

CITY OF LAKE ELSINORE'S RESPONSE TO GRAND JURY FINDINGS AND RECOMMENDATIONS

FINDING NUMBER ONE

The City Attorney's contract is renewed annually without the open bid process. The City of Lake Elsinore has continually contracted with one legal firm for the last seven (7) years, without competitive bid. For the year 2004 the legal firm required a \$7,000 per month retainer in addition to \$155 per hourly fee for other non-specific legal services. The amount of legal services for 2004 exceeded \$500,000.

RESPONSE:

The City of Lake Elsinore partially disagrees with this finding.

The City Attorney's contract is not "renewed annually" but is rather an at-will agreement that may be terminated by the City Council at anytime. (See *City Attorney Legal Services Agreement Sections 5 and 6*). The City Council conducts annual performance evaluations (see *City Council Agendas*) to monitor the City Attorney's performance. Those evaluations have demonstrated unanimous Council support. Where need for improvement has been identified, the City Attorney has responded favorably to those requests. As to the selection of the City Attorney, it is our experience, that attorneys providing legal services to the vast majority of municipalities are not selected by annual "bidding." Instead, the selection process is more keenly based on legal expertise, experience and the ability to quickly and efficiently provide high quality legal services.

The City of Lake Elsinore benefits by virtue of its long-term relationship with the current City Attorney. Her familiarity with existing City codes, contracts and the myriad of legal issues facing the City allows her firm to quickly and efficiently respond to questions that arise on a daily basis. The firm's expertise and negotiating skills have translated into millions of dollars in savings for the City. For example, the City Attorney successfully negotiated a full settlement with First Financial Group releasing the City from obligations to construct millions of dollars in public infrastructure under a pre-existing Settlement and Development Agreement. Similarly, she negotiated an Amended Development Agreement that saved the City millions of dollars in interest payments in connection with an infrastructure reimbursement obligation. The City Attorney has also instituted a cost recovery system by imposing administrative fees in connection with economic and development agreements, which fees are paid directly to the City's General Fund, and has successfully negotiated with developers to provide affordable housing and/or pay in lieu fees to assist the City and Redevelopment Agency meet their affordable housing obligations.

While the City strives to reduce its legal costs, we note that the City Attorney's hourly rates compare favorably to the hourly rates of contract city attorney departments in neighboring communities. For example, (i) the City of Corona pays \$180 per hour for "Basic Services" and \$195 for "Special Legal Services"; (ii) the City of Temecula pays between \$160 and \$245 for legal services depending on the nature of the service provided; (iii) the City of Hemet pays its City Attorney \$235 per hour, and (iv) the City of Banning pays \$225 per hour for its City Attorney.

FINDING NUMBER TWO

The Grand Jury referred to the California State Attorney General's opinion 02-711, dated October 23, 2002, to clarify purchases of third party meals by a City Administrator. The attorney representing the City of Lake Elsinore disagreed with the Attorney General's opinion and stated that this law applied only to the City Council members.

RESPONSE:**The City of Lake Elsinore disagrees with this finding.**

We direct the Grand Jury to the opinion 02-711 which did not involve an employee (i.e., an "administrator") as suggested in the finding but rather involved elected officials. (See *AG Opinion 02-711*). Accordingly, the City Attorney did not "disagree" with Attorney General Opinion 02-711; but rather she noted that the opinion was based on reimbursement for meal expenditures by elected officials. (See *City Attorney Memorandum dated October 12, 2004*). While the Attorney General's Office had the clear opportunity to specify that the opinion extended to non-elected employees (and to overrule a conflicting prior opinion on the same subject), it chose not to. As a result, some commentators have indicated that the opinion may be limited to elected officials. Most commentators agree that the opinion is ambiguous in many respects.

In light of the lack of guidance provided by the Attorney General, the City Council is currently considering a revised meal reimbursement policy that will provide more definitive guidance in an area that the Attorney General has thus far declined to provide. We also note that Attorney General opinions are advisory. Ultimately, we believe that officials elected by the community are in the best position to determine the "business necessity" respecting meal reimbursements. In determining that ultimate policy prerogative, the City Council appreciates the Grand Jury's apparent position that City funds should not be used with respect to meals for private individuals doing business with the City. The Council will necessarily weigh that position with the positive communication and business development opportunities that often come from hosting events for private individuals.

