



CITY OF VALLEJO

OFFICE OF THE CITY MANAGER

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September 22, 2004

The Honorable Peter B. Foor
Presiding Judge of the Superior Court of California
c/o Superior Court Executive Officer/Clerk of the Court
Hall of Justice
600 Union Avenue
Fairfield, California 94533

Dear Judge Foor:

Enclosed is the City response to the Solano County 2003-2004 Grand Jury Report. The response was considered and approved at the City Council meeting of September 21, 2004.

We are very pleased with the Grand Jury's recognition of the City's action taken regarding the Vallejo Police Department holding cells.

Please let us know if you have any questions or require further information.

Sincerely,

Anthony J. Intintoli, Jr.
Mayor

Otto Wm Giuliani
City Manager

AJI:je

Enclosures

cc: Councilmembers
Mary M. Hill, Assistant City Manager
Department Managers
Mark Mazzaferro, Public Information Officer

Solano County 2003-2004 Grand Jury Report
City of Vallejo's Response to Findings
September 21, 2004

ISSUE: **Audit and Finance – County and City Budget Review**

Finding #1 *The 2003-2004 approved General Fund revenues are \$73,944,400 and expenditures of \$73,367,100. In the last five years, the City has gone from a deficit budget to a current General Fund reserve of \$3,900,000. The entire budget reserve is \$7,846,315 or 11.8%, which includes reserve for insurance, inventory and economic uncertainties.*

Recommendation #1 *Continue to work towards the City Council-established policy of a 15% General Fund.*

Response: **Even given the City of Vallejo's economic difficulties, the City continues to believe in the importance of a minimum of 15% General Fund Reserve and will continue to work toward that goal.**

Finding #2 *To balance this year's budget, an early retirement plan was implemented to reduce the workforce by 12 employees. In addition, a grant writer was employed to secure available funds for various programs.*

Recommendation #2 *Continue to seek grants and review each vacant staff position as to need for replacement.*

Response: **The City agrees with both recommendations. It will continue to seek all possible grants. In addition, it has established a "hiring freeze" policy with exceptions granted only with City Manager approval.**

Finding #3 *Annually, a five-year plan is prepared and presented to the City Council. It assumes the current economic conditions and does not address any future economic trends and growth pattern needs.*

Recommendation #3 *It is recommended that a detailed, multi-year financial plan be prepared, based on the current facts, figures and trends, that are available. Each year the plan should be reviewed and updated to reflect current trends.*

Response: **As part of the adoption process for the Fiscal Year 2004-2005 budget, the City again prepared a 5-year financial plan that incorporated known information on the local and state economy and attempted to extrapolate those trends to project future revenues and expenditures. For the Fiscal Year 2005-2006 budget, Finance, Economic Development and Planning will work together to attempt to incorporate the financial impacts of the many, current developmental projects in the City into our long-term budgetary and financial planning.**

Finding #4 *The City has a five-year Capital Improvement Program, which is reviewed and updated each year.*

Recommendation #4 *Continue the present procedure which provides protection of current city assets and meets future infrastructure needs. Ensure that on-going maintenance costs to support and maintain capital improvements are included in future operating budget forecasts.*

Response: **The City agrees on the importance of multi-year planning as a vital tool in meeting its long-term infrastructure needs. For the Fiscal Year 2004-2005 budget, the City's Capital Improvement was substantially revised with much more realistic projections of available resources and reductions in the number of projects that were approved.**

ISSUE: East Vallejo Fire Protection District

Finding #1 *The current agreement between the EVFPD and the City of Vallejo results in a bill for services (\$417,823) that is less than the cost of providing these services (\$551,507) as estimated by the City of Vallejo. Thus the taxpayers in the City of Vallejo are subsidizing the cost of fire protection services for the taxpayers in the EVFPD.*

Recommendation #1 *The City of Vallejo and the Solano County Board of Supervisors negotiate a new agreement for services that fairly compensates the city for the actual cost of providing fire protection services.*

