

El Dorado County Board of Supervisors

Response To The 2003-2004 Grand Jury Final Report





The County of El Dorado

Chief Administrative Office

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September 14, 2004

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

Dear Judge Kingsbury:

Pursuant to Section 933(b) of the Penal Code, the Board of Supervisors of El Dorado County is herewith submitting its response to the applicable findings and recommendations, as set forth by the El Dorado County Grand Jury in its final report for 2003-2004, issued on June 25, 2004.

Sincerely,

A handwritten signature in black ink, appearing to read "Rusty Dupray".

Rusty Dupray, Chair
El Dorado County Board of Supervisors

Cc: 2003-2004 Grand Jury Foreman
2004-2005 Grand Jury Foreman
El Dorado County Department Heads

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Ambulance Billing

Reason for the report

The 2003/2004 Grand Jury received a complaint concerning the county operated Ambulance Billing Service (ABS).

Scope of the investigation

People interviewed

- Auditor-Controller
- Director, Public Health Department
- Health Insurance Counseling and Advocacy Program (HICAP)
- Medical Billing Supervisor, ABS
- Staff Members of ABS

Documents reviewed

- Auditor-Controller's compliance review report of ABS dated 5/06/04
- Billing records of various time periods
- Board of Supervisors Policy B-4, Collections Recovery Of Public Funds (9/02)
- Complaint
- Internal audit finding from ABS
- Letter from Marshall Hospital to Ambulance Billing Supervisor dated 02/06/03

Background

El Dorado County is the only county in the state of California that directly bills for services performed by county paramedics in the Ambulance Transport Service. HICAP is a volunteer based watchdog organization whose function is to serve the elderly and disabled regarding their rights on Medicare services, among other services. A complaint was received from HICAP regarding improper billing of multiple Medicare patients for services from the El Dorado County Ambulance Transport. The complaint alleged that Medicare patients were being sent bills for payment by ABS, and re-enforced by letters sent by County Counsel, demanding payment for services that were rightfully covered by Medicare Insurance. HICAP alleged that ABS did not pursue disputes in billing between the County and Medicare through resolution with Medicare officials, but rather forwarded these bills to the patient, demanding payment. A number of the disputed invoices were resolved in favor of the patient through the efforts of HICAP, and should not have been forwarded to the patient for payment.

HICAP officials presented early investigation results to the Director of Public Health and requests were made of County officials to look into the matter. Early findings by ABS uncovered deficiencies in employee training and problems with insurance procedures that were to blame for some of the improper billings of County patients. Continued audits by HICAP uncovered additional problems.

An audit of the situation was conducted by the Auditor-Controller, as requested by the Grand Jury in a letter dated 2/18/04.

Facts

1. ABS processes the billing for services provided by The Ambulance Transport Service.
2. Medicare uses the term “Denies” for all services which are disputed or not covered under the Medicare Insurance, and ABS is using the term “Rejected” on bills sent to the patient.
3. Medicare patient bills are sent by ABS to Medicare Insurance for payment.
4. Medicare Insurance sends disputed invoices back to ABS for clarification/correction.
5. Bills not paid in a reasonable time are referred to County Counsel for collection.
6. As quoted in Auditor-Controller compliance review report, “The Department does not have specific written policies and procedures that pertain to the billing of Medicare beneficiaries for Ambulance services.”
7. Training by department staff is accomplished by on-the-job training rather than formal training.
8. Per Auditor-Controller compliance review report, ABS’s unwritten policy is to refer bills to the County Counsel collections after 120 days.

Findings

1. Rejected/Denied Medicare bills were improperly sent to patients. Additional effort was required by county employees to resolve disputes between Medicare Insurance and ABS.

Response to Finding 1: The respondent agrees with the finding.

2. ABS was requesting payments from patients through County Counsel even though the Medicare disputes were not resolved.

Response to Finding 2: The respondent agrees with the finding.

3. A number of these disputed bills are not being resolved properly and patients are being billed.

Response to Finding 3: The respondent disagrees wholly with the finding.

There are no known ongoing disputes at the time of this response. All 21 cases, which were the subject of this investigation, had been resolved by ABS (in June 2003) prior to the Grand Jury’s review of the issue. There were no claims improperly paid by the beneficiary or the patient.

4. Different billing terminology between Medicare and ABS caused confusion among patients. These differences caused difficulty when patients called Medicare to resolve the disputes.

Response to Finding 4: The respondent agrees with the finding.

5. Lack of written policies and procedures in ABS resulted in improper handling of ambulance transport claims.

Response to Finding 5: The respondent disagrees wholly with the finding. Ambulance Billing Service is guided by the written policies and procedures of the American Ambulance Association (AAA) as promulgated through their *Medicare Reference Manual*, an industry standard. AAA is a professional industry organization that retains staff and attorneys to review and update this important reference document as needed. When Medicare policies or procedures change, Ambulance Billing Service receives a notification from AAA with the updates. Any improper handling that occurred was due to incomplete training, not lack of written policies and procedures

6. Lack of training resulted in improper coding on Medicare forms.

Response to Finding 6: The respondent agrees with the finding. The 21 cases of erroneous billing to Medicare patients made in May 2003 were traced to a single recently hired ABS staff member who was not appropriately trained on existing policies and procedures.

Recommendations

1. ABS employees must be directed to resolve disputes with Medicare prior to billing the patients.

Response to Recommendation 1: The recommendation has been implemented. ABS staff are directed to resolve rejected claim disputes with Medicare on behalf of the patients. ABS only bills patients after Medicare has denied a claim or after Medicare has paid its portion of the ambulance bill and there is a remaining portion that is the patient's responsibility. ABS' role and responsibilities have been clarified and reinforced with ABS employees.

2. The County should exclude ABS from sending disputed payment notices to patients per Board of Supervisors' policy B-4 in collections.

Response to Recommendation 2: The recommendation requires further analysis. ABS follows the process outlined in Board of Supervisor's policy B-4 in referring to County Collections. This may include disputed payment notices. If the Board wishes to review and modify BOS policy B-4, ABS would follow Board direction.

3. County must resolve differences in terminology used by Medicare Insurance and ABS.

Response to Recommendation 3: The recommendation has been implemented. Ambulance Billing Service modified its monthly billing statements in February 2004 to clearly indicate the status of the patient's account and whether any payment or partial payment (e.g., patient co-payment) is being requested from the patient at this time. ABS terminology now conforms to that being used by Medicare.

4. The County must immediately direct ABS to develop and implement written policies and procedures for detailed processing of ambulance transport billing.

Response to Recommendation 4: The recommendation has not yet been implemented, but will be implemented by January 1, 2005. The Chief Administrative Officer will work with the Public Health Department to update or revise current policies and procedures, and will bring a policy to the Board of Supervisors for adoption.

5. ABS employees must be trained on the coding of Medicare bills and on the County's written policies and procedures.

Response to Recommendation 5: The recommendation has been implemented. ABS staff are trained in the proper coding of Medicare bills and applicable County policies and procedures. New ABS staff are now being trained at the time of hire. Updated training will be provided as needed by the ABS supervisor and will include any trends that are identified in a quarterly audit of all Medicare accounts and as recommended by the American Ambulance Association and changes in the Medicare Manual.

Child Protective Services

Reason for the report

The 2003/2004 Grand Jury received a complaint about inconsistent application of policies and procedures in Child Protective Services (CPS) and decided to review the 2001/2002 Health and Social Services Committee report. As a result of this review a general investigation of CPS was made.

Scope of the investigation

People interviewed

- Auditor-Controller
- Chairman of the 2001/2002 Grand Jury Health and Social Services Committee
- CPS Program Managers
- CPS Supervisor
- Current and former CPS employees
- Department of Social Services Accountant
- Director, Department of Human Services
- El Dorado County Judicial Commissioner
- Former acting Director of Human Resources
- Former Assistant Director, Department of Social Services
- Former Director, Department of Social Services

Documents reviewed

- 2001/2002 Grand Jury report
- CPS manual

Sites visited

- CPS, Placerville
- CPS, South Lake Tahoe

Background

The 2001/2002 Grand Jury identified significant deficiencies in CPS. The current Grand Jury reviewed the responses to the report, and then conducted interviews to determine if changes had been made, and if the changes corrected the deficiencies.

The investigation revealed that many of the negative issues in the prior Grand Jury report have been addressed and corrected. The Grand Jury was helped by the cooperation of employees in CPS.

Facts

1. There is no ongoing training between CPS and the local law enforcement agencies.
2. On the job training was the only type of training observed by the Grand Jury in CPS.
3. Supervisors do not complete evaluations or provide feedback on probationary personnel on a regular basis.
4. Communication among management, supervisors, and line employees in CPS needs improvement.
5. Confidential material is often left exposed on desks and subject to unauthorized access.

Findings

1. Local law enforcement and CPS do not understand each other's needs and responsibilities.

Response to Finding 1: Respondent disagrees partially with finding. Respondent believes law enforcement and CPS have a good understanding their respective roles in the investigation of child abuse and neglect. As mandatory cross reporters, as defined in Penal Code 11165.7, both law enforcement and CPS are cognizant of their legal responsibilities and are in communication with each other and with other agencies throughout the State whose responsibility includes the care and welfare of children. However, both County agencies realize that sometimes a duplication of investigative effort takes place where interdepartmental communication is deficient. To that end, both County agencies are committed to bettering the communication aspect of child abuse and neglect investigations within El Dorado County.

2. Budgetary cutbacks have reduced formal training in CPS.

Response to Finding 2: The respondent agrees with the finding. While some resources continue to be available for CPS training, budgetary cutbacks at the State level have reduced the amount of formal training available to staff. Increased caseload responsibilities have further limited staff time to participate in training. There is a definite need for consistent, job-specific training, particularly for new employees and employees with new assignments.

3. The current evaluation and feedback system for probationary employees in CPS limits understanding of their progress in work performance and affects the services they are expected to provide.

Response to Finding 3: The respondent agrees with the finding. The current evaluation and feedback system has been inconsistent, sometimes thorough, but often inadequate and lacking in substance.

4. Leadership fails to maintain effective communication between management and line employees leading to confusion and angst among employees.

Response to Finding 4: The respondent agrees with the finding. Communication between management, supervisors, and line staff has been inconsistent, frequently inadequate, and often complicated by a lack of clear policies and guidelines.

5. Security rules for confidential information are ignored.

Response to Finding 5: The respondent disagrees wholly with the finding. Files or other records containing confidential materials may be open on social worker desks while cases are in progress. However, interior access to the building is restricted to employees and approved escorted visitors. While fully concurring on the importance of confidentiality, the respondent is aware of no problems or incidents involving unauthorized access to confidential information. Should an unauthorized access situation be brought to the attention of the respondent, it would be addressed immediately.

6. Inconsistent application of written CPS guidelines diminishes care and support of children and results in frustration of individual CPS workers.

Response to Finding 6: The respondent agrees with the finding. Improved communication and more consistent application of the CPS guidelines are needed.

Recommendations

1. Establish a formal training program between CPS and local law enforcement.

Response to Recommendation 1: The recommendation has not yet been implemented, but will be implemented in the future. Written protocols and multidisciplinary efforts are already in place in the Tahoe Basin CPS and law enforcement offices, and may serve as a model for application countywide. Local law enforcement and CPS will work together to determine an effective and formal process for ensuring annual joint training regarding shared needs and responsibilities in working CPS cases, with training to be initiated during fiscal year 2004-2005. In addition, there are several annual training sessions sponsored by the Peace Officers Standards and Training (POST) held throughout the State to which both CPS personnel and Law Enforcement investigators are invited. The County will make every effort to schedule these cooperative training opportunities as they become available.