As a practical matter, the City Council notes a significant drop in both City Council and staff credit card charges for meals and meal reimbursement requests in the last eight months. This decrease corresponds to the implementation of revised practices by the new City Manager and oversight of elected officials.

FINDING NUMBER THREE

As of January 1, 2005, Lake Elsinore City Council did not have formal adopted and updated policies and procedures that pertain to the following:

- *HWBP (Program terminated January 2005)*
- *Credit Card use*
- *Cell Phone use*
- *Travel Reimbursement*
- *City Vehicle Benefits*
- *Car Allowance*

- Petty Cash Reimbursement
- Per Diem Reimbursement
- Meal Reimbursement

The City's financial division accepted and approved significant discrepancies in the above programs.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

The City acknowledges this finding and points out that these deficiencies were also identified in the "Benefits Audit" initiated by the City Council. (See *Employee Benefits and Reimbursements Audit for year ended June 30, 2004*). The City has taken significant steps to update the City Council Policies and the City's Personnel Rules, both of which are under review. A Study Session to review updated policies has been set for September 29, 2005 (see list of proposed new and revised City Policies). A complete copy of the draft revised policies will be provided to the Grand Jury under separate cover. See also, Response to Recommendation No. 3.

FINDING NUMBER FOUR

As of October of 2004:

(a) *The City Council has not had Town Hall Meetings on subjects important to the citizens.*

(b) *Some Lake Elsinore citizens have expressed concern regarding the current indebtedness of the City, concluding that they will ultimately be responsible for repayment of the debts from the general funds, which include:*

- Cost to operate the Diamond Stadium
- Cost to subsidize the McVicker Skate Board Park
- Bond and Tax Debt (in excess of \$170 million)
- Attorney and Consultant fees
- Salaries for executives, staff and managers.

(c) *The first of three (3) Redevelopment Agency (RDA) Bonds was issued October 1, 1994, to finance the Diamond Stadium. The bonds were issued to finance cost overruns of the general fund account, which includes the cost to operate the Diamond Stadium. The City Council passed an ordinance to refinance the bonds by allowing the City to issue "Certificate of Participation Bonds" with the RDA. As indicated above in Finding #4b, general funds are being used for the repayment of the bonds. The stadium, since its inception has been operating at a loss. In fiscal year 2003-2004 the stadium expenses exceeded income in excess of \$700,000. This situation contributed to the financial problems of the City, causing funds to be diverted from RDA's low and moderate-income housing development program.*

(d) *The City of Lake Elsinore's RDA, as stated in Health and Safety Code Section 33334.2 thru 33334.6, requires redevelopment agencies to set aside twenty percent (20%) of the property tax*

increment receipts to a low and moderate income housing fund. This has been validated by Superior Court Case #CIV271683, dated November 14, 1995. This lawsuit petitions the courts for relief of all city indebtedness by allocating RDA's twenty percent (20%) set aside designated monies to reduce that indebtedness.

RESPONSE:

The City of Lake Elsinore agrees with findings (a) and (b); the City disagrees with findings (c) and (d).

The City Council appreciates the input from the Grand Jury regarding the holding of Town Hall Meetings. Please refer to Response to Recommendation No. 5.

The Grand Jury correctly points out the financial difficulties occasioned by the construction of Diamond Stadium 12 years ago. The current administration inherited the perplexing problems brought about by the construction of the Stadium and is taking positive steps to address these issues. The City has actively sought to: (i) reduce its level of annual debt service and (ii) to pursue "partnering" arrangements with private entities to reduce Stadium operations costs. Additionally, the Agency has commenced a "Request for Proposal" process and received three serious bids from private entities seeking to take over operational responsibilities at the Stadium (see Stadium RFP). See also, Response to Recommendation No. 7.

