

# CITIES AND JOINT POWERS COMMITTEE



Robert Carlson

Brad Aguilu

Dwayne Ardis (Chairperson)

## 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

## SUMMARY OF ACTIVITIES

### Reports Written And Published:

- City of Shafter
- City of Ridgecrest
- City of California City Purchasing Procedure (*website only*)

### Committee Activities:

- Kern County Sheriff's Office Central Receiving Facility
- Kern County Grand Jury Awareness Month participation
- Kern County Toys for Jamison Center participation
- Kern County Home and Garden Show participation
- Kern County Board of Supervisors Meetings
- Three Kern County District Attorney Indictments
- Shafter City Council Meeting
- Kern County Sheriff's Crime Lab
- Kern County Emergency Operations
- Ridgecrest, California City, McFarland, and Bakersfield City Hall Meetings
- Bakersfield City Red Light Cameras Follow Up

### Complaints:

- Complaints processed - 17

# **CALIFORNIA CITY PURCHASING PROCEDURE**

*“If everyone is moving forward together, then success takes care of itself”*

*Henry Ford*

## **SUMMARY:**

It is well documented that the relationship between the City of California City (City), City Council (Council) and various City Departments is dysfunctional. Mistrust and inefficiency has created an atmosphere where the City is not moving forward and officials are not working together.

In 2013, ordinances were passed establishing policies and procedures for purchasing supplies, equipment, and services. One policy was designed to encourage local businesses to compete for City contracting opportunities within City operations.

In light of Henry Ford’s admonition, is *everyone moving forward together*? Have these ordinances been properly followed and has the City benefited from them?

## **PURPOSE OF INQUIRY:**

The Cities and Joint Powers Committee (Committee) of the 2019-2020 Kern County Grand Jury (Grand Jury) received Complaints from citizens about the purchasing practices of the City. Pursuant to California Penal Code section 925(a), the Grand Jury inquired into these Complaints.

## **METHODOLOGY:**

The Committee visited the City numerous times to inquire into and investigate the operations and management of the City. The Committee also utilized online research, which included City Council agendas and minutes, City Municipal Code, and State Public Contract Code.

The Committee subpoenaed documentation that support the statements pertaining to purchasing supplies, equipment, and services by the City.

There were over a dozen individual interviews with different levels of City employees and management. These interviews were conducted over a period of five months, beginning October 2019.

## **DISCUSSION OF FACTS:**

The City of California City was the dream of a land developer in the late 1960s. He bought 82,000 acres of open land near the community of Mojave in eastern Kern County, 65 miles southwest of the Death Valley National Park in the Mojave Desert.

The dream was to build a master-planned city that could compete on a scale with Los Angeles offering land for housing and industry with ample room to grow.

A total of 204 square miles makes the City the third largest, by area, in California. The City has over 54,000 parcels with marked roads, most available with water and sewer. The population is approximately 14,120 per 2010 US Census.

The City has an operational budget of \$3.52 million and 111 employees. Departments have operating budgets ranging from \$55,000 to \$2,724,000 per year.

Much of the City's workforce travels to Edwards Air Force Base, located south of the City. Other major sources of employment include: California City Correctional Center, a California Department of Corrections and Rehabilitation State Prison; Mojave Air and Space Port and its flight test operations; the Hyundai/Kia Proving Grounds, located in the rural southwestern part of the City; and, the Rio Tinto Mining Company near Boron.

## **GENERAL:**

The City elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA), Public Contract Code section 22000 et seq. As a result, the City is able to use an informal bidding process for public project contracts up to \$175,000. This would increase the efficiency of procedures and save the City a substantial amount of time and effort in processing public project bids if they complied with all the requirements of the UPCCAA.

The City established two ordinances set forth in California Public Contract Code sections 20160-20175, requiring that the award of contracts for public projects over \$5,000 be subject to a formal bidding process:

### **A. PURCHASES OF SUPPLIES, EQUIPMENT AND SERVICES**

City Ordinance No. 13-717, April 25, 2013, is the backbone of California City's purchasing and procurement program for supplies, equipment, and services.

