforcement Officer.
- C. City Council consists of a Mayor and four City Council members who receive a monthly stipend of \$50.
- D. Maricopa employs a City Manager who receives a stipend of \$100 per month.
- E. Maricopa is a General Law city. A General Law city is found in the State Government Code, which defines a city's powers and specifies the structure.
- F. Maricopa operates under the Council-Manager form of government.
- G. The Maricopa Unified School District serves Kindergarten through the 12th grade.
- H. Maricopa is in the process of updating its sewer system. It recently procured a Planning Grant from the State Water Resources Control Board to study replacing the balance of the existing system and to extend services to other areas of the city. Maricopa intends to apply for a \$6,000,000 to \$8,000,000 grant to complete the project.

FINDINGS:

- F1. Maricopa has an annual operating budget of \$300,000.
- F2. After years of struggle, City Officials report Maricopa is operating in the “black”.
- F3. Maricopa has no employee pension system.
- F4. The City Manager does not reside in Maricopa.
- F5. Maricopa contracts with the Kern County Sheriff’s Office (KCSO) for law enforcement. The KCSO budget is \$110,000 per year, of which \$100,000 is funded by a California State Grant.
- F6. Fire Services are provided by the Kern County Fire Department and is budgeted at \$25,000 per year.
- F7. The Maricopa City Council meets on the second and fourth Tuesdays of each month January through October and on the second Tuesday of November and December. If there is insufficient business requiring City Council action, meetings are cancelled for lack of business. Maricopa City Officials stated that Maricopa conducted City Council Meetings on June 26, 2018, July 24, 2018, August 14, 2018 and September 11, 2018.
- F8. Maricopa hosts an internet web site. A search of the site produced no city council agendas or minutes. The web site was last updated in 2013.
- F9. The Committee has received several e-mails from Maricopa which stated, “NOTICE, the regular scheduled meeting will be adjourned due to lack of business.” Recently Maricopa posted a notice stating, “The Special Meeting has been cancelled due to Lack of Quorum.”
- F10. One Corporation owns 129 parcels in Maricopa:
- A tour of Maricopa revealed several of these parcels were littered with refuse, junk and abandoned vehicles
 - The Corporation has cleaned some of the lots but has dumped garbage in designated areas along main roads which City Officials call “staging areas.” City Officials said the garbage in the “staging areas” often remains there for several days before the Corporation sends crews to remove the refuse
 - A City Official commented “Would you like to live across the street from that?” (See Photos)
 - City Officials state the Corporation has budgeted \$300,000 for the Maricopa clean-up work
 - City Officials say the Corporation spent \$80,000 to clean two residential lots

- City Officials regularly communicate with the Corporation in an effort to have them comply voluntarily

Pictures provided by the Grand Jury.





- F11. Previous Grand Jury reports state that Maricopa has owed \$24.00 to various residents for a sewer overcharge. City Officials allege only one person has requested reimbursement.

COMMENTS:

The Committee would like to thank the City Officials for their hospitality and cooperation during our visits. The Committee applauds Maricopa for its actions to regain financial solvency and its Code Enforcement efforts.

RECOMMENDATIONS:

- R1. The Grand Jury recommends that Maricopa update and maintain their web site presence. If Maricopa is unable to maintain their web site, they should remove it. (Finding 8)
- R2. The Grand Jury recommends that Maricopa modify its Municipal Code to state that attendance at city council meetings should be mandatory for City Council Members to receive their \$50.00 stipend. (Finding 9)
- R3. The Grand Jury recommends that City Officials continue their effort to encourage the Corporation to clean their property. (Finding 10)
- R4. The Grand Jury recommends Maricopa resolve the \$24.00 overcharge issue by July 30, 2019. (Finding 11)

NOTES:

- The City of Maricopa should post a copy of this report where it will be available for public review
- Persons wishing to receive an email notification of newly released reports may sign up at: www.kerncounty.com/grandjury
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: www.kerncounty.com/grandjury

RESPONSE REQUIRED WITHIN 90 DAYS TO:

**PRESIDING JUDGE
KERN COUNTY SUPERIOR COURT
1415 TRUXTUN AVENUE, SUITE 212
BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**



City of Maricopa, California

400 California Street
PO Box 550
Maricopa, California 93252
Office(661) 769-8279
Fax(661)769-8130

City Administrator
Eric G. Ziegler

March 26, 2019

Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue, Suite 212
Bakersfield, CA 93301

Foreperson
Kern County Grand Jury
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

Pursuant to Section 933.05(f) CPC, the City of Maricopa hereby submits the following response to the 2018 – 2019 Grand Jury Report dated January 14, 2019 re City of Maricopa.

FINDINGS F-1 THROUGH F-6 and F9 THROUGH F11

These are simply statements of undisputed fact as known to the city. Thus, respondent city has no reason to disagree with the facts as stated in the subject report.

FINDING F-7

City concurs with most facts cited in this finding. However, the fact that the Grand Jury cited several dates upon which the city conducted City Council meetings, namely June 26, 2018; July 24, 2018, August 14, 2018 and September 11, 2018 implies that these were the only City Council meetings conducted during 2018 which is simply not the case. Thus, the city partially agrees this finding.

FINDING F-8

City disagrees with one point in Grand Jury's Finding 8, i.e. that city web site was last updated in 2013. This is not the case. While it's true that the web site has been sporadically maintained and is sometimes outdated, it has been periodically updated throughout 2018. Thus the city only partially agrees with this finding.

RECOMMENDATION R1.

City concurs with this recommendation and has taken its web site offline until such time as it can adequately maintain the web site. Thus, the city accepts this Recommendation.

RECOMMENDATION R2.

At present, each city council member receives monthly compensation of \$50 pursuant to provisions of Government Code Section 36516. This compensation is payable to each council member regardless of the number of meetings held/attended in any particular month.

From a historical perspective, beginning in 2006, Maricopa City Council members were compensated for city council service at the rate of \$50 per month pursuant to Government Code Section 36516. This means that City Council members have always been compensated on a monthly basis, as they are in all cities rather than on the basis of meetings held/attended in contrast with school board members (see Education Code 35120 (a) (8)), many special district board members and members of certain other public agency boards.

For many years, the Maricopa City Council met once monthly which was sufficient for the conduct of city business. In 2010, the city applied for and received a Community Development Block Grant of several hundred thousand dollars for the replacement of certain sewer lines in the city. By mid-2011, before retention of the current administration, progress on this grant was foundering. In order recover from previous errors and to expedite engineering, design, construction, construction contract management including construction progress payments as well as to expedite reimbursement of city funds advanced for these purposes, the City Council agreed to a staff recommendation that it meet twice monthly to act on items necessary to bring this grant and subsequent grants to a successful conclusion, i.e. the completion of defined projects in accordance with grant administration rules and regulations.