The Court Case referenced by the Grand Jury was a validation action in which the court validated the 1995 bond issue and certain interfund and housing fund loan agreements relating to payment of the bond debt. There is no "relief" of City indebtedness. To the extent that monies are borrowed from the housing fund to cover debt service, those amounts are accounted for as debt and will be repaid to the housing fund. In 2000, the California Department of Housing and Community Development audited the Agency's low and moderate income housing fund for fiscal years 1995-1999 and concluded that the Agency had accurately reported all deposits to the housing fund and all loans from the fund to pay debt service pursuant to the housing fund loan agreements that were validated as part of the bond issue(s). The Agency is committed to meeting all of its low and moderate income housing obligations and has entered into several agreements providing for the inclusion of affordable housing in new projects and/or the payment of in lieu fees for affordable housing purposes.

As to the overall financial health of the City, the City Council had adopted a balanced budget for the last two fiscal years while maintaining vital city services. In fact, the Council has increased expenditures for public safety by 35%.

FINDING NUMBER FIVE

The City of Lake Elsinore does not have a salary plan that includes job definition and stated criteria for advancement.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

Please see Response to Recommendation No. 6.

FINDING NUMBER SIX

In 1997 land was donated for a potential site of the Diamond Stadium. During the 2004-05 Grand Jury investigation of the donated land, a supplemental agreement document was discovered. This agreement disclosed that fair market compensation would not be realized by the donor if the land was sold to a non-governmental agency within fifty (50) years of the date of donation and the original intent of the donation was not kept.

RESPONSE:

The City of Lake Elsinore disagrees with this finding.

As a point of clarification, the Stadium land was donated in 1993. The document in question was not executed by the donee or the Agency and, accordingly, the enforceability of the terms remain in dispute. Until and unless the Stadium is in fact sold, this dispute remains theoretical. See also, Response to Recommendation No. 8.

FINDING NUMBER SEVEN

Based on investigations, one person performs both the duties of City Clerk and Human Resources Director. Some annual personnel evaluations have not been done since 1998. One employee has not received an evaluation for seventeen (17) years.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

The Grand Jury correctly states that, at the time of the investigation, both the duties of City Clerk and Human Resources were performed by one person. Earlier this year, the City Manager separated the function of City Clerk and Human Resources so that Human Resources will be a division of the Administrative Services Department. See also, Response to Recommendation No. 6.

The City Manager is aware that some employees have not received annual performance evaluations and has taken significant steps to ensure that all employees have current evaluations and that performance evaluations are conducted annually.

FINDING NUMBER EIGHT

The City Council has renewed some local contracts annually rather than using the open bid process. Some contracts are incomplete and amendments are unsigned.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

Please see Response to Recommendation No. 9.

FINDING NUMBER NINE

The McVicker Skateboard Park is located several miles from downtown Lake Elsinore in McVicker Canyon. The park is operated under contract to a private company. At the present time it is operating at a loss. The location of the park and lack of public transportation for park users has contributed to this loss and has required the City to subsidize the operation of the park to keep it open.

RESPONSE:

The City disagrees with this finding.

The finding appears to assume that the McVicker Skateboard Park would be subject to higher utilization if it were located in the downtown area. Park and recreation amenities (including the Skateboard Park) are subject to varying utilization and typically receive greater utilization by the residents of surrounding neighborhoods. The City has historically faced limited land availability for parks and recreational amenities. McVicker was chosen for the Skateboard Park based on the available land and the fact that the McVicker Park included lighting and parking amenities (along with a nearby fire station) assuring a safe and well maintained environment.

We note that the typical park amenities like soccer and softball fields are provided without cost to the community (unlike the Skateboard Park) and also "operate at a loss" as do the other City park facilities. The City rejects the notion that its park facilities should only be available on a fee basis necessary to make such facilities "profitable" as suggested by the Grand Jury. With respect to the lack of public transportation, the City acknowledges that such transportation would be a valuable service, but it is one that the City simply cannot afford to independently fund.

The City has and will continue to provide a wide array of park and recreational amenities to the community taking into account all considerations, both opportunities and constraints, in locating these facilities.

FINDING NUMBER TEN

The preliminary procedure for an Employee Development Program (educational training) does not have appropriate requirements and approvals.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

This finding appears to be based on the Benefits Audit initiated by the City Council. The City concurs with this finding. See also, Response to Recommendation No. 6.

