February 24, 2013

City of Rio Dell

Jim Stretch, City Manager

625 Wildwood Ave.

Rio Dell, CA 95562

Dear Mr. Stretch

Re. Public Record Request

We have been reviewing the attorney billing records that were received earlier this month and there are a few areas that we would like to receive clarification on as well as additional records.

The attorney billing records cover a wide range of activities within the city and the dollar amounts involved are very high. It is clear that some of the fees would be recorded to specific budget line items for the project involved such as the wastewater project legal fees however others are more general in nature and would likely have been recorded under legal fees (5112) within the budgets for city manager, finance dept. etc. The posted 2011-2012 budget available at the city website doesn't appear to correspond to the numbers we are seeing in the billing records or what we would expect to see for the prior years. For example, the expenses posted for fiscal years 2008-2009, 2009-2010 and 2010-2011 show very little in the 5112 legal budget line item for the departments that are included although the City Manager expenditures are not included for some reason. The proposed 2011-2012 budget lists a total of $18,000 for that same budget line item with $10,000 of that posted under the City Manager budget. We request the Fiscal Year 2011-2012 budget expenditures specifically for the City Manager department which includes the prior year information just as has been posted for the other departments. The posted budget should be amended to include those pages for the sake of public information as well but that is up to the city.

Some of the attorney billing records include notations about the account that it should be posted to with one of the most frequently used accounts being 5112-02-(1). A cursory review of the billings show over $17,550 posted to that account in 2009 alone. What is that specific account for and where is it posted to in the budget? There are references also to 5112-03-(1), 5112-09-(3) and 5112-12-(1) that we would like know what they refer to and where they would be posted in the budget.

The budget includes municipal insurance posted under the General Government department; including general liability, property and employment practices insurance. Does the city hold any form of insurance that would cover losses due to public official/employee conduct, theft or misappropriation of money or property? The investigation report involving former Public Works Director James Hale

included substantiated allegations of misappropriation of city resources and assets such as public works equipment and heavy machinery; was a claim ever made to help cover the losses rather than putting the entire burden on the residents? If not, why? Shortly after Randy Jensen became the acting public works director, the issue of replacing missing equipment was brought up in a city council meeting where $100,000 was allocated to re-equip public works and a system of checking out equipment was discussed to provide some accountability. That is a large sum of money to take from other parts of the budget in a town that has substantial needs and not a lot of revenue. Did the city make any attempt to recover any of the losses documented in the investigation report?

Who is the city insurer and what specific policies does the city now carry and when were the policies initiated? The insurance items (5141, 5143 & 5144) listed under General Government in the posted budget appear to show a large decrease in the amount of money budgeted for insurance versus the actual amounts spent in prior fiscal years. There is $52,000 budgeted for general liability insurance in both 2010-2011 and 2011-2012 yet the city spent $104,479 in 2009-2010 and $71,187 in 2008-2009. We would like to know why the discrepancy. Was coverage decreased or are the costs spread across other departments for example?

There is a great deal of information within the billings that is still being evaluated but a couple of areas of interest are shown that we would like further documentation on.

The Oct. 31, 2012 bill from Mitchell, Brisso, Delaney & Vrieze (invoice #31522) includes a reference to "10/1/2012 …Review e-mail letter from J. Stretch and draft Skelly notice (.3), revise same and e-mail with instructions to J. Stretch (.5)." A Skelly notice is provided to an employee facing major disciplinary action such as suspension of more than 5 days, demotion or dismissal and it notifies them of their rights to a hearing ,etc. Personnel are entitled to some degree of privacy although this is severely limited in the case of public employees; however any disciplinary actions taken become a part of the public record. The courts have clearly established the overriding public interest in disclosure of disciplinary actions and investigations versus personnel privacy concerns, as we have previously documented in earlier record requests. As such, we request documentation of the disciplinary action that gave rise to the Skelly notice as well as the outcome. If the personnel action is still ongoing then we request the same information as soon as the matter has been addressed.

There has been a long standing and well documented problem surrounding matters related to building permits and/or inspections done by the city building inspector Arnold Kemp of Kemp Inspection. The billing record dated Sept. 30, 2012 by Mitchell, Brisso, Delaney & Vrieze (invoice #31453) refers to "9/27/12 Review series of memorandums to A. Kemp forwarded by J. Stretch (.4)" as well as "9/20/12 Review e-mail letter from J. Stretch and attachments and reply to same, re; A. Kemp contract, payment status (.5)." It is evident that there is yet another issue with Mr. Kemp that is a matter of public concern due to the critical issue of building permits and safety inspections. We request a copy of the memorandums referenced above as well as any and all documents related to the referenced A. Kemp contract and payment status. Public records law clearly mandates that these types of records are subject to disclosure.

In order to avoid any miscommunication and to make sure that our questions and record requests are clearly defined, I have underlined each matter in the above text that we expect the city to address.

We appreciate the disclosure of public records requested to date.

Regards,

Steve & Sharon Wolff

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Rio Dell, CA 95562

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