

MONTEREY COUNTY



COUNTY ADMINISTRATIVE OFFICE

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April 6, 2010

The Honorable Adrienne Grover
2010 Presiding Judge of the Superior Court
County of Monterey
Salinas Courthouse
240 Church Street – East Wing, 2nd Floor
Salinas, CA 93901

Re: Response to Monterey County Civil Grand Jury 2009 Year-End Final Report

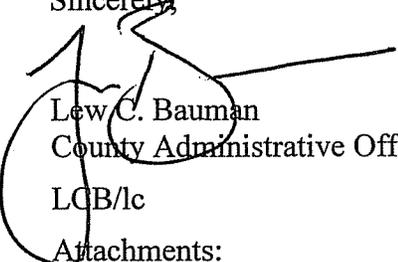
Dear Judge Grover:

Attached please find the Monterey County Board of Supervisors' response to the Monterey County Civil Grand Jury 2009 Year-End Final Report. The Board of Supervisors approved the response, which complies with all requirements set forth in Sections 933 and 933.05 of the California Penal Code, on April 6, 2010.

The Board approved response should be deemed and accepted by the Presiding Judge of the Superior Court of Monterey County and the Monterey County Civil Grand Jury as the response of the Board of Supervisors, County Administrative Officer, and appointed County department heads.

For informational purposes, I have also included the Board Report and Board Order, which accompanied this item at the Board's hearing on April 6, 2010, and includes responses from the Auditor-Controller and Sheriff which were provided to the Board for informational purposes.

Sincerely,


Lew C. Bauman
County Administrative Officer

LCB/lc

Attachments:

- April 6, 2010 Board Report
- April 6, 2010 Board Order
- Board of Supervisors' 2009 CGJ Response

cc: Stefanie Zermeño, Superior Court Administrative Assistant

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: April 6, 2010 – 10:30 a.m.	AGENDA NO: S-1
SUBJECT: a) Review and direct final edits to the response to the Monterey County Civil Grand Jury 2009 Year-End Final Report in consideration of approval; b) Approve the amended response to the Monterey County Civil Grand Jury 2009 Year-End Final Report; c) Direct the County Administrative Officer to file the approved response with the Presiding Judge of the Superior Court, County of Monterey, by April 9, 2010; and d) Receive an informational copy of the response by the Auditor-Controller and the Sheriff to the Monterey County Civil Grand Jury 2009 Year-End Final Report.	
DEPARTMENT: County Administrative Office	

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a) Review and direct final edits to the response to the Monterey County Civil Grand Jury 2009 Year-End Final Report in consideration of approval;
- b) Approve the amended response to the Monterey County Civil Grand Jury 2009 Year-End Final Report;
- c) Direct the County Administrative Officer to file the approved response with the Presiding Judge of the Superior Court, County of Monterey, by April 9, 2010; and
- d) Receive an informational copy of the response by the Auditor-Controller and the Sheriff to the Monterey County Civil Grand Jury 2009 Year-End Final Report.

SUMMARY/DISCUSSION:

The Monterey County Civil Grand Jury 2009 Year-End Final Report was issued on January 11, 2010. By law, the Board of Supervisors and elected County department heads are required to respond to specific findings and recommendations as directed therein. Within 90 days of Report issuance, on or before April 9, 2010, the Board's response must be filed with the Presiding Judge of the Superior Court, County of Monterey.

On March 23, 2010, the County Administrative Office presented to the Board the recommended draft Response to the Monterey County Civil Grand Jury 2009 Year-End Final Report. Pursuant to Board discussion, the Board directed staff to submit proposed modifications to the submitted recommended response and return with its recommended edits of Sections 1, 2, 3 and 6. These edits are presented in a strike-through revision, at the April 6, 2010 meeting for your Board's review and consideration.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office prepared the revised recommended response to the Monterey County Civil Grand Jury 2009 Year-End Final Report with the assistance, input and appropriate review by the following County departments: Auditor-Controller; County Counsel; Information Technology; Health; Office of Emergency Services (OES); Natividad Medical Center; and the Water Resources Agency.

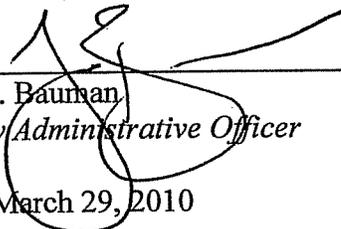
The Auditor-Controller and the Sheriff independently prepared and filed their respective responses to the Monterey County Civil Grand Jury 2009 Year-End Final Report with the Presiding Judge as directed prior to the March 12, 2010 deadline. The Sheriff's response included a supplemental response from County Counsel.

Members of the 2009 and 2010 Monterey County Civil Grand Juries and the 2009 and 2010 Presiding Judges were invited to attend the Boards' hearing of this matter.

FINANCING:

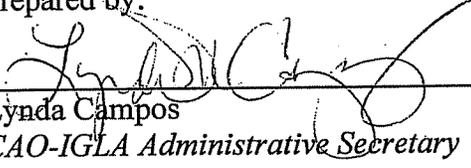
Approval of the recommended Board response and receipt of the elected County department heads' responses will have no direct financial impact on the General Fund. Due to the late submission of this Board Report, the CAO Budget and Analysis Division was not provided adequate time to fully review for potential fiscal, organizational, policy, or other implications to the County of Monterey.

Approved by:



Lew C. Bauman
County Administrative Officer

Prepared by:



Lynda Campos
CAO-IGLA Administrative Secretary

Date: March 29, 2010

Attachment:

- Board of Supervisors Final Response - Monterey County Civil Grand Jury 2009 Year-End Final Report
- Auditor-Controller Response to the Monterey County Civil Grand Jury 2009 Year-End Final Report
- Sheriff Response to the Monterey County Civil Grand Jury 2009 Year-End Final Report
- County Counsel Response to the Monterey County Civil Grand Jury 2009 Year-End Final Report (supplemental to the Sheriff's response)

cc: Charles McKee, County Counsel
Leroy Blankenship, Assistant County Counsel
Traci Kirkbride, Deputy County Counsel
Nick Chiulos, Intergovernmental and Legislative Affairs Director
Michael J. Miller, Auditor-Controller
Al Friedrich, Assistant Auditor-Controller
David Krauss, Office of Emergency Services Interim Manager
Bertha Simpson, Office of Emergency Services
Virgil Schwab, Information Technology Director
Len Foster, Health Department Director
Thomas Lynch, Emergency Medical Services Agency
Harry Weis, Natividad Medical Center CEO
Mike Kanalakakis, Sheriff
Curtis Weeks, Water Resources Agency General Manager

Before the Board of Supervisors in and for the County of Monterey, State of California

- a. Review and direct final edits to the response to the Monterey County Civil Grand Jury 2009 Year-End Final Report in consideration of approval;
b. Approve the amended response to the Monterey County Civil Grand Jury 2009 Year-End Final Report;
c. Direct the County Administrative Officer to file the approved response with the Presiding Judge of the Superior Court, County of Monterey, by April 9, 2010; and
d. Receive an informational copy of the response by the Auditor-Controller and the Sheriff to the Monterey County Civil Grand Jury 2009 Year-End Final Report.

Upon motion of Supervisor Parker, seconded by Supervisor Armenta, and carried by those members present, the Board hereby:

- a. Reviewed and directed final edits to the response to the Monterey County Civil Grand Jury 2009 Year-End Final Report in consideration of approval with additional edits as follows: Under Emergency Medical Services response to F.2.1, the very the last sentence now reads, Agency staff will return to the Board of Supervisors with a report on the results of the process, including any resources needed.;
b. Approved the amended response to the Monterey County Civil Grand Jury 2009 Year-End Final Report;
c. Directed the County Administrative Officer to file the approved response with the Presiding Judge of the Superior Court, County of Monterey, by April 9, 2010; and
d. Received an informational copy of the response by the Auditor-Controller and the Sheriff to the Monterey County Civil Grand Jury 2009 Year-End Final Report.

PASSED AND ADOPTED this 6th day of April, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on April 6, 2010.

Dated: April 7, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By [Signature] Deputy



Monterey County Board of Supervisors'

Response to the

**Monterey County Civil Grand Jury
2009 Year-End Final Report**

April 6, 2010

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REPORT TITLE: Natividad Medical Center and Monterey County Health Department
Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F1.1 – F1.5

Finding F1.1: *The six Initiatives are not on track; timelines are not being met.*

Response F1.1: The respondent agrees with the finding. In March, 2009 leadership from Natividad Medical Center (NMC) and the Health Department (HD) committed to the identification of high priority improvement initiatives to enhance the coordination of patient care and serve as the building blocks for the strategic alignment between the departments. The core team consisting of the HD Director of Health, NMC CEO, NMC Assistant Administrator, and HD Clinic Services Director have been meeting regularly to monitor progress and provide direction to initiative teams.

Three of the six improvement initiatives relate to near term and longer term plans toward the achievement of comprehensive Electronic Medical Record systems (EMR's) at NMC and the HD that efficiently serve as the vehicles for the exchange of patient data across all County health services and links to other community health data systems which will help in the achievement of the goal to provide safe, reliable, efficient, high quality care to patients. The near term solutions did experience implementation delays due in part to the material delay of separation of Natividad Medical Center (NMC) Information Technology (IT) department from the County IT department. Significant resources were reallocated and redirected during this period impacting progress on various other initiatives. The separation is completed and the redeployment of resources toward EHR has occurred.

One near term implemented solution focused on the obstetrical patient continuum of care between NMC and the HD. Patient health information is now available via Questys scanning technology to the HD Clinics and in NMC Specialty Clinics, Labor and Delivery, and Maternal Infant Units. This seamless system has addressed the patient safety and continuity of care concerns that were initially voiced when this Initiative was designed.

Like most health care organizations, the implementation of an EMR will be achieved in stages. Both the HD and NMC are progressing toward implementation of Electronic Medical Record (EMR) systems. The HD has obtained funding which enables implementation and meaningful use of the Epic Electronic Medical Record (EMR) by 8/31/10. Epic includes a Continuity of Care Document which can be accessed by users of other Electronic Medical Records. With this implementation, plus the implementation of the Questys scanning process (10/09) at both NMC and the Health Department Clinics, medical providers have access to view shared patient information at the hospital and in the clinics.

In preparation for EMR development, NMC has implemented the Meditech systemwide upgrade to version 5.6 (3/10). NMC is also moving forward in the installation of Meditech's advanced clinical suite of applications: 1) nursing documentation (Meditech's Patient Care and Patient Safety module) will providing nurses with patient care management, clinical content, and bedside verification, 2) physician documentation (Meditech's Physician Care

REPORT TITLE: Natividad Medical Center and Monterey County Health Department Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F1.1 – F1.5

Manager module) providing physicians care records, electronic signature features, and computerized order entry (CPOE) functionality; and 3) a computed radiography and picture archiving and communication system (PACS), enabling NMC to convert analog wet-film processed images to digital and electronically archive and access the digital images. Rather than relying on traditional film images, which can be lost, misfiled or damaged, this technology provides physician and specialists with access to medical images at any time, from any location enhancing and expediting patient care and improving patient outcomes. While most hospitals will be starting these projects over the next several years and spacing them out, NMC has made a strategic decision to begin all three components of this project in calendar year 2010 in order to expedite the best possible level of care to residents of Monterey County.

Following department specific installations the application of technologies to develop the fully functional EMR linking provider groups in order to securely share patient data will be deployed.

One of the improvement initiatives focused on the redesign of the Medically Indigent Adult (MIA) Program's administrative/benefit system. Review of the program has centered on the paradigm of MIA as a quasi-insurance plan, with the team looking at MIA revenues (\$6.2 million), the increased cost of care to NMC over the last 3 years due to increased patient volume, the array of covered benefits, eligibility criteria, and the potential impact of chronic disease case management. Last fall, it was agreed that substantial changes to the program should be put on hold due to the economic crisis and the outcomes of national and state health care reform debate that may include new coverage initiatives that will likely have a direct and material effect on county MIA programs. The review team agreed to look at two near term tactics to improve service delivery to MIA patients: Strengthening of the case management process and lowering the cost of pharmaceuticals provided to MIA patients. In 2/10, the team visited Santa Cruz County's Project Connect to learn of this demonstration project's success in linking frequent ED users to primary care homes through the provision of intensive case management services. The work group will be meeting within 30 days to discuss applicability of this project to Monterey County's MIA population. The team is exploring the feasibility of implementing the 340B Drug Discount Program to all Monterey County clinics allowing MIA patients to receive medications in additional clinic locations and providing a pharmaceutical mail order service.

Finding F1.2: *Accountability for and commitment to integrating the medical departments of Natividad Medical Center and the Monterey County Health Department are lacking.*

Response F1.2: The respondent disagrees partially with the finding. Over the past two and a half years, a significant amount of time and effort has been expended building working relationships and exploring the creation of a safety net healthcare delivery model which would provide high quality, accessible health care to all of the residents of Monterey County. The departments' administrative and physician leadership engaged in a process to determine

REPORT TITLE: Natividad Medical Center and Monterey County Health Department Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F1.1 – F1.5

if consensus could be reached on an organizational model. Models operational in other counties were studied, as well. Adding to the complexity in designing the organizational model is the fact that the NMC CEO reports directly to the Board of Supervisors whereas the HD Director of Health reports to the CAO.

The Board of Supervisors has provided direction to NMC and the Monterey County Health Department (MCHD) to pursue a series of improvement initiatives that are intended to increase the coordination of health services to patients jointly served by the two health delivery organizations operated by Monterey County government. This is a complex process that must address legal, regulatory, and clinical standards. NMC and MCHD executive staff have been meeting regularly to address medical service coordination to produce a result that will best serve the health needs of the residents of Monterey County. A 2010 goal of the Health and Human Services Committee of the Board of Supervisors is to monitor progress and provide direction to aid in the achievement of Improvement Initiatives' goals.

Finding F1.3: *The complexity of cross-platform electronic records solutions is hindering progress.*

Response F1.3: The respondent disagrees with the finding. Both Natividad Medical Center and the Monterey County Health Department are progressing toward implementation of Electronic Medical Record (EMR) systems. Meditech (NMC's system) and Epic (the MCHD clinics' system) are both on platforms that will produce an electronic continuity of care document, which is the standardized record that presents patient health information for viewing to appropriate medical providers. Like most health care organizations, the implementation of an EMR will be achieved in stages. Following department specific installations the application of technologies to develop the fully functional Electronic Health Record (EHR) linking provider groups will be deployed.

Sufficient resources have been committed and appropriate timeframes have been defined to implement projects currently underway.

Substantial dollars for future projects are included in NMC's five year financial forecast 2010 through 2104 to be funded by operational cash flow, borrowing, and philanthropy. For example, Natividad Medical Center's robust philanthropic initiatives resulted in a grant of \$570,000 from United Healthcare for Information Technology improvements. The fully functional Meditech Electronic Medical Record (EMR) will result in improved patient outcomes, reduced treatment delays and safety issues, and an enhanced ability to exchange information with other local health providers.

The Monterey County Health Department has obtained funding which enables implementation and meaningful use of the Epic Electronic Medical Record (EMR) by 8/31/10. This funding includes a Productivity Investment Loan of \$862,000 that was approved by the Board of Supervisors for implementation of an Electronic Medical Record (EMR) System in the Clinic Services Bureau. The Clinic Services Bureau is implementing

REPORT TITLE: Natividad Medical Center and Monterey County Health Department Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F1.1 – F1.5

the EMR in the summer of 2010. Epic includes a Continuity of Care Document which can be accessed by users of other Electronic Medical Records. With this implementation, plus the implementation of the Questys scanning process (10/09) at both NMC and the Health Department Clinics, medical providers have access to view shared patient information at the hospital and in the clinics.

As the Clinic Services Bureau and Natividad Medical Center each become meaningful users of an Electronic Medical Record, as defined by Medicare and Medicaid, they will become eligible for and will pursue incentive payments through Federal Stimulus funds.

Finding F1.4: *The Monterey County Health Department clinic's hours of operation are too limited.*

Response F1.4: The respondent disagrees partially with the finding. Clinic patients were surveyed this year at all clinic sites and results overwhelmingly indicated a preference for current clinic hours (Monday – Friday, 8 a.m. to 5 p.m.).

Further, there is more demand for clinic services than can be adequately met, given current space and staffing and a variety of options to address clinic access concern are being evaluated. The Clinic Service Bureau is reaching out to community partners, including Central California Alliance for Health, to get feedback from their constituencies about their needs regarding clinic access and scheduling.

The Clinic Services Bureau has plans in process to build new clinics that will meet the increasing need and is in the process of exploring the possibility of partnering with Natividad Medical Center to open an extended hour's clinic on the NMC campus. Currently, hours under consideration for this clinic are Monday – Friday, 10 am to 10 pm; Saturday, 8am – 1pm. The Department will continue to periodically survey its patient population and its community partners to ensure that clinic operating hours are responsive to their needs. (See Response F1.4)

Finding F1.5: *Each team working on an Initiative needs to be result-driven.*

Response F1.5: The respondent agrees with the finding. Leadership from Natividad Medical Center (NMC) and the Health Department (HD) consisting of the HD Director of Health, NMC CEO, NMC Assistant Administrator, and HD Clinic Services Director have been meeting regularly to monitor progress and provide direction to initiative teams. The consistent reporting to the Health & Human Services Committee to monitor progress and provide direction regarding initiative implementation will aid in the achievement of measurable outcome goals.

REPORT TITLE: Natividad Medical Center and Monterey County Health Department Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R1.1 – R1.5

Recommendation R1.1: *Set and meet realistic deadlines. [Related Finding: F1.1]*

Response R1.1: The recommendation has been implemented.

Recommendation R1.2: *Decide on and direct an optimum integration plan. [Related Finding: F1.2]*

Response R1.2: The recommendation requires further analysis. Following successful functional integration of the MCHD and NMC services, the Board of Supervisors will provide policy direction regarding any future reorganization of the departments.

Recommendation R1.3: *Invest more resources into Initiative #5, the integration of patient information between Natividad Medical Center and the Monterey County Health Department, to complete the task quickly. [Related Finding: F1.3]*

Response R1.3: The recommendation has been implemented. Sufficient resources have been committed and appropriate timeframes have been defined to implement projects currently underway.

Substantial dollars for future projects are included in NMC's five-year financial forecast 2010 through 2014 to be funded by operational cash flow, borrowing, and philanthropy. The fully functional Meditech EMR will result in improved patient outcomes, reduced treatment delays and safety issues, and an enhanced ability to exchange information with other local health providers.

