

Shasta County

Grand Jury Final Report

2004-05

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HASTE MAKES WASTE

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REASON FOR INQUIRY:

Section 925 of the California Penal Code empowers the Grand Jury to investigate and report on the operations, accounts and records of the officers, departments or functions of the county. The Shasta County Grand Jury examined Shasta County Mental Health (SCMH) departmental services with an emphasis on the ramifications of the closure of its inpatient psychiatric care facility.

BACKGROUND:

County mental health services began in 1965 at the Shasta County General Hospital. After closure of that hospital in the late 1980s, SCMH independently operated both inpatient and outpatient psychiatric services at the same location. In 1985, the State of California de-institutionalized mental health treatment and offered to pay counties to care for the persistently and severely mentally ill. The Bronzan-McCorquodale Act, passed by the State Legislature in 1986, established Mental Health Advisory Boards statewide to oversee county mental health programs. With Realignment legislation in 1991, the California Legislature further shifted the burden of most mental health delivery from the State to the counties. In 1993, the State amended its Medi-Cal plan to include rehabilitative

mental health services adding transitional and crisis residential treatments in an attempt to reduce hospitalizations.

The Shasta County Psychiatric Hospital Facility (PHF), an inpatient center, was established after the closure of the Shasta County General Hospital. PHFs are state licensed acute care facilities for the mentally ill and are supported, in part, by state funding and are strictly regulated regarding staffing levels and support services. In 1989, SCMHS sought, and was granted a Medicare acute care designation for this psychiatric facility. This "super" PHF designation is one of three in the State of California and provides a level of care above a "basic" PHF but below that of a full-service hospital. Medicare reimbursement for inpatient mental health care exceeds that of Medi-Cal and most insurance companies. However, federal regulations associated with a super PHF significantly increase administrative oversight, staffing levels and the overall cost of care by nearly 100% compared to a basic PHF. Until mid-2004, SCMHS operated its inpatient super PHF serving a yearly patient census approaching 1,000 adults at a cost of over \$4 million per year.

PHFs and super PHFs serve as "locked" facilities for individuals designated a 5150 status (California Welfare and Institutions Code 5150). Individuals are declared 5150 when they are determined to be seriously impaired and "a danger to themselves or to others." These individuals may be involuntarily detained for up to 72 hours for evaluation and initial treatment, and up to 14 days for intensive treatment.

Estimates of the mentally ill who carry a secondary diagnosis of substance abuse (dual diagnosis) range from 30 to 60%. The signs and symptoms of persistent alcohol and drug abuse are often interchangeable with those of severe mental illness. Scientific evidence supports combined treatment, but there are substantial gaps in what society allows. For example, PHFs and super PHFs are not licensed to serve as detoxification centers and detoxification centers cannot treat the mentally ill. The Shasta County Alcohol and Drug Program, a division of SCMH, provides services to individuals impacted by substance abuse.

Mental illnesses are neuropsychiatric disorders characterized by alterations in thinking, mood and behavior and changes associated with distress and/or impaired functioning. Mental illness affects up to 20% (60 million) of the general population and the nature of the illness is often long-term and relapsing. Five percent of U.S. adults have a severe mental illness such as schizophrenia, bipolar disease (manic-depressive disorder) or major depression. A severe mental illness is defined as a disorder characterized by substantial interference with basic daily living skills (e.g., eating and bathing), instrumental living skills (e.g., managing money or maintaining a household) and functioning in social contexts. Roughly half the adults with severe mental illness are between the ages of 25 and 45. Many people experience milder neuropsychiatric disorders where the distress one feels is expressed through anxiety, phobia and depression. Mental health diagnoses are becoming more prevalent at either end of the age spectrum, such as ADHD (Attention Deficit/Hyperactivity Disorder) in children and Alzheimer's in the elderly.

Roughly 10% of children and adolescents show signs of mental illness significant enough to cause impairment. According to the Surgeon General's Conference on Children's Mental Health (1999), the nation lacks a "unified infrastructure" to treat patients under age 18. Up to two-thirds of children with a serious mental disorder do not receive mental health treatment. Early intervention and treatment of adolescents with mental illness helps prevent more serious problems later in life. The California Children's Mental Health Services Act (1992) forms the backbone of services available to severely impaired children identified through various social and educational programs. There are no inpatient services for these children in Shasta County.

Stigmatization of the mentally ill is manifested by bias, distrust, stereotyping, fear and avoidance. The mentally ill are often perceived as being poor, uneducated, homeless, and from the criminal element of society. While mental impairment pervades all segments of society, across all age ranges and socioeconomic classes, a diagnosis of mental illness reduces a patient's access to both resources and opportunities; it can lead to low self-esteem and hopelessness.

Mental illness is generally treated as a second-rate disease by the government, private health insurers, health care providers and the general public. As overall national health care spending during the 1990s increased 15%, expenditures for mental health and substance abuse treatment declined 17%. . . . Conversely, the number of individuals treated for mental illness since 1990 has increased by 15%. The number of short-term, acute care psychiatric hospitals

(public and private) as well as psychiatric units within full-service hospitals also declined significantly.

In 2000, there were 30 acute psychiatric hospital beds in Shasta County whereas, today, there are none. The utilization rate for mental health services in Shasta County is more than twice the statewide average and the number of patients treated by SCMHS has increased from 4,600 in 1997 to over 7,600 in 2003.

Medicare, Medicaid and most private insurers reimburse for the diagnosis and short-term treatment of mental illness. However, coverage for ongoing treatment is usually limited. Despite a documented need, both inadequate reimbursements and state budget reductions contribute to the limited supply of acute inpatient psychiatric care facilities in many communities.

Mental health care services are provided by a wide range of clinicians. A psychiatrist is a medical doctor specializing in the diagnosis and treatment of mental disorders and is licensed to prescribe medications to improve the functioning of the mentally impaired. Psychologists cannot prescribe medication, but perform clinical assessment and diagnosis, therapy, psychological testing and research. Many types of therapists with varying training and education such as social workers, marriage and family therapists, and professional counselors also provide mental health treatment. Their services range from clinical assessment, psychotherapy, advocacy and organizational and administrative activities. A primary care practitioner (family practice doctor) is a physician trained in the general practice of medicine.

Acute psychiatric care is short-term in nature, with the goal of linking the patient back to community services and resources. *Acute Ambulatory Care* services that include partial hospitalization or full-day programs can stabilize some acutely ill patients. *Acute Inpatient Care* is offered when medication and psychiatric services can help patients who need more intensive intervention than an outpatient environment provides. *Crisis Residential Centers* function to assess and treat patients by providing short-stay, supervised residential care and access to psychosocial services. *Detoxification Centers* allow abusers a secure environment in which to normalize from acute substance intoxication. Outpatient therapy and social rehabilitative services are adequate for the vast majority of the mentally ill including those with chronic and less severe conditions.

Care of the mentally ill consists of two basic treatment modalities that usually compliment, but at times, confound one another. The "social rehabilitative" model is provided mostly by therapists and focuses on returning the patient to a normal level of social functioning. The "medical" model emphasizes medication and intensive physician-based psychotherapy. Each model contributes to the successful treatment of any given patient but not always on an equal basis. Recent advancements in neuroscience and the understanding that all mental illness has an underlying, dysfunctional biochemical basis, has prompted a third, or "integrated care" model, of treatment. This model substitutes a primary care physician instead of a psychiatrist as the initial treating practitioner. Proponents of this model believe that integrating mental health treatment within a primary care setting allows the evaluation and treatment of

both a patient's behavioral and physical needs. Many clinical manifestations of mental illness can be caused by factors resulting from other disease processes like diabetes, hypothyroidism, cancer, and dementia. Adding behavioral health evaluations to routine physical examinations in the primary care setting may reduce the anxiety and stigma associated with mental illness. Primary care physicians occupy a setting where mental health can be routinely assessed in both children and older adults. A major strategy for effective overall psychiatric care is the coordination of these treatment modalities by case managers who arrange follow-up medical appointments, ensure medication availability and compliance, and structure family support with available social, vocational and educational programs.

Under California Welfare and Institutions Code 5650, the Shasta County Board of Supervisors (BOS) contracts annually with the State of California to provide mental health services to the citizens of Shasta County through SCMH. The Mission Statement of SCMH is to "promote healing and sustained recovery from mental illness." The SCMH Department is overseen by the Deputy Director of Mental Health, the Mental Health Director, the County Administrative Officer, and ultimately the County Board of Supervisors.

California Welfare and Institutions Code 5604 establishes a Mental Health Advisory Board (MHAB) to oversee the operation of county mental health departments. In Shasta County, the MHAB is comprised of 10-15 members appointed to staggered, three-year terms by the BOS. Fifty percent of the members must be actual consumers, or related to consumers, of county mental

health services. No MHAB member can be an employee of the County.

Advisory Boards shall in part:

- Review and evaluate community mental health needs, services, facilities, and special problems
- Review any contracts entered into on behalf of mental health departments
- Advise and submit an annual report on the needs and performances of the county mental health system to the governing body
- Approve procedures used to ensure citizen and professional involvement in all stages of the planning process for mental healthcare delivery

SCMH revenues for 2004/2005 were projected at \$19,908,778. The majority of funding comes from Medi-Cal reimbursement for services (53%) and State of California Realignment Funds (30%). Other revenues include federal and state grants (8%), state allocations (5%), private insurance payments (2%), and Medicare (<1%). In prior years, Medicare funding comprised five percent of revenues. The Shasta County General Fund contributes a state-mandated \$266,000; this represents less than one percent of the total SCMH yearly budget. Budgeted expenditures for 2004/2005 are \$21,397,385, and exceed revenues by \$1,488,670. This deficit will be funded by a SCMH reserve fund that currently exceeds \$3 million.

SCMH employs a clinical staff of 100 people including 31 therapists, 24 case managers, 16 psychologists, 12 nurses, nine mental health workers and eight psychiatrists. Clinical salaries and benefits consume 46% of budgeted revenues. An additional 30-40 personnel perform administrative duties.

California State Proposition 63, passed in 2004, will provide about \$400 million of yearly funding under the Mental Health Services Act for statewide mental health services beginning in 2005/2006. This funding is not intended to supplant existing services, but to expand and support a wide range of community-suggested mental health programs. Funding is based on the merit of submitted proposals by individual or joint county/regional mental health programs.

METHOD OF INQUIRY:

The Grand Jury reviewed the following documents:

- SCMH Organizational Chart and Mission Statement
- SCMH Staffing and Patient summaries 2003/2004 and 2004/2005
- SCMH actual budget for 2003/2004 and final budget for
2004/2005
- Butte County Mental Health Department final budget for 2004/
2005
- California Welfare & Institution Codes 5150, 5604 and 5650
- National Alliance for the Mentally Ill (NAMI) information brochure
and newsletters
- Elpida Recovery Center information brochure
- Proposition 63 information brochure
- MHAB 2004/2005 membership roster
- MHAB "Community Committee Meeting" minutes from 2/2/04,
2/9/04, 2/16/04, 2/23/04 and 3/1/04

- 2004 and 2005 MHAB Annual Reports to the Shasta County BOS
- Shasta County BOS Meeting minutes from 2003, 2004 and 2005
- Shasta County BOS Resolutions 89-273, 2003-84, 2004-04, 2004-49, 2004-51, 2004-75, 2004-83 and 2004-109
- SCGJ Reports on Shasta County Mental Health Services (1993/1994, 2001/2002) and Alcohol and Drug Program (1997/1998)
- Mental Health: A Report of the Surgeon General (1999)
- A Tale of Two Settings: Institutional and Community-Based Mental Health Services in California Since Realignment in 1991 (2003) – Michael Stortz, California Protection & Advocacy, Inc.
- *Facts on Children's Mental Health* (2004) - Judge David L. Bazelon Center for Mental Health Law
- *Measuring Mental Health in California Counties: What can we learn?* (2004) – report of a 2001 survey by R.M. Scheffler, PhD, The C. Petris Center on Health Care Markets And Consumer Welfare, UC Berkeley School of Public Health
- *Children's Mental Health Services Task Force Committee Report* (2005), SCMH
- *Agreement to Provide Residential Alcohol and Other Drug Detoxification Services* (2005) – a draft document proposing a collaborative venture among local government, hospital and philanthropic entities for the support of a County Detoxification Center
- Correspondence from SCMH consumers

- www.co.shasta.ca.us

The Grand Jury conducted the following interviews:

- Director, local chapter of NAMI
- Shasta County Drug/Alcohol Administrator
- Eight local physicians including five psychiatrists
- Local hospital administrators
- Ex-employee, Shasta County Psychiatric Hospital Facility
- Program Director, Elpida Crisis Recovery Center
- Administrator, Crestwood Treatment Center
- Division Director, Shasta County Department of Probation
- Division Director, Shasta County Juvenile Hall
- Captain, Shasta County Sheriff's Office
- Registered Nurse, Butte County Psychiatric Hospital Facility
- Director, Butte County Mental Health
- MHAB member
- Deputy Director, SCMH
- Director, SCMH
- Shasta County Budget Officer
- Shasta County Administrative Officer
- Two members, Shasta County Board of Supervisors

The Grand Jury attended the following meetings:

- MHAB meetings on 12/1/04, 1/5/05, 2/2/05, 3/9/05 and 4/6/05
- County Board of Supervisors meeting on 4/5/05

- Community "Focus Group" meeting for Mental Health Services

Act on 4/12/05

The Grand Jury conducted the following site visits:

- Butte County Psychiatric Facility
- Elpida Crisis Recovery Center
- Northern California Rehabilitation Center

FINDINGS:

- 1). All individuals interviewed for this report unanimously support the integration of mental health care into mainstream medical care, although there is disagreement on how this should be accomplished. There is unanimous agreement that mental illness is treated as a second-class disease process by the government, insurers and general public; both increased expenditures and public education efforts are needed.
- 2). Nineteen interviewees with health care expertise were asked to rate the overall level of Shasta County mental health services on a scale of 1 (poor) to 10 (excellent). Administrators and psychiatrists employed by the County ranked overall mental health services as near excellent. Local hospital administrators and private practice physicians were more critical, citing examples where services are sorely lacking. Except for the SCMH Director and Deputy Director, the level of inpatient services consistently ranked below outpatient services. Most experts felt inpatient psychiatric services were negatively affected by the closure of the County PHF.

- 3). The SCMH Department holds the State contract to provide mental health services to all Medi-Cal eligible county residents. SCMH must provide care for the severely and persistently mentally ill; this represents less than five percent of the Medi-Cal eligible population in the County. Because of the insufficient number of psychiatrists in the private sector, the bulk of mental health care services for the underinsured in Shasta County are provided by primary care physicians and local clinics (e.g., Shasta Community Health Center and Anderson Health Clinic). Under its contract with the State, SCMH is the only managed care provider for all Shasta County Medi-Cal patients requiring inpatient psychiatric care. Therefore, reimbursement from Medi-Cal for inpatient mental health treatment does not come directly from the State, but must pass through SCMH. This pass through does not occur for other medical illnesses. Being the managed care provider affords SCMH control over other local Medi-Cal providers of mental health services. This monopoly results in non-clinicians at SCMH having control over the direction and scope of all inpatient mental health services provided in the County.
- 4). Both SCMH Directors stated they had warned the Shasta County BOS during a May, 2003 "Workshop on Mental Health" that the psychiatric inpatient facility would most likely have to close by June, 2004. The Grand Jury review of those minutes from May, revealed a discussion by the SCMH Director about the hospital operations and its "unique solution to a nationwide mental health crisis;" there was no mention of closure.

According to the Supervisors interviewed, they first heard about the super PHF closure from the SCMH Director in December, 2003. Both Supervisors were told the PHF was closing for financial reasons. One thought patient safety concerns also played a role. The Grand Jury found the earliest recorded mention of the PHF closure in the BOS Meeting minutes of January 13, 2004, along with a proposed SCMH budget reduction plan. Acting as the Governing Board of the Shasta Psychiatric Hospital later that month, the BOS heard a formal argument for the super PHF closure based on patient safety, financial and resource data. The SCMH Director also presented a transition proposal for closure of the hospital. The BOS empanelled a "Community Committee" and chartered the MHAB to examine the issue of the PHF closure. At the urging of the SCMH Directors, but against the advice of the MHAB and Community Committee, the BOS voted to close the PHF at its March 23, 2004 meeting. The Grand Jury discovered no independent, outside verification of PHF expenditures and revenues either prior to, or after, its closure.

- 5). A majority of people interviewed believed that the County super PHF was closed too quickly, without adequate planning and that the closure was driven by the SCMH Director. Most felt SCMH underestimated the impact of the PHF closure on local hospital emergency rooms. The SCMH Director and Deputy Director disagreed and insisted adequate planning was in place prior to the PHF closure. The Grand Jury learned that emergency room physicians are unable to efficiently transfer acutely

mentally ill patients to out-of-county mental health hospitals. This results in extended lengths of stay (up to 48 hours) for some of the critically mentally ill. Since emergency rooms have limited bed space, prolonged occupancy by mentally ill patients awaiting transfer results in a reduced availability of emergency beds for other critically ill patients. Logistical problems associated with transfer delays can include the closing of emergency rooms to air and auto ambulance services and/or transferring critically ill patients to other hospitals. A common factor adding to lengths of stay is that most accepting mental health facilities require that patients be fully detoxified prior to transfer. At least 50 percent of the critically mentally ill in Shasta County also abuse alcohol and other drugs. Moreover, local area hospitals are not licensed to care for the acutely mentally ill and are prohibited from housing critically mentally ill patients in locations outside the emergency room. Local area hospitals also incur costs for additional nursing and security personnel and lose income from closing their doors to other patients.

- 6). The Grand Jury is critical of the lack of communication between County psychiatrists and their physician colleagues in local hospital emergency rooms prior to and during the transition period surrounding the closure of the super PHF. Although input from local hospital administrators and emergency room physicians was solicited by SCMHI, there was no direct discussion between the two physician groups. Direct communication would have led to a better understanding of one another's apprehensions

and logistical problems, as well as provide better patient care. Indeed, the emergency room physicians interviewed by the Grand Jury felt their input went unappreciated. All people interviewed agreed that the "integrated" medical treatment of the mentally ill is a desirable goal. The SCGJ finds little evidence of "integration" at the physician level.

- 7). SCMHC created "crisis intervention teams" to facilitate the transfer of mentally ill patients requiring hospitalization to out-of-county mental health care facilities. These teams, available around-the-clock, are comprised of therapists or psychiatric nurses under the supervision of a County psychiatrist. When called to emergency rooms, they evaluate patients and determine disposition. However, serious delays and transfer problems continue. The Grand Jury has learned that supervising County psychiatrists rarely, if ever, directly attend to mentally ill patients while they are undergoing emergency room treatment. Indeed, less than a third of county psychiatrists even have clinical privileges at local hospitals.
- 8). The closure of the County super PHF has mostly affected those Shasta County patients in direct need of hospitalization since they now must be transferred to an out-of-county mental facility. Stabilization of the acutely mentally ill usually takes from three to five days. Often, local medical records do not accompany the patient, psychiatrists at accepting facilities do not consult with local physicians, and medications are not always coordinated. Families must travel long distances to visit, disrupting the most vital support component of integrated treatment. All interviewees

expressed regret regarding the impact such transfers have on the continuity of care for these patients and the hardships imposed on their families.

- 9). After recommending closure of the County super PHF, SCMNH agreed to incur all costs for out-of-county inpatient care. However, the Grand Jury discovered that not all costs are paid from SCMNH revenues. The Shasta County Jail, Juvenile Hall and Probation Department and other agencies in need of inpatient services for their mentally ill patients have been requested to contribute to out-of-county treatment fees with SCMNH. Uniformly, representatives from these agencies indicated dissatisfaction with SCMNH services following the closure of the County PHF.
- 10). Lack of accessibility to mental health services in Shasta County is a recurring complaint heard by the Grand Jury. SCMNH usually accepts and treats acutely mentally ill patients that arrive at its facility during working hours. After-hours and weekend access can only be obtained through local emergency rooms. Often, less seriously ill patients are referred to SCMNH by family or by County agencies, only to find a four to six week wait for an appointment. Short-term resolution of problems and follow-up care is generally unavailable to these patients.
- 11). SCMNH served 7,654 total patients in 2002/2003. Fifty-four percent of the patients were classified as adult, 42% as youth (under 18 years), and 4% as older adult. Over 60% of patients (581 out of 938) admitted to the Shasta County PHF were involuntarily committed. The average length of stay was three to five days for a total of 4,300 patient days. At a projected

cost of \$1,000 per patient day, the cost of operating the PHF would have approached \$4.3 million per year. Since the PHF closure, costs for out-of-county care currently average \$750 per day and do not include transportation costs. Given a similar number of patient days, current yearly cost for out-of-county inpatient care is about \$3.2 million, resulting in a net savings of \$1.1 million per year. Another \$900,000 in Medicare reimbursements has been shifted to out-of-county healthcare providers by the closure. According to SCMh, out-of-county transportation costs were estimated at \$75,000 per year following the PHF closure. Although supportive documentation of transportation expenses was requested by the Grand Jury, none was received.

- 12). The average cost per day at PHFs without a Medicare hospital designation (e.g., the Butte County basic PHF) is only \$450 because of lower staffing requirements. If SCMh operated its inpatient facility as a basic PHF, and not a super PHF, it could treat patients at a cost of \$450 per day instead of \$1,000 per day. Assuming the same 4,300 inpatient days, this would cost SCMh about \$1.93 million per year versus \$4.3 million. SCMh paid a \$300,000 fine after allegations of Medicare fraud at its PHF by the Office of Inspector General in 2000. Improper billing practices, increased patient risk and an increased cost of daily care should have led to a consideration of removing the County super PHF's Medicare designation by the BOS. The Grand Jury found no evidence of any such consideration in the previous five years.

- 13). According to the SCMH Director, there are now more acutely mentally ill patients being treated in out-of-county-care facilities than were treated at the County PHF prior to its closure. The Grand Jury has learned that between June and December, 2004, the BOS authorized SCMH contracts for inpatient care totaling \$1.61 million through June, 2005. Resolutions authorizing SCMH to seek inpatient care at PHFs in Butte, El Dorado and Stanislaus counties and at several private facilities were passed by the BOS. In addition, SCMH has reached an agreement with a new inpatient facility in Yuba City. Services begin in July, 2005, at a cost of \$550 per patient day.
- 14). At its September 28, 2004 meeting, the BOS, on the recommendation of the SCMH Director and County Chief Administrative Officer, awarded a \$1.3 million/year, no-bid contract to a private firm to establish a Crisis Residential Center. The center, named *Elpida* (a Greek word for "hope") is located at the site of the recently closed County PHF. County renovation funding in the amount of \$50,000 for Elpida infrastructure was also approved. The average length of stay is 10 days at a daily cost of \$284. A unique shared-cost concept for operating this facility was established with a private care provider. The Elpida Program Administrator directs a staff of 12 including mental health care technicians, case managers, administrators and maintenance workers. The center lacks a credentialed medical staff, but SCMH psychiatrists and nursing personnel provide consultation services as needed. There is no

formal lease between the County and the private organization that operates the center. The Grand Jury is still awaiting receipt of a copy of Elpida's Policy and Procedures Manual.

- 15). The Grand Jury visited the Elpida Crisis Residential Center which now occupies the closed PHF facility. According to the SCMH Director, a crisis residential center creates a safe environment for the chronically mentally ill in acute crisis who do not require hospitalization, but who cannot function independently. Elpida management describes its residential center as a "15 bed-program serving consumers with psychiatric disorders who experience severe disturbances in thought, mood, behavior or social relationships." Program goals "facilitate appropriate assessment, stabilization, and short-term treatment with connection to follow-up services" through a series of courses entitled WRAP (*w*ellness, *r*ecovery, *a*ction and *p*lan). Surprisingly, both County Supervisors interviewed and non-County mental health providers were unaware of the services provided by this center. The Grand Jury believes "crisis" is a misnomer in that Elpida is a voluntary facility without lockdown, full-time nursing staff, physician coverage or injectable medications. Elpida does house some stabilized patients directly from local emergency rooms. The Grand Jury finds that the BOS awarded this three-year contract without adequate knowledge about crisis residential center services and benefits.
- 16). The Grand Jury calculates that a significant amount of yearly income

has been redirected to out-of-county facilities by closing the County super PHF. Since closure, \$1.6 million in SCMH funds have been awarded to out-of-county providers for inpatient care. An additional \$900,000 per year in Medicare inpatient reimbursement will be similarly transferred. Yet another \$1.3 million per year of SCMH funding for the Elpida residential center has also been shifted to the private sector. A significant revenue stream is lost to the local economy.

- 17). The eight psychiatrists employed by SCMH are some of the highest salaried employees in the County. According to data released by a local newspaper, half of the 14 top-paid public officials in Shasta County and the City of Redding in 2004 were SCMH psychiatrists with yearly salaries ranging between \$142,099 and \$177,004. Only the Redding City Manager and Electric Utility Director are more highly paid than six of the SCMH senior psychiatrists. The Grand Jury has learned that compensation for psychiatrists can exceed \$250,000 per year counting vacation, benefits and malpractice coverage. Although county psychiatrists make up only six percent of the SCMH workforce, they consume 10% of the SCMH total budget and more than 20% of the yearly clinical budget. County psychiatrists work a 40-hour week and are available to support the crisis intervention teams. Their average patient caseload is 400-500. They treat mostly outpatients in conjunction with registered nurses and social workers. One psychiatrist acts as the SCMH Medical Director and has designated administrative functions in addition to clinical duties. The

BOS also allocated \$357,000 for temporary psychiatrists to augment services for fiscal year 2004/2005.