FINDING NUMBER ELEVEN

In reviewing the Lake Elsinore General Plan it was discovered:

(a) The City General Plan, in total, has not been updated since June 1995, but does have a goal to update the land use element/development codes. California State Law, Government Code Section 65300, requires every City and County to adopt a comprehensive, long-term general plan for physical development of the community.

(b) The Housing Element was updated in July 2002. The Circulation Element of the General Plan has not been amended since March 1995. The Traffic Study Report, which is a part of the Circulation Element, has not been updated since March 1994.

(c) California State Law, Government Code Section 65400 (b), requires local governments to provide an annual report to the legislative body on the status and implementation of the original General Plan, which was adopted on November 27, 1990 and reprinted in March 1995. California Government Code Section 65302 requires planning of the following areas:

- Land Use*
- Circulation / with Congestion Management Plan*
- Housing*
- Conservation*
- Open Space*
- Noise*
- Safety*

(d) In April 2005, the Grand Jury requested the City's Status Report for the year of 2004 and/or prior years. The Report for 2004 was not submitted to the Grand Jury as requested. It was stated by the Planning Department, "They did not have the required Status Reports, because the department was inadequately staffed."

RESPONSE:

The City of Lake Elsinore agrees with this finding.

Please see Response to Recommendation No. 12.

FINDING NUMBER TWELVE

The Grand Jury requested information on safety rules and regulations for the use of the lake. The brochures, written only in English, contain important information regarding, boating, fishing, and swimming.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

The City concurs with this finding. See also, Response to Recommendation No. 13. In addition, the City recently commissioned a Lake safety study further evidencing the Council's commitment to promoting lake safety and has held a number of study sessions to discuss the report and the implementation of its recommendations (see "*Lake Elsinore: Recreational Aquatic Safety Assessment - Shoreline Safety Strategies*").

FINDING NUMBER THIRTEEN

As of January 2005, the City Clerk stated that the City of Lake Elsinore had no Mission Statement.

RESPONSE:

The City of Lake Elsinore agrees with this finding.

The City is not required by law to have a "mission statement" but will consider whether such a statement will assist in future development. See also, Recommendation No. 14.

RESPONSE TO RECOMMENDATIONS

RECOMMENDATION NUMBER ONE

The City Council initiate an independent audit of all monetary charges for fiscal year 2003-2004 submitted to the City by the City Attorney.

RESPONSE:

The recommendation will require further analysis.

The City Attorney currently provides detailed billing of all activities performed by the City Attorney Department. The time spent is set forth in 1/10 hour increments and each entry includes a description of the precise tasks performed. This includes work done with respect to the City Attorney's monthly \$7,000 retainer. We note that the hours typically billed under the retainer provides for an hourly rate that typically is less than the City Attorney's standard hourly rate.

Prior to payment, the billing statement is reviewed by the City Manager and by the various City department heads. This detailed billing process is perhaps the most descriptive process provided by any of the City's professional consultants and the time spent is the direct result of projects and requests initiated by the City Council and executive level City staff or in response to litigation or other threat of City liability. As a policy matter, City Council/Redevelopment Agency Board approval is required prior to the City Attorney billing significant time to special projects. This policy is designed to keep the City Council informed of the City Attorney's activities and to hold down costs. The City Attorney also participates in the City Manager's Weekly Memorandum summarizing her department's weekly activities. This Memorandum is available to the City Council, staff and the public.

The City also currently retains an independent third party to audit the City's financial records every year. The City's current independent auditor is a well respected Certified Public Accounting firm, Diehl Evans. The audit is conducted in accordance with auditing standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States. The audit includes examinations of evidence supporting the amounts and disclosures in the City's financial statements, which includes the City Attorney's billing. In addition, individual City Council members are allowed and encouraged to independently review the City Attorney's billing.

RECOMMENDATION NUMBER TWO

The City Council consider making the City Attorney a staff position.

RESPONSE:

The recommendation will not be implemented because it is not warranted at this time.