2. Additional formal training is required for CPS employees to understand the department's needs and objectives.

Response to Recommendation 2: The recommendation has not yet been implemented, but will be implemented in the future. A renewed focus already has been placed on training within the Human Services Department. In addition to planning more training opportunities for CPS workers during the 2004-2005 fiscal year, the Department will continue its emphasis on improved internal communications regarding program needs and objectives. Training class schedules will be posted to increase awareness and participation by CPS employees.

3. Perform evaluations more than once a year for probationary employees. Feedback must be provided on a continuous basis.

Response to Recommendation 3: The recommendation has been implemented.

Supervisory staff in the Human Services Department have been instructed to provide ongoing guidance and feedback at least monthly to probationary employees, and to conduct formal evaluations in a timely manner and in accordance with County requirements. A tracking system is being developed to monitor probationary conferences and evaluations. Additional supervisory training is planned.

4. Refine the program guidelines making them clear and concise. Leadership must monitor and evaluate application of the revised guidelines.

Response to Recommendation 4: The recommendation has not yet been implemented, but will be implemented in the future.

Following the recent Department-level administrative re-organization approved by the Board of Supervisors, management is currently undertaking a redesign of CPS and the implementation of a structured decision making process. The Human Services Department intends to incorporate new guidelines into training materials and desk guides over the next two fiscal years. Toward this goal, work by CPS and law enforcement management leaders is presently underway to open up communications and clarify expectations regarding casework.

5. CPS must comply with confidentiality rules and laws.

Response to Recommendation 5: The recommendation has been implemented. Staff will continue, of necessity, to have confidential materials open while working in restricted access areas. However, emphasis is and will be placed on confidentiality in all situations involving client information.

County Public Buildings

Reason for the report

The 2003/2004 El Dorado County Grand Jury chose to review, inspect and tour a selection of County offices and office buildings per California Penal Code (PC) 925.

Scope of the investigation

The 2003/2004 Grand Jury toured, inspected and interviewed staff at the following County offices and office buildings.

Sites visited

- Agriculture Building, Placerville
- Animal Control, South Lake Tahoe
- Assessors Office, Placerville
- Assessors Office, South Lake Tahoe
- Cameron Park Library
- El Dorado Hills Library
- Records Office, Lake Tahoe
- Sheriff's Parking Lot, Placerville
- Veterans Services Office, Placerville

Background

PC 925 states in part "The grand jury shall investigate and report on the operations, accounts, and records of the officers, departments, or functions of the county including those operations, accounts, and records of any special legislative district or other district in the county created pursuant to state law for which the officers of the county are serving in their ex officio capacity as officers of the districts..."

The Grand Jury as part of its general review chose to review County offices and office buildings, for maintenance, health and safety items, and overall appearances. The Grand Jury found a few areas that needed improvement; overall the buildings and offices were maintained satisfactorily. The areas that needed improvement are listed below.

The Grand Jury would like to thank all the county employees that took the time to show us around and answer our many questions.

AGRICULTURE BUILDING

Findings

1. The heat/air conditioning ceiling vents are dirty.

Response to Finding 1: The respondent disagrees wholly with the finding. The heating and air conditioning ceiling vents are cleaned on a regular basis. The subject vents are clean.

2. The modular building adjacent to the Agriculture Building has a doormat with ragged edges, possibly causing someone to trip and fall.

Response to Finding 2: The respondent disagrees wholly with the finding. Currently, there is no doormat, and thus no tripping hazard, present in the area described. However, the Agriculture Commissioner/Sealer states that such a doormat was present, but has been removed in order to alleviate the potential hazard.

3. The carpet between the public area and office has an open seam.

Response to Finding 3: The respondent disagrees wholly with the finding. Currently, there is no open seam in this area. The Grand Jury may have toured the Agriculture building while work to install an access door was in progress. The completion of the access door project included all repairs to the carpet.

Recommendations

1. The heat/air conditioning ceiling vents need to be cleaned.

Response to Recommendation 1: The recommendation will not be implemented because it is not warranted. The subject vents are clean, and regular maintenance of these vents will continue.

2. Replace the existing doormat.

Response to Recommendation 2: The recommendation has been implemented. A new doormat has been ordered.

3. A carpet strip needs to be installed in the doorway over the open seam.

Response to Recommendation 3: The recommendation will not be implemented because it is not warranted. The carpet in this area is properly fastened. There is no evidence of an open seam.

ANIMAL CONTROL, SOUTH LAKE TAHOE

Findings

1. There is a steep slope to the rear of the building. When there is precipitation, run off goes directly to the building causing flooding or dangerous ice.

Response to Finding 1: The respondent disagrees partially with the finding. The existing facility is located on sloping topography, and drainage could be improved. However, the public does not access this area, and there is an alternate route that staff may use to access the storage area if flooding or ice is present. The alternate route of access is not affected by the conditions described, thus mitigating the assumed concerns. There does not appear to be a danger to the public or staff.

2. The parking lot and driveway are inadequate, they are on a slope causing winter safety hazards due to ice and snow.

Response to Finding 2: The respondent agrees with the finding. Animal Control staff make a concerted effort, working with the Department of Transportation, to provide for regular plowing and salting of the area; however, the sloping topography of the site is difficult to mitigate.

3. There is no handicap access to or inside the building.

Response to Finding 3: The respondent agrees with the finding.

4. The public restroom is located at the rear of the main staff office. This causes cross traffic and disrupts productivity.

Response to Finding 4: The respondent agrees with the finding.

5. There is an inadequate exercise area. Only one animal may exercise at a time.

Response to Finding 5: The respondent agrees with the finding. When the weather is good, there is enough space for more than one animal to exercise at the same time, however there is no means to keep them separated. In inclement weather, the covered exercise space available is only adequate for one animal. Plan options for the impending renovation will consider incorporating a roof over the exercise area. Additional roofed area may become an issue with limited land coverage capabilities under TRPA Regulations.

6. The cement runs stayed wet or damp and did not dry out very well. This is a safety hazard for the public, staff and animals.

Response to Finding 6: The respondent agrees with the finding. Animal Control staff are careful when cleaning the kennels to use non-slip products and remove excess water with squeegees. Designs for the renovation will consider increased ventilation in the kennel area.

7. There are no facilities for larger animals, such as horses, goats, etc.

Response to Finding 7: The respondent agrees with the finding.

Recommendations

1. Erect a retaining wall with a drainage system at the rear of the building to curtail the damage from snow and ice runoff.

Response to Recommendation 1: The recommendation requires further analysis. Staff within the Facilities Design section of General Services is in the process of preparing a design to significantly retrofit the existing facility to better meet the current needs of the facility. \$800,000 has been committed to this process, which is scheduled to begin in the Spring of 2005, and be completed by the Fall. Construction of a new retaining wall will be considered in the design.

2. The parking lot and driveway directly in front of the Animal Control Building should be graded or modified to eliminate excess snow, ice and water accumulation. This would also provide additional parking and easier access.

Response to Recommendation 2: The recommendation requires further analysis. Please see the above response to Recommendation 1. This Recommendation will be considered in the retrofit design.

3. Access to and from the parking lot and the building should be handicap accessible.

Response to recommendation 3: The recommendation has not yet been implemented, but will be implemented in the future. The plans for the renovations scheduled for 2005 will incorporate handicap parking and access to and from the building.

4. Access to the public restroom should be redirected from the main staff office.

Response to Recommendation 4: The recommendation has not yet been implemented, but will be implemented in the future. The plans for the renovations scheduled for 2005 will incorporate the relocation of the public restroom adjacent to the public area.

5. Provide additional space for animal exercise.

Response to Recommendation 5: The recommendation requires further analysis. The addition of a roof in the exercise area to enhance use of the area during the winter months will be considered in the plans for the 2005 renovations.

However, the addition of a roof in this area will be subject to the amount of additional land coverage allowed under TRPA regulations.

6. Provide additional ventilation for the animal runs to dry more quickly.

Response to Recommendation 6: The recommendation requires further analysis. This Recommendation will be considered in the retrofit design. Increased ventilation is likely to be one of the improvements incorporated into the design plan for the 2005 renovations.

7. Additional facilities are needed for larger animals.

Response to recommendation 7: The recommendation will not be implemented because it is not warranted. The need to house large animals in South Lake Tahoe is very rare. Animal Control has identified foster homes to meet this need, should it arise. In the case of a lawful seizure of any large animal or animals, the animal(s) would be brought to the shelter in Placerville for housing, or a private facility in Tahoe would be utilized.

ASSESSORS OFFICE, PLACERVILLE

Findings

1. The water fountain located at the front door of the Assessors Office is out of order.

Response to Finding 1: The respondent agrees with the finding.

2. There are five to ten computer monitors stored on the top of a file cabinet. According to staff this equipment has been waiting to be moved for months.

Response to Finding 2: The respondent agrees with the finding.

Recommendations

1. The water fountain needs to be fixed.

Response to Recommendation 1: The recommendation has been implemented. General Services repaired the water fountain in July of 2004.

2. The computer monitors need to be removed.

Response to Recommendation 2: The recommendation has been implemented. The computers have all been removed, declared surplus property, and processed in accordance with County policy.

ASSESSORS OFFICE, SOUTH LAKE TAHOE

Findings

1. Single pane windows are currently installed and insufficient. Staff stated ice has formed on the inside of the windows in winter, and the offices are very cold.

Response to Finding 1: The respondent disagrees partially with the finding. Single pane windows do exist in this building, which houses several departments besides the Assessor's office. There are other factors that affect the temperature of the office. There is currently no supporting data to show that the "office is very cold", nor that other departments have similar complaints.

2. A fire extinguisher in the office had an expired inspection tag.

Response to Finding 2: The respondent agrees with the finding.

3. A sizeable worn spot in the lobby carpet needs to be repaired.

Response to Finding 3: The respondent agrees with the finding.

Recommendations

1. Double pane windows should replace the single pane windows.

Response to Recommendation 1: The recommendation requires further analysis. The building is old and constructed of materials that are currently not available. The costs associated with retrofitting and replacing the windows in this building are unreasonable. The County is currently looking into selling this structure and constructing a new building within the Basin to house this function of County Government. General Services will work with the Assessor's office to install a window barrier or other suitable measures to resolve the issue of excessive heat loss and ice formations on the inside of the windows by January 31, 2005. In addition, General Services will check the heating system to make sure it is functioning properly and make any necessary corrections by October 1, 2004

2. The fire extinguisher needs to be inspected.

Response to Recommendation 2: The recommendation has been implemented. The subject fire extinguisher was properly inspected and tagged in May 2004.

3. The lobby carpet needs be repaired.

Response to Recommendation 3: The recommendation has been implemented. The subject carpet has been removed and replaced with vinyl flooring. This work was completed in January 2004.

CAMERON PARK LIBRARY

Findings

1. The ceilings are very high causing acoustic problems. This problem was raised and verified by library staff. The noise level is distracting and is not conducive to library study.

Response to Finding 1: The respondent disagrees partially with the finding.

Acoustical problems in the library are caused by a combination of factors, including the heavy public use of the building and its proximity to a middle school. It is a busy public library branch with many activities going on at the same time, such as children's programs, reference and circulation transactions, computer use, and ringing phones. In addition, the architectural design of the building is open and does not easily accommodate modifications to the ceiling configuration. The recent addition of the quiet room accommodates the needs of the facility.

2. The staff restroom has a leaky toilet and rust is visible on the supply line of the toilet.

Response to Finding 2: The respondent agrees with the finding.

3. Some acoustical tiles in the storage room ceiling were water stained.

Response to Finding 2: The respondent agrees with the finding.

Recommendations

1. The acoustical problem needs to be reviewed, as the Quiet Room affords only a small number of library users the opportunity for quiet study.

Response to Recommendation 1: The recommendation will not be implemented because it is not warranted.