The Monterey County Health Department has obtained funding which enables implementation and meaningful use of the Epic EMR by 8/31/10. Epic includes a continuity of care document which can be accessed by users of other EMRs. With this implementation, plus the implementation of the Questys scanning process (10/09) at both NMC and the Health Department clinics, medical providers have access to view shared patient information at the hospital and in the clinics.

Recommendation R1.4: *Explore options to extend or stagger the Monterey County Health Department clinics' hours of operation. [Related Finding: F1.4]*

Response R1.4: The recommendation has been implemented. The Clinic Services Bureau has plans in process to build new clinics that will meet the increasing need and is in the process of exploring the possibility of partnering with Natividad Medical Center to open an extended hours clinic on the NMC campus. Currently, hours under consideration for this clinic are Monday – Friday, 10 a.m. to 10 p.m. and Saturday, 8 a.m. to 1 p.m. The Department will continue to periodically survey its patient population to ensure that clinic operating hours are responsive to their needs.

REPORT TITLE: Natividad Medical Center and Monterey County Health Department
Improvement Initiatives
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F1.1 – F1.5

Recommendation R1.5: *Create result-driven, focused work groups for each Initiative. [Related Finding: 1.5]*

Response R1.5: The recommendation has been implemented.

REPORT TITLE: Countywide Emergency Medical Services
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F2.1 – F2.7

Finding F2.1: *The Emergency Medical Services Agency has failed to provide the quantity and quality of training intended by “Measure A, 1998” and is not fulfilling its stated mission.*

Response F2.1: The respondent disagrees partially with the finding. Measure A, 1988 was superseded by passage of the subsequent voter approved Measure A in 2000, which authorized Chapter 15.29 of the Monterey County Code. These initiative measures, and the impartial analyses by County Counsel of those measures imply that one of the purposes of the assessments is to provide funds for staffing and training. The role of the Emergency Medical Services Agency (EMS) is to plan, coordinate, and evaluate the countywide EMS System. This includes maintaining county-wide advanced-life support services, contracting for ambulance and pre-hospital care services, monitoring and administering EMS training programs, planning for disaster medical response, and coordinating public information and education. The Emergency Medical Services (EMS) Agency is committed to enhance the overall quality of training for pre-hospital personnel to improve the quality of care provided in the field. The EMS Agency has standing offers to the leadership of first responder agencies, in particular the fire service, for system input on training, and has solicited the interest of other entities to assume a primary role in this important training activity. Nevertheless, reaching consensus from stakeholders on best use of the training funds, allocated for that purpose, has been a challenge, and is an on-going effort. The EMS Agency continues its desire to work closely with first responder agencies to develop, implement, finance, and sustain an effective and efficient training program that meets the needs of first responder personnel and the County’s pre-hospital response system. . The EMS Agency and the leadership of the Fire Chiefs Association are meeting to develop parameters for the provision of the training, e.g., EMS Agency provides training for first responder providers that do not have the in-house resources and first responder services that can provide in-house training with their own resources. The two entities agreed that developing a collaborative approach is necessary. There is also agreement that this requires a deliberative approach that achieves consensus rather than making a quick decision. However, it is anticipated that this process will take no more than several months to complete. At the conclusion of the discussions any recommended outcomes will be presented to the Emergency Medical Care Committee for input and endorsement. Agency staff will return to the Board of Supervisors with a report on the results of the process, including any resources needed.

Finding F2.2: *The Emergency Medical Services Agency is not accountable to the Emergency Medical Services Council, rendering the EMS Council ineffective. The Board of Supervisors has not given priority to remedying this situation.*

Response F2.2: The respondent disagrees partially with the finding. The EMS Council was established by the Monterey County Board of Supervisors to serve in an advisory capacity to both the EMS Director and the Board of Supervisors. Staff reports are routinely provided to and input is sought from the EMS Council. Many members of the EMS Council represent entities that the EMS Agency regulates, and are therefore accountable to the EMS Agency. Within the constraints of its charter, and State law relating to protection against conflicts of interest, we believe that the EMS Council has performed its role effectively. Additionally, the EMS Council disagrees with this recommendation and related finding.

REPORT TITLE: Countywide Emergency Medical Services
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F2.1 – F2.7

Note: Monterey County Ordinance No. 5138 amended Chapter 15.40 of County Code established the Emergency Medical Care Committee in accordance with California Health and Safety Code, Division 2.5 (Emergency Medical Services) Sections 1797.270, et. seq.; replaces all references to the Emergency Medical Services Council with references to the Emergency Medical Care Committee. The Emergency Medical Care Committee by-laws are being revised and are in the process of being submitted to the Board of Supervisors for consideration and approval.

Finding F2.3: *The Emergency Medical Services Agency does not have a good working relationship with either Monterey Peninsula College or the public safety agencies.*

Response F2.3: The respondent disagrees partially with the finding. The EMS Agency provided Monterey Peninsula College (MPC) more than the contractually required one month notice of intent to not seek a new contract as cited in the report. The EMS Agency gave MPC several email and verbal notices of the intent to not seek a renewed contract prior to issuing a formal notice. The notice also granted MPC more than one year to acquire its own equipment. MPC receives substantial tuition and other direct financial support for its programs, which allows it the means to acquire its own training equipment. Staff acknowledges, potentially as a result of its role as a regulator, the EMS Agency has a challenging relationship with selected fire service agencies. However, the EMS Agency has a good working relationship with law enforcement agencies and remains committed to successful collaboration with all of its fire service partners.

Finding F2.4: *The Emergency Medical Services Agency has the funds to expand the training and equipment program.*

Response F2.4: The respondent agrees with the finding. The EMS Agency has convened a training task force to provide specific recommendations on the appropriate expenditure of the funds. [See Response to Finding F2.1]

Finding F2.5: *Funds in the amount of \$166,325, specifically allocated for the Electronic Patient Care Report System on ambulances, have not been spent nor have the funds accrued any interest for the past 14 years.*

Response F2.5: The respondent agrees with the finding. The EMS Agency planned to prepare and distribute an electronic Patient Care Report (ePCR) system Request for Proposal (RFP) in 2009. However, the negotiated contract with the successful ambulance RFP respondent resulted in the ambulance provider including ePCR services to all advanced life support fire agencies. The EMS Agency anticipates that all paramedic level fire services will participate with this ePCR program and meaningful data gathered will guide EMS system development. The subject funds can be utilized to assist fire services in migrating to use of the ePCR system, or reallocated to another appropriate use to support the EMS system.

REPORT TITLE: Countywide Emergency Medical Services
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F2.1 – F2.7

Finding F2.6: *Rapid response times provided by fire-based paramedic programs ensure a better patient survival rate.*

Response F2.6: The respondent disagrees wholly with the finding. As a response to the request of the EMS Agency to review best practice models, in 2009, James Stubblefield, MD, EMS Agency Medical Director, a fellow member of both the American College of Emergency Physicians and American Academy of Emergency Medicine, completed a literature review of optimal EMS system designs. Dr. Stubblefield's review indicates that both pre-hospital care as well as the receiving hospital's capabilities for definitive care is critical to patient survival rate. Further Dr. Stubblefield provided a range of recommendations to improve patient survival and safety. In regard to fire-based paramedic programs, there is much debate regarding this matter. The EMS Agency Medical Director noted in his 2009 review:

“There is much debate about EMT/BLS versus paramedic systems and ‘how many and how much.’ The best systems profiled seem to be two-tiered: first is EMT/BLS with defibrillator/AED capability, followed by ALS/paramedic ambulance. This allows for early CPR and defibrillation: and then ALS for more critical care, especially for airway interventions, cardiac, and neurological care. An interesting review of the literature supports a well trained and frequently used paramedic component with single management and oversight. Having too many paramedics has actually shown a degradation of care by increased scene times and poor retention of infrequently used skills. This results in increased cost with diminished returns in overall patient care.” Further, the Medical Director noted that pre-hospital care is constantly being redefined and noted training, availability, and the importance of oversight, integration, and maintenance of EMS staffing to ensure a continued high quality system.

Finding F2.7: *Monterey County meets the requirements for a trauma center.*

Response F2.7: The respondent disagrees partially with the finding. The EMS Agency has initiated the discussion of local trauma center development with Monterey County hospital management in an effort to explore the establishment of a local trauma center. A thorough feasibility study evaluating and validating the numerous variables to ensure clinical and financial viability of a trauma center needs to be conducted. The clinical and financial viability component can only be conducted by a hospital that is interested in achieving trauma center designation through an analysis of their available resources and financial capabilities.

REPORT TITLE: Countywide Emergency Medical Services
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R2.1 – R2.9

Recommendation R2.1: *To ensure uniformity across all Monterey County emergency agencies, the Emergency Medical Services Agency must provide consistent instruction and evaluations of hands-on skills for first-responders and Emergency Medical Technicians. [Related Findings: F2.1 and F2.4]*

Response R2.1: The recommendation requires further analysis. Development of a comprehensive strategy for provision of training for pre-hospital personnel functioning within the County's Emergency Medical Services system is recommended. The regulatory role of the EMS Agency is to assure uniformity across all Monterey County EMS providers. However, the EMS Agency is charged to fund, but not necessarily directly provide the instruction and hands-on skills evaluation. With EMS system support, the EMS Agency can fill this role, but continues to explore other potentially more effective options to achieve the same outcome. This process will require the involvement and participation of all segments of the EMS system, and is scheduled for completion by May, 2010.

Recommendation R2.2: *The Emergency Medical Services Agency must increase the number of part-time first-responders and Emergency Medical Technician instructors. [Related Findings: F2.1 and F2.4]*

Response R2.2: The recommendation requires further analysis. The development of a comprehensive strategy on the provision of training for pre-hospital personnel functioning within the County's Emergency Medical Services system is recommended. Should it be determined that the EMS Agency assumes a primary training mission, current staffing is sufficient if the EMS instructors are properly scheduled and supported. Rather than increase the number of personnel, the EMS Agency is developing a plan of action and milestones to expand educational opportunities, improve training resources, and increase EMS instructors' productivity. A comprehensive EMS training strategy is scheduled for completion in May, 2010.

Recommendation R2.3: *The Board of Supervisors should foster an effective working relationship between the Emergency Medical Services Agency and the Emergency Medical Services Council. [Related Finding: F2.2]*

Response R2.3: The recommendation has been implemented. Through its policy direction to the EMS Agency and structuring of the County's Emergency Medical Care Committee (EMCC), the Board of Supervisors clearly articulated its expectation that the EMS Agency staff and the EMCC will work effectively to enhance the effectiveness of the County's Emergency Medical Services system.

Recommendation R2.4: *The Emergency Medical Services Agency must be guided by Emergency Medical Services Council advice. [Related Finding: F2.2]*

Response R2.4: The recommendation has been implemented. By ordinance, the charge of the EMS Council, now the EMCC, is to provide advice to the EMS Agency Director and

REPORT TITLE: Countywide Emergency Medical Services
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R2.1 – R2.9

Monterey County Board of Supervisors. As the voice of the EMS system stakeholders, the EMS Agency values the guidance received from the EMCC.

Recommendation R2.5: *Consider adding the Emergency Medical Services Agency director as a voting member of the Emergency Medical Services Council. [Related Finding: F2.2]*

Response R2.5: The recommendation will not be implemented. By design, and as specified in the Monterey County Code, the EMS Council, (EMCC), is advisory to both the EMS Director and the Board of Supervisors. It would be inconsistent with County Code provisions for the EMS Director to serve as a voting member.

Recommendation R2.6: *The Emergency Medical Services Agency must improve its working relationship with public safety agencies and community colleges. [Related Finding: F2.3]*

Response R2.6: The recommendation has been implemented. Staff recognizes that building and fostering effective working relationships require an ongoing commitment by management. The EMS Agency and its staff endeavor to improve its working relationship with all EMS system stakeholders, and the public as a whole. The EMS Agency has some regulatory and oversight responsibilities over public safety agencies and community colleges with respect to their activities within the EMS system. Accordingly, it is anticipated that a dynamic tension would exist when a conflict over policy or funding arises. The EMS Agency is committed to its regulatory responsibility while collaborating with its partners and stakeholders.

Recommendation R2.7: *Reallocate the \$166,325 for the Electronic Patient Care Report System for ambulances reserve account or purchase the system. [Related Finding: F2.5]*

Response R2.7: The recommendation has not yet been implemented, but will be implemented in the future. The available funds, originally allocated for the acquisition of a new electronic Patient Care Report (ePCR) system, can be utilized to support efforts to encourage the participation of first responder agencies in the Countywide utilization of the ePCR system scheduled to be implemented by American Medical Response West within the next six months. [See Response to Finding F2.5]

Recommendation R2.8: *Create and implement a plan to transition to a fire-based paramedic system governed by Joint Powers of Authority. [Related Finding: F2.6]*

Response R2.8: The recommendation will not be implemented because it is not reasonable. The EMS Agency has no authority to take the recommended action. This recommendation is similar to that contained in the 1999 Grand Jury Report. The County does not have sole authority to create such a Joint Powers of Authority (JPA). Implementing such a JPA is the responsibility of all participants of local governments and districts. The EMS Agency supports consolidation of fire agencies throughout the County, and the potential use of the

REPORT TITLE: Countywide Emergency Medical Services
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RESPONSE TO: Recommendations R2.1 – R2.9

resulting organization as a mechanism by which Countywide paramedic and ambulance service is provided. Agency staff believes that the current duplication of paramedic services provided by some fire agencies and through the County administered contract with American Medical Response West is a less efficient and more costly pre-hospital care model. This opinion is based on a literature review of EMS studies by EMS staff. Staff further acknowledges contrary opinions by other EMS stakeholders.

Recommendation R2.9: *Investigate the feasibility of establishing a trauma center at Natividad Medical Center. [Related Finding: F2.7]*

Response R2.9: The recommendation requires further analysis. The EMS Agency will continue its efforts to encourage local hospitals (Natividad Medical Center, Salinas Valley Memorial Healthcare System, and Community Hospital of Monterey Peninsula) to develop a trauma center to serve Monterey County. The pursuit of trauma center designation by a hospital is a long and complex process. The EMS Agency's role is limited to identifying unmet needs, encouraging local hospitals, physicians, and others to develop strategies to meet these needs, and ultimately to determine whether a hospital which desires to be designated a trauma center meets the requirements for such designation. The local EMS Agency has the authority, under State law, to make trauma center designations within its jurisdiction.

REPORT TITLE: Homeland Security Program Anti-Terrorism Approval Body
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F3.1 – F3.5

Finding F3.1: *The Anti-Terrorism Approval Body does not operate transparently in the spirit of California's open-meeting laws. The Anti-Terrorism Approval Body's meetings are closed to the public. Although the Anti-Terrorism Approval Body's subcommittee meetings may be open, agendas are not being posted in advance, public comment is not being taken, and other aspects of the open-meeting laws are not being honored.*

Response F3.1: The respondent disagrees partially with the finding. The Anti-Terrorism Approval Body (ATAB) does not operate in accordance with the Ralph M. Brown Act. It is important to note however that mandate has never existed at either the federal, state or local level to hold ATAB meetings in conformity with the State's open meeting laws. Staff believes that sensitive homeland security issues and strategies are not appropriate for broad public dissemination. All non-sensitive information relative to the status of pending Homeland Security grants, including the equipment and training for which the funds are being used, is discussed during the quarterly meetings of the Operating Area Coordinating Council (OACC, also known as the Monterey County Disaster Council). The OACC meetings are open to the public and conducted in accordance with the Ralph M. Brown Act.

Finding F3.2: *Discussion and voting on the grant proposals is conducted in the absence of not only the public, but also the Grant Administrator who is charged with the local administration of the program.*

Response F3.2: The respondent disagrees partially with the finding. The Grant Administrator (GA) participates fully in the process that precedes final discussion and voting on the use of grant funds. The role of the GA is advisory to the ATAB, informing its members of applicable Federal and State rules, and providing any new information relevant to the current grant that deviates from prior funding cycles. The ATAB relies heavily on the GA's input in reaching its decisions. State guidelines establish both the number of persons who serve on the ATAB [5] and the professional disciplines from which they must be selected (law enforcement, fire safety and public health). The GA can be recalled into any ATAB voting meeting whenever needed.

Finding F3.3: *Once proposals are adopted, the Grant Administrator notifies participating agencies, but not the media.*

Response F3.3: The respondent disagrees partially with the finding. The last press release regarding Homeland Security grant awards and their local use was issued during FY 2007. Various factors not conducive to the timely, accurate release of grant information and outside of County control however are in part responsible. For example, Federal approval of Monterey County's FY 2009 grant submission wasn't received until February 2010, and it was given conditionally. The result of this delay is mid-cycle modifications to the original plan that will require additional meetings of the ATAB and further deliberations. It will be months before the final disposition of 2009 grant funds will be finalized by the ATAB and approved by California Emergency Management Agency (CalEMA). It is also important to

REPORT TITLE: Homeland Security Program Anti-Terrorism Approval Body
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F3.1 – F3.5

note that expenditure of the grant funds often is made on items from training, exercises and minor equipment that typically do not attract media interest.

Finding F3.4: *The Anti-Terrorism Approval Body and its subcommittees do not have documented by-laws or written local operating procedures.*

Response F3.4: The respondent disagrees wholly with the finding. While there is no document formally titled “by-laws” that govern ATAB proceedings, it is important to note that the actions taken by the ATAB nevertheless are heavily regulated and subject to external review. The Office of Emergency Services (OES) Manager is required to provide CalEMA with “grant assurances” which certify that any grant application approved by the ATAB meets all terms and conditions of the grant program and complies with applicable State and Federal rules. “Grant assurances” also certify full compliance with Federal statutes relating to Civil Rights, nondiscrimination and the Americans with Disabilities Act. Monterey County OES is also required to have in place (and has) a Standard Operating Procedures (SOP) protocol for the Homeland Security Grant Program that serves as a form of by-laws. Without this SOP and strict adherence to it, the County would fail required audits conducted by the Office of Homeland Security, and all grant funding could be forfeited. Additionally, scrupulous financial records are maintained and subject to State and Federal review without prior notification to OES staff.

Finding F3.5: *Small public entities are at a disadvantage in receiving grants because their projects often do not have regional scope.*

Response F3.5: The respondent disagrees partially with the finding. Staff acknowledges that there may be a sentiment, but it might be a minority view.