Response: **The Fire Chief and the City Manager of Vallejo have met with the County Administrator in years 2002 and 2004 in an effort to establish an equitable methodology by which the County will reimburse the City of Vallejo for fire services in the EVFPD and other unincorporated areas in the Vallejo community. It is the County position that Vallejo receives all available tax dollars collected by Solano County.**

Finding #2 *The EVFPD serves an unincorporated urban area almost entirely within the sphere of influence of the City of Vallejo. The EVFPD Board was dissolved ten years ago and the district exists only to pass through tax revenue from the County to the City of Vallejo to fund fire protection services.*

Recommendation #2 *The City of Vallejo and the Solano County Board of Supervisors should review the status of the EVFPD with a view toward determining the most equitable and efficient method of providing fire services to these areas. This should be done in conjunction with the LAFCO guidelines which include the following considerations:*

- *Does the district tailor its services better than a city?*
- *Does the district link its costs to benefits better than a city?*
- *Is the district more responsive to its constituents than a city?*
- *Are there inefficiencies or redundancies?*
- *Is a district more accountable than a city?*
- *What are the funding mechanisms and would a change reduce existing services?*

Response: **Same as response to Finding #1.**

Finding #3 *The Grand Jury received maps of the area comprising the EVFPD from the County, the City of Vallejo and LAFCO. Certain core areas appear on all three maps. However, other areas including Sandy Beach, a section bordering the Napa River north of the Mare Island Strait, an area north of Columbus Parkway, west of Sulfur Springs Creek and an area on the east side of Vallejo bordering the Cordelia Fire District did not appear on all three maps, creating some uncertainty about the areas covered by the EVFPD and the responsibility for paying for fire protection services.*

Recommendation #3 *The City of Vallejo and the Solano County Board of Supervisors should ensure that they are in agreement about the contracted area covered by the EVFPD.*

Response: **A survey of unincorporated areas in the Vallejo community was conducted by Vallejo Fire Chief Michael Turnick in 1993. Chief Turnick included all of these areas as a part of the EVFPD contract with Solano County. The City of Vallejo maps have reflected all unincorporated areas as being part of the EVFPD since that time.**

ISSUE: **Detention/Holding Facilities**

Finding *Vallejo Police Department – the holding cells and booking area appeared clean and safe.*

Recommendation: *None. The Vallejo Police Department Sally Port is a model facility and should be used as a standard for other Police Departments.*

Response: None.

ISSUE: **Transportation and Public Buildings**

Finding *The 2003-2004 Grand Jury chose County-operated buildings for its ADA review. It was noted that other public facilities operated by municipalities, special districts and school districts are likewise mandated to meet State and Federal ADA requirements.*

Recommendation: *Cities, special districts and school districts located in Solano County should review all of their facilities to make certain that they meet ADA standards. Future Solano County Grand Juries, beginning with 2004-2005, should conduct ADA reviews of these facilities.*

Response: **The City of Vallejo has experienced a very difficult financial crisis during the past year, where several programs were cut back and a series of personnel layoffs were implemented. City staff are working with the existing resources and limited staffing to survey and address the various issues regarding ADA concerns within the public right-of-way as well as within public buildings and facilities and should be updating the City Council during the coming year.**

ISSUE: **Special Districts – Greater Vallejo Recreation District**

Finding #4 *The GVRD was established by a vote of the people and legally authorized on June 14, 1944 and placed under authority of an advisory board. On December 23, 1958 the Solano County Board of supervisors became the supervising authority to which the existing Board of Directors is responsible. The Board consists of three members appointed by the Mayor of Vallejo and two members recommended by supervisors from Districts 1 and 2 and approved by the Board of Supervisors.*

During the time of the formation of the GVRD, population growth in unincorporated areas was growing dramatically, which spurred the development of parks, recreation, fire, water and other type districts as cities were much smaller and unable to provide such services. But, as city boundaries expanded, so did their ability to provide services. However, as city boundaries began to expand, they became able to provide additional services and the need for a district within a city began to decrease, especially when the majority of constituents serviced were within the sphere of influence of the city. Comparative cities within Solano County providing similar services are Benicia, Fairfield and Vacaville.

