



# NAPA COUNTY

BOARD OF SUPERVISORS

MARY JEAN MCLAUGHLIN  
Clerk of the Board

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September 10, 2002

**RECEIVED**  
Clerk of the Napa Superior Court

SEP 18 2002

The Honorable W. Scott Snowden  
Presiding Judge  
Superior Court of California, County of Napa  
825 Brown Street  
Napa, CA 94559

Dear Judge Snowden:

As required by Penal Code Section 933(c), enclosed are the responses to the 2001-02 Grand Jury Final Report, excluding responses from the Napa-Vallejo Waste Management Authority and the Napa County Conservation, Development & Planning Commission which will be mailed under separate cover September 18, 2002. Responses to findings and recommendations affecting local government entities other than the County are not included in the Board's response when those entities are not under the jurisdiction of the County Board of Supervisors.

Grand Jury activity takes place over the course of a number of months. As such, their findings and recommendations often address issues which county departments have already identified as problems and to which solutions are in the process of being developed. We note that a number of the Grand Jury's recommendations have been implemented or are in the process of being implemented at this time.

The Board acknowledges the members of the 2001-02 Grand Jury for the time they have devoted in preparing their report.

Sincerely,

A handwritten signature in cursive script that reads "Bill Dodd".

Bill Dodd, Chairman  
Napa County Board of Supervisors

BD:HF:pg  
I-shared:GJ:2001-02 ResponseLtr

Enclosure

cc: Foreman, 2001-02 Grand Jury

BRAD WAGENKNECHT  
District 1

MARK LUCE  
District 2

MEL VARRELMAN  
District 3

BILL DODD  
District 4

MIKE RIPPEY  
District 5

## AIRPORT SPECIFIC PLAN – NAPA COUNTY

### FINDING 1:

The Grand Jury finds it repugnant that an entity of Napa County sued the County itself. The taxpayers of the County and of American Canyon funded this litigation; American Canyon residents were taxed twice, both as citizens of the City and citizens of the County. Both bodies should have instructed staff to meet and consult until the need for litigation was resolved. Individual personalities on both the Board and the Council should have given way to the common good.

**Response – County Director of Conservation, Development & Planning:** The County Director of Conservation, Development & Planning agrees with this Finding.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Director of Conservation, Development & Planning's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

### RECOMMENDATION 1:

Future litigation between the County and its cities or other governmental bodies should be avoided at almost any cost. In the future, staff should be directed to find a solution short of litigation. Mediation between the staff of the County and the staff of the City should be required before resorting to litigation.

**Response – County Director of Conservation, Development & Planning:** The County Director of Conservation, Development & Planning agrees with this Recommendation.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Director of Conservation, Development & Planning's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

### FINDING 2:

The Napa County Board of Supervisors seem to be content to operate on a "status quo" basis with an invalid Housing Element, an invalid General Plan, and an invalid 1998 Airport Specific Plan.

**Response – County Director of Conservation, Development & Planning:** The County Director of Conservation, Development & Planning partially disagrees with this Finding. While it is true that the County has a Housing Element which was decertified by HCD and an invalid 1998 Airport Industrial Area Specific Plan, (1986 version remains valid), the County's General Plan (including the Housing Element) is not otherwise invalid. There are no statutes at the State level that require periodic updates of any elements of the General Plan, with the exception of the Housing Element. However, the Governor's Office of Planning and Research (OPR) does communicate with local jurisdictions to "remind" them that their General Plans haven't been updated in ten or more years and that updating may be worth considering. Napa County's General Plan is in this category. Furthermore, the status of these documents as such should not be taken as evidence that the Board is "content" with the situation.

On the contrary, the Board made a commitment last Fall to participate in the convening of the Countywide Land Use and Housing Strategy Committee under the umbrella of NCLOM (Napa County League of Municipalities). The committee includes two elected officials from the County and each of the five cities. It was convened in October 2001 by Assemblywoman Patricia Wiggins in response to a request by the County to seek assistance from the cities with its Housing Element problems. This process is ongoing, with eight public meetings having taken place.

Specifically, given the voter initiative (Measure A) that helps guide growth management in Napa County, the Board is compelled to place a limit on the number of residential building permits issued annually. Since that number (109) is significantly lower than the "Regional Housing Needs Determination" (RHND) imposed by the Association of Bay Area Governments (ABAG) on Napa County (263), it would be impossible to achieve the ABAG goal without undoing the will of the voters regarding the rate of growth in unincorporated Napa County.

However, there is a statute in the State Government Code that allows a county to reduce its "RHND" number in the event that any or all of the cities in that county are willing to absorb some of that requirement above and beyond their own RHND. Although voters - with adoption of the Agricultural Lands Preservation Initiative (Measure J) - and officials alike in each of the County's municipalities continue to support the County's basic land use scheme which protects agricultural and open space land and guides growth into the five incorporated cities, the consequences of these policies leave the County in a 'bureaucratic Catch 22' where the County is being asked to develop housing in areas directly impacting agricultural and open space lands, in conflict with a) the County's guiding growth philosophy where housing is located in cities, b) City General Plan policies prohibiting growth on the edge of cities, and c) with LAFCO policies which promote urban development within cities. Further, the County does not control the provision of needed municipal services required to facilitate housing projects. Therefore, ongoing negotiations continue with the individual cities to determine what each of them may require in exchange for assisting the County with "its housing problem".

The County Director of Conservation, Development & Planning believes that a certified Housing Element is the prerequisite for the update of the General Plan and the Airport Specific Plan, both of which would likely follow such an occurrence (i.e. certification) in short order.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Director of Conservation, Development & Planning's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response

**RECOMMENDATION 2:**

Napa County's Board of Supervisors and its responsible agencies need to urgently address the issues raised by the invalidity of the Housing Element, and the invalidity of the General Plan. The County has hard choices to make regarding growth, development and housing and it is up to the elected officials to take stands and make policy rather than maintain their current "wait and see" attitude.

**Response – County Director of Conservation, Development & Planning:** The Recommendation has been implemented. As described above, there are active efforts underway between the County and the cities to solve these problems, while avoiding – or at least minimizing – compromising the basic growth and development principles that have made Napa County a special place.

**Response – County Executive Officer:** County Executive Officer concurs with the County Director of Conservation, Development & Planning's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**AGRICULTURAL PESTICIDES – NAPA COUNTY**

**FINDING 1:**

The Grand Jury found no evidence of any significant, repetitive or extensive violation of agricultural pesticide use in the county. Where appropriate, it appears that violators have been assessed warnings, penalties and/or fines and corrected their misuse.

**Response – Agricultural Commissioner:** The County Agricultural Commissioner agrees with this Finding.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Agriculture Commissioner's response.

### **RECOMMENDATION 1:**

The Napa County Agricultural Commissioner's Office should remain vigilant and continue to vigorously investigate violations of pesticide regulations as detected. The current system of inspection every four years should not be routine and should be done more frequently. Penalties for repeat or large-scale violations should be greater than \$700 fines.

**Response – Agricultural Commissioner:** The Recommendation has been implemented. The Pesticide Regulatory Program remains a high priority for the Napa County Agricultural Commissioner's office. We will continue to evaluate compliance with pesticide laws and take appropriate action to correct non-compliances. Our current inspection protocols provide for a minimum of inspection once every three to four years for growers who use only non-restricted pesticides and who do not have employees who apply pesticides. These situations are considered the lowest risk to people and the environment. Most others, especially growers with employees who handle pesticides and those who use restricted pesticides, are inspected on a much more frequent basis, some many times during a growing season. Individuals with a history to non-compliance or those whose use sites includes environmentally sensitive areas are likely to receive more attention from limited inspection staff.

Administrative Civil Penalties are limited to \$1,000 per violation by statute (Food and Agriculture Code Section 12999.5 and Business and Professions Code Section 8617). Decisions about enforcement actions including fine levels are made in accordance with uniform statewide guidelines developed by California Environmental Protection Agency, Department of Pesticide Regulation and county agricultural commissioners.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Agriculture Commissioner's response.

### **FINDING 3:**

Traditional agricultural practices involving the application of toxic chemicals to soil can lead to cumulative chemical effects that contaminate the environment, threaten human health and compromise ecosystems. There is a growing trend among some County farmers that is resulting in a movement away from traditional chemical pesticides and towards a safer pest management approach. This concept of "Sustainable Agriculture" can provide agricultural product in a profitable way without creating pollution or risks to human health or environment.

