



2022/23 Final Report





Shasta County Grand Jury

2022-2023

June 1, 2023

Honorable Adam Ryan
Shasta County Superior Court
1500 Court Street Ste. 206
Redding, CA 96001

Dear Presiding Judge Adam Ryan,

On behalf of the 2022-2023 Shasta County Grand Jury, and in compliance with California Penal Code Section 933(a), I am honored to present to you and the citizens of Shasta County the Grand Jury's consolidated final report. We hope that these reports will help inform the public and contribute to improved local government. The members of this Grand Jury represent a diverse group of dedicated citizens from within the County. They have demonstrated their commitment to the Grand Jury process by spending countless hours researching, interviewing, and writing reports. Our tenure began at the end of the COVID-19 pandemic and lasted 17 months. During that time, we completed our work both in person and remotely. It has been an honor for me to have had the opportunity to work with these individuals.

The Jury appreciates the cooperation from the many public officials who responded to our questions and requests. We are particularly thankful for the support of Matt McOmber from the Shasta County Counsel's office, Sheriff Johnson and the jail staff who were very helpful in obtaining requested documents and answering questions after our tour of the facility. The Jury is also grateful for the assistance provided by Michael Stock, County IT specialist, Lynne Wilson, Agency Staff Service Analyst and lastly, Superior Court Assistant Executive Officer Lisa Jenkins.

The members of the 2022-2023 Shasta County Grand Jury gained personal satisfaction from their service to the community and appreciate the privilege of serving. I personally thank the Court for the opportunity to serve as Foreperson.

Respectfully,

Debra Joseph

DEBRA JOSEPH

Foreperson

2020-2021 Shasta County Grand Jury



Shasta County Grand Jury

2022-2023



2022-2023 SHASTA COUNTY GRAND JURY

TOP LEFT: Foreperson Debra Joseph, Diane Kinyon, Pro-Tem Kim Cuthbertson, Lori Moretti, Scott Halsey, Darrell Story, Terri Brown

BOTTOM LEFT: Ona Cranfill, Bob Cathaway, Nancy Patterson, Sue Bakke, Andrea Wegner, Mimi Moseley

Missing from the photo: Donna Harr

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ENTERPRISE PARK 2022-2023 SHASTA COUNTY GRAND JURY

SUMMARY

Activity by City of Redding (COR or City) crews and vehicles on a portion of Enterprise Park where various materials and debris have been discarded and stored for a number of years, prompted the Grand Jury to address the questions and concerns related to the COR and others’ use of the Park as a dumping ground. Such discarded material included: mounds of ground asphalt, tree stumps, tree rounds, wood chips and cut brush, piles of scrap lumber, discarded vehicle tires and seemingly perpetual puddling or pooling of unidentified liquid substances. The concerns implicated by the conditions at the Park include safety, fire risk, and environmental contamination. Could the unidentified liquid sludge

be toxic or contaminated? Are toxins or contaminants polluting the ground and nearby Churn Creek? Are the numerous mounds of debris combustible and if so, do they constitute a fire hazard when stored on park grounds? Is the City developing a landfill at this site; if so, is it legal? The Grand Jury deemed that these and additional questions warranted investigation. As further described in this report, the COR has taken action and made considerable progress to address the foregoing concerns for which it is to be commended. Additionally, this Report makes recommendations to further address the conditions at the Park.



BACKGROUND

A complaint of loud, disruptive activity on the lower tier of Enterprise Park was submitted to the Grand Jury. This area is not generally open to or used by the public for recreation or other purposes. An unidentified liquid sludge and debris was being deposited by large, clamorous Vac-Con trucks. Often accompanying the Vac-Con vehicles were additional COR trucks and crew members whose radios and conversations were loud enough that they could be heard by individuals nearby. Photographs of the area depict pooling liquid, mounds of large tree stumps and rounds, asphalt pieces, wood chips and miscellaneous debris and litter. Safety, legality of the use of the Park, and occasional nocturnal activity of the Vac-Con vehicles were also concerns. In particular, these concerns arise out of stockpiling assorted debris characteristic of a landfill operation and the possibility of toxic substances exposing nearby children at play and such substances leeching into Churn Creek.



The lower tier is the section of Enterprise Park that is the focus of this report. Enterprise Park is comprised of three areas or tiers:

1. The play fields, located adjacent to Victor Avenue, is the upper tier.
2. The Kids' Kingdom play area, located below the level of Victor Avenue, is the middle tier.
3. The former Enterprise Public Utility District (EPUD) wastewater holding ponds and the Community Gardens comprise the lower tier of the Park, which is the focus on this report.

The entire area of the Park ceased being the property of the EPUD in July of 1976 when it was annexed by the City.

The Grand Jury conducted a site visit. Given the proximity of the subject area to the public areas of Kids' Kingdom and the Community Gardens and to Churn Creek, which flows adjacent to the lower tier, this jury deemed the concerns warranted further study.

METHODOLOGY

The grand jury used the following methods of research:

- Interviews of personnel from the City of Redding (COR);
- Site visits and photos taken of the Park area; and
- Review of the documents listed at the end of this report.



DISCUSSION

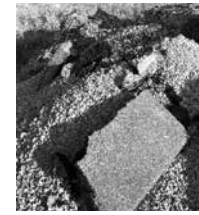
Access to the park's lower tier is a dirt road that descends from the Kids' Kingdom level to the community gardens and traverses the length of the lower tier. The reported dumping site lies at the north end of this lower level and, without a

key to unlock the COR gate, can only be accessed on foot. During the site visit on April 27, 2022, the jury observed discarded scrap lumber, broken pieces and slabs of concrete and mounds of ground asphalt. Conjuring thoughts of potential fire were the piles of wood chips and multiple mounds of felled tree stumps and rounds. Additionally, there were miscellaneous other items discarded at the Park, including a used mattress, vehicle tires and several unearthed bollards, their concrete anchors still clinging to their base, suggestive of an active landfill; however, the Park is not officially designated or approved for use as a landfill.

The area designated for the discharges from the Vac-Con trucks, denoted by two posted signs reading "Vac-Con Dump Only," lies lower than the level of the road. It is defined by an earthen berm of approximately six feet in height. At the time of the jury's visit, there were puddles of unknown liquid on the ground in the designated dump area.

A chain link fence borders the area of the park's lower tier. West of the discharge site, damage to the fencing has torn an opening of 8-10 feet. This creates the possibility of unauthorized access to the area from the adjacent Churn Creek.

Multiple interviews of COR personnel disclosed that several divisions within the department of public works use the site as a storage area for materials obtained during their routine operations. Most material is eventually recycled and is only temporarily stored at the site. Tree stumps and rounds are passed through a chipper and the resulting wood chips used for COR landscaping. The



ground asphalt is reused as base material for street and pipeline repair. A good example of the asphalt reuse is the access to the proposed 3D house.

The large Vac-Con trucks, utilizing high-pressure water and suction, are used by COR at various public projects throughout the City of Redding to both excavate and extract soil and base material on projects involving work in a right of way or surrounding an underground pipeline. The substance extracted by the Vac-Con truck is contained and transported to the lower tier of the park where it is discharged onto the designated area. Frequently the Vac-Con trucks are utilized in laying or repairing water, drainage or sewage pipes. Water, base and soil comprise the substance being discharged. The frequency of this discharge can be multiple times a day and can occur at any hour of the day or night as the need for repair dictates. Since the discharged substance deposited at the Park by the Vac-Con trucks generally consists of soil and base materials obtained from COR rights of way projects or surrounding an underground pipeline, the substance is not tested for contaminants. The COR work crews do not operate on any privately owned property or areas that are not part of a City right of way or similar public area.

Those items apparently not associated with any City operations—the discarded lumber, tires and household debris—are believed to be unauthorized disposals by unidentified parties. The locked gate is often left unlocked and open. The open gate and the large damaged area of the west-facing fencing provide an opportunity for individuals to gain access to the site. The City does not have an inventory of the numerous gate keys that have been provided to COR personnel and City subcontractors over the years of operations there.

There is no written management plan or City oversight relevant to dumping of materials in the lower area of the Park. The City has no record of how much material is being stored at the site, how long items have been stored there, or how long the site has been used in this manner. The City's use of the Park is due to the convenience of its location versus the more distant landfill locations.

City Clerk records indicate the EPUD was annexed by the City in 1976. There are no records of precisely when the old EPUD wastewater ponds ceased serving area homes. The absence of any mention of the ponds in the City's 1987 master plan indicates the ponds were out of service by that time, when utilization of the area as a dumping/storage site may have begun.

Does such use of the area constitute an illegal landfill operation? Research of relevant sections of the California Code of Regulations (CCR) describing conditions and limitations of a landfill operation revealed the operations engaged by the COR at this site do not constitute a landfill; however, this Grand Jury did not find that the COR's use of the Park is prohibited or illegal.

In addition, through this investigation, the Grand Jury was able to determine that the City's Fire Department is aware of and monitors the Park and the presence of the materials stored at the Park does not constitute an unmitigated fire risk. In addition, there was no information of which the Grand Jury is aware that the area has been contaminated or polluted by the COR's activities. Moreover, the COR is in the process of developing a plan for improved management of the Park and to keep it maintained in a more clean, organized manner.

A second site visit conducted on October 17, 2022, revealed that a relocation of the materials observed during the April visit had occurred. The piles of dead wood had been dispersed into smaller mounds, some even deposited into a large dumpster that has appeared at the site since April. All materials had been moved to the northern end of the lower tier. This has cleared a wide area free of grasses or obstacles that would inhibit the operations of the Vac-Con vehicles in their maneuvering to discharge their tanks.

A COR representative has provided the Jury a draft copy of the Site Management Plan for the Enterprise Park Disposal Area. Review of the proposed plan reveals all of the Grand Jury's findings have been anticipated and addressed. The proposed plan provides for overseeing of the area to include, but is not limited to, recording the quantity and type of material being disposed there; the annual removal and clearing of stored material on the area; monthly inspections of the area and replacement of the lock on the gate with documentation of who accesses the gate.

During recent site visits by the Jury, the area has been observed to be clear of all previously observed materials, confirming some aspects of the proposed plan have already been employed.



FINDINGS

- F1 The COR has utilized the lower level of Enterprise Park as a dumping area for assorted types of debris without any management plan or direct oversight by the City.
- F2 There has been no accounting or documentation of the type of disposed materials nor their quantity by the City.
- F3 Some of the disposed materials have been dumped at the Park by the COR and some others have been impermissibly dumped by unknown individuals without consent or permission from the City.
- F4 The City has failed to secure the area in a manner sufficient to prevent or deter dumping of materials and debris at the Park by unknown individuals.
- F5 Various materials and debris remains stored at the lower tier of the Park, although the size and quantity of the materials and debris has decreased over the last year.
- F6 The City intends to continue utilizing the lower tier of the Park as a location to dump substance and materials excavated from city project sites. The City's use of the Park for this purpose is not prohibited by local rules or law.

COMMENDATIONS

- C1 The COR Parks Department recycles material whenever possible, saving the City time and money.
- C2 The COR is commended for making significant progress over the past year in removing, recycling, and discarding materials and substances previously dumped or discarded at the lower tier of the Park.
- C3 The COR is commended for creating a draft of a Site Management Plan Enterprise Park Disposal Area addressing issues raised by the investigation of the Grand Jury.

RECOMMENDATIONS

- R1 COR Public Works Department and Parks & Recreation Department, in collaboration, will develop a management plan for all levels (tiers) of the Enterprise Park by Nov 1, 2023, including plans and measures to eliminate, prevent, or mitigate illegal dumping.
- R2 By November 1, 2023, COR Public Works Department and Parks & Recreation Department shall develop an accounting system to track content and quantity of material deposited on Enterprise Park

- R3 COR Public Works Department and Parks & Recreation Department, in collaboration, will develop a plan by November 1, 2023 to recycle, remove, or otherwise properly dispose of materials dumped or discarded at the Park.
- R4 COR Public Works Department and Parks & Recreation Department, in collaboration, will replace the locks on the gates to the lower level by November 1, 2023, and will keep a key inventory of City staff allowed access to the area.