- 18). Because of reimbursement inadequacies in both the private and public sectors, psychiatry is an undersupplied specialty. It is very difficult and expensive to attract qualified psychiatrists to rural communities. The Grand Jury has learned that most adult and some child psychiatric problems can be managed by primary care physicians. With appropriate backup by a psychiatrist, primary care practitioners, whose compensation is \$40,000 to \$65,000 less per year, could treat more of the mentally impaired. One physician interviewee likened the psychiatrist to the "brain" of psychiatry, and the primary care doctor to its "muscle."
- 19). According to the SCMH Deputy Director, the department terminated 35 non-physician staff with the closure of the PHF. An additional 40 positions have remained unfilled over the past two years because of State budget cuts. The Grand Jury finds that with the closure of the super PHF and the loss of its 1,000 patients and 4,300 patient days to out-of-county care, there have been almost no reductions in the costly psychiatric physician staff. In the midst of a financial crisis and in a setting of reduced patient contacts, one would also expect some attrition at the physician level.
- 20). The necessity for involuntary confinement, or "lockdown," of the mentally ill patient in crisis is agreed to by most mental health providers and all law enforcement personnel. With the closure of the County PHF, the only

lockdown facility now available to house an individual declared 5150 in Shasta County is the County Jail. The jail is chronically overcrowded and lacks the health facilities to manage the acutely mentally ill. Mentally ill patients given a 5150 designation are now held in unlocked emergency rooms while they await transfer to out-of-county, locked mental health facilities. The Grand Jury learned that 5150 patients cannot legally be detained by local hospital emergency room staff. Indeed, some patients declared 5150 and awaiting transfer, leave emergency rooms of their own volition. The Grand Jury finds that the lack of a local lockdown facility jeopardizes public safety.

- 21). Since a 5150 designation is a legal issue and not a medical one, law enforcement personnel may assign an individual a 5150 status. The BOS grants the SCMH Director the power to issue 5150 privileges to clinicians. Currently, the only clinicians in Shasta County who have this authority are the physicians, nurses and therapists associated with SCMH. In the past, emergency room physicians and private-practice psychiatrists also had this authorization; the 5150 authority for these clinicians was retracted upon the closure of the County PHF. According to the Mental Health Director, the rationale for this retraction was that emergency room and non-county psychiatrists do not need this power since they can legally hold patients in emergency rooms for eight hours. The Grand Jury believes that even though a 5150 designation is a legal issue, both emergency room physicians and board certified psychiatrists can determine if a patient is

suicidal or homicidal. Both physician groups had this authority in Shasta County between 1989 and 2004 until the SCMH Director revoked it for all but SCMH personnel and law enforcement. Private practitioners have told the Grand Jury that it is very frustrating and unnecessary to first await the arrival of, and then the patient evaluation by, a nurse or therapist to certify a 5150 designation.

- 22). The Grand Jury is aware of a collaborative community effort to establish a County detoxification facility with a private entity. Participants in this proposal include two local full-service hospitals, Shasta County, City of Redding, City of Anderson, City of Shasta Lake and Redding Rancheria. Currently, detoxification services are provided primarily on an outpatient basis through the Shasta County Alcohol and Drug Program, a Division of SCMH. Hospitals would provide funding, physician consultative services and on-site nursing. In addition to psychiatric consultative services, the County would provide both funding and administrative oversight through its Alcohol and Drug Program. Municipalities would provide funding, law enforcement and emergency medical services. The Grand Jury applauds this collaborative effort, especially in a county with a higher than average substance abuse problem.
- 23). Since the closure of the local super PHF, the Grand Jury has identified an increased private sector interest in providing mental health services in Shasta County. Recently increased Medicare reimbursement (January, 2005) for inpatient hospitalization is most likely the driving force behind

this interest. Indeed, the Grand Jury has learned that one area hospital still retains both a licensure and physical plant for a 15-bed locked, inpatient psychiatric unit. This hospital has over 100 credentialed physicians on staff and offers a variety of supportive medical services. As mentioned previously, SCMH itself, partners with a variety of private behavioral health entities. The Grand Jury supports further privatization of mental healthcare services, preferably at the local level.

- 24). As a follow-up to the 2000/2001 Grand Jury's evaluation of mental health services, it is noted that the Mental Health Advisory Board (MHAB) has complied with the recommendation that it submit a mandated yearly report to the BOS. Regarding MHAB leadership shortcomings as noted in that Grand Jury report, the current Jury is less concerned about any lack of focus and direction than it is about the MHAB's ability to convincingly demonstrate and defend community needs to the BOS. With five of the 15 appointees having resigned in the past year, the Grand Jury finds that the MHAB was less effective in overseeing the activities of SCMH.
- 25). Throughout the course of this investigation it has become apparent that, contrary to what was widely publicized and believed, the increasing cost of maintaining the County PHF was not the determining factor in its closure. The SCMH Director, Deputy Director and local psychiatrists have testified that patient safety (with the associated liability) was the driving force behind the closure. The Grand Jury discovered that the Shasta County super PHF, despite the lack of credentialing as a

detoxification center, had at times, admitted mentally ill patients under the influence of toxic substances. Many of the mentally ill requiring hospitalization have co-morbidities (medical problems such as cardiac or pulmonary disease, hypertension and diabetes). Estimates of mentally ill adults with a significant medical co-morbidity begin at 30% and approach 80% as the age of the patient increases. Older and sicker mentally ill patients at the County's super PHF were increasingly at risk of a significant, life-threatening cardiac or pulmonary event. Even super PHFs are not sufficiently staffed to handle such catastrophes. Specialists such as cardiologists, pulmonologists and internists are not readily available to recognize and treat medical emergencies. Life support equipment may be inadequate and nursing personnel specializing in mental illness may be unfamiliar with current resuscitative techniques. Radiology and laboratory support services are also unavailable.

These factors lead the Grand Jury to believe that the closure of the County's super PHF was appropriate unless SCMH either made expensive changes to increase staffing and support services, or moved to drop its Medicare hospital designation and adopt stricter admission criteria. Implementing the latter choices would have allowed SCMH to maintain a functioning PHF since both per diem rates of care and patient safety risks would be reduced. Strict admission criteria would include obtaining medical clearance and detoxification prior to admission, and denying access to both Medicare patients and patients with unstable medical

problems. A decision to transfer Medicare-eligible patients to out-of-county mental facility care, although still regrettable, would have less of an impact than transferring all patients. Moreover, even if closing the super PHF was ultimately unavoidable, conversion to a basic PHF would have enabled it to remain open while transition planning was less abruptly instituted.

- 26). The SCMH Director is a knowledgeable, experienced, well-spoken and passionate advocate for mental health. For the most part, the Director is well respected by community physicians, local mental health providers, other county mental health directors and the BOS. However, some interviewees described conflicting communications and a confusing chain of command at SCMH. The Director has expressed unwillingness to use Mental Health Services Act (Proposition 63) funding for inpatient psychiatric services in Shasta County, preferring to treat the acutely mentally ill in full-service hospitals or PHFs in other counties. He remains a strong proponent for enhanced outpatient and preventative services. The Grand Jury agrees with the need for inpatient psychiatric beds within full-service hospitals, (preferably local) especially for patients with medical co-morbidities. However, licensure and accreditation hurdles are significant and require up to 36 months to complete. The Grand Jury determined that the Director exerts too much influence on the BOS regarding both operations and funding priorities at SCMH. It is evident that SCMH administrators have chosen a direction away from

publicly provided inpatient services because of an inability to safely and adequately deliver them. Local access to a critical component of mental healthcare need not be denied residents until solutions to improve patient safety are first attempted. Reopening a basic PHF is one such solution. Instead, SCMH is focused on enhancing preventative and outpatient services while delegating its inpatient care to the private sector. This Grand Jury is concerned that unless accessibility and unified delivery of outpatient services improves, the availability of mental health services in the County will further deteriorate.

RECOMMENDATIONS:

- 1). The County BOS, the MHAB and SCMH should increase public education about mental impairment. This should concentrate on understanding the disease, reducing its stigma, procuring a diagnosis and accessing treatment. County Government and SCMH should focus on improving public education through grants, requesting volunteer media exposure and improvements in the ineffective SCMH website. SCMH and the BOS should support and promote Mental Health Awareness Week each October. The Grand Jury recommends the MHAB institute a regularly reporting, public education subcommittee.
- 2). SCMH needs to improve its relationship with the local medical community by encouraging input from private-practice psychiatrists, emergency room physicians and primary care practitioners involved in

treating the mentally impaired. A more collaborative interaction with local hospitals and area clinics is further recommended. We find that improved communication between SCMH and community physicians could be the foundation for future cooperation. The Grand Jury strongly suggests that, like other physician specialists, all psychiatrists employed by the County obtain clinical privileges at local hospitals and directly attend to patients in the emergency room. SCMH should reinstate 5150 authority to non-county psychiatrists and emergency room physicians. Accomplishing the above would promote the integration of mental health care into mainstream medicine.

- 3). SCMH should hire some primary care practitioners or physician assistants in lieu of more costly psychiatrists and incorporate these front line providers into the SCMH structure. SCMH should focus on the critical role case managers play in maintaining continuity of care for out-of-county inpatients once their acute care is completed and they return to Shasta County.
- 4). The Shasta County BOS should consider privatizing, in part or in total, the delivery of mental health services to the citizens of the county. With proper oversight, this would offer a more efficient overall operation. Assurances that all patients requiring treatment actually receive treatment would be necessary. The Grand Jury feels an extensive and well-planned transition program, with input from the general public and all providers of

mental healthcare delivery, must precede any transfer from public to private operation.

- 5). The Grand Jury recommends the SCMH Director improve lines of communication to ensure that SCMH policies affecting the medical community and other public agencies are uniform and consistent. We encourage SCMH to continue to improve access to its crisis intervention teams to reduce emergency room transfer delays. Moreover, to improve the continuity of patient care, we suggest that SCMH expedite the transfer of medical information (history, diagnosis and prescriptions) along with patients requiring out-of-county care. Conversely, SCMH should demand that discharge summaries accompany its patients returning from out-of-county facilities. Additionally, the Grand Jury discourages the indiscriminate delegation of 5150 authority by the SCMH Director.
- 6). SCMH should establish written cost-sharing policies with the County Jail, Juvenile Hall, Probation Department and other agencies for inpatient care and transportation of their mentally impaired inmates or clients. SCMH should improve its service to county agencies affected by the PHF closure e.g., attend to inmates at the Main Jail and Juvenile Hall.
- 7). The BOS and SCMH should closely monitor the costs (including all transportation costs) of out-of-county inpatient care. The Grand Jury offers the following options for reestablishing inpatient psychiatric services for which the County still holds State licensure:
 - Reopen the 15-bed PHF at the previous site on Breslauer Way

by deleting its Medicare designation and adopting strict admission criteria for adult inpatients. This would reduce the average daily cost of care by 50 percent (to \$2 million per year) and also minimize patient safety issues. Medicare patients requiring hospitalization would be cared for at other facilities.

- Open a 15-bed basic PHF on Breslauer as a combined adult/child inpatient care facility by designating ten beds for adults and five for children.
- Open a 15-bed basic PHF on Breslauer as the only north state child inpatient facility. Costs would be more manageable and there is a very low risk of associated physical co-morbidity in this age group.

The BOS should obtain sufficient information to determine whether or not to renew the SCMH \$1.3 million yearly contract for the Elpida Crisis Residential Center. Any option to reopen a PHF would necessitate either closing or relocating this center. The Grand Jury recommends closure. In that event, inpatient psychiatric services could be funded using current SCMH revenues generated by increasing efficiency, reducing out-of-county inpatient care, substituting primary care practitioners for some psychiatrists and eliminating costly Medicare staffing. Moreover, additional funding may become available beginning in 2005/2006 through the Mental Health Services Act. The Grand Jury believes that County residents could, and should, have local access to both inpatient and outpatient mental health services.

Inpatient child psychiatric services have been identified as woefully inadequate for decades and the Grand Jury invites Shasta County to take the initiative and establish a child/adolescent inpatient facility. A north state regional, multi-county proposal for Mental Health Services Act funds (perhaps orchestrated by the SCMH Director) could establish a geographically centered, acute care facility for children with mental impairment. Benefits of such a facility to the overall mental health of children include earlier recognition and treatment of impairment and an improved continuity of care. Enhanced case management, better social rehabilitative services, access to intensive family psychotherapy and recruitment of more child psychiatrists could result from a successful program. This is an opportune time for Shasta County to address the psychiatric needs of north state children.

- 8). Other inpatient psychiatric services could include:
 - The reopening of inpatient services for Medicare patients at a local rehabilitation facility.
 - A truly collaborative effort between SCMH and the local medical community to begin laying the groundwork for an inpatient psychiatric unit in one of the local full-service hospitals.
- 9). In addition to regulatory oversight by governmental agencies, SCMH should periodically undergo outside efficiency evaluations to help streamline its business and management operations. Although the \$20 million SCMH yearly budget is audited annually, it is internally monitored

and controlled by SCMH Directors. While any SCMH expenditures exceeding \$10,000 must be approved by the BOS, the County Budget Officer is only responsible for the minimum, State-mandated, General Fund allotment of \$266,000 per year for mental health services. The balance of the SCMH budget (\$21,131,385) is managed without County oversight. The Grand Jury recommends that SCMH more clearly define the cost savings associated with the closure of the super PHF. There needs to be a more detailed accounting that confirms savings or losses.

- 10). The Grand Jury suggests that the BOS pay a site visit to the County-contracted Elpida Crisis Residential Center and closely evaluate the benefits of the contract's automatic renewal after fiscal year 2004/2005. Should Elpida remain open, the Grand Jury also recommends adoption of a formal lease between the County and Elpida's private sponsor and establishment of an Elpida Policies and Procedures Manual.
- 11). The Grand Jury recommends the County BOS and SCMH consider both financial and staffing support of a proposed County Detoxification Center. This center would afford opportunity for an improved collaboration between SCMH and both the local medical community and city governments. Establishment of a detoxification center would reduce congestion in local hospital emergency rooms. Mental Health Services Act (Proposition 63) funding could be an additional source of financial support.

- 12). The Grand Jury recommends that County and City Government guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated patients while they are treated in, and until they are transferred from, local "unlocked" emergency rooms.
- 13). The MHAB needs broader community representation. Private physician, local hospital and clinic, and law enforcement inclusion would strengthen the MHAB role as the community advocate for mental health issues. The Grand Jury encourages the BOS to improve the MHAB composition and strongly urges the MHAB to carefully review all major contracts entered into by SCMH.
- 14). Citizens of Shasta County can take advantage of a new source of state funding for expanded mental health services through the Mental Health Services Act. Similar to new library construction funding a few years ago, this Act awards state tax revenues to individual or joint county proposals for services based on the merits of the plans submitted. Shasta County citizens rallied impressively to support the library and the Grand Jury strongly recommends the BOS encourage a similar community effort. This is an excellent opportunity for increasing access to local services that are both desperately needed and chronically underfunded. Mental health services should be prioritized through the public input sessions sponsored by SCMH. The BOS and MHAB should incorporate this community input into any proposal being submitted.
- 15). The BOS should not rely entirely on staff recommendations when

considering future funding and direction of mental health policy in Shasta County. Assigning large, long-term, no-bid contracts for untried services (Elpida) and closing the super PHF against the recommendations of the MHAB and a citizen's Community Committee do not represent the best interests of County residents. Since the prior BOS (with the exception of one member) felt economic considerations superceded community recommendations to maintain an inpatient facility, the Grand Jury encourages the current BOS (with two new members) to reexamine the issue. From the data presented in this report, the Grand Jury recommends the BOS reconsider the economic factors that led to the decision to close the PHF. We fully appreciate the patient safety issues of the inpatient facility as it was configured prior to its closure. However, our investigation indicates that reopening a basic PHF (non-Medicare) with strict admission criteria, is an economically viable and safe alternative to having no local locked inpatient facility at all. Establishing appropriate and affordable local inpatient hospital services would improve patient access and care and alleviate the problems generated by the closure of the PHF. In conclusion, the Shasta County Grand Jury asks the BOS to examine all the facts and govern for the benefit of its constituents, and not for what benefits SCMH.

RESPONSES REQUIRED:

Board of Supervisors: As to Recommendations 1,4,7,8,10,11,12,13,14,15

The City Councils of Anderson, Redding, and Shasta Lake: As to Recommendation 12

RESPONSES INVITED:

Shasta County Mental Health Director: As to Recommendations 1, 2, 3, 5, 6, 7, 8, 11, 14

RECOGNITION:

The Grand Jury applauds the collaborative community effort to address the growing problem of substance abuse, recognize its connection to mental impairment and take action through a proposed County detoxification center. We hope this collaboration serves as a model for future community endeavors towards improving mental health for all citizens.



Shasta County

BOARD OF SUPERVISORS

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GLENN HAWES, DISTRICT 3
LINDA HARTMAN, DISTRICT 4
PATRICIA A. "TRISH" CLARKE, DISTRICT 5

September 27, 2005

The Honorable William Gallagher
Presiding Judge, Shasta County Courts
1500 Court Street, Room 205
Redding, CA 96001

FILED

OCT 17 2005

CATHY DARLING, COUNTY CLERK
BY: *C. Ashcraft*
DEPUTY CLERK

RE: Response of the Board of Supervisors to the FY 2004-2005 Grand Jury Report

Dear Judge Gallagher:

The Shasta County Board of Supervisors appreciates the efforts and dedication of the fiscal year 2004-2005 Grand Jurors. The Board of Supervisors response to the findings and recommendations of the 2004-2005 report are as follows:

Recommendation

1. *The County BOS, the MHAB and SCMh should increase public education about mental impairment. This should concentrate on understanding the disease, reducing its stigma, procuring a diagnosis and accessing treatment. County Government and SCMh should focus on improving public education through grants, requesting volunteer media exposure and improvements in the ineffective SCMh Web site. SCMh and the BOS should support and promote Mental Health Awareness Week each October. The Grand Jury recommends the MHAB institute a regularly reporting, public education subcommittee.*

Response

The Board of Supervisors concurs with Grand Jury's findings that the Board of Supervisors, Mental Health Advisory Board, and the Shasta County Mental Health Department should increase public education about mental impairment. Currently, the SCMh conducts and participates in many educational and public outreach activities:

- ◆ Crisis Intervention Team training to local law enforcement officers in conjunction with the National Alliance for Mental Illness (NAMI).
- ◆ The MHAB and SCMh work in conjunction with NAMI on its annual Mental Illness

Awareness (MIA) Week Banquet, Silent Auction, and other MIA Week activities.

- ◆ Press orientations
- ◆ Certified trainings for local public and private mental health practitioners
- ◆ Presentations regarding the Mental Health budget, impacts on mental health services, roles and responsibilities, target population, eligibility, access, and service criteria to community organizations (League of Women Voters, Shasta Consortium of Community Health Centers, Rotary).
- ◆ KFPR Northstate Public Radio call-in show, I-5 Live, regarding Depression.
- ◆ The MHAB, SCMH, and representatives from the United Advocates for Children of California, and former Assemblyman Darrell Steinberg collaborated and worked together on the October Public Forum.
- ◆ During the spring semester of 2005, in collaboration with the Shasta County Probation Department and the Shasta Union High School District, SCMH staff coordinated with the Phoenix High School Communications Class students in the production and airing of two 60-second public service announcements (PSA). Topics included methamphetamine use and drug abuse. Members of the effort linked with Regent Radio Station to air these PSA's in August 2005. The plan is to continue producing additional PSA's through this collaborative effort in upcoming semesters.
- ◆ Additionally, SCMH and Mental Health Board representatives have met with the Record Searchlight Editorial Board on three occasions to discuss and answer questions relative to mental health treatment issues.

The goal of SCMH and the Mental Illness Awareness Committee has been to move this educational process into more mainstream health care to increase private sector involvement. This has been the focus of the Mental Illness Awareness Committee Banquet for the past four years, acknowledging the contribution of community providers and promoting broader interest. The Mental Illness Awareness Committee reports monthly to the Mental Health Board and is charged with developing public awareness strategies in its monthly meetings. The Shasta County Mental Health Board will review the role of this committee and consider formalizing its role related to public education.

In an effort to improve communications throughout the medical community and increase public awareness about mental illness, SCMH and the County Administrative Office have developed a Mental Health Education and Outreach Plan (*Attachment A*). The primary objective of the plan is to promote understanding and reduce stigmatization related to mental illness and the assessment, treatment, and stabilization of those suffering from the disease. The SCMH and the MHAB are working together to implement the strategies outlined in the plan.

The Board concurs with the Grand Jury recommendation to improve the quality of and expand the use of electronic communication through a web site. Shasta County Mental Health will be

working with Trilogy Integrated Resources, a contractor selected by the State Department of Mental Health to develop a local web site titled "Network of Mental Health Care," which will be funded by the State's Mental Health Services Act funds. This web site will be of value to individual patients, families, and the community in general to provide a resource directory as well as other valuable features customized for Shasta County.

In addition, the department is considering an Intranet site to be used for internal employee and interdepartmental communications. Mental health information, articles, news, policies, and procedures related to the delivery of mental health treatment services may be included.

Recommendation

4. The Shasta County BOS should consider privatizing, in part or in total, the delivery of mental health services to the citizens of the county. With proper oversight, this would offer a more efficient overall operation. Assurances that all patients requiring treatment actually receive treatment would be necessary. The Grand Jury feels an extensive and well-planned transition program, with input from the general public and all providers of mental healthcare delivery, must precede any transfer from public to private operation.

Response

The Shasta County Board of Supervisors has reviewed the recommendation to consider privatizing (in part or in total) the delivery of mental health treatment services to the citizens of Shasta County.

Currently 54 percent of the SCMHS budget is devoted to contract services, and this has consistently increased over the past 2-3 fiscal years. As a result, SCMHS is more than half "privatized." With each contract for services entered into by the Board of Supervisors, Shasta County Mental Health must assure that services are delivered in accordance with State Department of Mental Health requirements, which govern target population, service delivery, and the receipt of State and federal funds.

As noted in the *Grand Jury Final Report*: "SCMHS must provide care for the severely and persistently mentally ill; this represents less than five percent of the Medi-Cal eligible population in the County." Shasta County Mental Health treats more than 11 percent of the County's Medi-Cal population on average, which is almost twice the State average.

Shasta County Mental Health provides mental health services to the residents of Shasta County in compliance with three State Department of Mental Health contracts. These contracts include very specific terms and conditions and are renewed annually with the approval of the Shasta County Board of Supervisors. The first contract is titled: "County/City Performance Contract," and it outlines performance conditions, general assurances and program principles, and specific provisions related to funded programs. The second contract governs the purchase of State hospital beds by the County and sets the annual rate per bed to be paid by Shasta County Mental Health. The purpose of the third contract is described in Exhibit A, Scope of Work, July 1, 2004 – June 30, 2005:

1. The contractor agrees to provide to the Department of Mental Health the services described herein: Provide specialty mental health services to Medi-Cal beneficiaries of Shasta County within the scope of services defined in this contract.
2. The services shall be performed at appropriate sites as described in this contract.
3. The services shall be provided at the times required by this contract.
4. The project representatives during the term of this agreement will be:

Department of Mental Health	Shasta County Mental Health Services
County Operations Stacy Hoang	Don Kingdon, Ph.D., Director
(916) 654-4016	(530) 225-5900
Fax: (916) 654-5591	Fax: (530) 225-5977

The contract is entered into on an annual basis and requires County and contractor compliance with the California Code of Regulations governing the delivery of specialty mental health services, as well as federal regulations related to the Medicaid (Medi-Cal) program. These State and federal regulations are very prescriptive. The federal requirements alone, which are on an addendum to the contract, consist of 53 pages.

The Grand Jury notes in its findings a number of perceptions regarding the role of Shasta County Mental Health in the delivery and authorization of inpatient mental health services that are not consistent with this contract and Shasta County Mental Health's practice.

The first and most important misperception is related to access to psychiatric hospitalization for all Medi-Cal eligible Shasta County residents. There are no pre-authorization requirements for emergency admissions to psychiatric inpatient hospitals for Shasta County Medi-Cal beneficiaries. Shasta County Mental Health provides post-admission review of written Treatment Authorization Requests submitted by hospitals as required by the State prior to payment by EDS (Electronic Data System). These requests must be submitted to Shasta County Mental Health by the hospital within 14-days of the patient's discharge. The requirements for review of these Treatment Authorization Requests are clearly defined in contract and regulation and are only related to retroactive payment determination.

Since SCMH is no longer a provider of psychiatric hospital services, independent practitioners affiliated with the private treating facilities now make the determination of the patient's admission and continued stay. The hospital staff through face-to-face contact determines the clinical need for admission and treatment with the patient initially and on a daily basis after admission.

Recommendation

7. ***The BOS and SCMH should closely monitor the costs (including all transportation costs) of out-of county inpatient care. The Grand Jury offers the following options for reestablishing inpatient psychiatric services for which the County still holds State licensure:***

- ♦ *Reopen the 15-bed PHF at the previous site on Breslauer Way by deleting its Medicare designation and adopting strict admission criteria for adult inpatients. This would reduce the average daily cost of care by 50 percent (to \$2 million per year) and also minimize patient safety issues. Medicare patients requiring hospitalization would be cared for at other facilities.*
- ♦ *Open a 15-bed basic PHF on Breslauer as a combined adult/child inpatient care facility by designating 10 beds for adults and five for children.*
- ♦ *Open a 15-bed basic PHF on Breslauer as the only north state child inpatient facility. Costs would be more manageable and there is a very low risk of associated physical co-morbidity in this age group.*

The BOS should obtain sufficient information to determine whether or not to renew the SCMH \$1.3 million yearly contract for the Elpida Crisis Residential Center. Any option to reopen a PHF would necessitate either closing or relocating this center. The Grand Jury recommends closure. In that event, inpatient psychiatric services could be funded using current SCMH revenues generated by increasing efficiency, reducing out-of-county inpatient care, substituting primary care practitioners for some psychiatrists and eliminating costly Medicare staffing. Moreover, additional funding may become available beginning in 2005/2006 through the Mental Health Services Act. The Grand Jury believes that County residents could, and should, have local access to both inpatient and outpatient mental health services.