In the early years (FY 2001-2004) of the Homeland Security Grant Program, individual public safety agencies were encouraged to apply directly for funding. ATAB’s across the State predictably were flooded with grant applications and, given the limited funds available, tended to target their grant awards on the areas in their respective counties that contained the greatest security risks to the largest populations. This practice, while understandable in the aftermath of September 11, 2001, arguably tended to direct a disproportionate amount of grant dollars to the public safety departments in the largest cities.

Since FY 2005, State and Federal authorities have directed all operational areas to pursue “regionalism” when submitting grant applications.

To compete successfully for grant dollars, ATAB’s must be able to demonstrate how their proposals will benefit their entire operational areas, and not just individual public safety departments. This standard, in turn, is applied by the local ATAB to any proposal or idea submitted for consideration and possible funding. The practice has had the general effect of securing access to more resources (equipment and services) for small agencies everywhere.

REPORT TITLE: Homeland Security Program Anti-Terrorism Approval Body
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F3.1 – F3.5

It has also increased the opportunities for public safety personnel in all agencies throughout the County to participate in training and to use equipment to which they otherwise would not have access. It has not however, been able to satisfy every agency whose proposals were not given top priority. All ideas submitted to the ATAB are not equal in importance to local security, and not all are equal in regional scope. The function of the ATAB is not to ensure all individual agencies are equitably funded, but to ensure that the projects that get funded fill the greatest needs of the County given the funding available.

REPORT TITLE: Homeland Security Program Anti-Terrorism Approval Body
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R3.1 – R3.6

Recommendation R3.1: *Open the Anti-Terrorism Approval Body meetings to public attendance in the same manner required for agencies subject to the Ralph M. Brown Act. Members of the public may wish to make comments to the Anti-Terrorism Approval Body. [Related Findings: F3.1 and 3.2]*

Response R3.1: The recommendation will not be implemented because it is not warranted. County Counsel has advised that the Ralph M. Brown Act is not applicable to either the meetings of the ATAB or its two subcommittees. Counsel based this conclusion upon the fact that the ATAB is both established and operates on the basis of State and Federal guidelines, and is not a “board, commission, or other body of a local agency created by charter, ordinance, resolution or formal action of a legislative body”. Staff believes legitimate reasons exist for keeping ATAB meetings pertaining to the security vulnerabilities of Monterey County closed to the public, including the issue of potential liability emanating from public discussion. The public is able to access information on Homeland Security Grant expenditures through the OACC meetings, which are Ralph M. Brown Act compliant. [See Response to Finding: F3.1]

Recommendation R3.2: *Post agendas for the Anti-Terrorism Approval Body meetings in the same manner required for agencies subject to the Ralph M. Brown Act. [Related Findings: F3.1 and 3.2]*

Response R3.2: The recommendation will not be implemented because it is not warranted. [See Response to Recommendation: R3.1]

Recommendation R3.3: *Inform the media of proposals adopted and associated grant amounts. [Related Finding: F3.3]*

Response R3.3: The recommendation has not been implemented, but will be implemented immediately. The respondent agrees with the finding and recommendation, and by way of review, has released this information sporadically in prior years. It must be understood however, that in some years, delays in grant approvals or changes in plans occur to meet emerging priorities and the related re-programming of funding unavoidably will slow the release of information.

Recommendation R3.4: *Update the Office of Emergency services website, listing proposals and awards by agency. Also, list the Anti-Terrorism Approval Body members by name, title, and associated agency. [Related Finding: F3.3]*

Response R3.4: The recommendation has not yet been implemented, but will be implemented this year. The current OES website is outdated and actively under redesign. Implementation of a new website is in progress and is scheduled to be launched this year. In addition, publishing proposals and awards on the website ensures that all grant information, even that portion deemed not newsworthy, is available to the public.

REPORT TITLE: Homeland Security Program Anti-Terrorism Approval Body
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R3.1 – R3.6

Recommendation R3.5: *Create by-laws and written operational procedures for the Anti-Terrorism Approval Body and its subcommittees. Publish them on the Office of Emergency Services website. [Related Finding: F3.4]*

Response R3.5: The recommendation will not be implemented because it is not reasonable. The recommendation cannot be implemented by OES, as all ATAB's throughout the State operate on the basis of Federal and State guidelines relating to the administration of Homeland Security grants. [See Response to Recommendation R3.1] All County OES offices function as Homeland Security Grant Program advisors to their respective ATAB's, and perform the functions of grant preparation and administration. There is no legal basis by which OES can draft and impose local by-laws governing the operation of a body which is both created and already regulated by Federal and State rules and guidelines.

In an effort to inform the public of how the ATAB operates, staff will add information to the OES website setting forth its goals and objectives, method of operations (as described in Response F3.5), and a summary of the federal and state guidelines which govern its operation.

Recommendation R3.6: *Encourage regional proposals that allow small public entities to join forces on projects for their mutual benefit. [Related Finding: F3.5]*

Response R3.6: The recommendation will not be implemented because it is not reasonable. All public entities, regardless of size, are encouraged to submit regional proposals via their representatives on the ATAB "to join projects for their mutual benefit". Further, the historic, local practice is to appoint the Chiefs of smaller police and fire agencies within the County to serve as voting ATAB board members.

All County agencies engaged in law enforcement, fire safety and public health are encouraged to submit ideas, proposals and suggestions regarding the homeland security needs of the County. With input from the local chief executives of all the designated disciplines, the ATAB prioritizes the proposals, and consistent with the amount of grant funds available, determines which ones will be filled during a given funding cycle. As mentioned in the response to Finding: F3.5, a regional focus for all proposed expenditures is essential for any jurisdiction's ideas to prevail in the process. Moreover, the focus of the Homeland Security Grant Program is to enhance security throughout the County.

Staff believes that police and fire agencies throughout the area benefit from access to specialized training and equipment provided by the Homeland Security Grant Program.

REPORT TITLE: Monterey County Water Problems
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F6.1 – F6.10

Finding F6.1: *An effective solution can be provided only through implementation of multiple, integrated projects. Monterey County water users, purveyors, and regulatory agencies need to cooperate in water supply projects, in water recycling efforts, and in water conservation programs to create and preserve a sufficient supply of water.*

Response F6.1: The respondent agrees with the finding.

Finding F6.2: *Joint Powers of Authorities have demonstrated effectiveness in solving regional problems.*

Response F6.2: The respondent disagrees partially with the finding. Locally, in the area of wastewater collection and disposal the Monterey Regional Water Pollution Control Agency (MRWPCA) has a demonstrated record of effectiveness. JPAs are not always the best solution for collaboration between government entities. The completed 2009 Regional Water Project MOUs between Marina Coast Water District (MCWD), Monterey County Water Resources Agency (MCWRA), and the MRWPCA are examples of other effective means for organizations to work together to provide Countywide services. In addition to the 2009 MOUs for the Regional Project, the Monterey Peninsula Water Management District (MPWMD) will become part of the Regional Project governance as outlined in the proposed water purchase agreement.

Finding F6.3: *Additional infrastructure for distributing recycled water will free potable water for other uses.*

Response F6.3: The respondent agrees with the finding.

Finding F 6.4: *Monterey County's water supply, derived exclusively from local sources, is completely independent from the California state water delivery system. Having a sufficient supply of local water available year-round is critical to the long-term economic viability of Monterey County's agriculture, tourism, and industries, and the welfare of residence.*

Response F6.4: The respondent agrees with the finding.

Finding F 6.5: *There is currently not enough water storage to allow the capture of excess winter flow for use during dry periods.*

Response F6.5: The respondent agrees with the finding. However, not all areas in Monterey County are without adequate storage. The Salinas Valley groundwater basin has adequate conjunctive storage between its reservoirs, Nacimiento and San Antonio, and the in-ground storage of water placed through operation of the MCWRA projects and programs.

REPORT TITLE: Monterey County Water Problems
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F6.1 – F6.10

Finding F6.6: *Seawater intrusion threatens domestic and agricultural water supplies.*

Response F6.6: The respondent disagrees partially with the finding. All existing evidence and analyses demonstrate that seawater intrusion in the Salinas Valley is fully mitigated with the Salinas Valley Water Project. Confirmation of the current findings will be obtained through ongoing MCWRA groundwater monitoring programs.

Finding F6.7: *There are three significant desalination proposals under consideration by the California Public Utilities Commission. The Regional Project can achieve the most benefit, at the lowest cost, with the fewest environmental impacts.*

Response F6.7: The respondent agrees with the finding. It should be noted that the California Public Utilities Commission Final Environmental Impact Report (FEIR) found the California American Water North Marina Alternative essentially equal relative to project impacts as compared to the Regional Project. However, the FEIR did not consider the use of power from the landfill in its analysis. With the use of power from the adjacent landfill as currently under consideration, the Regional Project will have significantly diminished greenhouse gas (GHG) impacts.

Finding F6.8: *Over pumping of the Carmel River must eventually cease in order to comply with State Water Resources Control Board Order 95-10.*

Response F6.8: The respondent agrees with the finding.

Finding F6.9: *Monterey County is faced with areas in which water contaminants exceed federal guidelines and areas plagued by severe water shortages.*

Response F6.9: The respondent agrees with the finding. The key element of this finding is that it is area specific and relative to various environmental factors, such as the Granite Ridge area in Northern Monterey County.

Finding F6.10: *Citizens of Monterey County have expressed concerns that the water organizations continue to talk, analyze, and propose, but very little actually gets accomplished. "There's been too much talk and not enough action."*

Response F6.10: The respondent disagrees partially with the finding. The Monterey County Water Resources Agency has an established track record of working with the Salinas Valley constituents and completing water supply projects and programs over its 50-plus year history. There is still much to accomplish and the tasks will require real effort financially and politically.

REPORT TITLE: Monterey County Water Problems
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R6.1 – R6.6

Recommendation R6.1: *Water agencies must do all that they can to expedite a decision by the California Public Utilities Commission for implementation of the Regional Project to address water supply, storage, and seawater intrusion problems. [Related Findings: F6.1, F6.5-F6.8, and F6.10]*

Response R6.1: The recommendation has been implemented. The MCWRA and other local organizations (MCWD, MRWPCA, and Monterey Peninsula Waste Management District (MPWMD)) have all engaged the California Public Utilities Commission (CPUC) as interveners in California American Water Application 04-09-019 in order to implement the Regional Project alternative.

Recommendation R6.2: *Form a Joint Powers Authority composed of appropriate Monterey County entities to manage the Regional Project. [Related Findings: F6.1 and F6.2]*

Response R6.2: The recommendation will not be implemented because it is not warranted. Joint Powers Authorities (JPAs) are entities formed by two or more public organizations or government bodies that have determined to work collectively to provide public services. Typically these agencies are formed to provide a set of services not provided by the individual organizations within the JPA or to combine services from several organizations that currently provide service (e.g., wastewater collection and treatment) in an effort to provide an economy of scale.

There are many situations where JPAs work well. For example, the Monterey Regional Water Pollution Control Agency is a very effective JPA in our region delivering wastewater treatment and disposal services for many cities and unincorporated areas in North Monterey County. In the current regional water supply situation, there are already existing entities whose authorities cover the development, treatment, and conveyance of water resources needed to complete a regional project. Thus, we agree with the intent of the Grand Jury's recommendation to form an appropriate combination of government entities that can complete and deliver a set of regional water supply projects; but, do not find the formation of a JPA an appropriate combination for this set of circumstances where there already exists the sovereign authority for the development and implementation of a set of regional water supply projects. What is essential is that the involved organizations (Monterey County Water Resources Agency, Marina Coast Water District, Monterey Regional Water Pollution Control Agency, Monterey Peninsula Water Management District, California Public Utilities Commission, and California American Water Company) work collaboratively and implement the various elements of the proposed Regional Water Project.

Recommendation R6.3: *Develop additional water storage capacity sufficient to provide a safe year-round supply of water for Monterey County. [Related Findings: F6.4, F6.5 and F6.8]*

Response R6.3: The recommendation requires further analysis. The Monterey County Water Resources Agency (MCWRA) has developed water supply projects to provide

REPORT TITLE: Monterey County Water Problems
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R6.1 – R6.6

adequate conjunctive storage for the Salinas Valley and its underlying groundwater basin, and with the implementation of the Regional Water Project (currently scheduled for implementation by 2014), the MCWRA believes the Monterey Peninsula will have an adequate replacement source for Carmel River basin withdraws and the Seaside groundwater basin will be in balance. However, given the status of Pajaro Valley Water Management Agency (PVWMA) and their long-term plans for water supply, portions of Northern Monterey County will not have adequate storage until a definitive plan is developed for PVWMA's service area and a reliable funding mechanism is in place. There is currently no timeline nor scope developed to fully resolve this storage need.

Recommendation R6.4: *Implement the Regional Urban Wastewater Augmentation Project to provide additional recycled water for use on golf courses and public landscaping. [Related Findings: F6.1 and F6.3]*

Response R6.4: The recommendation has not yet been implemented, but will be implemented. MCWD has a certified Environmental Impact Report and a completed facilities plan for implementation of the Regional Urban Wastewater Project (RUWAP). Portions of the transmission pipeline are installed. Full implementation is dependent on the Fort Ord Reuse Authority and member organizations commitment to complete and integrate recycled water infrastructure and execute agreements for recycled water use. Also, the MCWRA has developed the Three-Way Planning MOU with the Marina Coast Water District (MCWD) and MRWPCA to assist in further development of storage for the proposed RUWAP.

Recommendation R6.5: *Develop a water distribution system for north Monterey County. Although north Monterey County is not part of the initial phase of the Regional Project, we urge coordination of regional solutions to provide a basic reliable infrastructure in the near future. [Related Findings: F6.1, F6.4, F6.6, F6.9 and F6.10]*

Response R6.5: The recommendation has not been implemented, but will be implemented by August of 2010. A comprehensive water supply plan has been under development with an ad hoc community committee since September of 2008. The proposed plan is scheduled to be completed by the committee by August 2010.

Recommendation R6.6: *The approved project should be constructed as rapidly as possible once the California Public Utilities Commission has made its decision. [Related Findings: F6.1, F6.8 and F6.10]*

Response R6.6: The recommendation has not yet been implemented, but will be implemented. Local agencies (CWRA, MCWD, MRWPCA, and MPWMD) have all intervened into the CPUC process and are committed to implement a project by 2014. [See Response to Recommendation R6.1]

REPORT TITLE: Monterey County Information Technology Project
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F9.1 – F9.7

Finding F9.1: *The smaller, less complex components of the project have been delivered on schedule.*

Response F9.1: The respondent agrees with the finding. The Enterprise Resource Planning (ERP) Project staff has been diligent in delivering the Performance Budget, SymPro Debt and Investment, and Meridian Learning Systems on schedule.

Finding F9.2: *One of two highly complex components, Financials, was planned for July 2009 production and was delivered on July 9, 2009.*

Response F9.2: The respondent agrees with the finding. Advantage Financial was planned for Go-Live in July 2009. ERP Project staff delivered the Cash Receipt portion on July 6, 2009 and the General Ledger, Procurement and Accounts Payable portion on July 9, 2009. The Board of Supervisors received a report on the on-time delivery of these complex components.

Finding F9.3: *The other highly complex component, the Human Resources portion, is scheduled for use in January 2010.*

Response F9.3: The respondent disagrees partially with the finding. January 2010 was the original Go-Live date for Advantage Human Resource Management (HRM). However, the Board was advised that the ERP Project decision to Go-Live with Advantage HRM would occur after multiple rounds of Parallel Payroll Tests are completed satisfactorily. Simply meeting a target date is not recommended when time is needed to ensure provision of accurate payroll services. Accurate payroll for County employees is the top priority.

Finding F9.4: *As of July 2009, CGI and the Monterey County staff have stayed within their budget.*

Response F9.4: The respondent agrees with the finding. ERP Project staff continually monitors the Capital Automation Project Fund adopted budget and makes adjustments to stay within the budget.

Finding F9.5: *An effective process exists for communication with IT staff, users, and management about system changes, defects, and status.*

Response F9.5: The respondent agrees with the finding. The ERP Project staff has set up and continually works to have an effective communication process with IT staff, system users, and County management regarding system changes, defects, and status.

Finding F9.6: *The performance of the system components will be measured to validate adequate response time.*

Response F9.6: The respondent agrees with the finding. The Board of Supervisors has received reports from the ERP Project Director and Manager that CGI consultants

REPORT TITLE: Monterey County Information Technology Project
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F9.1 – F9.7

continually work with County Information Technology staff to validate adequate response times.

Finding F9.7: *Users of the Financials components were not available for interviews during the requested time frame.*

Response F9.7: The respondent agrees with the finding. The ERP Project Director will work with the 2010 Grand Jury to provide a listing of Advantage Financial and Advantage HRM users for interviews.

REPORT TITLE: Monterey County Information Technology Project
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R9.1 – R9.4

Recommendation R9.1: *Continue regular status meetings between the project manager and the change manager, their staffs, and the staff of the Auditor-Controller until after the final component, Human Resources, is successfully in operation. [Related Findings: F9.3 and F9.5]*

Response R9.1: The recommendation has been implemented. ERP Project staff's objective is to hold status meetings with the Board of Supervisors, Project Sponsors, Executive Steering Committee and internal project staff through the Go-Live of Advantage HRM.

Recommendation R9.2: *Monitor the system to evaluate end-to-end performance of users, including heavy network traffic and running complex computer software. [Related Finding: F9.6]*

Response R9.2: The recommendation has been implemented. Currently, all traffic is monitored at the Network Operations Center. No congestion has been detected and performance is strong.

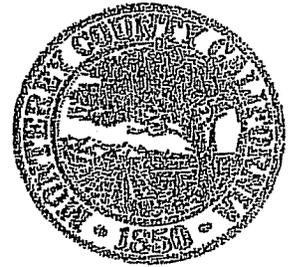
Recommendation R9.3: *Continue to work with CGI to resolve problems and improve the delivered system within budget. [Related Finding: F9.5]*

Response R9.3: The recommendation has been implemented. CGI is engaged with problem resolution. The Board of Supervisors has received reports regarding the excellent team relationship between CGI and County ERP Project staff. Presentations at the Board have demonstrated the commitment to resolve problems and deliver the system within budget.

Recommendation R9.4: *The 2010 Civil Grand Jury should interview users of the Financials and HR components for feedback on accuracy and usability. [Related Finding: F9.7]*

Response R9.4: The recommendation has not yet been implemented, but will be implemented in the future. Staff supports the recommendation that the Grand Jury interview users of Advantage Financials and Advantage HRM.

MONTEREY COUNTY



AUDITOR - CONTROLLER

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ASSISTANT AUDITOR-CONTROLLER

March 9, 2010

The Honorable Adrienne M. Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Dear Judge Grover,

Pursuant to Penal Code Section 933(b) of the State of California, as the elected Auditor-Controller of the County of Monterey, please find attached my responses to the "Monterey County Civil Grand Jury - 2009 Final Report".