Several mitigation measures have been implemented over the ten-year life of the building to improve the acoustics. Fabric banners that assist in sound baffling have been installed, carpet strips have been placed on top of the stacks, and considerable efforts, went into the recent construction of the Library Quiet Room. The room has proved to be adequate for the needs of the library users.

2. The leak in the staff restroom toilet and rust on the supply line need to be repaired.

Response to Recommendation 2: The recommendation has been implemented. The repairs were completed in July 2004.

3. The acoustical tiles that are water stained need to be removed, so the roof can be checked for possible leaks.

Response to Recommendation 3: The recommendation has been implemented. The repairs and inspection of the roof were completed in July 2004.

EL DORADO HILLS LIBRARY

Findings

1. The carpet located in the teacher's check out area is in poor condition with some rippling and loose seams. The carpet poses a safety hazard to users and is a potential liability.

Response to Finding 1: The respondent disagrees wholly with the finding. The library is currently housed in a building operated and maintained by the School District. The Librarian indicates that the carpet is in satisfactory condition and does not pose a safety hazard to users

2. Some acoustical tiles in the ceiling were water stained. This may indicate a possible roof leak.

Response to Finding 2: The respondent agrees with the finding.

Recommendations

1. The carpet in the teacher's check out area needs to be stretched or replaced.

Response to Recommendation 1: The recommendation will not be implemented because it is not warranted. The reported damage to the carpet could not be found, however; any future necessary repairs are the responsibility of the school district. Should the school district, upon further evaluation, determine that repairs are necessary, the Librarian at Oak Ridge High School will need to submit a maintenance request to the school administration that will prioritize the repair with regard to other maintenance projects.

2. The acoustical tiles that are water stained need to be removed, so the roof can be checked for possible leaks.

Response to Recommendation 2: The recommendation will not be implemented because it is unreasonable. Information relative to the condition of the ceiling tiles has been relayed to the School District. This facility is operated and maintained by the School District and is out of the jurisdiction of El Dorado County. In order for corrections to be made, the Librarian at Oak Ridge High School will need to submit a maintenance request to the school administration. Staff will then evaluate the condition of the tiles and roof and prioritize their repair with regard to other maintenance projects.

RECORDER'S OFFICE, LAKE TAHOE

Findings

1. The fire extinguisher is located in an adjacent janitor's office, rather than in the Recorder's office.

Response to Finding 1: The respondent agrees with the finding.

2. There is no fire sprinkler system in place.

Response to Finding 2: The respondent agrees with the finding.

Recommendations

1. The fire extinguisher needs to be relocated to the Recorder's Office, so that it may be accessible to staff.

Response to Recommendation 1: The recommendation has been implemented.

SHERIFF'S PARKING LOT, PLACERVILLE (11/04/03)

Findings

1. The parking lot surface had several pot holes and uneven pavement.

Response to Finding 1: The respondent agrees with the finding.

2. The surface had cracks in the asphalt. There are low spots which accumulate rain, snow and/or ice.

Response to Finding 2: The respondent agrees with the finding.

3. The concrete steps from the Sheriff's Department Building to Building "A" showed cracks and missing material.

Response to Finding 3: The respondent disagrees wholly with the finding. There is a series of stairs from the Sheriffs Office to Building "A." In reviewing the same, none were found to be in the condition as described

4. Steps are not of uniform size, some having a higher than normal rise and longer than normal run. This non-conventional size step could cause misjudgment in descending or ascending.

Response to Finding 4: The respondent disagrees partially with the finding. The steps, now replaced with a ramp, were of non-uniform size. Respondent does not agree with issues identified with misjudgment while descending or ascending.

5. Steps are wider at the top step and narrower at the bottom step. This could cause misjudgment while descending or climbing.

Response to Finding 5: The respondent disagrees partially with the finding. The subject steps have now been replaced with a ramp. Respondent does not agree that prior condition would result in misjudgment.

6. The bottom step is angled unlike the top three steps. This could cause misjudgment while descending.

Response to Finding 6: The respondent disagrees partially with the finding. The subject step has now been replaced with a ramp. Respondent does not agree that prior condition would result in misjudgment.

7. There is a wall on one side of the stairs that further narrows the lower steps.

Response to Finding 7: The respondent agrees with the finding.

8. There is no handrail.

Response to Finding 8: The respondent agrees with the finding.

9. Although three large lights shine on the stairs, the lights are blocked by tree branches or trunks.

Response to Finding 9: The respondent disagrees partially with the finding. The respondent considers the existing lighting adequate.

10. No “direct” lighting was on the stairs.

Response to Finding 10: The respondent agrees with the finding.

11. The entire parking lot is poorly lit.

Response to Finding 11: The respondent disagrees partially with the finding. The respondent does not agree that the parking lot is poorly lighted.

12. The security gate allowing access to the parking lot is non-operable.

Response to Finding 12: The respondent disagrees partially with the finding. Although the open/closure of the gate does not cycle electronically, it is the intent of the Sheriff’s Department to keep the gate open in the current static state. The gate can be opened and closed manually.

Recommendations

1. Fill the pot holes in the parking lot surface.

Response to Recommendation 1: The recommendation has been implemented. The pot holes were filled during the summer of 2004.

2. Seal the asphalt cracks.

Response to Recommendation 2: The recommendation has not been implemented, but will be implemented in the future. Staff within General Services will develop an estimated cost to seal the cracks. The work will be completed by June 30, 2005 as weather and funding permit.

3. Level the pavement to eliminate low spots.

Response to Recommendation 3: The recommendation has not been implemented, but will be implemented in the future. Staff within General Services will develop an estimated cost to level the low spots. The work will be completed by June 30, 2005 as weather and funding permit.

4. Standardize the stair size.

Response to Recommendation 4: The recommendation has been implemented. The stairs have been replaced with a ramp. This work was completed in the spring of 2004.

5. Provide handrail.

Response to Recommendation 5: The recommendation has been implemented. The work on the handrail was completed in the spring of 2004. The respondent does not agree that the existing handrail needs to be extended. The grade on the existing ramp is minor and does not require the extension of the current handrail.

6. Install individual step lights.

Response to Recommendation 6: The recommendation will not be implemented because it is not warranted. The stairs in question have been removed and replaced by a ramp. Additional direct lighting to the area was included.

7. Prune tree branches away from the existing overhead lighting.

Response to Recommendation 7: The recommendation has been implemented. This work was completed in the spring of 2004.

6. Install additional overhead lighting in the parking lot.

Response to Recommendation 8: The recommendation has been implemented. New perimeter lighting has been installed. This work was completed in the spring of 2004. New lighting was also installed when the new ramp was installed.

7. The security gate needs to be repaired and maintained.

Response to Recommendation 9: The recommendation will not be implemented because it is not warranted. This item was discussed with staff within the Sheriff's Department. Based on information provided by that Department, the gate has remained open for the past 15-20 years and it is their desire for the gate to remain in this open position. The gate can be closed and secured manually. There is no need to activate the electronic portion of the same.

Follow up

The Grand Jury made a follow up visit on 03/09/04, the following corrections had been made:

1. A sidewalk with a ramp has been installed, replacing the stairs.
2. A partial handrail has been installed. Full handrail still needs to be constructed.
3. Individual lights have been installed along the ramp.
4. Additional overhead lighting has been installed over the sidewalk area.

VETERANS SERVICES OFFICE

Findings

1. There is no counter to separate the public entering the office, from those desiring to speak in confidence.

Response to Finding 1: The respondent agrees with the finding.

Recommendations

1. A counter should be installed. This would allow conversations and discussions to be conducted in a private setting.

Response to Recommendation 1: The recommendation has been implemented. Work to install a counter was completed in Spring, 2004.

Information Technologies

Reason for the report

The 2003/2004 Grand Jury chose to conduct a review of the County's Information Technologies Department (IT).

Scope of the investigation

People interviewed

- Director of IT
- IT staff members
- County Administrative Officer (CAO)
- Members of the County Board of Supervisors (BOS)
- Various Department Directors

Documents reviewed

- 2002/2003 Grand Jury report
- Information Services Strategic Plan
- BOS Policy A-10, IT Steering Committee

Background

The 2002/2003 Grand Jury findings and recommendations on Information Services General Review, remain applicable this year.

Facts

1. Each county department is funded annually for technology (computers, software, systems, etc.).
2. Each department considers their own needs paramount when spending their allocated monies.
3. Departments spending their allocation make no effort to integrate with the other departments on technology.
4. No county-wide coordination to prioritize technology projects is made at any level of this county's government.
5. The County has an IT Steering Committee, whose written goal is to integrate county technology needs.
6. The IT Steering Committee is attended by lower level staff members who do not have authority to make decisions concerning information technology.

Findings

1. The BOS has no long-term vision pertaining to the future of information technology.

Response to Finding 1: The respondent disagrees wholly with the finding. Per Board of Supervisors policy A-10, the County is currently reviewing and updating the Information Technologies Strategic Plan. This document has been in effect since November, 2000, and provides goals and objectives for County-wide technological improvements. This document provides an on-going plan that will be updated periodically as technology and the needs of the County change. In addition, the Board approved its FY 2004/05 Goals in March, 2004, which include two items related to technology:

- *Review and assess the County's technological capabilities and practices, and prioritize for cost effectiveness, security of electronic records, and service timelines and reliability.*
- *Provide for streamlined processes through the application of technology, such as the implementation of an electronic agenda process.*

2. IT does not lead the county in technology advancements, nor does IT coordinate the needs of each department into a county-wide, prioritized, technology program.

Response to Finding 2: The respondent disagrees partially with the finding. Per Board of Supervisors Policy A-10, "the Information Technologies department is ultimately responsible for establishing standards for the overall management and administration of information technology based programs for the County". With the approval of the revised Information Technologies Strategic Plan, the County would begin to implement standards that would be used on a County-wide basis. We have already started this trend by implementing a single system County-wide e-mail system. Countywide technology advancements and a prioritized technology program would be developed with oversight by the Information Technology Standards Sub-Committee (ITSSC), the Information Technology Steering Committee, the Chief Administrative Officer, and the Board of Supervisors.

3. The IT Steering Committee meets irregularly and provides no direction to the county's decision makers (ie: the BOS and CAO).

Response to Finding 3: The respondent disagrees partially with the finding. At the direction of the Chief Administrative Officer, a new IT Steering Committee (ITSC) has been developed with representation from each functional group, effective June, 2004. The committee meets monthly to discuss IT issues affecting the County. As the ITSC becomes more familiar with issues pertaining to the effective use of technology, it will provide the direction to the county's decision-makers cited above.

4. The lack of coordination between departments causes duplication of IT purchases.

Response to Finding 4: The respondent disagrees partially with the finding. For the past several years, we have had a process in place whereby the purchase of hardware and software are reviewed by the IT department, and if necessary recommendations are made with regard to those purchases and their affect on technology within the County. For the most part this process has worked well, however; there have been some instances where a department has chosen to not implement the IT recommendation and duplication may have occurred.

5. Individual departments make expenditures without coordinating the main frame interface needs of their new systems resulting in major impacts to the county's existing hardware, software, and IT personnel.

Response to Finding 5: The respondent disagrees partially with the finding. As with number 4 above, for the past several years, we have had a process in place whereby the purchase of hardware and software are reviewed by the IT department, and if necessary recommendations are made with regard to those purchases and their affect on technology within the County. For the most part this process has worked well, however; there have been some instances where a department has chosen to not implement the IT recommendation, resulting in unanticipated impact to the County's existing hardware, software and/or IT personnel.

6. The County does not aggressively pursue the use of technology as an advancement in methodology of doing county business for the purpose of economy, speed, or efficiency.

