

TRINITY COUNTY GRAND JURY

1999-2000

FILED

APR 25 2000

SUPERIOR COURT OF CALIFORNIA *DR*
COUNTY OF TRINITY
BY: DONNA REGNANI, DEPUTY CLERK

**FINANCE AND ADMINISTRATION COMMITTEE
FINAL REPORT**

**WEAVERVILLE SANITARY DISTRICT
CAPITAL IMPROVEMENT FEE'S**

**This report was approved
On April 13, 2000**

**1999-2000 TRINITY COUNTY GRAND JURY
FINANCE AND ADMINISTRATION COMMITTEE
FINAL REPORT**

WEAVERVILLE SANITARY DISTRICT CAPITAL IMPROVEMENT FEE'S

BACKGROUND:

The Weaverville Sanitary District (WSD) imposes a Capital Improvement Fee prior to providing new or increased services to customers. The fee is based on the amount and type of service to be provided and is determined from published guidelines. The guidelines are not absolute and thus judgment is required to determine the appropriate fee, particularly in the cases of services to business establishments. The Grand Jury received a complaint that members of the WSD Board of Directors violated Conflict of Interest Codes and imposed an unreasonably low Capital Improvement Fee for providing service to a new business.

METHODOLOGY:

The Finance and Administrative Committee reviewed the applicable WSD files and meeting minutes of the Board of Directors. The Committee also interviewed the General Manager, the President of the Board and two other Directors. The Complainant was also interviewed.

FINDING #1:

The Grand Jury finds that the Capital Improvement Fee in question was determined by the WSD Board of Directors in a public session, which included comments by the owner of the business and discussion of the fee. The Grand Jury finds no convincing evidence that the fee imposed was unreasonably low.

FINDINGS #2:

The Grand Jury finds that only one member of the WSD Board of Directors had a Conflict of Interest in this case and that the Board member abstained from the vote on this particular Capital Improvement Fee. However, the Grand Jury found two violations of Conflict of Interest Laws. First, the Board member that had a conflict of interest did not publicly declare the conflict during the meeting as required by law. Second, that Board member filed an incorrect California Form 700, Statement of Economic Interests, by incorrectly declaring, "No reportable interests." The Grand Jury finds that those two violations had no effect on the determination of the Capital Improvement Fee for this particular business. The Grand Jury concludes that the violations were due to a lack of knowledge of the law rather than a deliberate intent to violate the law.

The Grand Jury in this and other investigations has found a widespread lack of understanding by members of Public Boards and Commissions in Trinity County that

conflicts of interest must, by law, be publicly declared whenever a conflict occurs in a meeting.

RECOMMENDATIONS:

The Grand Jury recommends that the WSD Board of Directors and the Boards of Directors of other special districts in Trinity County arrange for presentations by County Counsel to Board members and designated employees explaining conflicts of interest, the law and potential consequences of violations.

The Grand Jury also recommends that County Counsel consider establishing a procedure by which newly elected and appointed officials and designated employees of Special Districts be made aware of conflict of interest laws.

Finally, the Grand Jury recommends that Special Districts establish a policy that whenever a conflict of interest is declared, the declarer not only step down but leave the meeting room during any discussion or action on the subject to which the conflict applies.

30-DAY RESPONSE REQUESTED FROM: Weaverville Sanitary District Board of Directors; Trinity County Board of Supervisors and County Counsel.



TRINITY COUNTY

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SUPERIOR COURT
JUDGE'S CHAMBERS

OFFICE OF THE COUNTY COUNSEL

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DAVID R. HAMMER

County Counsel

May 15, 2000

The Honorable John K. Letton, Presiding Judge
Superior Court

Re: Response to 1999-2000 Trinity County Grand Jury Finance and Administration Committee Final Report Weaverville Sanitary District Capital Improvement Fees

Dear Judge Letton:

The Grand Jury has requested a response from me as County Counsel. Pursuant to Penal Code Section 933.05, I am required to respond by either agreeing or disagreeing with each finding. As County Counsel, I am not the legal advisor for the Weaverville Sanitary District, or other special districts within the County. I am authorized and do occasionally answer short legal questions from special districts, but I do not attend the meetings of the governing boards. With this caveat, I respond to the Grand Jury's report as follows:

FINDING #1: I have no information on which I can agree or disagree with the finding. I do not know of any evidence that the WSD Board of Directors imposed an unreasonably low fee.