Inpatient child psychiatric services have been identified as woefully inadequate for decades and the Grand Jury invites Shasta County to take the initiative and establish a child/adolescent inpatient facility. A north state regional, multi-county proposal for Mental Health Services Act funds (perhaps orchestrated by the SCMH Director) could establish a geographically centered, acute care facility for children with mental impairment. Benefits of such a facility to the overall mental health of children include earlier recognition and treatment of impairment and an improved continuity of care. Enhanced case management, better social rehabilitative services, access to intensive family psychotherapy and recruitment of more child psychiatrists could result from a successful program. This is an opportune time for Shasta County to address the psychiatric needs of north state children.

Response

Shasta County Mental Health has submitted the planned budget to the Shasta County Administrative Office including projected expenditures and revenues for fiscal year 2005/2006. In this budget, the SCMH department does not recommend that it operate and staff a psychiatric health facility during fiscal year 2005/2006. The Board of Supervisors concurs that an involuntary mental health acute care inpatient unit is needed in Shasta County but realizes that patient safety is of the utmost importance. In an effort to meet the medical needs of all patients, the delivery of mental health treatment services (involuntary or voluntary) should be integrated with emergency and primary health care. The County Psychiatric Health Facility was not licensed to provide emergency medical or primary health care services, therefore, reopening the facility is not viable.

SCMH, in collaboration with the Shasta County Administrative Office and the North Valley Medical Association, has facilitated contacts between interested providers of inpatient behavioral

health services and the administrators of the local general hospitals. The goal of this collaboration is to integrate acute care psychiatry into mainstream primary health care so that those suffering from mental illness have the opportunity to receive treatment for all of their medical needs in an environment where they are not stigmatized or isolated from medical care.

The Board of Supervisors agrees that a regional approach to specialty psychiatric care is viable for target populations. An example of the potential in this area is the soon to be open North Valley Behavioral Health and Sequoia Psychiatric Center Psychiatric Health Facilities. Shasta County Mental Health has taken a strong leadership role in this 4-year effort and the SCMHDirector sits on the steering committee that has been responsible for the planning and implementation of these facilities.

Specifically regarding the viability of a regional facility for children, SCMHD has promoted three regional options. The first option was the establishment of a regional locked community treatment facility, which was not supported at a regional level. The second option was the dedication of one of the new regional psychiatric health facilities to children, which was also not regionally supported. The third option is the establishment of a regional interagency crisis assessment center for children. This option may be considered as a priority focus under the Mental Health Services Act (Proposition 63).

Recommendation

8. *Other inpatient psychiatric services could include:*

- The reopening of inpatient services for Medicare patients at a local rehabilitation facility.***
- A truly collaborative effort between SCMHD and the local medical community to begin laying the groundwork for an inpatient psychiatric unit in one of the local full-service hospitals.***

Response

The Shasta County Board of Supervisors concurs with the recommendation that a local inpatient facility should be pursued. This facility should have the capacity to treat patients flexibly, which is best done in a licensed general hospital. SCMHD, in conjunction with the Shasta County Administrative Office, has facilitated contacts with three corporations that are providers of behavioral health services that would like to develop a local inpatient facility. At a recent presentation, one provider made it very clear that the provision of behavioral health services in a licensed general hospital with more than 100 beds is financially viable and of economic benefit to the hospital. North Valley Medical Association representatives have made contact with this provider and will facilitate meetings in an effort to promote the proposal, gain support from local hospitals, and encourage community involvement in this potential opportunity.

Recommendation

10. *The Grand Jury suggests that the BOS pay a site visit to the County-contracted Elpida*

Crisis Residential Center and closely evaluate the benefits of the contract's automatic renewal after fiscal year 2004/2005. Should Elpida remain open, the Grand Jury also recommends adoption of a formal lease between the County and Elpida's private sponsor and establishment of an Elpida Policies and Procedures Manual.

Response

Representatives from the Board of Supervisors, County Administrative Office, and Mental Health Advisory Board participated in a tour of the Elpida Crisis Residential Center on September 7, 2005, as recommended by the Grand Jury.

The Elpida Crisis Residential Center maintains a policy and procedures manual that addresses the areas required by State regulation.

Recommendation

11. The Grand Jury recommends the County BOS and SCMH consider both financial and staffing support of a proposed County Detoxification Center. This center would afford opportunity for an improved collaboration between SCMH and both the local medical community and city governments. Establishment of a detoxification center would reduce congestion in local hospital emergency rooms. Mental Health Services Act (Proposition 63) funding could be an additional source of financial support.

Response

The Board of Supervisors, Shasta County Mental Health, and the Shasta County Alcohol and Drug Programs (SCADP) are in complete support of expanding the social model detoxification program in Shasta County. This is consistent with the "Community Action Plan" developed by representatives of Mercy Medical Center, Shasta Regional Medical Center, Shasta Community Health Center, the Good News Rescue Mission, Shasta County Mental Health, and the Shasta County Alcohol/Drug Program (*Attachment B*). A memorandum of understanding (MOU) has been developed by SCADP and circulated to the participants and other recommended collaborative partners (*Attachment C*). To date, only the City of Shasta Lake and the Shasta County Administrative Office have responded with support.

The role of the Mental Health Services Act (Proposition 63) funding in this service expansion will be determined once the State Department of Mental Health guidelines for application for funding have been finalized and distributed. Additionally, the input received from stakeholders at more than 30 State required focus groups, conducted by Shasta County Mental Health, must be considered when prioritizing areas of need for mental health services expansion. This process is targeted for completion in October to allow for a timely submission to the State Department of Mental Health.

Recommendation

12. The Grand Jury recommends that County and City Government guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated

patients while they are treated in, and until they are transferred from, local "unlocked" emergency rooms.

Response

The process for transfer of law enforcement WIC § 5150 detentions is governed by an interagency agreement developed by local law enforcement agencies in collaboration with representatives of Shasta County Mental Health, Shasta Regional Medical Center, Mercy Medical Center, and Mayers Memorial Hospital District (*Attachment D*). Less than half of the calls to the emergency departments are the result of this process.

More than half of the calls for Shasta County Mental Health crisis response are for patients who have presented to the emergency departments without law enforcement involvement. Thus, law enforcement personnel are not present in these cases while the emergency department examines the patient to determine if an emergency medical condition exists consistent with the federal requirements under the Emergency Medical Treatment And Labor Act (EMTALA). In these cases, Shasta County Mental Health determines the legal status of the patient if the emergency department physician decides that transfer or discharge to a specialty psychiatric facility is necessary.

Recommendation

13. *The MHAB needs broader community representation. Private physician, local hospital and clinic, and law enforcement inclusion would strengthen the MHAB role as the community advocate for mental health issues. The Grand Jury encourages the BOS to improve the MHAB composition and strongly urges the MHAB to carefully review all major contracts entered into by SCMH.*

Response

The Board of Supervisors concurs with the Grand Jury's recommendation regarding the expansion of community representation on the Mental Health Board. The Chairperson will work with the Mental Health Board Membership Committee to recruit a broader cross-section of community members.

The Mental Health Board will continue to review the State Department of Mental Health Performance Contract, which governs aspects of the operations of the Shasta County Mental Health Department before it is submitted to the Board of Supervisors for approval.

Recommendation

14. *Citizens of Shasta County can take advantage of a new source of state funding for expanded mental health services through the Mental Health Services Act. Similar to new library construction funding a few years ago, this Act awards state tax revenues to individual or joint county proposals for services based on the merits of the plans submitted. Shasta County citizens rallied impressively to support the library and the Grand Jury strongly*

recommends the BOS encourage a similar community effort. This is an excellent opportunity for increasing access to local services are both desperately needed and chronically underfunded. Mental health services should be prioritized through the public input sessions sponsored by SCMH. The BOS and MHAB should incorporate this community input into any proposal being submitted.

Response

The Board of Supervisors concurs with the Grand Jury recommendations regarding the Mental Health Services Act.

Recommendation

- 15. The BOS should not rely entirely on staff recommendations when considering future funding and direction of mental health policy in Shasta County. Assigning large, long-term, no-bid contracts for untried services (Elpida) and clothe super PHF against the recommendations of the MHAB and the citizen's Community Committee do not represent the best interests of County residents. Since the prior BOS (with the exception of one member) felt economic considerations superceded community recommendations to maintain an inpatient facility, the Grand Jury encourages the current BOS (with two new members) to reexamine the issue. From the data presented in this report, the Grand Jury recommends the BOS reconsider the economic factors that led to the decision to close the PHF. We fully appreciate the patient safety issues of the inpatient facility as it was configured prior to its closure. However, our investigation indicates that reopening a basic PHF (non-Medicare) with strict admission criteria, is an economically viable and safe alternative.***

The Board of Supervisors does not rely solely on the recommendations of staff when considering funding or policy changes. The Board follows an extensive process of review to include a departmental staff report, County Administrative Office review and concurrence, County Counsel review, and Risk Management review. In addition, the Board receives and considers constituent feedback, including Advisory Board input, and public input regarding all Shasta County issues.

The Board of Supervisors voted 4-1 to close the Psychiatric Health Facility after considering all of the information and several factors including patient safety due to the lack of emergency medical care and the subsequent exposure to litigation. Continued operation of the Psychiatric Health Facility would require significant funding reductions in other areas of the Mental Health Department. Mental Health Outpatient services would have to be eliminated to ensure the ongoing financial viability of the inpatient unit. Discontinuing outpatient treatment programs would impact a larger population than the closure of the Psychiatric Health Facility. The loss of outpatient treatment services would impact approximately 87 percent of the total SCMH patient population receiving preventive services, case management, therapy, life management skills, medical management skills, counseling, and other specialty services that minimize or eliminate the need for emergency mental health treatment. Without outpatient treatment the need for emergency mental health treatment services would increase exponentially and exceed the

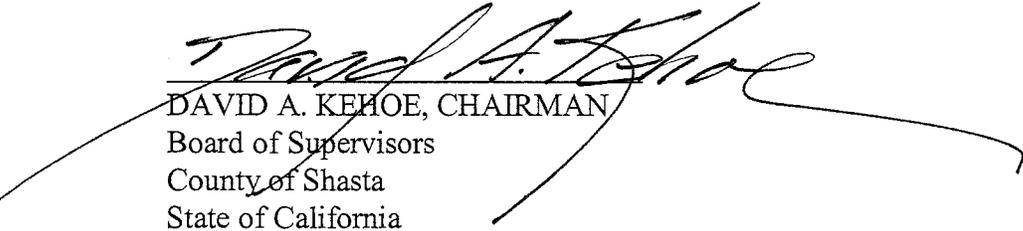
capacity of the Psychiatric Health Facility. The legal, social, and fiscal impact on law enforcement, social support agencies, and the community in general would be significant.

The Grand Jury recommendation states that the Elpida contract was a large, long-term, no-bid contract for untried services. The initial term for the Elpida Crisis Residential contract commenced July 1, 2004 and ended on June 30, 2005. The contract was renewed for the same term length for fiscal year 2005-2006 on July 1, 2005. The Elpida Crisis Recovery Center is a subsidiary organization of Crestwood Behavioral Health, Inc. Shasta County has had many contractual agreements with Crestwood for similar residential psychiatric services.

The Elpida contract was approved by the Board in an amount not to exceed \$1,124,200. This amount represents a cost savings for inpatient services that were provided at the Psychiatric Health Facility (*Attachment E*).

This concludes the response of the Shasta County Board of Supervisors to the FY 2004-2005 Grand Jury Report.

Sincerely,



DAVID A. KEHOE, CHAIRMAN
Board of Supervisors
County of Shasta
State of California

Attachments:

- A. Mental Health Education and Outreach Plan
- B. Community Action Plan
- C. Shasta County Alcohol & Drug Programs Detox Program Memorandum of Understanding
- D. Law Enforcement Interagency Protocol for Mental Illness Commitments
- E. Psychiatric Health Facility Cost Analysis

Copy:

Members, Grand Jury
Don Kingdon, Ph.D., Director, Mental Health Department

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

Communications Goal

The purpose of this communications plan is to promote greater understanding of issues related to *Shasta County Mental Health service delivery including the assessment, treatment, and stabilization of those suffering from mental illness* among various target audiences in order to facilitate accurate and informed decision-making and instill confidence in mental health services and leadership.

Strategic Framework

The plan is built around a framework *s/x* primary objectives, with a comprehensive set of supporting activities for each that are aggressive, timely and customized for Shasta County's unique cultural and geographic landscape.

1. Education and Outreach
2. Media Plan Development
3. Spokesperson Preparation
4. Materials Development
5. Public Education Campaign
6. Evaluation and Outcomes

Guiding Principles:

Clarity and Confidentiality: Share with the target audiences as much information as possible while protecting the privacy of our patients and their families.

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

Compassion: Respect, empathy, compassion and the mission to treat those suffering from mental illness is the guiding principle for the Department. At every level of this process and in every message that is communicated, the patient must be the core focus.

Be first and be credible: Don't let other agencies frame the messages.

Primary Focus: Support the effort to provide quality mental health treatment services that are patient-centered, integrate primary health care and behavioral health management in an environment that promotes awareness and reduces stigmatization of those suffering from mental illness.

Partnerships and Collaboration: Work closely with health care community (including hospitals and community health centers), law enforcement, County Board of Supervisors, Mental Health Advisory Board, community-based organizations and other partners/stakeholders to ensure that all communications run smoothly and reflect "one coordinated voice."

Target Audiences

- Mental Health patients and their families/loved ones/care providers
- Board of Supervisors
- Mental Health Advisory Board
- Alcohol & Drug Programs Advisory Board
- Physicians and other health care professionals
- Mayers Memorial Hospital, Mercy Medical Center Redding and Shasta Regional Medical Center staff
- Contractors
- Community Health Centers
- Non-medical mental health treatment providers (LCSW, MFT, Psychologist)
- Law Enforcement
- Other county departments
- Social service agencies and professionals
- Media
- Partners and stakeholders, including Mental Health Advisory Board, law enforcement and health organizations

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

- General public
- Medi-Cal beneficiaries

Preparation

Complete communications tools to determine staffing and resource needs, assemble communication team, identify stakeholders, identify spokespersons, clearance authorizations, identify messages via message mapping, develop fact sheet (Q&A) and draft press releases.

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

OBJECTIVE 1: Education & outreach to facilitate informed decision-making and increase buy-in and trust in SCMH and its policies, procedures, and priorities.

Supporting Activities	Target Population	Deliverables	Timeframe
Conduct Monthly Updates: Stakeholder group meetings, 5150 authority/designation, Frequent Utilizer Project, Independent Assessment (Consultant activities).	Board of Supervisors	Board Presentation	Monthly (June-Dec 2005)
Quarterly Provider Newsletter: Include updates on matters regarding the assessment, treatment, and stabilization of individuals suffering from mental illness; MHSA, collaborative partnerships and opportunities, protocols, upcoming events, and FAQs.	Physicians and other health professionals	Newsletter (electronic and print)	September 2005-2006
Community Presentations: Two PowerPoint presentations for specific audiences such as health care professionals and law enforcement. Other related discussions on mental health topics and service delivery, e.g. Terry Starr could present at a local law enforcement gathering to discuss a mental health related topic. Work with external associations/groups to co-sponsor presentations and lectures (NVMA). Propose a partnership with Public Health to co-sponsor a lecture series on health-related topics to similar target audiences.	County departments, physicians and other health professionals, general public, and Medi-Cal beneficiaries	PowerPoint Presentation	October 2005-2006
Provider Phone Line: Pre-recorded dial in number with information regarding RFP's, new information/updates, policies & procedures, in-service training schedules, consultant updates, and MHSA	Physicians and other health professionals	Provider Phone Line	October 2005-February 2006
Develop a Listserve: Content to include key messages from the Mental Health department, i.e., vision, mission, goals, trends, best practices, and solicitation of input. Distribution of publications (Newsletter, brochures, event flyers, training, and articles).	Board of Supervisors, physicians and other health professionals, stakeholders	Listserve	September 2006 – continuous
External Web Site: Content to include SCMH general information with a link	All identified	Website	2006

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

to the Network of Care, which will serve as the primary site for mental health information.				
Internal Web Site: An Intranet site for internal communication and interdepartmental communications. Keep staff up-to-date, share industry information, articles, morale boosters, etc. in an effort to sustain ongoing department morale, buy-in, and cohesiveness.	SCMH employees and other county departments	Intranet Site	2006	
Brochure: Content similar to web site information but not as extensive	All identified	Brochure	September 2005 – continuous	
County Post Newsletter Articles: Submit articles on a regular basis appropriate to the time of year, current events, or other special topics as needed.	County Employees	Articles	September 2005 – continuous	
Mental Health "Tip of the Month": Utilize County Counsel's model on a wide variety of mental health topics (To be determined). More information re: EAP pending.	County Employees	One page document	September 2005 – continuous	
Mental Health Supervisory Series Training Session: Informational session discussing mental illness and its impact on the workforce, sensitivity for employees, co-workers, etc. with mental illness (similar to ADA awareness training).	County Supervisory Staff	One hour session	2006	

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

OBJECTIVE 2: Media Plan			
Supporting Activities	Target Population	Deliverables	Timeframe
<p>Key Message Development: Organize and develop the coordinated voice</p> <p>Media Plan Development:</p> <ul style="list-style-type: none"> ▪ Identify media goals & objectives ▪ Prioritize activities and communication medium(s) (see objective 4) ▪ Develop a budget ▪ Create a timeline ▪ Organize a project team and communicate the vision of this plan ▪ Implement 	<p>Mental Health Director, Deputy Director, MHAB Chair, CAO Analyst, Project Team members (to be identified).</p>	<p>Coordinated messages and strategies</p>	<p>September 2005 – continuous</p>

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

OBJECTIVE 3: Spokesperson Preparation			
Supporting Activities	Target Population	Deliverables	Timeframe
<p>Conduct Three Training Sessions: (2-4 hours each) Instructed by Roxanne Burke for identified spokespersons on:</p> <ol style="list-style-type: none"> 1. Media interviews. To include strategies on the development of positive media relations and development of media messages using message mapping. 2. How to present to groups and facilitate town hall meetings. 3. Writing for the Media 	<p>SCMH: Don Kingdon, Tim Kerwin, Connie Harrah, Dr. Zariello MHAB: Susan Wilson, Terry Starr CAO Analysts Other(s): TBD</p>	<p>Coordinated messages and strategies for the delivery of media messages</p>	<p>October or November 2005</p>

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

OBJECTIVE 4: Develop Materials			
Supporting Activities	Target Population	Deliverables	Timeframe

OBJECTIVE 5: Conduct a Public Education campaign to raise the awareness of mental illness and reduce stigmatization; Focus on and explain the integrated (mind/body) approach to behavioral health and primary health care management, and other related issues.

Supporting Activities	Target Population	Deliverables	Timeframe
<p>Conduct Media Campaign:</p> <ul style="list-style-type: none"> ▪ Radio Advertisements ▪ Radio Call-In Shows ▪ Press Orientation ▪ Editorial Board Meetings (Record Searchlight) ▪ Record Searchlight Article in "Special Features" section ▪ Press Releases ▪ Web Site Promotion ▪ Community presentations <ul style="list-style-type: none"> ○ Rotary, AAUW, SCOE, etc. ▪ Bus Stop Advertising ▪ Publication distribution ▪ Capitalize on national observances to raise awareness and deliver SCMH's key message, i.e., Mental Health Awareness Week (Board Proclamation, Depression Screening, Media Campaign Day (local schools; focus on youth with mental illness), Chamber of Commerce Greeters, Candlelight Vigil, banquet and silent auction. ▪ Establish a relationship with small rural newspapers and share information. Focus on our "commitment to bringing services to the 	General Public and all others identified	See Objective #4	October 2005 – continuous

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

unincorporated areas of Shasta County".			
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**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

OBJECTIVE 6: Evaluation and Outcomes			
Supporting Activities	Target Population	Deliverables	Timeframe
<p>Identify Outcomes:</p> <ul style="list-style-type: none"> ▪ Decreased negative media coverage, public response ▪ Increased awareness ▪ Reduced stigmatization ▪ Improved relationship with the Board of Supervisors ▪ Increased delivery of accurate Mental Health Information, etc. ▪ Greater public participation in MHAB. ▪ Increased Buy-In at Stakeholder and community levels 	All identified	Outcome reports Stakeholder Reaction Assessment	Quarterly evaluations at first then semi-annual
<p>Develop Measurement Criteria</p> <ul style="list-style-type: none"> ▪ Consumer/Provider/Contractor Input and Feedback ▪ Consumer/Family Surveys ▪ Stakeholder reaction assessments ▪ Evaluate partnerships <ul style="list-style-type: none"> ○ Are they improving? ○ Have new partners and/or resources been identified? ○ Is there greater interest and participation in the Mental Health Advisory Board? 	SCMH Director, Deputy Director, & CAO Analyst	Tools for measuring success and areas of improvement	Continuous annual evaluations

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

NEXT STEPS	Description/Exercise:	Timeline:
Task:		
1. Identify Stakeholders	<ul style="list-style-type: none"> ▪ Who are they? ▪ Identify friends and foes (assets and liabilities) ▪ Stakeholder Reaction Assessment 	09-02-05 (DONE)
2. Identify Spokespersons	<ul style="list-style-type: none"> ▪ Who will speak for the department to public, media, Stakeholders, other departments, etc. ▪ Message Mapping Exercise 	09-02-05 (DONE)
3. Key Message(s) Development	<ul style="list-style-type: none"> ▪ Method for developing, checking, and authorizing public and media communications ▪ Clearance Authorization Form 	TBD
4. Develop Publication Procedure	<ul style="list-style-type: none"> ▪ Identify resource needs ▪ Determine required staffing 	Discussion Item: TBD
5. Assemble Communications Team	<ul style="list-style-type: none"> ▪ Q&A ▪ One Coordinated Voice 	Return in two weeks with information regarding Clearance Authorization form development. Four weeks
6. Develop Fact Sheet	<ul style="list-style-type: none"> ▪ Media Communications Training ▪ Publications Training ▪ Presentations and Facilitating Town Hall Meetings 	Four weeks
7. Schedule Training Sessions	<ul style="list-style-type: none"> ▪ Prewritten generic press releases 	Media Communications Training (11/03/05)
8. Develop Draft Press Releases		TBD

Participants Include: SCMH Director and Deputy Director, Chief Medical Officer, & CAO Analyst
Facilitated By: Roxanne Burke, Public Health – Public Information Officer

Communications Goal

The purpose of this communications plan is to promote greater understanding of issues related to *Shasta County Mental Health service delivery including the assessment, treatment, and stabilization of those suffering from mental illness* among various target audiences in order to facilitate accurate and informed decision-making and instill confidence in mental health services and leadership.

Strategic Framework

The plan is built around a framework *six* primary objectives, with a comprehensive set of supporting activities for each that are aggressive, timely and customized for Shasta County's unique cultural and geographic landscape.

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6. Evaluation and Outcomes

Guiding Principles:

Clarity and Confidentiality: Share with the target audiences as much information as possible while protecting the privacy of our patients and their families.

**COMMUNITY ACTION PLAN FOR PATIENTS
WITH PSYCHIATRIC AND SUBSTANCE ABUSE DISORDERS**

I. Ad Hoc Committee Participants

Good News Rescue Mission
Mercy Medical Center
Shasta Community Health Center
Shasta County Alcohol and Drug Programs
Shasta County Mental Health Services
Shasta Regional Medical Center

II. Process

A review of the first three months of activity at Mercy Medical Center and Shasta Regional Medical Center (SRMC) emergency departments led to the modification of current Shasta County Mental Health (SCMH) crisis protocols and the following problem and goal statements.

III. Statement of Problem

Voluntary and involuntary presentation of patients with changes in mental status to the hospitals' emergency departments for assessment, stabilization, and disposition has impacted the two local emergency departments.

A review of the patients' activity indicates the following disposition issues:

- A. More than 50 percent of the contacts have substance abuse and detoxification issues, which initially preclude transfer to a psychiatric facility.
- B. Psychiatric patients with other co-morbid conditions have longer lengths of stay due to difficulty in acquiring transfer acceptance from a receiving psychiatric health facility or hospital.
- C. Private insurance and third party authorization requirements for psychiatric admission extend lengths of stay in the emergency department.
- D. Child custody issues and psychiatric hospital bed availability complicate transfer planning and treatment implementation for youth.

IV. Goal

To assess, stabilize, and discharge patients from the emergency departments to appropriate care in less than four hours.

**Community Action Plan for Patients With
Psychiatric and Substance Abuse Disorders**

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V. Current Resources

- A. On-call crisis intervention services are available 24-hours, 7-days per week provided by SCMH to the three emergency departments in the county.
- B. Transportation services are available 24-hours, 7-days per week to the three emergency departments through the SCMH crisis intervention team.
- C. Psychiatric bed location, Medi-Cal authorization, and guaranteed payment for up to 72-hours are available 24-hours, 7-days per week through the SCMH crisis intervention team.
- D. On-call psychiatrist consultation available 24-hours, 7-days per week to the three emergency departments through direct physician-to-physician call provided by SCMH.
- E. Admission to the crisis residential facility (Elpida) is available in the county 24-hours, 7-days per week through SCMH crisis team.
- F. SCMH crisis response is available to the Shasta County Jail and Juvenile Hall.
- G. The SCMH Shasta Housing Intervention For Transition (SHIFT) Program response to law enforcement and community agencies is available for homeless mentally ill people to prevent crisis, jail, and hospital utilization.
- H. Psychiatric urgent care evaluation and treatment provided by SCMH at its Redding clinic and through telemedicine at Mayers Memorial Hospital.
- I. Shasta County Alcohol and Drug Programs' voluntary outpatient, residential treatment, and minimal social model detoxification.