Sustainable Agriculture is "an integrated system of plant production practices that meet the needs of the present without compromising the ability of future generations to meet their needs" according to the Sustainable Agriculture Research and Education Program at the University of California, Davis. This Program was created in 1986 by CA legislature in response to concern about:

- Protecting human health and wildlife in rural communities;
- The environmental impacts of traditional agricultural techniques;
- Profitability and success of small and family farming operations; and
- Ensuring abundant, affordable and healthy farming product.

**Response – Agricultural Commissioner:** The County Agricultural Commissioner agrees with this Finding.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Agriculture Commissioner's response.

**RECOMMENDATION 3:**

The AC Office should take the lead in encouraging Napa County farmers to learn about and implement Sustainable Agricultural concepts and techniques. Research and data available suggest that Sustainable Agricultural techniques are an important means towards prevention of the adverse effects of traditional chemical pesticides and fertilizers, while still operating profitable and productive farms. Sustainable Agriculture should be one of the subjects for the Public Awareness Week in Recommendation #4.

**Response – Agricultural Commissioner:** The Recommendation has been implemented. The Napa County Agricultural Commissioner is a founding member of the Napa Sustainable Winegrowing Group and remains active in the group's mission to identify and promote sustainable winegrowing practices. The Napa County Agricultural Commissioner will work with the Director of Environmental Management and the Napa County Board of Supervisors on the Public Awareness Week concept.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Agriculture Commissioner's response.

**FINDING 4:**

Last year, more than 2,120,000 pounds of pesticide were used in Napa County, which ranked 22nd highest in pesticide use out of California's 58 counties. This represents a 10% decrease from the prior year. This is the third straight year that Napa County has experienced decreased conventional agricultural pesticide use.

Three of the top five most-used pesticides or herbicides in Napa County: sulfur, glyphosate salt and copper hydroxide, are considered relatively safe to humans. The most commonly used chemical is elemental sulfur, which many believe is relatively safe for human contact and the environment. In fact, elemental sulfur is authorized for use by certified organic farmers. However, some observers still feel that there may be long-term health risks even with elemental sulfur use.

Two others in the top five, methyl bromide and simazine, are among chemicals that most concern citizen activists:

- Methyl bromide is a soil sterilant in gas form used prior to planting. It has been associated with human birth defects at low doses, and its use is closely regulated under the terms of Proposition 65: the State's Drinking Water and Toxic Enforcement Act of 1984.

- Simazine is a common herbicide used on grapes. It is categorized as a possible human carcinogen and endocrine disrupting chemical. It is a frequent ground water contaminant throughout the U.S.

Some vineyard managers believe that most of the useful information on effective pesticide or herbicide choices comes from local dealers, marketing agents or word of mouth from other vineyard managers, rather than from our local government agencies.

**Response – Agricultural Commissioner:** The Agricultural Commissioner agrees in part with this Finding. Specifically, for clarification purposes, the use statistics that have been cited (2,120,000 pounds) are for calendar year 2000. The use total for calendar year 1999 was 2,347,153 pounds, a decrease from year 2000 to year 1999 of 226,925 pounds or 9.67%. (In 1998 the total use was 2,693,004 pounds. Therefore the data reflects a decrease over the three-year period of 572,776 pounds of 21.3%). While these decreases in total pounds of pesticide use reported are significant and a definite move in the right direction, in an evaluation of pesticide use, one should not focus exclusively on total pounds used. It is important to look at the relative toxicity of the pesticides being used. An increase in the total pounds of pesticide used may reflect a move by users to a lower toxicity material that is applied at much higher rates per acre.

It would also disagree about methyl bromide having “been associated with human birth defects at low doses”, and simazine “categorized as a...endocrine disrupting chemical”. In reviewing toxicological data from Exttoxnet or Extension Toxicology Network, Pesticide Information Profiles, (<http://ace.ace.orst.edu/info/exttoxnet>) there is no data to support the above referenced claims about these two substances. Exttoxnet is a reputable Pesticide Information Project of Cooperative Extension Offices in Cornell University, Oregon, State University, the University of Idaho and the University of California at Davis and the Institute for Environmental Toxicology, Michigan State University. There is no dispute regarding the acute toxicity of methyl bromide and the categorization of simazine as a groundwater contaminant. As local pesticide regulators, both of these materials are well known to use, and in fact, continue to be a priority of our local regulatory program.

**Response – Director of Environmental Management:** The County Environmental Management Director agrees in part with the Finding. Concerning the statement “It has been associated with human birth defects at low doses” made about methyl bromide, the Department is unable to verify that statement. Concerning the statement “It is categorized...and endocrine disrupting chemical.” Made about simazine, the Department is unable to verify that statement. A search of the scientific texts and Internet sites that the Department routinely uses did not verify these two statements. Both methyl bromide and simazine are chemicals that must be used appropriately and safely, and the Department supports the move by users of these materials to less toxic alternatives.

**Response – Public Health Officer:** The County Public Health Officer supports the response of the Agricultural Commissioner. With respect to the conclusion being drawn in the last paragraph, as the County Public Health Officer has no contact with either vine managers or local pesticide dealers or marketing agents, he has no basis on which to formulate an opinion regarding its correctness.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses of the County Agriculture Commissioner, Director of Environmental Management, and Public Health Officer.

**RECOMMENDATION 4:**

The Grand Jury acknowledges and applauds County farmers' efforts at reducing traditional pesticide and herbicide use. The Department of Environmental Management and The Office of the Agriculture Commissioner should consider a "Public Awareness Week" for increased dissemination of information regarding pesticide, health and clean water issues in Napa County. The Napa Board of Supervisors needs to be kept abreast of recent changes in State and Federal laws regarding use and monitoring of pesticides in our county.

**Response – Agricultural Commissioner:** The Recommendation has been implemented. The County Agricultural Commissioner will work with the Director of Environmental Management and the Board of Supervisors on the Public Awareness Week concept. When appropriate, the Napa County Agricultural Commissioner will report to the Napa County Board of Supervisors on changes in State and Federal laws affecting pesticide use in Napa County.

**Response – Director of Environmental Management:** The Director of Environmental Management concurs with the County Agriculture Commissioner's response.

**Response – Public Health Officer:** The Public Health Officer concurs with the County Agriculture Commissioner's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses of the County Agriculture Commissioner, the Director of Environmental Management and the Public Health Officer.

**FINDING 5:**

Watershed testing for ground and surface water contamination in Napa County done by State agencies over the past twelve years has shown undetectable levels of pesticide or herbicide. These tests are done on a random, unscheduled basis throughout high-risk areas in the county. State requirements vary from one time testing, annual testing or every three-year testing, depending on the chemical. Water is also tested for other contaminants, including pathogens, nutrients and sediment by these random tests.

Currently the Department of Environmental Management (DEM) receives State funds of \$26,000 per year plus additional tax revenues from local water districts for implementing these environmental health and safety regulations. However, neither DEM nor any other local Napa County agency is testing ground or river water for pesticide contamination at this time. According to the Director, this is in part due to DEM staffing shortages over the past several years. The State may take over the required testing in Napa County if DEM does not comply, and DEM could lose State and water district revenues for this testing. Currently, neither Sonoma nor Solano County agencies are doing local ground water testing; it is being done by the State.



**Response – Director of Environmental Management:** The County Director of Environmental Management disagrees in part with the finding. The State Funds received are for monitoring small public water systems, not for general watershed testing as stated by the Finding. In addition, permit fees are received directly from those small public water systems, but no additional tax revenues are received. These funds are directly related to the small public water systems, which are required to complete testing and monitor for a wide variety of potential contaminants. While the Department was previously seriously under-staffed in this program, it is now fully staffed and the Department is completing the monitoring and inspection program for these facilities, and is no longer in danger of losing the program and its associated revenues.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Environmental Management Director's response.

#### **RECOMMENDATION 5:**

Napa County DEM should comply with State requirements for chemical contaminant testing in ground and surface water at this time, and make use of the funds received for this task. Napa County DEM needs to comply or the testing should be turned over to State regulators.

**Response – Director of Environmental Management:** The recommendation has been implemented. The Department is already meeting the State requirements for the small water system program, as stated in recent evaluations from the State office of Drinking Water.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Environmental Management Director's response.

#### **FINDING 6:**

The Agriculture Commissioner, the Director of DEM and the Napa County Public Health Officer have investigated and found that there are no reports of any serious illnesses or injuries related to pesticide use in Napa County. There have been some mild eye and skin irritations or allergic reactions of a temporary nature in some pesticide workers.

The Grand Jury finds that there is no data or evidence to link pesticide exposure with any chronic or long-term illness or injury affecting Napa County residents. Specifically, the Grand Jury finds that there is no evidence to indicate a clustering of cancer or higher incidences of cancer among residents in agricultural areas of the county or among agricultural workers.