FINDING #2: I have no information on which I could agree or disagree with the first paragraph of Finding #2. As to the second paragraph of Finding #2, I agree. I believe there is a widespread lack of understanding by members of public boards and commissions in Trinity County that conflict of interest must, by law, be publicly declared whenever conflict occurs in a meeting.

RECOMMENDATION: The recommendation has not been implemented, but will be implemented in the following manner. I will provide to the governing board of each special district a memorandum on the conflict of interest laws and the requirements for declaring conflicts. If requested, I will give a presentation to the special districts on this issue after the memorandum has been distributed.

Thank you for the opportunity to provide a response.

Respectfully,

David R. Hammer

DRH/pt

Weaverville Sanitary District

POST OFFICE BOX 1269, WEAVERVILLE, CALIFORNIA 96093

TELEPHONE (530) 623-4102; FAX (530) 623-1975

June 23, 2000

Superior Court Judge
Honorable John K Letton
P.O. Box 1258
Weaverville, CA 96093-1258

Honorable John K. Letton:

In response to a Memorandum sent by the Court Administrator regarding the 1999-2000 Trinity County Grand Jury Reports:

WEAVERVILLE SANITARY DISTRICT ANNEXATION OF PIONEER HEIGHTS

Response to Finding and Recommendation No. 2:

The Board of Directors of the Weaverville Sanitary District agrees with the Grand Jury, and that more emphasis should and will be placed on purging and organizing files, focussing especially on unnecessary duplication. More details as to meeting minutes will be established and the results documented.

Response to Finding and Recommendation No. 3:

The Weaverville Board of Directors agrees with the Grand Jury's recommendation. In the future, we will request a joint meeting with the Petitioner(s), members of LAFCo, WSD Board of Directors and Planning Staff. Members of these groups will be brought into the process at the beginning of the project.

WEAVERVILLE SANITARY DISTRICT CAPITAL IMPROVEMENT FEE

Response to Recommendations:

The Weaverville Sanitary District agrees to attend, along with other special districts, a presentation by County Counsel of the law and penalties regarding conflicts of interest.

The Weaverville Sanitary District agrees to establish a policy of requiring members of the board to declare a conflict when a conflict exists and not participate in the discussion while the item is being discussed and action is taken.

Sincerely,

Harris (Beau) Mitchell

Board Chairman for
Board of Directors

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JUL - 7 2000

DERO B. FORSLUND
COUNTY CLERK & RECORDER



TRINITY COUNTY

BOARD OF SUPERVISORS

P.O. Drawer 1613 (530) 623-1217
WEAVERVILLE, CALIFORNIA 96093

Dero B. Forslund, Clerk
Jeannie Nix-Temple, County Administrative Officer

To: John K. Letton, Superior Court Judge

From: Board of Supervisors

Date: October 25, 2000

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SUPERIOR COURT
JUDGE J. CHAMBERS

RE: 1999-2000 Grand Jury Finance and Administration Committee report on the
Weaverville Sanitary District Capital Improvement Fees

The Trinity County Board of Supervisors does not oversee the general operations of the Weaverville Sanitary District and can not comment on report Findings #1 and #2 except to agree that there is some lack of understanding of Conflict of Interests Laws by members of Public Boards and Commissions.

The Board will work with the County Counsel to address and carry out the Recommendations of this report.

DATE: November 9, 2000

APPROVED: Ralph Modine
CHAIRMAN-Board of Supervisors