VI. Proposed Resources for Development

A. Social Model Detoxification Program

Licensed 30-bed social model detoxification program located in the central Redding area. Twenty beds designated for men and ten beds designated for women. The size of the facility should be approximately 2,500 square feet with a proposed operating budget of approximately \$460,000. It is anticipated that start-up costs would be approximately \$45,000.

**Community Action Plan for Patients With
Psychiatric and Substance Abuse Disorders**

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The program needs to include the following:

1. A minimum of two paid staff on duty at all times to monitor detoxification episodes.
2. A physician available to answer questions and to provide assistance when necessary. A nurse should visit the program at least twice per day.
3. A psychiatrist available to assist with any mental health issues that may arise and to provide assistance when necessary.
4. Emergency psychiatric services must be available, including transportation when required.
5. All patients referred by hospitals and/or physicians must be medically cleared and stabilized on detoxification medications.
6. All patients referred by hospitals and/or physicians arrive with enough medication to cover the entire detoxification period. The prescription must be written to the patient.
7. Emergency response by law enforcement and emergency medical personnel when needed.

B. Integrated Crisis Intervention Services

1. Integrated crisis intervention services provided by SCMNH during peak emergency department utilization hours.
 - a. Place SCMNH crisis intervention staff in a local emergency department from 6 p.m. to 4 a.m. daily to facilitate more efficient evaluation and disposition of patients.
 - b. Would require no new staff or costs.
 - c. Would require scheduling cooperation between the two local hospitals.

- C.** Development of beds in a general hospital for admission of patients for up to 72-hours for assessment, stabilization, and treatment of acute changes in mental status. These patients could be admitted by a private psychiatrist or Shasta County Mental Health psychiatrist or other physician requesting psychiatric consultation. Patients requiring psychiatric treatment for more chronic conditions such as bipolar illness and schizophrenia would be transferred to a psychiatric

**Community Action Plan for Patients With
Psychiatric and Substance Abuse Disorders**

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hospital. These beds would be of particular value for the assessment and treatment of depression, dementia, delirium, and other co-morbid conditions.

- D. Development of a local private locked psychiatric facility. (Representatives from Ardent Health Care attending for discussion of this recommendation.)
- E. Certified Crisis Stabilization Program for Treatment of Patients With Psychiatric Conditions
 - 1. Crisis Stabilization can be provided on site at a licensed 24-hour health care facility, hospital based outpatient program, or a provider site certified to perform crisis stabilization.
 - 2. Medical backup services must be available either on site or by written contract or agreement with a hospital. Medical backup means immediate access within reasonable proximity to health care for medical emergencies. Medications must be available on an as needed basis and the staffing must reflect this availability.
 - 3. All patients receiving crisis stabilization must receive an assessment of their physical and mental health.
 - 4. There must be a minimum of one registered nurse, psychiatric technician, or licensed vocational nurse on site at all times patients are present.
 - 5. At a minimum there must also be a ratio of at least one licensed mental health or waived/registered professional on site for each four patients.
 - 6. Annual cost estimate for a stand-alone program, \$2.4 million for facility and operation.

DK:jl

AGREEMENT TO PROVIDE RESIDENTIAL ALCOHOL AND OTHER DRUG DETOXIFICATION SERVICES

This agreement is entered into between the following individual parties: the County of Shasta, City of Redding, City of Anderson, City of Shasta Lake, Mercy Medical Center, Shasta Regional Medical Center, Redding Rancheria (referred to hereinafter as the "Funding Group") and the Empire Recovery Center, Inc., ("Contractor") for the provision of residential alcohol and other drug detoxification services.

1. RESPONSIBILITIES OF CONTRACTOR.

- A. Contractor shall provide and operate a licensed residential alcohol and other drug program providing closely supervised alcohol and/or other drug detoxification services to adults 18 years of age and older (the "Detox Program"). All services will be provided in accordance with sections 11750 through 11841 of the California Health and Safety Code. The program shall be staffed 24 hours per day and perform the services set forth in Exhibit A, attached and incorporated herein.
- B. Contractor shall maintain such business records pursuant to this agreement as would be kept by a reasonably prudent practitioner of Contractor's business and shall maintain such records in compliance with applicable Federal and State laws and in no event less than five years following the termination of this agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. In the event Contractor received and expended \$300,000, or more, in federal funds during any calendar year covered by this agreement, Contractor shall have a single audit completed by a Certified Public Accountant or Public Accountant to ensure compliance with federal regulations (OMB Circular A-133). A copy of the audit report shall be submitted to the Shasta County Alcohol and Drug Program Administrator within 30 days of completion.
- C. Contractor shall immediately advise the individual participants of the Funding Group of any investigation or adverse action taken against it, or its employees, by state or federal agencies and/or professional licensing organizations.

2. **RESPONSIBILITIES OF THE COUNTY OF SHASTA ("COUNTY").**

- A. County shall provide funding in the amount of \$100,000 annually during the term of this agreement.
- B. Perform services as fiscal agent.
- C. County shall make at least two evaluation visits for the purpose of monitoring the various program elements and for assessing Contractor's progress toward the accomplishment of performance goals and objectives.
- D. Provide, through the County Alcohol and Drug Program Administrator's office, coordination of all alcohol and other drug detoxification and treatment services, including: 1) establishing a list of all licensed alcohol and other drug treatment and recovery residential programs, transitional living programs and sober living facilities that Detox Program clients may be referred to for on-going treatment; 2) monitor Detox Program activities to insure they are compliant with State of California regulations; 3) complete and submit all State of California Department of Alcohol and Drug Programs required reports; 4) act as the liaison between Contractor and all parties to this agreement; 5) maintain a data base of all Detox Program participants and bed-days provided; and, 6) submit to all parties, quarterly reports detailing services provided to Detox Program clients.
- E. Provide Contractor staff with psychiatric consultation and emergency mental health services for Detox Program clients.
- F. Provide Contractor with Professional Assault Response Training (PART) on an annual basis, as well as hepatitis vaccinations.
- G. Appoint a representative to the Shasta County Detox Program Oversight Committee.

3. **RESPONSIBILITIES OF CITY OF REDDING:**

- A. Provide funding in the amount of \$100,000 annually during the term of this agreement.
- B. Provide emergency law enforcement response when requested by Contractor.
- C. Provide emergency medical service response when requested by Contractor.

- D. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

4. **RESPONSIBILITIES OF CITY OF ANDERSON:**

- A. Provide funding in the amount of \$10,000 annually during the term of this agreement.
- B. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

5. **RESPONSIBILITIES OF CITY OF SHASTA LAKE:**

- A. Provide funding in the amount of \$10,000 annually during the term of this agreement.
- B. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

6. **RESPONSIBILITIES OF MERCY MEDICAL CENTER:**

- A. Provide funding in the amount of \$75,000 annually during the term of this agreement.
- B. Provide physician consultation regarding Detox Program clients to Contractor staff when necessary.
- C. Provide medical stabilization; detox medications and proof of medical clearance when necessary.
- D. Provide nursing consultation at the Detox Program site on a regular basis.
- E. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

7. **RESPONSIBILITIES OF SHASTA REGIONAL MEDICAL CENTER:**

- A. Provide funding in the amount of \$75,000 annually during the term of this agreement.
- B. Provide physician consultation regarding Detox Program clients to Contractor staff when necessary.
- C. Provide medical stabilization; detox medications and proof of medical clearance when necessary.
- D. Provide on-site nursing consultation at the Detox Program site on a regular basis.
- E. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

8. **RESPONSIBILITIES OF REDDING RANCHERIA:**

- A. Provide funding in the amount of \$50,000 annually during the term of this agreement.
- B. Appoint a representative to the Shasta County Detoxification Program Oversight Committee.

9. **OVERSIGHT COMMITTEE.**

The Shasta County Detoxification Program Oversight Committee ("Committee"), consisting of seven members, will be established with representatives from each party to this agreement to review the services provided by Contractor and to approve the actions taken by the County fiscal agent. Meetings shall occur on a quarterly basis with the first meeting scheduled by County to take place prior to the end of the third month following the effective date of this agreement.

10. **COMPENSATION.**

Total compensation payable to the Contractor under this agreement shall not exceed \$420,000 from January 1, 2005 through December 31, 2005.

11. **BILLING AND PAYMENT.**

- A. Contractor shall submit to the County fiscal agent within 20 working days of the end of each month an itemized statement of services that details expenditures, charges, and number of prevention hours provided, for services performed during the immediately preceding month. County shall make payment within 30 days of receipt of Contractor's statement.
- B. Contractor shall provide County with a cost settlement report no later than 60 days after the date of termination of this agreement. The cost settlement report shall be on a form prescribed by the County fiscal agent.
- C. If a cost report or post contract audit conducted in accordance with standard accounting procedures finds that the actual aggregate costs for all services provided were lower than the compensation paid to the Contractor, or if any compensation is determined by the County fiscal agent as not being reimbursable in accordance with the terms of this

agreement, the full amount of the over compensation or non-reimbursable costs shall be repaid by Contractor to the County fiscal agent forthwith by cash payments, or at the sole discretion of the County fiscal agent, deducted as a credit on future billings. If further amounts are found due to Contractor, County shall remit such funds to the Contractor, to the extent the costs do not exceed the maximum amount payable set forth herein.

12. **TERM OF AGREEMENT.**

The initial term of this agreement shall be for one year beginning January 1, 2005 and ending December 31, 2005. The term shall be automatically renewed for two additional one-year terms at the end of the initial term, under the same terms and conditions unless any party gives 60 days written notice not to renew. Notwithstanding the foregoing, any participant in the Funding Group shall not be obligated for payments hereunder for any future calendar year unless or until its governing body appropriates funds for this agreement for the calendar year.

13. **TERMINATION OF AGREEMENT.**

- A. If Contractor fails to perform its duties to the satisfaction of any participant in the Funding Group, or if Contractor fails to fulfill in a timely and professional manner its obligations under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then any participant in the Funding Group shall have the right to terminate this agreement effective immediately upon giving written notice thereof to Contractor and the other participants in the Funding Group.
- B. Any party may terminate this agreement without cause on 60 days' written notice. Contractor shall be compensated for all work satisfactorily completed as of the date of notice.
- C. Any participant in the Funding Group may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.
- D. County's right to terminate this agreement may be exercised by the County Alcohol and Drug Program Administrator.

E. Should this agreement be terminated, Contractor shall promptly provide to the County fiscal agent any and all finished and unfinished reports, data, studies, photographs, charts and other documents prepared by Contractor pursuant to this agreement.

14. **ENTIRE AGREEMENT; AMENDMENTS.**

A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.

B. No changes, amendments or alterations shall be effective unless in writing and signed by all parties.

15. **NONASSIGNMENT OF AGREEMENT; NON-WAIVER.**

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate or sublet any interest herein without the prior written consent of all participants in the Funding Group. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

16. **EMPLOYMENT STATUS.**

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow any participant in the Funding Group to exercise discretion or control over the professional manner in which Contractor performs the services which are the subject matter of this agreement; provided, however, that the services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such services. The sole interest of the participants in the Funding Group is to insure that services shall be rendered and performed in a competent, efficient and satisfactory manner. Contractor shall be fully responsible for payment of all taxes

due to the State of California or the federal government. The participants in the Funding Group shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under any Funding Group participant's workers' compensation insurance plan nor shall Contractor be eligible for any other Funding Group participant's benefits.

17. **INDEMNIFICATION.**

Contractor shall defend, hold harmless and indemnify the County and the other participants in the Funding Group, their officials, officers, employees, agents and volunteers against all claims, suits, actions, costs, expenses (including but not limited to reasonable attorney's fees of in-house counsel and retained counsel, expert fees, litigation costs, and investigation costs), damages, judgments or decrees by reason of any person's or persons' bodily injury, including death, or property being damaged by the negligent acts, willful acts, or errors or omissions of the Contractor or any of Contractor's subcontractors, any person employed under Contractor, or under any subcontractor, or in any capacity during the progress of the work. Contractor shall also defend and indemnify the County and the other participants in the Funding Group for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify and hold harmless the County and all other participants in the Funding Group with respect to Contractor's "independent contractor" status that would establish a liability on the County and all other participants in the Funding Group for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment.

18. **INSURANCE COVERAGE.**

A. Contractor and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other insurance necessary to protect the County, the other participants in the Funding Group and the public with limits of liability of not less

than \$1 million combined single limit bodily injury and property damage; such insurance shall be primary as to any other insurance maintained by the County and all other participants in the Funding Group.

- DRAFT**
- B. Contractor and any subcontractor shall obtain and maintain continuously Workers' Compensation and Employer's Liability Insurance to cover Contractor, subcontractor, Contractor's partner(s), subcontractor's partner(s), Contractor's employees, and subcontractor(s) employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Contractor or subcontractor. Contractor hereby certifies that Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Contractor will comply with such provisions before commencing the performance of the work of this agreement.
- C. Contractor shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million.
- D. Contractor shall require subcontractors to furnish satisfactory proof to the County fiscal agent that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Contractor pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:
- (1) Any deductible or self-insured retention exceeding \$25,000 for Contractor or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of

the agreement and continue coverage for a period of three years after the expiration of the agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Contractor or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide coverage for claims received and reported three years after the expiration date of the agreement.

- DRAFT**
- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names Shasta County, its elected officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to the County. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.
 - (4) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names the City of Redding, its elected officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to the City of Redding. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.
 - (5) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names the City of Anderson, its elected officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to the City of Anderson. The Additional Insured coverage shall be equal to Insurance Service

Office endorsement CG 20 09.

- (6) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names City of Shasta Lake City, its elected officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to the City of Shasta Lake City. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.
- (7) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names Mercy Medical Center; its officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to Mercy Medical Center. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.
- (8) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names Shasta Regional Medical Center, its officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to Shasta Regional Medical Center. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.
- (9) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names Redding Rancheria, its officials, officers, employees, agents and volunteers as an additional insured and provides that coverage shall not be reduced or canceled without 30 days written prior notice certain to Redding

Rancheria. The Additional Insured coverage shall be equal to Insurance Service Office endorsement CG 20 09.

- (10) Each insurance policy (except for workers' compensation and professional liability policies), or endorsement thereto, shall contain a "separation of insureds" clause which shall read:

“Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each suit insured against whom a claim is made or suit is brought.”

- (11) Contractor shall provide the County fiscal agent with an endorsement or amendment to Contractor's policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (12) The insurance required herein shall be in effect at all times during the term of the agreement. In the event any insurance coverage expires at any time during the term of the agreement, Contractor shall provide, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of the agreement or for a period of not less than one year. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within ten days of the expiration of the endorsement or policy amendment in effect at inception of the agreement, the County and any participant in the Funding Group may, in addition to any other remedies it may have, terminate the agreement upon the occurrence of such event and pay in full all contractual invoices for work completed prior to expiration of insurance.

(13) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Contractor shall provide the County fiscal agent with a certificate of insurance reflecting those limits.

19. **COMPLIANCE WITH LAWS, NON-DISCRIMINATION.**

- A. Contractor will observe and comply with all applicable federal, state and local laws, ordinances and codes that relate to the services to be provided pursuant to this agreement.
- C. Contractor will not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV and AIDS) physical or mental disability or use of family care leave.

20. **ACCESS TO RECORDS/RETENTION.**

County, federal and state officials, as well as all parties to this agreement, shall have the right to audit and review all documents and records pertaining to this agreement at any time during Contractor's regular business hours or upon reasonable notice. County shall be the owner of the following items incidental to this agreement upon production, whether or not completed: all data collected and any material necessary for the practical use of the data and/or documents from the time of collection and/or production, whether or not performance under this agreement is completed or terminated prior to completion. Except where longer retention is required by federal or state law, Contractor shall maintain all records for five years after final payment is made hereunder.

21. **CONFIDENTIALITY.**

During the term of this agreement, all parties may have access to information that is confidential or proprietary in nature. All parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of all other parties or as required by law. This provision shall survive the termination, expiration, or cancellation of the agreement.

22. **SEVERABILITY.**

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or county ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

23. **USE OF COUNTY PROPERTY.**

Contractor shall not use any Funding Group participant's premises, property (including equipment, instruments and supplies), or personnel for any purpose other than in the performance of their obligations under this agreement.

F. REPORTING REQUIREMENTS.

Contractor shall submit to the County fiscal agent written quarterly reports that include performance objective status, number of available prevention staff hours and number of units of service provided to individuals, agencies and community groups. Contractor will complete and submit to the County fiscal agent all reports required by the State Department of Alcohol and Drug Programs.

24. **NOTICES.**

A. Any notice required to be given pursuant to the terms and provisions of this agreement shall be in writing and shall be sent first-class mail to the following addresses:

If to County of Shasta:

David A. Reiten
Alcohol/Drug Program Administrator
2770 Pioneer Drive
Redding, CA 96001

If to City of Redding:

If to City of Anderson:

If to City of Shasta Lake:

If to Mercy Medical Center:

If to Shasta Regional Medical Center:

If to Redding Rancheria:

If to Contractor:

Patty Nealy, Executive Director
Empire Recovery Center
1237 California Street
Redding, CA 96001

B. Notice shall be deemed to be effective two days after mailing.

25. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall be considered one instrument and shall become binding when all the counterparts have been signed by each of the parties and delivered to the others.

IN WITNESS WHEREOF, County of Shasta, City of Redding, City of Anderson, City of Shasta Lake, Mercy Medical Center, Shasta Regional Medical Center, Redding Rancheria and Empire Recovery Center, Inc. have executed this agreement on the day and year set forth below.

DRAFT

Date: _____

By: _____
County of Shasta

By: _____
City of Redding

By: _____
City of Anderson

By: _____
City of Shasta Lake

By: _____
Mercy Medical Center, Inc.

By: _____
Shasta Regional Medical Center, Inc.

By: _____
Redding Rancheria

By: _____
Empire Recovery Center, Inc.

SHASTA COUNTY LAW ENFORCEMENT INTER-AGENCY PROTOCOL FOR MENTAL ILLNESS COMMITMENTS

I. PURPOSE

The purpose of this protocol is to provide Shasta County law enforcement agencies with a general agreement and county-wide procedure for the response to incidents necessitating the taking into custody of persons who, as a result of a mental disorder, are a danger to others, a danger to themselves, or are gravely disabled.

Shasta County law enforcement agencies recognize that cooperation between agencies, mental health professionals, and hospitals ensures the person detained will receive the most humane and effective care.

In those circumstances or instances where a dispute arises between a departmental policy and the inter-agency protocol, the departmental policy will take precedence.

II. OBJECTIVE

To promote common procedures and guidelines ensuring officer safety, public safety, and consistent procedures when detaining persons pursuant to Sections 5150 and 5585 of the Welfare and Institutions Code (WIC).

III. GENERAL GUIDELINES

A. When a peace officer has probable cause to take a person into custody per WIC § 5150 the officer will:

- (1) Make an assessment of the person's impairment. This assessment should include, but not be limited to: impairment due to intoxication or other substances, motor activity, cooperativeness, memory, concentration, ability to participate in an interview, and ability to reason and communicate with others. This assessment is based upon the officer's observation and interaction with the person, experience, and training. If in the officer's opinion the person can reason, process information, and communicate with others regarding the incident and their welfare, he or she will notify Shasta County Mental Health (SCMH), via dispatch.
- (2) Notify SCMH, via dispatch, of the intended emergency department (ED) destination. Officers should consider the following equally when considering which ED to transport to:
 - (a) Geographic location
 - (b) Hospital ED requested by person or family members
 - (c) Availability of facility (i.e. diversion - hospital has reached temporary capacity)
 - (d) The estimated time of arrival to the ED

Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 2

- (e) Dispatch and SCMH will coordinate officers to a specified ED if a CRT member is already at a certain ED
 - (3) Along with the application for detention, the officer will supply the following information to the hospital emergency department (ED) staff: name, age, gender, known substances or medications the person may have ingested, how law enforcement became involved, injuries, cooperativeness, and other pertinent information about the person.
 - (4) If in the officer's opinion the person is impaired and **cannot** reason, process information, and communicate with others regarding the incident and their welfare, the officer will advise dispatch of the transport to the specified ED. It is not necessary for the officer or dispatch to notify SCMH of the incident. The officer will:
 - (a) Take the person to the specified ED
 - (b) Provide the necessary forms and information to the ED staff for assessment and treatment.
 - (5) Upon the person being medically cleared by ED staff, ED staff will notify SCMH via SCMH answering service.
- B. Upon notification from the SCMH answering service the Crisis Response Team (CRT) member will:
- (1) Provide an estimated time of arrival to the ED for law enforcement if the person is not impaired or has minimal impairment or ED staff once the person is medically cleared due to impairment. The CRT member shall provide their name and contact number for the officer or ED.
 - (2) Physically respond within 40 minutes to the ED to review the circumstances of the involuntary detention. The CRT member will develop and implement a disposition plan.
 - (3) The SCMH CRT will coordinate all activities with the SCMH Hub to assure communication, both with the ED and law enforcement regarding the disposition of individual cases.
 - (4) The SCMH CRT member will coordinate the disposition of the patient with the ED staff and document their activities on a SCMH progress note form for the ED.
 - (5) In cases involving firearms, SCMH will advise the law enforcement agency placing the involuntary commit of the person's WIC § 5150 release from SCMH care. The notification will be made as soon as practical.

Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 3

- C. The officer shall provide each person, at the time he or she is first taken into custody, those advisements set forth in WIC § 5157.
- D. Upon arrival at the ED, the officer shall provide the necessary forms and information to facility staff for assessment and distribution to the CRT member. The CRT member need not be present for the transfer of the person to the ED (the officer may leave the person in the care of the facility).
- E. Pursuant to WIC § 5156, at the time the person is first taken into custody, or within a reasonable time thereafter, unless a responsible relative or the guardian or conservator of the person is in possession of the person's personal property, the officer taking the person into custody shall take reasonable precautions to preserve and safeguard the personal property in the possession of or on the premises occupied by the person.
- F. Officers shall consider the safety and security of the person, public, ED staff, CRT member, and the officer when the person is presented for assessment by the facility.
- G. In the event of a dispute concerning the transfer of custody for care or whether the officer's presence is required or needed, officers shall consult with their agency's first line supervisor or watch commander for a determination. Law enforcement supervisors are encouraged to work with CRT supervisors and facility supervisors to resolve the dispute at the lowest possible level. The CRT member and or SCMHS supervisor will provide their name when requested by law enforcement dispatch or law enforcement officer.
- H. When an officer contacts a person who does not meet the criteria of WIC § 5150, but the person requests assistance from mental health professionals, the officer may:
 - (1) Direct or transport the person to the Shasta County Mental Health outpatient services during regular business hours.
 - (2) During non-business hours, direct or transport the person to an ED listed above, if the person requests hospitalization or requests immediate care, or
 - (3) Place the person in phone contact with a CRT member.
 - (4) Provide the person with a SCMHS referral card with contact phone numbers

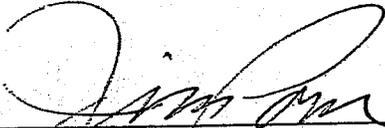
Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 4

- I. Except as provided herein, all information and records, including dispatch records, tapes, and transcripts shall be kept confidential pursuant to WIC § 5328. If there are questions about disclosure, the respective parties to this Inter-Agency Protocol shall consult with their respective legal counsel.

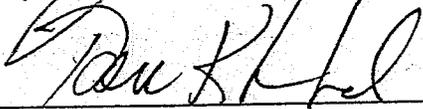
IN WITNESS WHEREOF, the parties have executed this agreement on the days and year set forth below:

COUNTY OF SHASTA

Dated: 11-11-04


By **JIM POPE**, Sheriff-Coroner

Dated: 11/1/04


By **DR. DON KINGDON**, Director of Mental Health

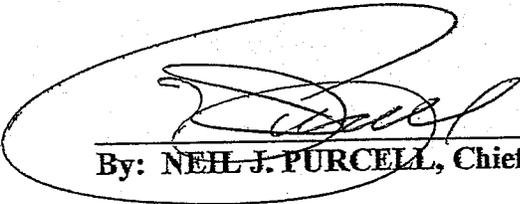
CITY OF REDDING

Dated: 11/3/04


By: **LEONARD F. MOTY**, Chief of Police

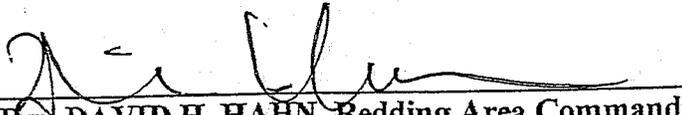
CITY OF ANDERSON

Dated: 11.8.04


By: **NEIL J. PURCELL**, Chief of Police

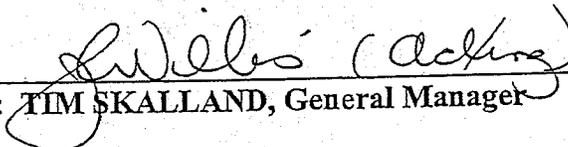
CALIFORNIA HIGHWAY PATROL

Dated: 11/4/04


By: **DAVID H. HAHN**, Redding Area Commander

SHASCOM

Dated: 11/04/04


By: TIM SKALLAND, General Manager

SHASTA REGIONAL MEDICAL CENTER

Dated: 11/16/04


By: CANDACE MARKWITH, Chief Executive Officer

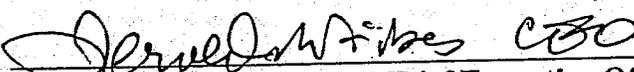
MERCY MEDICAL CENTER

Dated: 12/14/04

Unable to sign. See cover letter.
By: CARLOS PRIESTLEY, Vice-President/Operations

MAYERS MEMORIAL HOSPITAL

Dated: 11/17/04


By: JERALD M. FIKES, Chief Executive Officer



Mercy Medical Center Redding

CHW

2175 Rosaline Avenue
P.O. Box 496009
Redding, CA 96049-6009
(530) 225-6000 Telephone

December 14, 2004

Capt. Tom Bosenko
Shasta County Sheriff's Office
1500 Court Street
Redding, CA 96001

Re: Shasta County Law Enforcement Inter-Agency Protocol
For Mental Illness Commitments

Dear Capt. Bosenko:

Mercy Medical Center Redding appreciates your time and efforts in developing and circulating the above-described protocol. As we discussed at our meeting on December 14, 2004, the protocol has essentially been in place for the past several months since the closure of the Shasta County designated 5150 Mental Health inpatient facility. This protocol is an important step towards inter-agency communication and cooperation. We understand the protocol's intent is to describe our mutual roles in providing appropriate mental health services to those individuals in Shasta County who are in need. However, although Mercy is and will continue to cooperate fully with all of the agencies in Shasta County to assist those in need in getting the best mental health services possible, Mercy believes it would not be appropriate to sign this document.