The City Attorney's law firm is comprised of six lawyers, a public law paralegal, two legal secretaries and additional support staff. Each of the attorneys have different and varied expertise including litigation, water law, land use and zoning, affordable housing, redevelopment and securities law. The City could never hope to have a single attorney possess all of the necessary specialties currently utilized by the City. For example, the City attorney's firm was instrumental in protecting the City's water rights and negotiating a Comprehensive Water Management Agreement providing long-term funding for supplemental water to protect Lake Elsinore.

The specter of increasingly specialized fields of law faced by city attorneys throughout California was succinctly summarized by the former City Attorney of Arcadia over 10 years ago:

“[C]ity attorneys are generalists in a field that used to be a specialty called “municipal law.” But municipal law increasingly has become an area composed of a great many subspecialties. The city attorney of today and the future, is more and more like the general practitioner in medicine--more and more a true general counsel to the municipal corporation having to work harder and harder to keep up with his or her field and no longer able to know instantly, with the easy depth of the specialist, all of the intricacies of vast areas that have become major specialties of their own.”

The need of municipalities to utilize an array of legal expertise is reflected in the fact that 22 of Riverside County's 24 cities utilize outside counsel to serve as the City Attorney. Only Moreno Valley with a population of 166,290 and three in-house staff attorneys (and a fourth position budgeted) and the City of Riverside with an estimated population of 285,537 and thirteen in-house staff attorneys include the City Attorney as a staff position.

And, while an in-house City Attorney would presumably be more available to the Council and staff as a full-time city employee, there are significant costs associated with an in-house city attorney position. In addition to the salary and benefit package necessary to attract a highly qualified attorney, a city must also provide the in-house attorney with support staff (paralegal and/or legal secretary),

law library, and office space. In addition, even with such in-house positions, outside contract counsel is often needed. Both the Moreno Valley and Riverside City Attorney Departments rely on outside counsel to perform special services. The City of Riverside City Attorney Department budget is approximately \$4 million, including approximately \$1 million devoted to outside counsel.

The City Council appreciates the Grand Jury's recommendation and notes that an in-house City Attorney is always an option for future Councils to consider as the City builds out, the population increases and the demands for varied legal services declines.

RECOMMENDATION NUMBER THREE

The City Council establish a Policy and Procedure Committee within the next sixty (60) days to review and revise current policies for formal adoption. Policies and procedures must be reviewed and published on an ongoing basis and/or when there is a change of procedures in staff duties.

RESPONSE:

The recommendation will be implemented within sixty (60) days.

The City concurs with the recommendation to review and revise current policies and procedures. In light of the City's rapid growth and changing demands, the City Council directed a Benefits Audit to be conducted (*see Employee Benefits and Reimbursements Audit for year ended June 30, 2004*) and established a City Council subcommittee to review and revise Council Policies. Those recommendations were submitted to the City Attorney and City staff with direction to prepare and present a final proposed updated City Council Policy Manual. As indicated in response to Finding No. 3, above, a study session has been set for September 29, 2005 for the City Council to review and consider revised policies and procedures. In light of the progress currently underway, the City Council does not believe that the formation of a Policy and Procedure Committee is necessary at this time.

The City Council also concurs with the recommendation that the policies and procedures be continually reviewed and updated as necessary and that City staff be expressly informed of both the existing policies and any future changes.

RECOMMENDATION NUMBER FOUR

The City Council, in order to be more cost effective, replace all car allowances with the City's approved rate per mile for actual miles driven; and adopt policies and procedures to prevent the misuse of, but not limited to, the following:

- Credit Card use
- Cell Phone use
- Travel Reimbursement
- Use of City Vehicles
- Car Allowances
- Petty Cash Reimbursement
- Per Diem Reimbursement
- Meal Reimbursement

RESPONSE:

The recommendation will be implemented within sixty (60) days.

As noted in Response No. 3, the City Council is currently in the process of reviewing and revising City policies and procedures with a specific eye to preventing any misuse of reimbursable expenses. Many new internal controls and procedures have already been implemented. For example, City-issued credit card limits have been cut in half from \$5000 to \$2,500 and the documentation and review protocols for reimbursement requests have been tightened. The City Council intends by way of such new policies to make an unequivocal statement that any misuse will not be tolerated and to provide guidelines to both elected officials and City staff so that those seeking reimbursement have a clear understanding of the scope of reimbursable expenses.