**Response – Agricultural Commissioner:** The Agricultural Commissioner agrees with this Finding.

**Response – Director of Environmental Management:** Director of Environmental Management concurs with the County Agriculture Commissioner's response.

**Response – Public Health Officer:** The Public Health Officer concurs with the County Agriculture Commissioner's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses of the County Agriculture Commissioner, the Director of Environmental Management and the Public Health Officer.

**RECOMMENDATION 6:**

The Public Health Officer, Agriculture Commissioner, and DEM should maintain public education programs which encourage reporting and detection of both acute and chronic illness related to pesticide exposure. All reasonable requests for investigation of illness or injury caused by pesticides should be fully investigated and tracked by a joint database and good communication between all three agencies.

Property owners' requests for no pesticide use on their property should be honored. No forced spraying should be considered for areas around schools, daycare centers, hospitals, retirement homes, parks, tourist areas, medical and vet facilities, creeks and other bodies of water. Chemically sensitive persons, such as cancer patients, AIDS patients, asthmatics, and others with compromised immune systems should be notified prior to any spraying.

**Response – Agricultural Commissioner:** The Recommendation has been implemented. County Agricultural Commissioners, in conjunction with CalEPA, Department of Pesticide Regulation, have the responsibility and authority to investigate pesticide illnesses and exposure. Current State law requires physicians who suspect pesticide illness or exposure to report these occurrences to the County Health Officer who, in turn, forwards these reports to the Agricultural Commissioner for follow-up investigation. The decisions about acute and chronic illnesses related to pesticide exposures are appropriately made by medical doctors. The Napa County Agricultural Commissioner and the Napa County Health Officer have and continue to confer on ways to improve the reporting process.

The Napa County Agricultural Commissioner in conjunction with the California Department of Food and Agriculture (CDFA), have authority and responsibility for the control and eradication of pests of significance in Napa County. This includes the authority to use pesticides when appropriate. The recent discussions surrounding the control of the Glassy-winger Sharpshooter (GWSS) in other parts of the State, led to discussions about how the Napa County Agricultural Commissioner would handle control of this devastating pest should it be introduced into Napa County. The CDFA-approved Napa County workplan described in detail the plan that would be followed in the event of a GWSS find. Specifically, this locally developed plan includes "Item K: Protocol for Effective Abatement of the Glassy-winger Sharpshooter: An Attachment to the Napa County GWSS Workplan". This protocol allows for full disclosure to property owners and residents prior to any pesticide treatments, most likely by door-to-door communication and through properly noticed public meetings held within the proposed treatment area. In addition, the plan allows for the use of alternative pest control measures when appropriate to protect sensitive individuals, land uses and environments.

**Response – Director of Environmental Management:** The Recommendation has been implemented. The Department will expand their existing public education programs to include information on reporting and detection of both acute and chronic illness related to pesticide exposure. We will coordinate new outreach efforts with other County Departments and continue to coordinate appropriate targeted outreach efforts. Currently the Department has an extensive outreach program and provides operation and coordination of hazardous wastes for both households and businesses.

**Response – Public Health Officer:** The Recommendation has been implemented. The Public Health Officer does maintain and participates in a public education program centered on local physicians. This system involves and includes local physicians, local hospital emergency rooms, statewide regional poison control centers, the State Office of Environmental Health Hazard Assessment, the State Department of Industrial Relations and the State Department of Pesticide Regulation. Reports of incidents are forwarded to agencies charged with investigative responsibilities for action and investigations are conducted as circumstances warrant. Information from this system is maintained in a database as it is further developed and reported back.

The Public Health Office maintains good communication with both the Department of Environmental Management and the Agricultural Commissioner's office and cooperates with them on investigations whenever asked by them for participation.

The Public Health Officer supports, in as much a manner as possible respecting the rights of all individuals and businesses involved, that requests by property owners of no pesticide use be honored and that forced spraying in and around the several sites and locations detailed above not be allowed. Additionally, the Public Health Officer supports in as much a manner as possible, respecting the rights of all individuals and businesses involved, notification of chemically sensitive persons, such as cancer patients, AIDS patients, asthmatics, and others prior to any spraying by the agencies having jurisdiction over the granting of use permits, etc.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses from the County Agriculture Commissioner, County Director of Environmental Management, and County Public Health Officer.

## **AUDITOR – COUNTY OF NAPA**

### **FINDING 1:**

The County renewed the independent audit contract with B.B.&R.

**Response – County Auditor-Controller:** We agree that the independent audit contract with BB&E was renewed.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Auditor-Controller's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**RECOMMENDATION 1:**

While the Grand Jury finds no material fault with the services provided by Bartig, Basler & Ray, the Grand Jury believes that it would be prudent for the county to contract with a different accounting firm to provide its annual independent audit after the current contract with Bartig, Basler & Ray is completed. While such a change may cause the county to pay more for the required auditing services, the Grand Jury believes that such a change is warranted in order to ensure a freshness in the opinion formed by the independent auditor with regards to the county's financial statements and as well, its consideration of the County of Napa's internal control over financial reporting.

**Response – County Auditor-Controller:** It has always been the Auditor-Controller's intent to solicit bids for the independent audit at the conclusion of the current contract. With fewer and fewer accounting firms responding to requests for proposals to provide the independent audit services to government agencies, and in particular to agencies the size of Napa County, we fully expect to have reduced competition and higher fees for the next contract. However, of utmost importance in the selection of the accounting firm is the reputation and integrity of the firm. In fact, in a 1992 Statement of Position Regarding Mandatory Rotation of Audit Firms of Publicly Held Companies, the AICPA details their reasons for taking the position that mandatory rotation is not necessary or appropriate. Therefore, the recommendation to change audit firms will be implemented if warranted after bids are solicited and scrutinized.

**Response – County Executive Officer:** The County Executive Officer concurs with the Auditor-Controller's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**FINDING 2:**

The exclusion from the Balance Sheet of physical assets valued at less than \$5,000 will understate the actual value of property, plant and equipment held by the County. Such an exclusion may be material. Furthermore, expensing physical assets that have a useful life of more than one year presents an unclear picture of current year operating expenses and makes it difficult to analyze the government's financial performance.

**Response – Board of Supervisors:** The Board of Supervisors disagrees with this Finding for the following reasons. Firstly, the exclusion on assets valued at under \$5,000 is not material to the financial position of Napa County. Secondly, all fixed assets purchased at any value (even those valued over \$5,000) are expensed through the budget process. There is thus no effect on the

operating expenses of the County. Assets valued at over \$5,000 are secondarily recorded in the Fixed Asset Group of Accounts, which is a Balance Sheet item only.

**RECOMMENDATION 2:**

The Board of Supervisors should review the accounting decision made by its adoption of Resolution 01-83, *Policy For Budgetary Controls*. The Grand Jury recommends that the Board of Supervisors reduce the value of those physical assets to be included in the County's Balance Sheet to \$750 with a useful life of more than one year for an individual item, or, \$500 with a useful life of more than one year for items purchased in bulk, such as road signs, office fixtures and furnishings and similar items. Physical assets purchased by the county with a useful life of less than one year should be expensed. The adoption of such a modification in policy would better reflect the County of Napa's actual assets when identified separately from infrastructure assets such as roads, buildings and bridges.

Such a policy modification would better reflect the current year expenditures in the County of Napa Annual Financial Report, provide easier analysis of original budget and revised budget figures, increase the usefulness of prior budget year comparisons to current and future years budgets, and also allow users (including the public) to assess the government's ability to estimate and manage its general resources.

**Response – Board of Supervisors:** The Recommendation will not be implemented because it is not warranted. According to the California State Controller's Accounting Standards and Procedures Manual, "Equipment includes movable personal property of a relatively permanent nature and of significant value, such as furniture, machines, tools, vehicles. 'Relatively permanent' is defined as having a useful life of one year or longer. 'Significant value' is defined as a minimum value of \$100 to \$5,000 as established by the County Auditor."

The Napa County Auditor-Controller established a significant value of \$5,000 and this Board ratified that \$5,000 value level. It should be pointed out that more than the majority of counties in California have adopted an asset level of \$5,000. It should also be pointed out that all annual asset purchases are shown as expenses and recorded through the annual budget process. Only those assets over \$5,000 are recorded in the General Fixed Assets accounts on the Balance Sheet. Therefore, the fixed assets value limit has no effect on the current year operation expenses shown in the financial statements.