Key points of the ordinance are:

- The City elected to become subject to the UPCCAA allowing the City to have public projects under \$45,000, be performed by City staff, negotiated contract or by purchase order
- The City is to keep a list of contractors, identified according to categories of work, maintained in accordance with Public Contract Code section 22034
- The City is to follow the bidding guideline ordinance sections as outlined in 3-3.109, 3-3.110, and 3-3.111
- The City has a centralized purchasing system within the administrative service function of the City
- The City Manager is the purchasing agent and may appoint a designee in writing to administer the purchasing system. All purchases and contracts greater than \$1,000 must be approved by the City Council

- B. City Ordinance No. 13-718, May 21, 2013, known as the Local Business Preference Program (Program) was designed to encourage local businesses to compete for City contracting opportunities. Key points of the ordinance are:
- This ordinance does not apply to contracts involving state or federal grant funds where the grants of preferences is prohibited
  - Local business preferences shall not be granted on a sole source contract
  - The City must maintain the required documentation on file to remain in legal compliance as written
  - To be considered as a qualified local business, the contractor must have a City business license, submit proof of local occupancy within the City limits by proof of a lease, deed or other documentation satisfactory to the City, and been in business a minimum of three months
  - The contractor must certify that it has met all of the City's requirements before submitting a bid. The City shall not be required to verify the accuracy of the contractors certifications or supporting documentation
  - Status of a local business must be reestablished for each new contract
  - When applying the Program to a bid or proposal, the awarding authority shall reduce the total price of the bid or proposal by the qualifying contractor by five percent (5%) with the maximum reduction of fifty thousand dollars (\$50,000). The resulting amount shall be deemed the amount bid by the contractor for the sole purpose of evaluating the lowest bidder. If the contractor is ultimately awarded the contract, the contract price shall in all events be the **original amount bid** by the contractor, not taking into account any Program granted

## **MUNICIPAL ACCOUNTING:**

The City has been using Caselle software system for the past 12 years at a monthly cost of \$2,112. This system is capable of performing and storing all functions of City government including:

- Financial:
  - Accounts Payable
  - Accounts Receivable
  - Purchasing and Requisitions
  - Material Management
- Utility Management:
  - Utility Direct Pay
  - Maintenance Work Orders
  - Service Orders
- Project Management:
  - Job Order Types
  - Project Estimation
  - Project Authorization
  - Permitting



- Sewer 7 cards
- Dial-a-Ride 8 cards
- Streets and Roads 13 cards
- Golf Course 2 cards
- Airport 5 cards
- Water 35 cards
- Parks 2 cards
- Administration 5 cards
- Contra 2 cards

It was indicated by City staff that each RSI card is supposed to be assigned to a specific vehicle, not assigned to individuals. The City has a staff of approximately 111 employees.

### **CITY COUNCIL:**

The Grand Jury followed up on the findings from previous Grand Jury reports that found City Council members were trying to be involved in the day-to-day business of running the City, in direct violation of the City Municipal Code.

During interviews with several City employees, they stated their concerns about working conditions. They allege they have been harassed by City Council members at work and threatened with termination; that they were not doing their job and lying about their work.

**ORDINANCE NO. 14-725, AN ORDINANCE OF THE CITY COUNCIL OF CALIFORNIA CITY, CALIFORNIA CITY MUNICIPAL CODE dated October 21, 2014:**

- Sec. 2-1.101. - General:
  - The Council is responsible for establishing the policies of the City and ensuring the policies are implemented
- Sec. 2-1.102. - Council Relationship with Management:
  - Except as otherwise provided by this Code, the Mayor and individual Council members shall deal with the administrative services of the City only through the City Manager. Except for the purposes of inquiry, the Mayor and individual Council members shall not give orders or instructions to any subordinate of the City Manager. The City Manager shall take orders and instructions from the Council only when sitting in a duly held meeting of the Council. Neither the Mayor nor any individual Council member shall separately give any orders or instructions to the City Manager, except for the purposes of inquiry

As required by Assembly Bill 1234 (AB1234), dated October 7, 2005, all City Council members are required to take ethics training and refresher training every two years. City staff indicated that the City Council has not met the required training.