The Office of the Auditor/Controller wishes to thank the 2009 Grand Jury for acknowledging the hard work and successes of the ERP project team. Their recognition of the importance of this accounting, reporting and management tool to the financial transparency, health and wellbeing of the County is greatly appreciated.

Sincerely,

Michael J. Miller, CPA, CISA, CITP

Attachment:

c: County of Monterey Board of Supervisors

Attachment:

Office of the Auditor-Controller

Response to the "Monterey County Grand Jury – 2009 Final Report"

FINDINGS:

F9.1. The smaller, less complex components of the project have been delivered on schedule.

We agree with this finding. The SymPro Debt and Treasury Management systems, the Performance Budget system and the Meridian Learning Development Network (LDN) were completed on schedule and are in production mode. ERP Systems Management staff, in the Office of the Auditor-Controller, continues to monitor these new ERP Systems and make adjustments as needed. The Performance Budget system has been updated for the 2010-11 Budget preparation process and a Three Year Forecast section has been developed and successfully implemented.

F9.2. One of two highly complex components, Financials, was planned for July 2009 production and was delivered on July 9, 2009.

We agree with this finding. The Advantage Financial General Ledger and Accounts Payable modules were completed on schedule and are in production mode. The ERP Project staff also developed the Accounts Receivable module, but this module has yet to be used by a department.

F9.3. The other highly complex component, the Human Resources portion, is scheduled for use in January 2010.

We agree with this finding. However, due to the extreme complexity and diverse array of pay practices unique to the County of Monterey, the Advantage Human Resources Management (HRM) module will be put into production by the end of the current fiscal year. The Advantage HRM module will Go-Live when the ERP Project staff is satisfied that the payroll produced by the module is correct.

F9.4. As of July 2009, CGI and the Monterey County staff have stayed within their budget.

We agree with this finding. Despite the Advantage HRM Go-Live delay, the ERP Project is still within the adopted budget. ERP Project staff works diligently to monitor expenditures compared to the adopted budget and makes adjustments as needed.

F9.5. An effective process exists for communication with IT staff, users, and management about system changes, defects, and status.

We agree with this finding. The ERP Project staff continuously monitors communications with their partner departments and clients/users. Staff meets on a monthly basis with Project Sponsors, the Executive Steering Committee, and the newly formed Financial Users Group. The Office of the Auditor-Controller operates an ERP Help Desk for the new financial systems and works with their clients making configuration adjustments on a priority basis.

F9.6. The performance of the system components will be measured to validate adequate response time.

We agree with this finding. As the system matures and we address minor production issues, this process will be performed. The ERP Systems Management staff, in the Office of the Auditor-Controller, has an excellent rapport with the Information Technology Department staff assigned to ERP Systems.

F9.7. Users of the Financials components were not available for interviews during the requested time frame.

We agree with this finding. At the time of the requested interviews, users of the new Advantage Financial Systems were just beginning to work with the processes. Now that users have had time to work with the new systems, the Project Director will give a list of names to the 2010 Grand Jury.

RECOMMENDATIONS:

R9.1. Continue regular status meetings between the project manager and the change manager, their staffs, and the staff of the Auditor-Controller until after the final component, Human Resources, is successfully in operation. [Related Findings: F9.3 and F9.5]

We agree with this recommendation. Staff at the ERP Project and Systems Management staff at the Office of the Auditor-Controller will continue to conduct regular meetings with all stakeholders. The Office of the Auditor-Controller – ERP Systems Management will be developing a process that will include the internal stakeholders (CAO-Budget and Analysis, CAO-Procurement, CAO-Human Resources, and Treasury) and the department users in ongoing update, review and status meetings.

R9.2. Monitor the system to evaluate end-to-end performance to users, including heavy network traffic and running complex computer software. [Related Finding: F9.6]

We agree with this recommendation. As the system matures and we address minor production issues, this process will be performed.

R9.3. Continue to work with CGI to resolve problems and improve the delivered system within budget. [Related Finding: F9.5]

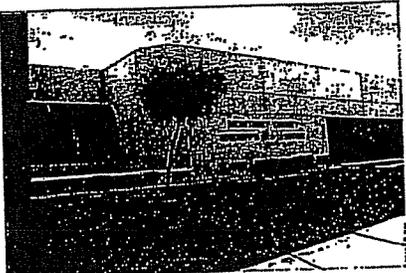
We agree with this recommendation. The ERP Project Director and his staff will continue the successful relationship between the County and CGI. Problem resolution and system delivery remains an objective of the highest priority.

R9.4. The 2010 Civil Grand Jury should interview users of the Financials and HR components for feedback on accuracy and usability. [Related Finding: F9.7]

We agree with this recommendation. The Project Director will work with ERP Project staff, Auditor-Controller – ERP Systems Management staff and departmental staff to provide feedback to the Grand Jury regarding accuracy and usability.

Acknowledgement:

The Office of the Auditor/Controller wishes to thank the 2009 Grand Jury for acknowledging the hard work and successes of the ERP project team. Their recognition of the importance of this accounting, reporting and management tool to the financial transparency, health and wellbeing of the County is greatly appreciated.



OFFICE OF THE SHERIFF MONTEREY COUNTY, CALIFORNIA

March 2, 2010

The Honorable Adrienne M. Grover
2009 Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Judge Grover:

Attached are the responses which comply with Penal Code Section 933.05 (b) to report on the 2009 Monterey County Civil Grand Jury's Findings and Recommendations applicable to the Office of the Sheriff, Monterey County.

Sincerely,

Mike Kanalakis
Sheriff-Coroner



Monterey County Sheriff's Office

Response to the

**Monterey County Civil Grand Jury
2009 Final Report**

March 12, 2010

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REPORT TITLE: 2009 Grand Jury Report Agency Response
RESPONSE BY: Monterey County Sheriff's Office
RESPONSE TO: Findings F 3.1 – F 3.5

Finding F 3.1: *The Anti-Terrorism Approval Body does not operate transparently in the spirit of California's open-meeting laws. The Anti-Terrorism Approval Body's meetings are closed to the public. Although the Anti-Terrorism Approval Body's subcommittee meetings may be open, agendas are not being posted in advance, public comment is not being taken, and other aspects of the open-meeting laws are not being honored.*

Response F 3.1: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.2: *Discussion and voting on the grant proposals is conducted in the absence of not only the public, but also the Grant Administrator who is charged with the local administration of the program.*

Response F 3.2: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.3: *Once proposals are adopted, the Grant Administrator notifies participating agencies, but not the media.*

Response F 3.3: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.4: *The Anti-Terrorism Approval Body and its subcommittees do not have documented by-laws or written local operating procedures.*

Response F 3.4: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.5: *Small public entities are at a disadvantage in receiving grants because their projects often do not have regional scope.*

Response F 3.5: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

REPORT TITLE: 2009 Grand Jury Report Agency Response
RESPONSE BY: Monterey County Sheriff's Office
RESPONSE TO: Recommendations F 3.1 – F 3.6

Recommendation R 3.1: *Open the Anti-Terrorism Approval Body meeting to public attendance in the same manner required for agencies subject to the Ralph M. Brown Act. Members of the public may wish to make comments to the Anti-Terrorism Approval Body. [Related Findings: 3.1 and 3.2]*

Response R 3.1: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.2: *Post agendas for the Anti-Terrorism Approval Body meetings in the same manner required for agencies subject to the Ralph M. Brown Act. [Related Findings: 3.1 and 3.2]*

Response R 3.2: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.3: *Inform the media of proposals adopted and associated grant amounts. [Related Finding: 3.3]*

Response R 3.3: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.4: *Update the Office of Emergency Services website, listing proposals and awards by agency. Also list the Anti-Terrorism Approval Body members by name, title, and associated agency. [Related Finding: 3.3]*

Response R 3.4: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.5: *Create bylaws and written operational procedures for the Anti-Terrorism Approval Body and its subcommittees. Public them on the Office of Emergency Services website. [Related Finding: 3.4]*

Response R 3.5: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.6: *Encourage regional proposals that allow small public entities to join forces on projects for their mutual benefit. [Related Finding: 3.5]*

Response R 3.6: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

MONTEREY COUNTY



OFFICE OF THE COUNTY COUNSEL
168 WEST ALISAL STREET, 3RD FLOOR, SALINAS, CALIFORNIA 93901-2439
(831) 755-5045 FAX: (831) 755-5283

CHARLES J. McKEE
COUNTY COUNSEL

March 10, 2010

Monterey County Civil Grand Jury

Re: *Response to Findings and Recommendations in 2009 Civil Grand Jury Report*

To the Monterey County Civil Grand Jury:

As the legal counsel for Monterey County's Grant Approval Authority (GAA), formerly known as the Anti-Terrorism Approval Body (ATAB), I am responding to your findings and recommendations concerning the GAA in your 2009 Civil Grand Jury Final Report.

Findings F 3.1-F 3.5:

In my legal opinion, based on my legal and factual research into this issue, Monterey County's GAA is not a body that is subject to the requirements of the Brown Act. County Counsel Charles J. McKee is in the process of requesting a formal opinion from the Attorney General on this issue.

Recommendations R 3.1-R3.6:

The GAA acknowledges that they can improve communications with involved agencies and with the media through such procedures as having designated representatives from the various involved agencies attend the meetings where grant issues involving those agencies are discussed. Also, the GAA is considering releasing information regarding grant applications/awards to the local media through press releases.

Very truly yours,

TRACI A. KIRKBRIDE
Deputy County Counsel

**DIVISION OF ADULT INSTITUTIONS
CORRECTIONAL TRAINING FACILITY**

P.O. Box 686
Soledad, CA 93960
(831) 678-5952



February 8, 2010

Honorable Adrienne Grover
Presiding Judge
Superior Court, County of Monterey
240 Church Street Room 305
Salinas, CA 93901

RECEIVED
FEB 10 2010

Judge Grover:

The Correctional Training Facility has reviewed the Law Enforcement section of the 2009 Monterey County Civil Grand Jury Final Report. In accordance with the California Penal Code Sections 933 and 933.05, the Correctional Training Facility (CTF) has provided the following responses to the 2009 Monterey County Civil Grand Jury Report:

R4.1: Continue to seek Legislation making cell phone possession by inmates a felony.

Response: The respondent agrees with the finding. The institution shall continue to forward information and data to Sacramento; concerning the danger posed to public safety when an inmate has possession of a cell phone.

R4.2: Continue to meet with staff on safety related issues.

Response: The recommendation has been implemented. The institution has and shall continue to meet with staff on a monthly basis regarding any and all safety concerns.

R4.3: Reduce overcrowding of inmates.

Response: The respondent agrees with the finding. The Department of Corrections and Rehabilitation has implemented various strategies to reduce overcrowding in the State's Correctional system, i.e. Out-of-State transfers, transfers for foreign national, and Parole reform to reduce overcrowding.

R4.4: Staff the prison grounds' entry-point gate and search every vehicle for contraband.

Response: This recommendation requires further analysis. This recommendation will be difficult to accomplish for a number of reasons: The single entry point for the Correctional Training Facility and Salinas Valley State Prison has to accommodate approximately 4,000 employees, visitors, delivery drivers to both institutions. Additionally, the staffing and budget authority would have to be authorized to finance this position staffed by a peace officer twenty-four hours a day, seven days a week. The searching of every vehicle would not be possible without causing a tremendous back up of vehicles from the northbound and southbound Highway 101 off ramp; thus causing a public safety concern.

R4.5: Implement a system to track statistics on assaults, threats, and escapes.

Response: The recommendation has been implemented. When this information was requested by the 2009 Monterey County Civil Grand Jury; all information on escapes was provided. The statistical information on assaults and threats was not maintained on any system; the files that contained the statistical information were made available for the Civil Grand Jury. Institutional personnel were redirected from their assigned duties at the request of the Grand Jury to gather the requested statistical data and that information was entered into a system going back to 2005. This request by the Civil Grand Jury took several months due to ongoing furloughs and staff vacancies. The following statistical information is provided:

SUBJECT	2005	2006	2007	2008	2009
Assaults	29	37	30	18	24
Threats	15	13	10	1	2
Escapes	0	0	0	0	0

I thank the members of the 2009 Monterey County Civil Grand Jury for their dedication to public service and for the days and hours spent at the institution. It was a pleasure for the institution, staff, and inmates to have our Grand Jury spend time with our staff and inmates in order to thoroughly review every aspect of this institution.



RANDY GROUNDS
Warden (A)

MONTEREY COUNTY



AUDITOR - CONTROLLER

(831) 755-5040 • FAX (831) 755-5098 • P.O. BOX 390 • SALINAS, CALIFORNIA 93902

MICHAEL J. MILLER, CPA, CISA
AUDITOR-CONTROLLER

ALFRED R. FRIEDRICH, CGFM
ASSISTANT AUDITOR-CONTROLLER

March 9, 2010

The Honorable Adrienne M. Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Dear Judge Grover,

Pursuant to Penal Code Section 933(b) of the State of California, as the elected Auditor-Controller of the County of Monterey, please find attached my responses to the "Monterey County Civil Grand Jury – 2009 Final Report".

The Office of the Auditor/Controller wishes to thank the 2009 Grand Jury for acknowledging the hard work and successes of the ERP project team. Their recognition of the importance of this accounting, reporting and management tool to the financial transparency, health and wellbeing of the County is greatly appreciated.

Sincerely,

Michael J. Miller, CPA, CISA, CITP

Attachment:

c: County of Monterey Board of Supervisors

Attachment:

Office of the Auditor-Controller

Response to the “Monterey County Grand Jury – 2009 Final Report”

FINDINGS:

F9.1. The smaller, less complex components of the project have been delivered on schedule.

We agree with this finding. The SymPro Debt and Treasury Management systems, the Performance Budget system and the Meridian Learning Development Network (LDN) were completed on schedule and are in production mode. ERP Systems Management staff, in the Office of the Auditor-Controller, continues to monitor these new ERP Systems and make adjustments as needed. The Performance Budget system has been updated for the 2010-11 Budget preparation process and a Three Year Forecast section has been developed and successfully implemented.

F9.2. One of two highly complex components, Financials, was planned for July 2009 production and was delivered on July 9, 2009.

We agree with this finding. The Advantage Financial General Ledger and Accounts Payable modules were completed on schedule and are in production mode. The ERP Project staff also developed the Accounts Receivable module, but this module has yet to be used by a department.

F9.3. The other highly complex component, the Human Resources portion, is scheduled for use in January 2010.

We agree with this finding. However, due to the extreme complexity and diverse array of pay practices unique to the County of Monterey, the Advantage Human Resources Management (HRM) module will be put into production by the end of the current fiscal year. The Advantage HRM module will Go-Live when the ERP Project staff is satisfied that the payroll produced by the module is correct.

F9.4. As of July 2009, CGI and the Monterey County staff have stayed within their budget.

We agree with this finding. Despite the Advantage HRM Go-Live delay, the ERP Project is still within the adopted budget. ERP Project staff works diligently to monitor expenditures compared to the adopted budget and makes adjustments as needed.

F9.5. An effective process exists for communication with IT staff, users, and management about system changes, defects, and status.

We agree with this finding. The ERP Project staff continuously monitors communications with their partner departments and clients/users. Staff meets on a monthly basis with Project Sponsors, the Executive Steering Committee, and the newly formed Financial Users Group. The Office of the Auditor-Controller operates an ERP Help Desk for the new financial systems and works with their clients making configuration adjustments on a priority basis.

F9.6. The performance of the system components will be measured to validate adequate response time.

We agree with this finding. As the system matures and we address minor production issues, this process will be performed. The ERP Systems Management staff, in the Office of the Auditor-Controller, has an excellent rapport with the Information Technology Department staff assigned to ERP Systems.

F9.7. Users of the Financials components were not available for interviews during the requested time frame.

We agree with this finding. At the time of the requested interviews, users of the new Advantage Financial Systems were just beginning to work with the processes. Now that users have had time to work with the new systems, the Project Director will give a list of names to the 2010 Grand Jury.

RECOMMENDATIONS:

R9.1. Continue regular status meetings between the project manager and the change manager, their staffs, and the staff of the Auditor-Controller until after the final component, Human Resources, is successfully in operation.[Related Findings: F9.3 and F9.5]

We agree with this recommendation. Staff at the ERP Project and Systems Management staff at the Office of the Auditor-Controller will continue to conduct regular meetings with all stakeholders. The Office of the Auditor-Controller – ERP Systems Management will be developing a process that will include the internal stakeholders (CAO-Budget and Analysis, CAO-Procurement, CAO-Human Resources, and Treasury) and the department users in ongoing update, review and status meetings.

R9.2. Monitor the system to evaluate end-to-end performance to users, including heavy network traffic and running complex computer software. [Related Finding: F9.6]

We agree with this recommendation. As the system matures and we address minor production issues, this process will be performed.

R9.3. Continue to work with CGI to resolve problems and improve the delivered system within budget. [Related Finding: F9.5]

We agree with this recommendation. The ERP Project Director and his staff will continue the successful relationship between the County and CGI. Problem resolution and system delivery remains an objective of the highest priority.

R9.4. The 2010 Civil Grand Jury should interview users of the Financials and HR components for feedback on accuracy and usability. [Related Finding: F9.7]

We agree with this recommendation. The Project Director will work with ERP Project staff, Auditor-Controller – ERP Systems Management staff and departmental staff to provide feedback to the Grand Jury regarding accuracy and usability.

Acknowledgement:

The Office of the Auditor/Controller wishes to thank the 2009 Grand Jury for acknowledging the hard work and successes of the ERP project team. Their recognition of the importance of this accounting, reporting and management tool to the financial transparency, health and wellbeing of the County is greatly appreciated.

Chualar Union Elementary School District

24285 LINCOLN STREET Chualar, CA 93925 Phone: 831-679-2504 Fax: 831-679-0345

March 15, 2010

The Honorable Adrienne M. Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Re: Response of Board of Education, Chualar Union Elementary School District to the Monterey County Civil Grand Jury 2009 Year –End Final Report –“Chualar Union Elementary School District Personnel Practices For Classified Employees”

Honorable Presiding Judge Grover:

Pursuant to Penal Code section 933.05, the Board of Education, Chualar Union Elementary School District (“District”), hereby respectfully submits the following responses to the findings and recommendations set forth in the Monterey County Civil Grand Jury 2009 Year-end Final Report:

A. Response to Findings

Finding F7.1: The Classified 39 Month Rehire List was not complete, nor did it contain the information necessary to determine the seniority status for eligibility of vacant or newly classified employee positions.