The mandated General Accounting Standards Board (GASB) Statement Number 34 (GASB-34) became effective for Napa County as of July 1, 2001. As part of that Statement's requirements, Napa County is required to not only value, but to also depreciate all assets and infrastructure. Part of the reason for setting the fixed asset level at \$5,000 is to reduce the number of items for which the County must calculate and show depreciation on the financial statements. The mandate of GASB-34 gave Napa County the opportunity to take a fresh look at its fixed asset policies and implement procedures to simplify the accounting for its assets. We believe the County is appropriately accounting for its assets in a manner that is consistent with other Counties in the State of California and in accordance with the guidelines of the California State

Controller's Accounting Standards and Procedures Manual. We therefore, disagree with this Finding and Recommendation.

**FINDING 3:**

The County of Napa contracts with B.B. & R. to provide independent audit services. Due to the required implementation of GASB-34, the County sought additional outside professional services (accounting services) to assist with the work associated with this endeavor. The County of Napa enlisted the services of B.B. & R. to establish Pro-Forma Financial Statements for the FYE 2001.

***Response – County Auditor-Controller:*** We disagree with this Finding because the services provided were consulting services, not accounting services. We define accounting services as performing actual accounting entries into a client's financial system and/or involvement in day-to-day client operations and management decision processes. Consulting services are specifically allowed under the guidelines established by the General Accounting Office (GAO) Chapter Three-Section 26.

***Response – County Executive Officer:*** The County Executive Officer concurs with the Auditor-Controller's response.

***Response – Board of Supervisors:*** The Board of Supervisors concurs with the County Executive Officer's response.

**RECOMMENDATION 3:**

The Grand Jury believes that undetected potential problems could occur when the accounting firm providing the independent audit is also conducting other accounting or consulting services. This is a basic separation of duties issue, and the above-described situation should not be repeated.

In the future, the County of Napa should segregate accounting and independent audit services performed by outside companies.

***Response – County Auditor-Controller:*** The Recommendation will not be implemented because it is not warranted for the following reasons. First of all, BB&R did not perform accounting services, but merely assisted in developing the presentation format required by GASB-34 using prior year data. Secondly, the assistance in the preparation of pro-forma financial statements for a fiscal year already audited, is not a conflict of interest and does not constitute a violation of the basic concept of separation of duties. The purpose of pro-forma statements for FYE 2001 is to have a model to use, to guide the Auditor-Controller in preparing the GYE 2002, GASB-34 required statements. The Napa County Auditor-Controller does not use the independent accounting firm performing the audit of the County's financial statements to perform any accounting services, and has no plans to do so in the future.

**Response – County Executive Officer:** The County Executive Officer concurs with the Auditor-Controller's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**FINDING 4:**

It is apparent that Trust Fund accounting needs further attention. As of June 30, 2001 total cash and investments in the county treasury per financial statements are \$286,540,045. Even small errors or incomplete work by the Auditor-Controller's office may have significant impact upon the accounting of public funds. The Grand Jury notes that the independent auditor did not include any comments on the accounting of Trust Funds in its prior two Management Reports (Year Ended June 30, 2000 and Year Ended June 30, 2001).

**Response – County Auditor-Controller:** We disagree with this Finding in part. It should be pointed out that the responsibility of receiving, disbursing and reconciling Trust Funds rests with the County Departments, not the Auditor-Controller. As a matter of fact, it was the Auditor-Controller's Internal Audit Section that pointed out the need for departments to more closely monitor its trust funds.

**Response – County Executive Officer:** The County Executive Officer concurs with the Auditor-Controller's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**RECOMMENDATION 4:**

The Board of Supervisors, County Executive Officer, and the citizens of Napa County should expect that the Trust Funds held by the County of Napa be accounted for in a thorough, timely and accurate manner.

Work not done at the close of accounting periods is work done poorly. The Board of Supervisors and County Executive Officer should instruct the independent auditor to review the Trust Fund accounting system, its internal control structure and procedures, and report to the Board of Supervisors those matters which it considers to be material or worthy of consideration.

**Response – County Auditor-Controller:** The Recommendation has been implemented, even during the year under review by the Grand Jury. The Grand Jury entirely overlooked the fact that the Internal Audit Section of the Napa County Auditor's Office completed a review of all departmental trust funds and filed reports with the Board of Supervisors during the fiscal years ended June 30, 2001 and 2002. Those reviews will continue. That audit work is used by the outside auditors when developing the scope of their own audit. Even though the outside auditors may not perform specific audits of trust funds, the sampling of transactions that flow through the

accounting system include trust fund transactions and they are tested in the same manner as any general fund transaction.

**Response – County Executive Officer:** The County Executive Officer concurs with the Auditor-Controller's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

## **FIRE DEPARTMENT – NAPA COUNTY**

### **FINDING 2:**

There are problems with volunteer firefighter recruitment and retention in Napa County. Several volunteer stations are short on numbers of volunteers. In recent years, the number of persons interested in volunteer firefighting has been decreasing. Each year, as our County population increases, the volunteer stations in NCFD are called upon to increase their workload. Data confirm that most stations are making more calls each year. The annually increasing call-out rate is wearing on many of the volunteers. Recruiting and staffing of volunteer stations has become more difficult for most of the chiefs (there are a couple of exceptions to this where local community support is very strong).

This difficulty is due to a combination of factors, including the rigorous training and certification required by the State, the time commitment necessary, problems with access to affordable housing in Napa County, and the fact that volunteer firefighters are not paid. At some stations, high volunteer turnover rate keeps training sessions to basics. Many younger volunteers eventually quit volunteer work to join paid fire departments or to pursue other paying jobs.

Emergency calls during Monday-Friday daytime hours are the most challenging for most volunteer fire stations. Most of the volunteers are not readily available during those hours because they are working at their regular jobs, sometimes located out of area. Evenings and weekends are generally easier to staff.

**Response – County Fire Department:** The County Fire Chief agrees in part with this Finding. The volume of emergency calls will continue to increase as growth, tourism, and associated traffic increases. This will place increased demands on all components of Napa County Fire Department (NCFD), including both paid and volunteer staff.

The County Fire Chief agrees recruitment and retention of volunteer firefighters is a concern. This difficulty in recruitment is consistent with a nation-wide trend and appears to be due to several factors. These factors include increased state-mandated safety requirements and an increasingly mobile population who often commute long distances to work (making them unavailable to respond in their community). Additionally, many volunteer firefighters who



undertake the mandated training become eligible for paid firefighting jobs and often leave the volunteer force for permanent jobs.

A recent newspaper article<sup>1</sup> summarized the dilemma faced by jurisdictions that rely exclusively on volunteers fire companies.

The lack of volunteers is familiar to many nonprofit agencies. People have less free time to volunteer, and those that do tend to be older. "We have trouble getting young people," Duignan said. "A lot of them are going away to college or finding jobs outside of the area because they can't afford to live and work in this area." Zanzi said he's losing volunteers to paid fire departments, which he said are struggling throughout California to hire and keep staff. "Volunteers have that training," Zanzi said. A major challenge for volunteer fire departments is finding people who are available during the day, in an age when many commute to work or have other commitments.

The issue of recruitment and retention of volunteer firefighters is especially critical to jurisdictions that depend exclusively on volunteers to respond. Since NCFD relies primarily on full time paid staff to respond to emergencies we do not share the same crisis. Though we are not at the critical stage compared to some jurisdictions, we must continue to search for ways to attract and retain volunteer firefighters who play an important role in the delivery of NCFD services.

The County Fire Chief disagrees with the finding that weekends and evenings increase the likelihood of a volunteer responding along with the paid staff. At some locations the time of day does not have an impact on likelihood of a volunteer response to supplement the response of the paid staff.

<sup>1</sup> Excerpt from July 1, 2001 article written by Derek J. Moore and published in the Santa Rosa Press Democrat.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

## **RECOMMENDATION 2:**

The Grand Jury recommends that the County initiate a paid weekday full-time staff of firefighters at certain volunteer stations where necessary. This could include a paid chief and one or two full-time paid firefighters. Calistoga initiated a system like this three years ago with good results; the City of St. Helena Fire Department also has a part-time paid chief. Some volunteer stations may not require this where staff is always readily available.

This paid staff would facilitate Monday-Friday daytime calls, do local administrative work, keep up the facilities at the station, organize training/recruiting and most importantly, have a permanent staffing voice that could be more effectively heard by the NCFD administration. This system would decrease response times for emergency calls Monday-Friday daytime at some stations, as weekday staff would be available immediately at the volunteer stations.

The NCFD should supplement the proposed full-time paid County fire station staff with a pay-per-call system where other on-call volunteers could handle evening and weekend calls, and would be paid on an hourly basis for all calls.