## **FINDINGS:**

- F1. The 2017-2018 Grand Jury report referenced the interference of City Council in the daily operations of the City. This practice appears to be a continuing problem in violation of City Ordinance No. 14-725 and AB1234.
- F2. There is a culture of mistrust and animosity between the City Council and Department employees. There is a general lack of trust between the general public and City Departments. The City Council's failure to complete required ethics training fuels ongoing trust issues with residents.
- F3. The City underutilizes the Caselle software system. Using more areas of the system would tie the functionality of multiple areas of the City and reduce costs and man-hours by integrating more areas.
- F4. Department heads are unaware of their operating and maintenance budgets, and their creation. The lack of understanding of current policies and procedures regarding purchases and bids leaves the City open to waste of funds.
- F5. Currently, bids for supplies and services are being requested directly from vendors by Departments and returned to the requesting Department, violating City Ordinances. Presently no Department has been given written authorization to make purchases other than the Purchasing Agent. Bids avoiding the Purchasing Agent and opened by the Department rather than delivered sealed to the City Clerk, completely circumvents any oversight outlined by the City Ordinance.
- F6. The practice of Departments using bank credit cards to bypass the purchase order process that exceeds the \$100 purchase limit is common practice. This is a violation of City Policy. This after cardholders acknowledged and signed the City Cardholder Agreement.
- F7. The City Manager is overwhelmed with the duties as the Purchasing Agent in addition to the City's day-to-day operations. This is putting a strain on all areas of City operations.
- F8. The City is not keeping a list of local contractors and records as required by City Ordinance No. 13-718, to facilitate inviting bids and to award Public Projects. Because of this, local businesses have no incentive to bid on public projects. As a result, the Local Business Preference Program for bids or proposals is no longer needed or relevant.
- F9. With no one in charge of the fuel card account, unnecessary cards are in circulation, possibly resulting in fraud, waste, and abuse of City funds.



## **COMMENTS:**

The Committee thanks City Officials and Staff for their cooperation in providing information used in this report. The City continues to be divided on many functional areas of City business. There is a temptation in some Departments to circumvent the system, which might be due to high turnover, lack of training, clear guidelines, and policies and procedures.

## **RECOMMENDATIONS:**

- R1. The City should fully implement the Caselle software system to integrate the areas of purchasing, accounts payable, accounts receivable, financial, payroll and permitting for all Departments. (Finding 3)
- R2. Provide training to all Department heads regarding their budgets and purchasing procedures, ensuring that all written and approved procedures are followed. (Finding 4)
- R3. Develop a plan to promote a strong and positive working environment between departments, improve strained relationships and trust between City Departments and the City Council. Take actions to encourage stronger relationships between the general public and the City. (Findings 1 and 2)
- R4. Update current Policies and Procedures for credit card use, to include ethics training. Continue to improve the control of credit card issuance and usage of credit cards by assigned cardholders. (Finding 6)
- R5. The City Manager should appoint a Purchasing Agent position assigned to the Finance Department, as allowed by Municipal Code section 3.3.104(a). Increase spending limits from \$1,000 to \$5,000 for the Purchasing Agent, allowing more flexibility to make purchases without City Council approval. Increase spending limits for Department heads without Purchasing Agent approval from \$100 to \$500. This should reflect the current market value of goods and services. This would give the City Manager time to focus on the City's daily operations. (Finding 7)
- R6. Develop policies and procedures for fuel card usage with a detailed tracking system for City vehicles, preventing the unnecessary drain of City assets. Establish a central position for handling the RSI fuel account, and reconcile the current fuel credit cards to eliminate unnecessary cards. (Finding 9)
- R7. Comply with all Municipal Codes for the posting, receiving, and processing of bids. When bids are received, they are to remain sealed and go directly to the City Clerk and not department heads, as per City Ordinance Municipal Code section 3-3.110(a). (Finding 5)

- R8. All public projects need to be awarded as provided in the UPCCAA. Maintain a list of contractors as outlined in Public Contract Code section 22034. Eliminate the Preferred Local Business Ordinance Municipal Code section 3.302. (Finding 8)
- R9. The City Council is to cease and desist violation of the Municipal Code and AB1234 whereby the City Council cannot interfere with day-to-day City operations. (Findings 1 and 2)

## **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: [kerncounty.com/grandjury](http://kerncounty.com/grandjury)
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: [kerncounty.com/grandjury](http://kerncounty.com/grandjury)

**REQUIRED RESPONSES WITHIN 90 DAYS TO:**

**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**

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

**APPENDIX A**

Attachment "A"

**CITY OF CALIFORNIA CITY CARDHOLDER AGREEMENT**

I, \_\_\_\_\_, hereby acknowledge receipt of the following credit card:

\_\_\_\_\_/\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_-\_\_\_\_\_  
(type of credit card) (credit card number)

I understand the improper use of this card may result in disciplinary action, as outlined in the City of California City Credit Card use Policy, as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement, including the attached Credit Card Policies and Procedures agreement.