I want to reiterate Mercy's unwavering commitment to work with all Shasta County agencies and entities to improve the delivery of mental health care to the citizens of this community and to the extent possible, Mercy intends to cooperate fully with the practices outlined in the Inter-Agency Protocol. As we discussed, the delivery of mental health services to those in critical need of inpatient mental health services is a "work in progress" and we look forward to continuing to meet and discuss the further development of our community's programs and our citizen's access to those programs.

Please attach this letter to the Protocol to signify Mercy's commitment to work with you under the guidelines this Protocol provides.

Respectfully,

Carlos W. Priestley
Vice President, Operations

cc: Rick Barnett, President
Susan Cresto Baker, Legal Counsel

The Beat Goes On



Mercy Heart Center

Psychiatric Health Facility Utilization & Cost Analysis

ATTACHMENT E

Fiscal Year 2002-2003

Total PHF Admissions: 938

Adult	84.1%
Youth	9.9%
Older Adult	6.0%

Total (PHF) Funding: \$4,324,230

Realignment	47.4%	\$2,054,008
Medi-Cal Fed Share	23.7%	\$1,024,843
Patent Fees	0.3%	\$12,973
Other	4.0%	\$172,969
Patent Insurance	3.8%	\$164,321
Medicare	20.7%	\$895,116
		<u>\$4,324,230</u>

Conclusions: Increased use of Realignment revenue to fund Inpatient operations.

Served 5-Yr Period:

	Inpatient	Outpatient
FY1999	588	5,016
FY2000	642	5,970
FY2001	644	6,453
FY2002	643	7,217
FY2003	650	7,654
3,167		32,310

SCMH patient population consists of 87% outpatient care and 13% Inpatient care. Continued operation of the PHF would result significant outpatient reductions and employee layoffs.

Inpatient Costs:

	Annual	Per Day
Shasta Psychiatric		
Health Facility	\$340,000	\$432
Contract PHF	\$175,000	\$479
State Hospital	\$126,000	\$345
Chris Residential	\$90,000	\$247
IMD	\$44,000	\$121

Conclusions:

Shasta County Inpatient costs per day far exceed the State averages for State Hospital and contracted care.

Inpatient Operating Costs & Utilization

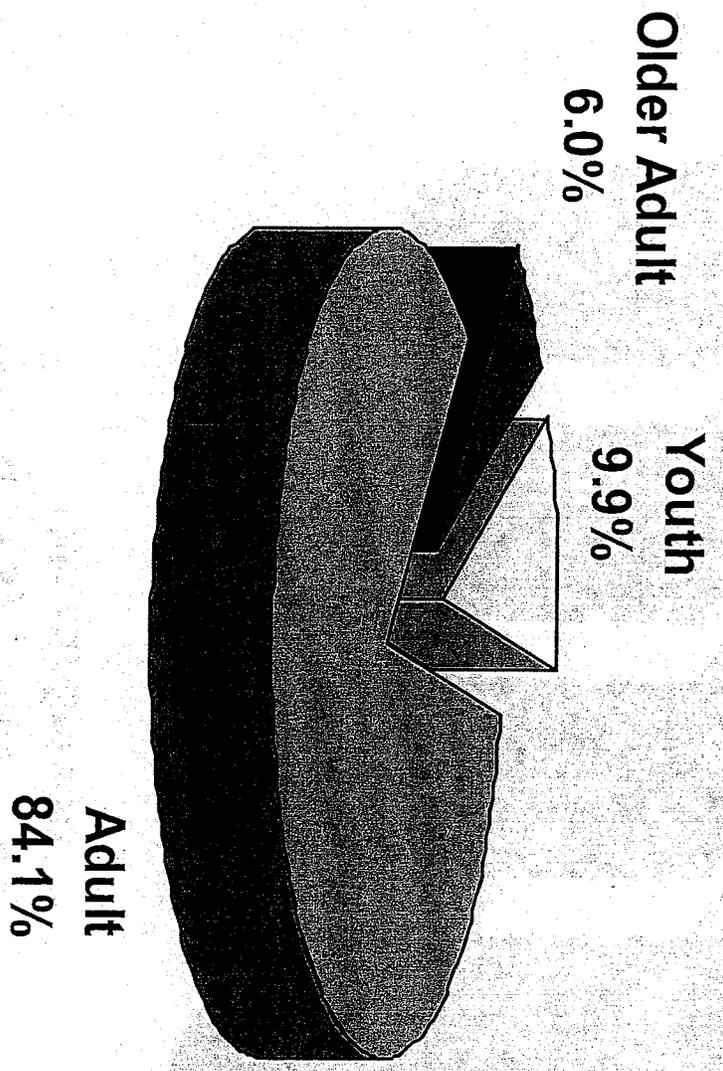
	Annual	Total Days
FY1999	\$2,887,860	4378
FY2000	\$3,050,389	4321
FY2001	\$3,548,104	4377
FY2002	\$3,991,403	4532
FY2003	\$4,324,230	4689

From FY 1999-2003 annual costs for operating the PHF doubled (\$1.4 million increase) while utilization increased only 311 days.

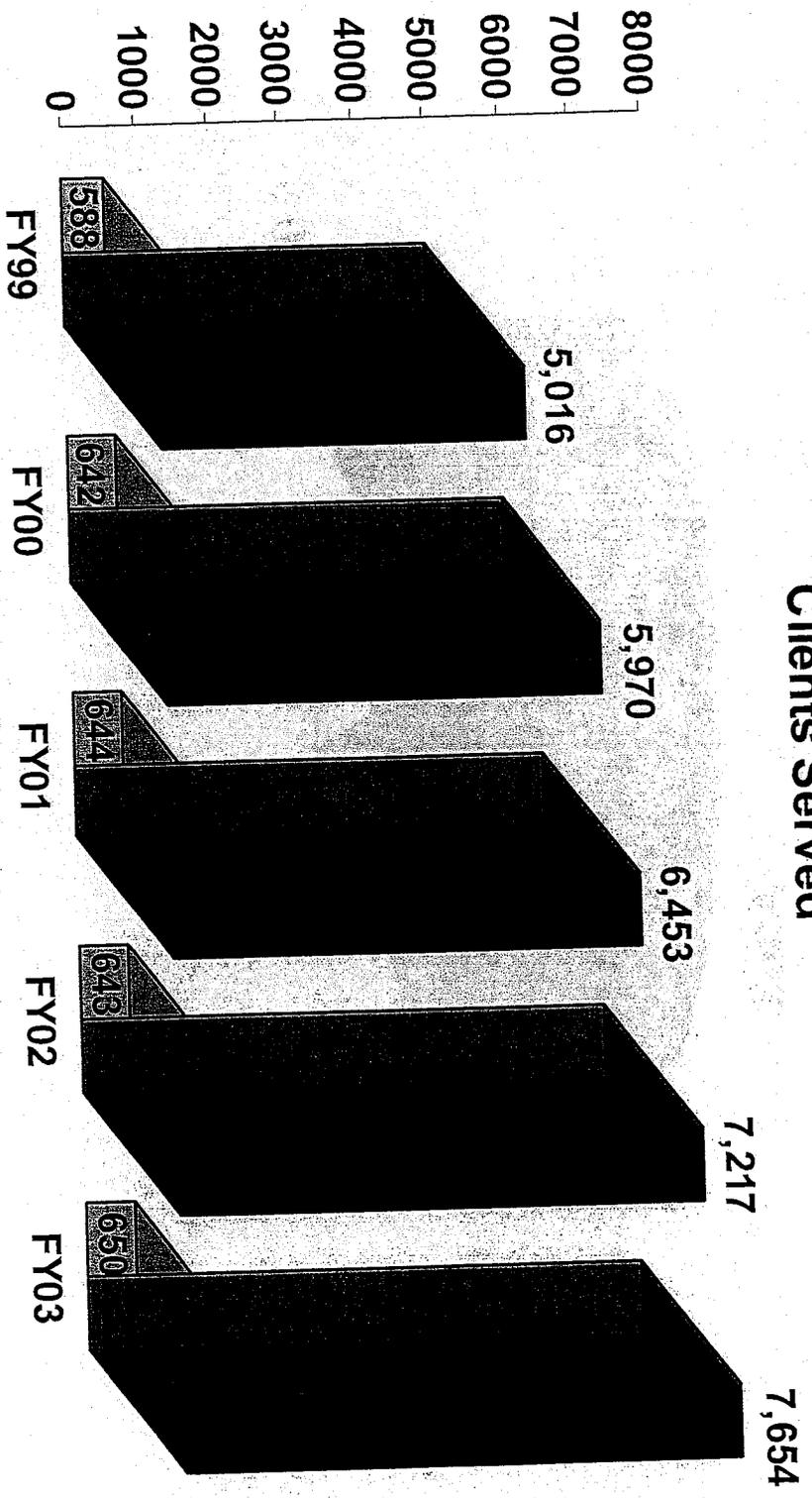
Shasta Psychiatric Hospital

Fiscal Year 2002-2003

Total Admissions = 938



Shasta Psychiatric Hospital Clients Served

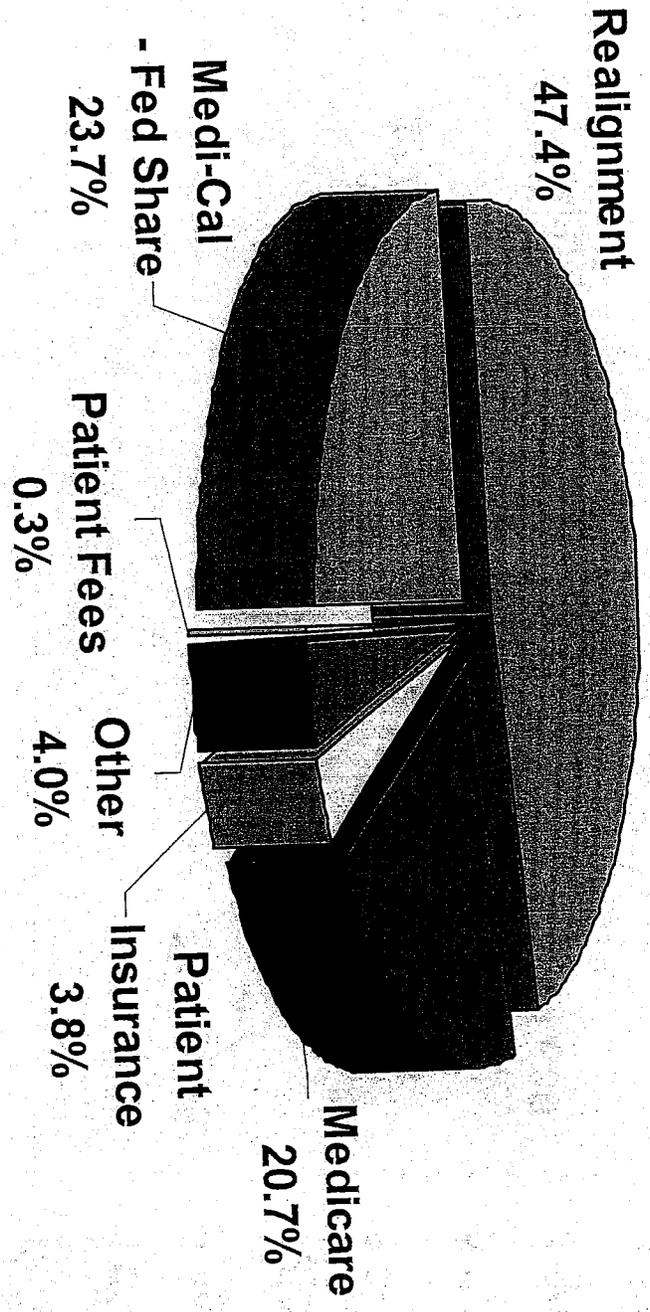


Hospital
 Total

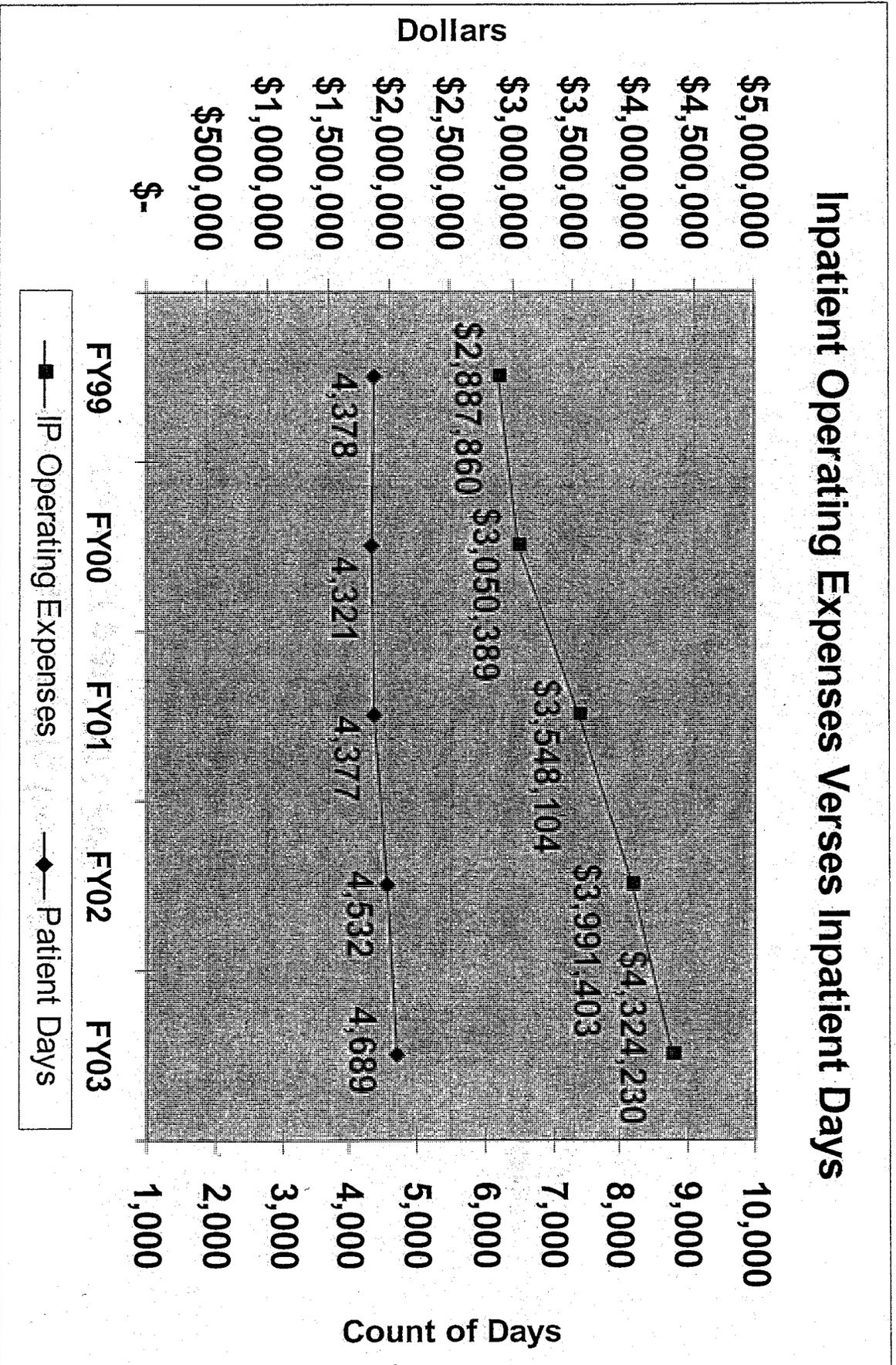
↙ inpatient v. outpatient ↘

Shasta Psychiatric Hospital Fiscal Year 2002-2003

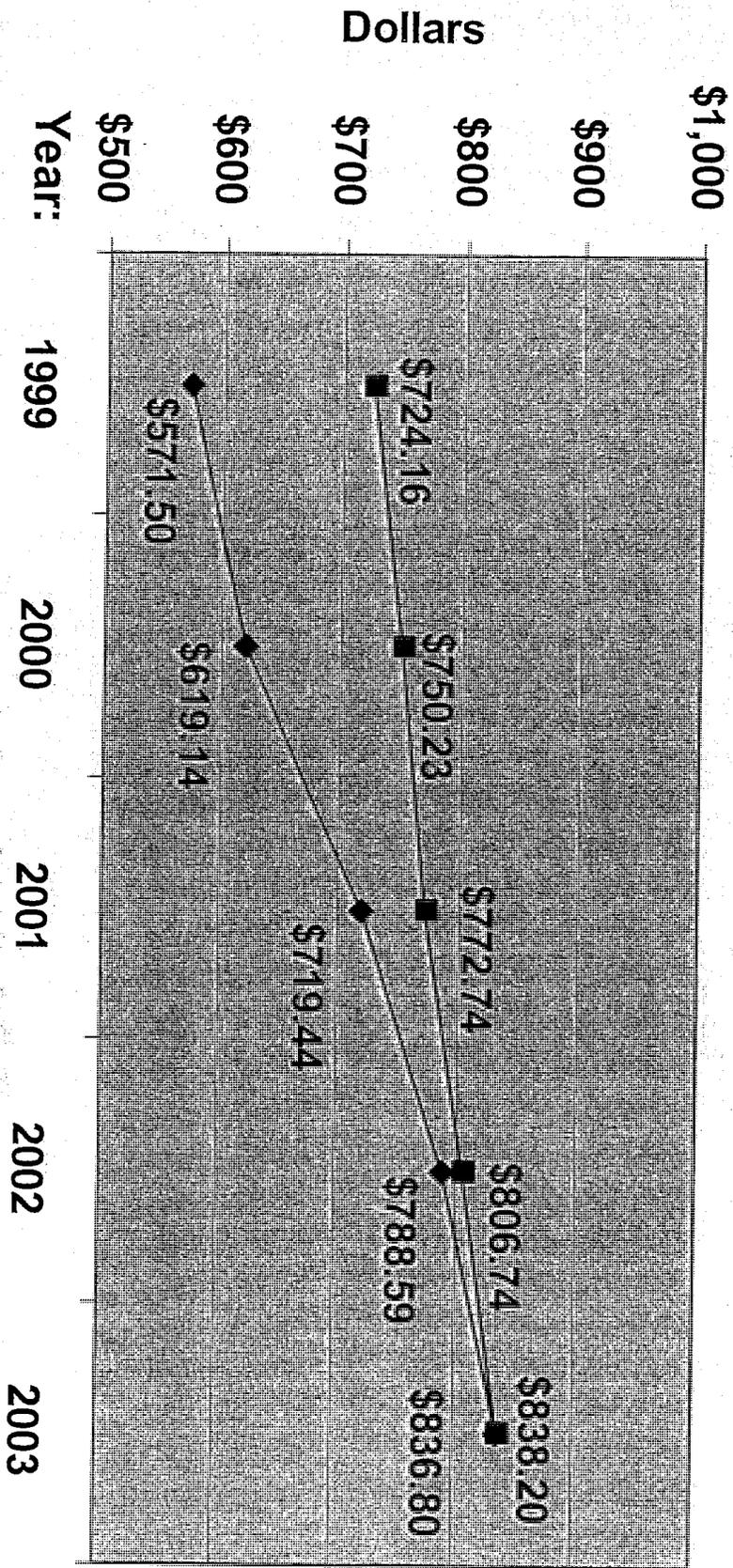
Total Funding \$4,324,230



Inpatient Operating Expenses Verses Inpatient Days

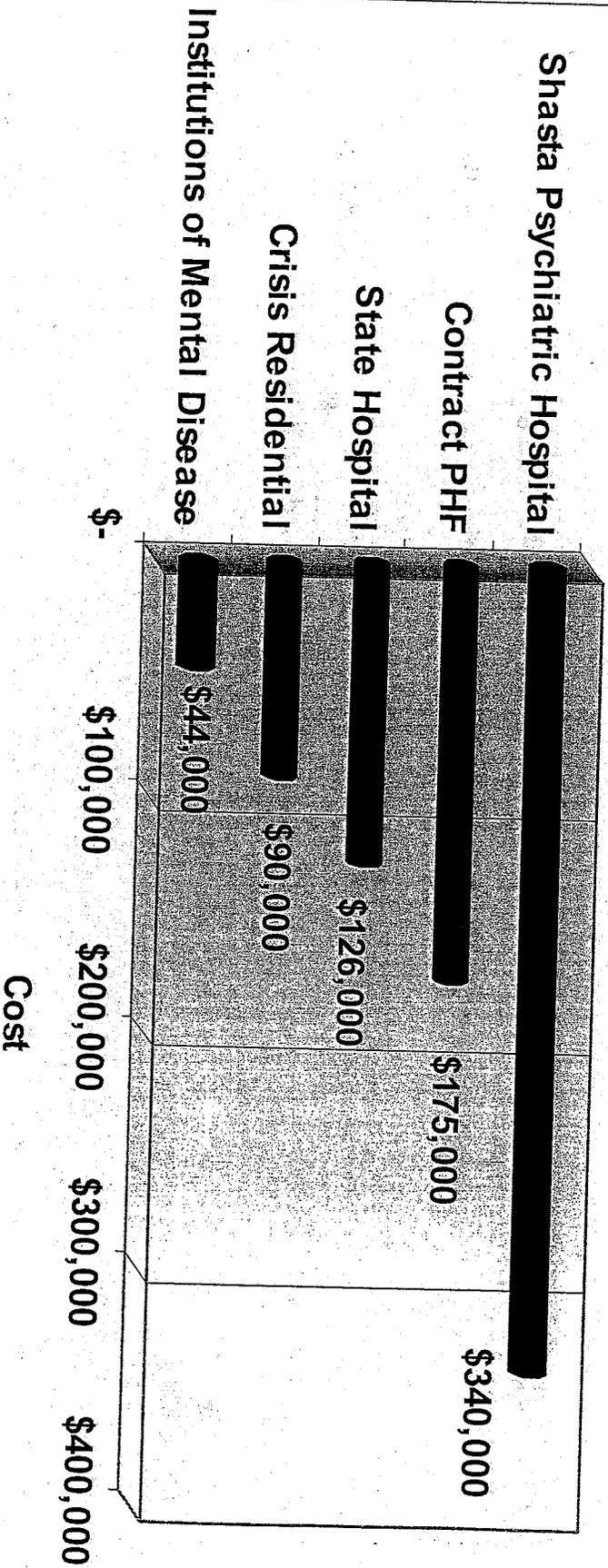


Reimbursement Rates versus SPH Cost



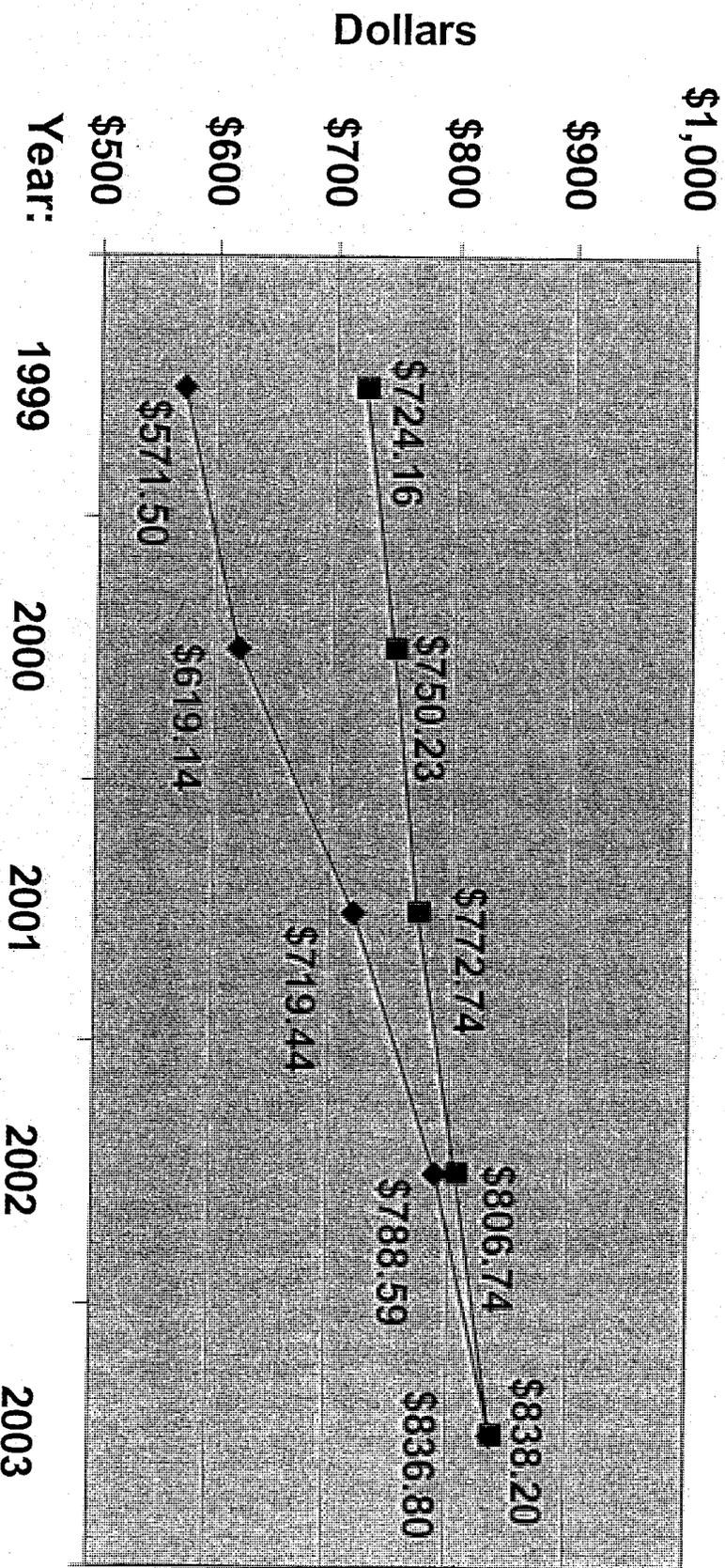
- ◆ Shasta Psychiatric Hospital Medi-Cal Rate per Acute Day
- Short-Doye/Medi-Cal Maximum Reimbursement Rates (SMA)

Shasta Psychiatric Hospital Fiscal Year 2002-2003 Annual Cost Per Bed



Cost

Reimbursement Rates versus SPH Cost



- ◆ Shasta Psychiatric Hospital Medi-Cal Rate per Acute Day
- Short-Doyle/Medi-Cal Maximum Reimbursement Rates (SMA)



CITY OF
ANDERSON

FILED

AUG 30 2005

CATHY DARLING, COUNTY CLERK
BY: C. Ashcraft
DEPUTY CLERK

August 16, 2005

Honorable Judge William Gallagher
Superior Court of the County of Shasta
1500 Court Street
Redding, CA 96001

RECEIVED

AUG 18 2005

CLERK OF THE
SUPERIOR COURT

Dear Judge Gallagher:

On behalf of the City Council of the City of Anderson, I wish to express my sincere gratitude to the 2004/2005 Grand Jury for their excellent Final Report, *Haste Makes Waste*.