INVITED RESPONSES

From the following governmental officials requested within 60 days:

City of Redding Director of Community Services/Parks and Recreation

F1, F2, F3, F4 and R1, R2, R3, R4, R5, R6

City of Redding Director of Public Works

F1, F2, F3, F4 and R1, R2, R3, R4, R5, R6

DISCLAIMERS:

Reports issued by a grand jury do not identify individuals interviewed. Penal Code §929 requires that reports of a grand jury not contain the names of any person or facts leading to the identity of any persons who provide information to a grand jury.

When there is a perception of a conflict of interest involving a member of the Grand Jury, that member has been required to recuse from any aspect of the investigation involving such a conflict and from voting on the acceptance of or rejection of that report. No member/s of the Grand Jury recused from this report.

REVIEWED DOCUMENTS:

California Code of Regulations Title 14, Division 7, Chapter 3, Article 5 and 5.9- Construction and Demolition and Inert Debris Transfer/Processing Regulatory Requirements (§17383)

- COR Geographic Information System (GIS) aerial photos: 2004, 2010, 2016, 2020
- Shasta County zoning map of Enterprise Park and surrounding area, parcel numbers:
- 06820003, 068280004, 06820005, 068290004
- COR Clerk's Office records of EPUD annexation
- COR Public Works Cartograph sample entries

GLOSSARY

COR: City of Redding

EPUD: Enterprise Public Utilities District.

Vac-Con: Is a large truck or trailer mounted vacuum that can suck up water and debris (dirt and gravel) from an excavation site. The evacuated water and

debris can be deposited elsewhere.

ANOTHER LOOK AT THE SHASTA COUNTY CORONER'S OFFICE



SUMMARY

The Shasta County Coroner's jurisdiction and responsibilities with respect to how and when information within the Coroner's purview is shared with the public is the subject of this report.

The Shasta County Coroner's Office (SCCO) staff are charged with the notification of the next of kin of deceased

individuals and of communicating the circumstances surrounding that death. The Jury found that Coroner's staff do so with compassion, thoughtfulness and sensitivity. They do so as expeditiously as their evaluation and the law allows. Resulting from this investigation, the grand jury came to appreciate the delicacy with which the Coroner's investigators must deliver such heartbreaking news, as well as the emotionally charged impact such news will have on the recipient. The ensuing eagerness for the next of kin to learn the how and why this tragic loss could have occurred can sometimes be confounded by the legal constraints that limit the extent and timing of information the Coroner's staff may impart.

Beyond the demands required to comply with applicable legal standards for disclosure of information, the Coroner's staff must contend with conditions at the Coroner's facility that may impede their ability to conduct examinations as expeditiously and effectively as they otherwise might. Such conditions in the Shasta County facility include limited staffing, a facility that is too small for current operations, workflow and safety. Despite these conditions, detailed in the following report, the jury found the SCCO fulfills all of its duties in a professional, sensitive and timely manner. The entire SCCO staff is commended for their largely unobserved and generally unappreciated efforts to ensure the compassionate care of the county's deceased and their loved ones.

BACKGROUND

Any pursuit of how a Coroner's office shares information with the public demands an examination of how the office gathers and prepares that information. Accordingly, the focus of the grand jury's investigation was decided.

Shasta County has an elected Sheriff/Coroner who appoints a Deputy from the Sheriff's Department as the Chief Deputy Coroner. The Chief Deputy Coroner oversees the SCCO staff. The staff is comprised of five Deputy Coroner Investigators, (DCIs), and an Administrative Secretary. The Chief Deputy Coroner has been trained in law enforcement and is a sworn peace officer. The DCIs, who are also sworn peace officers, receive training relating to their responsibilities of examining, transporting and conducting research pertinent to deceased individuals. The DCIs are not required to be trained in law enforcement.

The Coroner is obligated by law to carry out the duty of inquiring into and determining the circumstances, manner, and cause of all violent, sudden, or unusual deaths, among others. The types of deaths falling under the jurisdiction of the SCCO under California Government Code Section 27491 include:

- Accidental deaths
- Suicides
- Homicides
- Deaths occurring at the workplace
- Hospital deaths occurring during surgery
- Any natural-appearing death if the decedent has not been under the care of a physician in the previous 20 days
- When the physician is unable to declare cause of death
- In-custody deaths and those involving law enforcement

When the summoned DCI arrives at the scene of a death, such as an auto accident, the decedent becomes the jurisdiction of the SCCO. A representative of that office, the DCI, will, upon arrival, begin their examination which includes:

- Observation of the scene and position in which the decedent has been found
- Photographing the scene
- Briefly examining the decedent's remains
- Covering and transferring the decedent to a gurney and
- Transporting decedent to the SCCO in the Coroner's transport vehicle

Once at the office, the DCI will transfer the gurney from the truck into the facility and record the date, time and identity of the decedent. This information is logged into the office computer system and written on the large whiteboard

that serves as an informal record of the number of deceased who are placed in the refrigerated morgue. Also written on the whiteboard is a brief description of the apparent manner of death for each decedent. This description will aid the pathologist in determining the complexity each autopsy may present. It is the pathologist's responsibility to determine the cause of death.

In Shasta County, and throughout many California counties, due to a nationwide scarcity of these specialists, pathologists often reside out of the area and are contracted by the county to perform the autopsies, according to the pathologist's availability. This has resulted in the frequent necessity to house multiple decedents in the morgue until the pathologist becomes available. Consequently, this burdens not only the county to provide ample space in which to house the deceased, but also burdens the pathologist and the autopsy technician who must endure performing multiple autopsies throughout what can be an exceptionally long and exhausting day. Shasta County has engaged and contracted with two pathologists, both of whom live out of the area.

The person who serves as the autopsy technician assists the pathologist by helping to position the decedent, retrieve instruments, contain and label specimens, and clean the room and equipment in between each autopsy.

It falls to the responding DCI to ascertain the decedent's legal next of kin (LNOK), and to promptly notify that individual of the death. There is a distinction between simply next of kin and the legal next of kin as only the LNOK holds authority to direct the disposition of the deceased—burial, cremation, etcetera. Determination of the LNOK is described within California Health & Safety Code Section 7100. If at all possible, death notifications are made in person by the investigating DCI. At the time of the notification, the DCI will impart as much information concerning the death as the status of the investigations permit. Only limited information might be shared if there is a concurrent, ongoing investigation into the death by another agency, such as the California Highway Patrol, (CHP), in the case of an auto accident.

When the LNOK resides out of the area a representative of that area's coroner's office is contacted and asked to make the notification. Rarely, if all other avenues have been exhausted, the notification will be made by telephone.

It is also the DCI's responsibility to determine the manner of death and to compose a report based on their findings surrounding the death. The DCI's report will be combined with those from the pathologist and any other agency that may have conducted an investigation related to the death. If a toxicology determination is required, those results must be received and included in the documentation. The resulting collection of reports and results comprise the Final Death Report, which, upon its completion, becomes available to the public upon request to the SCCO. In limited circumstances, certain factors such as those arising out of pending criminal investigations, the prospect of criminal prosecution, or individual rights of privacy concerns, may be relevant to the determination of what information can lawfully be made public or exempt from disclosure. In any event, confidential identifying information of the decedent, such as social security number, and any contact information for the survivors of the decedent will be redacted from any publicly available Final Death Report.

METHODOLOGY

Interviews:

- Employees connected with Shasta, Butte, Humboldt, and Tehama County Coroner's Offices
- Shasta County Risk Management
- Representative from toxicology laboratory on 10/13/22

Site Visits:

- Shasta County Coroner's Office on 11/07/22
- Butte County Coroner's Office on 02/03/23

Autopsies:

- Members of Shasta County Grand Jury observed 5 autopsies conducted at the Shasta County Coroner's Office

References:

- California Government Code Section 27491
- California Health & Safety Code Section 102850
- California Health and Safety Code Section 7100
- California Code of Regulations, Title 22, Section 71633
- California Government Code Section 27522
- California Penal Code Section 830.35
- California Government Code Section 24010
- Shasta County Sheriff’s Office – Policy Manual – Lexipol Policy 330 – Death Investigations
- Shasta County Sheriff’s Office – Policy Manual – Lexipol Policy 403 – Reporting In-Custody Deaths
- Shasta County Sheriff’s Office – Policy Manual – Lexipol Policy 805 – Records Maintenance and Release
- Shasta County Sheriff’s Office – Policy Manual – Lexipol Policy 909 – Emergencies

DISCUSSION

Through interviews with many Coroner representatives it was made apparent that the DCIs from the four counties (Shasta, Humboldt, Tehama and Butte) not only share the same responsibilities, they also perform all aspects of their specialized work with admirable respect and consideration for the decedents in their care. Theirs is a profession requiring physical strength, a degree of medical knowledge, particular research skills and, most importantly, the ability to sensitively communicate effectively with the survivors of the deceased, to list a very few of their routine tasks. Such undertakings may occur multiple times within a day’s shift. The Grand Jury has learned that the process of making death notifications requires empathy and tact and will often require the DCI to temporarily assume the role of counselor for the next of kin. It is easy to imagine how emotionally draining this can be for all parties. In none of the counties studied was there available to the DCIs any counseling or emotional support specific to their uniquely confidential work of attending to the dead.

Shasta County was alone among the four counties studied that offers three levels of the deputy coroner investigator position. Tehama County offers two levels, while Butte and Humboldt counties employ only one level. The pay scale among the four counties is somewhat comparable. Humboldt’s wage is the most generous of the four with Butte, Shasta and Tehama following in descending order. The starting and highest possible wages are as follows:

TABLE I

| DCI Wage Comparison | | | |
|---------------------|-----------------|-----------------|-----------------|
| Humboldt | Butte | Shasta | Tehama |
| \$30.83-\$39.56 | \$28.55-\$38.26 | \$25.31-\$38.13 | \$24.85-\$33.35 |

A comparison of the 2021 population numbers for each of the four counties, as reported by the U.S. Census Bureau, shows Shasta and Butte counties being very similar in size. Shasta’s census reflects only a 13% difference from Butte’s. Humboldt and Tehama populations are significantly fewer:

TABLE II

| 2021 Population | | | |
|-----------------|---------|---------|--------|
| Humboldt | Butte | Shasta | Tehama |
| 136,310 | 208,309 | 182,139 | 65,498 |

When comparing how many autopsies are performed, how many DCIs are employed and the capacity of the refrigerated morgue for each county, the numbers become skewed relative to population:

TABLE III

| Number of 2021 Cases, DCIs and Morgue Capacity | | | | |
|--|----------|-------|--------|--------|
| | Humboldt | Butte | Shasta | Tehama |
| Cases | 535 | 980 | 1132 | 306 |
| DCIs | 4 | 2 | 5 | 3 |
| Capacity | 17 | 44 | 12 | 13 |

Each of the counties employ an office support person who is responsible for the routing of mail and handling of phone inquiries, among other clerical duties. The grand jury has learned that only Shasta County does not enlist the help of volunteers who, in the other three counties are essential to their operations and are mostly recruited from the area schools of nursing. Some of those schools designate volunteer hours as a requirement for completion of their courses. These volunteers assist the DCIs or the pathologist, who they serve as the autopsy technician. Butte is the sole county to employ a full time autopsy technician. Formerly, Butte County had an intern program with Chico State. It is now attempting to resume that program. Butte currently participates in their Sheriff’s Team of Active Residents in Service (STARS) program which offers volunteer opportunities to anyone over the age of 21.

While the DCIs of each of the four counties work Monday through Friday as their regular workweek, the off hours, nights and weekends, are staffed slightly differently in each county. Shasta County DCIs’ Monday through Friday hours are 8:00 a.m. to 5:00 p.m. In addition to the workweek shifts, on a rotating schedule, one DCI will be assigned to cover the weekend hours on an on-call basis. The on call DCI is responsible for responding to all calls for the coroner that come in during the hours from Friday, 5:00 p.m. until Monday at 8:00 a.m. Weekly, each DCI must be the on-call for one week night, 5:00 p.m. to 5:00 a.m. On exceptionally busy shifts the Deputy Chief Coroner may request a second DCI to come in. That DCI holds the right to refuse the request. The coroner’s office staff considers itself a team; however, if at all possible, the DCI will oblige in the request for help.