I acknowledge receipt of said Agreement and Policies/Procedures and confirm that I have read and understand the terms and conditions. I understand that by using this card, I will be making financial commitments on behalf of the City of California City and that the City of California City will be liable to U.S. Bank for all charges made on this card.

I will strive to obtain the best value for the City of California City when purchasing merchandise and/or services with this card.

As a holder of this City of California City card, I agree to accept the responsibility and accountability for the protection and proper use of the card, as enumerated above. I will return the card to the Finance Director, upon demand, during the period of my employment. I further agree to return the card upon termination of employment. I understand that the card is not to be used for personal purchases. If the card is used for personal purchases or for purchases for any other entity, the City of California City will be entitled to reimbursement from me of such purchases. The City of California City shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable attorney fees.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
(Cardholder)

Signature \_\_\_\_\_ Date \_\_\_\_\_  
(City Manager/Finance Director)

Finance Department us only: Date _____ Amount approved \$ _____  Signature _____ (Director of Finance)
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# **CITY OF RIDGECREST**

## ***A Whole Lot of Shaking Going On***

### **SUMMARY:**

On July 4, 2019, the City of Ridgecrest suffered an earthquake foreshock measuring 6.4 on the Richter Scale, followed by a 7.1 earthquake on July 5, 2019. Merchandise fell off shelves, a roof collapsed at a movie theatre, and some mobile homes fell off foundations. Gas lines were reported broken, but fortunately only three caught fire. Power lines were knocked down, while sewer and water line conditions were unknown.

The Kern County Emergency Operations Center (EOC) quickly initiated a Level 2 activation, and emergency services throughout Kern County sprang into action to render aid and assistance to the Ridgecrest area. Police Departments from all over Kern County sent Peace Officers to Ridgecrest to assist in maintaining law and order. The Kern County Fire Department and Cal-Fire responded with firetrucks and personnel in case any fires broke out. The Kern County Sheriff Office dispatched a helicopter to assist in locating damage and problem areas.

### **PURPOSE OF INQUIRY:**

The Cities and Joint Powers Committee (Committee) of the 2019-2020 Kern County Grand Jury (Grand Jury) inquired into the Kern County Emergency Operation Services (EOS) along with the City of Ridgecrest (City) emergency response program, pursuant to California Penal Code section 925a, to determine if the response was sufficient and performed effectively.

### **METHODOLOGY:**

The Committee researched newspaper, TV news reports, and internet news sources to learn about the damage and recovery efforts made by various agencies and the City. The Committee visited with the City staff and toured the City. The Committee also interviewed personnel at the EOC center located in Bakersfield.

### **DISCUSSION OF FACTS:**

The City has a prepared Emergency Response Plan in the event of natural disasters, technological incidents, and national security emergencies. This plan is based on the functions and principles of the California Standardized Emergency Management System (SEMS), the California Incident Command System (ICS), and the National Incident Management System (NIMS), which identifies how the Ridgecrest emergency operational system fits into the overall SEMS during response and recovery operations. This addresses how the City will respond to extraordinary events or disasters, from preparation through recovery. Special districts and other agencies serving the City are

responsible for following this plan, and developing procedures to fulfill their own stated responsibilities.

The City of Ridgecrest is responsible for emergency response within its geographical boundaries. The *California Emergency Services Act* requires a “city to manage and coordinate the overall emergency response and recovery activities within its jurisdiction. During disasters, the city is required to coordinate emergency operations with the county Operational Area OES, and through the county, with Cal OES Inland Region and, in some instances, other operational areas and local governments.” (See Appendices A and B)

Under SEMS, the City has responsibilities at two levels, Field Response and Local Government levels:

- At the Field Response level, all agencies will use the ICS to standardize the emergency response
- The City EOC is used as the central location for gathering and disseminating information, coordinating all jurisdictional emergency operations, and coordinating with the Cal OES Inland Region EOC
- The County EOC is a centralized location to support multi-agency and/or multi-jurisdiction disaster response coordination and communication. The County EOC serves as the designated point of contact between the jurisdictions within the County, as well as between the State and the Operational Area