At the time Council agreed to meet twice monthly, it was well understood that in those months in which a second meeting was not necessary, the meeting would be cancelled for lack of business. Thus, the fact the city council meetings are sometimes cancelled for lack of business is expected. As a matter of practicality, California law makes it far easier to cancel a Regularly Scheduled City Council meeting than to schedule a Special City Council meeting. Moreover, certain actions necessary to the conduct of city business may only be addressed at a Regularly Scheduled City Council meeting rather than at a Special City Council meeting.

In considering city council compensation for meetings attended/not attended, on January 8, 2019, the City Attorney opined on this matter as follows...(excerpt): "...I reviewed the potential reduction of City Council Salaries and in 80 Ops. Cal Atty. Gen. 119 (1997) the Attorney General concluded that a city council could not reduce its salary during their current terms of office. Reasoning that reduction in council member's benefits during his or her term of office would impair the obligation of a contract (U.S. Const. art 1 § 10; Cal. Const. art I § 9) or deprive the council member of a vested property right (U.S. Const., 14th Amend; Cal. Const., art 1, § 7, sub (a)), the opinion cites cases to the effect that the employment relationship between a city council member and the city is contractually vested upon acceptance of employment. Interpreting the language of the statutes in light of those constitutional principles, the Attorney General found "that it forbids decreases in compensation during a council member's current term of office. City Council members pursuant to GC § 36516(f) provided that a City Council member may waive any or all of the compensation that he/she is to receive."

Thus, the city will take no action with respect to this recommendation.

RECOMMENDATION R3.

On December 3, 2018, the corporation in question executed a bulk sale of all properties in the city of Maricopa to a recently formed LLC which apparently intends to immediately sell the property directly to others on an "as is" basis. Thus, the corporation has shed its responsibility to maintain the property in question and the Recommendation as written is moot. However, the city will continue to pursue abatement of nuisance conditions pursuant to applicable ordinances regardless of ownership.

RECOMMENDATION R4.


The alleged refuse/sewer rate overcharges apparently stems from the 2009-10 special assessment for those properties connected to the city's sanitary sewer system. To the best of the city's knowledge, it has not received any claims regarding the 2009-10 assessment or any other assessments the City levied the next year or the year after that.

If the City did inappropriately conduct an assessment for any of those years the applicable Statute of Limitations has run and the City would not have a legal obligation to reimburse same. Without a legal obligation, any reimbursement could be looked at as a gift of public funds.

In addition, because of the nature of the fund being an enterprise fund, as well as the limited amount of money in the fund, such a refund would require that the City seek immediate reimbursement from the customers they were providing the refund to in the form of a sewer service fee increase.

Thus, the city does not believe it is required refund any alleged overcharge related to its Sewer Funds nor does it believe it would be wise to do so.


Thus, city will take no action on this recommendation.



Gary Mock, Mayor

3-26-19
Date

ATTEST:



Laura Robison, Deputy City Clerk

3-26-19
Date



Provided by Grand Jury

CITY OF MCFARLAND and KERN COUNTY FIRE DEPARTMENT *“Should They Stay or Should They Go”*

PREFACE:

“Free Ride No More: County Starts Requiring McFarland to Pay for Fire Protection.” (The Bakersfield Californian August 15, 2017) So said the headline that explained the proverbial “line in the sand” regarding fire protection for the City of McFarland (McFarland). The article further states, *“...there are lingering tensions on both sides about the cost of that protection and things are likely to come to a head again in less than two years.”* The two-year mark has arrived. Negotiations between McFarland and Kern County are ongoing and decision time is here.

PURPOSE OF INQUIRY:

The 2017-2018 Kern County Grand Jury conducted an investigation into the general operations of McFarland. This investigation alluded to the current lack of a fire protection contract with the Kern County Fire Department (KCFD) and McFarland’s need to pursue funding that would eventually begin paying for fire service.

Pursuant to California Penal Code §925(a), the 2018-2019 Kern County Grand Jury (Grand Jury) conducted a follow-up inquiry into the contract negotiations between McFarland and KCFD.

PROCESS:

The Cities and Joint Powers Committee (Committee) visited McFarland on April 4, 2019 and conducted interviews with the City Manager and other City Officials. Interviews were also conducted with Kern County Officials on April 22 and 29, 2019, and May 8 and 14, 2019. The Committee read past Grand Jury Reports, researched the internet and reviewed newspaper articles.

BACKGROUND AND FACTS:

According to KCFD Officials, the last contract with McFarland ended in 1989 and there was no agreement until Fiscal Year End (FYE) 2017-2018.

McFarland and Kern County reached a proposed retroactive agreement for the period July 1, 2017 through June 30, 2019. This agreement required McFarland to pay \$50,000 in FYE 2017-2018 and \$100,000 in FYE 2018-2019.

- A. All cities in Kern County pay a Fire Fund tax, which is collected annually from property taxes. In FYE 2017-2018, the KCFD collected a Fire Fund fee of \$299,431 from McFarland. Additionally, cities are charged the difference between what is collected from the Fire Fund fee and the actual cost.
- B. McFarland requires more income to fund fire protection and is in the process of annexing land that is expected to produce additional sales and property tax revenues. McFarland's sources of income are:
 - Motor Vehicle License Fees In Lieu (VLF). The VLF is an annual fee on the depreciated purchase price of a registered vehicle in California, levied in lieu of taxing vehicles as personal property. The revenues are distributed to cities and counties
 - Property taxes
 - Sales taxes
- C. Approximately 10 years ago, McFarland ended their contract with the Kern County Sheriff's Department and started their own Police Department. At that time, McFarland still owed Kern County \$2,000,000. McFarland and Kern County entered into a contract whereby McFarland would repay Kern County \$250,000 per year over ten years, with the stipulation that the accrued interest of approximately \$413,000 would be returned to McFarland once all payments were made. McFarland will make their final payment this fiscal year and County Officials confirmed that McFarland would be refunded the interest paid.