Response to Finding 6: The respondent disagrees partially with the finding. Some County departments, such as Recorder/Clerk and Assessor, are able to do more work with fewer people due to the implementation of technology. For the past several years, economic constraints have not allowed for the aggressive pursuit of technology; however, we have attempted to continue the implementation and maintenance of those areas that will allow us to move forward more aggressively when funding is available. Examples include growth and maintenance of the Wide Area Network (WAN) and implementation of a single system e-mail. With managed planning through the IT Strategic Plan, it would be our intent to move in the direction of doing County business as economically, quickly, and efficiently as possible

Recommendations

1. The County must work toward standardizing its software, hardware, and systems to insure all county employees can work together on the same systems efficiently.

Response to Recommendation 1: The recommendation has not yet been implemented, but will be implemented in the future. IT has been working with the Information Technology Standards Sub-Committee (ITSSC) and the ITSC to propose standards that address these concerns.

For example, we are in the process of implementing a single system county-wide e-mail system. We expect implementation to be complete by December 31, 2004.

2. The BOS, CAO and the IT Director must take the lead on the IT Steering Committee with participation by other key department heads.

Response to Recommendation 2: The recommendation has been implemented. At the direction of the Chief Administrative Officer, a new IT Steering Committee has been developed consisting of members from each of the functional groups.

3. The BOS, CAO and Director of IT must create a multi-year strategic technology funding plan.

Response to Recommendation 3: The recommendation has not yet been implemented, but will be implemented in the future. Per Board of Supervisors Policy A-10, we are in the process of reviewing and updating the IT Strategic Plan that was implemented in November, 2000. Once approved, this plan will become the roadmap that will direct future technological improvements. It will be reviewed bi-annually, per the policy, to ensure that the future technological needs of the County are being met. We anticipate completing the revision, review, and approval of the IT Strategic Plan by October 31, 2004.

4. The IT Steering Committee must be assigned the responsibility for integrating, prioritizing, and approving county technology projects, purchases, and funding.

Response to Recommendation 4: The recommendation has been implemented. Per Board of Supervisors Policy A-10, the IT Steering Committee functions in an advisory capacity to IT, the CAO and the Board of Supervisors. At the direction of the Chief Administrative Officer, a new IT Steering Committee has been developed consisting of members from each of the functional groups.

5. The IT Steering Committee must revise and update controls on purchasing of technologies, so that redundant systems are not purchased or adversely affect IT infrastructure.

Response to Recommendation 5: The recommendation has been implemented. See the response to the previous recommendation.

6. The County must aggressively pursue technological advancements with the objectives of reduction in cost and improvement in efficiency.

Response to Recommendation 6: The recommendation has not yet been implemented, but will be implemented in the future. While some departments, often through the use of special funding available from fees or trust funds, have pursued technology to lower costs and improve efficiency, the County as a whole has not been able to aggressively pursue technology due to economic constraints. In March, 2004, the Board adopted two goals acknowledging the need to use technology to improve economy, efficiency and service.

Material Recovery Facility

Reason For The Report

The 2003/2004 Grand Jury received a citizen's complaint concerning the operation of the El Dorado County Materials Recovery Facility (MRF) in Diamond Springs.

Scope of the investigation

People interviewed

- Complainant
- Director, County Environmental Management Department and staff members
- MRF staff

Documents reviewed

- County Environmental Management Department documents
- El Dorado County Agreement with Waste Management, Inc.
- New proposed County waste disposal Agreement
- Notice of Default from the County to MRF franchise
- Photographs and video of facility activities
- The Integrated Waste Management Act of 1989 (AB939)

Sites visited

- MRF, several occasions
- Board of Supervisors meetings

Background

In December 1996, the Union Mine Disposal site was closed to the public. Western El Dorado Recovery Systems, Inc. opened a materials recovery facility in Diamond Springs. The County contracted with Western El Dorado Recovery Systems, Inc., to help facilitate compliance with California law AB939 which mandates a 25% diversion from landfills by 1995 and 50% by 2000, or face a \$10,000 per day fine.

In the late 1990's Waste Management, Inc. assumed responsibility for both El Dorado Disposal, Inc., and Western El Dorado Recovery System, Inc. The MRF in Diamond Springs is considered a "dirty materials recovery facility" because its operations separates the non-recyclable material from the recyclables. Recycled materials are sent to a "clean materials recovery facility" in California where paper, cardboard, metal, glass and plastic are further separated. In early 1997 the County began the transition into a permanent "exporting county" by taking all waste that could not be recycled to landfills outside of the county.

The Grand Jury toured the MRF on several occasions observing the following: waste drop area, recycling area, separating area, green waste area, carcass bin, thrift shop, and camera monitoring room.

Facts

1. Waste Management, Inc., is currently operating under the original El Dorado Disposal Company Agreement.
2. The State mandated recycling requirements of AB939, have not been met by the county since 1995.
3. The County received a “good faith” extension (July 2000 to July 2004) from California’s 50% recycling requirement of AB939. Another extension request is being considered.
4. On 7/17/02, the County issued a Notice of Default to Waste Management, Inc., for failure to operate the transfer station/recycling facility in accordance with the contract.
5. The County will incur a \$10,000 a day fine, if they do not meet the 50% recycling requirements.
6. The County is no longer making regular on-site inspections of MRF to assure compliance with AB939.
7. The state requires that non-recycled materials be hauled away within 24 hours.
8. There is a manual sorting of waste conducted at the MRF to help meet the recycling requirement.
9. A camera system has been installed to monitor operational activities at MRF.
10. There is a non-refrigerated bin provided for animal carcasses.
11. There is only one register at the MRF for non-commercial refuse drop off payment.

Findings

1. By not enforcing the State mandated recycling requirements, County faces a \$10,000 a day fine.

Response to Finding 1: The respondent disagrees wholly with the finding. Every California county, city, and regional agency potentially faces a \$10,000 per day fine by not enforcing the State mandated “diversion” requirement. The finding, as stated, infers that the County is not enforcing the State mandated diversion requirement. The County disagrees with this inference. The California Integrated Waste Management Board (CIWMB) determines compliance with the 50% diversion requirement by using a two-part criterion, namely:

- Implementation of each jurisdiction’s Source Reduction and Recycling Element (SRRE) and Household Hazardous Waste Element (HHWE), referred to as “program implementation”; and
- Diversion rate achievement.

The County has (and continues) to implement the programs adopted in its SRRE and HHWE in addition to developing and implementing new programs while expanding existing programs. The Materials Recovery Facility is one of 46 programs being implemented by the County. The implementation status of 43 of these programs was described in the most recent County AB 939 annual report, as required, to the CIWMB (see attached report). The remaining three programs are new programs not previously selected, which are now being implemented.

The two-fold test is noteworthy to recognize because there have been jurisdictions, which have not been deemed in compliance, because:

- 1) They exceeded the 50% diversion rate requirement but could not demonstrate satisfactorily to the CIWMB that programs supporting the diversion rate were sufficient; or
- 2) They were implementing selected programs but did not achieve the 50% diversion rate requirement. For example, the City of Point Arena in Mendocino County attained a 20% diversion rate in 2000 and was deemed to be in compliance and not considered for a \$10,000 per day fine.

Although El Dorado County did not achieve the 50% diversion rate requirement in 2000, it was granted a time extension by the CIWMB under the SB 1066 Extension option. When the CIWMB approved the County's request for a time extension, the CIWMB deemed that the County was demonstrating a "good faith effort" to fulfill compliance with AB 939. During meetings with CIWMB staff, they have indicated that the County is implementing programs and demonstrating a "good faith effort" to reach the diversion rate goal. The CIWMB officially accepted the County's diversion results for 1997 and 1998. And, the CIWMB officially approved the County's results for 1995, 1996, and 1999.

In addition, the County has taken enforcement actions with respect to Waste Management's operation of the Materials Recovery Facility. As the Grand Jury report notes, the County has issued a Notice of Default to Waste Management, Inc., notifying Waste Management, Inc. that it is in default of its Materials Recovery Facility Operations Agreement with the County. The County's Notice of Default concludes that Waste Management, Inc. is not operating the Materials Recovery Facility, as required by its Agreement with the County, by processing all incoming loads of solid waste to remove the recyclable materials from those loads. In response to the County's Notice of Default, Waste Management has made improvements in the operation of the Materials Recovery Facility. These improvements include an increase in the number of pickers that are staffing the picking lines at the Materials Recovery Facility, as well as taking source separated recyclables collected by Waste Management, Inc. to Waste Management's recycling facility in Lodi, California. The Lodi facility reportedly recycles in the range of 85-90% of all incoming materials.

Lastly, County staff has negotiated a new agreement with Waste Management, Inc., which combines Waste Management's collection and recycling facility operations under the umbrella of a single agreement. The new agreement will provide incentives for Waste Management, Inc. to increase its recycling levels, as well as provide the County with additional enforcement tools, including cross default provisions, in the event that Waste Management, Inc. does not increase its recyclable materials.

The County takes its AB 939 responsibilities seriously, and believes that it is exercising a "good faith effort" to fully comply with AB 939 while also working with CIWMB staff to improve program implementation. The County does not believe that it faces the

prospect of being assessed a fine. If it were, it would have been issued a compliance order by the CIWMB – the initial step leading to a conduct of a public hearing and possibly a penalty assessment.

2. Instead of enforcing the State mandated recycling requirements, of 50%, the County continues requesting extensions. Currently, the recycling is approximately half of the mandated requirement.

Response to Finding 2: The respondent disagrees wholly with the finding. The State-mandated requirement for the County is a 50% diversion rate requirement. The term “diversion” includes four component generic program types, namely: source reduction, recycling, composting, and special waste diversion. The County wants to ensure that it is understood that the County must meet more than “recycling” requirements. Recycling is only one component of “diversion”.

The County is not responsible to “enforce” AB 939 requirements but must comply with AB 939 mandates. Compliance is determined by the extent of program implementation and the associated diversion rate. As noted in the response to Finding 1, the County is implementing its selected programs and new programs. When the CIWMB Board considered the County’s 1999-2000 year performance, it granted a SB 1066 time extension because the County was implementing its programs through “good faith efforts’ but staff indicated to the CIWMB Board that the County be granted some extended time to coordinate program performance with diversion rate measurement.

The CIWMB Board has approved SB 1066 time extensions for more than 121 cities and counties. And when El Dorado County was being considered for a time extension (July 23, 2002), it initially requested an extension to July 1, 2005. CIWMB staff also recommended this request. However, the CIWMB Board did not want to establish a precedent in 2002 of approving any jurisdiction’s time extension beyond December 31, 2004. Furthermore, it is noted in the resolution approved by the CIWMB Board on July 23rd, 2002 that:

“...if the jurisdiction has not achieved 50% diversion within two years, it may still apply for an additional time extension pursuant to Public Resources Code (PRC) Section 41820.”

SB 1066 only allows the requesting of two time extensions, and cumulatively, the extensions expire on January 1, 2006. The County’s 2nd request for a time extension is through December 31, 2005.

Notwithstanding the above, the County filed the SB 1066 extension to allow the County and its South Lake Tahoe franchise, South Tahoe Refuse, Co., Inc., and the Herhof Corporation of Frankfurt, Germany time to complete the extraordinary permitting process, unique to Lake Tahoe, for our \$22 million dollar Municipal Solid Waste (MSW) composting project. The project is anticipated to receive the Tahoe Regional Planning Agency (TRPA) permit by October 2004 and construction is scheduled to begin in May

2005. This project will significantly contribute to the County's recycling/diversion effort. This is the same project the 2000/01 Grand Jury recommended to pursue and the County has given it full attention to insure that it is built.

Additionally, the County is concerned that the diversion rate measurement methodology used by the CIWMB may not result in accurate diversion rate measurement. The calculation of any local government's compliance with AB 939 diversion goals is a complicated process and can be skewed if the County has an inaccurate "base year" calculation or has not fully accounted for all of the diversion activities taking place in the County. This is a problem that has confronted many cities and counties in the last several years. As a result, the CIWMB has recently approved revised "base year" and diversion calculations for many cities and counties, and has thereby approved alternative methods for reporting the success of various cities and counties in meeting their AB 939 diversion goals.