Response to Finding F7.1: The District agrees with this finding.

Finding F7.2: The Classified Seniority List initially provided was not current and reflected a 2005 status.

Response to Finding F7.2: The District agrees with this finding.

Finding F7.3: The Chualar Union Elementary School District reorganized the custodial, maintenance, and operations services by eliminating the classification of grounds/operations/maintenance and created a new classified position of lead custodian.

Response to Finding F7.3: The District agrees with this finding.

Finding F7.4: A competitive process was not used to fill a newly created position.

Response to Finding F7.3: The District disagrees, in part, with this finding. The District agrees that the newly created position of lead custodian was created pursuant to the August 26, 2008 "Side Letter of Agreement Reorganization-Custodial and Maintenance & Operations", which was negotiated and entered into between the District and the California School of Employees Association ("CSEA"), Chapter 695 ("the Agreement"). Pursuant to said Agreement with CSEA, the District was bound to reclassify the eliminated classification of grounds/operations/maintenance and create a new classification of "Lead Custodian", under which, also pursuant to the Agreement, the District was specifically bound to reclassify and appoint existing employee Pedro Jimenez, who was the most senior custodian at that time, to the newly created position. The District believes that it properly made such reclassification as authorized pursuant to Article XI Classification/Reclassification of the Collective Bargaining Agreement between California School Employees Association, Chapter #695 and Chualar Union Elementary School District ("The Master Agreement"). Therefore, the proper process used by the District to determine the person who was to fill the newly created position was based on the seniority experience of the existing District custodial employees.

Finding F7.5: The Chualar Union Elementary School District failed to notify some of the reduced-hours and laid-off employees of their rights under Education Code sections 45117 and 45298.

Response to Finding F7.5: The District disagrees in part with this finding. All affected District employees were notified in writing by the District in accordance with Education Code Section 45117 and pursuant to Section 16.2 of the Master Agreement. Also, Section 16.10 of the Master Agreement requires the District to give notice in writing to those employees who were laid off and then subsequently become eligible for re-employment, but only if an opening becomes available. Here, given that there were no subsequent openings for any of the affected subject classifications which became available after the affected employees had been laid off, the District did not provide any such employees with written notice of any re-employment opening. The District agrees that the employee who filled the "Administrative Assistant/Human Resources" was not given such notices because said employee was terminated for cause by the

District's Board of Trustees ("the Board"), in exercise of the Board's legitimate, managerial discretion.

Finding F7.6: The Chualar Union Elementary School District did not comply with the Master Agreement.

Response to Finding F7.6: The District disagrees with this finding. As noted above, the District duly negotiated with CSEA and entered into the Agreement with CSEA. Further, the District complied with all notice requirements to the affected employees that were required under the Master Agreement.

B. Response to Recommendations

The District also responds to the Recommendations of the Grand Jury, as follows:

Recommendation R7.1: Create and maintain an accurate Classified 39 Month Rehire List including job classification, date of hire, and date of layoff.

Response to Recommendation R7.1: The recommendation has not yet been implemented, but will be implemented by March 20, 2010.

Recommendation R7.2: Create and maintain a Classified Seniority List, which includes job classification and date of hire so that classified employees can see the order of seniority.

Response to Recommendation R7.2: The recommendation has not yet been implemented, but will be implemented by March 20, 2010.

Recommendation R7.3: Comply with Education Code sections 45117 and 45298 in connection with future layoffs and rehires.

Response to Recommendation R7.3: The recommendation will be implemented by March 20, 2010.

Recommendation R7.4: Comply with the Master Agreement, which allows all employees the right to apply for newly created positions.

Response to Recommendation R7.4: The recommendation will be implemented March 20, 2010.

Recommendation R7.5: Rehire improperly laid off employees in accordance with the Master Agreement.

Response to recommendation R7.5: The recommendation requires further analysis. As noted above, the District believes it complied with Agreement and Master Agreement. Indeed, CSEA, the exclusive bargaining representative for the affected employees, has never filed any grievance nor alleged or contended that the District violated the Master Agreement arising from the subject District's personnel practices for classified employees herein. Nevertheless, given that there are three pending charges that were filed against the District by three former classified employees with the Equal Employment Opportunity Commission, the District will require additional time and analysis to assess its potential liability exposure to such, entertain the possibility of settling any of such claims, and the effect any potential rehiring will have on the District's budget. The District anticipates providing a further response to this recommendation by June 11, 2010.

Sincerely,

CHUALAR UNION ELEMENTARY SCHOOL DISTRICT:

Dated: 3-15-10

By: 
Roberto Rios, Superintendent

BOARD OF TRUSTEES:

Dated: 3-15-10

By: 
Ana Belia Ponce, Clerk



OFFICE OF THE MAYOR

440 Harcourt Avenue
Seaside, CA 93955

Telephone (831) 899-6700
FAX (831) 899-6227

March 18, 2010

The Honorable Adrienne Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

RE: Response to 2009 Grand Jury Final Report

Dear Judge Grover:

Please accept the following information as the City of Seaside's response to the 2009 Monterey County Civil Grand Jury Final Report. The responses were approved by the City Council at their meeting of March 18, 2010.

CIVIL GRAND JURY FINDINGS

F6.1. An effective solution can be provided only through implementation of multiple, integrated projects. Monterey County water users, purveyors, and regulatory agencies need to cooperate in water supply projects, in water recycling efforts, and in water conservation programs to create and preserve a sufficient supply of water.

Response: The City of Seaside agrees with the Finding.

F6.4. Monterey County's water supply, derived exclusively from local sources, is completely independent from the California state water delivery system. Having a sufficient supply of local water available year-round is critical to the long-term economic viability of Monterey County's agriculture, tourism, and industries and the welfare of residents.

Response: The City of Seaside agrees with the Finding.

F6.5. There is currently not enough water storage to allow the capture of excess winter flow for use during dry periods.

Response: The City of Seaside agrees with the Finding.

F6.6. Seawater intrusion threatens domestic and agricultural water supplies.

Response: The City of Seaside agrees partially with this Finding as it applies to domestic water supplies, but does not have sufficient information regarding agricultural supplies.

F6.8. Over pumping of the Carmel River must eventually cease in order to comply with State Water Resources Control Board order 95-10.

Response: The City of Seaside agrees with the Finding.

CIVIL GRAND JURY RECOMMENDATIONS

R6.1. Water agencies must do all that they can to expedite a decision by the California Public Utilities Commission for implementation of the Regional Project to address water supply, storage, and seawater intrusion problems. [Related Findings: F6.1, F6.5 - F6.8 and F6.10]

Response: The City of Seaside agrees with this Recommendation.

R6.2. Form a Joint Powers Authority composed of appropriate Monterey County entities to manage the Regional Project [Related Findings: F6.1. and F6.2]

Response: This Recommendation requires further analysis at present. The County of Monterey (Cities of Carmel-by-the-Sea, Pacific Grove, Monterey, Sand City, Del Rey Oaks and Seaside as well as the Seaside Municipal Water District, Monterey County Water Resources Agency, Marina Coast Water District, Monterey Regional Water Pollution Control Agency, Monterey Peninsula Water Management District, California Public Utilities Commission and California American Water Company) work collaboratively and implement the various elements of the proposed Regional Water Project.

R6.3. Develop additional water storage capacity sufficient to provide a safe year-round supply of water for Monterey County. [Related Findings: F6.4., F6.5. and F6.8.]

Response: The City of Seaside agrees with this Recommendation.

On behalf of the City of Seaside and the City Council, I would like to thank the Grand Jury for their work and the opportunity to respond.

Sincerely,



Ralph Rubio
Mayor

PAJARO / SUNNY MESA

COMMUNITY SERVICES DISTRICT
136 San Juan Road, Watsonville, Ca 95076
(831) 722-1389 • Fax (831) 722-2137

P/SMCSD Responses to Grand Jury Findings:

Please accept the following responses to the comments of the Grand Jury regarding regional water issues affecting the jurisdictional areas of the Pajaro/Sunny Mesa Community Services District.

Response to Finding F6.1 - PSMCSD believes that effective solutions to the water shortages in the various watersheds of Monterey County that exist must necessitate prior comprehensive and multi-jurisdictional agreements on development issues and land use controversies BEFORE water supply projects can be effectively pursued. PSMCSD has developed a long term plan to serve and consolidate its multiple water systems throughout North Monterey County.

Response to Finding F6.2 - PSMCSD believes that local joint powers agencies have not demonstrated effectiveness or any meaningful solutions in solving regional water problems. This is reflective of the lack of staff expertise in district and county governments and in the ownership and operational responsibilities of water service and delivery to customers in Monterey County.

Response to Finding F6.4 - PSMCSD agrees with this finding.

Response to Finding F6.5 - PSMCSD believes that, given developing endangered, anadromous species issues, and the California constitutional requirements and mandates of "public trust flows" on the Salinas and Pajaro Rivers, no analysis as to even the existence of "excess winter flows", has been conducted. Absent such a study and an evidentiary finding that "excess flows" exist; this unsubstantiated finding cannot be addressed.

Response to Finding F6.6 - PSMCSD agrees with this finding.

Response to Finding F6.7 - PSMCSD disagrees with this finding. The groundwater basin has been in overdraft for over 60 years. Overlying land owners, are concerned that their senior "percolated groundwater rights" are proposed to be wrongfully and illegally "taken". PSMCSD believes that our proposed desalination plant in Moss Landing for which we have secured a 35 year lease and a seawater intake and outfall lines, are already in place and have been operational, for the past 50 plus years. This was ignored by the CPUC analysis and PSMCSD has invested thousands of dollars and six years. This is the only environmentally sustainable alternative for a regional desalination plant.

Response to Finding F6.9 - PSMCSD agrees with this statement and has received no assistance from any governmental agency except the California Department of Health Services in PSMCSD's efforts to address these grave public health issues (arsenic, TDS, and nitrates) in our district's water supplies.

P/SMCSD Responses to Grand Jury Findings (continued):

Response to Finding F6.10 - PSMCSD does believe that water projects in Monterey County often fail due to a lack of both funding and (lack of knowledge of water rights and water supply regulations.)

P/SMCSD Responses to Grand Jury Recommendations:

Response to Recommendations R6.1 - PSMCSD believes that grave legal challenges and “takings” issues related to the proposed taking and export (out of the basin) of groundwater from the overdrafted Salinas basin have been “dodged”. PSMCSD believes that it is premature to blindly support a project that may be dependant upon the taking of private water rights for the benefit of new, out-of-basin developments until after its full review by an independent Party.

Response to Recommendations R6.3 - PSMCSD believes that the Regional Project needs to address water storage capacity capable of providing a safe year-round supply for Monterey County.

Response to Recommendations R6.5 - PSMCSD believes that the Regional Project may not have addressed all legal issues and water rights issues and wishes to avoid involvement until those legal issues are resolved.

Any regional project needs to include the constituents of the District and provide sufficient water to Moss Landing, Granite Ridge, and Prunedale areas.

Any of the regional projects must address the water distribution systems and infrastructure need for distribution. Any such plan must include these systems and funding therefore.

Response to Recommendations R6.6 - PSMCSD believes that the anticipated challenges to the Regional Project should necessitate caution by the proponents of the project.



MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

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MONTEREY, CA 93942-0085 • (831) 658-5600
FAX (831) 644-9560 • <http://www.mpwmd.dst.ca.us>

April 9, 2010

HAND
DELIVERED

The Honorable Adrienne M. Grover
Presiding Judge, Superior Court of California
County of Monterey
240 Church Street
Salinas, CA 93901

Subject: Final Report of the 2009 Monterey County Civil Grand Jury

Dear Judge Grover,

The Monterey Peninsula Water Management District (MPWMD or District) is pleased to have the opportunity to respond to the findings and recommendations in the Final Report of the 2009 Monterey County Civil Grand Jury concerning the water problems in Monterey County and the District. District staff consulted with staff from the Marina Coast Water District and Monterey Regional Water Pollution Control Agency in preparing these responses. The District's response to each required finding and recommendation is provided below.

Findings of the Grand Jury

F6.1. An effective solution can be provided only through implementation of multiple, integrated projects. Monterey County water users, purveyors, and regulatory agencies need to cooperate in water supply projects, in water recycling efforts, and in water conservation programs to create and preserve a sufficient supply of water.

MPWMD agrees with Finding 6.1.

F6.2. Joint Powers Authorities have demonstrated effectiveness in solving regional problems.

MPWMD agrees with Finding 6.2. As an example, in the area of wastewater treatment and disposal, the Monterey Regional Water Pollution Control Agency (MRWPCA) has a demonstrated record of effectiveness. Joint Powers Authorities (JPAs), however, are not always the best solution for collaboration between government entities.

F6.4. Monterey County's water supply, derived exclusively from local sources, is completely independent from the California state water delivery system. Having a sufficient supply of local water available year-round is critical to the long-term economic viability of Monterey County's agriculture, tourism, industries, and the welfare of residents.

MPWMD agrees with Finding 6.4.

F6.5. There is currently not enough water storage to allow the capture of excess winter flow for use during dry periods.

MPWMD agrees with Finding 6.5. More specifically, there is limited surface water storage capacity in the Carmel River Basin and underutilized groundwater storage capacity in the Seaside Groundwater Basin. MPWMD is working with California American Water (Cal-Am) to implement Phase 1 and 2 Aquifer Storage and Recovery (ASR) Projects to more fully utilize the subsurface storage capacity in the Seaside Groundwater Basin.

F6.6. Seawater intrusion threatens domestic and agricultural water supplies.

MPWMD agrees with Finding 6.6.

F6.7. There are three significant desalination proposals under consideration by the California Public Utilities Commission. The Regional Project can achieve the most benefit, at the lowest cost, with the fewest environmental impacts.

MPWMD agrees with Finding 6.7 that the Regional Project may achieve the most benefit and be the lowest cost alternative, but believes further cost analyses need to be done.

F6.8. Over pumping of the Carmel River must eventually cease in order to comply with State Water Resources Control Board Order 95-10.

MPWMD agrees with Finding 6.8.

F6.10. Citizens of Monterey County have expressed concerns that the water organizations continue to talk, analyze, and propose, but very little actually gets accomplished. "There's been too much talk and not enough action."

MPWMD agrees with Finding 6.10.

F6.11. Current rates of leakage from CalAm's distribution systems exceed State averages and contribute to the water shortage problem

MPWMD agrees with Finding 6.11.

Recommendations of the Grand Jury

R6.1. *Water agencies must do all that they can to expedite a decision by the California Public Utilities Commission for implementation of the Regional Project to address water supply, storage, and seawater intrusion problems. [Related Findings: F6.1, F6.5 – F6.8, and F6.10]*

MPWMD is implementing Recommendation 6.1. On February 25, 2010, the MPWMD Board adopted Resolution No. 2010-01 expressing support for the proposed Phase 1 Regional Project. A copy of this resolution is enclosed. In addition, MPWMD staff and counsel continue to participate in the California Public Utilities Commission (CPUC) proceedings to select and implement a long-term water supply solution. In this context, the CPUC Administrative Law Judge (ALJ) has indicated that a proposed decision on Cal-Am's Coastal Water project or an alternative, such as the Regional Project, is scheduled to be made in the summer or fall of 2010, depending on whether a settlement is filed.

The agencies are encouraging the CPUC to select and support the Regional Project. This is being accomplished by the following:

- Two of the public agencies (MCWRA and MCWD) have been negotiating with California American Water to prepare appropriate water agreements for the Regional Desalination component of the Regional Water Project.
- All of the agencies submitted timely review comments to the Coastal Water Project Draft EIR.
- Two of the local agencies (MPWMD and MRWPCA) became "parties" to the proceedings of the CPUC so that they could be at the table and encourage the Regional Project.
- Several of the agencies have enacted supporting MOUs (Cooperative Planning and Joint Analysis for a Monterey Regional Water Supply Program executed July 10, 2009, Regional Urban Water Augmentation Project executed July 10, 2009, and Planning for Use of MRWPCA Outfall for Brine Disposal executed April 15, 2009) and the Outfall Agreement executed February 12, 2010 to help advance the CPUC approval process.

R6.2. *Form a Joint Powers Authority composed of appropriate Monterey County entities to manage the Regional Project. [Related Findings: F6.1 and F6.2]*

MPWMD believes that Recommendation 6.2 should not be implemented at this time because it is not warranted. Joint Powers Authorities (JPAs) are entities formed by two or more public organizations or government bodies that have determined to work collectively to provide public services. MPWMD believes that a less formal group consisting of the Monterey County Water Resources Agency, Marina Coast Water District, Monterey Regional Water Pollution Control Agency, Monterey Peninsula Water Management District, and California American Water would be a more efficient and effective means to manage the Regional Project.

The Regional Project, as defined in the CWP FEIR, has five components:

- Conservation. This component is being implemented by each entity (MCWD, Cal Am, and MPWMD) in their respective service areas. There is no need for a JPA to manage this component.
- Sand City Desalination Facility. This facility is in operation through the cooperation of the Sand City and Cal-Am. There is no need for a JPA for this component.
- Regional Urban Water Augmentation Project (RUWAP). This project has been designed to be “shovel ready” by MCWD and MRWPCA based on Agreements between and among MCWRA, MCWD, and MRWPCA. The parties are currently soliciting both State and Federal funding. The project will be built within 12 to 18 months of funding. There is no need for a JPA for this component.
- Seaside Basin Aquifer Storage and Recovery (Seaside Basin ASR). These facilities are in operation through the cooperation of MPWMD and Cal-Am. There is no need for a JPA for this component.
- Regional Desalination Facility (including conveyance and storage facilities). The current plan is that MCWRA will construct the brackish water wells, MCWD will construct the desalination plant, MRWPCA will construct the brine receiving structure, and Cal-Am will construct the conveyance within their system. There is no need for a JPA for this component.

R6.3. *Develop additional water storage capacity sufficient to provide a safe year-round supply of water for Monterey County. [Related Findings: F6.4, F6.5, and F6.8]*

As discussed above, MPWMD is working with Cal-Am to implement Recommendation 6.3 through its ASR Projects in the Seaside Groundwater Basin.

The agencies are involved in three types of water storage: above ground storage, storage within the Seaside Groundwater Basin, and storage within the Salinas Valley Groundwater Basin. However, once the Regional Desalination Facility is in operation, the need for water storage will be reduced.