With respect to City-provided vehicles, the City currently provides a vehicle only to its top executive, City Manager Bob Brady. This benefit is pursuant to Mr. Brady's employment contract. The vehicle currently provided has 118,372 miles and is owned by the City. City department heads are accorded a monthly vehicle allowance as part of their employment compensation. We note that such a benefit is routinely provided by other cities and the City's ability to attract and retain highly qualified executives requires that it provide competitive compensation packages.

The City Council appreciates the Grand Jury's recommendation that a mileage reimbursement might prove to be "cost effective" and will review this option on a case by case basis.

RECOMMENDATION NUMBER FIVE

The City Council improve its level of community outreach through Town Hall Meetings with the Citizens of Lake Elsinore.

RESPONSE:

The recommendation has been implemented.

The City Council has already implemented several public involvement strategies that are consistent with the Grand Jury's recommendation. As the Grand Jury may already be aware, citizen participation has been encouraged through the formation of the Planning Commission, the Public Safety Advisory Commission, the Redevelopment Agency Advisory Committee, the Palm Tree Preservation Committee, the Electoral Reform Committee, the Country Club Heights Committee and the General Plan Advisory Committee. This approach has afforded many citizens to become direct participants in shaping the future of Lake Elsinore. In addition, the City Council appoints Council member liaisons to many community groups, including the Chamber of Commerce, the Arts Network, Friends of the Library, the Downtown Merchants Association and others.

Public access to City Council and staff is also available through the City's website. Residents can and often do email inquiries to Councilmembers and/or staff and receive prompt replies. The City's branding and marketing efforts referred to in the Response to Recommendation No. 14 includes an

“internal marketing/outreach” component to improve public participation and intergovernmental cooperation.

The City Council conducts agenda review study sessions prior to every City Council meeting in addition to numerous other study sessions to encourage public input on topics ranging from a new animal shelter to lake safety to City/Agency budgets and CFD financing. During regular City Council meetings, the opportunity for public comment is provided both at the beginning and end of each Council meeting, as well as on individual agenda items as they are considered by the City Council during the course of each meeting. As part of the General Plan update process, a series of community workshops have been held throughout the community to solicit input on the direction and future of the City from as many people as possible. Moreover, the City Council members regularly attend and speak at neighborhood meetings to discuss and address specific concerns and questions various neighborhood groups and organizations have presented.

The Grand Jury correctly points out that “open forum” Town Hall Meetings may further enhance the City’s outreach efforts. The City Council will continue its dedication to open government and provide varied opportunities for public participation.

RECOMMENDATION NUMBER SIX

Human Resource Department develop a plan to include job definitions and associated criteria for advancement.

RESPONSE:

The recommendation has been implemented.

Previously, the City Clerk also carried Human Resources duties. That function has been changed so that Human Resources will be a division level part of the Administrative Services Department. The City is also in the process of hiring a Senior Human Resource Analyst to perform tasks such as revising and updating job descriptions, improving employee training programs, and attracting qualified candidates for vacant positions. Performance evaluations will be conducted annually for all employees. The City currently utilizes defined job descriptions of every position in the City. These job descriptions were updated as part of the Hayhurst Study prepared in 2003.

RECOMMENDATION NUMBER SEVEN

In the event the City of Lake Elsinore decides to sell the Diamond Stadium and the land on which it sits, a fair market appraisal should be made to determine an adequate price.

RESPONSE:

This recommendation requires further analysis.

Traditional appraisal techniques for commercial real estate may not be appropriate for the Stadium property. The Agency will carefully consider the Grand Jury’s recommendation in this respect during its negotiations pursuant to the RFP process.

RECOMMENDATION NUMBER EIGHT

The City of Lake Elsinore needs to determine if agreement is valid before transferring.

RESPONSE:

This recommendation requires further analysis.

The validity of this document has been at issue for several years and, in light of the fact no sale has occurred, such a "determination" has as of yet been unnecessary.

RECOMMENDATION NUMBER NINE

The City Manager review all existing contracts to assure completeness of application forms that require information pertaining to licenses and other pertinent data.

RESPONSE:

The recommendation has been implemented.