Further exploration of districts within cities finds redundant cost in areas such as legal services, payroll, purchasing, human resources, equipment and maintenance.

Recommendation #4 *During the time when the GVRD was developed (1944), it was established as the best method to provide parks and recreational needs in the Vallejo area by way of a special district. However, almost 60 years have passed and much has changed. Therefore, the 2003-2004 Grand Jury recommends that the City of Vallejo and the GVRD jointly determine the most efficient and effective method to deliver parks and recreation services to citizens in the current GVRD area. This determination and any action that may change the GVRD are within the guidelines set forth by LAFCO.*

When conducting this evaluation, the following LAFCO criteria should be considered:

- 1. Does the district tailor its services better than a city?*
- 2. Does the district link its costs to benefits better than a city?*
- 3. Is the district more responsive to its constituents than a city?*
- 4. Are there inefficiencies or redundancies?*
- 5. Is the district more accountable than a city?*
- 6. What are the funding mechanisms and would a change reduce existing services?*
- 7. Refer to LAFCO's District Mergers and Establishment of Subsidiary District Procedures Guide*

It is understood that this will require a major effort on the part of all affected agencies.

Response:

The City of Vallejo is in the process of working with the Greater Vallejo Recreation District's newly appointed General Manager, Shane McAfee regarding the various parks and recreation issues within the City of Vallejo. He is presently addressing various, pressing internal issues pertaining to GVRD itself. City staff is in the process of planning to schedule a series of meetings during the year to address the various issues raised in the Grand Jury's report.

ISSUE: **Hiddenbrooke Subdivision**

Finding #2 *Construction of the park, as identified in the Hiddenbrooke Specific Plan, is to be 100%-funded by Mello-Roos funds. GVRD reports that they have been informed by the City of Vallejo that there are no Mello-Roos funds available for this project.*

Recommendation #2 *At the time of this report (May 1, 2004), the City of Vallejo had requested an extension of response time relating to the Grand Jury's request for the status of Mello-Roos funds as designated for the construction of the park. Therefore, no recommendation can be made as to finding #2.*

Response: **The City of Vallejo responded to the Grand Jury's concerns in a letter dated May 13, 2004. In that letter, the City explains that the Hiddenbrooke Improvement District (HID) No. 1998-1 was simply a refinancing of Community Facilities (CFD) No. 1988-1 which actually funded many public facilities within the Hiddenbrooke subdivision. Staff has reviewed many of the files for this District and concluded that, unfortunately, no CFD funds were allocated for construction of an active park. Therefore, contrary to the Grand Jury's understanding, the Hiddenbrooke residents are not being assessed CFD funds for the construction of any parks.**

It is true that Figure 5: "Financing Table" of the Hiddenbrooke Specific Plan as amended in 1999 does identify Mello-Roos as a financing source for the construction of parks and it is also true that such funding could have been used for park construction. However, the financing methods identified in Figure 5 are only potential funding sources rather than required funding sources.

Finding #3 *In a letter to the Grand Jury from the complainants dated March 4, 2003, it was stated that a letter to the City of Vallejo from the complainants for records of the Hiddenbrooke Community Facilities District Fund provided information with no details of expenditures and allocation of funds for the Hiddenbrooke Subdivision.*

Recommendation #3 *The City of Vallejo and the GVRD should meet with the representatives of the Hiddenbrooke Subdivision to provide details of fees collected and expenditures as specified in the Hiddenbrooke Specific Plan. If fees and expenditures do not meet the guidelines of the Plan, the City and the GVRD should provide to the residents a complete explanation as to any and all alterations to the Specific Plan guidelines.*