FINDINGS:

- F1. It was projected the total cost of fire protection for FYE 2017-2018 and FYE 2018-2019 to be \$831,120. Based on McFarland's financial situation, the KCFD and McFarland negotiated a discounted payment plan. As previously stated, the payments for FYE 2017-2018, and FYE 2018-2019 were \$50,000 and \$100,000 respectively. According to County Officials, it was their intention for McFarland to pay the remaining \$681,120 to be amortized over ten years in payments of \$68,112. Due to an oversight in the contract, Kern County Officials did not "memorialize" this stipulation. To specify, the amortized annual payments were not written into the finalized agreement between McFarland and Kern County, dated August 15, 2017.
- F2. A follow-up letter dated October 10, 2017, was sent to McFarland outlining the discount amount of \$681,112 with a proposed ten-year amortization plan of \$68,112 per year. Because of the oversight in the contract, McFarland City Officials state they are not obligated to pay the remaining balance. (See Appendix A)
- F3. The Committee reviewed County Agreement #503-2017 for FYE 2017-2018 and FYE 2018-2019 and were unable to locate any reference that obligated McFarland to pay the remaining balance of \$681,120. In fact, the \$681,120 figure is not mentioned. The Committee also noted a mistake on page 5, Section 8, under BILLING and PAYMENT, which referred the reader to Section 7 as opposed to Section 6, which was the correct section.
- F4. On November 6, 2018, McFarland put forth a ballot initiative, Measure P, which would have imposed a 5% utility tax on households to help offset the cost of fire protection. The measure failed 59% - 41%.
- F5. In discussions with City Officials, McFarland faces a dilemma in the area of annexation. They need to annex business-zoned areas in order to acquire additional tax income but they cannot do this without fire protection and they cannot afford additional fire protection because they do not have enough income.
- F6. As of May 14, 2019, contract negotiations between McFarland and Kern County are still in process. As stated above, the current contract ends June 30, 2019. If no agreement is reached, Kern County Officials may close the fire station. In that event, stations from other cities would respond.
- F7. McFarland is considering creating its own Fire Department.
- F8. An overall review of McFarland's financial position was not completed due to outdated financial information provided on the website. A 2018-2019 hard

copy budget was provided to the Committee, however, as of May 7, 2019, a current year to date Budget Review has not been provided.

- F9. According to the California State Controller's Office website, cities must provide financial accounting within seven months of the previous fiscal year end (California Government Code §53891). As of May 7, 2019, the McFarland FYE June 30, 2018 financial audit had not been completed.
- F10. As of May 7, 2019, McFarland's website does not have the City Council Meeting minutes posted for the public's review. City Officials stated that the public may request copies.

COMMENTS:

The Grand Jury would like to thank the City of McFarland and Kern County Officials for their time, availability and assistance in this report.

RECOMMENDATIONS:

- R1. The Kern County Board of Supervisors should incorporate a more effective review process of KCFD contracts in order to search for errors and omissions. (Findings 1, 2 and 3)
- R2. In future negotiations with the City of McFarland, the Kern County Board of Supervisors should pursue efforts to recover the remaining \$681,120, of the FYE 2017-2018, FYE 2018-2019 contract. (Findings 1, 2 and 3)
- R3. In order to fund fire protection services, the City of McFarland should accelerate efforts to pass a utility tax by the next general election. This should include stepped up efforts to educate the residents via town hall meetings and community events. (Finding 4)
- R4. The City of McFarland should update and maintain their website to include City Council Meeting minutes, current budget and financial information. (Findings 8 and 9)

NOTES:

- The City of McFarland and the Kern County Fire Department should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at: www.kerncounty.com/grandjury.

- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website:
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BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**

Appendix A

Fire Department Headquarters
5642 Victor Street • Bakersfield, CA 93308 • www.kerncountyfire.org
Telephone 661-391-7000 • FAX 661-399-2915 • TTY Relay 800-735-2929



October 10, 2017

City of McFarland
401 West Kern Avenue
McFarland, CA. 93250

Re: Fire Protection Agreement

Dear

Enclosed is the fully executed agreement between the City of McFarland and the County of Kern for fire protection services and enforcement of State Fire Marshal regulations within the City of McFarland. This agreement became effective July 1, 2017 and will terminate on June 30, 2019 unless otherwise terminated by providing a written notice to terminate at least six (6) months in advance.

Please be advised that this two year agreement is intended to provide the City of McFarland with an Interim agreement for the continuation of fire protection services and allow your city sufficient time to identify and secure a sustainable revenue source that provides for full reimbursement of fire protection services.

The enclosed agreement also requires that the City of McFarland enter into a ten (10) year agreement with the County of Kern for fire protection service prior to the June 30, 2019 termination date of the interim agreement. Compensation due to the County during this ten (10) year agreement will be based upon the same methodology used by the County for all other incorporated cities. Also be advised that discounts being provided within the interim two (2) year agreement will be amortized over a ten (10) year period and included in the replacement agreement. Discounted costs have been calculated as follows:

	Allocated Cost	Contract Amount	Discount
FY 1718	\$411,242.	\$50,000.	\$361,242.
FY1819	\$419,878.	\$100,000.	<u>\$319,878.</u>
Total discount amount			\$681,120.
Ten year amortization			\$68,112.

Proudly Serving the Cities of Arvin, Bakersfield, Delano, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi, Wasco, and all Unincorporated Areas of Kern County

City of McFarland
Re: Fire Protection Agreement
October 10, 2017

Failure to secure a sustainable revenue source to fund County provided fire protection services will result in the closure of the County owned and operated fire station within the City of McFarland.

CITY OF TAFT



Photo provided by Grand Jury

PREFACE:

Although small in size and population, the City of Taft has made an indelible cultural mark on Kern County. Taft's oil legacy is well documented and dates back over 100 years. Several movies have been filmed in Taft, which include *Thelma & Louise*, *Attack of the 50 Foot Women* and *The Best of Times*. Additionally, the football rivalry between Taft Community College and Bakersfield Community College was huge. Taft's football program was cancelled 25 years ago, and they still lament its loss.

Today, Taft boasts a stable infrastructure, a committed City Council and solid leadership.

PURPOSE OF INQUIRY:

The Cities and Joint Powers Committee (Committee) of the 2018-2019 Kern County Grand Jury (Grand Jury) visited the City of Taft (City) on February 14, 2019, to inquire into the operations and management of the City pursuant to California Penal Code §925a.

PROCESS:

The Committee met with the City Manager, Director of Planning, Finance Director, Municipal Records/Grant Administrator and the Chief of Police. The meeting was held at City Hall located at 209 East Kern Street, Taft, CA 93268. In addition, the Committee researched information on the internet and reviewed public documents.

BACKGROUND:

Taft is located in the foothills approximately 30 miles southwest of Bakersfield. The City was originally called "Siding Number Two" by the Sunset Railroad in the early 1900s. The name Moron was also used to refer to Taft until a fire burned down much of the town. In 1909, the City's name was changed to Taft in honor of the 27th President of the United States.