**Response – County Fire Department:** The Recommendation will not be implemented. The County Fire Chief disagrees with this Recommendation. While additional paid staff would certainly decrease response times, the benefit-cost relationship of additional paid staff is not clear at this time since the full-time paid staff are already located in a manner which ensures a timely response to emergencies. NCFD recently opened the Palisades station north of Calistoga, which significantly reduced response times to the north end of the Napa valley. NCFD continually reviews and analyzes call volumes, locations, and response times. NCFD will recommend additional staffing and/or stations as circumstances warrant.

A review of enhancing the recognition and compensation for volunteers is currently underway in the county. It includes, but is not limited to, a pay per call system.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

### **FINDING 3:**

Central Dispatch located in the City of Napa initially receives most emergency "911" calls. For the unincorporated areas of Napa County, medical emergency and fire calls are then relayed to CDF Dispatch in St Helena. These calls are then relayed again to the appropriate volunteer firefighters via pagers or local community sirens. There have been delays of 8 minutes and longer from when a County resident dials 911 until the call is relayed to the volunteer station staff. A response time of 5 minutes or less to arrive on scene in order to initiate CPR or defibrillation is the goal generally accepted by most rescue agencies.

CDF Dispatch is a complex system. When CDF initiated dispatching for the combined six-county CDF Ranger Unit, many observers felt that NCFD dispatching decreased in quality. Dispatchers have made errors when dispatching some NCFD Volunteer station fire engines. This has been either the result of inexperienced CDF Dispatch personnel, or from faulty information listed in the CAD (Computer Assisted Dispatch). There have been incidents of dispatchers sending the wrong fire engines to County fires or medical emergencies because they do not know all the proper dispatch tones or areas of responsibility for the volunteer stations.

Some volunteer chiefs have had difficulty getting CDF dispatch administrators or supervisors to acknowledge and address these dispatch errors.

**Response – County Fire Department:** The Napa County Fire Chief disagrees with this Finding. The Napa County Fire Dispatch is a well-run and highly efficient emergency command center (ECC) that serves numerous jurisdictions. Napa County jurisdictions served by the ECC in addition to NCFD include CDF, the cities of Calistoga and St. Helena, the Town of Yountville, the Yountville Veterans Home, Napa State Hospital, and the American Canyon Fire Protection District. The St. Helena ECC also dispatches resources for 16 Coastal Region Counties for the State Office of Emergency Services (OES). This broad responsibility provides for a high level of coordination and increased efficiency when dealing with multi-agency emergency and disaster response. The regional responsibilities of the St. Helena ECC provide for a quick and efficient access to thousands of regional emergency resources during times when backup local resources are needed.

NCFD requested details regarding concerns of 8-minute or more delays in responding to 911 calls. NCFD offered to research this issue and report back to the Grand Jury if details could be provided. The Grand Jury members were unable to provide any details regarding this concern. Without specifics, it is impossible to respond to the allegations regarding erroneous dispatches or faulty data in the Computer Aided Dispatch (CAD) system.

When an emergency call comes in to the command center, NCFD fire sends the closest or most appropriate resources based on the type of call. The typical dispatch for most emergencies in Napa County includes a combination of paid and volunteer staff.

The Grand Jury identifies a response time of 5 minutes or less to arrive on scene as a time frame that is generally accepted by most rescue agencies. While this may be an appropriate goal in an urban (densely populated) environment, this standard cannot be met in our rural environment without adding numerous fire stations (and associated staffing) at significant expense. There are many remote locations in the County where the response times are ten minutes or more.

The Napa County Fire Department paid chief officers and company-level officers who serve as incident managers have not expressed the same concerns outlined by the Grand Jury regarding dispatch procedures. The St. Helena ECC follows state and nationally recognized dispatch procedures directed by a Battalion Chief. Most perceived “errors” in dispatch of NCFD volunteers are due to lack of understanding of dispatch procedures on the part of the volunteers. Dispatch of Napa County Fire resources is indeed a dynamic and complex system that is not well understood by some of the volunteer staff. While several volunteer staff could benefit from increased training in the dispatch system, the system is functioning well. The regional command function of the St. Helena ECC gives CDF/NCFD dispatch an expertise and depth of resources unmatched in the area. The County Fire Department is confident in the ability of our professionally run command center.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief’s response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

### **RECOMMENDATION 3:**

The Grand Jury recognizes that it is a demanding task for CDF Dispatch to handle the six-county CDF Ranger Unit as well as NCFD dispatching. Nonetheless, all dispatchers need to be proficient in their knowledge of NCFD and required to perform this task at the highest level. Dispatchers need to know the proper tones, stations, roadways and volunteer areas of responsibility for all of Napa County. Dispatch Command needs to assure that Computer Assisted Dispatch (CAD) information is up to date and accurate for NCFD dispatch purposes.

As problems arise with unsatisfactory CDF Dispatch performance, NCFD Volunteer chiefs need to be able to communicate effectively with CDF supervisors and get responses and honest efforts at problem solving from these administrators without delay.

**Response – County Fire Department:** The Recommendation has been implemented. The County Fire Chief agrees that NCFD dispatchers should be knowledgeable of proper dispatch procedures that CAD information should be up to date and accurate. The St. Helena ECC uses Fire Captains and Dispatch Clerks who are indeed knowledgeable of proper procedures and also use a CAD system which is accurate and up to date.

Volunteer company officers have always had the opportunity to voice concerns and ask questions through their respective Battalion Chief. NCFD strives to respond to all inquiries in a timely manner.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

### **FINDING 4**

CDF training for volunteers has been inconsistent, partly due to the fact that the CDF Training Officers have been transferred or promoted every two years on average. This constant turnover has created prolonged vacancies in the position at times and has led to poor continuity in volunteer training sessions provided by CDF. Many volunteer chiefs describe the CDF Training Officer position as a "stepping stone" where qualified personnel are moved or promoted to other jobs after a short period of time.

Some volunteer chiefs complained that CDF training personnel do not always show up when they are scheduled and do not seem to give much priority to volunteer training sessions. Some volunteer chiefs have been told that CDF cannot give training to volunteers in summer months, due to their own CDF staffing needs. One volunteer chief has learned to rely more on

neighboring CDF fire station personnel for training than on the CDF administration. He arranges training directly with the CDF stations rather than using the CDF Training Officer. Other chiefs rely mostly on their own local volunteer training programs.

The recent appointment of a volunteer firefighter to the CDF County Training Officer position may help alleviate these training problems. This will likely depend on how long he is kept in that position by CDF, and the quality of the volunteer training the CDF allows him to implement.

County unincorporated area station volunteers are not paid for either CDF training sessions or local training sessions.

**Response – County Fire Department:** The Napa County Fire Chief disagrees with this Finding. The NCFD/CDF Training Bureau is staffed by four permanent veteran fire personnel (one Battalion Chief and three Fire Captains). One of the three Fire Captain positions is funded by Napa County, however all Training Bureau staff participate in the delivery of training to both permanent and volunteer staff in the NCFD. The Napa County Training Bureau is dedicated to increasing the capability of the NCFD/CDF through the application of the best methodologies and techniques in fire service education and training.

Personnel office records indicate the Fire Captain position funded by Napa County has been vacant a total of five months since April 24, 1994. In this eight-year period, there have been four different Fire Captains in the position. In the last year, there has been one drill (out of 108 regularly scheduled drills) where a Training Bureau representative did not attend. These drills are conducted year-round, and there is no break during the summer period as reported by the Grand Jury. In the one instance in the last year where a Training Bureau representative did not attend a drill (March 4, 2002), the engine crew from Yountville Station conducted the scheduled pumping drill (utilizing a state-certified instructor) for the Angwin Volunteer company. With a large staff of state-certified instructors available, NCFD/CDF is able to draw from a pool of trained instructors that is unmatched in the region.

The current employee filling the county-funded training position is a paid employee and is not filling the position as a volunteer. Though the individual hired to fill this position has been a NCFD volunteer for many years, he was appointed through a civil-service process.

In the past year, the Training Bureau has coordinated the delivery of over 5,550 hours of training (including FDIC sessions) to Napa County FD personnel. Additionally, the Training Bureau meets regularly with all volunteer Training Officers, attends County Chief meetings, meets with the Napa County Volunteer Firefighter Association, and participates in the Emergency Medical Services (EMS) cadre. The Napa County FD Training Bureau also acts as a consultant in the development and purchase of new apparatus and has taken a leadership role by reinvigorating the long-stalled development of the Fire Training ground.