AB 939 requires that a county submit information to the CIWMB "data which is as accurate as possible, on the quantities of solid waste generated, diverted, and disposed, to enable the board, to the maximum extent possible, to accurately measure the diversion requirements..." (PRC Section 41331)

The County has begun an evaluation of the initial base year data used for this purpose and found that some diversion measurement "indicators" may support the hypothesis that the County's base year (1990) waste generation amount may not be accurate. The County has advised the CIWMB of its intent to conduct a new waste generation study for the year 2003, which will be more accurate than its 1990 base year. This study may indicate that the County's diversion rate is actually much higher than the current 2002 diversion rate of 32% and may even exceed 50%.

The County is midway through the study and is planning to submit the request for a new base year waste generation amount by the end of the year (12/31/04). More than 150 jurisdictions have submitted requests for new base year waste generation amount.

The County has indeed requested extensions from the State in order to meet the 50% diversion goal but, as noted above, the County is also hopeful that if the CIWMB approves a new base year calculation for the County, that the County's existing diversion efforts would then be considered to be in compliance with AB 939. For that reason, the County disagrees with the Grand Jury's findings that the County's current recycling level is approximately half of the mandated requirement. The County is also taking several steps to require Waste Management, Inc. to increase its recycling efforts.

3. The County has proposed a new Agreement with Waste Management, Inc.

Response to Finding 3: The respondent agrees with the finding. Waste Management, Inc. is operating under preexisting agreements (assigned from the former local long term owners of EDSI to Waste Management, Inc.) that extend through December 31, 2012. Notwithstanding the foregoing, County staff agrees with the tenor of the Grand Jury's

finding that additional efforts need to be made by Waste Management, Inc. to divert recyclable materials from landfilling. The County is endeavoring to use all the contractual and enforcement tools at the County's disposal to reach this goal.

4. Non-recycled materials are not hauled away within 24 hours as required by state law.

Response to Finding 4: The respondent disagrees wholly with the finding. The statutory enforcement and monitoring authority for the Materials Recovery Facility is the Local Enforcement Agency (LEA), which is the El Dorado County Public Health Department, which contracts with the Placer County Environmental Management Department for inspections and enforcement of the State "Minimum Standards for Solid Waste Handling and Disposal Facilities (Chapter 3 of Division 7 of Title 14 of the California Code of Regulations). Strict adherence to the regulatory requirements is administered, enforced, and ensured through monthly inspections by the LEA. In accordance with the LEA, Title 14 California Code of Regulations (CCR), Section 17410.1 Solid Waste Removal states:

A) All solid wastes shall be removed at the following frequencies at an alternative frequency approved by the LEA in order to prevent propagation or attraction of flies, rodents or other vectors:

1. Operators shall remove solid waste accepted at the site within 7 days from the date of receipt.
2. Facilities shall remove solid waste accepted at the site within 48 hours from the time of receipt.
 - As noted, removal of the waste is within 48 hours and not 24 hours as indicated by the Grand Jury

5. The County is no longer making on-site inspections of the MRF operations on a regular basis.

Response to Finding 5: The respondent disagrees wholly with the finding. The County continues to conduct periodic on-site inspections of the Materials Recovery Facility. Staff also relies on site monitoring of the cameras, by real time digital camera surveillance, which has only been partially installed. Currently, the digital system only has four (4) viewing stations, however, the County plans to expand the system to include 12 viewing stations.

In addition, it should be remembered that the operations of the Materials Recovery Facility are only one facet of the overall scope of the recycling programs, which Waste Management, Inc. is currently implementing.

6. The camera system, monitored at the Environmental Management Department, does not provide adequate monitoring of the recycling activities.

Response to Finding 6: The respondent disagrees partially with the finding. The County agrees that the camera system standing alone does not provide adequate monitoring of all Waste Management's recycling activities, nor was it intended to. The monitoring of Waste Management's recycling activities requires a range of monitoring and enforcement actions, including periodic on-site inspections of the Materials Recovery Facility, camera monitoring of Materials Recovery Facility activities, and review of the periodic reports of Waste Management, Inc. on the success of its various recycling programs. The new contract proposed with Waste Management, Inc. would improve the monitoring and enforcement tools available to the contract.

7. The animal carcass bin is not always properly closed.

Response to Finding 7: The respondent disagrees partially with the finding. In accordance with the LEA, California Waste Management Board staff Sue O'Leary, Christine Karl, John Whitehill, and Tim Willette met with Mike Goudreau of Waste Management on April 16, 2004 regarding any issues that could be found regarding the Material Recovery Facility. During this inspection, the facility was in full compliance in regard to all operations at the facility. The LEA will work with the operator to close the lid on the animal bin and ship the materials on the next available vehicle bound for the landfill in Lockwood, Nevada.

8. The MRF does not have the State required animal carcass freezer.

Response to Finding 8: The respondent disagrees wholly with the finding. In accordance with the LEA, Title 14 CCR does not require the operator to have an animal carcass freezer. The LEA can suggest that a freezer for the animal carcass, but it is not a requirement of the California Code of Regulations.

9. County residents can incur long wait times to drop off their refuse.

Response to Finding 9: The respondent disagrees partially with the finding. This has been a frequent problem at the Materials Recovery Facility, especially on Saturday and Sunday when there is a significant impact from self-haulers. County staff has discussed this issue on several occasions with Waste Management, Inc. and the LEA has suggested that traffic must be managed more efficiently on peak days. This measure requires that County residents be served in a timely manner, and they be directed to the appropriate areas at the facility using a proper traffic flow.

In accordance with the LEA, Waste Management, Inc. has installed an additional computer at the gatehouse so that an extra employee can calculate the loads and receive payment during peak hours at the facility. In addition, in the new agreement there is a proposal that would cause Waste Management, Inc. to pay the County liquidated damages if the wait times at the Materials Recovery Facility are excessive.

Recommendations

1. The County must enforce the State-recycling requirements of 50%.

Response to Recommendation 1: The recommendation has been implemented. As noted earlier, the County is not responsible to “enforce” AB 939 requirements but is responsible to comply with AB 939 requirements. Compliance is determined by the extent of program implementation and the associated diversion rate. The County has reported on the status of its implementation of all selected programs in its 2002 AB 939 annual report to the CIWMB.

The State-mandated requirement for the County is a 50% diversion rate requirement. The term “diversion” includes four component generic program types, namely: source reduction, recycling, composting, and special waste diversion. The County wants to ensure that it is understood that the County must meet more than “recycling” requirements. Recycling is only one component of “diversion”.

The County will continue to fully comply with AB 939 and strive to expand program implementation effectiveness and accurate diversion rate measurement methodologies. The County will enforce provisions in its current agreement with all its solid waste providers (e.g., EDSI, STR, WERS, Amador) to fulfill their responsibilities pertinent to the County’s ability to achieve compliance with AB 939.

2. The County must expedite the new Agreement with Waste Management, Inc., or contract with a company that will meet state AB939 mandates.

Response to Recommendation 2: The recommendation has not yet been implemented, but will be implemented in the future. The County engaged in negotiations with Waste Management, Inc. regarding a new contract. The new contract was approved by the Board of Supervisors on August 31, 2004. Under the new contract, which has a term that extends to December 31, 2012, Waste Management, Inc. will implement additional recycling services.

3. The County must enforce California State Regulations requiring all non-recycled material be removed within 24 hours, including weekends.

Response to Recommendation 3: The recommendation has not yet been implemented, but will be implemented in the future. During the weekends, non-recycled materials are transported to Lockwood late on Saturday morning and then again early Monday morning. The County has discussed a recommendation with the LEA to require Waste Management, Inc. to remove the non-recycled material within a 24-hour period – including weekends. The LEA has indicated that this recommendation will be stipulated in the new Permit for the MRF.

4. The County must not rely exclusively on camera monitoring of the MRF activities, and must re-instate on-site inspections to ensure AB939 compliance.

Response to Recommendation 4: The recommendation has been implemented. The County agrees that the camera system standing alone does not provide adequate monitoring of all Waste Management's recycling activities, nor was it intended to. The monitoring of Waste Management's recycling activities requires a range of monitoring and enforcement actions, including periodic on-site inspections of the Material Recovery Facility, camera monitoring of Materials Recovery Facility activities, and review of the periodic reports of Waste Management, Inc. on the success of its various recycling programs. The new contract proposed with Waste Management, Inc. would improve the monitoring and enforcement tools available to the contract.

The County continues to conduct periodic on-site inspections of the Materials Recovery Facility, but because of the multitude of tasks facing the staff of the Environmental Management Department, staff also relies on spot monitoring of the cameras, which have been installed at the MRF to assist County staff in surveillance of the Materials Recovery operations. The LEA makes regular monthly inspections on the entire Materials Recovery Facility on a regular basis. In addition, it should be remembered that the operations of the Materials Recovery Facility are only one facet of the overall scope of the recycling programs, which Waste Management, Inc. is currently implementing.

5. The County must enforce compliance with state law regarding a freezer for animal carcasses.

Response to Recommendation 5: The recommendation will not be implemented because it is not warranted. Title 14 CCR does not require the operator to have a carcass freezer. The LEA can suggest an animal freezer for the animal carcasses, but it is not required. The LEA will work with the operator to close the lid on the animal bin and ship the material on the next available vehicle bound for the landfill in Lockwood, Nevada. Waste Management, Inc. will be required to monitor the animal carcass bin four (4) times a day and document the inspection with the date, time, and employees initials.

6. The County must direct Waste Management, Inc., to improve non-commercial customer service at the MRF.

Response to Recommendation 6: The recommendation has been implemented. The County has directed Waste Management, Inc. to improve non-commercial customer service at the MRF. The LEA has stated that Waste Management, Inc has installed an additional computer at the gatehouse so that an extra employee can calculate the loads and receive payment during peak hours at the facility. In addition, depending on high demand, an employee may walk the traffic flow line and pre-calculate the cost of the load. The LEA will discuss the findings of the Grand Jury to the operator and will alleviate the problem.

The Environmental Management Department will request that the Planning Department verify the MRF's Special Use Permit #S94 08 with regards to compliance standing of the mitigation measures that were developed to address identified impacts including, but not limited to, the following issues:

“...access and circulation impacts upon the local road system as well as long term regional circulation impacts; noise impacts to the adjacent residential sites located south of the project site; the identification and disposal of hazardous waste, odor, vector control, fire danger, storm water drainage, etc.”

The County is hopeful that it can negotiate a new agreement with Waste Management, Inc., which will provide for additional enforcement tools to ensure shorter waiting lines at the Materials Recovery Facility.

Ranch Marketing Ordinance

Reason for the report

The 2003/2004 Grand Jury received a citizens' complaint concerning the El Dorado County Ranch Marketing Ordinance 17.14.190.

Scope of the investigation

People interviewed

- The complainant
- Current and former Agricultural Commissioner
- Assistant Agricultural Commissioner
- Planning Department staff
- Agriculture Department staff

Documents reviewed

- The citizen's complaint
- The El Dorado County Ranch Marketing Ordinance
- Correspondence to and from the County and complainant
- Planning Department documents
- El Dorado County Crop Report 2002

Background

The following is the stated purpose of the Ranch Marketing Ordinance:

“The purpose of this section is to provide for the development of ranch marketing activities to encourage the economic development of the agricultural and tourism industries while regulating such uses to protect the public health, safety and welfare and the enjoyment of property by adjacent land owners...”

The complaint alleges confusion within the County Government on the interpretation and enforcement of the Ranch Marketing Ordinance. There is no uniform interpretation of the Ranch Marketing Ordinance. This confusion is compounded by the transfer of the Ranch Marketing Ordinance enforcement between the Planning and Agriculture Departments.