In particular, we appreciate the careful examination of Shasta County Mental Health Department's closure of its inpatient psychiatric care facility, and the ramifications this closure has had on law enforcement and other agencies. The City of Anderson concurs with the Grand Jury that the "County Super Psychiatric Hospital Facility (PHF) was closed too quickly without adequate planning." We also concur that "Shasta County Mental Health underestimated the impact of the PHF closure."

This letter is intended to be the City's response to Grand Jury Recommendation Number 12, which states, "The grand Jury recommends that County and City governments guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated patients until they are transferred from local 'unlocked' emergency rooms."

Just like the Grand Jury, the City of Anderson, as well as our Chief of Police, Neil J. Purcell, Jr., are very concerned about public safety. As such, we cannot guarantee that Anderson Police Department (APD) officers can attend to 5150-designated patients "until they are transferred from local unlocked emergency rooms." To meet this recommendation, police officers would need to be diverted from our neighborhoods and businesses to attend to individuals who should be at a detoxification center or at a mental health facility for a minimum of several hours and/or as much as twenty-four to thirty hours. Diverting officers from their patrol duties would not guarantee public safety, but instead would decrease public safety in our own neighborhoods by reducing the number of officers available for law enforcement

Honorable Judge William Gallagher
Superior Court of the County of Shasta
August 16, 2005
Page 2

Typically, APD deploys two to three officers on each twelve-hour shift. These officers' primary responsibility is the safety and security of the Community of Anderson. Currently, when an arrest is made, or a 5150-designated patient is taken into civil arrest custody, the shift coverage is reduced to two officers, and often to just one officer, remaining in the City. Obviously this presents not only an "officer safety" issue but a "community safety" issue as well.

Currently, an APD officer will remain at the hospital with a 5150-designated patient until the patient is stabilized and no longer believed to present a threat to himself or herself or anyone else. Since the premature closure of the Shasta County Mental Psychiatric Hospital Facility, without adequate planning, the amount of time a police officer must spend at the hospitals handling 5150-designated patient calls has already increased. Remaining at the hospital to await transfer, as recommended by the Grand Jury, would further tax APD's resources, typically doubling the average amount of time spent by the officer with each 5150-designated patient.

The Anderson City Council appreciates the opportunity to respond to Grand Jury Recommendation Number 12 and hopes that our response is helpful. Additionally, we applaud the collaborative efforts of the Grand Jury to address the current Shasta County Mental Health services.

Sincerely,

A handwritten signature in black ink, appearing to read "L Baugh". The signature is written in a cursive, somewhat stylized font.

Les Baugh
Mayor

Response to Grand Jury Report Haste Makes Waste

1. **Grand Jury Recommendation No. 12:** The Grand Jury recommends that County and City governments guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated patients while they are treated in, and until they are transferred from, local unlocked emergency rooms.

Response: The Grand Jury recommendation requires further analysis. The City of Redding concurs with the various findings of the Grand Jury that “the County Super PHF was closed too quickly without adequate planning...” We also concur that “SCMH underestimated the impact of the PHF closure....” The Police Chief, however, cannot guarantee that law enforcement personnel attend to 5150-designated patients while they are “treated in, and until they are transferred from, local unlocked emergency rooms.” It would mean that police officers would need to be diverted from our neighborhoods and businesses to attend to individuals who should be at a detoxification center or at a mental health facility for as much as 24 to 30 hours.

Currently, police officers remain at the hospital with a 5150-designated patient until the patient is stabilized and no longer believed to present a threat to themselves or anyone else. Since the closure of the County PHF, police time necessary to handle these calls has already increased 66%. Remaining at the hospital to await transportation would further tax resources by doubling the average amount of time spent by police with each patient.

We agree with the hospitals that the solution is not more police officers, but rather more and better health care. Specifically, patients need to be evaluated much quicker as to the cause of their illness (drugs, alcohol, or mental health) and the patients need to be transferred, where appropriate, to a detoxification center or a mental health facility. Having patients come to a hospital emergency room, waiting much too long for evaluation, and having a police officer sit in an emergency room and spend time with that patient for hours and hours is a poor use of the public’s limited resources and is not a solution to the premature closure of the County’s Mental Health Facility.

City of Shasta Lake

P.O. Box 777 • 1650 Stanton Drive
Shasta Lake, CA 96019
Phone: 530-275-7400
Fax: 530-275-7414
Website: ci.shasta-lake.ca.us



July 5, 2005

The Honorable William Gallager, Presiding Judge
Shasta County Superior Court
Shasta County Court House, Room 205
Redding, Ca 96001

FILED

AUG 02 2005

CATHY DARLING, COUNTY CLERK

BY: 

DEPUTY CLERK

Re: Response to Grand Jury Report-Shasta County Mental Health

Honorable Judge Gallager:

On June 24, 2005, the City of Shasta Lake received the Grand Jury Report on Shasta County Mental Health.

Pursuant to the instructions contained in the cover letter from the Grand Jury Foreman, the City of Shasta Lake offers the following response to Recommendation 12 as provided in the report:

The City of Shasta Lake agrees with the recommendation.

Law enforcement services for the City of Shasta Lake are provided by the Shasta County Sheriff's Department. The Sheriff has provided these services since the City's incorporation in 1993. It is currently the policy of the Shasta County Sheriff's department to provide law enforcement personnel to attend to 5150-designated persons while they are treated in, and until they are transferred from, local unlocked emergency rooms.

In addition, by Resolution CC-05-52, the Shasta Lake City Council has agreed to financial participation in the operation of a Detox facility as proposed by the Shasta County Administrative Officer in his letter of April 20, 2005.

If you have any questions or need any additional information, please contact me at (530) 275-7400.

Sincerely,



Dean Goekler, Mayor
City of Shasta Lake



SHASTA COUNTY

DEPARTMENT OF MENTAL HEALTH
Don Kingdon, Ph.D., Director

2640 Breslauer Way
P.O. Box 496048
Redding, CA 96049-6048
(530) 225-5200
(530) 225-5977 (FAX)
California Relay Service at 711 or 800-735-2922
Shasta County Mental Health TTY # 530-245-6979

TO: Judge William Gallagher
Shasta County Superior Court

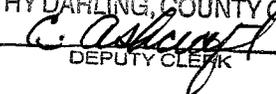
FROM: Don Kingdon, Ph.D., Director 
Shasta County Mental Health Services

DATE: August 24, 2005

SUBJECT: Shasta County Department of Mental Health's
Response to the 2004/2005 Grand Jury Recommendations

FILED

SEP 07 2005

CATHY DARLING, COUNTY CLERK
BY: 
DEPUTY CLERK

The following are Shasta County Mental Health's responses to the 2004/2005 Grand Jury recommendations.

RECOMMENDATION

- The County BOS, the MHAB and SCMh should increase public education about mental impairment. This should concentrate on understanding the disease, reducing its stigma, procuring a diagnosis and accessing treatment. County Government and SCMh should focus on improving public education through grants, requesting volunteer media exposure and improvements in the ineffective SCMh Web site. SCMh and the BOS should support and promote Mental Health Awareness Week each October. The Grand Jury recommends the MHAB institute a regularly reporting, public education subcommittee.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health (SCMH) and the Shasta County Mental Health Board currently support public education through active participation on a year-round basis in the planning and implementation of Mental Illness Awareness (MIA) Week in October. The SCMh Director and staff attend monthly MIA public education planning and implementation meetings chaired by the President of the National Alliance for the Mentally Ill (NAMI), Shasta County Chapter.

The Shasta County Board of Supervisors representative to the Mental Health Board, Chairman David Kehoe, assisted in sponsoring a Press Orientation in August 2003 to

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highlight mental illness awareness. Each year, the Board of Supervisors approves a resolution declaring the first full week of October as Mental Illness Awareness Week.

In addition to regular participation in the MIA Committee, below is a partial list of educational activities that Shasta County Mental Health engaged in during 2003-2005:

- | | |
|-----------------------------|---|
| Throughout 2003-2005 | SCMH Director and staff regularly provide education to NAMI Shasta County's membership at its monthly meetings. |
| Throughout 2003-2005 | The SCMH Training Program sponsored numerous certified trainings for local public and private mental health practitioners. |
| March 2003 | SCMH made a presentation to Shasta Consortium of Community Health Centers on the SCMH Specialty Mental Health Services, role, target population, legal requirements for eligibility, access, and service criteria. |
| April 2003 | In conjunction with NAMI Shasta County, SCMH staff was involved in presenting the Crisis Intervention Team training to local law enforcement officers. |
| April 2003 | SCMH made a presentation to the League of Women Voters regarding the Mental Health budget and the impact on local mental health services. |
| August 2003 | SCMH and the Shasta County Mental Health Board assisted in coordinating a Press Orientation sponsored by Supervisor Kehoe and conducted at KIXE Channel 9 that focused on mental illness and related issues. SCMH staff developed and delivered comprehensive educational binders to every media agency in Shasta County as part of its participation in the Press Orientation. |
| October 2003 | In conjunction with NAMI Shasta County, SCMH staff was involved in presenting the Crisis Intervention Team training to local law enforcement officers. |
| October 2003 | The SCMH Director and staff and the SCMH Board assisted in coordinating and participating in Mental Illness Awareness Week activities. |
| October 2003 | Assisted in coordinating a meeting with Assemblyman LaMalfa, Supervisor David Kehoe, NAMI Shasta County President, United Advocates for Children of California President, and SCMH Director to address mental health issues in Shasta County. |

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- May 2004** In conjunction with NAMI Shasta County, SCMH staff was involved in presenting the Crisis Intervention Team training to local law enforcement officers.
- June 2004** SCMH participated in the Press Orientation sponsored by KFPR Northstate Public Radio, KIXE Channel 9, and NAMI Shasta County regarding the SCMH services transition.
- September 2004** SCMH made a presentation to Rotary regarding the SCMH services transition.
- October 2004** SCMH Director participated in KFPR Northstate Public Radio's I-5 LIVE! call-in show regarding Depression. The show was a simultaneous live broadcast with Community Access Channel 11.
- October 2004** The SCMH Director, representatives from the United Advocates for Children of California (UACC), and the Shasta County Mental Health Board were actively involved in the October Public Forum with former Assemblyman Darrell Steinberg, the author of the Mental Health Services Act.
- October 2004** SCMH and the SCMH Board provided assistance to NAMI Shasta County with its annual Mental Illness Awareness (MIA) Week Banquet and Silent Auction and other MIA Week activities.
- December 2004** In conjunction with NAMI Shasta County, SCMH staff was involved in presenting the Crisis Intervention Team training to local law enforcement officers.
- May 2005** In conjunction with NAMI Shasta County, SCMH staff was involved in presenting the Crisis Intervention Team training to local law enforcement officers.
- Spring 2005 and Upcoming Semesters** During the spring semester of 2005, in collaboration with the Shasta County Probation Department and the Shasta Union High School District, SCMH staff coordinated with the Phoenix High School Communications Class students in the production and airing of two 60-second public service announcements (PSA). One PSA is about methamphetamine use and the other is about drug abuse. Members of this collaborative effort linked with Regent Radio Station to air these PSA and will be also airing these PSA on Results Radio in August 2005. The plan is to continue producing additional educational PSA through this collaborative effort in upcoming semesters.

Additionally, SCMH and Mental Health Board representatives have met with the *Record Searchlight* Editorial Board on three occasions to highlight mental health issues.

The goal of SCMH and the Mental Illness Awareness Committee has been to move this educational process into more mainstream health care to increase private sector involvement. This has been the focus of the Mental Illness Awareness Committee Banquet for the past four years, acknowledging the contribution of community providers and promoting broader interest. The Mental Illness Awareness Committee reports monthly to the Mental Health Board and is charged with developing public awareness strategies in its monthly meetings. The Shasta County Mental Health Board will review the role of this committee and consider formalizing its role related to public education.

In an effort to improve communications and increase public awareness about mental illness, SCMH and the County Administrative Office have developed a community Mental Health Education and Outreach Plan (Attachment A). The primary objective of the plan is to promote understanding of issues related to mental illness and the assessment, treatment, and stabilization of those suffering from the disease.

Shasta County Mental Health concurs with the Grand Jury's recommendation to improve the quality of and expand the use of electronic communication through a web site. Shasta County Mental Health will be working with Trilogy Integrated Resources, a contractor selected by the State Department of Mental Health to develop a local web site titled "Network of Mental Health Care," which will be funded by the State's Mental Health Services Act funds. This web site, which is slated to be available in fiscal year 2005/2006, will be of value to individual patients, families, and the community in general to provide a resource directory, as well as other valuable features customized for Shasta County.

In addition, the department is considering an Intranet site to be used for internal employee and interdepartmental communications. Mental Health information, articles, and Frequently Asked Questions may be included in an effort to promote mental illness awareness within the County.

RECOMMENDATION

- SCMH needs to improve its relationship with the local medical community by encouraging input from private-practice psychiatrists, emergency room physicians and primary care practitioners involved in treating the mentally impaired. A more collaborative interaction with local hospitals and area clinics is further recommended. We find that improved communication between SCMH and community physicians could be the foundation for future cooperation. The Grand Jury strongly suggests that, like other physician specialists, all psychiatrists employed by the County obtain clinical privileges at local hospitals and directly attend to patients in the emergency room.*

SCMH should reinstate 5150 authority to noncounty psychiatrists and emergency room physicians. Accomplishing the above would promote the integration of mental health care into mainstream medicine.

RESPONSE TO RECOMMENDATION

Shasta County Mental Health agrees that communication is the key to quality patient care. In conjunction with the North Valley Medical Association (NVMA), SCMNH will continue to expand efforts in the area of training for physicians in order to bring together SCMNH psychiatrists and medical practitioners in Shasta County. NVMA in conjunction with Larry Moss, an attorney with knowledge of the Lanterman-Petris-Short (LPS) Act (Welfare and Institutions Code (WIC) § 5150 is a subsection of the LPS Act) presented training on involuntary detention and treatment on July 20, 2005. The training, although well marketed by NVMA, was not well attended by area physicians. This training was intended to stimulate dialogue regarding the legal aspects of involuntary detention and treatment under the Lanterman-Petris-Short Act (including WIC § 5150).

Shasta County Mental Health has been committed to increasing contact between key SCMNH staff and the emergency department physicians and staff. Listed below are trainings and case review meetings that have been sponsored, promoted, and scheduled by SCMNH since June 2004. These have been scheduled for and with emergency department physicians and directors of all three hospitals in Shasta County.

SCMH provided in-service trainings for hospital emergency department physicians as follows:

Date: June 10, 2004, 6 p.m.
Title: *Medications for Agitation*
Presenters: Dr. Richard Zarriello, Connie Harrah, R.N., and representative of National Alliance for the Mentally Ill (NAMI), Shasta Chapter

Date: June 15, 2004, 5 p.m.
Title: *Mayers Memorial Hospital, Hospital Emergency Room Crisis Response Questions*
Presenters: Dr. Richard Zarriello, Connie Harrah, R.N., and representative of NAMI, Shasta Chapter

Date: June 16, 2004, 6:30 p.m.
Title: *Violence Risk Assessment and Treatment of Agitation*
Presenter: Dr. Patrick Brown

Date: June 24, 2004, 6:30 p.m.
Title: *Hospital Emergency Department Crisis Response Questions*
Presenters: Dr. Richard Zarriello and representative of NAMI, Shasta Chapter

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Date: July 1, 2004, 6:30 p.m.
Title: *Suicide Risk Assessment and Prevention*
Presenter: Dr. Patrick Brown

To date, the following case review meetings with Shasta Regional Medical Center and Mercy Medical Center emergency department medical directors and key SCMH staff (e.g., Medical Chief, Urgent Care/Access Clinical Division Chief, and Mental Health Director) have been scheduled by Shasta County Mental Health:

July 29, 2004	Met with Shasta Regional Medical Center (SRMC) Emergency Department Medical Director Dr. Andrew Knapp.
August 24, 2004	Met with Mercy Medical Center (MMC) Emergency Department Medical Director Dr. Rob Hamilton.
September 13, 2004	Met with SRMC Emergency Department Medical Director Dr. Andrew Knapp.
September 14, 2004	Met with MMC Emergency Department Medical Director Dr. Rob Hamilton.
November 23, 2004	SCMH invited both hospital emergency department medical directors to attend case review meetings on December 6 or December 14, 2004, but neither was able to attend.
March 7, 2005	Met with SRMC Emergency Department Medical Director Dr. Andrew Knapp.
March 8, 2005	Met with MMC Emergency Department Medical Director Dr. Rob Hamilton.
June 1, 2005	Met with SRMC Emergency Department Medical Director Dr. Andrew Knapp.
June 15, 2005	Met with MMC Emergency Department Medical Director Dr. Rob Hamilton.

Dr. Richard Zariello, SCMH Medical Chief, currently has Medical Staff Privileges at all three hospitals in the county. The SCMH Medical Staff will continue to explore an expanded role with the community clinics and Mayers Memorial Hospital through telemedicine. SCMH Medical Staff are also pursuing hospital consultation privileges with Shasta Regional Medical Center and urgent consultation availability to community physicians.

RECOMMENDATION

3. *SCMH should hire some primary care practitioners or physician assistants in lieu of more costly psychiatrists and incorporate these front-line providers into the SCMH structure. SCMH should focus on the critical role case managers play in maintaining continuity of care for out-of-county inpatients once their acute care is completed and they return to Shasta County.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health is committed to maintaining the highest level of psychiatric services for its clients and, as a result, will continue to employ and contract with physicians who have completed an approved residency in psychiatry.

Shasta County Mental Health concurs with the recommendation regarding the critical role that case management plays in coordinating discharge planning for patients transitioning from acute care. In an effort to identify, treat, and provide psychosocial supports for frequent utilizers of the local emergency departments, SCMH is developing a coordinated case management plan in collaboration with the Shasta Community Health Center, NVMA, and other community providers. Connecting these patients with additional community supports and direct access to treatment through collaborative efforts will reduce emergency response costs by approximately 42 percent and provide stability to this vulnerable population (Attachment B).

RECOMMENDATION

4. *The Shasta County BOS should consider privatizing, in part or in total, the delivery of mental health services to the citizens of the county. With proper oversight, this would offer a more efficient overall operation. Assurances that all patients requiring treatment actually receive treatment would be necessary. The Grand Jury feels an extensive and well-planned transition program, with input from the general public and all providers of mental healthcare delivery, must precede any transfer from public to private operation.*

RESPONSE TO RECOMMENDATION

The Grand Jury notes in its findings that: "SCMH must provide care for the severely and persistently mentally ill; this represents less than five percent of the Medi-Cal eligible population in the County." Shasta County Mental Health treats more than 13 percent of the County's Medi-Cal population on average, which is almost twice the State average of 7.81 percent.

Currently 54 percent of the SCMH budget is devoted to contract services, and this has consistently increased over the past 2-3 fiscal years. As a result, SCMH is more than half "privatized." With each contract for services entered into by the Board of Supervisors,

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Shasta County Mental Health must assure that services are delivered in accordance with State Department of Mental Health requirements that govern target population, service delivery, and the receipt of State and federal funds.

Shasta County Mental Health provides mental health services to the residents of Shasta County in compliance with three State Department of Mental Health contracts. These contracts include very specific terms and conditions and are renewed annually with the approval of the Shasta County Board of Supervisors. The first contract is titled: "County/City Performance Contract," and it outlines performance conditions, general assurances and program principles, and specific provisions related to funded programs. The second contract governs the purchase of State hospital beds by the County and sets the annual rate per bed to be paid by Shasta County Mental Health.

The third contract is for the provision of specialty mental health services to Medi-Cal beneficiaries in Shasta County. The purpose of the third contract is described in Exhibit A, Scope of Work, July 1, 2004 – June 30, 2005:

1. *The contractor agrees to provide to the Department of Mental Health the services described herein: Provide specialty mental health services to Medi-Cal beneficiaries of Shasta County within the scope of services defined in this contract.*
2. *The services shall be performed at appropriate sites as described in this contract.*
3. *The services shall be provided at the times required by this contract.*
4. *The project representatives during the term of this agreement will be:*

<i>Department of Mental Health</i>	<i>Shasta County Mental Health Services</i>
<i>County Operations Stacy Hoang</i>	<i>Don Kingdon, Ph.D., Director</i>
<i>(916) 654-4016</i>	<i>(530) 225-5900</i>
<i>Fax: (916) 654-5591</i>	<i>Fax: (530) 225-5977</i>

The contract for specialty mental health services is entered into on an annual basis and requires County and contractor compliance with the California Code of Regulations that govern the delivery of specialty mental health services and federal regulations related to the Medicaid (Medi-Cal) program. These State and federal regulations are very prescriptive. The federal requirements alone, which are on an addendum to the contract, consist of 53 pages.

The Grand Jury notes in its findings a number of perceptions regarding the role of Shasta County Mental Health in the delivery and authorization of inpatient mental health services that are not consistent with this contract and Shasta County Mental Health's practice.

The first and most important misperception is related to access to psychiatric hospitalization for all Medi-Cal eligible Shasta County residents. There are no pre-authorization requirements for emergency admissions to psychiatric inpatient hospitals for Shasta County Medi-Cal beneficiaries. Shasta County Mental Health provides post-admission review of written Treatment Authorization Requests submitted by hospitals as required by the State prior to payment by EDS (Electronic Data System). These requests must be submitted to Shasta County Mental Health by the hospital within 14-days of the patient's discharge. The requirements for review of these Treatment Authorization Requests are clearly defined in contract and regulation and are only related to retroactive payment determination.

Since SCMH is no longer a provider of psychiatric hospital services, independent practitioners affiliated with the private treating facilities now make the determination of the patient's admission and continued stay. The hospital staff, through face-to-face contact, determines the clinical need for admission and treatment with the patient initially and on a daily basis after admission.

RECOMMENDATION

5. *The Grand Jury recommends the SCMH Director improve lines of communication to ensure that SCMH policies affecting the medical community and other public agencies are uniform and consistent. We encourage SCMH to continue to improve access to its crisis intervention teams to reduce emergency room transfer delays. Moreover, to improve the continuity of patient care, we suggest that SCMH expedite the transfer of medical information (history, diagnosis and prescriptions) along with patients requiring out-of-county care. Conversely, SCMH should demand that discharge summaries accompany its patients returning from out-of-county facilities. Additionally, the Grand Jury discourages the indiscriminate delegation of 5150 authority by the SCMH Director.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health concurs with the recommendation regarding communication with the medical community and out of county facilities. Shasta County Mental Health will promote collaborative efforts with the North Valley Medical Association to provide education and training for area physicians regarding the treatment of psychiatric illness.

The goal of the Community Action Plan (Attachment C) is to outline a collaborative effort of Mercy Medical Center, Shasta Regional Medical Center, Good News Rescue Mission, Shasta Community Health Center, Shasta County Alcohol and Drug Programs, and Shasta County Mental Health Services regarding issues associated with delays in patient transfer from the emergency department. Shasta County Mental Health continues its commitment to cooperatively implement the priorities outlined in the plan. The implementation of a detoxification facility is a priority to the Shasta County Mental Health Department and the Alcohol and Drug Programs. Patients under the influence of

alcohol and other drugs make up approximately 50 percent of the population treated by the Mental Health Crisis Response Team. A detoxification facility will greatly reduce the congestion of local emergency departments and minimize the delay in stabilizing and transferring mentally ill clients to other treatment facilities.

As stated in Response No. 3, another solution to the local emergency department congestion and transfer time delay is the implementation of a coordinated case management system that will provide wraparound medical and behavioral healthcare, and psychosocial supports to a population identified as frequent utilizers of the Mental Health emergency response system.