In summary, the CDF/Napa County Training Bureau has never been stronger or more dedicated to the delivery of training to NCFD.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**RECOMMENDATION 4:**

An improved and more reliable CDF training system should be implemented to make sure CDF fulfills its training agreements with the County for the volunteers. It may be necessary to reconsider the policy of changing the CDF Training Officer position every two years. One solution would be to create a specific County Training Officer position only for NCFD Volunteers, instead of relying on the CDF Training Officer. NCFD Volunteers should get the same high quality of training in a reliable and consistent manner, as do paid firefighters.

Paid volunteer training sessions would likely improve County Volunteer participation, morale and performance. The Grand Jury recommends that NCFD pay the volunteers for training sessions.

**Response – County Fire Department:** The Recommendation will not be implemented. The Napa County Fire Chief disagrees with this Recommendation. It appears to be based on incorrect information.

Personnel records indicate there has been a county-funded training officer dedicated to training NCFD volunteers since April of 1982. Additionally, there is no policy of changing training officers every two years. Volunteers receive the same training as paid firefighters. As stated previously, a review of enhancing the recognition and compensation for volunteers is currently underway in the county.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

**FINDING 5:**

For most of fiscal year 2000-01, there was only one full-time employee at the CDF Maintenance Station in St. Helena providing all NCFD fire engine, emergency and routine equipment maintenance. Most of the volunteer chiefs think that this employee performs very well and does an excellent job, but he needs more help. There have been incidents of long waits (months) for routine maintenance service due to this staffing shortage. Some chiefs are waiting long periods for equipment testing and having to make do without equipment due to these delays.

One full-time person staffs the CDF/NCFD warehouse and on occasion supply needs are slow to be filled. Usually there is no staffing of the warehouse on weekends. No data are published regarding the distribution of supplies to individual volunteer stations.

**Response – County Fire Department:** The Napa County Fire Chief disagrees with this Finding. It appears to be based on incorrect information.

In regard to vehicle maintenance, there are two mechanic positions funded by NCFD to provide maintenance and service to NCFD fire apparatus and support equipment. Personnel records indicate that for all of Fiscal Year 2000-01, both positions were filled. There are no records of extended delays for routine maintenance. All maintenance records for Napa County apparatus are up to date.

In regard to warehouse and supply needs, there is no regular staffing of the warehouse on weekends due to the prohibitive cost. During periods of high levels of emergency activity (when normal supplies are often depleted), the warehouse is staffed weekends and nights to ensure availability of emergency supplies. Data regarding distribution of supplies is maintained in the warehouse and is available but was not reviewed by the Grand Jury.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

#### **RECOMMENDATION 5:**

A delay of months in some instances for routine maintenance seems excessive. There should be adequate maintenance staff persons available to address NCFD needs for timely equipment routine service.

The CDF/NCFD warehouse should be adequately staffed and supplies readily available to the volunteer stations whenever necessary, including on weekends. There should be records available regarding distribution of supplies to individual NCFD Volunteer stations and tracking for the costs of these disbursements.

**Response – County Fire Department:** The recommendation will be partially implemented. The County Fire Chief agrees with the need to provide additional support to the warehouse. In Fiscal Year 2001, Napa County authorized the creation of a county-funded warehouse support position to ensure county supply needs are met. The position is currently unfilled due to a state-mandated hiring freeze.

The Napa County Fire Chief disagrees with the Recommendation regarding apparatus maintenance. There is no evidence of months-long delays in routine maintenance of county apparatus. Records indicate all maintenance is up to date. The warehouse is staffed when necessary, typically Monday through Friday, 8 A.M. to 5 P.M. The warehouse is also staffed on nights and weekends during times of increased emergency activity. The warehouse is not

regularly staffed during weekends since the cost is prohibitive. Records for distribution of supplies are available.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

#### **FINDING 6:**

The concept outlined by the MOU where the volunteer chiefs act as a meaningful Volunteer Chief Advisory Board is not working well. The volunteer chiefs that are content with the current system are content because they are favored by receiving equipment requests and other CDF resources. Other volunteer chiefs are less content and believe that CDF has no interest in volunteer chief participation in running NCFD.

**Response – County Fire Department:** The Napa County Fire Chief disagrees with this Finding. As directed by the Napa County Board of Supervisors through the County Executive Officer, the Napa County Fire Chief makes the decisions for the direction and policies of NCFD. The volunteer companies are one of many components of the NCFD whose input is solicited and considered in the decision-making process for NCFD.

There is no evidence to support claims of favoritism toward certain volunteer companies by granting or not granting equipment requests. A recent review of the supply distribution records (for items less than \$5,000) indicated all supply requests submitted were granted. In regard to fixed assets (items over \$5,000), acquisition is based on operational needs and fiscal constraints.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

#### **RECOMMENDATION 6:**

The Napa County Board of Supervisors (BOS) should reconsider its decision to have CDF administer the NCFD rather than the County.

If the BOS chooses to maintain the current CDF administrated system for NCFD, the BOS should have at least one high level County administrator assigned exclusively to work with all of the NCFD Volunteer chiefs. This person should be readily available to the volunteer chiefs, and should communicate with all nine chiefs on an equal basis. This person would act as a liaison between CDF and the volunteer stations and would speak on behalf of the volunteer stations to the County Administrator and BOS in dealing with all the different segments of the NCFD system. This person should also see that funds for equipment are distributed fairly.



**Response – County Fire Department:** The Recommendation will not be implemented. Due to the fact that assumptions in Finding 6 were incorrect, there is no needs for this recommendation to be implemented.

**Response – County Executive Officer:** The Recommendation will not be implemented because it is not warranted. Direction and coordination is provided by the Board of Supervisors through the County Executive Officer. The County Executive Officer concurs with the County Fire Chief's response.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the County Executive Officer's response.

#### **FINDING 7:**

In last year's NCFD Budget, there was a large surplus of revenue available at the end of the fiscal year. This is money that was not disbursed, but was "rolled over" into this year's budget and is kept in an interest bearing Fire Protection Fund (1080). The amount of money in this fund was \$3,278,727 as of 1/31/2002 according to the County Auditor.

**Response – County Auditor-Controller:** The Auditor-Controller disagrees with the Finding. The dollars identified by the Grand Jury are not "revenues" or "rolled over" funds but the cash balance in the County Treasury for the Fire Protection Fund (1080) at January 31, 2002. The actual fund balance rolls over at the close of each fiscal year and is then available for the budget process for the new year. For Fiscal Year Ending June 30, 2001 the fund balance available was \$1,520,968. We are estimating that the fund balance available for June 30, 2002 is \$2,083,394.

**Response – County Fire Department:** The County Fire Chief disagrees with this Finding. Each year, under the direction of the County Executive Officer, the County Fire Department develops a spending plan which is both responsible and prudent. The policy of conservative estimation of revenue and generous funding of line items such as fuel, utilities, clothing, equipment and equipment repair assures there will be funding to accomplish our mission. It also allows for the development of a fund balance which can be utilized to maintain the program in future fiscal years if there is a decrease in anticipated revenue, or an increase in expenditures. Future year expenditure levels do not necessarily increase in a steady linear progression given variables such as equipment procurement, staffing and station requirements.

NCFD's main source of income is property taxes, the majority of which are collected in December. In addition to taxes, revenue is derived from Proposition 172 sales tax, contracts, inspection/plan fees, rental of fire apparatus, and interest. Also included in the revenue stream each year is then projected fund balance. The fund balance is a result of factors such as higher than projected tax revenue and savings on projected expenditures.

The Fire Protection Fund is analogous to a checking account within the "bank" of the County Treasurer. All revenue is deposited in this account and all expenditures are paid from it. Funds for purchases, which have been ordered, but not yet received (including those from the prior fiscal year), are contained in the account balance. The Grand Jury's finding that the Fire

Protection Fund contained \$3,278,727 at the end of January also reflects the large influx of cash from the December tax payments and is entirely in keeping with an annual budget of \$5,594,222. This money is not surplus; it is the operating fund of the County Fire Department.

**Response – County Executive Officer:** The County Executive Officer concurs with the responses from the Auditor-Controller and County Fire Chief.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses from the County Executive Officer, Auditor-Controller and County Fire Chief

This Grand Jury does not have the resources to examine the reasons for this surplus or to recommend a resolution to the question of excess funding in Fund 1080. The Grand Jury recommends that the Board of Supervisors appoint a team of County staff including an auditor to look into the issue and make recommendations to the Board including changes to the MOU if necessary.

**Response – County Auditor-Controller:** The Recommendation will be implemented if the Board of Supervisors and the County Executive Officer find it necessary.

**Response – County Fire Department:** The Recommendation will not be implemented due to the fact that the assumptions in Finding 7 are incorrect.

**Response – County Executive Officer:** The County Executive Officer concurs with the County Fire Chief's response and as such does not find it necessary to implement this Recommendation.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the responses from the County Executive Officer, the Auditor-Controller and the County Fire Chief.

