



CITY OF PERRIS

Administration

101 NORTH "D" STREET
PERRIS, CALIFORNIA 92570
TEL: (909) 943-6100

May 19, 2003

Mr. Robert Bowers, Foreperson
2002-03 Riverside County Grand Jury
Office of the Grand Jury
County of Riverside
PO Box 829
Riverside, CA 92502

Subject: 2000-2001 Grand Jury Report – City of Perris

Dear Mr. Bowers:

The City Council of the City of Perris is in receipt of your letter dated May 5, 2003 pointing out that a response to the subject report had not been forwarded to the Grand Jury. We apologize for this inadvertent oversight.

As requested in your letter, included below are the responses to the subject report:

Responses to Findings:

1. The respondent partially agrees. Presently, the Interim City Manager and all Councilmembers are motivated to restoring financial integrity to the City, to ameliorating its infrastructure, and to planning for its future growth. Present Councilmembers all agree not to engage in divisive behavior and not to circumvent the office of the City Manager; furthermore, present Councilmembers agree that issues must be legitimate and professionally and politely discussed and handled.
2. The respondent agrees with the findings; however, the respondent further addresses this finding on City Engineering services under Recommendation #1.
3. The respondent agrees with the finding on the two-year Mayoral position.
4. The respondent partially agrees with the finding. Several applicants were in fact solicited, although current law does not require cities to solicit additional

applicants for attorney services. The fees for City Attorney services have been reduced from the "excessive" \$400,000 level, down to \$280,000.

5. The respondent partially agrees with the finding. (A full time Finance Director was hired by the City on October 2001.)
6. The respondent agrees with the finding. (The City Council reinstated the Planning Commission in 2002.)
7. The respondent partially agrees with the finding although the actual date of the sale was August 2001. (In any event, the issue is now moot, because in February 2002 the City Council rescinded the August 2001 Purchase Agreement for the City's water and sewer system between the City and the Public Utility Authority.)
8. The respondent agrees with the finding. (The City has approved budgeting projects to upgrade the water and sewer systems at \$4.5million and to replace water meters at \$900,000.)
9. The respondent agrees with the finding. (The City has contracted for graffiti eradication and control and has implemented an effective and efficient program.)
10. The respondent partially agrees with the finding. (The City formed Community Facilities District No. 2001-3 to levy a special tax on new development in northern Perris to pay for the cost of maintaining additional fire services. Additionally, in January 2003, the City entered into a Cooperative Agreement with the City of Moreno Valley and the County of Riverside to support a fire station strategically located in southeast Moreno Valley, just above the City of Perris northern residential area. The response time for this area has been reduced, and should be reduced further upon construction of a new fire station in north Perris.)

Responses to Recommendations

1. The recommendation is being implemented. The City hired an accounting firm to study the City Engineering fee process. The firm has drafted an agreement, which proposes a new Engineering fee structure, and the depositing of the City fees into a City trust account. The agreement is being finalized and should be presented for Council approval by next month.

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2. The recommendation requires further analysis. The respondent agrees with the finding, however, the consideration of extending the Mayor's term to 4 years will be postponed until after the November 2003 election. The Council will need to vote on placing the matter on an ensuing ballot. In the past, the citizen voters in Perris voted to elect the Mayor for a 2-year term.
3. The recommendation has been implemented. A full-time Finance Director was hired in October 2001.
4. The recommendation requires further analysis. The City Manager will consider undertaking a study in the following year to evaluate the advantages and disadvantages of contracting out instead of hiring a City Attorney as a full-time employee. The approach taken by comparable cities will be included in the study.
5. The recommendation has been implemented. The Municipal Code outlines the purchasing system, primarily requiring informal or formal bids for public works and other projects estimated to cost beyond stated amounts. Bid awards are then taken forward for City Council or City Manager approval depending on the contract amount. Contracts for certain consultants not involving physical labor, such as for project engineering or other studies, do not necessarily require bids, but proposals from several firms are usually requested by the City for each project.
6. The recommendation has been implemented. The City has a city-wide graffiti eradication program, which includes a telephone hot line and encourages public participation.
7. The recommendation is being implemented. The City formed Community Facilities District No. 2001-3 calling for a special tax on new development in northern Perris to pay for the cost of maintaining additional fire services to primarily serve northern Perris. (Site acquisition and construction design should commence next year.) Additionally, in January 2003, the City of Perris entered into a Cooperative Agreement with the City of Moreno Valley and the California Department of Forestry (County of Riverside), in which Perris agreed to pay a percentage of costs to operate a new fire station, strategically located in southeast Moreno Valley, in return for service to be provided to northern Perris. The fire response time to northern Perris has been reduced, and should be reduced further after the construction of a new fire station in north Perris. The special tax referred to above does not include funding for property acquisition or facility construction; other sources of funds need to be identified.