Response: **City of Vallejo staff met with the Hiddenbrooke Community Association (HCA) in discussions regarding the Orchards contribution to the Hiddenbrooke Improvement District (HID). The HCA has been provided with a summary of the HID expenditures, and documentation is included within the City's files which are available for review. Staff's review of those fees and expenditures for the HID seem to show that the guidelines of the Specific Plan were met, except there were insufficient funds to construct an active park. However, it should be noted that the City, on behalf of the Greater Vallejo Recreation District, has collected \$2.5 million in Citywide park impact fees from the Hiddenbrooke home builders and expects to collect another \$1.1 million for a total of \$3.5 million. It is the City's understanding that it is GVRD's policy to use 50% of these funds for a neighborhood park within the Hiddenbrooke area. With the refinancing recently done, there may be funds available to contribute to more improvements within the Hiddenbrooke area and a contribution to a park could be made from the savings realized from this refinancing.**

City staff is currently working with GVRD, the Hiddenbrooke Community Facilities Association and the master developer, Triad, to identify a park site and construct a park within the Hiddenbrooke area with the above-mentioned funding.

ISSUE: Homeland Security and Emergency Services – Emergency Services County and Cities of Solano

Finding #1 *There is an Emergency Operating Plan for the County and each city. However, the plans vary and there seems to be no consistency among the county and cities regarding the training relating to Emergency Operating Procedures and new mandates from U.S. Department of Homeland Security.*

Recommendation #1 *To ensure that each agency is in compliance with California and U.S. emergency requirements, one agency should take the lead to insure that the appropriate training, exercises and guidelines are established and implemented. Due to the fact that the County has a dedicated employee for Emergency Services, it is logical that the County Office of Emergency Services take the lead in this endeavor. Currently, agencies meet to discuss response and mutual aid. It is recommended that the review of agency operational plans and procedures be presented at these meetings to ensure each agency is within State and U.S. standards.*

Response: **The City of Vallejo Emergency Plan is a comprehensive document that was developed in 2002. It is SEMS-compliant and is an integral part of the Solano County Emergency Plan.**

Finding #2 *Within some agencies, there seems to be confusion about who would activate the EOC and who has authority to make appropriate and crucial decisions relating to the necessary response, material, supplies and the request for mutual aid.*

Recommendation #2 *The County Administrator (CAO) and each City Manager should review and define their respective emergency administrative roles and clearly communicate these responsibilities to members of the EOC team.*

Response: **The Vallejo City Manager, Mayor, Fire and Police Chiefs are each aware of their respective roles in times of crisis. The entire executive staff of the City of Vallejo has received training as to their role in the Standardized Emergency Management System as managers.**

Finding #8 *Solano County has an automatic phone warning system for the entire County. Residents of an affected area can be warned by an automatic phone call with recorded instructions as to the situation. Local radio stations and television are also used to inform the public.*

Recommendation #8 *Agencies which have this valuable service should publicize this to their citizens.*

Response: **This is done on an annual basis.**

Finding #11 *Agencies tend to be territorial and focus on their own needs when planning for community services which may create obstacles when trying to develop mutual aid throughout the County that will benefit all citizens in a time of crisis. The terrorist action of September 11, 2001, created a need for reassessment of the procedures to safeguard our population. The formation of the U.S. Department of Homeland Security brought together 42 agencies under one department requiring a major coordination effort, not only with U.S. Department of Homeland Security but with states, counties and cities so that information and responses can occur both up and down the organizational chart.*

Recommendation #11 *Elected County officials, county administrators and City Managers need to reassess the methods by which Emergency Operating Systems are developed and implemented to break down territorial lines and to ensure that the emergency service needs are being met. Just as many Federal government departments were combined under U.S. Department of Homeland Security to establish the most*

efficient and effective way to respond to various incidents, so should state, counties and cities review existing emergency response structures. To make this happen, elected officials should take the initial step to form a County-wide committee that would include representatives from the State Senate and Assembly offices, County Board of Supervisors and City Councils. At this level, an assessment of County needs should take place and appropriate direction given to responsible County and City staff to develop a seamless Emergency Operating Plan throughout the County.

Response: **Solano County City Managers and the County Administrator have initiated the process to develop a county hazardous material response team. The County Office of Emergency Services has obtained a grant to fund the response team. Additionally, the City Managers in Solano County have funded a plan to develop a county-wide interoperable radio system.**