Facts

1. The Ranch Marketing Ordinance was originally written in 1988 and last revised in 2003.
2. The Agriculture Department took over sole code enforcement of the Ranch Marketing Ordinance in 2003. Previously code enforcement was done by both the Planning and Agriculture Departments.
3. The Ranch Marketing Ordinance does not define specific crops but does have acreage requirements.

4. The Ordinance does not state a minimum crop density.
5. The Agriculture Department, in September 2003, gave approval of compliance with the Ranch Marketing Ordinance to the complainant on acceptable crops and acreage requirements.
6. The Agriculture Commissioner, in October 2003, rescinded the Department's approval based on his opinion that Christmas trees were not a crop as it pertains to the Ranch Marketing Ordinance.

Findings

1. The Ranch Marketing Ordinance is open to interpretation and is confusing to those attempting to comply with its requirements.

Response to Finding 1: The respondent agrees with the finding. Most laws, regulations, and ordinances are not written to contemplate every situation that might come under their respective jurisdictions. Inevitably, some interpretation by the enforcing agency is required, particularly as new situations arise. However, the respondent does agree that the Ranch Marketing Ordinance, as revised in 2001 and now codified as §17.14.180 & 190, includes some terms and requirements that could be better defined. Planning Department staff is working in conjunction with staff from the Agriculture Department to revise the code and anticipates that revised ordinances for both wineries and ranch marketing will be ready for adoption within the next year. In addition, both departments will work together to ensure that interpretations of the code by County staff are consistent.

2. The Ranch Marketing Ordinance is open to interpretation and is confusing to those who are attempting to explain and enforce its requirements.

Response to Finding 2: The respondent disagrees partially with the finding. The Ranch Marketing Ordinance is open to interpretation, similar to other laws, regulations, and ordinances. The relative newness of the ordinance has led to some confusion in the interpretation of the ordinance and its standards, but as staff becomes more familiar with the provisions of the code and as interpretations have developed, a more consistent approach to enforcement has evolved. Communication and mutually agreeable interpretations between the Agriculture and Planning departments are critical in ensuring that accurate and timely information is disseminated to all interested parties. The ordinance revisions referenced above will also assist in clarifying the standards and requirements and lead to further consistency in interpretations and enforcement.

3. There is inconsistency in the methodology of measuring acreage (manual versus global positioning satellite also known as GPS), resulting in possible disqualification.

Response to Finding 3: The respondent disagrees partially with the finding. There may have been times in the past when manual measurements using measuring wheels were performed by County staff prior to GPS capabilities within the Agriculture Department.

Since October 2003, all measurements for Ranch Marketing compliance have employed GPS technologies and have adhered to strict measurement guideline standards implemented by the Agriculture Department. In an effort to further limit measuring errors, GPS units with sub-meter capabilities have recently been used in measuring planted acreage. Nonetheless, calculations of planted acreage using standardized protocols and accurate measurements by all methods should result in similar findings.

4. The County generally does not enforce the Ranch Marketing Ordinance unless a complaint is received, resulting in a lack of standardized enforcement.

Response to Finding 4: The respondent disagrees partially with the finding. In FY2003/04 the Board assigned responsibility for the enforcement of the ranch marketing and winery provisions of Title 17 to the Department of Agriculture. In FY2004/05, that responsibility has been returned to the Planning Department.

The Planning Department's code compliance officer works to assure compliance with all code requirements and where violations of the code are known, will attempt to enforce the provisions of the code. Budgetary and staffing constraints play a significant role in the overall Ranch Marketing enforcement priorities. It is not possible, given the staffing level available, to review all active ranch marketing operations to determine if they are in compliance, unless violations are brought to the attention of the code compliance officer. This is consistent with code compliance operations for all provisions of the zoning code. The Planning Department prioritizes its enforcement actions based on the health and safety aspects of the violation. Complaints are a welcomed source of information that can be used to initiate an investigation of individuals or businesses allegedly violating the Ranch Marketing Ordinance.

For the past year, the Agriculture Department has taken proactive steps by notifying individuals in writing of impending Ranch Marketing and Special Use Permit deadlines as recommended by the Agricultural Commission and conditioned by the Planning Commission and Planning Department.

Additionally, the Agriculture Department, acting as staff to the Agricultural Commission, places timely informational items on the Commission's agenda to facilitate discussion and/or action by the Department based on the motions passed by the Commission.

Whenever an individual requests information concerning Ranch Marketing, the Agriculture and Planning Departments try to consistently explain and enforce each provision of the applicable code prior to the initiation of any Ranch Marketing activities.

5. Confusion between Agriculture and Planning Departments delays an applicant's qualification or rejection for Ranch Marketing.

Response to Finding 5: The respondent disagrees wholly with the finding. There are numerous opportunities for the public to contact either the Agriculture or the Planning Department for information regarding the provisions of the Ranch Marketing ordinance.

Some are applicable to Planning standards; others are more appropriately addressed to the Agriculture Department.

The term “applicant” suggests that an official County application is submitted for approval or disapproval. Since the Ranch Marketing Ordinance allows certain activities “by right” rather than through a permitting process, no applications are required or submitted for compliance verification. However, while an application is not required, some individuals request that the Agriculture Department verify the size of their planted acreage to ensure compliance with the requirements of the Ranch Marketing Ordinance. In instances such as this, once the Department receives a request for this service, it is scheduled for a site visit, usually within two (2) weeks.

If a formal application is submitted to the Planning Department for a special use permit as an example, the applications are processed in the same manner as any other application. At times there are delays for a variety of reasons, including unclear application materials, requirements by state or other local agencies, environmental concerns, or changes to the project made by the applicant. The Planning Department is not aware of any delays of such an application caused by the alleged confusion between the Agriculture and Planning Departments.

Less formal requests for information are also made to the Planning Department and staff attempts to respond in as timely a fashion as possible. In some cases, the responsibility for providing the information lies with Agriculture Department and the member of the public is referred to that department, not because of confusion but because the Agriculture Department can better provide the type of information requested.

Recommendations

1. The Agricultural Commissioner and the Director of the Planning Department need to resolve the differences of interpreting the Ranch Marketing Ordinance until it is rewritten.

Response to Recommendation 1: The recommendation has been implemented. The new Agricultural Commissioner and the Acting Planning Director have taken a cooperative and collaborative approach towards the Ranch Marketing ordinance. Currently, both departments are meeting on a routine basis to discuss the Ranch Marketing Ordinance and are moving forward to resolve any interpretative differences. Staff is also actively working together on revisions to the ordinance.

2. The Agricultural Department should lead the expeditious rewrite of the Ranch Marketing Ordinance to make it complete, clear and concise.

Response to Recommendation 2: The recommendation will not be implemented because it is not warranted. The County is currently working on a rewrite of the Ranch Marketing Ordinance; however, because §17.14.180 is a part of the Zoning Ordinance, and the primary responsibility for amendments to Title 17 lies with the Planning Department, the

Planning Department has the primary responsibility for the rewrite of the Ranch Marketing provisions. Revisions to the Ranch Marketing provisions of Zoning Ordinance are anticipated to be included in the broader rewrite of Title 17 as provided in General Plan Implementation Measures LU-A and AF-A. While revisions to the Zoning Ordinance are one of the highest priorities of the implementation program, the timing may be impacted due to possible legal challenges to the General Plan.

The Planning Department is working directly and in cooperation with the Agriculture Department on the revision effort. The Agriculture Department has an active role in the process and the final recommended revision submitted to the Planning Commission (and ultimately to the Board of Supervisors) for adoption will be the result of a cooperative effort.

Additionally, other stakeholders' input must be considered in the rewriting of the ordinance. The diversity of opinions within the agricultural community may complicate the rewriting of the Ranch Marketing Ordinance, and may delay the "expeditious" rewrite as recommended by the Grand Jury.

Work on revisions to the Ranch Marketing provisions of the Zoning Ordinance is ongoing with a goal to complete the revisions within the fiscal year.

3. The Agricultural Department needs to become proactive rather than reactive regarding enforcement of the Ranch Marketing Ordinance.

Response to Recommendation 3: The recommendation has been implemented. For the past year, the Agriculture Department has taken additional proactive steps by notifying individuals in writing of impending Ranch Marketing and Special Use Permit deadlines as recommended by the Agricultural Commission and conditioned by the Planning Commission and Planning Department. The staff to the Agricultural Commission also places informational items on the Commission's agenda to facilitate discussion/action, and to inform the public of Ranch Marketing activities.

4. A specific timeframe should be set by the County to approve or disapprove Ranch Marketing applications.

Response to Recommendation 4: The recommendation will not be implemented, because it is not warranted. There currently are no official County applications for Ranch Marketing activities, since the intent of the Ranch Marketing Ordinance is to allow certain activities "by right". However, some individuals call upon staff to verify the size of their planted acreage to ensure compliance with the Ranch Marketing Ordinance requirements. Once the Agriculture Department receives a request for this service, it is scheduled for a site visit, usually within two (2) weeks. Also, the Department of Agriculture receives requests for specific information concerning the Ranch Marketing Ordinance and the various accessory uses that are allowed "by right". These types of inquiries are usually answered the same day staff receives them.

The Agriculture and Planning Departments will continue to meet to find consensus and agreement regarding the applicability of the various agricultural crops to ensure consistency with the information provided to these individuals.

Certain types of applications for Ranch Marketing activities are discretionary in nature and subject to existing processing timelines (CEQA, Permit Streamlining Act). The Planning department will continue to work within the timelines provided given the workload and available staffing levels.

The Departments have been and will continue to be responsive to all public inquiries.

Review Of County Government

Reason for the Report

The 2003/2004 Grand Jury received numerous complaints regarding mismanagement of county employees that evolved into an investigation concerning the competence, practices and procedures of all levels of county government.

Scope of the Investigation

People interviewed

- The Board of Supervisors
- Chief Administrative Officer
- Department Directors
- Current and former county employees
- Union local #1 representative
- An outside contractor and supplier
- Information Services representative

Documents reviewed

- Prior Grand Jury reports
- Numerous citizen and employee complaints
- County policy and procedure manuals
- The County/Union Memorandum of Understanding (MOU)
- Purchasing procedures and contracts
- Policies and procedures of other counties

Background

The 1999-2000 Grand Jury concluded in their investigation of County Government that: “Grand Jury investigation of various departments of the El Dorado government indicates department heads (directors) failed to properly direct operations or properly oversee operations within their departments.” Little, if any, progress has been made since that report.

There were repeated allegations to the Grand Jury of incompetence and lack of leadership. It is not clear if the problems were a result of: policy-setting, hiring procedures, misdirected promotions, improper delegation of responsibility, lack of training, or a combination of all of the above. In any case, the issue demands immediate correction.

Facts

1. There is excessive turnover in department directors.
2. There are numerous incidents of general and specific employee abuses, such as: arriving late and leaving early, long lunch hours, incidents of favoritism, wasted assets and wasted time.

3. Management has failed to document policy/procedure violations.
4. Management has failed to discipline documented violations.
5. Management has used flex hours as a reward and punishment tool.
6. There has been improper personal use of county computers, telephones, and vehicles.
7. There is general unrest and uncertainty among county employees and management due to numerous abuses of authority, intimidation, lack of procedures, and duplication of effort through lack of technology.
8. There is a lack of communication and cooperation between managers of various departments and the Human Resources Department.
9. Human Resources has lost its ability to function effectively.
10. Standards of employee performance and behavior are “loose”, nonexistent, or are not enforced.
11. The number of abuses overwhelmingly indicates a lack of leadership and ability to manage.
12. Business operations of El Dorado County are very poorly run, and all problems and lack of management in the county are a direct result of poor leadership from the top down.
13. The county has not taken full advantage of available technology to integrate, streamline and modernize its operation. (see IT report)
14. The county negotiated away employee performance evaluations during county/union contract negotiations.
15. There is lack of training.
16. The county compensation package is inadequate.