## **FINDINGS:**

- F1. The strongest foreshock, 6.4, occurred July 4, 2019, at 10:33 AM PST:
- Merchandise fell off shelves
  - Several mobile homes fell off foundations
  - Some gas lines broke but only three caught fire
  - A few power lines fell down
  - Water and sewer line conditions were unknown
- F2. The City of Ridgecrest Police Department initiated the Emergency Response System:
- Notified the Kern County Emergency Operations Center
    - Kern County Sheriff’s Office dispatched additional deputies and a helicopter
    - Kern County Fire Department dispatched extra firefighters and equipment
  - Bakersfield Police Department and other cities dispatched law enforcement officers to provide extra security
  - Utility companies were notified
    - Power line and gas crews were dispatched to initiate repairs
    - Power was restored in about six hours
    - Gas leaks were repaired as they were located

- City Computer Aided Dispatch (CAD) was temporarily disabled
  - County EOC was notified to redirect local 911 calls to the County 911 call center
- Building Inspectors from the County and other cities were brought in to inspect every building for earthquake damage and habitability
- City Public Works Department was notified
  - Water pumps were found to be operating normally and water leaks were repaired by the Indian Wells Valley Water District
  - Sewage treatment plant at the Naval Air Weapons Station China Lake was damaged, resulting in no sewer service for two days
  - Roadways were inspected and damages were reported

F3. A 7.1 magnitude earthquake struck July 5, 2019, at 8:19 PM PST, followed by more than 3,000 aftershocks:

- A roof collapsed at a movie theater
- Multiple County Fire Department and Cal-Fire trucks that had been released to return home were called back to continue their fire watch
- All other County agencies remained on scene

F4. The Kern County Emergency Operations Center was activated by the EOC Director, who by county ordinance is the Kern County Fire Chief & Director of Emergency Services. When the EOC was activated, the EOC Director, Section Chiefs, and Management staff used the conference room to receive regular briefings, establish emergency management priorities, review current objectives, plan future objectives, and formulate the EOC Action Plan. The equipment in the room allowed staff to review information from the field, monitor EOC activities, and teleconference with staff within the Operational Area and at the State level:

- Once the earthquake was reported, the EOC immediately went to a Level 2 activation
  - Level 1- A minor to moderate incident where local resources are adequate and available. A Local Emergency may or may not be proclaimed
  - Level 2- A moderate to severe emergency where local resources are not adequate and mutual aid may be required on a regional or statewide basis. A Local Emergency will be proclaimed and a State of Emergency may also be proclaimed
  - Level 3- A major disaster where resources in or near the impacted area are overwhelmed and extensive, State and/or Federal resources are required. A Local Emergency and a State of Emergency will be proclaimed and a Presidential Declaration of Emergency or Major Disaster will be requested

- Various County personnel and civilian volunteers were called in to man the EOC to begin coordinating and relaying information and resources to the Ridgecrest area
- Emergency personnel and equipment including city and County building inspectors were dispatched, as well as various utility companies to aid in the recovery
- Under mutual aid, building inspectors were sent to assist the City of Ridgecrest from multiple jurisdictions, including: Kern County and Cities of Bakersfield, Shafter, Tehachapi, California City, Lancaster, Palmdale, Paramount, Santa Clarita and Stockton

F5. A review of the Ridgecrest Emergency Operations Plan revealed the last revision date was June 2013.

### **COMMENTS:**

The Committee was impressed and commends the City of Ridgecrest, Kern County EOC, Kern County Sheriff's Office, Kern County Fire Department, Bakersfield Police Department, other police departments within Kern County, and every citizen who responded to render aid to the City of Ridgecrest.

### **RECOMMENDATIONS:**

R1. The Grand Jury recommends the City of Ridgecrest review and, if needed, update the Ridgecrest Emergency Operations Plan to reflect what was learned from the July 2019 Ridgecrest earthquakes. (Finding 5)



**NOTES:**

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**RESPONSE REQUIRED WITHIN 90 DAYS TO:**