Taft is situated in a major petroleum and natural gas production region in California. It is one of the few remaining towns in the United States which exist exclusively because of nearby oil reserves. In celebration of its oil heritage, Taft holds its "Oildorado" festival every five years. Oildorado began in 1930.

The City, which has experienced ups and downs due to the boom and bust cycles of the oil industry, has recently experienced new development and business growth:

- A three-story, 70-room Best Western Plus Taft Inn
- A craft brewery, Black Gold Brewing Company, in the historic downtown on Center Street
- The reopening of the historic Taft Fox Theater
- The opening of a new bar and grill called The Bank in the historic Taft State Bank Building
- A new Taco Bell restaurant
- Many more "mom and pop" small businesses

The City owns a 46-acre former Burlington Northern Santa Fe railroad property in the center of town featuring the West Kern Oil Worker's Monument; a 37 foot (11 m) world-class, all bronze, sculpture depicting several human figures displayed on an oil derrick by artist Benjamin Victor. The monument was paid for with donations from local residents, visitors and oil companies. The railroad property is part of a redevelopment project that the City is using to attract new businesses, housing and commercial office space.

FACTS:

- A. The City population is approximately 9,425, which includes 582 inmates at the Taft Modified Community Correctional Facility (MCCF).
- B. There are two prisons within the City limits, the MCCF and the Taft Federal Prison. In June 2018, the City renewed a five-year contract with the California Department of Corrections and Rehabilitation for the MCCF.
- C. For fiscal year 2018-2019, fire protection services were contracted with the Kern County Fire Department for \$556,470.
- D. For fiscal year 2018-2019, trash disposal was contracted with Westside Waste Management for \$347,980.
- E. The City's governing body is composed of five council members elected by city voters. The City Council meets twice a month. The agenda is posted on the City Hall bulletin board and the City website.

FINDINGS:

- F1. The City's approved budget for 2018-2019 is \$8.1 million.
- F2. The City has 129 full time and 21 part time employees:
 - Administrative Employees
 - 16 full time
 - 1 part time
 - Taft Police Department (TPD)
 - 15 sworn Peace Officers
 - 11 full time Support Staff
 - 1 part time Support Staff
 - MCCF
 - 52 full time Correction Officers
 - 20 part time Support Staff
 - Public Works Employees
 - 9 full time
 - 6 part time
 - Transit Employees
 - 5 full time
 - 2 part time
- F3. Crime increased 13% over the past three years. Larceny is the most common crime in the City followed by aggravated assault and stolen vehicles. Simple assault and burglary declined from last year.

- F4. The Taft City Council utilizes an “At Large” form of representation with no plans to change to a “District” format.
- F5. Taft Police Chief and City Officials strongly disagree with the recent federal study stating Taft is one of the fifty most dangerous cities in the country.
- F6. In 2018, the TPD incorporated the use of two drones that work in conjunction with Kern County Sheriff’s Department.
- F7. The main sources of income are from sales tax, followed by property taxes and state and federal grants.
- F8. In 2013, the City initiated the “Silent Second” mortgage assistance program, which assists first time homebuyers in purchasing a home by offering a second mortgage at zero percent interest. To date, 13 homes have been financed.
- F9. The City is in its first year of a three-year study to analyze retail strategies. The City hired a private consulting company at a cost of \$45,000 per year to assist in attracting new retail businesses.
- F10. In an effort at transparency, the City maintains a local TV channel to broadcast City Council meetings. The City contracted with a cable provider to enhance their transmission feed.
- F11. Few City Officials were familiar with the *Lean Six Sigma* program. After the Committee explained this cost saving program, the City Manager was open to participating.
- F12. The City benefits from an experienced leadership team:
- City Manager - 7 years; 21 years working for the City
 - Director of Planning and Development - 5 years
 - Assistant to the City Manager - 7 years
 - Chief of Police (previously retired from the Kern County Sheriff’s Department) - 11 months as Chief; 8 years with the TPD
 - City Clerk - 5 years
 - Finance Director - 15.5 years
- F13. The City has no plans to annex Ford City or the City of Maricopa because of the tremendous investment needed to update the infrastructure. Property tax revenues from these cities would not cover the infrastructure costs needed for additional City services.
- F14. The City’s financial statement has not been updated since June 2017.

- F15. The City organized the Community Planning Assistance Team (C-PAT), in association with America Planning Association, to conduct focus group and work sessions with downtown business owners to identify what it takes to operate a business in Taft.
- F16. The City recently completed a \$2.5 million public transit project. The Transit Center is available for rent and has become a popular venue for weddings and special events.



Photo provided by Grand Jury

COMMENTS:

The Grand Jury would like to thank the Taft City Manager and Staff for their information and cooperation.

RECOMMENDATIONS:

- R1. In order to avoid possible litigation, and bring about a more fair form of representation, the City should reconsider transitioning from an “At Large” to a “District” form of representation. (Finding 4)
- R2. City Officials should learn more about the cost saving program, *Lean Six Sigma*, and consider implementing it. (Finding 11)
- R3. The City’s Fiscal Year End (June 30, 2018) financial statement should be completed prior to June 30, 2019. (Finding 14)

NOTES:

- The City of Taft should post a copy of this report where it will be available for public review.
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BAKERSFIELD, CA 93301**

**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**



May 15, 2019

Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue, Suite 212
Bakersfield, CA 93301

Foreperson
Kern County Grand Jury
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

Re: City of Taft Response to 2018-2019 Grand Jury Report

This letter is a formal response to the findings and recommendations contained in the 2018-2019 Kern County Grand Jury Report on the operation and management of the City of Taft. The City agrees with findings 1-3 and 5-16.

FINDINGS:

F 4. Partially Agree. The City of Taft explores options for maximizing fair representation in its local elections on an ongoing basis. The City is reviewing the Grand Jury's Report and its recommendation, and will consider the potential benefits and drawbacks of the changes mentioned therein, as well as all other options for improving the local representation as the City continues to grow.

RECOMMENDATIONS:

R 1: The City agrees partially with the finding. The City of Taft explores options for maximizing fair representation in its local elections on an ongoing basis. The City is reviewing the Grand Jury's Report and its recommendation, and will consider the potential benefits and drawbacks of the changes mentioned therein, as well as all other options for improving the local representation as the City continues to grow.

R 2: The City agrees to evaluate the Lean Six Sigma Program for inclusion in our upcoming 2019/2020 training budget.

R 3: The City agrees. The financial statements have been recently completed, accepted by Council and are now posted on the website.

Thank you again for providing the Grand Jury's report to the City of Taft for review, we appreciate the opportunity to comment.