Findings

1. There are county employees, at all levels, who do not acknowledge that they are part of the county’s dysfunction.

Response to Finding 1: The respondent disagrees partially with the finding. The issue of county “dysfunction” is not isolated to El Dorado County. In fact, it is systemic throughout California’s fifty-eight counties. County government, in general, is dysfunctional by its very nature, due to the structure of county government finance and broad span of program responsibilities.

In an attempt to address this issue, the legislature and the past three Governors, over the past decade, have commissioned a litany of “blue-ribbon” commissions to unravel local government finance. Until this year no progress has been made to realign, restructure or reprogram financing of local programs. As part of the 2004-05 State Budget a constitutional amendment will be put on the November 2004 ballot that attempts to address this issue. Admittedly, this measure is simply a revenue fence to preclude State raids on local revenues but it does provide stability to counties’ core revenue streams.

By way of background, county government has three distinct service levels: a political subdivision of the State of California providing statewide services, a countywide program responsibility (i.e. sheriff, district attorney, assessor, auditor controller, treasurer, etc.) and municipal services. The funding streams for each area promote categorical financing

and a competitive environment for service delivery. Due to distinct funding streams the departments have fallen into one of two categories; the “haves” and the “have-nots”. Those departments that have the ability to charge for the services delivered, or have State or Federal funding, operate in an environment much different than those who are reliant on the county’s general fund revenues. The stability of outside revenue sources allows departments to plan and implement a program service delivery model that can be sustained over a period of time. Those departments that are subject to the fluctuations of State budgets and/or the State’s ability to raid local revenue streams (i.e. Educational Revenue Augmentation Fund) are operating on makeshift program designs or are simply cut to the point of ineffectuality.

In addition to this layered structure, county government imposes policy direction through an elected Board of Supervisors in the context where there are departments that are managed by elected officials. Some of the elected officials, who are elected on a county-wide basis, have constitutional powers, duties and authority. While this dynamic complicates county government, there is significant cooperation between the Board of Supervisors and the other elected officials in El Dorado County.

Given this context of county government in general, the finding that there are county employees, at all levels, who do not acknowledge that they are part of the county’s dysfunction, may be true. It is probably equally true that there may be a level of acceptance as employees acknowledge these structural barriers. It is important to note however that most El Dorado County employees have committed and dedicated their lives to public service in spite of these structural obstacles. The challenge for county administration is to develop and manage a workplace environment that promotes cooperation and professionalism to ensure that the public receives the services it demands.

2. County departments generally operate as separate entities with little regard or communications with other departments.

Response to Finding 2: The respondent disagrees partially with the finding. The response to finding number one addresses the structural aspect of this finding. Until the State of California and its counties have structural financial reforms there will continue to be competition for service delivery dollars. In recognition of this structural “confederacy of independent states”, the challenge for county administration is to facilitate communication. The Chief Administrative Officer has enacted some strategies to improve communications and coordination: re-institute monthly department head meetings, power-point presentation of the proposed budget reflecting functional groupings of departments and numerous reorganizations to improve inter-departmental service delivery.

3. The office of the Chief Administrative Officer has not always had strong support from all department directors and the Board of Supervisors.

Response to Finding 3: The respondent agrees with the finding. The Chief Administrative Officer has not always received strong support on recommendations as they relate to change. The infusion of change in an institution such as local government requires time and persistence to satisfy the concerns of all affected parties. The organization's health is really reflected in the open dialogue related to these types of issues and that the affected parties are participating in the process of reviewing "business as usual" service delivery systems.

4. Department directors are not meeting regularly to discuss and resolve interdepartmental and county-wide issues.

Response to Finding 4: The respondent disagrees wholly with the finding. Over the past year, department heads have continued to meet, at the Chief Administrative Officer's request, monthly to discuss issues of county-wide concern. In addition, the Department Heads meet for lunch one a month to air issues. With 25 department heads, the challenge is not discussing issues but resolving them.

5. The Human Resources Department does not have a strong labor relations commitment.

Response to Finding 5: The respondent disagrees wholly with the finding. On March 14, 2004, the Board of Supervisors adopted its goals for 2004. One of the goals was to "Develop opportunities to enhance the relationship between the County and its employees". A strong labor relations program is essential to meeting this goal. One illustration of the Board's commitment to employee relations is the Board's participation in a two-day training for "interest based negotiations" with labor representatives. The purpose of this training was to establish the framework within which the new memorandum of understanding with Local 1 will be negotiated in good faith. All members of the Board of Supervisors were present, as well as the Chief Administrative Officer and several department heads.

We anticipate that the addition of a new Human Resources Director, expected in November, 2004, will further enhance the county's ability to maintain its commitment to labor relations.

6. Without regular meaningful performance evaluations, the county lacks the ability to evaluate employees for promotion and discipline. Evaluations would also provide feed back to the employees.

Response to Finding 6: The respondent disagrees partially with the finding. While many departments make earnest efforts to regularly evaluate employees, the practice has been inconsistent across departments. The Board of Supervisors feels strongly that employee evaluations play a vital role in establishing a healthy workplace/organization, and has been working with the Chief Administrative Officer to address this issue for some time. Recently, the CAO received computer analysis listing all employees by department, hire date and the last evaluation. This information has been shared with

department heads , and they have been given the direction to bring their evaluation lists up to date by the end of the calendar year.

7. Training is often neglected due to budget limitations.

Response to Finding 7: The respondent disagrees partially with the finding. The Board of Supervisors views training as a vital component of meeting the program service demands in an environment of limited staff and resources. Training gives the employees the tools to increase performance and promotes internal efficiencies and savings of tax payer dollars. In recognition of the value of a trained workforce, the county 2004-05 proposed budget includes over \$200,000 for staff training.

In spite of this investment, the training efforts in the county have become very limited due to budget constraints. For example, the Human Resources department has a room full of training materials for departments to access but there is no formal training program. In addition, the departments and programs that receive training are those with other revenue sources than the county general fund. To address this issue, the addenda budget recommends that an additional \$100,000 be included for the implementation of a training program through the Human Resources Department.

Also, the Information Technology department has embarked on an extensive Lotus Notes training program as the county has established an e-mail standard.

8. The Human Resources Department leadership, along with other county department leaders, are not enforcing policies and procedures. This lack of leadership fosters violations and misconduct by county employees.

Response to Finding 8: The respondent agrees with the finding. The vacancy in the Human Resources Director position has lead to an erosion in enforcement of policies and procedures. In addition, many of the policies and procedures have not been updated for over a decade. There needs to be a concerted effort made by county administration, with the support and cooperation of departments, to revise policies, procedures, and ordinances. If reasonable, clear policies exist, departments will be better able and willing to enforce them.

The Board of Supervisors is optimistic that the new Human Resources Director, expected to start in November, 2004, will be a catalyst for change.

9. The County does not attract sufficient qualified applicants due to lack of positive working environment and competitive compensation policies.

Response to Finding 9: The respondent disagrees partially with the finding. The work environment may have suffered due to employees' perception that they have not received an increase in take-home pay in the past few years. The employees have received salary increases through bargaining agreements but have, in many cases, had an offsetting share of costs related to health premium increases. This unfortunate situation has resulted from

the combination of astronomic increases in health care costs across the country, and shrinking economic support for local governments at the state and federal levels. Despite this common perception in the workforce, there are a significant number of employees who continue to work overtime and weekends to get the job done. The county, for example, has employees who deferred their planned retirements to finish capital projects, employees who return to service with a cut in pay, and employees who deliver the services in the face of budget and staffing cuts.

With respect to competitive compensation policies, the Board of Supervisors has commissioned a Compensation Study through the firm of Fox Lawson and Associates. The results of this Compensation Study are to be presented to the Board of Supervisors in the summer of 2004. Financing the results of the study will be the challenge.

10. Electronic technology is not being utilized to its fullest.

Response to Finding 10: The respondent disagrees partially with the finding. While it is difficult to respond to the concept of “fullest” there is always certainly room for improvement. Generally, the county is faced with an aging computer infrastructure (Windows 95 systems) that needs to be upgraded or replaced.

As noted in the fiscal year 2003/2004 Proposed Budget, the IT department’s accomplishments were listed as follows:

1. Reviewed and proposed alternative funding methodologies to cover the costs of IT including Network cost-applied charges based on the number of network-attached devices implemented while examining more cost-effective ways to provide data storage and data processing.
2. Provided Web applications for multiple departments and county-wide for data access to the public.
3. Major enhancements to the County’s internal Property System.
4. Converted jobs that previously produced dot matrix output on the line printers utilizing special forms, to print on the Xerox laser printer on plain paper and conversion of paper reports to file (data) distribution.
5. New and on-going maintenance of Web Pages and Web sites (multiple pages) for County departments.
6. Established guidelines for Web and technical standards including ADA implementation.
7. Implemented upgrades on most vendor supplied enterprise applications as well as major upgrades to enterprise server system.
8. Developed and implemented many new departmental applications
9. Provided Business Analyst for consulting and guidance within County departments.
10. Moved the entire County network to Ethernet
11. Implemented new security hardware and software schemas to protect County technology assets.
12. Implemented new software and database systems to stay current in meeting departmental needs.

13. Increase the effectiveness and timeliness of County technology and telecommunications billings.
14. Reduced telecommunications costs to County in excess of \$100,000.

In addition, in June of 2004, the Board of Supervisors established Lotus Notes as the county e-mail standard. The Information Technology (IT) Department is in the process of installing this system on a department by department basis accompanied with various levels of training. In addition, the IT department is developing a strategic plan for Board consideration in September 2004.

11. Workplace values, such as pride, respect, responsibility, and professionalism are not always held in high regard.

Response to Finding 11: The respondent disagrees partially with the finding. Workplace values are critically important to service delivery and employee job satisfaction. The Board of Supervisors and county administration foster positive approaches to the workplace as stewards of the public trust. While there will always be a few employees that don't fully embrace the duty and responsibility of the public servant, the Board believes that these values are supported and demonstrated, certainly by the Chief Administrative Officer, as well as by most department heads and employees, on a daily basis. Any given employee, on any given day, may experience a lapse in one of these values, but that does not support the generalization implied by this finding.

Recommendations

1. For anything to change, there must first be a county-wide recognition and acknowledgement of the county dysfunction. Employees at all levels must critique themselves for improvement.

Response to Recommendation 1: The recommendation will not be implemented because it is not warranted. The County Administrative Office is planning on improving the regular and meaningful evaluation process for all employees.

2. The Board of Supervisors and department directors must provide strong support for the Chief Administrative Officer in consolidating and streamlining county government.

Response to Recommendation 2: The recommendation has been implemented. The Board of Supervisors and several department heads have shown support in the multiple reorganizations put forward by the administration. In addition, departments were very supportive through all of the budget reductions that occurred over the past eighteen months.

3. The Chief Administrative Officer and department directors must meet monthly to set goals, make plans, review progress, and establish priorities.

Response to Recommendation 3: The recommendation has been implemented. The Chief Administrative Officer has enacted some strategies to improve communications and coordination: re-institute monthly department head meetings, power-point presentation of the proposed budget reflecting functional groupings of departments and numerous reorganizations to improve inter-departmental service delivery.

4. The Board of Supervisors must direct the Chief Administrative Officer to establish a strong labor relations program.

Response to Recommendation 4: The recommendation has been implemented. On March 14, 2004, the Board of Supervisors adopted its goals for 2004. One of the goals was to “Develop opportunities to enhance the relationship between the County and its employees”. A strong labor relations program is essential to meeting this goal. One illustration of the Board’s commitment to employee relations is the Board’s participation in a two-day training for “interest based negotiations” with labor representatives. The purpose of this training was to establish the framework within which the new memorandum of understanding with Local 1 will be negotiated in good faith. All members of the Board of Supervisors were present, as well as the Chief Administrative Officer and several department heads.