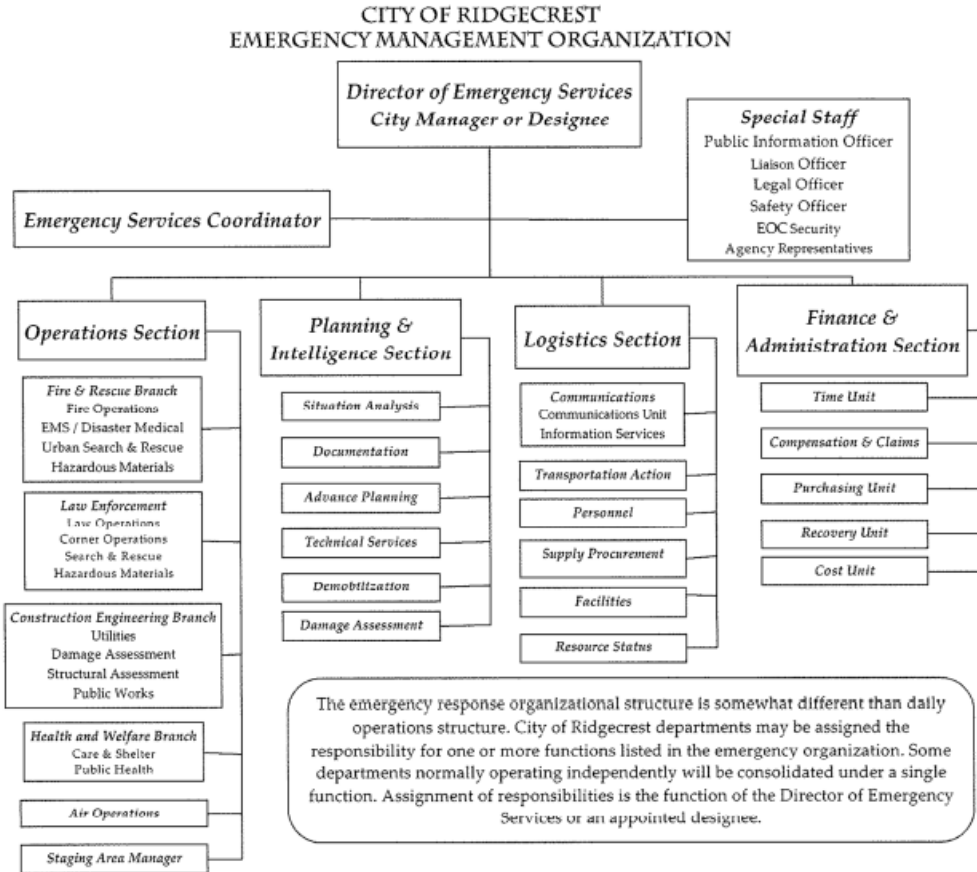
**PRESIDING JUDGE  
KERN COUNTY SUPERIOR COURT  
1415 TRUXTUN AVENUE, SUITE 212  
BAKERSFIELD, CA 93301**

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

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# Appendix B:





**CITY OF RIDGECREST**

Telephone 760 499-5000

FAX 760 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

March 30, 2020

The Honorable Judith Dulcich, Presiding Judge  
Kern County Superior Court  
1415 Truxtun Avenue, Suite 212  
Bakersfield, CA 93301

**Reference: City of Ridgecrest Grand Jury Report 2019-2020 – Response to Findings**

Honorable Judge Dulcich,

The City of Ridgecrest would like to thank the members of the Kern County Grand Jury for taking the time to visit Ridgecrest. As you know, the earthquakes the City of Ridgecrest suffered on July 4<sup>th</sup> and 5<sup>th</sup> of 2019 challenged our community. It had been well over two decades since the last significant earthquake struck California and it quickly brought national attention and media cover to Ridgecrest. The City was very thankful for the countywide, state and federal support in our efforts to respond and recover from these events. While the City suffered some damage, our main employer - NAWS China Lake - was significantly damaged. NAWS China Lake is one of the most important military installations in the nation. Recently, Congress approved \$3 billion to repair NAWS China Lake which will occur over the next 3-5 years securing Ridgecrest's future for decades to come.

City staff reviewed the Grand Jury's findings and following is our response:

- F1. The City agrees with the finding.
- F2. The City agrees with the finding.
- F3. The City agrees with the finding.
- F4. The City agrees with the finding.
- F5. The City agrees with the finding.

Recommendation 1. The City reviewed its Emergency Operations Plan and determined the plan was up-to-date. The City plans to conduct staff level table top exercises in FY21 to train essential employees in the Emergency Operations Plan.

If you have any questions, please let me know.

Sincerely,

Ronald Strand  
City Manager  
760) 499-5001

CC: Foreperson, Kern County Grand Jury

# THE CITY OF SHAFTER

## A Shining Example

### **SUMMARY:**

The City of Shafter (City) is a great place to live; where the people are friendly, the City is growing, and operating efficiently. Shafter stands out in Kern County as one of the best cities in which to live and should be a shining example to every city in Kern County. The City is committed to its 20,000 plus residents by providing an affordable, comfortable and safe place to live.