Shasta County Mental Health, in collaboration with other North State counties, looks forward to the opening of the North Valley Behavioral Health and Sequoia Psychiatric Center Psychiatric Health Facilities in Yuba City, both of which will exclusively treat our patients. This will greatly enhance the continuity of care and communication of critical patient care issues on admission and discharge for Shasta County patients.

RECOMMENDATION

6. *SCMH should establish written cost-sharing policies with the County Jail, Juvenile Hall, Probation Department and other agencies for inpatient care and transportation of their mentally impaired inmates or clients. SCMH should improve its service to county agencies affected by the PHF closure, e.g., attend to inmates at the Main Jail and Juvenile Hall.*

RESPONSE TO RECOMMENDATION

The Shasta County Sheriff's Department and Shasta County Probation Department maintain a contract with Prison Health Services for the provision of health and mental health services in the jail and juvenile hall. The Prison Health Services contract is comprehensive in scope and specifies the responsibility of the provider in the provision of all planned and urgent mental health services, including psychiatry. The contract includes the responsibility of the provider for reimbursement of hospital services for inmates and wards in custody, but excludes the contract provider from responsibility for reimbursement for psychiatric hospitalization. As a result, there is a serious gap in coverage for jail inmates in custody and juvenile wards in custody. Shasta County Mental Health works cooperatively with jail and juvenile hall staff to address this gap on a case-by-case basis, following written protocols that were developed collaboratively between the Sheriff's Department, Probation Department, and Mental Health. Shasta County Mental Health also provides the services of a psychologist in juvenile hall and SHIFT (Shasta Housing Intervention For Transition) Program services in the jail to assist Prison Health Services and the courts with inmate/ward mental health issues.

RECOMMENDATION

7. *The BOS and SCMH should closely monitor the costs (including all transportation costs) of out-of county inpatient care. The Grand Jury offers the following options for reestablishing inpatient psychiatric services for which the County still holds State licensure:*

- Reopen the 15-bed PHF at the previous site on Breslauer Way by deleting its Medicare designation and adopting strict admission criteria for adult inpatients. This would reduce the average daily cost of care by 50 percent (to \$2 million per year) and also minimize patient safety issues. Medicare patients requiring hospitalization would be cared for at other facilities.*
- Open a 15-bed basic PHF on Breslauer as a combined adult/child inpatient care facility by designating 10 beds for adults and five for children.*
- Open a 15-bed basic PHF on Breslauer as the only north state child inpatient facility. Costs would be more manageable and there is a very low risk of associated physical co-morbidity in this age group.*

The BOS should obtain sufficient information to determine whether or not to renew the SCMH \$1.3 million yearly contract for the Elpida Crisis Residential Center. Any option to reopen a PHF would necessitate either closing or relocating this center. The Grand Jury recommends closure. In that event, inpatient psychiatric services could be funded using current SCMH revenues generated by increasing efficiency, reducing out-of-county inpatient care, substituting primary care practitioners for some psychiatrists and eliminating costly Medicare staffing. Moreover, additional funding may become available beginning in 2005/2006 through the Mental Health Services Act. The Grand Jury believes that County residents could, and should, have local access to both inpatient and outpatient mental health services.

Inpatient child psychiatric services have been identified as woefully inadequate for decades and the Grand Jury invites Shasta County to take the initiative and establish a child/adolescent inpatient facility. A north state regional, multi-county proposal for Mental Health Services Act funds (perhaps orchestrated by the SCMH Director) could establish a geographically centered, acute care facility for children with mental impairment. Benefits of such a facility to the overall mental health of children include earlier recognition and treatment of impairment and an improved continuity of care. Enhanced case management, better social rehabilitative services, access to intensive family psychotherapy and recruitment of more child psychiatrists could result from a successful program. This is an opportune time for Shasta County to address the psychiatric needs of north state children.

RESPONSE TO RECOMMENDATION

Shasta County Mental Health has submitted the planned budget to the Shasta County Administrative Office including projected expenditures and revenues for fiscal year

Shasta County Department of Mental Health
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2005/2006. In this budget, the SCMH department does not recommend that it operate and staff a psychiatric health facility during fiscal year 2005/2006.

Shasta County Mental Health does agree that a regional approach to specialty psychiatric care is viable for target populations. An example of the potential in this area is in the soon to be open North Valley Behavioral Health and Sequoia Psychiatric Center Psychiatric Health Facilities in Yuba City. Shasta County Mental Health has taken a strong leadership role in this 4-year effort and the SCMH Director sits on the steering committee that has been responsible for the planning and implementation of these facilities.

In addition, SCMH, in collaboration with the Shasta County Administrative Office, has facilitated contacts between interested providers of inpatient behavioral health services and the administrators of the local general hospitals.

Specifically regarding the viability of a regional facility for children, SCMH has promoted three regional options. The first option was the establishment of a regional locked community treatment facility, which was not supported at a regional level. The second option was the dedication of one of the new regional psychiatric health facilities to children, which was also not regionally supported. The third option is the establishment of a regional interagency crisis assessment center for children. This option may be considered as a priority focus under the Mental Health Services Act (Proposition 63).

RECOMMENDATION

8. *Other inpatient psychiatric services could include:*
- *The reopening of inpatient services for Medicare patients at a local rehabilitation facility.*
 - *A truly collaborative effort between SCMH and the local medical community to begin laying the groundwork for an inpatient psychiatric unit in one of the local full-service hospitals.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health concurs with the recommendation that a local inpatient facility should be pursued. This facility should have the capacity to treat patients flexibly, which is best done in a licensed general hospital. SCMH, in conjunction with the Shasta County Administrative Office, has facilitated contacts with three corporations that are providers of behavioral health services that would like to develop a local inpatient facility. At a recent presentation, one provider made it very clear that the provision of behavioral health services in a licensed general hospital with more than 100 beds was financially viable and of benefit to the hospital. At this time, Horizon Health is awaiting a response from the local hospital community in Shasta County.

RECOMMENDATION

10. *The Grand Jury suggests that the BOS pay a site visit to the County-contracted Elpida Crisis Residential Center and closely evaluate the benefits of the contract's automatic renewal after fiscal year 2004/2005. Should Elpida remain open, the Grand Jury also recommends adoption of a formal lease between the County and Elpida's private sponsor and establishment of an Elpida Policies and Procedures Manual.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health will facilitate the visit to the Elpida Crisis Residential Center recommended by the Grand Jury. Elpida currently maintains a policy and procedures manual that addresses the areas required by State regulation.

RECOMMENDATION

11. *The Grand Jury recommends the County BOS and SCMH consider both financial and staffing support of a proposed County Detoxification Center. This center would afford opportunity for an improved collaboration between SCMH and both the local medical community and city governments. Establishment of a detoxification center would reduce congestion in local hospital emergency rooms. Mental Health Services Act (Proposition 63) funding could be an additional source of financial support.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health and the Shasta County Alcohol and Drug Programs (SCADP) are in complete support of expanding the social model detoxification program in Shasta County. This is consistent with the Community Action Plan developed by representatives of Mercy Medical Center, Shasta Regional Medical Center, Shasta Community Health Center, the Good News Rescue Mission, Shasta County Mental Health, and the Shasta County Alcohol/Drug Program. A memorandum of understanding (MOU) has been developed by SCADP and circulated to the participants and other recommended collaborative partners. To date, only the City of Shasta Lake and the Shasta County Administrative Office have responded with support.

The role of the Mental Health Services Act (Proposition 63) funding in this service expansion will be determined once the State Department of Mental Health guidelines for application for funding have been finalized and distributed. Additionally, the input received from stakeholders at more than 30 State required focus groups, conducted by Shasta County Mental Health, must be considered when prioritizing areas of need for mental health services expansion. This process is targeted for completion in October to allow for a timely submission to the State Department of Mental Health.

RECOMMENDATION

12. *The Grand Jury recommends that County and City Government guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated patients while they are treated in, and until they are transferred from, local “unlocked” emergency rooms.*

RESPONSE TO RECOMMENDATION

The process for transfer of law enforcement WIC § 5150 detentions is governed by an interagency agreement developed by local law enforcement agencies in collaboration with representatives of Shasta County Mental Health, Shasta Regional Medical Center, Mercy Medical Center, and Mayers Memorial Hospital District (Attachment D). Less than half of the calls to the emergency departments are the result of this process.

More than half of the calls for Shasta County Mental Health crisis response are for patients who have presented to the emergency departments without law enforcement involvement. Thus, law enforcement personnel are not present in these cases while the emergency department examines the patient to determine if an emergency medical condition exists consistent with the federal requirements under the Emergency Medical Treatment And Labor Act (EMTALA). In these cases, Shasta County Mental Health determines the legal status of the patient if the emergency department physician decides that transfer or discharge to a specialty psychiatric facility is necessary.

RECOMMENDATION

13. *The MHAB needs broader community representation. Private physician, local hospital and clinic, and law enforcement inclusion would strengthen the MHAB role as the community advocate for mental health issues. The Grand Jury encourages the BOS to improve the MHAB composition and strongly urges the MHAB to carefully review all major contracts entered into by SCMH.*

RESPONSE TO RECOMMENDATION

The Shasta County Mental Health Board Chairperson concurs with the Grand Jury’s recommendation regarding the expansion of community representation on the Mental Health Board. The Chairperson will work with the Mental Health Board Membership Committee to recruit a broader cross-section of community members.

The Mental Health Board will continue to review the State Department of Mental Health Performance Contract, which governs aspects of the operations of the Shasta County Mental Health Department before it is submitted to the Board of Supervisors for approval.

RECOMMENDATION

14. *Citizens of Shasta County can take advantage of a new source of state funding for expanded mental health services through the Mental Health Services Act. Similar to new library construction funding a few years ago, this Act awards state tax revenues to individual or joint county proposals for services based on the merits of the plans submitted. Shasta County citizens rallied impressively to support the library and the Grand Jury strongly recommends the BOS encourage a similar community effort. This is an excellent opportunity for increasing access to local services that are both desperately needed and chronically underfunded. Mental health services should be prioritized through the public input sessions sponsored by SCMh. The BOS and MHAB should incorporate this community input into any proposal being submitted.*

RESPONSE TO RECOMMENDATION

Shasta County Mental Health and the Shasta County Mental Health Board concur with the recommendations related to the Mental Health Services Act.

DK;jla

Attachments (4)

- A. Shasta County Mental Health Department Education and Outreach Plan
 - B. Frequent Utilizers Project Overview, August 16, 2005
 - C. Community Action Plan for Patients With Psychiatric and Substance Abuse Disorders
 - D. Shasta County Law Enforcement Interagency Protocol for Mental Illness Commitments
- c:
- Shasta County Board of Supervisors
 - Shasta County Mental Health Board Members
 - Doug Latimer, Shasta County Administrative Officer
 - Celeste Buckley, MBA, Administrative Analyst, Shasta County Administrative Office
 - Tim Kerwin, MBA, CPA, Deputy Director of Mental Health
 - Richard Zarriello, MD, Mental Health Medical Chief

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

Communications Goal

The purpose of this communications plan is to promote greater understanding of issues related to *Shasta County Mental Health service delivery including the assessment, treatment, and stabilization of those suffering from mental illness* among various target audiences in order to facilitate accurate and informed decision-making and instill confidence in mental health services and leadership.

Strategic Framework

The plan is built around a framework *six* primary objectives, with a comprehensive set of supporting activities for each that are aggressive, timely and customized for Shasta County's unique cultural and geographic landscape.

1. Education and Outreach
2. Media Plan Development
3. Spokesperson Preparation
4. Materials Development
5. Public Education Campaign
6. Evaluation and Outcomes

Guiding Principles:

Clarity and Confidentiality: Share with the target audiences as much information as possible while protecting the privacy of our patients and their families.

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

Focus on the Patient: Compassion, respect, empathy, and a commitment to help those suffering from mental illness are the guiding principles for the Department. At every level of this process and in every message that is communicated, the patient must be the core focus.

Be first and be credible: Don't let other agencies frame the messages.

Primary Focus: Support the effort to provide quality mental health treatment services that are patient-centered, integrate primary health care and behavioral health management in an environment that promotes awareness and reduces stigmatization of those suffering from mental illness.

Partnerships and Collaboration: Work closely with health care community (including hospitals and community health centers), law enforcement, County Board of Supervisors, Mental Health Advisory Board, community-based organizations and other partners/stakeholders to ensure that all communications run smoothly and reflect "one coordinated voice."

Target Audiences

- Mental Health patients and their families/loved ones/care providers
- Board of Supervisors
- Mental Health Advisory Board
- Alcohol & Drug Programs Advisory Board
- Physicians and other health care professionals
- Mayers Memorial Hospital, Mercy Medical Center Redding and Shasta Regional Medical Center staff
- Contractors
- Community Health Centers
- Non-medical mental health treatment providers (LCSW, MFT, Psychologist)
- Law Enforcement
- Other county departments
- Social service agencies and professionals
- Media
- Partners and stakeholders, including Mental Health Advisory Board, law enforcement and health organizations

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

- General public

Preparation

Complete communications tools to determine staffing and resource needs, assemble communication team, identify stakeholders, identify spokespersons, clearance authorizations, identify messages via message mapping, develop fact sheet (Q&A) and draft press releases.

OBJECTIVE 1: Education & outreach to facilitate informed decision-making and increase buy-in and trust in SCMH and its policies, procedures, and priorities.

Supporting Activities	Target Population	Deliverables	Timeframe
Conduct Monthly Updates: Stakeholder group meetings, 5150 authority/designation, Frequent Utilizer Project, Independent Assessment (Consultant activities).	Board of Supervisors	Board Presentation	Monthly (June-Dec 2005)
Quarterly Provider Newsletter: Include updates on matters regarding the assessment, treatment, and stabilization of individuals suffering from mental illness; MHSA, collaborative partnerships and opportunities, protocols, upcoming events, and FAQ's.	Physicians and other health professionals	Newsletter (electronic and print)	September 2005-2006
Community Presentations: Two PowerPoint presentations for specific audiences such as health care professionals and law enforcement. Other related discussions on mental health topics and service delivery, e.g. Terry Starr could present at a local law enforcement gathering to discuss a mental health related topic. Work with external associations/groups to co-sponsor presentations and lectures (NVMA). Propose a partnership with Public Health to co-sponsor a lecture series on health-related topics to similar target audiences.	County departments, physicians and other health professionals, general public	PowerPoint Presentation	October 2005-2006
Provider Phone Line: Pre-recorded dial in number with information regarding RFP's, new information/updates, policies & procedures, in-service training	Physicians and other health professionals	Provider Phone Line	October 2005-February 2006

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

schedules, consultant updates, and MHSA				
Develop a Listserve: Content to include key messages from the Mental Health department, i.e., vision, mission, goals, trends, best practices, and solicitation of input. Distribution of publications (Newsletter, brochures, event flyers, training, and articles).	Board of Supervisors, physicians and other health professionals, stakeholders	Listserve	September 2006 – continuous	
External Web Site: Content to include SCMH general information with a link to the Network of Care, which will serve as the primary site for mental health information.	All identified	Website	2006	
Internal Web Site: An Intranet site for internal communication and interdepartmental communications. Keep staff up-to-date, share industry information, articles, morale boosters, etc. in an effort to sustain ongoing department morale, buy-in, and cohesiveness.	SCMH employees and other county departments	Intranet Site	2006	
Brochure: Content similar to web site information but not as extensive	All identified	Brochure	September 2005 – continuous	
County Post Newsletter Articles: Submit articles on a regular basis appropriate to the time of year, current events, or other special topics as needed.	County Employees	Articles	September 2005 – continuous	
Mental Health "Tip of the Month": Utilize County Counsel's model on a wide variety of mental health topics (To be determined). More information re: EAP pending.	County Employees	One page document	September 2005 – continuous	
Mental Health Supervisory Series Training Session: Informational session discussing mental illness and its impact on the workforce, sensitivity for employees, co-workers, etc. with mental illness (similar to ADA awareness training).	County Supervisory Staff	One hour session	2006	

OBJECTIVE 2: Media Plan

Supporting Activities	Target Population	Deliverables	Timeframe
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**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

<p>Key Message Development: Organize and develop the coordinated voice</p> <p>Media Plan Development:</p> <ul style="list-style-type: none"> ▪ Identify media goals & objectives ▪ Prioritize activities and communication medium(s) (see objective 4) ▪ Develop a budget ▪ Create a timeline ▪ Organize a project team and communicate the vision of this plan ▪ Implement 	<p>Mental Health Director, Deputy Director, MHAB Chair, CAO Analyst, Project Team members (to be identified).</p>	<p>Coordinated messages and strategies</p>	<p>September 2005 – continuous</p>
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OBJECTIVE 3: Spokesperson Preparation			
Supporting Activities	Target Population	Deliverables	Timeframe

**Shasta County Mental Health Department
Education & Outreach Plan
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<p>Conduct Three Training Sessions: (2-4 hours each) Instructed by Roxanne Burke for identified spokespersons on:</p> <ol style="list-style-type: none"> 1. Media interviews. To include strategies on the development of positive media relations and development of media messages using message mapping. 2. How to present to groups and facilitate town hall meetings. 3. Writing for the Media 	<p>SCMH: Don Kingdon, Tim Kerwin, Connie Harrah, Dr. Zariello MHAB: Susan Wilson, Terry Starr CAO Analysts Other(s): TBD</p>	<p>Coordinated messages and strategies for the delivery of media messages</p>	<p>October or November 2005</p>
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<p>OBJECTIVE 4: Develop Materials</p>		
<p>Supporting Activities</p>	<p>Target Population</p>	<p>Deliverables Timeframe</p>

**Shasta County Mental Health Department
Education & Outreach Plan
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<p>All identified</p>	<p>Brochure Website Video Advertisements Newsletter PPT Presentations Press Releases Articles</p>	<p>TBD</p>
<p>Brochure: Basic description of Mental Health Services (i.e. what's provided, how are they accessed, eligibility, etc.)</p> <p>Provider Newsletter: Content could include SCMh mission and vision, services provided and how to access services, other community resources (Department contractors/partners and other non-profits), Mental Health Advisory Board (MHAB) and introduce county staff psychiatrists and staff. Also give an opportunity to ask questions and give feedback.</p> <p>Web Site: Content could include SCMh mission and vision, services provided and how to access services, other community resources (Department contractors/partners and other non-profits), Mental Health Advisory Board (MHAB) and introduce county staff psychiatrists and staff. Also give an opportunity to ask questions and give feedback. Could post the PowerPoint presentation for public to view on line.</p> <p>Newsletter Articles: Submit content to local newsletters. Topics may cover a wide range of subjects related to mental health, i.e., Bi-Polar Disorder, History/Origin of Methamphetamine, Personality Disorders, Holiday Stress, PTSD.</p> <p>Video: A short video (5-7 minutes) profiling a "hypothetical" patient/caregiver experience with mental illness in this community.</p> <p>Two PowerPoint Presentations: Created for Law enforcement, medical professionals, or general public education: May also include basic information about the Department, updates on policies and/or other issues related to SCMh.</p>		

**Shasta County Mental Health Department
Education & Outreach Plan
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OBJECTIVE 5: Conduct a Public Education campaign to raise the awareness of mental illness and reduce stigmatization; Focus on and explain the integrated (mind/body) approach to behavioral health and primary health care management, and other related issues.			
Supporting Activities	Target Population	Deliverables	Timeframe
<p>Conduct Media Campaign:</p> <ul style="list-style-type: none"> ▪ Radio Advertisements ▪ Radio Call-In Shows ▪ Press Orientation ▪ Editorial Board Meetings (Record Searchlight) ▪ Record Searchlight Article in "Special Features" section ▪ Press Releases ▪ Web Site Promotion ▪ Community presentations <ul style="list-style-type: none"> ○ Rotary, AAUW, SCOE, etc. ▪ Bus Stop Advertising ▪ Publication distribution ▪ Capitalize on national observances to raise awareness and deliver SCMH's key message, i.e., Mental Health Awareness Week (Board Proclamation, Depression Screening, Media Campaign Day (local schools; focus on youth with mental illness), Chamber of Commerce Greeters, Candlelight Vigil, banquet and silent auction. ▪ Establish a relationship with small rural newspapers and share information. Focus on our "commitment to bringing services to the unincorporated areas of Shasta County". 	General Public and all others identified	See Objective #4	October 2005 – continuous

OBJECTIVE 6: Evaluation and Outcomes

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

Supporting Activities	Target Population	Deliverables	Timeframe
<p>Identify Outcomes:</p> <ul style="list-style-type: none"> ▪ Decreased negative media coverage, public response ▪ Increased awareness ▪ Reduced stigmatization ▪ Improved relationship with the Board of Supervisors ▪ Increased delivery of accurate Mental Health information, etc. ▪ Greater public participation in MHAB. ▪ Increased Buy-In at Stakeholder and community levels 	All identified	Outcome reports Stakeholder Reaction Assessment	Quarterly evaluations at first then semi-annual
<p>Develop Measurement Criteria</p> <ul style="list-style-type: none"> ▪ Consumer/Provider/Contractor Input and Feedback ▪ Consumer/Family Surveys ▪ Stakeholder reaction assessments ▪ Evaluate partnerships <ul style="list-style-type: none"> ○ Are they improving? ○ Have new partners and/or resources been identified? ○ Is there greater interest and participation in the Mental Health Advisory Board? 	SCMH Director, Deputy Director, & CAO Analyst	Tools for measuring success and areas of improvement	Continuous annual evaluations

NEXT STEPS	
Task:	Timeline:
<p>1. Identify Stakeholders</p> <p>Description/Exercise:</p> <ul style="list-style-type: none"> ▪ Who are they? ▪ Identify friends and foes (assets and liabilities) ▪ Stakeholder Reaction Assessment 	09-02-05

**Shasta County Mental Health Department
Education & Outreach Plan
2005-06**

<p>2. Identify Spokespersons</p>	<ul style="list-style-type: none"> ▪ Who will speak for the department to public, media, Stakeholders, other departments, etc. ▪ Message Mapping Exercise 	<p>09-02-05</p>
<p>3. Key Message(s) Development</p>	<ul style="list-style-type: none"> ▪ Method for developing, checking, and authorizing public and media communications ▪ Clearance Authorization Form 	<p>09-02-05</p> <p>Discussion Item: 09-02-05</p> <p>Return in two weeks with information regarding Clearance Authorization form development.</p> <p>Four weeks</p>
<p>4. Develop Publication Procedure</p>	<ul style="list-style-type: none"> ▪ Identify resource needs ▪ Determine required staffing 	<p>Four weeks</p>
<p>5. Assemble Communications Team</p>	<ul style="list-style-type: none"> ▪ Q&A ▪ One Coordinated Voice 	<p>Four weeks</p>
<p>6. Develop Fact Sheet</p>	<ul style="list-style-type: none"> ▪ Media Communications Training ▪ Publications Training ▪ Presentations and Facilitating Town Hall Meetings 	<p>09-02-05</p>
<p>7. Schedule Training Sessions</p>	<ul style="list-style-type: none"> ▪ Prewritten generic press releases 	<p>October 1, 2005</p>
<p>8. Develop Draft Press Releases</p>		

Participants Include: SCM Director and Deputy Director, Chief Medical Officer, & CAO Analyst
Facilitated By: Roxanne Burke, Public Health – Public Information Officer

Frequent Utilizers Project Overview August 16, 2005

Issue

An analysis of duplicated patients presenting at local emergency departments for behavioral health treatment was conducted for the period of February-April, 2005.

- 399 patients received emergency behavioral health treatment for a total of 513 contacts.¹
- Of the 513 contacts, 386 were with local emergency departments.
- 69 patients had used the local emergency departments more than once for a total of 162 contacts
 - Two visits = 50 patients
 - Three to five = 18
 - More than five = 1
69
- 162/386 = 42% of the total contacts experienced

Financial Implications

Analysis of frequent utilizer placements (both voluntary and involuntary) and associated costs and lengths of stay for the 69 patients identified:

Placement Type	Total Days	Average Cost/Day	Average Cost x Total Days = Average Cost Per Quarter	Average Cost Per Quarter x 4 = Annual Cost
Locked Facility (unlocked)	694	\$850	\$590,000	\$2,360,000
Unlocked Facility (voluntary)	437	\$230	\$122,000	\$488,000
		Total:	\$712,000	\$2,848,000

The calculation for the inpatient costs of frequent utilizers is an average based on the voluntary and involuntary hospitalization costs per day (which does not include administrative or transportation costs).

¹ A contact is defined as a response from the crisis team either in person or by phone to a person experiencing a mental health crisis.

If we utilize the \$712,000 as a per quarter average, the average annual cost to treat this population would be approximately \$2.8 million (average cost x total days x 4 quarters)

Project Summary

The frequent utilizer project would focus on integration of community resources formulated to develop an interdisciplinary "life management" team². The team would assume responsibility for the identification, behavioral and primary health care management, psychosocial needs, and coordinated case management of clients that have been identified as part of the targeted population.

Target Population

Indigent health and psychiatric high utilizers with multiple emergency department and psychiatric crisis contacts

Individual Client Outcomes

1. Reduce the number of emergency crisis contacts and emergency department/hospital lengths of stay
2. Reduce lengths of stay in Institutes of Mental Disease (IMD)
3. Increase linkage to primary care and psychosocial supports through coordinated case management
4. Increase indigent access to Medi-Cal benefits
5. Decrease emergency department visits

Organizational Outcomes & Objectives

1. Improve service cost effectiveness
2. Transition clients to lower levels of care
3. Reduce cost of care without reducing quality of life
4. Improve and expand upon existing stakeholder relationships
5. Identify new and potential collaborative partners that serve the same target population

Next Steps

1. Obtain buy-in
2. Identify an implementation team of 6-8 people or more as appropriate
3. Organize implementation process to include specific timelines for objectives and outcomes identified above
4. Analyze and identify concurrent clients and frequent utilizers via Social Security number match
5. Identify potential partnerships, barriers, and solutions

² Including but not limited to the three local hospitals, Shasta County Mental Health, Community Health Centers, law enforcement, public and private social programs, and other community resources and potential collaborative partners.