Often, the calls for the coroner are received in rapid succession, sometimes simultaneously, summoning the lone night or weekend DCI to random locations throughout the county. During such a shift the DCI can only respond to the calls in turn, and must transport the decedent to the morgue before heading to the next scene. The first responder at the death scene will remain occupied in securing the scene until the DCI has arrived, conducted their death-scene operations and has departed with the decedent. Interview testimony has reported that in Shasta County there have been instances when law enforcement has left the DCI alone and unprotected at a death scene. It is expected, and usually happens, that the individual charged with keeping the scene secure will assist the DCI in transferring the decedent to the gurney. It goes without saying that the DCI on duty under such circumstances will get little, if any sleep, and still be expected to be in the office on their regular weekday shift.

In Humboldt County the DCIs work Monday through Friday, 8:30 a.m. to 5:00 p.m., and one night per week on call. Additionally, each DCI is scheduled to be on call for an entire weekend each month. Tehama DCI schedules differ in that the DCIs work four 10-hour days per work week, and the day shift hours are augmented with volunteers. Tehama County is similar to the Shasta and Humboldt Coroner’s offices in that Tehama DCIs are also assigned on a rotating basis to be on call for the after weekday hours. Butte County off-hour calls for the coroner are covered by sheriff deputies who will conduct the initial scene investigation and then call in the commercial transport company who will provide transport of the decedent from the scene to the morgue. The reader is referred back to Table III to note the significant discrepancy in the number of cases the counties process per year. In 2021, Shasta County processed 1,132 cases, more than any of the other counties.

The Shasta, Tehama and Humboldt County DCIs will also occasionally pull double duty serving as the autopsy technician and providing assistance to the pathologist. In Humboldt County, volunteers are utilized most often in this role. In Tehama, one of their pathologists will bring their own assistant and when their second physician comes, one DCI or a volunteer will assist. In Butte County their resident autopsy technician fulfills the role.

Shasta, Tehama and Humboldt counties each have two fully equipped transport trucks. Butte County has only one such truck and contracts with an area mortuary for transport services. The four counties each utilize their van-type vehicle mainly for errands although each van is capable of providing transport of a decedent. The gurneys in the vans are not electronic and must be operated manually.

Shasta County employs five DCIs, the most of the four counties. This is reasonable given the fact that Shasta County has more cases than the other counties. The SCCO will have at least three of their five DCIs on duty during any given work day. Two of the three will have access to one of the fully equipped trucks while the third DCI will be left with the van and it's manually operated gurney, should the office receive three calls at once. Testimony the grand jury has heard confirms this situation occurs often enough that the entire staff, when asked "how can the Coroner's Office be improved?" are unified in their response, "obtain another vehicle."

An unfortunate factor unique to the Shasta County facility are the conditions under which the deceased are brought into the facility. The situation becomes particularly critical after dark, compromising the DCI's safety. Shasta County DCIs must drive to the gate that opens to the facility's yard. The gate is kept locked at night and on weekends. The DCI must then exit the vehicle to unlock and open the gate, then re-enter the truck and drive it through into the yard. They must again exit the vehicle to close and lock the gate before climbing back into the truck and proceeding to the loading ramp. Once inside the facility yard, the vehicle must be maneuvered into position to back up to the building. The DCI will again exit the vehicle, open the rear doors of the vehicle and the door to the facility before rolling the gurney into the building. All of this activity, from the unlocking of the gate to entering the building, is observable to passersby who, in the remote area where the facility is located, include transients who regularly frequent the area.

Compounding these conditions, the lighting provided the yard and gate at the time of the Jury's tour of the facility was insufficient to adequately illuminate the entire area. Since then, the investigation has revealed the lighting has been upgraded. Another factor impacting the DCI's safety, particularly during inclement weather, is the fact that the facility's yard is unpaved.

In stark contrast, the Tehama facility is situated within the same building as houses the Sheriff Department. The Humboldt facility shares the same building with other government offices. The Butte facility is located adjacent to the Sheriff's Department and is accessed through a locked, automatic gate. Humboldt's entrance is enclosed on three sides and requires the vehicle to be driven up a ramp. The disembarking area is enclosed and elevated from the street level. The points of entry for Humboldt, Tehama and Butte counties are paved, provided adequate lighting and are secure.



While all personnel within the coroners' offices work for the sheriff of their respective counties, not all receive law enforcement training. Not all are allowed to carry self-protective weaponry. Neither Butte nor Shasta County DCIs are trained in law enforcement nor are they permitted to carry weapons of any kind. The decision of whether or not to allow their coroner investigators to be armed lies with the Sheriff/Coroner of each county. In Shasta County, testimony has indicated that the Sheriff/Coroner may be inclined to allow the DCIs to be armed, but doing so will require them to take and pass a course in weapons handling. Testimony given during interviews has indicated the SCCO team is in agreement that being armed, even if only with pepper spray, would create a greater sense of security among members of the team.

The Shasta County facility is the oldest of the four counties studied, having been erected in 1978. The 45-year old structure has undergone minor renovations in 1995 and 1998, and 1,000 square feet of office space were added in 2017. The 1978 census for Shasta County was 103,600 residents. The county has realized a population increase of over 75% since then. Currently, the 2017 office space addition is already too small to accommodate any new staff despite testimony the grand jury has heard indicating additional office staff would benefit the coroner operations significantly. The office areas currently provided for the pathologist and law enforcement detectives are little more than spaces carved from a hallway and an area shared by the entry to the autopsy suite respectively.

The inconvenience of the cramped office area is exceeded by the fact the refrigerated morgue can only be entered by passage through the autopsy suite. The single access door into the morgue leads directly into the autopsy room. Consequently, any attempt to move a body into or out of the morgue must be delayed if an autopsy is in progress. Only when the operating suite is not in use may the morgue be entered.

Standing on the morgue's threshold, one observes an L-shaped room that can comfortably accommodate only 12 decedents with a maximum capacity of 20 if "cuddling" is employed, i.e., laying two to a gurney. Typically, ten cases per week are handled by the SCCO. Taking into account the pathologist's sporadic availability, it's easy to imagine how frequently the morgue may gradually fill as daily arrivals are added to the morgue awaiting the pathologist's arrival. Due to the unfortunate size and shape of the morgue, retrieving a particular decedent from the room often involves the temporary moving out of and back into the morgue of several occupants in order to clear a passage for the desired decedent. This maneuvering has been likened to the game of Tetris, but one involving substantial physical exertion.

Reducing the refrigerated area even more is the necessity to reserve a portion of the morgue for the storage of evidentiary specimens that must be kept refrigerated. The specimen storage area within the morgue has reached capacity so there are assorted refrigeration/freezer appliances located along the perimeter of the autopsy suite, providing a makeshift storage solution, for the additional specimens. Above these appliances is minimal counter space for the in-suite preparation of specimens. All surfaces within the autopsy suite are made of wood, formica, stainless steel or enameled metal, reflective of the era of their inclusion into the suite.



The Shasta County facility presents as an improvised center when compared to the only other facility the grand jury has toured, the recently constructed Butte County facility. After seven years in the planning stage, construction was completed on the Butte County Coroner's Office in 2021, with occupancy achieved in

2022. Butte County's autopsy suite is of a size that can accommodate three autopsies concurrently. Two of the three tables in the room are equipped with overhead cameras allowing two autopsies to be observed from the conference room which is located in another part of the building. There exists numerous upper and lower cabinets with ample counter-top work spaces. Each operating table can be adjusted to the pathologist's preferred elevation and each table is located adjacent to a sink. All surfaces within the suite are stainless steel and are spotless.

Humboldt, Tehama and Butte County's morgues have entrances distinct from their autopsy rooms. Activities within the autopsy suites do not interfere with the in and out passage to the morgues.

The current computer program with which the SCCO staff must contend has been described as "making do with an inadequate system to begin with." Over the years it has been "tweaked" to accommodate the needs of law enforcement, with whom the system is shared. The program is unable to quantify or categorize by type the number of cases that are processed by the coroner's office. Such statistics must be calculated by hand. Given the workloads of the current staff, those annual statistics are not readily available. These types of statistics are among the factors considered when qualifying an entity for grant monies. The other three counties the grand jury has studied readily provided the number of cases their offices had processed for year 2021 and could have broken those cases down into types of deaths had the request been made. Their reports are generated by their computer programs that are designed solely for the particular needs and operations of a coroner's office. The Shasta County 2021 data reflected in this report were tabulated by hand.

It has been reported that Shasta County has recently obtained a grant that will provide funding for the office to purchase new and appropriate software that is suited for the coroner's needs. Availability of the funding is contingent, however, on the timely allocation of additional monies by the Board of Supervisors (BOS) to complete the purchase. Concern has been expressed that the BOS may fail to make the allocation before the time constraints in which the grant must be utilized have passed.

Early in this investigation, the grand jury heard testimony alluding to the newly constructed Butte County Coroner's Office. The building was enviously described as a "state of the art" facility. After touring the facility, the grand jury found the description of the edifice to be absolutely true.

Among the Butte County facility's many enviable features are:

- Vertical shelving to accommodate 44 decedents within the morgue, maximum capacity of 56
- Forklift to lift and place decedents on the shelving
- Separate access doors to the autopsy area and the receiving area where decedents are transferred from the vehicle into the facility
- In-floor scale at the receiving port to weigh the decedent upon arrival
- Private, secure and fully enclosed receiving area

- Separate storage refrigerator where the unidentified are held for 30 days before cremation
- Full body x-ray machine (Lodox) located in the autopsy suite
- Separate refrigerated storage room for specimens
- Separate room for storage of evidence not requiring refrigeration (DNA samples, rape kits)
- Massive evidence room housing numerous expansive, rolling shelving units mounted on in-floor tracks
- DNA processing room equipped with DNA sequencer capable of providing results in 90 minutes (This machine was obtained post Camp Fire when the coroner had 88 victims to identify.)
- Drug evidence storage room
- IT room where electronic data can be extracted from cell phones and computers, among other capabilities
- Additional autopsy suite specifically for homicide victims

This was a planned and budgeted project approved by the Butte County Board of Supervisors. Excerpts from the Board's Agenda Transmittal for meeting dated October 27, 2020, are as follows:

- The construction of the Project is included in the Butte County Capital Improvement Program, which involves the design and construction of and the purchase of equipment for the proposed 10,840 square foot Project, which will replace the existing evidence storage building and includes a full-service morgue.
- On June 23, 2020, the Board of Supervisors authorized the submission of a financing application in the amount of \$12,000,000 to IBank for the construction of the Project. The Board of Directors of IBank approved the County's application on September 23, 2020. The total project cost is estimated at up to \$14,000,000 of which up to \$2,000,000 is a cash injection from the County and \$12,000,000 would be financed by IBank for a term of 30 years at an annual fixed interest rate of 2.5%. The financing is structured as a lease/lease-back arrangement between the County and IBank with the Project serving as the leased asset.

The foregoing is included in this report as an example of how one similarly-sized county found their much needed project to be feasible and endeavored to make it a reality. Might Shasta County do so as well?

This report cannot be concluded without mention of the finding that SCCO experiences more on the job injuries, (OJIs), than does the Humboldt, Tehama and Butte offices. The conditions under which the Shasta DCIs must work and the equipment with which they must contend, factors not evident in the three other counties, contribute to the higher incidence of injury that is occurring in the SCCO. The last OJI reported in Humboldt and Butte counties occurred remotely by several years. Humboldt County responded to their last OJI (a back injury) by purchasing their two transport trucks, each equipped with the electronic gurneys. In Tehama County there is currently one DCI out with an OJI which has been described as an exception in that OJIs rarely occur there.

Testimony the grand jury has received indicate several, if not all, of the DCIs in Shasta County have sustained OJIs of varying severity. Every absence in the SCCO creates a hardship for the remaining DCIs in the facility. Extended leaves that many injuries require, just increases that burden for the remaining staff.