The City displays forward thinking in the areas of finance by having no unfunded liability for pensions, industrial growth without providing tax breaks, and continued support of education. This makes the City a prime place to live, work, and raise a family.

### **PURPOSE OF INQUIRY:**

The Cities and Joint Powers Committee (Committee) of the 2019-2020 Kern County Grand Jury (Grand Jury) visited the City to inquire into the operations and management, pursuant to California Penal Code section 925a.

### **METHODOLOGY:**

The Committee attended the Shafter City Council Meeting on October 1, 2019, and interviewed City Officials on December 10, 2019. The Committee also reviewed financial reports and budgets, researched past Grand Jury Reports, newspaper articles and the internet for information.

### **DISCUSSION OF FACTS:**

The City was incorporated on January 11, 1938, and was established as a Charter City on June 6, 1995. Over the years, the City has welcomed new business developments; medical clinics, massive distribution centers, an inland port, and new housing developments. While the City does not provide tax incentives to new businesses, they do offer a short timeline for construction approval and operating permits.

#### **A. City Council:**

Shafter citizens elect five city council members that serve staggered terms to represent the City using at-large representation instead of district representation:

- At-large representation means all of the citizens of a city elect all the members of the city council
- District representation means a city is divided into districts and citizens from each district vote for one city council member

B. City Manager's Office:

According to City staff and yearly financial reports, the City pension has no unfunded liability as of year-end June 30, 2019. Shafter is one of a few cities in the State that is not facing the escalating costs of unfunded pensions and other post-employment benefits.

The City is in the process of fielding a new city wide software management system called Munis which will handle financial, human resources, purchasing, utilities, taxes and other areas. This system will come online in early 2020.

C. Business Development:

Shafter is the fourth fastest growing city, per capita, in the state.

The City boasts an enhanced fiber optic infrastructure that allows law enforcement to utilize a city wide surveillance system, and high-speed internet service for industrial and residential use.

To help facilitate the inland port distribution district, the City has installed more than 10,000 feet of track with several rail spurs, operated by the Public Works Department, to assist the Burlington Northern Santa Fe Railway.

Two major health care providers are currently looking to bring medical clinics to the City and the surrounding area.

A new major retail automated distribution center is expected to bring 400 new jobs, 100 of which are in the field of science and technology.

In 2016, the City completed Annexations 83 and 86, increasing the land size to 38 square miles. Kern County and the City have agreed on other land that may also be annexed.

D. City Services:

The City has its own water service consisting of six wells. The City is finishing the water treatment plants to make them compliant with the State 1,2,3-Trichloropropane (TCP) Standards through a settlement with a chemical company. The southern part of the City, along 7<sup>th</sup> Standard road, is serviced by Oildale Mutual Water Company. Shafter is the only city that has a seat on the Kern Groundwater Authority Board.

The City employs a full-time Code Enforcement Officer who monitors street vendors. The Code Enforcement Officer is not a sworn law enforcement officer but is able to call police for immediate backup. Unpermitted street vendors are not a problem.

E. Educational Partnership:

The City has provided funding of \$870,783 in the 2019-2020 Budget for the Shafter Educational Partnership Department (EP). This facilitates educational projects with the Richland School District, Shafter High School, Grimmway Academy Shafter, Kern County Library, Bakersfield College, and other community groups. Shafter's EP has a staffing level of two full-time employees, 12 part-time employees and dozens of volunteers. EP operates the Shafter Learning Center, Shafter High Tutoring Center, Shafter Advanced Placement Program, and a modest scholarship for Shafter High School graduates who attend Bakersfield College classes in Shafter. EP also supplies books distributed through a network of Little Free Libraries in Shafter.

F. Police:

The City operates its own police department with 42 full-time employees. This represents a 25% increase from the previous year to cover the increase in residential and industrial growth. According to the 2018 year-end crime report, calls for service were up from 2017, with larceny, assaults, burglary, and vehicle thefts leading the way. For 2018-2019, crime was reported to be down. Police statistics show the last homicide was in 2014.