Sincerely,


Craig Jones
City Manager

CITY OF TEHACHAPI

“We Value Who We Are”

PREFACE:

The City of Tehachapi (Tehachapi) was last reviewed by the 2016-2017 Kern County Grand Jury. Since then, Tehachapi has upgraded many aspects of its infrastructure and transitioned to district based city representation.

Tehachapi prides itself in being fiscally responsible. City Officials state, “We try to run the city like a private business.” “We live within our means.” “We value who we are.”

PURPOSE OF INQUIRY:

The Cities and Joint Powers Committee (Committee) of the 2018-2019 Kern County Grand Jury (Grand Jury) conducted an inquiry into the operation and management of Tehachapi pursuant to California Penal Code §925(a).

PROCESS:

The Committee visited Tehachapi on November 27, 2018. The Committee met with the City Manager and several City Officials at Tehachapi City Hall, 115 South Robinson Street, Tehachapi, CA 93561. The Committee also read past Grand Jury reports, researched the internet and reviewed newspaper articles.

BACKGROUND:

Tehachapi sits at an elevation of 3,970 feet with a local area of 10 square miles and a population of approximately 14,414 (2010 census). In 1909 Tehachapi was incorporated, and in 1946, through an act of the State Legislature, the city was officially named Tehachapi.

When the name Tehachapi is mentioned many things come to mind; The Land of Four Seasons, the Tehachapi Loop, the State Prison, the original Southern Pacific Railroad Depot, and the GranFondo cycling race, to name a few. City Officials, however, would like Tehachapi to be known for being a well-run and well-managed city.

- A. Tehachapi employs 77 full-time and part-time employees.
- B. In 2016, the Tehachapi Police Department established its own Communication Center. As of November 2018, the Communication Center has received and dispatched over 11,000 calls for emergency and non-emergency service. The Communication Center also takes after hour Public Works calls.

- C. The Tehachapi Police Department is staffed with the following:
- Chief of Police
 - One Lieutenant
 - Three Sergeants
 - Thirteen Patrol Officers
 - Six Police Technicians/Dispatchers
 - One part-time Code Enforcement Officer
- D. Tehachapi operates “in the black” and City Officials expect to be debt free in two to five years.
- E. Tehachapi operates a Federal Passport Processing Center. As of November 2018, approximately 1,060 passports have been processed.
- F. Tehachapi maintains 10 city owned buildings.
- G. Tehachapi maintains the landscaping at nine parks and plazas.
- H. Tehachapi maintains approximately 100 vehicles including backhoes, dump trucks, street sweepers and lawn tractors.

FINDINGS:

- F1. In 2017, Tehachapi received a letter threatening legal action from a law firm claiming to represent minority groups that may have been disenfranchised and underrepresented per the California Voter Rights Act. Because of this, City Officials initiated the process of transitioning city representation from “at large” to “district based” representation.
- F2. On September 5, 2017, a public hearing was held and Tehachapi adopted a resolution outlining the city’s intent to transition to district based city representation.
- F3. Tehachapi held additional public hearings on September 18, October 9, October 12, and November 20, 2017. On December 4, 2017, Tehachapi adopted the Ordinance to Elect Council Member by Districts, which went into effect January 3, 2018.
- F4. The total cost to transition to district based representation was \$83,809 (not including staff time).
- F5. On November 6, 2018, three District City Council Members were elected. City Officials stated the districting transition will be completed by 2020.

- F6. The Tehachapi airport is in the process of several renovations funded by an initial FAA Grant of \$190,384 and city matching funds. City Officials will request additional funding as the project progresses. This project includes:
- The taxiway reconstruction and relocation, which will shift the taxiway location to meet new federal design standards. This will also include grading to enhance infield drainage and erosion control.
 - The Design Phase will begin in 2019. Phase 1 Construction is anticipated to begin in 2021. Phase 2 is anticipated to begin in 2022.
- F7. Tehachapi contracted with Verizon for a cellphone tower lease, which produces additional annual airport income of \$27,000.
- F8. Private development at the airport includes the current construction of two T-hangers and the possibility of the construction of a third T-hanger.
- F9. Tehachapi has developed an airport Hangar Use/Inspection Policy to insure compliance with FAA policies, and grant assurances, which state, "All hangars must be used for aeronautical purposes only." City Council adoption is pending.
- F10. In 2018, 156 new business licenses were issued by Tehachapi, bringing the total active business licenses to 1,060.
- F11. Construction projects underway or completed in 2018:
- Flying J Travel Center
 - Walmart
 - World Wind & Solar Headquarters
 - Kern County Library
 - Stray Leaves Wine Tasting Room
 - Industrial Parkway Improvements
- F12. City Officials are concerned about "retail leakage." This occurs when retail tax dollars leave Tehachapi when residents travel to shop in other cities.
- F13. To combat retail leakage, City Officials attended the International Council of Shopping Centers Conference (ICSC) in Las Vegas and the ICSC Los Angeles Deal Making Conference and met with potential corporate partners and local developers.
- F14. City Officials explained that Tehachapi has an official "city boundary" and an "urban growth boundary." To be considered for annexation, an entity must be located within the urban growth boundary.

F15. Completed capital improvements and upgrades as of year-end 2018:

- Challenger Drive Extension Project
- Tehachapi Boulevard Rehabilitation Project Phase II
- Freedom Plaza & Visitor Center Project
- Snyder Well Intertie Project
- Pinon & Curry Street Safe Routes to School Project
- Curry Street & Valley Boulevard Cross-gutter Removal Project
- Tehachapi Boulevard Improvements Project Phase III
- Tehachapi Boulevard Rehabilitation Project Phase III
- Highway Safety Improvement Program-East Tehachapi Traffic Improvements Project
- Valley Boulevard Bikeway Facilities Project Phase II
- Safe Route to Schools Closure Project
- Tucker Road Rehabilitation Project
- Surface Seal of Various Roads Projects
- Northside Neighborhood Sidewalk Project
- Tehachapi Boulevard Bike Path Project
- Updated Tehachapi website
- A new computer server was implemented with two backup systems placed in different locations around the city and one system located out of state
- Security cameras with video monitoring were installed in city buildings, the airport and the police department
- All Departments have been supplied with new iPads and laptops

F16. In November 2018, Adventist Health opened a new 72,000 square foot hospital, which includes 20 Med-Surge beds, 13 ER beds and a helipad.

F17. City Officials stated that between 2016 and 2017 Tehachapi had a 34% reduction in crime, however, as of November 2018, crime was up 22%. City Officials state this is probably due to the California voters passing Prop 47 and Prop 57. Prop 47 re-categorized some non-violent offenses to misdemeanors rather than felonies. Prop 57 allows parole considerations for non-violent offenders, reclassified sentencing laws for minors and authorizes sentencing credits for rehabilitation, good behavior and education.