The often occurring injuries, the stress of their workloads, the sleep deprivation imposed by their long hours and, in 2020, the impact of the pandemic have all contributed to the rate of turnover among the office staff. For a period of over a year in 2020, the SCCO was staffed with only two DCI's and the administrative secretary. This resulted from a combination of staff departures and the extended leave of a DCI due to an OJI. At the time this report was written, with all five DCIs working, the office is down an administrative secretary. Prior to this recent loss, there was an expressed need for an additional clerical worker who could not be provided a work space due to the limited size of the office. Recruitment and retention of personnel have been undermined by the far less than ideal circumstances in which the SCCO finds itself.

Despite the foregoing, the hard work and sacrifice the Shasta County Coroner's Office personnel routinely make to ensure the office continues to fulfill its responsibilities cannot be denied. As has been revealed in this report, in Shasta County the Deputy Coroner Investigators wear many hats and face challenges that has earned the admiration and respect of this grand jury.

FINDINGS

- F1 Shasta County Coroner's office is struggling to keep up with their workload. Other rural northern California Coroner's offices are benefiting from utilizing volunteers from local colleges/universities.
- F2 On occasions, the Shasta County Deputy Coroner Investigators are left by law enforcement at the scene of a death without any means of protection or assistance.
- F3 The Shasta County Coroner's refrigerated morgue can only be entered by passage through the Autopsy Suite, which requires an alternate storage location if an autopsy is in progress.
- F4 The Shasta County Coroner's facility currently has an unpaved access yard and a manual gate, which is kept locked during weekends and evenings, which all contribute to unsafe working conditions for DCIs when transporting decedents to the facility.
- F5 The Shasta County Coroner's facility is outdated, of insufficient size and has a poorly designed floorplan which all hinder the efficient operation of the Coroner's office duties.
- F6 Shasta County Coroner's current computer program is outdated, requiring much data to be retrieved manually which increases workload for coroner staff.
- F7 Shasta County Coroner has a grant pending for replacement of the current computer program contingent on the Board of Supervisors allocating any additional funding necessary to complete the purchase.

COMMENDATIONS

- C1 The Shasta County Grand Jury commends the Shasta County Coroner's Office for their dedication and commitment in executing their responsibilities and for the compassionate care shown by the personnel in considering the emotions and needs of the public they serve despite the Coroner's office outdated condition, poor building design, and limited resources available to them.

RECOMMENDATIONS

- R1 The Shasta County Grand Jury recommends that the Shasta County Coroner's Office create a volunteer program to alleviate their manpower shortage by January 1, 2025.
- R2 The Shasta County Grand Jury recommends that the Shasta County Sheriff allow DCIs some type of self-protection and provide the necessary training.
- R3 The Shasta County Grand Jury recommends that the Shasta County Sheriff include life/safety improvements in his 2024-25 fiscal year county budget proposal.
- R4 The Shasta County Grand Jury recommends the Shasta County Board of Supervisors and the Shasta County Sheriff investigate all opportunities for the replacement of the current Shasta County Coroner's facility.

REQUIRED RESPONSES

Pursuant to California Penal Code, Sections 933 and 933.05 respectively, the 2022-2023 Shasta County Grand Jury requests the responses listed below:

- Shasta County Sheriff, F1, F2, F3, F4, F5, F6, F7, R1, R2, R3, and R4 within 60 days
- Shasta County Board of Supervisors, F5, F7 and R4 within 90 days

DISCLAIMERS

Reports issued by a grand jury do not identify individuals interviewed. Penal Code § 929 requires that reports of a grand jury not contain the names of any person or facts leading to the identity of any persons who provide information to a grand jury.

When there is a perception of a conflict of interest involving a member of a grand jury, that member is required to recuse from any aspect of an investigation involving such a conflict and from voting on the acceptance or rejection of a report. One member of the Grand Jury was recused from this report.

CLEAR CREEK COMMUNITY SERVICES DISTRICT 2022-2023 SHASTA COUNTY GRAND JURY



SUMMARY

The Grand Jury received information regarding the Clear Creek Community Services District (CCCSD/ District). This information concerned accounting problems, lack of Board oversight, management practices, administrative personnel turnover, and water acquisition/distribution problems.

The Grand Jury investigated various aspects of the CCCSD as set forth in this report. The Jury found inadequate record keeping and uncollected accounts. The CCCSD Board failed to follow its own policies regarding oversight of District operations, which led to unapproved management practices. The Jury discovered the turnover of key administration staff contributed to the conditions at CCCSD. The lack of Board oversight contributed to the problem of water acquisition at reasonable rates.

The Grand Jury also looked into the District and its continued ability to have sufficient funding adequate to serve the customers of Happy Valley. New board directors and a new general manager, along with support from volunteers, are creating confidence in the future of CCCSD.

BACKGROUND

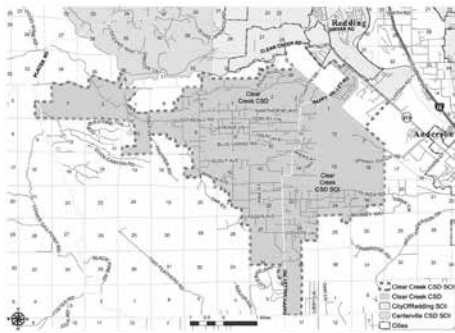
The unincorporated area of Shasta County currently called Happy Valley was first settled in the mid-1860s when water from a gold miner's ditch became available for agricultural uses. Although the region had a variety of names in its earlier years, the name Happy Valley was coined by a settler from the San Francisco Area in the 1880s. Historically, Happy Valley, a prosperous agricultural center, has always depended on plentiful water. That is just as true today for many residents as it was 160 years ago; today's water needs are for agricultural use, as well as the needs of rural and suburban residents. There are currently 8000 residents using water supplied by the water district, with total water connections of more than 2000 customers.

CCCSD was created in 1963 and has been responsible for the distribution of clean and safe water since that time. The Mule Town Conduit from Whiskeytown Lake has been a primary source of water for the District, which maintains over 100 miles of pipeline in its 33.8 square miles. The District has historically purchased water from other sources as well. In addition, the District maintains and pumps water from three deep wells in the southern part of its area and then uses a booster pump to push this water into its distribution system when necessary.

METHODOLOGY

The Jury used the following methods in this investigation:

- Interviews of CCCSD Board of Directors - past and present.
- Interviews of CCCSD staff, customers and volunteers.
- Site visit – March 27, 2023.
- Attendance at CCCSD Board meetings.



A detailed list of reference material is included later in this report.

DISCUSSION

CCCSD is governed by an elected five-member Board of Directors responsible for the provision of current and future water needs of the District's water customers, as well as ensuring continued efficient operations and providing oversight to the General Manager.

Daily operations of the District are delegated to the General Manager. The former District General Manager had been internally promoted in 2010 and later resigned in August of 2021. Upon that resignation, multiple issues within the District became apparent. Also resigning the same month were the bookkeeper and the office manager. Since that time, other administrative personnel have also left, to be replaced by people who were unfamiliar with CCCSD operations. The District asked a current employee to act as Interim General Manager, and finally hired a General Manager with water district experience in November of 2022.

The Carr Fire in July of 2018 and the Covid-19 pandemic of 2020 had significant negative impact on the District's finances. The fire damaged the CCCSD water treatment plant and backwash recycle ponds, while the pandemic impacted revenue collections. Statements in 2021 minutes and other public records reveal the District's cash flow problem resulting in a delay in receiving grants and loans for infrastructure improvement. Customer water needs were not met due to infrastructure decline, plus inadequate office support to process customer bill payments in a timely manner, which resulted in late payment charges for customers who paid their bills by check.

According to the CCCSD General Administrative Policies (GAP) the Board shall create standing committees for the purpose of making recommendations to the full Board. Although these committees have been formed, there is no available documentation that they met, nor are any reports to the Board from such committees recorded into the monthly Board meeting minutes over a several year period.

Currently the Personnel Committee is actively involved with the formation of the new union contract for its employees. The Agricultural Committee is charged with promoting agricultural water usage within the District. The Planning and Steering Committee provides pertinent information at crucial times of the year, especially at the time of the annual budget for the upcoming year. The main concern of this committee is the formulation of plans and policies for arranging, realizing and achieving District goals. The responsibility of the Financial Committee is to oversee the financial management of the District, including the preparation and oversight of reserve accounts and major expenditures.

Due in part to frequent Board Member turnovers, these committees have met sporadically or not at all. The Financial Committee failed to meet its intended purposes by not providing the full Board the necessary information to make adequate and timely financial decisions based on actual information about the financial health of the CCCSD since 2020.

In 2020, many concerned citizens formed the Happy Valley Community Committee (HVCC) as a watchdog group over the actions and policies of

CCCSD. Members of this committee began to attend all Board meetings, to ask questions, and to demand answers about what they were seeing throughout the District. As time progressed some even became members of the Board to help solve the exposed problems within the water district that affected every resident.

In September of 2021, the CCCSD Board of Directors initiated a change in auditing firms. The State mandated audit for fiscal year (FY) 20/21 (July 1 to June 30) was finished and accepted by the Board in December of 2022, six months past the due date. The audit for FY 21/22 was started on schedule in early 2023, and has yet to be completed at the time of this report.

A review of past audits, fiscal years ending June 30th of 2014 through 2018, reveal continuing issues identified regarding internal controls and operational matters. The most important of these was the irreconcilable differences in the customer accounts Subsidiary Ledger with the General Ledger. The differences identified by the auditing firm grew from \$15,152 in 2014 to \$26,995 in 2018. The latest audit for FY 20/21 identified the same issue with the General and Subsidiary Ledgers.

In 2022, customers volunteered to assist the understaffed office with updating customer accounts. The auditing of customer accounts exposed uncollected accounts still on the books and non-collection of monthly active water bills and penalties. Directors voted in July of 2022 to write-off (uncollectable) historic past due monies owed in the amount of \$61,680.85. The CCCSD accountant had identified a total of 848 accounts past due, with 471 past due over seven years.

Additionally, volunteers worked on transcribing recorded backlogged Board minutes that had not been transcribed from 2020-2021. The minutes were finally approved and posted to the CCCSD website in late 2022.

The Grand Jury discovered no training or procedure manual(s) in place to ensure consistent proper accounting and bookkeeping practices at the District, whether for employees, vendors, or customers. Instead, training for new bookkeeping and/or accounting staff was done by individual handwritten notes and post-it notes. Turnover in office staff allowed past incorrect postings to compound year over year. With no formal training for new bookkeeping staff, monies were deposited into different accounts in error. Lack of procedures continue to make the flow of monies in and out of accounts difficult to assess.

ACCOUNTS RECEIVABLE

Customer accounts are identified by address. As customers stopped service or moved away, a new customer name was entered into the system, again tied to the address. Previous delinquent customer accounts were allowed to remain in the system without being collected. CCCSD was unable to deposit customer checks from September 2021 through January 2022 because the check scanner was out of order, resulting in late fee charges. CCCSD office staff had no regular deposit schedule enforced by management or the Board.

Additionally, Board Minutes from December 14, 2022 reflect a total of \$180,671 in delinquent charges on current accounts. The majority were more than 90 days past due. From 2010 through 2021, there was random enforcement of shut-off policies. Past management rarely enforced shut-off policies. Liens for unpaid accounts were rarely sought.

The CCCSD Board voted to enforce overuse penalties in December of 2022, contrary to past practices. Customers may ask for penalty forgiveness from the Board. Consistent enforcement of District water policy regarding penalties for over usage is a change from past practices.

The new auditing firm employed by the District identified Accounts Receivable errors. The District did not reconcile its Accounts Receivable Subsidiary Ledger with the General Ledger balance. An adjustment of \$197,223 between ledgers had to be made in order to correct the balance of the end of fiscal year 2021. The Jury determined the Board has not had accurate monthly information necessary to make fully informed financial decisions.

The New Board of Directors and the auditing firm confirmed numerous fund accounts with unreconciled balances. The entire bookkeeping system is being reconciled after being changed to a new system effective July 1, 2022. The migration to a new bookkeeping system and reconciling accounts started on July 1, 2022 and was ongoing as of the date of publication of this report. Staff is continuing to identify and correct errors in the previous bookkeeping system. New financial reports from July 2022 through December 2022, generated by current accounting software, have been approved by the Board.