G. Shafter Modified Community Correctional Facility (MCCF):

The Shafter MCCF is in year two of a five-year contract with the California Department of Corrections and Rehabilitation. The facility has a capacity of 640 and is currently housing 579 inmates. The City employs a full-time department head and a staff of 89 full-time employees that operates the MCCF. Profits from the MCCF directly benefit the public safety programs, and the Shafter Educational Partnership.

## **FINDINGS:**

- F1. The Committee attended a regular Shafter City Council Meeting on October 1, 2019, and noted the following:
- Four of the five Council Members were present; one Member was in attendance by phone for only the closed session
  - The meeting was well run and allowed for public comments
- F2. The City continues to grow by bringing in new industry, medical clinics, and automotive businesses.
- F3. The Shafter City Council is aware of lawsuits that have forced other cities to convert from at-large representation to district representation. The City Council has discussed this matter with their City Attorney and has chosen to stay with at-large representation at this time.
- F4. To comply with stricter State water standards, the Public Works Department is building treatment plants to remove contaminants from all six water wells.

## COMMENTS:

The Grand Jury would like to thank the City of Shafter officials for their cooperation and assistance in providing information. The Grand Jury commends the City of Shafter for their forward thinking and planning to provide its citizens a great city.

## RECOMMENDATION:

- R1. The Shafter City Council should annually reconsider converting to a district form of representation to provide equitable representation for its citizens.  
(Finding 3)

## NOTES:

- The City of Shafter 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: [kerncounty.com/grandjury](http://kerncounty.com/grandjury)
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: [kerncounty.com/grandjury](http://kerncounty.com/grandjury)

## REQUIRED RESPONSES WITHIN 90 DAYS TO:

- **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**

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.





336 Pacific Avenue, Shafter, California 93263

March 6, 2020

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

**RE: Response to the 2019-2020 Kern County Grand Jury Report**

Dear Judge Brehmer:

The City of Shafter is in receipt of the 2019-2020 Kern County Grand Jury Final Report concerning the operation of the City of Shafter dated February 24, 2020 ("Final Report"). On March 17, 2020, the City Council reviewed the Final Report and authorized the transmittal of this response to the Grand Jury's findings and recommendations as outlined below, in accordance with California Penal Code Section 933(c).

*F1. The Committee attended a regular Shafter City Council Meeting on October 1, 2019, and noted the following:*

- *Four of the five Council Members were present; one Member was in attendance by phone for only the closed session*
- *The meeting was well run and allowed for public comments*

**Response: The City agrees with Finding No. 1.**

*F2. The City continues to grow by bringing in new industry, medical clinics, and automotive businesses.*

**Response: The City agrees with Finding No. 2.**

*F3. The Shafter City Council is aware of lawsuits that have forced other cities to convert from at-large representation to district representation. The City Council has discussed this matter with their City Attorney and has chosen to stay with at-large representation at this time.*

**Response: The City partially disagrees with Finding No. 3. The City agrees that some or all of the City Council Members are generally aware of lawsuits that have forced other cities to convert from at-large representation to district representation. While previous City Councils have not taken any formal action to stay with, or change from, at-large representation, the City will continue to monitor local demographic facts for purposes of compliance with the California Voting Rights Act (CVRA).**

City Manager  
(661) 746-5000  
Fax (661) 746-0607

Finance  
(661) 746-5001  
Fax (661) 746-1002

Human Resources  
(661) 746-5003  
Fax (661) 746-2645

Planning/Building/Engineering  
(661) 746-5002  
Fax (661) 746-9125

F4. To comply with stricter State water standards, the Public Works Department is building treatment plants to remove contaminants from all six water wells.

**Response:** The City agrees with Finding No. 4.

R1. The Shafter City Council should annually reconsider converting to a district form of representation to provide equitable representation for its citizens. (Finding 3)

**Response:** The Recommendation requires further analysis. The City of Shafter is committed to monitoring local demographic facts for the purpose of determining compliance with the CVRA. The City expects to receive updated demographic information at the conclusion of the 2020 Census. At that time, the City will determine whether changes are needed in order to comply with the CVRA.

The City would like to thank the 2019-2020 Kern county Grand Jury for their diligent work reviewing the City of Shafter and meeting with City staff. Their insight as expressed during the visit and as documented in the Final Report is very much appreciated and will contribute to Shafter continuing to be "A Shining Example" within California. Please do not hesitate to contact my office if you have any further questions or information needs.

Regards,



James L. Zervis

Acting City Manager