The recommendation has not yet been implemented regarding above ground storage, but will be implemented in the future. Some above ground storage will be built as part of the Regional Urban Water Augmentation Project and as part of the Regional Desalination Facility.

The recommendation has been implemented regarding water storage within the Seaside Groundwater Basin. The existing Cal-Am/MPWMD ASR project is storing water from the Carmel River system in the Seaside Groundwater Basin. Phase 2 of the Regional Water Project will expand the ASR project to increase winter water storage. Also, the Monterey Peninsula Groundwater Project, another Phase 2

component, intends to utilize the Seaside Groundwater Basin for water storage of advanced and highly treated recycled water. The parties are also discussing alternate locations for storage of recycled water during the winter in order to increase summer water availability.

The recommendation has not been implemented regarding water storage within the Salinas Valley Ground Basin, but may be implemented as part of Phase 2 of the Regional Project.

R6.4. *Implement the Regional Urban Wastewater Augmentation Project to provide additional recycled water for use on golf courses and public landscaping. [Related Findings: F6.1 and F6.3]*

MPWMD supports implementation of the Regional Urban Water Augmentation Project (RUWAP) as soon as funds are available. MPWMD is working with MCWD and MRWPCA to obtain state funding for the RUWAP through the *Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management Plan*.

The recommendation has not yet been implemented, but will be implemented within 12 to 18 months of receiving funding. This time is necessary for funding, bidding, construction, and startup of the facilities. The project has been designed by MCWD and MRWPCA and is "shovel ready".

R6.6. *The approved project should be constructed as rapidly as possible once the California Public Utilities Commission has made its decision. [Related Findings: F6.1, F6.8, and F6.10]*

MPWMD supports construction of the approved long-term project as rapidly as possible, once the CPUC has made its decision. In this regard, MPWMD plans to complete construction of the Phase 1 ASR Project in Fiscal Year 2011 and is working with Cal-Am to bring the Phase 2 ASR Project on line in Fiscal Year 2012. Both of these projects are components of the proposed Regional Project.

This recommendation has not yet been implemented but will be implemented in the future. With the cooperation of all the entities (MCWD, Cal-Am, MCWRA, MRWPCA, and MPWMD), the Desalination Component of the Regional Water Project can be completed within four years of final CPUC approval. This is exceptionally fast as it includes additional studies, design, bidding, construction, and start-up.

This recommendation has not yet been implemented regarding the Regional Urban Water Augmentation Project but will be within 12 to 18 months of receiving funding (not dependent on CPUC approval).

This recommendation has been implemented with regards to pursuing conservation, the Sand City Desalination Facility, and the Seaside Basin Aquifer Storage and Recovery Project.

R6.7. *Monterey County water purveyors must inspect, maintain, and repair water pipeline distribution systems so that the rate of unaccounted water is brought down to or below the national average. [Related Findings: F6.11]*

MPWMD is working with Cal-Am and the CPUC to reduce the unaccounted-for-water use in all of Cal-Am's systems to below the national average of 10 percent of total system production. Based on

The Honorable Adrienne M. Grover
April 9, 2010
Page 6

improvements made by Cal-Am in the last six months, the unaccounted-for-water use in Cal-Am's main system has been reduced from 12.8 percent to 9.7 percent.

Sincerely,


Darby Fuerst
General Manager

Enclosure

Cc: MPWMD District Board
MPWMD General Counsel
Keith Israel, MRWPCA General Manager
Jim Heitzman, MCWD General Manager
Curtis Weeks, MCWRA General Manager
Craig Anthony, CAW General Manager

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**MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT**

RESOLUTION NO. 2010-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
EXPRESSING SUPPORT FOR THE PROPOSED
MONTEREY REGIONAL WATER SUPPLY PROGRAM**

WHEREAS, the Monterey Regional Water Supply Program (Regional Project) has been identified by California American Water (Cal-Am) as an alternative to its proposed Coastal Water Project (CWP) to benefit water users within the Monterey Peninsula Water Management District and Monterey County; and

WHEREAS, Phase 1 of the proposed Regional Project consists of a Desalination Facility in the North Marina area, the Seaside Basin Aquifer Storage and Recovery Project, the Regional Urban Water Augmentation Project, the Sand City Desalination Facility, and continued water conservation; and

WHEREAS, the purpose of the proposed Phase 1 Regional Project is to enable Cal-Am to fully comply with the requirements of State Water Resources Control Board Order Nos. WR 95-10 and 2009-0060 and the Seaside Basin Adjudication Decision (*California American Water v. City of Seaside, et al.*, Monterey County Superior Court Case No. M66343); and

WHEREAS, the Final Environmental Impact Report (EIR) for the CWP states that the proposed Phase 1 Regional Project is the environmentally-superior alternative, provided that the mitigation measures set forth in the Final EIR are imposed and fully implemented by all pertinent approval and participant agencies; and

WHEREAS, the Monterey Peninsula Water Management District is engaged in the regional water supply planning process, including development and operation of the Seaside Basin Aquifer Storage and Recovery Project, which is an integral part of the proposed Phase 1 Regional Project; and

WHEREAS, the Monterey Peninsula Water Management District is also charged with fostering the scenic values, environmental quality, and native vegetation, fish, and wildlife in the Carmel River Basin; and

WHEREAS, the Monterey Peninsula Water Management District is acknowledged as a state and national leader in low per capita water use and water conservation, which is also an integral part of the proposed Phase 1 Regional Project; and

WHEREAS, the Monterey Peninsula Water Management District staff is recognized for its experience and expertise in water supply planning, permitting, and environmental impact monitoring and mitigation; and

WHEREAS, the Monterey Peninsula Water Management District is governed by a Board of Directors whose members are elected to represent the interests of water users within the Water Management District boundaries and charged with providing integrated management of the ground and surface water supplies within the Water Management District boundaries; and

WHEREAS, the Monterey Peninsula Water Management District is the lead agency for the *Integrated Regional Water Management Plan for the Monterey Peninsula, Carmel Bay, and South Monterey Bay* area that is seeking state funding for several components of the proposed Phase 1 Regional Project; and

WHEREAS, the Monterey Peninsula Water Management District recognizes that there is an urgent need to identify, plan, and implement a water supply solution to comply with physical, regulatory, and judicial constraints on local water supplies; and

WHEREAS, the Monterey Peninsula Water Management District is authorized to adopt, by resolution or ordinance, reasonable rules to carry out its powers and duties, including regulation of water distribution systems within the Water Management District boundaries.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Monterey Peninsula Water Management District as follows:

1. That, based on current analyses, the Monterey Peninsula Water Management District supports the proposed Phase 1 Regional Water Supply Project as a solution to the water supply challenges confronting existing water users within the District, and
2. That the Monterey Peninsula Water Management District is fully engaged in the regional water supply planning process to meet existing and future water needs within the District, and
3. That the Monterey Peninsula Water Management District's involvement in operational decision-making of the Regional Project is required to ensure that the water needs of the citizens and environmental resources within the District are reliably met in a cost-effective manner, and
4. That the water users in the Monterey Peninsula area are entitled to full and fair representation in all water supply planning efforts that affect their present and future water resources.

On a motion by Director Pendergrass and seconded by Director Edwards the foregoing resolution is duly adopted this 25th day of February 2010 by the following votes:

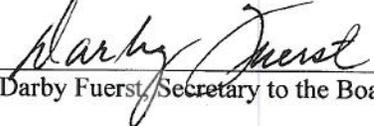
Ayes: Directors Pendergrass, Edwards, Brower, Doyle, Lehman, Markey and Potter

Nays: None

Absent: None

I, Darby Fuerst, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 25th day of February 2010.

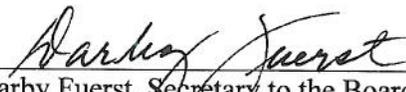
Witness my hand and seal of the Board of Directors this 3rd day of March 2010.



Darby Fuerst, Secretary to the Board

COPY CERTIFICATION

I, Darby Fuerst, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true and correct copy of Resolution No. 2010-01 duly adopted on the 25th of February, 2010.



Darby Fuerst, Secretary to the Board



Date



CITY OF PACIFIC GROVE

300 FOREST AVENUE
PACIFIC GROVE, CALIFORNIA 93950
TELEPHONE (831) 648-3100
FAX (831) 375-9863

April 9, 2010

The Honorable Adrienne M. Grover
Presiding Judge
Superior Court, County of Monterey
Civil Grand Jury Office
P.O. Box 414
Salinas, CA 93902

Re: Response to 2009 Monterey County Civil Grand Jury Final Report

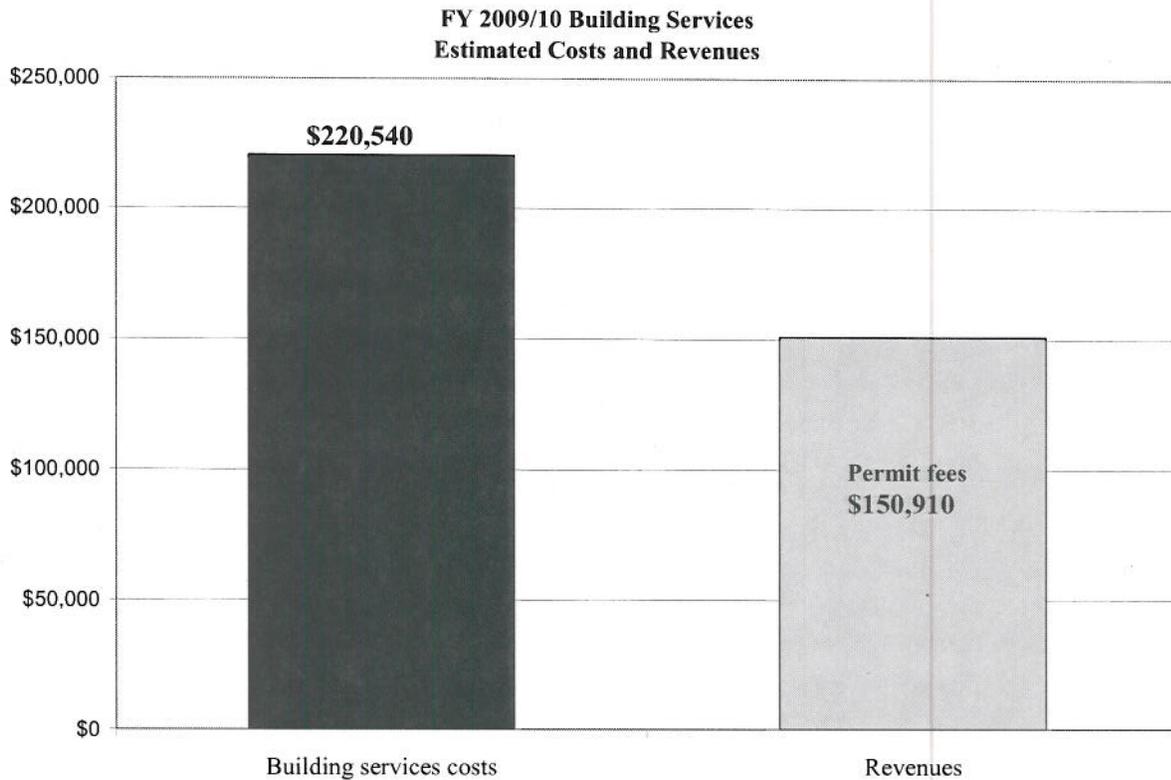
Dear Judge Grover:

This response was approved upon the unanimous vote of the Pacific Grove City Council at its meeting of April 7, 2010 and is forwarded as the response of the City of Pacific Grove to the Final Report of the 2009 Monterey County Civil Grand Jury (hereafter "Final Report") with respect to Section 8, "Pacific Grove Building and Plan Check Fees."

California Penal Code Section 933.05 enumerates an agency's response requirements to the Final Report. The required responses to report findings and recommendations are summarized below, with additional explanation provided in subsequent sections of this letter.

Finding #1: "Pacific Grove did not provide sufficient itemization of the costs of conducting building permit and plan check activities of the costs of conducting building permit and plan check activities to demonstrate that the fees collected did not exceed those specific expenses. It appears that the City may be including general overhead and costs of other activities not specifically related to plan check and building inspection functions."

City response: The City of Pacific Grove disagrees with the finding. Jim Becklenberg, our Acting Deputy City Manager, met with a subcommittee of the Civil Grand Jury, addressing in depth the relationship between fee revenues and costs for building and plan check services. Mr. Becklenberg presented the analytic methodology the City uses on an ongoing basis to evaluate and update its building and plan check fee structure. The analysis, upon which the City's fee schedule is based, includes detailed time and cost allocation estimates for all staff involved in the building and plan check process. The analysis presented to the subcommittee clearly indicated that, for Fiscal Year 2009/10, the City expected that building and plan check services would cost \$207,079, while fee revenues for these services would total only \$150,910, thereby leaving a funding gap of \$69,630 to be filled with general, non-fee, resources. This means that revenues generated by the City's building and plan check fee structure do not exceed the costs reasonably borne for building and plan check services. **In fact, the City's fees pay for only 68% of the costs, leaving almost two-thirds of the costs to be paid with other general City revenues, as shown in the chart below:**



Based on the analysis, the City could have increased building and plan fees for the current fiscal year to more fully match budgeted fee revenues to the costs the fees support. However, the City declined to increase fees for the current year.

Finding #2: “It is not clear whether Pacific Grove’s fee structure is consistent with the guidance in Attorney General Opinion No. 92-506.”

City Response: The City disagrees with the finding. The City of Pacific Grove’s building and plan check fee structure is fully consistent with Attorney General Opinion 92-506, which concludes that local agencies are prohibited from charging building permit and similar fees which exceed the estimated reasonable costs of providing the services rendered unless the amounts of the fees are approved by the electorate. As noted in the City Response to Finding #1, the analysis presented to the subcommittee of the Civil Grand Jury clearly identified the relationship between fee revenues and costs for building and plan check services. Mr. Becklenberg presented the analysis and answered all questions. If the subcommittee had desired additional data to support any part of the analysis, they should have requested it. The City’s fee schedule is based on the costs of only those activities specifically and necessarily required in order to provide high-quality building and plan check services.

Finding #3: “Pacific Grove charges a 15% surcharge on all permits that is not directly related to building and plan check services.”

City Response: The City disagrees with the finding. The Long-Range Planning Fee referenced in the Final report is an important funding source for initiatives directly related to building services funds, such as development of a green building ordinance, a gray water ordinance, and the low-water use landscaping ordinance recently mandated by the State. These fees also support

our efforts to clarify and streamline development review processes, which include both planning and building processes. Similar general plan and long-range planning efforts being conducted by other cities in the County and throughout the State are supported by similar fees in those cities.

Finding #4: “Pacific Grove’s building permit and plan check fees are 31% to 61% higher than those of the public agencies from which data were collected.”

City Response: The City disagrees with the finding. The Final Report contained a June 2009 survey of permit and plan check fees in several jurisdictions in the region. The survey was incomplete and inaccurate. Further, it was misleading with regard to total fees paid for building services. The survey analysis assumed a hypothetical structure of 1,400 square feet, with an estimated value of \$350,000. The Permit Fees shown in the Final Report for the City of Pacific Grove are 15% higher than our actual fees, suggesting the Grand Jury may have included the City’s Long-Range Planning Fee as part of Plan Check and Building Permit Fees. The following table replicates the Grand Jury’s survey, using the fees in effect in all cities in March 2010, correcting the error:

City	Plan Check Fees	Permit Fees	Total	Percentage Variance from Pacific Grove Total Fees
City of Capitola	\$2,333.91	\$3,590.63	\$5,924.54	-40%
City of Carmel-by-the-Sea	\$1,559.94	\$2,393.75	\$3,949.69	- 55%
City of Monterey	\$3,962.95	\$5,554.71	\$9,517.66	+8%
Monterey County	\$1,976.20	\$3,040.31	\$5,016.51	-43%
City of Salinas	\$2,753.04	\$4,235.45	\$6,988.49	-18%
City of Pacific Grove	\$3,760.76	\$5,014.34	\$8,775.10	N/A

According to the Final Report, the fees compared in the survey included plan checks and building permits only, excluding numerous other potentially applicable fees. To ensure meaningful comparisons of the costs incurred by building permit applicants, more comprehensive analysis may be warranted. The City acknowledges the Long-Range Planning Fee is paid by building permit applicants, but it is a separate fee from the Plan Check and Building Permit Fee. If the Long-Range Planning Fee is factored into the analysis for the City of Pacific Grove, additional fees paid along with plan check and building permit fees should be included for all communities surveyed. For example, the City of Monterey assesses a “General Plan Fee,” with a very similar purpose and structure as Pacific Grove’s Long-Range Planning Fee. In the hypothetical example above, the City of Monterey’s General Plan Fee would be \$833.21; the City of Pacific Grove’s Long-Range Planning Fee would be \$1,316.27.

Another significant fee paid along with building permit and plan check fees in some communities is a Construction Road Impact Fee. For the hypothetical example above, the City of Monterey’s fee would be \$3,500. While the plan check and building fees charged by the City of Carmel-by-the-Sea are comparatively low, the hypothetical project above would incur a Construction Road Impact Fee of \$26,350 in that City. The City of Pacific Grove charges no such impact fee.

To illustrate the variability of total fees paid at the time a building permit is issued, the following table compares the total fees paid in the cities Pacific Grove and Monterey. Comparisons among other cities would reflect similar variety.

**Comparison of Fees Payable when Building Permit Issued
 Hypothetical \$350,000 Residential Construction
 March 2010**

<u>Pacific Grove</u>		<u>Monterey</u>	
Building permit fee	\$5,014.34	Building permit fee	\$5,554.71
Plan check fee	\$3,760.76	Plan check fee	\$3,602.68
Long-range planning fee	\$1,316.26	Construction road impact fee	\$3,500.00
SMIP (seismic) fee	\$35.00	General plan fee	\$833.21
Building standards fee	\$14.00	Fire plan check fee	\$360.27
		SMIP (seismic) fee	\$35.00
		Building standards fee	\$14.00
TOTAL	\$10,140.36	TOTAL	\$13,899.87

The table shows that, when all comparable fees are included, the City of Pacific Grove's fees are only 73% as high as those for the City of Monterey, for a similar structure. A similar analysis, comparing the fees of the cities of Pacific Grove and Carmel, which show that our fees are even a smaller percentage.

Recommendation #1: "Prepare itemized expense breakdowns for building permit and plan check fees, including staff hours, fixed assets, general and department overhead, and debt service costs."