## PLANNING – NAPA COUNTY

### FINDING 2:

The Board of Supervisors is acting responsibly in refusing to allow housing on prime agricultural soils or in environmentally unacceptable locations.

**Response – Board of Supervisors:** The Board of Supervisors agrees with this finding.

### RECOMMENDATION 2:

The Board of Supervisors must subordinate past differences with the Cities and direct staff to come up with a housing solution that is reasonable and avoids State imposed sanctions. The Board should enlist the assistance of its representatives in the State Assembly and State Senate with legislation that enables the County to comply with State housing requirements and preserves prime agricultural lands.

**Response – Board of Supervisors:** This recommendation has been implemented. Since October of 2001, two representatives of the Board of Supervisors have been meeting with representatives (two each) of each of the cities in Napa County - at the behest of State Assemblywoman Pat Wiggins - in order to attempt to achieve such a housing solution.

Since that time, this group - now known as the Countywide Land Use and Housing Strategy Committee - has met eight (8) times in addition to several smaller meetings between the County and the two largest cities in the County. The underlying purpose of this Committee is two-fold. First, to attempt to solve the County's short-term housing problem, as defined by the gap between State and Regional housing needs requirements and the growth limitations initiated by Measure A by the voters in 1980. Second, to work towards a long-term, collaborative approach to dealing with issues of land use, housing and transportation.

Progress continues to be made on both of these fronts, although it is expected that any final resolution will take at least several additional months of work.

During this same time frame, State legislative efforts have been brought forward that would have imposed penalties on those jurisdictions lacking certified housing elements. Although Assemblywoman Wiggins attempted to include beneficial language that included the preservation of agricultural lands as an important consideration in this area, the pending legislation failed for this session.

### **FINDING 3:**

The process of environmental review of projects with the potential of causing harmful erosion (in part, new vineyards and replants) should continue to be improved so that critics are comfortable that the process ensures protection of the environment and property owners are assured that there is a process. The recent agreement for the Suscol Springs Vineyard Conversion Project (March) between critics of the process, property owners, and the Department is a foundation for putting this problem behind the County.

**Response – Napa County Conservation Department:** The County Director of Conservation, Development & Planning agrees with this Finding. Conducting environmental assessments on vineyard conversions has proven to be very complex. By their very nature, vineyard conversions change the nature of the physical landscape for the area involved. Many Erosion Control Plan (ECP) applications are located in sensitive watershed involving complex ecosystems including wildlife and wildlife corridors, streams, wetlands, groundwater and surface water diversions, and plant life. Vineyard conversions impact the physical environment; the difficulty is establishing the acceptable environmental threshold for what constitutes a significant impact both on site and the affected sub-drainage or watershed involved. Cumulative impact analysis for the ECP applications also involve difficult forecasting requiring complex watershed or sub-watershed environmental studies to understand how the ecosystem works, what the potential environmental impact will occur and whether the impact is significant. Much effort has been focused on preparation of these environmental special studies to support a finding for a Negative Declaration (no adverse environmental impact). However, the threshold requiring an environmental impact report (EIR) is very low given the expectation by the varied communities of interest that full environmental disclosure, including cumulative impact analysis, for the Napa River Watershed is completed.

Many ECP applicants have made a business decision to proceed with the EIR recognizing that the additional cost may be offset by lost time and cost required to defend a Negative Declaration through the appeals process to the Board of Supervisors which can take 60-90 days with the potential result that the Board would ultimately uphold the appeal and require an EIR.

**RECOMMENDATION 3:**

The Department should continue to attempt to build a process that is satisfactory to both critics and property owners and protects the environment from projects with the potential for harmful erosion.

***Response – Napa County Conservation Department:*** The County Director of Conservation, Development & Planning agrees with this recommendation.

**SPECIAL NEEDS HOUSING**

**FINDING 1:**

The current economy is placing ever more individuals and families at risk of losing their shelter. Without some intervention, the rolls of the homeless may significantly increase.

***Response – Napa County Health and Human Services:*** Napa County Health & Human Services agrees in whole with this Finding.

***Response – Board of Supervisors:*** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

**RECOMMENDATION 1:**

Redouble efforts to prevent families and individuals from losing housing. Sustain and increase funding for the Rental Assistance Program and continue landlord-tenant mediation. Publish more widely the hotline phone number for those in immediate danger of losing shelter.

***Response – Napa County Health and Human Services:*** This recommendation has been partially implemented. Napa County Health and Human Services provides funding to Community Action of Napa Valley (CANV) through a contractual agreement. The bulk of this funding is utilized by CANV to operate to operate the shelter system for individuals and families. A portion of this money is utilized for the Rental Assistance Program. Our ability to increase funding for this program is constrained by the County's – and the State's - budget crisis.

Napa County Health and Human Services maintains contractual relationships with other community based non-profit organizations that provide a broad array of services to assist individuals to maintain their housing placements in the community. The most comprehensive example of the level of funding support provided through these collaborations is the residential system of care for adults with mental illness and/or substance abuse. HHSA contracts with three

different agencies to operate seven individual programs that provide emergency, transitional and permanent housing and support services to clients with mental health and substance abuse problems. The goal of all of these programs is to get people into housing and to help them maintain that housing on a permanent basis. As evidenced in its stated mission and values, HHSA focuses exclusively on the very low income and special needs individuals and families who are always at risk of losing, or have significant difficulties locating housing. Advocacy for these populations will continue. Although the Napa County Rental Information and Mediation Service (NCRIMS) is no longer funded by the County, replacement organizations, such as the National Fair Housing Alliance, are continuing to provide landlord-tenant mediation services throughout the County, under contract to the Napa Valley Housing Authority.

HHSA will also work closely with CANV to develop strategies for better providing the community with a list of emergency resources to contact in the event of the imminent loss of housing.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **FINDING 2:**

The City of Napa has established an objective to provide permanent emergency shelters for 35 single men, 20 single women and 20 families.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in whole with this Finding.

#### **RECOMMENDATION 2:**

The current numbers of homeless individuals and families exceed the City of Napa's five-year goal for permanent emergency shelters and a review of this projection should be undertaken.

**Response – Napa County Health and Human Services:** This recommendation is being implemented. Napa County HHSA has taken the lead in working with a number of homeless and other social services and housing providers in the County to develop a methodology for better identifying the number and characteristics of the homeless and at risk of homeless in Napa County. The goal is a clearer understanding of the actual numbers and needs of individuals in these groups. Based on a variety of factors many of those who have been counted in the survey to date are not interested, not appropriate, or not able to consistently access the shelter system. HHSA has submitted an application for funding to HUD to work with the Napa Valley Coalition of Non-Profit Agencies to expand this homeless census effort. As a result, we expect that increased attention to quantifying the homeless will result in the identification of more homeless and at risk of homeless individuals and families than has previously been documented. HHSA and the other agencies collaborating on this survey hope to develop a clearer understanding of the factors preventing individuals from accessing emergency shelter. We believe one outcome will be the ability to document a better match between the need and the current and future number of beds required to meet that need. HHSA strongly supports the priority need for

expansion of emergency shelter resources as identified in this year's Continuum of Care document.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

**FINDING 3:**

The Sullivan Shelter is slated for imminent closure and needs to be replaced immediately.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in part with this Finding. However, we are not aware of a set date that the existing Sullivan Shelter is slated for closure or demolition. We strongly support securing an alternative location as soon as possible, but advocate a comprehensive planning process regarding the type, size and location for a new shelter.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

**RECOMMENDATION 3:**

A replacement facility for the Sullivan Shelter needs to be located. The new shelter should provide space for at least twice the number currently able to be housed at the Sullivan building. The appropriate city/county agencies should set aside sufficient funds to qualify for state/federal matching funds.

**Response – Napa County Health and Human Services:** This recommendation is in the process of being implemented. However, Napa County Health and Human Services only agrees in part with this Recommendation, and questions the projected number of beds that may be required. The decision on how many beds are necessary needs to be determined by a comprehensive planning process that takes into account the number of homeless who need and would access this level of care and the amount of time they would need to remain at the emergency shelter level of housing. HHSa will participate in the beginning of a community planning process initiated by the Gasser Foundation to take a direct look at this issue and consider the location, design and funding of such a facility sufficient to meet projected needs.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **FINDING 4:**

The winter homeless shelter located on the grounds of the former California Department of Forestry (CDF) facility on Jefferson Street is no longer available because a senior housing project is slated to be built on that site.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in whole with this Finding.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **RECOMMENDATION 4:**

A new site needs to be located for the winter shelter prior to the onset of inclement weather in 2002. The appropriate city/county agencies should set aside sufficient funds to qualify for state/federal matching funds.