We anticipate that the addition of a new Human Resources Director, expected in November, 2004, will further enhance the county’s ability to maintain its commitment to labor relations.

5. Meaningful performance evaluations must be done regularly. Each department director must establish standards and goals that actually measure the effectiveness of their department with time frames to meet these requirements.

Response to Recommendation 5: The recommendation has not yet been implemented, but will be implemented in the future. While many departments make earnest efforts to regularly evaluate employees, the practice has been inconsistent across departments. The Board of Supervisors feels strongly that employee evaluations play a vital role in establishing a healthy workplace/organization, and has been working with the Chief Administrative Officer to address this issue for some time. Recently, the CAO received computer analysis listing all employees by department, hire date and the last evaluation. This information has been shared with department heads, and they have been given the direction to bring their evaluation lists up to date by the end of the calendar year.

6. Provide training programs for newly hired, recently promoted, and present employees. Training must include department basics, leadership, and communications.

Response to Recommendation 6: The recommendation has not yet been implemented, but will be implemented in the future. The Board of Supervisors views training as a vital component of meeting the program service demands in an environment of limited staff and resources. Training gives the employees the tools to increase performance and

promotes internal efficiencies and savings of tax payer dollars. The Board will be considering approximately \$300,000 in staff training in the FY 2004-2005 budget.

7. County-wide codes of behavior, conduct and dress must be developed by Human Resources with cooperation of the union officials. Empower the Human Resources Department to enforce these rules and provide these rules to employees.

Response to Recommendation 7: The recommendation has not yet been implemented, but will be implemented in the future. The Chief Administrative Office will put before the Board a county ordinance for adoption of a county code of ethics.

8. Explore and develop a clear policy for employee promotion.

Response to Recommendation 8: The recommendation has been implemented. County Personnel Management Resolution 228-84, Section 6 outlines the process for promotion.

9. Review and upgrade compensation policies to allow the county to be competitive.

Response to Recommendation 9: The recommendation has been implemented. The Board of Supervisors has commissioned a Compensation Study through the firm of Fox Lawson and Associates. The results of this Compensation Study are to be presented to the Board of Supervisors in the fall of 2004.

10. Major software companies should be consulted to review county operations and make recommendations for improvement. See IT report for additional recommendations.

Response to Recommendation 10: The recommendation will not be implemented because it is not reasonable. The county is in continuous communication with vendors of all types in the computer industry. The cost associated for a “major software company” to review county operations would be prohibitive particularly that the conclusions drawn would likely include the purchase of their products. The Information Technologies Department is in the process of reviewing and updating the county’s Information Technologies Strategic Plan. Naturally, as a part of this process, the qualified, knowledgeable county staff working on this project are reviewing county operations and making recommendations for improvement.

11. The Board of Supervisors, department directors and employees, must support important workplace values, such as pride, respect, responsibility, and professionalism.

Response to Recommendation 11: The recommendation has been implemented. The Board of Supervisors emphatically supports workplace values such as pride, respect, responsibility, and professionalism. While there will always be a few employees that don’t fully embrace the duty and responsibility of the public servant, the Board believes that these values are supported and demonstrated, certainly by the Chief Administrative Officer, as well as by most department heads and employees, on a daily basis.

Trust Funds

Reason for the report

The 2003/2004 Grand Jury chose to review county trust fund accounts.

Scope of the investigation

People interviewed

- Auditor-Controller
- Assistant Auditor-Controller
- Chief Administrative Officer (CAO)
- Members of the Board of Supervisors (BOS)

Documents reviewed

- BOS Agenda Transmittal Sheet dated 03/02/04
- Letter dated 2/11/04 from the Auditor-Controller to the BOS with attachment
- Trust Fund Accounts Reconciliation Sheets for fiscal year ending 6/30/03

Background

The Grand Jury attended the BOS meeting on 3/02/04 and received a copy of the Auditor-Controller's letter dated 2/11/04, which listed all trust fund accounts and balances.

A trust fund is a reserve account created to set aside money for a specific purpose prior to its expenditure and reported separately from general fund accounts. The Grand Jury was concerned about the number of open trust funds, the frequency of validation and reconciliation of the trust fund accounts, and the authorization procedures for establishing trust fund accounts by departments.

Facts

1. Department heads are not required to reconcile trust fund accounts. As of 6/30/03, five departments had 15 unreconcilable trust fund accounts totaling \$156,733.
2. As of 6/30/03, there existed 387 open trust fund accounts totaling \$111,153,594.
3. There are 47 open trust fund accounts with a zero balance.
4. California and Federal grant trust accounts generally have expenditure closing dates. Not all County trust fund accounts have closing dates.
5. The County does not have written procedures for authorizing, reconciling and closing trust fund accounts.
6. The Auditor-Controller tracks receipts, expenditures, and balances for each individual trust fund account.

Findings

1. Department heads are relied upon, but not required, to reconcile their department trust fund accounts.

Response to Finding 1: The respondent agrees with the finding. The Auditor/Controller, in compliance with changes in accounting standards, is in the process of reclassifying many trust funds to special revenue funds. This change will be effective July 1, 2004. The special revenue funds will be reflected in the FY 2004/05 Adopted Budget for the first time. This entails establishing the trust funds' fund balance, amount of revenue anticipated to be received, amount of funds to be expended, and remaining fund balance.

During the Summer of 2004, Departments were asked to review the trust fund database to identify all active trust funds as well as the trust funds' statutory requirements.

2. Not all department trust fund accounts set up from county budget funds have a scheduled completion or expiration date. Encumbering funds for a long time can cause the loss of its intent and purpose of the trust fund.

Response to Finding 2: The respondent agrees with the finding. In addition to the information provided in response to finding #1, the Chief Administrative Office cleaned-up over \$700,000 of old encumbrances, closed these accounts and removed them from the county books. In addition, the Auditor/Controller has closed dozens of trust fund accounts that have over time been rendered obsolete. Admittedly, some trust funds have no expiration dates due to their statutory requirements.

3. As of 6/30/03, forty-seven trust fund accounts have a zero balance.

Response to Finding 3: The respondent agrees with the finding. The Auditor/Controller has closed dozens of trust fund accounts that have over time been rendered obsolete. Also, some trust funds are tapped annually to draw all available funds for purposes of expenditure. These trust funds actually have revenue pass through them but are emptied by year-end and would reflect a zero balance at that point in time. The creation of special revenue funds in FY 2004/05 will budget this activity.

4. Lack of written procedures by the County for authorizing, reconciling, and closing trust fund accounts creates inconsistency and confusion.

Response to Finding 4: The respondent agrees with the finding. The Auditor/Controller, in compliance with changes in accounting standards, is in the process of reclassifying many trust funds to special revenue funds. This change will be effective July 1, 2004. The special revenue funds will be reflected in the FY 2004/05 Adopted Budget for the first time. In addition, the Auditor/Controller has closed dozens of trust fund accounts that have over time been rendered obsolete.

Recommendations

1. Maintenance and reconciliation of each trust fund account must be reviewed by each department and justified to the CAO on an annual basis.

Response to Recommendation 1: The recommendation has been implemented. During the Summer of 2004 Departments were asked to review the trust fund database to identify all active trust funds as well as the trust funds' statutory requirements. As a result of this evaluation the Auditor/Controller has closed dozens of trust fund accounts that have over time been rendered obsolete. This review will be conducted on an annual basis in conjunction with the budgeting of special revenue funds that reflect the trust fund activity on a department by department basis.

2. County must establish definitive schedules for the expenditure of funds in trust accounts.

Response to Recommendation 2: The recommendation has been implemented. The Auditor/Controller, in compliance with changes in accounting standards, is in the process of reclassifying many trust funds to special revenue funds. This change will be effective July 1,2004. The special revenue funds will be reflected in the FY 2004/05 Adopted Budget for the first time. This entails establishing the trust funds' fund balance, amount of revenue anticipated to be received, amount of funds to be expended and remaining fund balance.

3. County must review the need for trust fund accounts that have zero balance and close those whose need cannot be justified as to remaining open.

Response to Recommendation 3: The recommendation has been implemented. During the Summer of 2004 Departments were asked to review the trust fund database to identify all active trust funds as well as the trust funds' statutory requirements. As a result of this evaluation the Auditor/Controller has closed dozens of trust fund accounts that have over time been rendered obsolete. This review will be conducted on an annual basis in conjunction with the budgeting of special revenue funds that reflect the trust fund activity on a department by department basis.

4. Unjustified or unused balances must be transferred (escheated) to the general fund.

Response to Recommendation 4: The recommendation has not yet been implemented, but will be implemented in the future. The Chief Administrative Office and the Auditor/Controller will identify those trust funds where there is no statutory preclusion from transferring existing balances to the county general fund.

5. County must write procedures to include requirements for the authorization, reconciliation, and closure of trust fund accounts.

Response to Recommendation 5: The recommendation has been implemented. The Auditor/Controller, in compliance with changes in accounting standards, is in the process of reclassifying many trust funds to special revenue funds. This change will be effective July 1, 2004. The special revenue funds will be reflected in the FY 2004/05 Adopted Budget for the first time. This entails establishing the trust funds' fund balance, amount of revenue anticipated to be received, amount of funds to be expended and remaining fund balance.

Tahoe Basin Cable TV Service

Reason for the Report

The 2003/2004 Grand Jury received a citizen's complaint that local cable TV was not providing California station TV news to the Meyers area of the Tahoe Basin.

Scope of the Investigation

People interviewed

- Local cable TV representative
- Local government officials

Documents reviewed

- Complaint
- Local cable TV contract with El Dorado County
- Applicable ordinances and statutes

Background

Complainant stated the customers of the local cable TV in the Meyers area of the Tahoe Basin were not receiving California station TV news. The only news sources were from the Reno, Nevada stations.

Facts

1. The El Dorado County contract did not specify that local California station TV news service be provided to the Meyers area of the Tahoe Basin.
2. California station news was not being broadcast on the local cable TV in the Meyers area of the Tahoe Basin.
3. The local cable TV franchise contract was purchased by the current cable TV provider.
4. The Grand Jury investigation prompted the current cable company to look into the matter.

Findings

1. The Meyers area of the Tahoe Basin was not receiving California station local cable TV news.

Response to Finding 1: The respondent agrees with the finding.

2. California station TV news to the Meyers area of the Tahoe Basin was interrupted by the business failure of a microwave relay company.

Response to Finding 2: The respondent agrees with the finding.

3. Local California station TV news broadcasting resumed after the current cable company installed a new cable which replaced the microwave relay.

Response to Finding 3: The respondent agrees with the finding.

Recommendation

1. The County contract with the cable TV signal providers should contain requirements for uniform basic services to all the communities it serves.

Response to Recommendation 1: The recommendation will not be implemented because it is not reasonable. The County's authority to issue such franchises derives from, and is considerably restricted by, the U.S Code of Federal Regulations, Title 47, Chapter 1, Part 76. These Federal regulations take precedence over any County codes. In Parts 76.55(e) and 76.56(d), the Federal Regulations define what constitutes "local" TV markets and the required basic services that all franchised CATV service providers must provide. These required basic services are clearly identified in Federal regulations, and the County has no authority to alter them. The Federal Communications Commission considers the Tahoe Basin to be part of the Reno-Sparks local television market. The services offered in the Meyers area of the Tahoe Basin, even while lacking California TV station local news, met or exceeded the Federal requirements.

The respondent feels that it would be inappropriate to include in our franchise agreements any requirements to provide particular broadcast TV stations, since the Federal regulations do not grant us that authority. Citizens who have complaints about the scope of services offered by CATV providers should address their concerns to the Federal Communications Commission, which is the agency with jurisdiction over such matters.