ACCOUNTS PAYABLE

The District’s General Administrative Policy (GAP) requires the Board to determine salary and authorize time sheets for a general manager. The Board chose to include all employees in the Employee Association and memorandum of understanding (MOU), and pay hourly wages, including confidential office staff and general manager position. While state and federal rules allow these positions to be exempt from overtime and compensation time off (CTO), the Board chose not to use this exemption. This resulted in large overtime costs on weekly timecards. As written the MOU allowed for a very large CTO accrual that was due and payable when an employee retired.

In 2015 the District reported total wages for 19 employees to the State of California totaling \$605,630. In 2016 the wages jumped to \$776,349 for the same number of employees. Wages again increased in 2019 to \$962,875 for 19 employees. There were no presentations to the Board regarding restructuring of job duties, reorganizing salary structures, or placement of employees into new positions.

For six years, the total overtime cost was \$561,149. One member of management received \$193,687, or 35% of the total. That management position is now classified as exempt from overtime. CCCSD overtime costs as reported to the State of California were:

| | |
|------------------|------------------|
| 2015 - \$48,179 | 2016 - \$62,781 |
| 2017 - \$78,899 | 2018 - \$108,675 |
| 2019 - \$124,259 | 2020 - \$138,356 |

Another issue the Jury discovered in payroll discrepancies was the practice of employees donating CTO to other employees who were paid on vastly different pay scales. This made such donations inequitable, which was never addressed in payroll accounting.

When employees retired or left the District, duties were assigned or picked up by other employees. Job descriptions were not updated and correct wage compensation was not in accordance with the step process. Documents verify employees were accruing improper sick leave, while on-going attendance problems were never addressed by management or the Board. Improper job descriptions correlating to proper step and wage designations are a current negotiation issue. Employees have recently voted to be represented by United Public Employees of California.

In violation of the 2016 GAP requiring two authorized signatures or initials on invoices presented for check signing, the Jury found evidence that checks were signed with only one authorization, or authorization was entirely missing. When an authorized check signer left CCCSD, delays in adding new check signers occurred. On several occasions the bank notified CCCSD that unauthorized personnel were signing checks and signature cards needed to be updated. Also in violation of the 2016 GAP, Accounts Payable states invoices are to be processed on a semi-monthly basis. However, at the June 2022 monthly Board meeting, the check register showed payment to a local firm for past due invoices for monthly water analysis work completed over a ten month period.

SUPPLEMENTAL PAY

Supplemental Pay was in response to overpayment by employees into a program known as Other Post-Employment Benefits (OPEB). This benefit was established by the District as part of a Retiree Healthcare Plan in compliance with the CalPERS Public Employees Medical and Hospital Care Act. This

plan provides healthcare benefits to eligible District retirees and eligible family members. The CCCSD does not have a record confirming the commencement date of providing Supplemental Pay, however District minutes reflect the overpayment to OPEB presented to the Board in 2017. CCCSD refunded the employee overpayment to employees, totaling \$110,811. The District completed this repayment in 2021.

INCREASING WATER RATES

In 2018 the Board voted to increase water rates. As a result, concerned customers became involved at Board meetings. The proposed rate increase was voted down after public protest and customers asked for an outside opinion on water rates. The Board then worked with an agency that helps small rural districts in California, known as the Rural Community Assistance Corporation (RCAC). After presentation of the RCAC study, titled Clear Creek CSD Financial Analysis, prepared in 2020, CCCSD customers demanded a Community Action Committee (CAC) be created. The Board approved the CAC creation. The CAC came up with three rate increase proposals. The main contention for CCCSD customers was agricultural water users paying lower rates than domestic water users. After years of public discourse the Board and CCCSD water users agreed on a flat rate proposal for all water users, with additional monthly charges for debt repayment and penalties for overuse. After a correct Proposition 218 process, the District was able to secure a public vote to increase water rates in August of 2021. That long delay in increasing water rates further added to the fiscal crisis.

RESERVE FUNDS

In 2008, the CCCSD Board of Directors passed and adopted Ordinance 2008-11, The Reserve Fund Policy. The District Ordinance noted the loss of property tax income to the District in excess of \$380,000 due to the State budget crises of 2008. The Ordinance created specific reserve funds to be kept by the District. At a monthly Board meeting in 2019, the former general manager stated the reserves had been drawn down since the recession of 2008, creating a deficit of \$966,524.

The RCAC study, of 2020, notes the American Water Works Association recommended funding of reserves in the following areas and also notes a depletion of District reserve funds as follows:

- Operating Reserve Fund - the study found only \$33,869, with a full funding target of approximately \$230,000.
- Emergency Reserve Fund - the study found only \$37,011, with a full funding target of \$500,000.
- Capital Replacement Reserve - only \$136,000 available in investment. It states the District would need to set aside \$802,459 yearly to deal with aging assets in the District.

PROCUREMENT PROCEDURES

Due to the Carr Fire in 2018, the District’s Water Treatment Plant (WTP), located outside of Whiskeytown Lake, and the adjacent backwash recycle ponds were damaged. Fire damage was estimated at \$1,000,000.00. The Federal Emergency Management Agency along with the California Office of Emergency Services (FEMA/CalOES) provided local agencies with grant/loan combinations for repair. In June of 2022, CalOES notified CCCSD of improper procurement practices. There were four total findings and a Corrective Action Plan (CAP) was required. One finding cited procurement records not maintained to detail procurement history. A staff member created the CAP and the Board voted to accept and send the CAP to CalOES in July of 2022.

WATER ISSUES

When CCCSD was established in the early 1960s, the US Bureau of Reclamation (BOR) built the treatment and distribution system used and maintained by CCCSD. This build was contingent upon CCCSD repaying the amount spent by the BOR over the next thirty years, at which time title to the

system would be turned over to CCCSD. The system built was designated as a gravity feed system. This type of system has created continuous pressure fluctuations throughout the distribution system. In 2010, the District decided to sue the BOR for its flawed infrastructure design. One issue cited by the District was the on-going leakage of the main conduit located in the Whiskeytown area; repairs were estimated at \$1,000,000. As a result of losing the lawsuit on appeal, it cost the District \$712,000 in litigation.

District minutes, customer complaints and website alerts reveal an ongoing issue with the distribution system. Constant main line and minor line ruptures and leaks are usually dealt with by operation's staff. Numerous boil alerts have been issued to customers over the years. Customers have complained of going without water for days when repairs were needed for a line break. The Jury found, due to long-term depletion of reserve funds, repairs have been piecemeal as ruptures have continued to occur. The Jury discovered a costly error when on July 4, 2022 the after-hours answering phone service was unable to contact the on-call operations staff regarding a major line break. Millions of gallons of water were released during a designated drought year. A commercial contractor had to be hired to repair the line break, costing over \$10,000. Another huge loss of water, over two million gallons, was reported to the Board in September of 2022. An isolation valve had to be replaced.

CCCSD's inconsistent tracking of customer water usage also became an ongoing problem. Variances awarded to customers for a change in usage were not always entered into the billing software. Minutes show past staff complained of the time involved with the software input process. The District is currently working with a private company to correct software issues. Many water districts in Shasta County are dealing with BOR and State restrictions due to the proclaimed drought. In a non-drought year, the District could be entitled to up to 15,300 acre-feet (AF) of water. Water allocations have been severely cut back by the BOR, even to users with older water rights.

As the BOR has continuously cut back on water allotments, the District has had to rely on its groundwater supply by pumping from its wells. The cost of electricity for pumping is adding to the monthly outflow of money.

Erroneous forecasting of water needs in early 2021 and cutbacks by the BOR compounded the District's financial and water woes in late 2021. The District did not buy less expensive water when it was available earlier in the year. The District then scrambled to enter into a water transfer agreement with the City of Redding, dated August 26, 2021, for 500 AF of water at the price of \$462.38 per AF. The water transfer agreement was amended to add another 200 AF at \$328 per AF. Recent Board minutes indicate the District opened a line of credit with a local bank to help pay for the water, adding to its debt burden.

The Jury checked water treatment and distribution staff certifications, and at the time of writing this report they are current, according to the State Water Resources Board Certification website. While water availability has improved, there are still distribution problems due to the age of the system.

FINDINGS

- F1 Failure of the Board to provide oversight to management regarding payroll and overtime issues, as well as appropriate pay raises.
- F2 Failure of the Board to create and enforce policies and procedures for administrative personnel to do their jobs effectively and equitably for all CCCSD customers.
- F3 The Financial Standing Committee failed to meet consistently to review finances and make appropriate recommendations to the Board.
- F4 The Planning and Steering Standing Committee failed to ensure that Reserve Accounts were used for the purposes intended.
- F5 The Board failed to review monthly financial statements that reflected actual vs. budgeted income and expenditures.
- F6 The Board failed to adhere to its own policies regarding maintaining adequate Reserve Accounts for capital expenses for repairs and replacement of equipment and delivery systems.

- F7 Insufficient planning by management contributed to the inability of CCCSD to meet financial and budgetary responsibilities for daily operations and customer service.
- F8 The Board ignored independent audits that identified irreconcilable differences in the Customer Accounts Subsidiary Ledger with the General Ledger from 2014 to 2021.

COMMENDATIONS

- C1 CCCSD customers who created the Happy Valley Community Committee, whose persistence helped to expose and correct the problems within the District.
- C2 The Interim General Manager and other staff who stayed and continued their service even under severe difficulties.
- C3 The customers who volunteered many hours to update the backlogged 2021 minutes and to audit customer accounts.

RECOMMENDATIONS

- R1 By December 31, 2023, the Board annually review the General Administration Policy for updates and modifications to ensure Board compliance.
- R2 By December 31, 2023, the Board review all Standing committees to assess their effectiveness and responsibilities or consider reconstructing the committees.
- R3 By December 31, 2023, the Board shall invite at least two CCCSD customers to serve on each Standing Committee.
- R4 By December 31, 2024, the Board shall oversee the creation and implementation of an Administrative Office Policies and Procedures Manual.
- R5 By June 30, 2024, the Board will conduct annual financial planning meetings in conjunction with annual budgeting process to establish short-term (1-5 years) and long-term (5-10 years) goals for operational growth, infrastructure build/maintenance, financing of projects, and revenue reserves.
- R6 By June 30, 2024, the Board will create and utilize a Budget Variance and Analysis Guide in order to meet financial obligations.
- R7 By December 31, 2024, the Board perform an annual performance review of the General Manager.

RESPONSES

Pursuant to Penal Code Section 933.05, the following response is required:

From the following governing body: (within 90 days):

Clear Creek Community Services District Board of Directors

- F1, F2, F3, F4, F5, F6, F7, F8
- R1, R2, R3, R4, R5, R6, R7

The Grand Jury recommends that all governing bodies place their responses to all Grand Jury Reports on their Regular Calendars for public discussion, not on their Consent Calendars.

REFERENCES

<https://www.clearcreekcsd.org>
CCCSD Board minutes from 2015 through 2022
CCCSD Budgets – 2015 – 2021
CCCSD Audits, FY ending June 30th 2015 through 2021
CCCSD Ordinances – 2000 through 2022
Employee Pay timesheets, 2018 and 2019
CCCSD General Administration Policy – February 2010, reviewed 2016 and 2022
CalOES Compliance Assessment, CR22-2782 Dated June 17, 2022 and CCCSD Sub recipient Corrective Action Plan Response
CalPERS Actuarial Valuation Report for CCCSD, dated July 2021
CA Special Districts Association Guide to Special District Laws & Related Codes

Record Searchlight, July 11, 2010, Dylan Darling, Small water district sues bureau
CCCSD Customer billings – 2020-2021
CCCSD Competitive Bidding and Emergency Policy and Procedures – January 2005
<https://publicpay.ca.gov/Reports?SpecialDistricts>
Clear Creek CSD Rate Report Final- RCAC 7/9/2020
Water Transfer Agreement, City of Redding, C-9000, August 26, 2021
Shasta Local Agency Formation Commission (LAFCO) Draft of Municipal Services Review & Sphere of Influence Update – November 2014
Acquired emails from previous Board members
CCCSD Activity Reports and bank statements, 2021
Community Action Committee documents
CCCSD MOU with Clear Creek Employees Association – 2010
<https://www.usbr.gov>
https://www.waterboards.ca.gov/drinking_water/certlic/occupations/DWopcert.html
YouTube videos of CCCSD Board meetings

DISCLAIMERS

Reports issued by a grand jury do not identify individuals interviewed. Penal Code § 929 requires that reports of a grand jury not contain the names of any person or facts leading to the identity of any persons who provide information to a grand jury.