City Officials reported the following crime information:

- | | |
|--------------------------------|--------|
| • Calls for service | 11,136 |
| • Officer initiated incidents | 6,938 |
| • Criminal vehicular accidents | 52 |
| • Felonies | 567 |
| • Misdemeanors | 1,058 |

COMMENTS:

The 2018-2019 Kern County Grand Jury would like to thank the City of Tehachapi for their courtesy and cooperation.

RECOMMENDATIONS:

- R1. City Officials should continue to look into additional ways to curb rising crime.
(Finding 17)

NOTES:

- The City of Tehachapi should post a copy of this report where it will be available for public review.
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The Honorable Judith K. Dulcich, Presiding Judge
Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue, Suite 212
Bakersfield, CA 93301

Cc: Kern County Grand Jury
Foreperson
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

Dear Honorable Judge Dulcich,

Please accept this letter as the City of Tehachapi's official response to the 2017-18 Kern County Grand Jury Final Report in compliance with Penal Code §933.

The City of Tehachapi wholly agrees with findings F1-F21 included in the report and is of the opinion no further action is required by either party.

The Kern County Grand Jury's lone recommendation in the City of Tehachapi Final Report was "City officials should continue to look into additional ways to curb rising crime." We are well underway with crime prevention projects and policing efforts, including the recently-launched 'Tehachapi Neighborhood Improvement Project.' This community-policing initiative focuses on a neighborhood and surveys residents for law enforcement concerns, additional patrols, health and safety and code compliance.

We also enlisted local faith-based organizations, hosted two neighborhood cleanup days in the target neighborhood and contacted residents about discarding bulky items that contributed to blight. The City is happy to report that we collected nearly 20 tons of waste during the two events and made contact with several neighbors to strengthen the relationships with law enforcement. We are moving on to the next phase of that project as the neighborhood has already benefitted from the improvements.

In addition, the City partnered with Ring video doorbells to offer a subsidy program for City residents. This program called for a \$50 contribution from the City and \$50 contribution

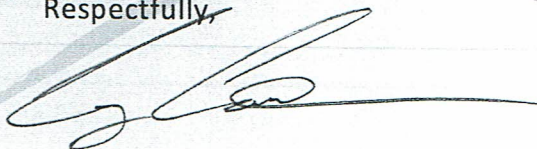
from Ring totaling \$100 off Ring products. All 100 rebates offered were claimed quickly and the doorbells were put into service. This is an additional law enforcement tool we believe will deter crime and offer the police department another potential source of evidence in their investigations. We are looking into expanding this partnership with Ring to offer another series of rebates this fall.

In order to attract new officers and retain quality law enforcement professionals within our growing police department, the City of Tehachapi and the Tehachapi Police Officers Association agreed in June to an unprecedented five-year labor agreement. As part of the agreement, officers received a 3.6% cost of living adjustment on their base salary, in addition, the City removed 10 steps of their salary schedule, which moved the Tehachapi Police starting salary range to fourth-highest among neighboring law enforcement agencies including the Los Angeles County Sheriff's Department. This also allows for quicker merit increases and the ability for an officer or senior officer to top out at their pay scale faster.

While City officials can certainly do our part, it should be noted that State laws such as Proposition 47 decriminalizing many behaviors have resulted in increased criminal activity. Many making contact with law enforcement in Tehachapi are repeat offenders that are quickly turned back to society without getting the previously court-mandated treatment for drug abuse as the threat of prison time is no longer an option. The burden to "look into additional ways to curb rising crime" cannot be solely placed on local governments in grand jury findings when in fact the State has helped create this issue and has not provided any local solutions to this matter.

We thank the Kern County Grand Jury for the time that went into this report and we look forward to our joint efforts to benefit the City of Tehachapi moving forward.

Respectfully,

A handwritten signature in black ink, appearing to read 'Corey Costelloe', written over a faint blue mountain range graphic.

Corey Costelloe
Assistant to The City Manager
City of Tehachapi

City of Wasco

“City Government Under Construction”



Photo provided by Grand Jury

PREFACE:

The City of Wasco (Wasco) was known for many years as the “Rose Capital” based on the number of rose growers in the area. The decrease in number of growers in the rose industry due to valley water shortages is one challenge Wasco faces. Over the past few years, Wasco has also faced frequent turnovers in key leadership positions within city government. The frequent turnover presents a challenge to Wasco’s ability to maintain continuity in order to achieve long-term goals. Another issue Wasco faces is the water quality and the ability to meet State Water Resources Control Board Division of Drinking Water standards. However, the newly appointed officials are young and ambitious with innovative ideas and are committed to the economic development and urban growth of their city.

PURPOSE OF INQUIRY:

The Cities and Joint Powers Committee (Committee) of the 2018-2019 Kern County Grand Jury (Grand Jury) inquired into the operation and management of the city, pursuant to California Penal Code §925(a).

PROCESS:

The Committee toured Wasco and met with City Officials on January 29, 2019 and February 28, 2019. The meetings were held at City Hall, located at 746 8th Street, Wasco, California 93280. The Committee also reviewed past Grand Jury reports, researched the internet and reviewed published information regarding Wasco.

BACKGROUND:

The history of Wasco dates back to 1897, when the Santa Fe Railroad laid tracks through the area. The town of Wasco was originally named “Dewey” and then “Deweyville.” When William Bonham, a settler from Wasco County in Oregon, determined there was a town already named “Deweyville”, he proposed the area be renamed “Wasco” and in 1900, the Post Office recorded the town name of Wasco.

Agriculture has traditionally been Wasco’s primary economic base. In 1916, Long White Potatoes, destined to be the root of Wasco’s economy were planted. Cotton was introduced to the area in 1918. Roses became a trademark of the city in the 1960s, as is evidenced by a prominent rose in Wasco’s logo.

- A. Wasco’s population is approximately 28,000, which includes Wasco State Prison inmates.
- B. Fire protection services are contracted with the Kern County Fire Department for approximately \$500,000 per year. The Kern County Sheriff’s Department provides police protection at approximately \$3.5 million per year. The Kern County Sheriff’s Department is staffed with:
 - One Sergeant
 - Two Senior Deputies
 - 15 Deputies
- C. Water from the Friant-Kern Canal is used to cultivate roses, alfalfa, cotton, potatoes, grapes, sweet potatoes, melons, almonds, pistachios and cherries.
- D. On October 3, 2017, the Wasco City Council (Council) adopted a resolution outlining the city’s intent to transition from an at-large council system to one that is district-based. The Council selects one of five members to serve as Mayor and employs a City Manager to conduct the day-to-day business.
- E. Wasco’s Public Works Department is responsible for:
 - Refuse collection
 - Street, alley, and sidewalk maintenance
 - Water billing and service
 - Operation of the wastewater treatment facility
 - Overseeing engineering functions
 - Animal Control
 - Graffiti Removal Program
- F. The Planning Department is responsible for Code Enforcement.