**Response – Napa County Health and Human Services:** This Recommendation is being implemented; however, this is not just a question of funding. By design, a winter shelter operates on the premise that all those who wish to utilize the shelter will be allowed to do so as long as they follow basic safety rules. Using this design, individuals who are under the influence of alcohol and/or other drugs are allowed in the shelter as long as they do not present an immediate risk to themselves or others. Finding a location for a winter shelter that serves nearly all who wish to use it, even with adequate funding, requires a building that is the proper size and configuration and located in an area that will not be greatly impacted by the influx of the homeless and where neighbors would not be opposed to living or working around this population. The winter shelter locations that have been used in the past have all come with some level of control: churches that have been willing to donate the space or a property that belongs to the state that is slated for demolition. Once a location is secured, the question of operational funding is a large one. The Board of Supervisors has been supportive in funding these additional operating costs over the past several years, but a permanent funding plan, just like obtaining a permanent site, is yet to be realized.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **FINDING 5:**

A significant amount of General Assistance money (over \$400,000) is spent on temporary lodging for homeless individuals and families each year.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in part with this Finding. The amount noted in the Grand Jury's report is the result of a relatively recent public policy decision to provide emergency housing in any situation in which children would be made homeless in this county. Prior to this change in policy, the

amount spent was a fraction of \$400,000. Subsequently, better program authorization and monitoring and the creation of other resources have significantly decreased the amount being spent for this purpose.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **RECOMMENDATION 5:**

The money expended for temporary lodging of homeless individuals and families might be better spent on the expansion of existing facilities and the lease/purchase of more permanent facilities. Napa County should explore the possibility of site control either through long term leases or real estate acquisition.

**Response – Napa County Health and Human Services:** This recommendation is being implemented. The Board of Supervisors has taken a strong position in support of the basic goal that no children will be homeless on the streets of Napa County. Given existing housing resources for families this goal has been met, but at a cost. Expensive motel rooms have been required to house these families on a transitional basis until more appropriate housing can be located. In order to ensure that these funds are being used appropriately, HHSA staff have instituted a more stringent authorization process for use of motel vouchers and put in place expanded expectations requiring the parents of these children to adhere to the goals they have agreed to with their case managers. HHSA has been actively pursuing site control for housing homeless families and will continue to do so.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

#### **FINDING 6:**

A number of homeless individuals prefer their street existence and refuse to participate in shelter and treatment programs. Some of these individuals are involved in criminal behavior directed against our community.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in part with this Finding. that The choice to maintain a street existence is often made by individuals who have a history of committing crimes against others. We also believe that for many individuals the "preference" for a street existence is often the end result of giving up hope that the individual can conquer other problems such as addiction, mental illness, physical disability, or a lifetime of personal traumas and/or abuse. A choice to maintain a homeless lifestyle is not always motivated by criminal intent, but simply a pervasive sense that one's problems have no solutions.



## **RECOMMENDATION 6:**

Many homeless individuals refusing shelter or treatment still require assistance in obtaining basic food and clothing needs. However, if their lifestyle choices includes criminal activities, our community should be protected from these individuals. County services should be designed to help support their basic needs while also providing for the safety and rights of the rest of our community.

**Response – Napa County Health and Human Services:** This recommendation is being implemented. Napa County Health and Human Services agrees with the general recommendation that baseline services need to be provided to individuals despite lifestyle choices they have made or other circumstances that result in some risk to themselves or others in the community. This philosophy has been demonstrated in the services provided through the winter shelter and through the HOPE Resource (day) Center. For the past year, HHSA has also been providing services to the mentally ill through a state funded allocation that promulgates this type of “harm reduction” as a best practice for that special needs segment of the homeless population. However, the decision of whether or not it is in everyone’s best interest to continue to provide services to homeless individuals who present risk to others in the community is a complicated one. This decision needs to be based in part upon the type of behavior the individual is exhibiting. The homeless population referred to as the street (or chronic) homeless presents the greatest impact in this community. It could be argued that nearly all of the street homeless are breaking the city ordinance that does not allow camping within the city of Napa; and many are receiving multiple citations from the Napa Policy Department for these violations. Few of these cases have resulted in jail time, and serving time in jail does not address the core issues that perpetuate homelessness unless some type of forced treatment is mandated upon release. In some cases, a homeless individual presents a risk to service provider staff as well as others. In these situations, services may need to be restricted or denied for some period of time. Several years ago, HHSA staff instituted and continue to facilitate a monthly meeting between law enforcement and service provider staff in an effort to strike and maintain a balance between law enforcement and public safety on the one hand, and the provision of ongoing social services to homeless individuals on the other.

## **FINDING 7:**

The committee noted that there are available grant monies on both the state and federal level that are not being obtained by Napa County agencies, both public and non-profit. Substantial sums may be acquired by the county to address the needs of the homeless population, which could substantially ameliorate the problem. It appears that there is a lack of persons with the knowledge and aptitude required to apply for these specific grants.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in part with this Finding. There is much grant funding that has not been captured, but we disagree that this can be attributed to a lack of knowledge and/or aptitude. Grant funding in this area is highly competitive, requires significant matching and in-kind dollars, and is often short term. If these grants are awarded, they are dependent upon local dollars that may already be leveraged in support of existing projects. During the grant period, the portion of local

dollars must be available, and if the grant ends, then those services must either end or be funded in some other manner. These factors must be carefully considered in going after any grant funds. Those agencies participating in the Continuum of Care have grown increasingly sophisticated in applying for and receiving grant funding. The Continuum has hired HomeBase as an expert consultant in this area and continues to explore other funding on an ongoing basis.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

**RECOMMENDATION 7:**

Health and Human Services should ensure that at least one employee has sufficient training and experience in grant-writing to be able to assist the various members of the Continuum of Care in order to facilitate the receipt of additional grant monies to fund the necessary projects.

**Response – Napa County Health and Human Services:** This recommendation is not being implemented. HHSA has done its share in bringing resources to bear on the housing and homeless problems facing the County. Historically, HHSA has relied on existing staff and, in some cases, hired grant writers in an effort to garner additional funding for any and all of our services. In many ways, this strategy has produced a better track record in the agency for receiving ongoing funding for housing and homeless services than it has for other services. Since 1996, HHSA has been a direct applicant and received funding for two out of a total of six Continuum of Care projects. HHSA has provided support, matching dollars, and/or in-kind leveraging for two of the remaining four Continuum of Care projects that have been funded to date. HHSA has also been the direct applicant for two of four projects and provided other support and in-kind leveraging for one of the remaining two projects that were submitted for funding in this year's Continuum of Care process. HHSA has also been active in working with Progress Foundation, which has been awarded Continuum of Care funds for Skyline Apartments – a permanent housing project for the mentally ill homeless. HHSA staff have been key participants in the Continuum of Care Committee and have provided support to a number of other agencies as part of this committee work. HHSA staff took a lead role in developing a survey methodology and tabulating survey results that were an important part of this year's Continuum of Care Gaps Analysis process. These successes have been accomplished out of existing allocated hours. Whereas more hours dedicated for grant writing would be helpful in sharing this sometimes intensive work, committing new resources when we have demonstrated success within our existing resources would not be a justifiable strategy during these conservative budget times.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

## **FINDING 8**

There is an ongoing problem with the homeless which requires several man-hours of city police involvement each month. Private property owners are requiring police assistance in evicting mobile homes from their parking lots.

**Response – Napa County Health and Human Services:** Napa County Health and Human Services agrees in whole with the Finding that this is an increasing problem.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.

## **RECOMMENDATION 8:**

County and City agencies should undertake an investigation into the possibility of setting aside some public land where the homeless could legally park their vehicles overnight, together with the provision of rudimentary services such as bathroom facilities.

**Response – Napa County Health and Human Services:** This recommendation is not being implemented. Napa County Health and Human Services disagrees with this Recommendation because we do not believe that this approach will effectively address the priority needs of the special needs homeless population identified in the current Continuum of Care. We also believe that this Recommendation runs counter to Recommendation No. 6 in this Report in that it clusters (and thereby magnifies) public safety issues in one area and runs counter to current ordinances that currently prohibit this type of public camping. It would be difficult to justify setting aside public land for this purpose in light of the current needs for land for emergency, transitional, and affordable permanent housing. It is also likely to perpetuate chronic homelessness by providing tacit approval for establishing a tent, a car, or a camper as a primary residence.

**Response – Board of Supervisors:** The Board of Supervisors concurs with the Napa County Health and Human Services' response.