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8. The recommendation has partially implemented. The Planning Commission of the City of Perris was reinstated in 2002. Although a Citizen Advisory Commission in the area of Parks and Recreation has not been reinstated, a committee consisting of two Councilmembers and key department heads has been formed to consider the issues and proposals that are related to Parks and Recreation.
9. The recommendation has been implemented. In February 2002, the City Council rescinded the Purchase Agreement for the water and sewer system between the City and the Public Utility Authority. The City has embarked on a major capital facilities project to repair and upgrade the City's water and sewer system. Costs for the water and sewer upgrade have been budgeted at \$4.5 million, and include another \$900,000 to upgrade the water meters. The project is underway.

On behalf of the City Council, I trust this response addresses all the findings and recommendations. If you have any questions, please do not hesitate to call the Interim City Manager Hector Apodaca, at (909) 943-6100.

Sincerely,



Daryl R. Busch
Mayor

DRB:mf

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OUR FILE NO:
04194-0001

September 27, 2001

Mr. David Howitt, Foreperson
and Members of the 2000-01
Riverside County Grand Jury
Office of the Grand Jury
P. O. Box 829
Riverside, CA 92502

Re: Grand Jury's Report on the City of Perris

Dear Mr. Howitt and Members of the Grand Jury:

This office represents the City of Perris as its City Attorney. We are in receipt of your 2000-2001 Grand Jury Report for the City of Perris, and would like to respond to your findings regarding our appointment as City Attorney. Specifically, Finding No. 4 states that the "procedure used for appointing the City Attorney was unusual, in that the City failed to properly solicit additional attorney applicants." This finding is incorrect and somewhat misleading, for the following reasons.

First, there is no law requiring cities to solicit proposals or applicants for professional services such as attorney services. The City Council was free to interview as many or as few candidates as it chose.

Second, you may have been misinformed about the appointment process because the City actually did solicit proposals from law firms and individuals. You may be aware that the City formerly retained as its City Attorney the firm of Rutan & Tucker, LLP ("R&T"), where I was a partner. In February 2001 I and several other attorneys left R&T to join Burke, Williams & Sorensen, LLP ("BWS"). The City Council retained BWS on an interim basis while it conducted a search for a permanent City Attorney. I believe the City received about 13 proposals, after which they initially interviewed three finalists. Neither R&T nor BWS was among the three finalists.

After the initial interviews the City Council invited BWS to participate in an additional interview. Subsequently, BWS continued to serve as interim City Attorney until the City Council made its final determination to appoint BWS as the permanent City Attorney on June 26, 2001. The overall process may have seemed somewhat lengthy to an outside observer, but to

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and Members of the 2000-01
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characterize it as unusual or improper is unfair and implies that the City Council or our office acted inappropriately.

We would also like to address your comment that the fees for legal services "appear excessive when compared to cities of similar size within Riverside County. It may surprise you to discover that, for the year you cite, 1999, we agree these fees appear excessive. However, you need to consider the context and not just the abstract dollar amount. As you know, during much of the 1990s the City was experiencing a continuing financial crisis and a rapid turnover of managers and employees. The City even took the drastic step of disbanding its police department and contracting with the County for police services. A number of lawsuits arose during those years and the City was forced into costly and lengthy litigation.

Since taking over as interim City Attorney in May 2000, we have resolved nearly every active lawsuit. Legal fees that in prior years had been over \$500,000 and declined to \$412,313 in FY 1999/2000, dropped drastically to approximately \$300,000 in FY 2000/2001. In September 2000 I actually proposed a reduction in our fee agreement and this has significantly reduced legal expense. Based on this new contract and our continued efforts to reduce legal costs, the City Council has reduced the City's legal budget to \$280,000 for FY 2001/2002. We believe this amount would reflect favorably when compared to cities of similar size and circumstances. We believe these circumstances should have been included in your report.

It is a fundamental legal principal that there are always two sides to any issue and you should not reach a conclusion until you have talked to all persons with relevant information. In this case, I am disappointed that you never included me in your interviews. Had I known our office was a part of your report, I would have been happy to give you the above information and perhaps correct the incomplete picture you were given. It is very important to our professional reputation that there not be inaccurate information in the grand jury's report.

We very much appreciate the effort of the grand jury to assist the City of Perris and look forward in the future to assisting with any needed information.

Very truly yours,

BURKE, WILLIAMS & SORENSEN, LLP



David J. Aleshire
City Attorney

DJA/dlc



MEMORANDUM


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RIVERSIDE COUNTY EXECUTIVE OFFICE

Larry Parrish
County Executive Officer

June 28, 2001

TO: David Howitt, Foreperson
2000-01 Riverside County Grand Jury

FROM: Ken Mohr, Assistant CEO 

RE: Grand Jury Report: City of Perris

We are returning the attached Grand Jury Report regarding the City of Perris. The County of Riverside has no jurisdiction on matters relating to the City of Perris.

Cc: Nancy Romero,
Clerk of the Board

Att.

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