When there is a perception of a conflict of interest involving a member of a grand jury, that member is required to recuse from any aspect of an investigation involving such a conflict and from voting on the acceptance or rejection of a report. No member of the Grand Jury recused from this report.

ARE FOSTER KIDS AT RISK IN SHASTA COUNTY? 2022-2023 SHASTA COUNTY GRAND JURY



SUMMARY

This Grand Jury conducted an investigation in order to better understand how the Shasta County Health and Human Services Agency cares for and tracks our local foster children. There are multiple organizations and levels of care for the approximately 500 children involved in our foster care system at any given time. In a department that has recently seen a significant shift in management and personnel, it was obvious to this Grand Jury that the people involved in the health and care of foster children in our county have a passion and desire to do

their best to help our children in need. With the exception of only a couple of cases, that were positively resolved, the limited staff at the Shasta County HHSA have done a great job with the care and tracking of local foster children.

BACKGROUND

Our local foster care system is tasked with the temporary care of children that have suffered parental neglect, abuse or exploitation. A child can be placed into temporary resource housing for days, months or even years. The goal of foster care services of Shasta County Health and Human Services Agency is to try to reunite children with their parents in their homes when appropriate, or to eliminate any threat that may endanger a child in that home. Many variables may exist when assessing the best way to meet the needs of each individual child within the foster care system. Multiple people, agencies and departments are responsible for the placement and care of foster children in Shasta County to ensure constant accountability. Safety, mental, and emotional health are all critical factors that must be considered when placing a child in a residence that is not their familiar home.

DISCUSSION

The Shasta County Health and Human Services Agency (HHSA) is considered a “super agency” because of its multiple departments and the number of employees. The entire agency has been undergoing a significant transition, with many employees being promoted and/or transferred to new job positions. During the many interviews conducted by this Grand Jury, it became evident that the majority of positions in the HHSA were filled from within. Those coming into their respective new assignments, for the most part, have ample job experience and remain in their respective areas of expertise. There are still multiple unfilled

positions within HHSA and foster care services, which forces employees to maintain a larger caseload than normal.

This Grand Jury investigated not only how the foster care services of the HHSA works, but particularly how the children are placed and monitored. The physical, medical, and mental health needs of each child are being met as well as their location.

The Grand Jury also noted that the people in the HHSA, particularly those involved with the foster care system, are extremely dedicated to the children and are very hardworking. There appears to be a great deal of comradery as well as an awareness of what needs to be done and of where additional help is needed. Within the foster care services there are three classifications of case workers -- those who handle family reunification cases, those who work with children in permanent placement (adoption) cases, and family maintenance cases. Case workers are assigned to specific children based on the worker's experience and level of expertise. In addition to case workers who oversee the welfare of the children in the foster care system, there are many support personnel who keep this department functioning smoothly for the good of the children involved. Case worker supervisors maintain balanced workloads for all the case workers and are also available to answer questions or solve problems for any child within the system. Other personnel make sure records are up-to-date, accurate, and legal, as well as communicate with other departments within Shasta County, other counties, and the State of California.

Pursuant to the Emergency Response Protocol used to determine if a child is at risk, HHSA has a 24 hour response system in place. If a child is physically removed from the home, law enforcement is often involved under HHSA direction depending on the nature of the situation.

A child enters the foster care system for many different reasons, including the death of a parent or parents (without a will that designates a guardian), the physical incapacity of the parent, the incarceration of a parent, or the inability of the parent to care for the child due to any number of possible circumstances, such as neglect or abuse. When a child needs to be removed from a home, regardless of the circumstances, the first choice is to place them with family members or close family friends in order to spare them as much trauma as possible. Whenever practical, siblings are placed in the same resource (foster) family. On occasion a child is placed in a home outside of Shasta County, particularly if family members live elsewhere. [NOTE: child could also mean children throughout this report.] The Resource Family Approval team assigns each child to a resource (foster) family based upon availability, locality for a school-aged child, and any special needs a child might have.

There are certain steps and procedures that must be followed that vary somewhat depending upon the reason, the child enters the foster care system. For example, if that entrance is the result of the sudden death of a parent in an accident, and the police have no knowledge of whom to contact about the child, the child is taken

to Child Welfare until that information can be obtained. When the problem or individual affecting the safety of a child in the home can be corrected, it is always the goal to keep the child in their home. If, however, no corrections are made, a court order is required to remove a child from the home. When safety is an issue, the child will be removed immediately, followed by a court order within 48 hours after removal from the home. The Court will then determine if the child should remain in placement in the foster care system. No matter the reason for the child's entrance into the foster care system, the paperwork is begun immediately in order to assure the safety of the child without delay and to record information on the child's whereabouts.

The Structured Decision Making Safety Assessment tool is used to clarify the specific needs of any child new to the foster care system and to discover if there are safety threats to that child. The California Child Abuse Central Index (CACI) is also accessed to determine if there have been past incidents of abuse. Each child is assigned a case worker, whose responsibility is to provide supervision and case management services. In most instances, the child is allowed supervised visits with the parents by the judge, who sets the quantity and type of supervised visitation, anywhere from monthly visits to as many as three times per week for infants and very young children. The degree of supervision during parental visits with their child in the foster care system is also determined by the judge, based on information about the home environment of the child within their family and other factors. The foster care agency does have some discretion to alter the schedule. Some parents are allowed to visit their child in more casual settings, while others need to spend time with their child in a more structured, secured environment. Some parents may visit their child unsupervised, while others can only spend time with their child in a case worker's presence. In the past there was a published report that a parent once left the visitation site with their child without permission. Shasta County personnel within the foster care services, HHSA, and law enforcement agencies dealt with this occurrence promptly and successfully to protect the safety of the child. Accurate record keeping by the foster care services about all aspects of a foster child's life have greatly aided in these kinds of recoveries. This is also true when a child has run away from the resource home.

Each case worker is also required by law to contact every child in their caseload once per month in order to maintain accurate evaluations and records. These contacts typically last about an hour, and are usually between the child and the case worker with no one else present. The child also has the right to contact their caseworker at any time about any issue and does not have to wait for a scheduled visit. This allows the child to speak freely about any possible issues within the resource home. Such meetings can take place in the home, in the office, or even in a neutral place such as a park, school, or restaurant. Management services performed by the case worker include assessments of the on-going physical, mental, educational, and emotional needs of the child. Documentation is sought in regard to immunizations, allergies, and any other medical or dental needs. Evaluations are made based on observations and questions as to the mental and emotional state of the child, with appropriate professional help provided as needed. The case worker will also transport the child to any necessary appointments if the resource family is unable to do so. The school-aged child is kept in the school of origin as often as possible in order to provide some continuity in the child's world.

All case workers are required to keep records of all activities, changes, or updates, including any changes in the child's resource family placement or location. When a child is placed with a different resource family the birth parents are notified of the change (though not of the actual address), as are any Court Appointed Child Advocates (CASA) assigned to that child. All records are entered into the Child Welfare Services/Case Management System (CWS/CMS) from initial contact through termination of services for every child in the foster care system. All workers in the foster care services utilize this computer system for entries and for tracking purposes so that no child can be lost in the system. Sometimes computer entries are delayed as an employee is awaiting information from an outside source, however the norm is that entries are made within a very short time period. Checks and double checks are in place to verify all information is current and accurate. A Placement Change Form is used to update all child information, which is then entered into the CWS/CMS. All entries are then checked for accuracy.

The primary goal of HHSA in any foster child's case is the reunification with their family of origin. As soon as it has been determined that conditions within the family home have changed to such a degree that it would be safe for the child to return, and the court authorizes this step-down process to begin, cases are moved to the Reunification Section of Child Services. Rather than allowing the child to return immediately, there are usually a series of steps that are utilized, which may vary from case to case. Things such as afternoon home visits, followed by overnight visits, eventually leading to weekend visits, hopefully culminate in reunification by placing the child back in their birth family home. Regular case worker visits continue for a time to help with the challenges for all members of the family as this reunification occurs, until such time as that is no longer deemed necessary for the safety of the child. The reunification team has the authority to determine the pace at which this occurs. If reunification is not possible, the second goal for the child is to find a permanent family through adoption.

State and Federal funding is available to all resource agencies and families in Shasta County. There is a great need for more resource (foster) families in Shasta County. The county has its own Resource Family Program, but there are also additional private resource family agencies within the county to meet the needs of the children in the county who lack a safe home in which to live. [See Appendix for list of agencies] At any one time, there are approximately 500 children in the foster care system within Shasta County, and there are often challenges in finding appropriate homes for all these children. Families who choose to assist children that desperately require a safe home are filling a tremendous need and creating a positive impact on the children's future and that of our County. Additional families would be more than appreciated by the Shasta County foster care services. All resource families must be thoroughly vetted and checked through the California Child Abuse Central Index to ensure there are no impediments to the placement of a child in their home, as well as to meet other requirements. Training for prospective resource families is provided before children are placed in homes. Providing a loving, safe home for a child in need is a remarkable gift.

FINDINGS

- F1 Multiple agencies and departments are responsible for the placement and care of foster children in Shasta County to assure constant accountability of the children.
- F2 Child safety is a high priority in Shasta County HHSA.
- F3 Various steps are taken by HHSA to track and trace foster children throughout the system, including a relevant computer system (CWS/CMS), which helps to assure that no child is lost within the system.
- F4 While the HHSA tracking system is thorough, the delay of information from various sources can delay the tracking of a foster child.
- F5 Despite a recent significant shift in HHSA management there seems to be a team effort to make sure the Agency continues to provide the foster care services for which it is responsible.
- F6 Funds for Resource Families are provided by Federal and State sources for each child in the system.
- F7 Whenever possible, Shasta County HHSA goes to great lengths to see that a child is placed with a family member or friends. Also, every effort is made to keep the child in their current school. These policies give the child their best chance of a comfortable and familiar environment within the system, reducing their stress under traumatic circumstances.
- F8 Resource Families go through rigorous background screening to ensure the safety of the child placed in their homes.
- F9 There are open positions in the Foster Care Department which impact the number of cases per worker.

COMMENDATIONS

- C1 The Shasta County HHSA is commended for providing excellent support of the foster children in the county with its currently limited staff.

- C2 The staff working with resource families and foster children in Shasta County are commended for being passionate about their work.
- C3 Current reduced staff is commended for pulling together to support one another, especially during heavy workloads.

RECOMMENDATIONS

- R1 The HHSA should be more aggressive in its recruiting to fill the relatively large number of unfilled positions within HHSA. It should consider new ways of recruitment, such as free public service announcements on radio, TV, and social media platforms.
- R2 HHSA should actively recruit new Resource Families to serve the foster children within the county. It should consider new ways of recruitment, such as free public service announcements on radio, TV, and social media platforms. To become a resource family if you live in Shasta County, you'll work directly with our Shasta County Resource Family Approval team.

INVITED RESPONSES

- Director of HHSA, F1, F2, F3, F4, F5, F6, F7, F8, F9 and R1, R2.

APPENDIX

Available Foster Care Agencies within Shasta County:

1. Children First Foster Family Agency; 2608 Victor Ave, Suite A, Redding 96002; (530) 319-5719
2. EA Family Service; 1138 Shasta St, Redding 96001; (530) 242-1115
3. Krista Foster Homes; 1135 Pine St #21, Redding 96001; (530)246-1259
4. Ready For Life Foster Family Agency; 962 Maraglia St, Redding 96002; (530) 222-1826
5. Shasta County Foster Care; 1313 Yuba St, Redding 96001; (530) 225-5554
6. Wayfinder Family Services in Northern California; 2580 Victor Ave. Unit C, Redding 96002; (530) 722-2220
7. Youth & Family Programs—Shasta County; 2770 Pioneer Dr.,



To become a resource family if you live in Shasta County, you'll work directly with our Shasta County Resource Family Approval team

1. Fill out the online application and collect supporting documents
2. Attend Orientation and Pre-Approval trainings
3. Have a social worker visit your home and complete the Home Environment assessment
4. Pass background checks
5. Complete a Family Evaluation, which determines your readiness to be a resource family
6. Get approved

SHASTA COUNTY CARES 2022-2023 SHASTA COUNTY GRAND JURY



SUMMARY

The Shasta County Grand Jury investigated the Shasta County CARES Act Business Grant Program. Out of the \$18,153,328 Shasta County received in CARES Act relief, \$4,000,000 was allocated through the Spending Plan for the administration of a Business Grant Program. The three incorporated cities within Shasta County also received CARES funds and had business grant

programs separate from the County's program.