- G. Previously, the Wasco Labor Camp provided living accommodations for low income families who are employed by growers or farmers in the area. Multiple generations have lived in the Camp for up to thirty years. This facility has been replaced by a new 226 unit, low income housing facility (Rosaleda Village). This housing facility contains one, two, and three bedroom units and was funded by High Speed Rail Project, U.S. Department of Agriculture and California Department of Housing and Community Development.



ROSALEDA VILLAGE

Photo provided by Grand Jury

FINDINGS:

- F1. Wasco employs 65 full time and 4 part time employees.
- F2. The City Manager is responsible for the Public Works Department, Finance Department and Community Development. The City Manager also oversees Law Enforcement, contracted with Kern County Sheriff's Department and the Fire Department, contracted with Kern County Fire Department.
- F3. In the past ten years Wasco has had six City Managers, four Finance Directors, three Public Works Directors and two Planning Directors.
- F4. Wasco City Officials lack continuity and depth due to high turnover. Of the six officials present at the January 29, 2019 interview, two held interim positions. Five out of six officials have been in their position for six months or less.
- F5. In July 2017, the State Water Board's Division of Drinking Water set the standard for 1,2,3-TCP (Trichloropropane) at 5 parts per trillion (ppt). The drinking water standard, also known as a maximum contaminant level, is a

set limit on what's an allowable concentration of this contaminant in tap water. (See Appendix A)

Wasco has five wells affected by this new ruling and City Officials are currently in the process of addressing this situation, i.e. projected costs, engineering options and time constraints:

- City Officials project the cost to exceed \$9 million.
- The State Water Board has set the deadline of April 2021 for all water districts to comply.
- Wasco City Officials consider this issue their top priority and there is an urgency to comply with the state mandate.

- F6. On June 18, 2018, the previous City Officials submitted a corrective action plan to comply with the state water mandate. Based on this plan's schedule of events, corrective milestones have not been met.

On February 19, 2019, the current City Manager (hired October 2018) and the Acting Public Works Director (promoted to this position in December 2018), submitted a summary of the corrective action plan to the City Council. This plan presented what had transpired to date and a road map of what needs to be done to meet the deadlines addressed in the corrective plan of action.

The City Manager also presented two options to the City Council; i.e. a large centralized facility, which would service the entire city, or a treatment site next to each well. The corrective action plan is available to be reviewed at Wasco City Hall upon request.

- F7. Water contamination has been an issue in the California Central Valley since the early 2000s. In 2014, as a result of a lawsuit, Wasco received a settlement of \$8,000,000 from Dow Chemical Company and Shell Oil Company. City Officials stated, "Money received from TCP-1,2,3 settlement were deposited into the City's funds but without earmark or other designation specifying where or how the funds were to be used, the funds would have been comingled with all other city funds."

- F8. Wasco's 2018/2019 budget projections:

- Total revenues of \$38.8 million
- Total expenditures and capital of \$37.9 million
- General Fund appropriations \$10.5 million
- The mid-year budget dated December 31, 2018 reflected General Fund Appropriations of \$10.4 million vs. the budget of \$10.5 million
- General Fund expenditures of December 31, 2018 are \$10.5 million vs. budget amount of \$10.46 million
- The mid-year budget report was presented by the Interim Finance Director

- F9. According to the California State Controller's Office website, cities must provide financial accounting to their office within seven months of the previous fiscal year end (California Government Code §53891). As of this report, Wasco has not produced the June 30, 2018 fiscal year end report, which was due January 2019.
- F10. In 2016 Wasco voters passed Measure X, a 1% sales tax increase which was expected to bring in \$1.4 million in new revenues. Measure X requires the City Council appoint an oversight committee. City Officials stated, "The Measure X Board has been established and meets on a quarterly basis."
- F11. State initiative SB-1, the Road Repair and Accountability Act of 2017, is projected to add \$500,000 to the street maintenance budget.
- F12. A solar installation at the wastewater plant is anticipated to create a substantial cost savings through reduced electrical costs for the next 20 years. City Officials state the payback on this installation will be between three to five years with a guaranteed performance.
- F13. Wasco's largest employers:
- Sun World 450 employees
 - Sunny Gem 300 employees
 - Weeks Roses 300 employees
 - Wal-Mart 140 employees
 - South Valley Farms 130 employees
 - Precision Hay 45 employees
 - Certis USA 44 employees
- F14. Within the past two years, two major stores, K-Mart and Save Mart, have closed. However, a new grocery store has opened in the Save Mart location and the K-Mart building is partially used for a commercial business.
- F15. In 2017 a Wal-Mart super store opened which has resulted in a 75% decrease in local retail sales leakage.
- F16. Panda Express is in negotiations to open a store in 2019 in the Walmart shopping center. In 2018 Starbucks opened on Hwy 46 near Palm Ave.
- F17. The last Wasco Rose Festival was held in 2016. In 2017 a local business committee was formed to create the new "Fall Harvest Festival".
- F18. Medical facilities include recently opened DaVita Dialysis, Omni Family Health Centers and Vanguard Medical Corporation and are also served by the nearby Delano Regional Medical Center.

- F19. The James Forrest Elementary School is currently under construction. Once completed, the city will have four elementary schools, two middle schools, one high school and one continuation school.
- F20. There are six solar powered surveillance cameras throughout the city and can be relocated to different areas.
- F21. The city's computer programs and hardware are updated on a regular basis. The city has connected fiber optics to their servers in order to increase the speed of data transfers. Outdated computers are scheduled for replacement.
- F22. On February 25, 2019, a review of Wasco's website revealed that the City Council Agenda and Minutes had not been updated since October 2018. In addition, the Finance Department has not updated financial statement information. Furthermore, the Community Development Department's last meeting minutes were for October 2017.
- F23. The Safe Sidewalk Vending Act (SB946) went into effect on January 1, 2019. Under SB946 sidewalk vendors may not be prohibited, although local authorities will be able to establish regulations on sidewalk vendors to protect valid health, safety and welfare concerns. Wasco City Officials are anticipating this may negatively affect Wasco due to public health concerns, loss of sales tax revenue and retail business to "brick and mortar" stores:
- On January 22, 2019, Wasco City Officials passed Ordinance #19-700 to regulate street vendors.