The City agrees that all contracts should be reviewed regularly to ensure compliance with all performance standards and requirements. Since 2004, the City Council has directed the City Manager to review all contracts on an annual basis. This ongoing process is coordinated with the City Clerk's office to assure completeness of all City contract records. In addition, the City has standardized its service contracts (see sample agreements) and in January 2004 adopted an updated Purchasing Ordinance (see Ordinance No. 1109) to ensure consistent and appropriate purchasing and contracting procedures.

RECOMMENDATION NUMBER TEN

The City Council of Lake Elsinore investigate the availability of a local "Community Development Block Grant Fund," and specialized transit fund to provide a transportation system that could bring city youth to the skateboard park.

RESPONSE:

This recommendation requires further analysis.

The City's Skateboard Park represents a safe and well appointed recreational facility serving both young people and adults in our community. Given the size of the City (36 square miles), locating virtually any recreational facility poses transportation challenges to those in our community that do not have access to personal vehicles. Naturally, the City seeks to provide greater opportunity to utilize this facility but, like other California cities, has limited resources.

The City will strive to improve its public transportation opportunities as the City grows. The City has already started to aggressively identify grant funding sources and pursue grant funding for not only for public transportation but for all applicable services and projects. The City's Lake and Aquatic Resources Department has applied for and received a grant for improvements to the boat launch (See Grant). In order to further enhance those efforts, the City Council recently issued a Request for Proposals (see Lobbying Services RFP) and received responses from four firms to provide lobbying services at the federal government level to secure funding to provide increased services to the community.

We share the Grand Jury's concern that our youth have safe and reliable access to the Skateboard Park and will continue to work with state and Federal agencies to identify and pursue potential transportation funding sources.

RECOMMENDATION NUMBER ELEVEN

The City Manager must first approve an educational course that is job related and taken at an accredited institution. Subsequently, the employee must provide proof of a passing grade before receiving reimbursement for tuition costs.

RESPONSE:

The recommendation has been implemented.

The City Council concurs with the Grand Jury's recommendation. Such approval requirements have already been put in place as a result of the City Council direction to the City Manager at the conclusion of the Benefits Audit. Reimbursement for education expenses occurs only after successful completion of the approved course work and proof of a passing grade.

RECOMMENDATION NUMBER TWELVE

The Planning Department of the City of Lake Elsinore update the General Plan that meets California State requirements for General Plans Section 65300 of the Government Code. Produce annual reports in accordance with California State Law, Government Code Section 65400(b). Copies of the plan and report must be available for public review at the City's local library and City Hall.

RESPONSE:

The recommendation will be implemented within six (6) months.

The City Council has budgeted \$825,000 to update the City's General Plan. The City has already made significant headway towards completion of the General Plan update and the process is scheduled to be completed in June 2006. Over 300 people have attended the various study sessions and workshops hosted to solicit citizen input to the general plan update. We note that the Housing Element of the current General Plan was approved and certified by the Department of Housing and

Community Development in 2002. Copies of the Housing Element are available for public review at the public library and at City Hall. As part of the General Plan update process, the annual reviews will be provided in accordance with state law.

RECOMMENDATION NUMBER THIRTEEN

The City Council produce lake brochures in both English and Spanish.

RESPONSE:

The recommendation has been implemented.

The City Council concurs with this recommendation. City staff is has procured a vendor to translate and print Lake Brochure materials in both English and Spanish (see copy of printer's "proof" of the Spanish version of the brochure).

RECOMMENDATION NUMBER FOURTEEN

The City Council prepare and approve a formal written Mission Statement that states the mission and the vision of the city for its future.

RESPONSE:

This recommendation requires further analysis.

As part of the General Plan update process, the City Council will consider preparation of a formal written mission statement. In addition, the City Council recently published an RFP for marketing and branding (see Marketing & Branding RFP) and has engaged the services of a professional in this area to assist with marketing and promoting the City.

FOOTNOTE ON PUBLIC RECORDS AVAILABILITY

Supplemental reference material and the City's *Response to Findings and Recommendations* are available for public inspection at both city libraries and at City Hall, 130 South Main Street, Lake Elsinore. This information will also be posted on the City's web site within the next sixty (60) days.