While the County program helped businesses within all of Shasta County, the Jury found a major component of the County program, the prioritization of businesses in the unincorporated areas, was not met. The cities' programs could not be used for unincorporated areas.

The Jury was able to review extensive applicant lists, spreadsheet and bank records, and conduct its own random audit of the County program. The Jury found some specifications of the contract were not followed, and there were duplications of grant awards between the Cities' programs and the County program.

BACKGROUND

Due to the COVID-19 Global Pandemic, President Trump and Governor Newsom declared national and state emergencies in early March 2020. The Shasta County Sheriff and the Public Health Officer declared a local emergency

on March 17, 2020, which was ratified by the Board of Supervisors (BOS) on March 24, 2020, thereby activating the Emergency Disaster Program.

The country was in shutdown mode to keep the COVID virus from spreading, which resulted in catastrophic effects on commerce, both locally and nationally.

The US Congress passed the \$2.2 trillion Coronavirus Aid, Relief, and Economic Security Act (CARES), and it was signed into law effective March 27, 2020. The Federal Housing and Urban Development Department (HUD) authorized an expansion of the Community Development Block Grant Program (CDBG-CV) to include distressed businesses. There were multiple avenues by which these monies were dispersed in the nation. This investigation focused solely on business grant programs within Shasta County. The Jury would not normally investigate private entities as that does not fall within the Jury's purview. In this case, the Jury investigated the disbursement of public funds, which does fall within its purview, and how the following grants were distributed:

- CARES Business Grants by the County and Cities
- CARES Community Development Block Grants-COVID-19 (CDBG-CV) by Cities

The CARES Act provided for direct funding to state, county and local governments based on population. Receiving government entities agreed:

- to adhere to all federal rules for contracts;
- to comply with public health guidelines;
- to comply with all state and federal reporting requirements.

On July 15, 2020, the Shasta County Board of Supervisors voted to approve and ratify retroactively to July 2, 2020, the certification to receive these funds.

METHODOLOGY

- Researched CARES Act provisions extensively
- Interviewed Shasta County elected officials and staff
- Interviewed Chamber of Commerce/Forward Redding Foundation administrative staff and volunteers

- Interviewed staff and representatives of Redding, Anderson, and Shasta Lake City
- Reviewed videos, agendas and minutes of public meetings
- Reviewed spreadsheets, Google data, bank records, applicant and award data
- Reviewed multiple single-audit and reports

A detailed list of reference material is listed later in the report.

DISCUSSION

This Grand Jury decided to conduct an investigation to ensure that CARES funds were properly and equitably distributed throughout the County. On September 15, 2020, the Shasta County Board of Supervisors (BOS) approved a Spending Plan, which allocated \$18.2 million as follows:

1. Health and Human Service received \$9,422,615
2. Business grants received \$4,000,000
3. Shasta County Departments received \$3,517,391
4. Community Assistance/Non-Profits received \$1,213,322

After reviewing the four areas listed above, the Shasta County Grand Jury (SCGJ) chose to investigate the CARES Business Grant Program:

- to ascertain how the community benefited from the funding;
- how applications were handled;
- if rural areas were given priority;
- how funds were distributed to ensure as many businesses were served as possible; and
- how funds were tracked in order to prevent fraud.

In order to assist the business community, the BOS awarded a no-bid contract to the Forward Redding Foundation (FRF). This Foundation was responsible for administering the County Business Grant Program of \$4,000,000. The FRF had no prior experience in the administration of public funds. The Health and Human Services Agency (HHSA) was given oversight of the FRF contract.

The major highlights of the original contract with FRF stipulated: priority of grant awards to the unincorporated area; grant limits of \$5,000; awards to businesses with five or fewer employees; and limits to the dollar amount of grant awards if the applicant had received a Paycheck Protection Plan (PPP), Economic Impact Disaster Loan (EIDL), or any other grant/loan award. It also required FRF to oversee compliance as outlined in the contract with the County.

Before any checks were written for County grants, prior to November 5, 2020, two amendments were made to the contract. With each amendment the criteria for grant award was expanded or dropped. One major change was the removal of the monetary adjustment of grant awards to businesses that had received previous grant awards; they were now eligible for full County CARES grants. The first amendment changed the contract to include businesses with up to 25 employees and grant awards were increased from the original \$5,000 to \$20,000 per business. The Jury was unable to discover the rationale used to make these changes as there are approximately 2000 businesses in Shasta County with five or fewer employees, according to Shasta County Economic Development Corporation statistics. The second amendment, signed on October 21, 2020, and effective as of September 15, 2020, changed the contract so businesses awarded grants between August 11, 2020, and September 14, 2020, would be eligible to reapply and receive an additional grant from the County despite no applications being accepted before September 22, 2020.

One of the many provisions from the original contract, as amended, that remained unchanged was the mandate that priority be given to the unincorporated areas of the County. The amount of County grant money awarded was increased throughout the contract amendment process from the original amount of \$100,000, to the final amount of \$4,000,000.

The Jury found the Cities also entered into contracts with the FRF to administer business grant programs. The five programs administered by FRF were CARES for the County and Shasta Lake City and CDBG-CV Business Grants for the

Cities of Redding, Anderson, and Shasta Lake City. Contracts were signed separately, each with its own terms and fees. Under the rules, CARES and CDBG-CV funds allotted to the Cities could only be disbursed to businesses within their respective city limits.

All parties interviewed were familiar with a regional approach to the disbursement of funds by the Cities and County. The Forward Redding Foundation spearheaded this regional approach. The amount of CARES Act public funds that passed through the Foundation was \$4,369,463. Total fees collected by the Foundation for CARES and CDBG-CV disbursements totaled \$154,764.

In July of 2020, FRF entered into a contract with a local bookkeeping firm. Contract details included: working with the Cities and the County to ensure compliance with all funding contracts; reviewing all applications for completeness; and presenting completed applications to a Grant Review Committee.

The FRF obtained permission from the City of Redding (COR) to use aspects of its previously administered \$750,000 CARES program. Specifically, their electronic application process was utilized, which populated a Google Document with applicant information. There were no paper applications. Additionally, a volunteer Grant Review Committee comprised of eight individuals from the business community was formed.

The COR contracted with FRF to administer its CDBG-CV Business Grant Program. The CDBG-CV program awarded 45 business grants totaling \$213,352. FRF collected an administrative fee of \$3,798. The County CARES grant programs awarded \$3,010,967 to zip codes 96001, 96002 and 96003.

The City of Anderson also contracted with FRF to administer its CDBG-CV Business Grant Program. The total amount available for these grants was \$79,899. FRF collected \$7,773 in administrative fees. Records show three grants were awarded totaling \$14,000. The unused balance is in reserve pending a request to HUD for approval to install free internet service in Anderson's city parks. The County CARES grant program awarded \$370,500 to zip code 96007.

Shasta Lake City contracted with FRF to administer its CARES Business Grant Program as well. Ten businesses were given grant awards totaling \$90,000. FRF collected an administrative fee of \$10,000. In addition, FRF was also contracted to administer the CDBG-CV program totaling \$20,000 and five grants were awarded, for which it received \$10,540 in administrative fees. The County CARES grant program awarded \$69,000 to zip code 96019.

FRF administered \$3,839,864 through the Shasta County Business Grant Program awarding 473 business grants and collecting \$122,653 for administrative fees.

The Cities had smaller federal monies to distribute, fewer number of grants to award, and defined geographic boundaries. All three of the Cities provided final reports, detailed records, and the required Single Audits conducted by a local CPA for FRF, which concluded no findings.

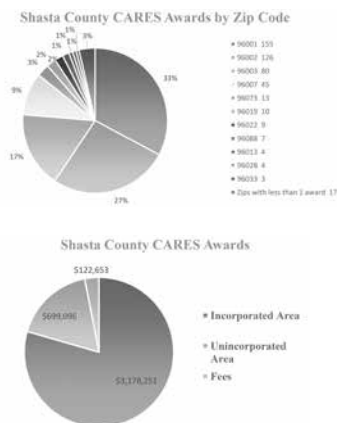
The Shasta County contract was significantly larger in dollar amounts, number of applicants and grantees, as well as geographical area, since the entire County was within its limits for grants. Shasta County's Health and Human Services Agency/Business and Support Services Branch was assigned oversight of monthly reports, as required by the FRF contract.

Monthly reports from FRF to HHSA were due by the 15th of each month until the end of the Program. Staffing issues at HHSA contributed to delays and inadequacies in the contractually required auditing. HHSA and FRF failed to timely complete monthly reports.

HHSA did not complete a final compliance audit nor resolve outstanding issues until July 2022. When completed, the Shasta County Auditor/Controller's office was able to identify \$37,347 of unused allocated administrative fees from FRF. This money was then used to award eight additional business grants.

This Jury conducted limited scope audits for all CARES and CDBG-CV use of public funds allocated for business grants within the Cities. The Jury also reviewed all records for compliance.

A more detailed and wider scope audit was conducted by this Jury for the County's business grants. SC Auditor/Controller's office provided detailed records and assistance. After repeated requests, the FRF provided corresponding records in order to complete the comparison audit. Due to the electronic process of the program the Jury was unable to verify applicant signatures.



This Jury's investigation revealed the majority of Shasta County CARES Business Grants disbursed through the FRF contract went to businesses within incorporated areas.

Businesses within incorporated areas had three different opportunities to apply for CARES and CDBG-CV Business Grants, while the unincorporated areas only had one funding opportunity through the County grant program.

There were 473 grants awarded from County grant monies, of which 389 went to businesses within city limits. There were 145 Redding Chamber members who received grants.

Eighty-four County grants were awarded to those in unincorporated areas. There were 12 recipients of double awards from County monies, while research revealed one went to the unincorporated areas. There were 51 recipients of awards from both county and COR monies. There were 39 recipients of awards from CDBG-CV and County CARES monies. Additionally, several recipients were provided more than two awards. Eligible applicants were left on the County's waitlist while duplicate awards were given.

Small businesses in the unincorporated areas of Shasta County are not required to have a Business License, and only register with the County when they operate under a Fictitious Name. The Jury researched the Better Business Bureau, Chambers of Commerce, and Fictitious Name Filing Data Base to estimate that at least 1,410 rural small businesses were eligible to apply for the CARES Grants.

The FRF had a small staff to conduct the actual work of awarding grants and to administer five coinciding contracts while complying with complicated government regulations. FRF relied on unpaid community volunteers to serve on one or more of the grant reviewing committees to oversee and steer the programs. Time was limited to the then requirement that funds be distributed by December 31, 2020. Time was short, the workload was large. The Federal Government finally extended the deadline to December 31, 2021. Local governments were given only a three-day notice of this extension on December 27, 2020. When the program ended, it was reported at a Board of Supervisor's meeting that \$1,000,000 worth of requests were on a wait list.

The Redding Chamber members received prior notification of the upcoming County Grant Program. Those on the City of Redding waitlist also received prior notification. Those on the Shasta Lake City waitlist were given priority. Followers of the Redding Chamber social platforms received ongoing updates. The County grant program was previewed at the annual State of the City of Redding luncheon. Businesses in the unincorporated areas do not routinely participate in the State of the City of Redding's Luncheon since the focus of that event is on primarily on Redding.

Media coverage of CARES Act application procedures and processes was inadequate for the unincorporated areas of Shasta County. The U.S. Census categorizes Shasta County as a county that has no Internet coverage in 20% of its geographic area, due to both internet dead zones and the inability of residents to pay for services when available. The Jury was unable to determine if these issues resulted in fewer businesses applying.