COMMENTS:

The Committee wishes to thank the Staff of the City of Wasco for their information and willingness to assist with this report.

RECOMMENDATIONS:

- R1. The Grand Jury recommends that the City Council commission an independent study to determine why there is such a high turnover in Wasco's executive leadership positions. This study should determine the reasons people leave, the key factors and changes necessary to retain them. (Findings 2 and 3)

- R2. The Grand Jury recommends Wasco hire a consultant familiar with the central valley water issues to advise and provide accountability in the form of a quarterly report to City Officials in order to meet the state mandated guidelines and deadlines. (Findings 5, 6 and 7)
- R3. The Grand Jury recommends City Officials complete a fiscal year-end financial statement in accordance with the required financial reporting deadline set by the State Controller's Office. (Finding 9)
- R4. The Grand Jury recommends City Officials update and maintain their website. (Finding 22)

NOTES:

- The City of Wasco should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at: www.kerncounty.com/grandjury.
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: www.kerncounty.com/grandjury.

RESPONSE REQUIRED WITHIN 90 DAYS TO:

**PRESIDING JUDGE
KERN COUNTY SUPERIOR COURT
1415 TRUXTUN AVENUE, SUITE 212
BAKERSFIELD, CA 93301**

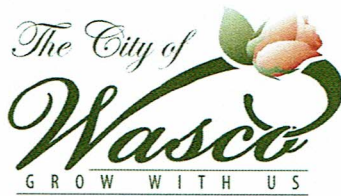
**CC: FOREPERSON
KERN COUNTY GRAND JURY
1415 TRUXTUN AVENUE, SUITE 600
BAKERSFIELD, CA 93301**

Appendix A:

Based on 2015 data, the Division of Drinking Water has estimated that 103 water systems serving approximately 920,000 Californians have detected 1,2,3-TCP above 5 ppt in at least one drinking water source. Communities in several counties within the Central Valley are particularly impacted due to their reliance on groundwater and past use of pesticides containing 1,2,3-TCP in many agricultural areas.

The regulation will require that more than 4,000 public water systems statewide begin quarterly sampling for 1,2,3-TCP in their drinking water sources in January 2018. Systems will be in or out of compliance with the new drinking water standard based on the average of four quarters of sampling.

The State Water Board will assist water systems in violation of the 1,2,3-TCP standard reach compliance by offering technical help. In some instances for certain communities, funding assistance might be available through the State Water Board's regular financial assistance programs.



June 18, 2019

Presiding Judge
Kern County Superior Court
1415 Truxtun Avenue, Suite 212
Bakersfield, CA 93301

Foreperson
Kern County Grand Jury
1415 Truxtun Avenue, Suite 600
Bakersfield, CA 93301

RE: City of Wasco Response to Cities and Joint Powers Committee Report Released on April 10, 2019

The City of Wasco is in receipt of the Kern County Grand Jury Report released on April 10, 2019. On April 16, 2019 the City Council reviewed the facts and recommendations and authorized the City Manager to respond.

Response to Findings:

The City of Wasco concurs with the grand jury's findings (1 through 23).

Response to Recommendations:

Recommendation 1

"R1. The Grand Jury recommends that the City Council commission an independent study to determine why there is such a high turnover in Wasco's executive leadership positions. This study should determine the reasons people leave, the key factors and changes necessary to retain them. (Findings 2 and 3)"

The City of Wasco recognizes that it has experienced high turnover in its executive leadership positions, however, Wasco is not unique to this challenge. The City Manager serves at the pleasure of the City Council, similar to other communities that operate a council-manager form of government. The City Manager appoints four department directors (finance, planning, public works, and deputy public works). These director positions are at-will and are employed under employment agreements approved by the City Council.

The issue of turnover affects municipalities across the country. There are many factors that influence reasons for turnover in senior and executive level positions in city government. A 2008 study titled "Turnover among City Managers: The Role of Political and Economic Change" published by the American Society for Public Administration in its' Public Administration Review notes that city managers play increasingly complex and interrelated roles in both the substance and the process of city governance. A city manager's tenure and that of other executive staff may be linked to organizational or community challenges, political pressures, or simply personal decisions.

While the City has had a high turnover in key positions. It is difficult to fully understand the reasons why such a high turnover exists especially when these positions are employed at-will. Some vacancies occur for personal reasons such as relocating to a different part of the state. Others may be compensation packages that may be higher in the private sector. In some cases, the reasons for an employee's department may be purely a personnel matter.

The City believes resources that would be spent on an independent study to analyze the cause could be utilized to invest in professional and organizational development. In this manner it would provide a greater benefit to the City and the community. The current executive leadership team understands the current organizational and community challenges and are working to identify opportunities for professional development for staff across the board and opportunities that can improve the quality of life of our residents by enhancing the delivery of municipal services. The preface of the report identified that "the newly appointed officials are young and ambitious with innovative ideas and are committed to the economic development and urban growth of their city." The City's new executive leadership team needs to be given time to foster changes and implement practices and programs that would positively affect the organization and the community.

Recommendation 2

"R2. The Grand Jury recommends Wasco hire a consultant familiar with the central valley water issues to advise and provide accountability in the form of a quarterly report to City Officials in order to meet the state-mandated guidelines and deadlines. (Findings 5, 6 and 7)."

The City had been working on such a plan and has retained an engineering firm to perform a feasibility study. The feasibility study will review the options available for the city to meet the state's water quality requirements. The City has also been in contact with the state regarding the deadlines and will be submitted an updated plan based on the outcome and recommendation of the feasibility study.

Recommendation 3

R3. The Grand Jury recommends City Officials complete a fiscal year-end financial statement in accordance with the required financial reporting deadline set by the State Controller's Office. (Finding 9)

City staff has been diligently working on finalizing the fiscal year-end financial statement. The delay in completing the statement is attributed to multiple factors including the vacancy in the finance director, hiring of an interim director through MuniTemps, scheduling of fieldwork, and the auditor's commitments during the tax season. The fiscal year-end financial statement is nearly complete and expected to be presented to the City Council.

Recommendation 4

"R4. The Grand Jury recommends City Officials update and maintains their website. (Finding 22)."

The City of Wasco had recognized the challenges with its current website. Staff has been evaluating options for redesigning and ongoing maintenance of a new website. Additionally, a new position has been proposed in the 2019-2020 fiscal year that would be responsible for communications and marketing efforts of the City. The position would be technically oriented and responsible for the website development and marketing content.

The City of Wasco would like to thank the members of the Grand Jury and for providing the report. We appreciate the opportunity to comment.

Sincerely,


Daniel Ortiz-Hernandez
City Manager