City Response: The City's cost accounting model for building and planning services, which was presented to the Civil Grand Jury during the inquiry (Attachment A), already provides the recommended financial analysis, and is based on the same cost allocation factors as recommended by the Grand Jury. City does not know of any other analysis that is warranted.

Recommendation #2: "If requested, provide the expense breakdowns to applicants at the beginning of the permit application process."

City Response: The City already provides to anyone upon request the same detailed cost accounting model (Attachment A) for building and plan check services that was provided to the Grand Jury. The City is not aware of any additional information that could be provided.

Recommendation #3: "Demonstrate that the building permit and plan check fees are justified, in keeping with Attorney General Opinion No. 92-506."

City Response: The recommendation has been implemented, in the form of the City Response to Finding #2 of the Final Report.

Recommendation #4: "Segregate the 15% surcharge into a restricted account for the purpose of updating the general plan and the Local Coastal Plan."

City Response: Long-Range Planning Fee revenues are currently placed in an account separate from other revenue sources, so that the amount of revenue received can be easily tracked and

The Honorable Adrienne M. Grover

April 9, 2010

Page 5

compared against revenues expended for long-range planning activities. This was the case at the time of the Grand Jury's analysis and has not been altered since. By the nature of the fee revenue, its use is already legally restricted to long-range planning activities.

The City recognizes that, especially in this economy, our fees are significant expense to those seeking to build or remodel. Every dollar spent in fees, and the costs imposed by the time required for our review services, is a dollar that is not available to be spent on the project itself. However, it must be remembered that the activities those fees support, but do not fully pay for, are designed to ensure that our staff provide the highest quality advice and services to applicants throughout the City.

The City is committed to ensuring its review services and fees are fully in keeping with the philosophy enunciated by the Grand Jury in its final report. Over the past several years, for example, the City has implemented several permit streamlining measures. The Council has also commissioned an ad hoc citizens committee to look at additional ways to improve review and permitting processes. We actively seek any and all suggestions from the Grand Jury, and others.

Please contact me should you have any further questions on this matter.

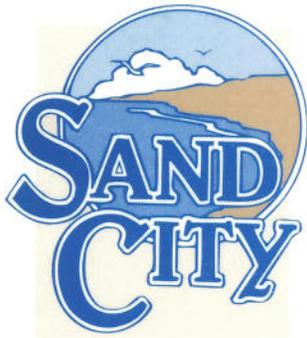
Sincerely,



Thomas Frutchey
City Manager

cc City Council
City Attorney

Program Revenues	Building		Current planning		Long-range planning		Other		TOTAL
	Share of employee time	Cost	Cost						
Construction Permit Fees		99,129							99,129
Plan Check Fees		51,781							51,781
Use Permits and Zoning Fees			26,343						26,343
Zoning Enforcement / ARB			34,272						34,272
Sign Permit Fees			4,000						4,000
Sales, Maps, and Publication Fees			22						22
Photo Copy Fees			3,895						3,895
Environmental initial review			8,000						8,000
Long-Range Planning Fee					52,000		10,000		52,000
Code Enforcement Fines									10,000
SUBTOTAL - REVENUE		150,910	76,532	52,000	10,000	289,442			
Costs (include all benefit costs; Staffing)									
Chief Planner	15%	18,586	20%	26,552	10%	13,276	55%	73,017	131,430
Senior Planner	15%	15,333	15%	16,429	40%	43,810	30%	32,857	108,429
Senior Planner	15%	15,327	55%	60,215	0%	0	30%	32,845	108,387
Associate Planner	8%	7,570	67%	56,354	0%	0	25%	21,028	84,951
Code Enforcement Officer	17%	17,054	0%	0	0%	0	83%	83,262	100,316
Office Assistant	13%	7,908	50%	30,416	0%	0	37%	22,507	60,831
Office Assistant	13%	7,908	50%	30,416	17%	10,341	20%	12,166	60,831
PLANNING STAFF SUBTOTAL		89,687		220,380		67,427		277,682	655,175
PUBLIC WORKS STAFF TOTAL		44,513							44,513
Fire Marshall (PT - 33% Building)		11,880							11,880
STAFFING TOTAL		146,079		220,380		67,427		277,682	711,568
Services		60,000		30,000		90,000		50,000	230,000
Supplies and equipment		1,000		2,000		3,000		7,000	13,000
SUBTOTAL - CITY DIRECT COSTS		207,079		252,380		160,427		334,682	954,568
Citywide overhead allocation (13% in-house, 6.5% for Bldg. contract)		13,460		32,809		20,855		43,509	110,634
TOTAL COST OF PROGRAM (GROSS)		220,540		285,189		181,282		378,191	1,065,202
Net General Fund cost		69,630		208,657		129,282		368,191	775,760



January 20, 2010

Received

FEB 05 2010

The Honorable Adrienne Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, California 93901

Dear Judge Grover:

On behalf of the City Council of Sand City, I hereby transmit the City's response to the 2009 Grand Jury Report pertaining to water issues in Monterey County, as required and enumerated on page 77 of the Report.

Grand Jury Findings Requiring a Sand City Response

Finding F6.1: "An effective solution can be provided only through implementation of multiple, integrated projects. Monterey County water users, purveyors, and regulatory agencies need to cooperate in water supply projects, in water recycling efforts, and in water conservation programs to create and preserve a sufficient supply of water."

Response: We agree. Sand City has developed a brackish water desalination facility that is integrated into the regional water supply of the Monterey Peninsula. It will provide water needs for the redevelopment efforts in Sand City while assisting in reducing the Carmel River aquifer overdraft situation. Based in part on this mutual environmental and redevelopment benefit, the Sand City Water Supply Project received unanimous approval from the California Coastal Commission.

Finding F6.2: "Joint Powers Authorities have demonstrated effectiveness in solving regional problems."

Response: We agree. Sand City is a member of a number of joint powers authorities (JPAs) including the Monterey Regional Water Pollution Control Agency (MRWPCA), the Monterey Regional Waste Management District (MRWMD) and the Fort Ord Reuse Authority (FORA). These agencies all work well in solving the issues under their purview, based on a regional umbrella of local member agencies.

Finding F6.4: "Monterey County's water supply, derived exclusively from local sources, is completely independent from the California state water delivery system. Having a sufficient supply of local water available year-round is critical to the long-term economic viability of Monterey County's agriculture, tourism, and industries, and the welfare of residents."

City Hall
1 Sylvan Park,
Sand City, CA
93955

Administration
(831) 394-3054

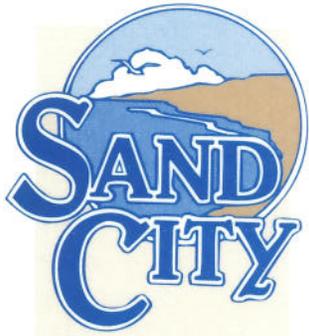
Planning
(831) 394-6700

FAX
(831) 394-2472

Police
(831) 394-1451

FAX
(831) 394-1038

Incorporated
May 31, 1960



Response: We agree. Without an adequate water supply economic development and redevelopment is not possible. That is why the City of Sand City developed its own water supply in the form of a brackish water desalination facility. Although, as the finding states, the Monterey Peninsula is not dependent on an outside source of water supplied by a state water project, we are at the mercy of a state agency (the State Water Resources Control Board) that intends to further restrict our water supply by issuance of a cease and desist order against our major water purveyor.

Finding F6.5: “ There is currently not enough water storage to allow the capture of excess winter flow for use during dry periods.”

Response: We agree. The City of Sand City is located within the Monterey Peninsula Water Management District (MPWMD) where our mayor presides as a board member representing all of the Monterey Peninsula mayors. The mayor and the city council support the MPWMD’s program to expand the recharge capacity of the Seaside groundwater basin through the artificial storage and recovery (ASR) efforts to capture more of the Carmel River winter flows.

Finding F6.7: “There are three significant desalination proposals under consideration by the California Public Utilities Commission. The Regional Project can achieve the most benefit, at the lowest cost, with the fewest environmental impacts.”

Response: The City of Sand City has not researched this finding in enough detail to verify it. That will be the responsibility of the California Public Utilities Commission (CPUC). The City does support the on-going effort of the sponsors of the Coastal Water Project (CWP), California-American Water, and the main sponsor of “The Regional Project”, the Marina Coast Water District, to develop the most efficient **and readily available** water supply project possible.

Finding F6.8: “Over pumping of the Carmel River must eventually cease in order to comply with State Water Resources Control Board Order 95-10.”

Response: We agree.

Finding F6.10: “Citizens of Monterey County have expressed concerns that the water organizations continue to talk, analyze, and propose, but very little actually gets accomplished.”

Response: We agree. There are many political and economic reasons why the above finding is true, and because it is true, the City of Sand City had to take action and make a significant financial decision to create its own water supply. Our entire city is within a redevelopment project area that expires in 2027. We cannot wait for a regional water supply solution to complete our redevelopment efforts.

City Hall
1 Sylvan Park,
Sand City, CA
93955

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(831) 394-3054

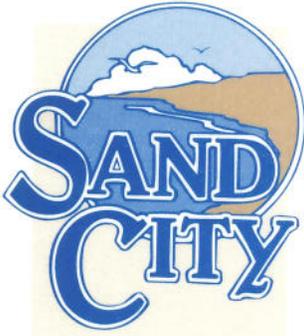
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May 31, 1960



Grand Jury Recommendations Requiring a Sand City Response

Recommendation R.6.1: "Water agencies must do all that they can to expedite a decision by the California Public Utilities Commission for implementation of the Regional Project to address water supply, storage, and seawater intrusion problems."

Response: We somewhat agree. The City of Sand City supports a "regional project" whatever form that may entail as it is approved by the CPUC. The ultimate "regional project" may be a combination of the Coastal Water Project and what is referred to in the Grand Jury report as "the Regional Water Project". The City understands that "the Regional Project" in its current form may be difficult to implement due to the many agency approvals and political complications it may have. We hope that the CPUC decision includes a part that requires speedy implementation regardless of the "regional project's" ultimate form.

Recommendation R.6.2: "Form a Joint Powers Authority composed of appropriate Monterey County entities to manage the Regional Project."

Response: We agree. The City of Sand City believes that the JPA should include representation of all of the cities on the Monterey Peninsula.

Recommendation R6.3: "Develop additional water storage capacity sufficient to provide a safe year-round supply of water for Monterey County."

Response: We agree.

Recommendation R6.6: "The approved project should be constructed as rapidly as possible once the California Public Utilities Commission has made its decision."

Response: Amen!

As a concluding remark, the City appreciates the Grand Jury's interest in water supply. It is a critical issue for the Monterey Peninsula and the rest of the state of California.

Sincerely,

David K. Pendergrass, Mayor
City of Sand City

cc: City Council
Department Heads

City Hall
1 Sylvan Park,
Sand City, CA
93955

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Incorporated
May 31, 1960



PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA 95076

TEL: (831) 722-9292 FAX: (831) 722-3139

email: info@pvwma.dst.ca.us • <http://www.pvwma.dst.ca.us>

April 12, 2010

The Honorable Adrienne Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Subject: Grand Jury Report 2009

Honorable Judge Grover;

The 2009 Grand Jury Report and its recommendations with respect to Water Problems in Monterey County are consistent with the Integrated Regional Management Planning (IRWM) strategies supported by the Pajaro Valley Water Management Agency (PVWMA). The findings highlight the ongoing need to develop water supply projects in coastal Monterey County, consistent with the Regional Project approved by Monterey County last week. PVWMA has participated in the planning meetings for the Regional Project and cooperates with Monterey County Water Resources Agency and North Monterey County water purveyors in applying for and receiving Proposition 218/IRWM grants to implement projects.

PVWMA, jointly with the City of Watsonville, completed a Recycled Water Facility in March of 2008. This project is similar in design and operation to the Castroville Seawater Intrusion Project (CSIP) and provides irrigation supply to agriculture in north Monterey County and southern Santa Cruz County.

We agree that a water distribution system for north Monterey County is badly needed due to water supply and quality issues, and continue to meet with the various parties to identify a feasible project for that area. Specifically, we have participated actively in the North County Regional Ad Hoc Committee, sponsored by Supervisor Calcagno, since 2008.

Please call if you have questions or require further information.

Sincerely,

Mary Bannister
General Manager

BOARD OF DIRECTORS

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VICE CHAIR

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LIBBY DOWNEY
JANE PARKER
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BRUCE DELGADO
KRISTIN CLARK



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

February 19, 2010

WILLIAM MERRY, P.E., BCEE
GENERAL MANAGER/
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

RICHARD NORTON
ADMIN. SERVICES MGR.

ROBERT WELLINGTON
COUNSEL

The Honorable Adrienne Grover
Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

RE: Final Report of the 2009 Monterey County Civil Grand Jury

To Honorable Adrienne Grover:

The Monterey Regional Waste Management District (District) is tasked by the 2009 Monterey County Civil Grand Jury Final Report to respond to its finding F6.7 – “There are three significant desalination proposals under consideration by the California Public Utilities Commission. The Regional Project can achieve the most benefit, at the lowest cost, with the fewest environmental impacts.”

As discussed in the District’s comment letter, dated March 20, 2009 (attached), to the CalAm Coastal Water Project Draft EIR, the District is uniquely positioned to provide an economically and environmentally desirable source of renewable power to the Regional Project, the North Marina Project, and/or expansion of the treated recycled water program at the Monterey Regional Water Pollution Control Agency (MRWPCA) Regional Treatment Plant.

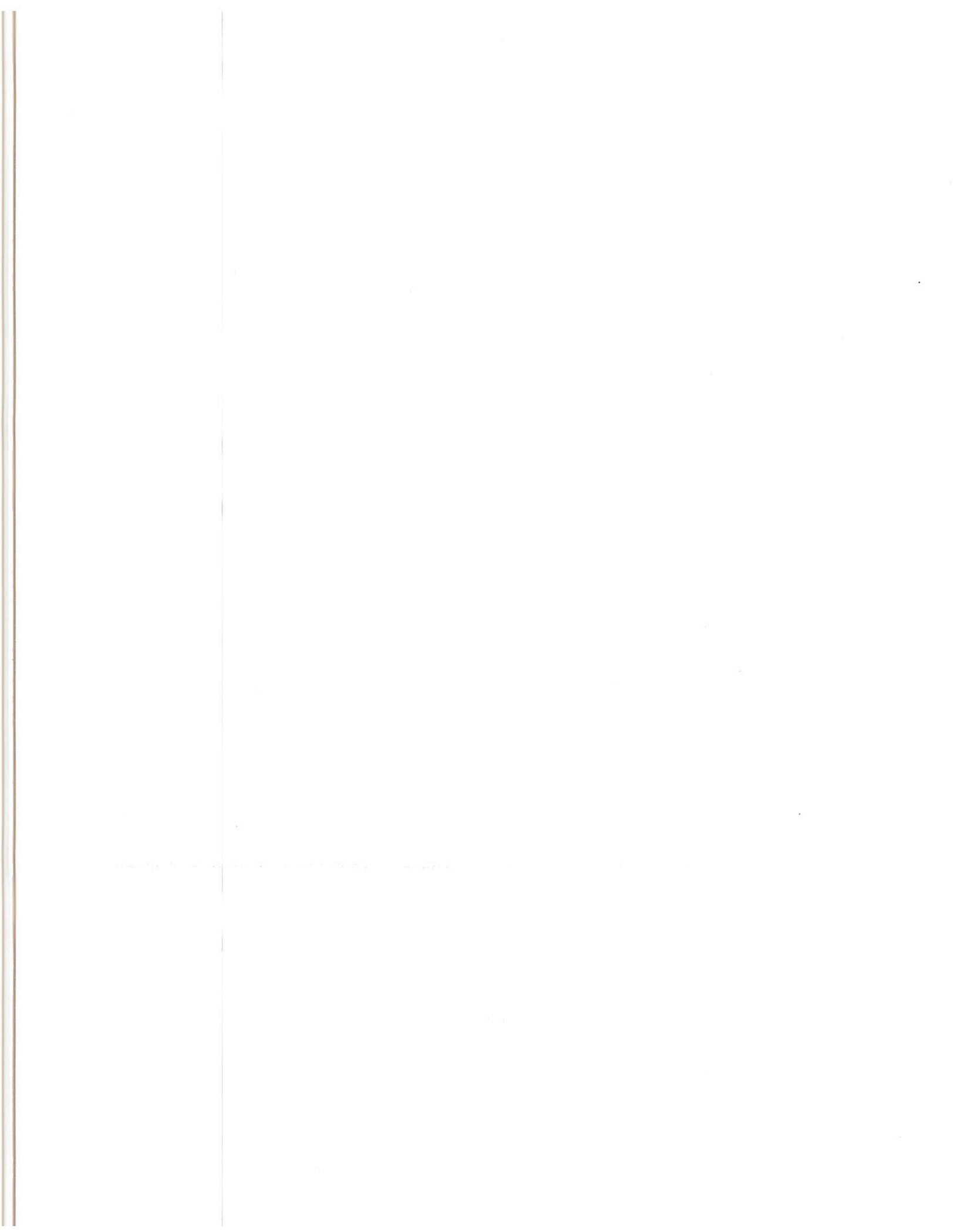
Beyond confirming our capability to provide renewable power to one of the proposed neighboring projects, the District is not qualified to agree or disagree with finding F6.7.

Obtaining an additional source of water is very important to the District’s communities. The District will continue to fully explore every opportunity to provide renewable energy to a neighboring regional water project and we look forward to the opportunity to work cooperatively to achieve this goal.

Sincerely,

Leo Laska, Chair
District Board of Directors

Attachment



BOARD OF DIRECTORS

LEO LASKA
CHAIR

SUE McCLOUD
VICE CHAIR

GARY BALES
DAVID PENDERGRASS
JOSEPH P. RUSSELL
LIBBY DOWNEY
JANE PARKER
IAN OGLESBY
BRUCE DELGADO



MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Last Chance Mercantile

March 20, 2009

WILLIAM MERRY, P.E., BCEE
GENERAL MANAGER/
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

RICHARD NORTON
ADMIN. SERVICES MGR.

ROBERT WELLINGTON
COUNSEL

Mr. Andrew Barnsdale
Environmental Science Associates
225 Bush Street, Suite 1700
San Francisco, CA 94104

RE: Comments to Coastal Water Project's Draft Environmental Impact Report - Renewable Power Supply

Dear Mr. Barnsdale:

The Monterey Regional Waste Management District (District) is uniquely positioned to provide an economically and environmentally desirable source of renewable power to the Regional Project, the North Marina Project, and/or expansion of the treated recycled water program at the Monterey Regional Water Pollution Control Agency (MRWPCA) Regional Treatment Plant.