The Jury acknowledges Shasta County was experiencing a high degree of fear and anxiety during this period. The Jury further acknowledges this pandemic was global, and may not happen exactly again, but other crises on this scale cannot be ruled out. The CARES Act authorizes the next phase titled, American Rescue Plan Act (ARPA), and funds continue to be appropriated to County Governments. A link to Shasta County's ARPA spending plan of \$34,000,000 is included in the References.

The April 2020 census estimates 182,155 citizens residing in Shasta County with 66,850 in the unincorporated areas. This figure is derived by subtracting the populations from the three incorporated Cities. Of those 66,850, the census report designates an estimated 24,500 who live in the areas that are underserved and designated Census Designated Places.

There were no specified benchmarks or standards against which to measure whether priority was properly given to the unincorporated areas as required by the contract. While rapid distribution of funding was achieved, the Jury was unable to find any measurement tool for fairness of distribution.

FINDINGS

- F1 Shasta County recognized the urgency to allocate CARES monies to support small businesses during this historical emergency.
- F2 The contract for the Shasta County CARES Business Grant Program, while prioritizing businesses in the unincorporated areas of the County, contained no language with respect to how that goal would be achieved.
- F3 The lack of contract language for measurements and standards regarding awards to the unincorporated areas unintentionally resulted in the majority of grant monies being disbursed to businesses in the incorporated areas.
- F4 The Second Amendment's new language to the County's contract permitted duplicate awards while multiple businesses on the waitlist went unserved.
- F5 The Jury found there are areas within the County where there is limited or no access to the Internet and cable television services, either due to economics or availability issues, which inadvertently resulted in fewer businesses having knowledge of the Program.

COMMENDATIONS

- C1 Members of the Grant Review Committees who volunteered their time and expertise during a pandemic.
- C2 The cities of Anderson, Shasta Lake and Redding for keeping and providing detailed records of their Spending Plans to this Grand Jury.
- C3 The Shasta County Auditor/Controller Department for keeping and providing detailed records of the county CARES Spending Plan to this Grand Jury

RECOMMENDATIONS

- R1 Shasta County Board of Supervisors shall evaluate and assess best practices to ascertain emergency county-wide needs, and quick response to those needs, during a declared National State and local emergency.
- R2 Shasta County Board of Supervisors must include clear contract language to specifically measure all provisions of the contract are fully monitored and meet.
- R3 The Shasta County Board of Supervisors will identify the areas within the County that are lacking Internet services and establish alternate methods of communication for those areas.

REQUIRED RESPONSES

Pursuant to California Penal Code Sections 933 and 933.05 respectively, the 2022-2023 Shasta Grand Jury requests responses from the following governing body (within 90 days):

- Shasta County Board of Supervisors, F1, F2, F3, F4, F5 and R1, R2, R3

REFERENCES

Shasta County California
<https://www.cityofredding.org/>
<https://www.ci.anderson.ca.us/>
<https://www.cityofshastalake.org/>
<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments>
<https://dof.ca.gov/budget/COVID-19-information/coronavirus-relief-fund-allocations-for-cities-and-counties/>
Interviews with Shasta County, Cities of Redding, Shasta Lake City, Anderson, and FRF representatives
Shasta County Board of Supervisors Agendas, Agenda Packets, Minutes
City of Redding City Council Agendas, Agenda Packets, Minutes
City of Anderson City Council Agendas, Agenda Packets, Minutes
City of Shasta Lake Council Agendas, Agenda Packets, Minutes
Grant Agreement between the County of Shasta and Forward Redding Foundation and four grant amendments
Shasta County HHSA/Business and Support Service Branch Compliance Audit Letters to FRF
Shasta County Auditor/Controller Transaction Report
Shasta County Economic Development Corporation
City of Redding Micro-Enterprise COVID-19 Relief Grant contract with Forward Redding Foundation
City of Shasta Lake MOU with FRF to administer COVID-19 Microenterprise Business Grant Relief Program
City of Anderson Agreement with FRF for Micro Enterprise Service and Loan Program

City of Redding list of CARES Act grantees
City of Redding list of CDBG-CV grantees
City of Redding CARES Act unfunded grant requests
City of Anderson CDBG-CV grantees
City of Shasta Lake Microenterprise Business Grantee list
City of Anderson Micro Enterprise Grantee List
Shasta County CARES Act Grantees
Forward Redding Foundation County CARES Act grantee list
Forward Redding Foundation County CARES Act waitlist
Contract between Forward Redding Foundation and Bookkeeper for program administration
Electronic Google doc
United State Bureau of Census 2020 data
Numerous Excel spreadsheets from Forward Redding Foundation
D.H. Scott, Independent Auditors Report – 3/1/22
SC Single Audit – FY 20/21
Forward Redding Foundation Final Grant Report, August 5, 2020 – December 31, 2020, amended December 31, 2021
Shasta County CARES Act Spending Plan
Shasta County Fictitious Name Filing Data Base
California Better Business Bureau Dunsmuir, Burney, and Intermountain Chambers of Commerce

DISCLAIMERS

Reports issued by a grand jury do not identify individuals interviewed. Penal Code § 929 requires that reports of a grand jury not contain the names of any person or facts leading to the identity of any persons who provide information to a grand jury.

When there is a perception of a conflict of interest involving a member of a grand jury, that member is required to recuse from any aspect of an investigation involving such a conflict and from voting on the acceptance or rejection of a report. One member of the Grand Jury recused from this report.

Why Join the Shasta County Grand Jury

AUTHORITY TO ACT

In California, the state constitution requires each county to maintain at least one impaneled Grand Jury. Here in Shasta County, as elsewhere in California, Title 4 of the California Penal Code and other state laws and statutes govern and guide Grand Juries. More specifically, Sections 925 et. seq. of the California Penal Code authorizes the Grand Jury to investigate and report on the operations of any department or municipal agency within the county. The Shasta County Grand Jury functions as an arm of the Judicial Branch of the government, operating under the guidance of the presiding judge of the Superior Court of Shasta County. In this capacity, the Grand Jury looks into and investigates, when necessary, the operations of local government agencies and officials insuring that activities are valid and services are efficiently and legally provided.

All communication with the Grand Jury is confidential. Information provided to the grand jury to support a complaint is carefully reviewed to determine what further action, if any, is required. If it is determined that the matter is not within the investigative authority of the Grand Jury no further action is taken. If the matter is within the legal scope of the grand jury's investigative powers and warrants further inquiry, the Grand Jury will contact and interview those individuals who may be able to provide additional information. During an investigation all information and evidence will be considered, however, a review may not result in any action or report by the Grand Jury. The section of the California Penal Code, which governs Grand Jury investigations, restricts the release of investigation results. The presiding judge in a public report may release results of the investigations.

AREAS OF EMPOWERMENT

Acting on its own initiative or responding to a written complaint, the Grand Jury: May investigate aspects of county and city government's departments, official's functions and duties, service districts, and special districts funded in whole or in part by public funds. Almost any entity that receives public money may be examined.

- May review criminal investigations and return indictments for crimes committed in the county. When an indictment has been voted on the case proceed through the Criminal Justice System. The decision of whether or not to present criminal cases to the Grand Jury is made by the county District Attorney.

- May bring formal accusations against public officials for willful misconduct or corruption in office. These accusations can lead to removal from office.

The Grand Jury must inquire into the condition and management of all the adult or juvenile detention or correctional facilities within the county. The Jury is not allowed to continue an oversight from a previous panel. If the Jury wishes to look at a subject which a prior panel was examining, it must start its own investigation and independently verify all information. It may use information obtained from the prior Jury but this information must be verified before it is used by the current Jury.

Confidentiality of the Grand Jury exempts the jury from the requirements of the open meeting law (Brown Act). Direction and action taken requires that 12 of 19 members of the Grand Jury agree. This ability to internally police itself allows the Grand Jury to operate completely independent of external pressures. The desired result is a self-directed body of citizens that has the power to pursue unlawful conduct to its very source, including local government itself.

CITIZEN COMPLAINTS

The Grand Jury reviews all complaints and investigates when appropriate. Each complaint is treated confidentially. A complaint form may be obtained by contacting:

Shasta County Grand Jury
P.O.Box 992086
Redding, CA 96099-0880
www.co.shasta.ca.us

WHY SHOULD YOU SERVE?

As a citizen you will have an opportunity to make a difference. You will become involved with other interested citizens in learning more about city and county governments and special districts. The Grand Jury issues informational reports about local government agencies performance. A challenging year of investigations, interviews and deliberations will give you an education and unique experience.

TO BE A GRAND JUROR

The Shasta County Grand Jury is composed of 19 concerned county citizens. Prospective jurors should; be willing to work as a team member, understand small group dynamics, and be willing to work in a collaborative manner to reach consensus. Although not essential, access to a computer and the ability

2022-2023 Summary of General Activities

| | |
|---|----|
| Full Grand Jury (Plenary) Meetings..... | 45 |
| Autopsies attended | 5 |
| Complaints received..... | 38 |
| Governmental Board Meetings attended..... | 5 |
| Shasta County District Attorney Meetings..... | 3 |

to research topics on the internet will be helpful to the prospective juror. Prospective jurors apply in April/May for the coming fiscal year. The presiding judge selects 30 names. To preserve continuity, the presiding judge may select a few jurors to continue into a second term, however jurors may not serve more than two consecutive terms. The balance of the jurors are randomly selected by a drawing.

PROSPECTIVE GRAND JURORS

An application to serve on the Grand Jury may be requested from the following address:

Shasta County Superior Court
Courthouse room 205
1500 Court Street
Redding, CA 96001 OR online at: www.co.shasta.ca.us

2022-2023 Summary of Committee Activities

| Committee | Meetings | Investigations | Interviews | Reports |
|----------------------|----------|----------------|------------|---------|
| Audit/Finance | 63 | 1 | 11 | 1 |
| City | 42 | 1 | 11 | 1 |
| Editorial | 14 | 0 | 0 | 0 |
| Executive | 6 | 0 | 0 | 0 |
| Continuity | 7 | 0 | 0 | 1 |
| Complaint | 11 | 0 | 0 | 0 |
| County | 56 | 3 | 18 | 1 |
| Criminal Justice | 57 | 2 | 25 | 1 |
| Ad-Hoc | 8 | 1 | 5 | 0 |
| Local Area Districts | 46 | 1 | 13 | 1 |
| Totals | 31 | 9 | 83 | 6 |

2022-2023 Summary of Sites and Facilities Visited

Shasta County Sheriff’s Office

- Toured the Shasta County Coroner’s Office
- Toured the Shasta County Jail

Sugar Pine Conservation Camp

- Toured the grounds and facility

Shasta County Juvenile Rehabilitation Facility

- Toured the facility and gardens

City of Redding Police Department

- Toured the Robert P. Blankenship building and attended a briefing
- Toured the exterior facilities, mobile command center and observed
- a drone demonstration

Other sites visited by the Grand Jury

- Toured Enterprise Park in the City of Redding
- Toured the CCCSD water treatment plant
- Toured the Butte County Coroners Facility

2022-2023 Shasta County Grand Jury Compliance Report

SUMMARY

This Compliance Report covers responses to the 2020-2021 Grand Jury Final Report. California Penal Code §933 and §933.05 mandate the timeliness and content of responses to findings and recommendations in grand jury reports. Elected officials must respond within 60 days and governing bodies within 90 days after a report is released to the public. The 2022-2023 Grand Jury reviewed responses to the 2020-2021 reports. All responses are in compliance with California Penal Codes §933 and §933.05.

METHODOLOGY

The grand Jury reviewed the 2020-2021 Grand Jury’s investigative reports:

- Carr Fire Incident Report “When Rank Has Its Privileges or Adding Fuel to the Fire”

- Anderson Union High School District Report “Teaching Current and Future Leaders”
- SHASCOM 9-1-1 Investigation Report “Who Is Helping the Helpers”
- Shasta County Coroner’s Office Report “Dead Men Tell No Tales”

DISCUSSION

The 2020-2021 Shasta County Grand Jury Final Report contained four individual investigative reports with a consolidated total of Twenty-two findings and sixteen recommendations. There were six required respondents identified in the 2020-2021 Final Report. All required responses were received within allotted time.

The final report is available at www.shastacountygrandjury.org.