The District provides integrated solid waste management services to the greater Monterey Peninsula. The District's facilities are located on a 475-acre parcel adjacent to the Armstrong Ranch location proposed for both the North Marina and Regional Project alternatives. Its land is also adjacent to the MRWPCA waste water treatment facilities and ground water treatment plant.

The District's primary purpose is to manage the greater Monterey Peninsula area's solid waste stream through recycling and landfill operations. It captures landfill gas and uses it as fuel in an existing 5,000 kilowatt (kW) co-generation facility. Approximately 500 kW of the renewable power produced is used to support the District's recycling operations. The remaining 4,500 kW produced are sold on the commercial market.

In the draft CWP-EIR, the common source of power listed for all projects is PG&E. For projects of these sizes, PG&E power would be expensive and all of the projects describe alternative power sources. One alternative discussed is the production of power from natural gas-fired equipment such as turbines or internal combustion engines. The District believes that receiving regulatory approval to produce power with 100% natural gas-fired equipment will be difficult given the existing, and pending, restrictions on exhaust emissions.

Mr. Andrew Barnsdale
March 20, 2009
Page 2

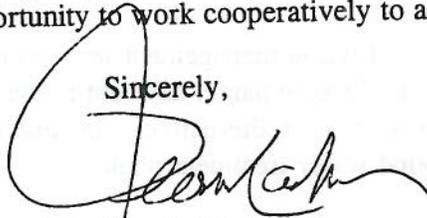
Section 218 of the Public Utility Code allows power generators, such as the District, to sell power "over the fence" directly to end users and bypass the grid. Section 5.5.1.1 of the Draft EIR discusses using District renewable power in support of the Regional Project, but because the North Marina alternative and MRWPCA are on land adjacent to the District, they could also receive the District's renewable power over the fence. Furthermore, the District would be capable of delivering power only as the projects needed and save them the standby charges PG&E would traditionally impose.

As the Draft EIR discusses, the District is evaluating the feasibility of a significant and rapid expansion in its co-generation capacity. To meet the maximum power demands forecasted, the District is exploring the following projects:

- Installation of four new co-generation units running on a mix of landfill gas and natural gas. The District will not produce enough landfill gas to support its existing four units and four additional units for many years. However, building a new power plant, with related infrastructure, and operating it on a mix of landfill and natural gas would allow the District to provide power in the near term. The volume of natural gas needed will be reduced over time as the volume of landfill gas being generated continues to increase.
- Installation of a unit to gasify wood waste to produce electricity. Essentially, in a closed system, the wood waste smolders and produces a hydrogen rich gas that powers co-generation units to produce electricity. The residue material is a solid charcoal-like substance called "biochar" which can be used as a soil additive.
- Installation of a system to capture the exhaust heat from these new units to produce still more electricity.

Obtaining an additional source of water is very important to the District's communities. The District will continue to fully explore every opportunity to provide renewable energy to a neighboring regional water project and we look forward to the opportunity to work cooperatively to achieve this goal.

Sincerely,



Leo Laska
Board of Directors Chair

cc: Lyndel Melton, RMC
Jim Heitzman, Marina Coast Water District
Keith Israel, Monterey Regional Water Pollution Control Agency
Darby Fuerst, Monterey Peninsula Water Management District



OFFICE OF THE SHERIFF MONTEREY COUNTY, CALIFORNIA

March 2, 2010

The Honorable Adrienne M. Grover
2009 Presiding Judge of the Superior Court
County of Monterey
240 Church Street
Salinas, CA 93901

Judge Grover:

Attached are the responses which comply with Penal Code Section 933.05 (b) to report on the 2009 Monterey County Civil Grand Jury's Findings and Recommendations applicable to the Office of the Sheriff, Monterey County.

Sincerely,

A handwritten signature in blue ink that reads "Mike Kanalakis". The signature is written in a cursive, flowing style.

Mike Kanalakis
Sheriff-Coroner



Monterey County Sheriff's Office

Response to the

Monterey County Civil Grand Jury
2009 Final Report

March 12, 2010

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I.	Findings F 3.1 – F 3.5	Pages 3
	Recommendations F 3.1 – F 3.6	Pages 4

REPORT TITLE: 2009 Grand Jury Report Agency Response
RESPONSE BY: Monterey County Sheriff's Office
RESPONSE TO: Findings F 3.1 – F 3.5

Finding F 3.1: *The Anti-Terrorism Approval Body does not operate transparently in the spirit of California's open-meeting laws. The Anti-Terrorism Approval Body's meetings are closed to the public. Although the Anti-Terrorism Approval Body's subcommittee meetings may be open, agendas are not being posted in advance, public comment is not being taken, and other aspects of the open-meeting laws are not being honored.*

Response F 3.1: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.2: *Discussion and voting on the grant proposals is conducted in the absence of not only the public, but also the Grant Administrator who is charged with the local administration of the program.*

Response F 3.2: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.3: *Once proposals are adopted, the Grant Administrator notifies participating agencies, but not the media.*

Response F 3.3: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.4: *The Anti-Terrorism Approval Body and its subcommittees do not have documented by-laws or written local operating procedures.*

Response F 3.4: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

Finding F 3.5: *Small public entities are at a disadvantage in receiving grants because their projects often do not have regional scope.*

Response F 3.5: The respondent cannot answer, even though the Sheriff is the chair of the body, as the Anti-Terrorism Approval Body is compromised of five voting members. The Sheriff does not have sole control over the Anti-Terrorism Approval Body.

REPORT TITLE: 2009 Grand Jury Report Agency Response
RESPONSE BY: Monterey County Sheriff's Office
RESPONSE TO: Recommendations F 3.1 – F 3.6

Recommendation R 3.1: *Open the Anti-Terrorism Approval Body meeting to public attendance in the same manner required for agencies subject to the Ralph M. Brown Act. Members of the public may wish to make comments to the Anti-Terrorism Approval Body. [Related Findings: 3.1 and 3.2]*

Response R 3.1: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.2: *Post agendas for the Anti-Terrorism Approval Body meetings in the same manner required for agencies subject to the Ralph M. Brown Act. [Related Findings: 3.1 and 3.2]*

Response R 3.2: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.3: *Inform the media of proposals adopted and associated grant amounts. [Related Finding: 3.3]*

Response R 3.3: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.4: *Update the Office of Emergency Services website, listing proposals and awards by agency. Also list the Anti-Terrorism Approval Body members by name, title, and associated agency. [Related Finding: 3.3]*

Response R 3.4: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.5: *Create bylaws and written operational procedures for the Anti-Terrorism Approval Body and its subcommittees. Public them on the Office of Emergency Services website. [Related Finding: 3.4]*

Response R 3.5: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

Recommendation R 3.6: *Encourage regional proposals that allow small public entities to join forces on projects for their mutual benefit. [Related Finding: 3.5]*

Response R 3.6: The recommendation has not been implemented because it is not within the sole authority or control of the Sheriff to do so.

MONTEREY COUNTY



OFFICE OF THE COUNTY COUNSEL

168 WEST ALISAL STREET, 3RD FLOOR, SALINAS, CALIFORNIA 93901-2439
(831) 755-5045 FAX: (831) 755-5283

CHARLES J. McKEE
COUNTY COUNSEL

March 10, 2010

Monterey County Civil Grand Jury

Re: *Response to Findings and Recommendations in 2009 Civil Grand Jury Report*

To the Monterey County Civil Grand Jury:

As the legal counsel for Monterey County's Grant Approval Authority (GAA), formerly known as the Anti-Terrorism Approval Body (ATAB), I am responding to your findings and recommendations concerning the GAA in your 2009 Civil Grand Jury Final Report.

Findings F 3.1-F 3.5:

In my legal opinion, based on my legal and factual research into this issue, Monterey County's GAA is not a body that is subject to the requirements of the Brown Act. The GAA was created by an administrative mandate by the California Governor's Office in 2003 with the required members of the GAA specified for all California operational areas. County Counsel Charles J. McKee is in the process of requesting a formal opinion from the Attorney General on this issue.

Recommendations R 3.1-R3.6:

The GAA acknowledges that they can improve communications with involved agencies and with the media through such procedures as having designated representatives from the various involved agencies attend the meetings where grant issues involving those agencies are discussed. Also, the GAA is considering releasing information regarding grant applications/awards to the local media through press releases.

Very truly yours,

TRACI A. KIRKBRIDE
Deputy County Counsel



Monterey Regional Water Pollution Control Agency

"Dedicated to meeting the wastewater and reclamation needs of our member agencies, while protecting the environment."

Administration Office:
5 Harris Court, Bldg. D, Monterey, CA 93940-5756
(831) 372-3367 or 422-1001, FAX: (831) 372-6178
Website: www.mrwPCA.org

April 9, 2010

The Honorable Adrienne M. Grover
Presiding Judge, Superior Court of California
County of Monterey, 2409 Church Street
Salinas, CA 93901

Dear Judge Grover:

SUBJECT: Final Report of the 2009 Monterey County Civil Grand Jury

The Monterey Regional Water Pollution Control Agency (MRWPCA) provides the following response to the findings and recommendations of the 2009 Monterey County Civil Grand Jury Report on the water problems in Monterey Country.

FINDINGS:

F6.1 An effective solution can be provided only through implementation of multiple, integrated projects. Monterey County water users, purveyors, and regulatory agencies need to cooperate in water supply projects, in water recycling efforts, and in water conservation programs to create and preserve a sufficient supply of water.

Response: We agree with the Finding.

F6.2 Joint Powers Authorities (JPAs) have demonstrated effectiveness in solving regional problems.

Response: We generally agree with the Finding. In the area of wastewater treatment and disposal, we believe that the MRWPCA has a demonstrated record of effectiveness. However, JPAs are not always the best solution for collaboration between government entities. The completed Regional Water Project MOU's between Marina Coast Water District (MCWD), Monterey County Water Resources

RECEIVED

APR 12 2010

SALINAS-CRIMINAL

Agency (MCWRA), and the MRWPCA are an example of other effective means for organizations to work together to provide services for our County.

Creating a JPA at times can add unneeded bureaucracy, administrative costs, and reduced responsiveness. In addition, the boundaries of the JPA must match those of its members. In conclusion, a JPA should only be considered when other regional agreements would not be effective.

F6.3 Additional infrastructure for distributing recycled water will free potable water for other uses.

Response: We agree with the Finding.

F6.4 Monterey County's water supply, derived exclusively from local sources, is completely independent from the California state water delivery system. Having a sufficient supply of local water available year-round is critical to the long-term economic viability of Monterey County's agriculture, tourism, industries, and the welfare of residents.

Response: We agree with the Finding.

F6.5 There is currently not enough water storage to allow the capture of excess winter flow for use during dry periods.

Response: We generally agree with the Finding. However, some areas have sufficient storage. For example, the Salinas Valley groundwater has adequate conjunctive storage between its reservoirs, Nacimiento and San Antonio, and the in-ground storage of water placed through operation of the MCWRA projects and programs. Also, on the Monterey Peninsula the aquifer Storage and Recovery Project by Monterey Peninsula Water Management District (MPWMD) and Cal Am provides some storage.

F6.6 Seawater intrusion threatens domestic and agricultural water supplies.

Response: We agree with the Finding.

F6.7 There are three significant desalination proposals under consideration by the California Public Utilities Commission. The

Regional Project can achieve the most benefit, at the lowest cost, with the fewest environmental impacts.

Response: We agree with the Finding. The parties have been engaged in the CPUC proceeding to examine the regional project and its alternatives.

F6.8 Over pumping of the Carmel River must eventually cease in order to comply with State Water Resources Control Board Order 95-10.

Response: We agree with the Finding.

F6.9 Monterey County is faced with areas in which water contaminants exceed federal guidelines and areas plagued by severe water shortages.

Response: We agree with the Finding.

F6.10 Citizens of Monterey have expressed concerns that the water organizations continue to talk, analyze, and propose, but very little actually gets accomplished. *"There's been too much talk and not enough action."*

Response: We generally agree with the Finding with respect to the progress over the last 30 years. However, as noted below in our response to R.6.I, much has been accomplished over the last year and a half.

RECOMMENDATIONS:

R6.1 Water agencies must do all that they can to expedite a decision by the California Public Utilities Commission for implementation of the Regional Project to address water supply, storage, and seawater intrusion problems. [Related Findings: F6.1, F6.5 – F6.8, and F6.10]

Response: The recommendation is being implemented. The parties are encouraging the CPUC to select and support the Regional Project. This is being accomplished by the following:

- Two of the public agencies (MCWRA and MCWD) have been negotiating with California American to prepare appropriate water agreements for the Regional Desalination component of the Regional Water Project.

- All of the parties submitted timely review comments to the Coastal Water Project Draft EIR
- Two of the other local entities (MPWMD and MRWPCA) became “parties” to the proceedings of the CPUC so that they could be at the table and encourage the Regional Project.
- Several of the above parties enacted supporting MOUs (Cooperative Planning and Joint Analysis for a Monterey Regional Water Supply Program executed July 10, 2009, Regional Urban Water Augmentation Project executed July 10, 2009, and Planning for Use of MRWPCA Outfall for Brine Disposal executed April 15, 2009) and the Outfall Agreement executed February 12, 2010 to help advance the CPUC approval process

R6.2 Form a Joint Powers Authority composed of appropriate Monterey County entities to manage the Regional Project.[Related Findings: F6.1 and F6.2]

Response: This recommendation will not be implemented because it is not warranted. Joint Powers Authorities (JPA's) are entities formed by two or more public organizations or government bodies that have determined to work collectively to provide public services. We do not find the formation of a JPA an appropriate solution for the Regional Project. For many of the reasons we noted in our response to F6.2, Monterey County Water Resources Agency, Marina Coast Water District, Monterey Water Pollution Control Agency, Monterey Peninsula Water Management District, California Public Utilities Commission and California American Water Company, have agreed to work collaboratively and implement the various elements of the proposed Regional Water Project in the most efficient and effective manner possible.

The Regional Project, as defined in the CWP FEIR, has five components:

1. Conservation. This component is being implemented by each entity (MCWD, Cal Am, and MPWMD) in their respective service areas. There is no need for a JPA to manage this component.
2. Sand City Desalination Facility. This facility will soon be in full operation through the cooperation of the Sand City and CalAm. There is no need for a JPA for this component.
3. Regional Urban Water Augmentation Project (RUWAP). This project has been designed to be “shovel ready” by MCWD and MRWPCA based on Agreements between and among MCWRA, MCWD, and MRWPCA. The parties are currently soliciting both State and Federal funding. The project

is projected to be built within 12 to 18 months of funding. There is no need for a JPA for this component.

4. Seaside Basin Aquifer Storage and Recovery (Seaside ASR). These facilities are in operation through the cooperation of MPWMD and CalAm. There is no need for a JPA for this component.
5. Regional Desalination Facility (including conveyance and storage facilities). The current plan is that MCWRA will construct the brackish water wells, MCWD will construct the desalination plant, MRWPCA will construct the brine receiving structure, and CalAm will construct the conveyance within their system. There is no need for a JPA for this component.

R6.3 Develop additional water storage capacity sufficient to provide a safe year-round supply of water for Monterey County. [Related Findings: F6.4, F6.5, and F6.8]

Response: The parties are involved in three types of water storage: above ground storage, storage within the Seaside Groundwater Basin, and storage within the Salinas Valley Groundwater Basin. However, once the Regional Desalination Facility is in operation, the need for water storage will be reduced.

The recommendation has not yet been implemented regarding above ground storage, but will be implemented in the future. Some above ground storage will be built as part of the Regional Urban Water Augmentation Project and as part of the Regional Desalination Facility.

The recommendation has been implemented regarding water storage within the Seaside Groundwater Basin. The existing CalAm/MPWMD ASR project is storing water from the Carmel River in the Seaside Groundwater Basin. Phase 2 of the Regional Project will expand the ASR project to increase winter water storage. Also, the Monterey Peninsula Groundwater Project, another Phase 2 component, intends to utilize the Seaside Groundwater Basin for water storage of advanced and highly treated recycled water. The parties are also discussing alternate locations for storage of recycled water during the winter in order to increase summer water availability.

The recommendation has not been implemented regarding water storage within the Salinas Valley Ground Basin, but may be implemented as part of Phase 2 of the Regional Project.

R6.4 Implement the Regional Urban Wastewater Augmentation Project to provide additional recycled water for use on golf courses and public landscaping. [Related Findings: F6.1 and F6.3]

Response: The recommendation has not yet been implemented, but will be implemented within 12 to 18 months of receiving funding (see response to R6.3, above). This period of time is necessary for funding, bidding, construction, and startup of the facilities. The project has been designed by MCWD and MRWPCA and is “shovel ready”. Again as noted in R6.2, both Federal and State funding have been requested. Further, the State has a water bond on the November ballot, that would be helpful if it is approved. Over the last several years, MCWD and MRWPCA together have spent several million to advance the project to this point. Although funding is generally out of our control, we’re confident that our ongoing and aggressive support will result in completion of the project by 2012 or 13. As an example, this year several thousand feet of RUWAP pipeline was installed as part of the General Jim Moore Road construction.

R6.5 Develop a water distribution system for north Monterey County. Although north Monterey County is not part of the initial phase of the Regional Project, we urge coordination of regional solutions to provide a basic reliable infrastructure in the near future. [Related Findings: F6.1, F6.4, F6.6, F6.9, and F6.10]

Response: The recommendation has not yet been implemented, but we understand it will be implemented by MCWPA in the future once the concept and technical parameters are finalized and funding is identified. The proposed regional water project will make water for North County more likely for the future.

R6.6 The approved project should be constructed as rapidly as possible once the California Public Utilities Commission has made its decision. [Related Findings: F6.1, F6.8, and F6.10]

Response: This recommendation has not yet been implemented but will be implemented in the future. With the cooperation of all the entities (MCWD, CalAm, MCWRA, MRWPCA, and MPWMD) and with minimal interference, the Desalination Component of the Project can be completed within four years of final CPUC approval. This is exceptionally fast as it includes additional studies, design, bidding, construction, and start-up.

This recommendation has not yet been implemented regarding the Regional Urban Water Augmentation Project but will be within 12 to 18 months of receiving funding

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(not dependent on CPUC approval). And as noted above we are aggressively pursuing Federal and State funding.

This recommendation has been implemented with regards to pursuing conservation, the Sand City Desalination Facility, and the Seaside Basin Aquifer Storage and Recovery Project.

Let us know should you need further information or clarification of our responses.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Keith Israel", written in a cursive style.

Keith Israel
General Manager

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