6. Clearly communicate the goals, objectives, and outcomes to collaborative participants and recipients
7. Evaluate and report findings on a regular basis (i.e., monthly, quarterly, annually).

**COMMUNITY ACTION PLAN FOR PATIENTS
WITH PSYCHIATRIC AND SUBSTANCE ABUSE DISORDERS**

I. Ad Hoc Committee Participants

Good News Rescue Mission
Mercy Medical Center
Shasta Community Health Center
Shasta County Alcohol and Drug Programs
Shasta County Mental Health Services
Shasta Regional Medical Center

II. Process

A review of the first three months of activity at Mercy Medical Center and Shasta Regional Medical Center (SRMC) emergency departments led to the modification of current Shasta County Mental Health (SCMH) crisis protocols and the following problem and goal statements.

III. Statement of Problem

Voluntary and involuntary presentation of patients with changes in mental status to the hospitals' emergency departments for assessment, stabilization, and disposition has impacted the two local emergency departments.

A review of the patients' activity indicates the following disposition issues:

- A. More than 50 percent of the contacts have substance abuse and detoxification issues, which initially preclude transfer to a psychiatric facility.
- B. Psychiatric patients with other co-morbid conditions have longer lengths of stay due to difficulty in acquiring transfer acceptance from a receiving psychiatric health facility or hospital.
- C. Private insurance and third party authorization requirements for psychiatric admission extend lengths of stay in the emergency department.
- D. Child custody issues and psychiatric hospital bed availability complicate transfer planning and treatment implementation for youth.

IV. Goal

To assess, stabilize, and discharge patients from the emergency departments to appropriate care in less than four hours.

V. Current Resources

- A. On-call crisis intervention services are available 24-hours, 7-days per week provided by SCMH to the three emergency departments in the county.
- B. Transportation services are available 24-hours, 7-days per week to the three emergency departments through the SCMH crisis intervention team.
- C. Psychiatric bed location, Medi-Cal authorization, and guaranteed payment for up to 72-hours are available 24-hours, 7-days per week through the SCMH crisis intervention team.
- D. On-call psychiatrist consultation available 24-hours, 7-days per week to the three emergency departments through direct physician-to-physician call provided by SCMH.
- E. Admission to the crisis residential facility (Elpida) is available in the county 24-hours, 7-days per week through SCMH crisis team.
- F. SCMH crisis response is available to the Shasta County Jail and Juvenile Hall.
- G. The SCMH Shasta Housing Intervention For Transition (SHIFT) Program response to law enforcement and community agencies is available for homeless mentally ill people to prevent crisis, jail, and hospital utilization.
- H. Psychiatric urgent care evaluation and treatment provided by SCMH at its Redding clinic and through telemedicine at Mayers Memorial Hospital.
- I. Shasta County Alcohol and Drug Programs' voluntary outpatient, residential treatment, and minimal social model detoxification.

VI. Proposed Resources for Development

- A. Social Model Detoxification Program

Licensed 30-bed social model detoxification program located in the central Redding area. Twenty beds designated for men and ten beds designated for women. The size of the facility should be approximately 2,500 square feet with a proposed operating budget of approximately \$460,000. It is anticipated that start-up costs would be approximately \$45,000.

**Community Action Plan for Patients With
Psychiatric and Substance Abuse Disorders
Page 3
October 22, 2004**

The program needs to include the following:

1. A minimum of two paid staff on duty at all times to monitor detoxification episodes.
2. A physician available to answer questions and to provide assistance when necessary. A nurse should visit the program at least twice per day.
3. A psychiatrist available to assist with any mental health issues that may arise and to provide assistance when necessary.
4. Emergency psychiatric services must be available, including transportation when required.
5. All patients referred by hospitals and/or physicians must be medically cleared and stabilized on detoxification medications.
6. All patients referred by hospitals and/or physicians arrive with enough medication to cover the entire detoxification period. The prescription must be written to the patient.
7. Emergency response by law enforcement and emergency medical personnel when needed.

B. Integrated Crisis Intervention Services

1. Integrated crisis intervention services provided by SCMH during peak emergency department utilization hours.
 - a. Place SCMH crisis intervention staff in a local emergency department from 6 p.m. to 4 a.m. daily to facilitate more efficient evaluation and disposition of patients.
 - b. Would require no new staff or costs.
 - c. Would require scheduling cooperation between the two local hospitals.

C. Development of beds in a general hospital for admission of patients for up to 72-hours for assessment, stabilization, and treatment of acute changes in mental status. These patients could be admitted by a private psychiatrist or Shasta County Mental Health psychiatrist or other physician requesting psychiatric consultation. Patients requiring psychiatric treatment for more chronic conditions such as bipolar illness and schizophrenia would be transferred to a psychiatric

**Community Action Plan for Patients With
Psychiatric and Substance Abuse Disorders**

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hospital. These beds would be of particular value for the assessment and treatment of depression, dementia, delirium, and other co-morbid conditions.

- D. Development of a local private locked psychiatric facility. (Representatives from Ardent Health Care attending for discussion of this recommendation.)
- E. Certified Crisis Stabilization Program for Treatment of Patients With Psychiatric Conditions
 - 1. Crisis Stabilization can be provided on site at a licensed 24-hour health care facility, hospital based outpatient program, or a provider site certified to perform crisis stabilization.
 - 2. Medical backup services must be available either on site or by written contract or agreement with a hospital. Medical backup means immediate access within reasonable proximity to health care for medical emergencies. Medications must be available on an as needed basis and the staffing must reflect this availability.
 - 3. All patients receiving crisis stabilization must receive an assessment of their physical and mental health.
 - 4. There must be a minimum of one registered nurse, psychiatric technician, or licensed vocational nurse on site at all times patients are present.
 - 5. At a minimum there must also be a ratio of at least one licensed mental health or waived/registered professional on site for each four patients.
 - 6. Annual cost estimate for a stand-alone program, \$2.4 million for facility and operation.

DK:jl

**SHASTA COUNTY LAW ENFORCEMENT INTER-AGENCY PROTOCOL
FOR MENTAL ILLNESS COMMITMENTS**

I. PURPOSE

The purpose of this protocol is to provide Shasta County law enforcement agencies with a general agreement and county-wide procedure for the response to incidents necessitating the taking into custody of persons who, as a result of a mental disorder, are a danger to others, a danger to themselves, or are gravely disabled.

Shasta County law enforcement agencies recognize that cooperation between agencies, mental health professionals, and hospitals ensures the person detained will receive the most humane and effective care.

In those circumstances or instances where a dispute arises between a departmental policy and the inter-agency protocol, the departmental policy will take precedence.

II. OBJECTIVE

To promote common procedures and guidelines ensuring officer safety, public safety, and consistent procedures when detaining persons pursuant to Sections 5150 and 5585 of the Welfare and Institutions Code (WIC).

III. GENERAL GUIDELINES

A. When a peace officer has probable cause to take a person into custody per WIC § 5150 the officer will:

- (1) Make an assessment of the person's impairment. This assessment should include, but not be limited to: impairment due to intoxication or other substances, motor activity, cooperativeness, memory, concentration, ability to participate in an interview, and ability to reason and communicate with others. This assessment is based upon the officer's observation and interaction with the person, experience, and training. If in the officer's opinion the person can reason, process information, and communicate with others regarding the incident and their welfare, he or she will notify Shasta County Mental Health (SCMH), via dispatch.
- (2) Notify SCMH, via dispatch, of the intended emergency department (ED) destination. Officers should consider the following equally when considering which ED to transport to:
 - (a) Geographic location
 - (b) Hospital ED requested by person or family members
 - (c) Availability of facility (i.e. diversion - hospital has reached temporary capacity)
 - (d) The estimated time of arrival to the ED

**Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 2**

- (e) Dispatch and SCMH will coordinate officers to a specified ED if a CRT member is already at a certain ED
 - (3) Along with the application for detention, the officer will supply the following information to the hospital emergency department (ED) staff: name, age, gender, known substances or medications the person may have ingested, how law enforcement became involved, injuries, cooperativeness, and other pertinent information about the person.
 - (4) If in the officer's opinion the person is impaired and **cannot** reason, process information, and communicate with others regarding the incident and their welfare, the officer will advise dispatch of the transport to the specified ED. It is not necessary for the officer or dispatch to notify SCMH of the incident. The officer will:
 - (a) Take the person to the specified ED
 - (b) Provide the necessary forms and information to the ED staff for assessment and treatment.
 - (5) Upon the person being medically cleared by ED staff, ED staff will notify SCMH via SCMH answering service.
- B. Upon notification from the SCMH answering service the Crisis Response Team (CRT) member will:
- (1) Provide an estimated time of arrival to the ED for law enforcement if the person is not impaired or has minimal impairment or ED staff once the person is medically cleared due to impairment. The CRT member shall provide their name and contact number for the officer or ED.
 - (2) Physically respond within 40 minutes to the ED to review the circumstances of the involuntary detention. The CRT member will develop and implement a disposition plan.
 - (3) The SCMH CRT will coordinate all activities with the SCMH Hub to assure communication, both with the ED and law enforcement regarding the disposition of individual cases.
 - (4) The SCMH CRT member will coordinate the disposition of the patient with the ED staff and document their activities on a SCMH progress note form for the ED.
 - (5) In cases involving firearms, SCMH will advise the law enforcement agency placing the involuntary commit of the person's WIC § 5150 release from SCMH care. The notification will be made as soon as practical.

**Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 3**

- C. The officer shall provide each person, at the time he or she is first taken into custody, those advisements set forth in WIC § 5157.
- D. Upon arrival at the ED, the officer shall provide the necessary forms and information to facility staff for assessment and distribution to the CRT member. The CRT member need not be present for the transfer of the person to the ED (the officer may leave the person in the care of the facility).
- E. Pursuant to WIC § 5156, at the time the person is first taken into custody, or within a reasonable time thereafter, unless a responsible relative or the guardian or conservator of the person is in possession of the person's personal property, the officer taking the person into custody shall take reasonable precautions to preserve and safeguard the personal property in the possession of or on the premises occupied by the person.
- F. Officers shall consider the safety and security of the person, public, ED staff, CRT member, and the officer when the person is presented for assessment by the facility.
- G. In the event of a dispute concerning the transfer of custody for care or whether the officer's presence is required or needed, officers shall consult with their agency's first line supervisor or watch commander for a determination. Law enforcement supervisors are encouraged to work with CRT supervisors and facility supervisors to resolve the dispute at the lowest possible level. The CRT member and or SCMH supervisor will provide their name when requested by law enforcement dispatch or law enforcement officer.
- H. When an officer contacts a person who does not meet the criteria of WIC § 5150, but the person requests assistance from mental health professionals, the officer may:
 - (1) Direct or transport the person the Shasta County Mental Health outpatient services during regular business hours.
 - (2) During non-business hours, direct or transport the person to an ED listed above, **if** the person requests hospitalization or requests immediate care, or
 - (3) Place the person in phone contact with a CRT member.
 - (4) Provide the person with a SCMH referral card with contact phone numbers

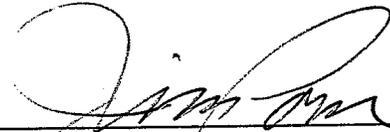
**Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 4**

- I. Except as provided herein, all information and records, including dispatch records, tapes, and transcripts shall be kept confidential pursuant to WIC § 5328. If there are questions about disclosure, the respective parties to this Inter-Agency Protocol shall consult with their respective legal counsel.

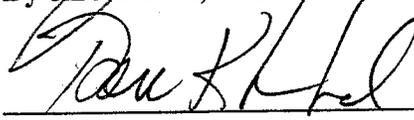
IN WITNESS WHEREOF, the parties have executed this agreement on the days and year set forth below:

COUNTY OF SHASTA

Dated: 11-11-04


By **JIM POPE, Sheriff/Coroner**

Dated: 11/1/04


By **DR. DON KINGDON, Director of Mental Health**

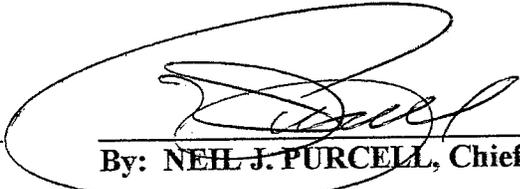
CITY OF REDDING

Dated: 11/3/04


By: **LEONARD F. MOTY, Chief of Police**

CITY OF ANDERSON

Dated: 11.8.04


By: **NEIL J. PURCELL, Chief of Police**

CALIFORNIA HIGHWAY PATROL

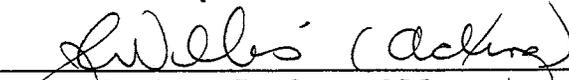
Dated: 11/4/04


By: **DAVID H. HAHN, Redding Area Commander**

Shasta County Law Enforcement Inter-Agency
Protocol for Mental Illness Commitments
Page 5

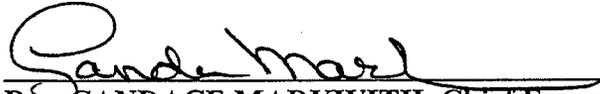
SHASCOM

Dated: 11/04/04


By: TIM SKALLAND, General Manager

SHASTA REGIONAL MEDICAL CENTER

Dated: 11/16/04


By: CANDACE MARKWITH, Chief Executive Officer

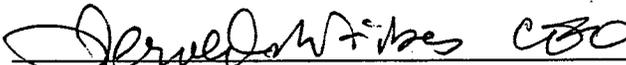
MERCY MEDICAL CENTER

Dated: 12/14/04

Unable to sign. See cover letter.
By: CARLOS PRIESTLEY, Vice-President/Operations

MAYERS MEMORIAL HOSPITAL

Dated: 11/17/04


By: JERALD M. FIKES, Chief Executive Officer



Mercy Medical Center Redding

CHW

2175 Rosaline Avenue
P.O. Box 496009
Redding, CA 96049-6009
(530) 225-6000 Telephone

December 14, 2004

Capt. Tom Bosenko
Shasta County Sheriff's Office
1500 Court Street
Redding, CA 96001

Re: Shasta County Law Enforcement Inter-Agency Protocol
For Mental Illness Commitments

Dear Capt. Bosenko:

Mercy Medical Center Redding appreciates your time and efforts in developing and circulating the above-described protocol. As we discussed at our meeting on December 14, 2004, the protocol has essentially been in place for the past several months since the closure of the Shasta County designated 5150 Mental Health inpatient facility. This protocol is an important step towards inter-agency communication and cooperation. We understand the protocol's intent is to describe our mutual roles in providing appropriate mental health services to those individuals in Shasta County who are in need. However, although Mercy is and will continue to cooperate fully with all of the agencies in Shasta County to assist those in need in getting the best mental health services possible, Mercy believes it would not be appropriate to sign this document.

I want to reiterate Mercy's unwavering commitment to work with all Shasta County agencies and entities to improve the delivery of mental health care to the citizens of this community and to the extent possible, Mercy intends to cooperate fully with the practices outlined in the Inter-Agency Protocol. As we discussed, the delivery of mental health services to those in critical need of inpatient mental health services is a "work in progress" and we look forward to continuing to meet and discuss the further development of our community's programs and our citizen's access to those programs.

Please attach this letter to the Protocol to signify Mercy's commitment to work with you under the guidelines this Protocol provides.

Respectfully,

Carlos W. Priestley
Vice President, Operations

cc: Rick Barnett, President
Susan Cresto Baker, Legal Counsel

INNOVATIVE EDUCATION

Shasta Union High School District
2200 Eureka Way, Suite B
Redding, Ca 96001
(530) 241-3261

REASON FOR INQUIRY:

Section 933.5 of the California Penal Code provides that the Grand Jury may investigate and report on the operations of any special purpose assessing or taxing district located wholly or partly within the County. The Grand Jury investigated three charter schools within the Shasta Union High School District: Redding School of the Arts, Shasta Secondary Home School, and University Preparatory School.

BACKGROUND:

A charter school is a form of public school that may be established and operated by individuals or organizations outside the traditional school district system. Charter schools were adopted to encourage the use of innovative and different teaching methods that increase learning opportunities for students. This provides parents and students with more choices regarding the type of education available outside the direct control of the conventional school district. Charter schools are generally exempt from most laws that apply to regular public schools. As a result, administrators, faculty, staff, and parents have considerable autonomy in designing educational programs, facilities, and budgets.

The Charter Schools Act of 1992 (beginning at section 47600 of the Education Code), provided for the establishment of charter schools in California. The intent of the act is to:

- (a) Improve learning and increase opportunities for pupils
- (b) Encourage the use of innovative teaching methods

- (c) Create new professional opportunities for teachers including the responsibility for the learning program
- (d) Provide parents and pupils with expanded educational choices not available in a conventional public school
- (e) Hold the schools established under this act accountable for meeting mandated and measurable pupil outcomes
- (f) Provide vigorous competition within the public school system to stimulate continual improvement in all schools

Charter schools receive state and local funding on a per pupil basis. This funding is based on statewide averages, depending on the grade level of the student and the average daily attendance. Many charter schools also receive other forms of state and federal funding. In addition, charter schools receive contributions from individuals and private foundations. Unlike private schools, charter schools are not allowed to charge tuition.

Generally, to create a charter school in California, a "charter petition" must be developed, circulated, and signed by the required number of parents or teachers, and submitted to a sponsoring district. Anyone can circulate a petition to start a charter school. Charter petitions must contain 16 specific elements that describe the school's structure, its expectations for student performance, and formalized procedures for resolving disputes between the charter school and its sponsoring district. The sponsoring district must review a description of the school's facilities and administrative services and procedures to be used if the charter school closes. Additionally, potential civil liability must be addressed by both entities. Sponsors must grant the charter unless they make

written findings arguing that petitioners have proposed an unsound educational program, are demonstrably unlikely to implement the charter, or do not meet the statutory requirements.

The Shasta Union High School District is the sponsoring district for:

1. Redding School of the Arts (chartered August 23, 1999) Enrollment-270 pupils with 170 on a waiting list (Kindergarten through 8th grade)
2. Shasta Secondary Home School (chartered August 8, 1999) Enrollment-250 pupils (6th through 12th grade)
3. University Preparatory School (chartered August 1, 2004) Enrollment-257 pupils (currently 6th through 9th grade)

Redding School of the Arts (RSA) places a special emphasis on visual and performing arts. Small classes and individualized attention to students are emphasized. One educational approach used by RSA is that all students are immersed in a theme-based curriculum throughout the school year regardless of grade level. The theme for the current school year has been U.S. History. RSA recently held a "Theme Day" where the students learned about The Civil War. RSA's facility, which is shared with University Preparatory School (UPS), is located at the Shasta Learning Center, with student artwork displayed throughout. Enrollment at RSA is limited to 270 students; new students are accepted on a lottery basis.

Shasta Secondary Home School (SSHS) emphasizes home schooling education, provides individualized attention to students, and offers classes onsite. Students of SSHS also attend classes at Shasta College and local high schools. This charter school has

purchased a facility, unlike RSA and UPS, which must rely on the sponsoring district to provide space.

University Preparatory School (UPS) is growing like the other two charter schools in the District. UPS currently enrolls students, grades 6-9, and will be adding 10th grade in the coming school year. In the following two years, 11th and 12th grades will be added. UPS is unique in its special emphasis on preparing students for college and encouraging participation in performing arts, community services, clubs, and athletics.

Petitions for these schools were approved by Shasta Union High School District (SUHSD) and each was granted a five-year charter. A Memorandum of Understanding (MOU), defining the relationship between the District and each charter school, is reviewed annually.

Typically, charter schools rely heavily on the sponsoring district for business and administrative services. There are two main categories of services that the sponsoring district provides for charter schools as referenced in the MOU's:

1. Supervisorial Oversight (as used in Education Code Section 47613) includes:
 - (a) All activities related to charter renewal and revocation processes, as described in Section 47607
 - (b) Activities relating to monitoring the performance and compliance of the charter school with respect to the terms of its charter, related agreements, and all applicable laws
 - (c) Review and response to the annual school performance report and related processes as outlined in the school's charter

(d) Participation in the dispute resolution process as described in the MOU of the charter

(e) Major facility space and maintenance costs

2. Administrative and other services, including:

(a) Accounting and payroll

(b) Accounts receivable and accounts payable

(c) Fiscal planning, budget development, and oversight

(d) Student data information management

(e) Insurance

(f) Student assessment and testing

(g) Personnel services

(h) Health services

Charters are reviewed for renewal every five years. A sponsoring district may revoke a charter for the following reasons:

1. A material violation of the conditions, standards, or procedures set forth in the charter

2. Failure to meet or pursue the pupil outcomes identified in the charter

3. Failure to meet generally accepted accounting principles, or engaging in fiscal mismanagement

4. Violations of the law

METHOD OF INQUIRY:

The Grand Jury reviewed the following documents:

- Memoranda of Understanding (RSA, SSHS, and UPS)
- 2004 Internal Audits (RSA, SSHS, UPS, and SUHSD)
- 2004 Outside Audit (RSA)
- List of the 16 elements required for a charter school
- The Charter Schools Act of 1992 (commencing at section 47600 of the Education Code)

The Grand Jury conducted the following interviews:

- Superintendent of the Shasta County Office of Education
- Employee of the Shasta County Office of Education
- Directors/Superintendents of the three charter schools
- Superintendent of another Shasta County school district
- Principal of a private school in Shasta County
- Chief Business Official of the Shasta Union High School District
- Superintendent of the Shasta Union High School District

The Grand Jury toured the following facilities:

- Redding School of the Arts
- Shasta Secondary Home School
- University Preparatory School

The Grand Jury attended board meetings on February 8, 2005 and March 8, 2005:

- Shasta Union High School District

FINDINGS:

1. There are currently five school districts in Shasta County that are the sponsoring districts for ten different charter schools.
2. The sponsoring district for all charter schools in Shasta County is a school district.
3. Similar to public schools, charter schools receive per-pupil and block grant funding and are audited annually.
4. Anyone may petition to establish a charter school, but must have a sponsoring district.
5. The curricula for charter schools are diverse and not always the same as public schools. However, State Standards and the Education Code are followed with regard to attendance and standardized testing.
6. Each charter school has an independent governing board of directors.
7. Changes to the MOU between a charter school and the sponsoring district cannot be made unless both parties agree.
8. Each of the charter schools currently operating within the SUHSD is highly dependent on the District for oversight and business/administrative services. They also rely on the District for their facilities. Costs vary based on the services and facilities provided (for example, SSHS provides its own upkeep and maintenance, while UPS is provided with food services).
9. The District charges each charter school the following percentages of the annual school Block Grant revenues for "Supervisory Oversight" based on their MOU:
 - (a) Redding School of the Arts: 3%

(b) Shasta Secondary Home School: 1%

(c) University Preparatory School: 3%

10. The District charges each charter school the following percentages of its annual school revenues for "Administrative and Other Services" based on their MOU:

(a) Redding School of the Arts: 7%

(b) Shasta Secondary Home School: 7%

(c) University Preparatory School: 9% (12% once enrollment reaches 400)

11. RSA has advised the SUHSD Board of Directors at a recent meeting that it is concerned about its relationship with the District. RSA representatives feel the school is being overcharged for services the District provides. Further, RSA representatives believe the school is not being kept informed of costs incurred and any changes with regard to those costs. RSA funds have been reduced substantially and unexpectedly because of these charges.

12. A lack of communication between RSA and the District has placed the relationship in turmoil. RSA is exploring a change of its business and administrative services to another entity. If this were to occur, the District could raise the RSA oversight fee to cover the loss of revenue from the administrative fee.

13. Both SSHS and UPS have a strong and satisfactory relationship with the District. The District has concerns regarding the financial viability and management of RSA.

14. The continued growth of charter schools could have a negative financial impact on public schools and could cause declining enrollment in non-chartered schools.
15. A reduction of district fees charged to the charter schools would have a negative financial impact on the District's non-chartered school funds.
16. There is a public perception of a conflict of interest with regard to the spousal relationship between the Superintendent of the District and the Principal of UPS. This relationship could influence the objectivity of decisions regarding UPS as well as the allotment of classroom space for RSA and UPS at Shasta Learning Center.
17. The charter schools in the SUHSD provide educational opportunities for students with unique talents and needs that may not be met by traditional public schools. The charter schools also provide a sense of competition between the schools, which could have a strong positive impact.

RECOMMENDATIONS:

1. Each charter school should obtain financial/business training and expertise with regard to the operation of a charter school and its financial relationship with the sponsoring district. One form of training can be provided by the California Association of School Business Officials (CASBO). An outside consultant could also be considered.

2. The District and RSA need to improve communication. Total revenue, supervisorial changes, and which specific funds the District should have access to, should be jointly reviewed and fully understood by both parties.
3. The Superintendent and/or Chief Business Official of the District should attend board meetings of the charter schools at least two to three times per year.

RESPONSES REQUIRED:

RSA governing board: As to Recommendations 1, 2

SUHSD governing board: As to Recommendations 2, 3

UPS governing board: As to Recommendation 1

RECOGNITION:

The Grand Jury applauds these three charter schools for their academic focus and individualized attention toward students.



Directors Jean Hatch
and Margaret Johnson

2200 Eureka Way
Redding, CA 96001
Phone 530-247-6933
Fax 530-245-2633

August 17, 2005

The Honorable William Gallagher, Presiding Judge
Shasta County Superior Court
Shasta County Courthouse, Room 205
1500 Court Street
Redding, Ca 96001

FILED

OCT 17 2005

CATHY DARLING, COUNTY CLERK
BY: *C. Ashcraft*
DEPUTY CLERK

Dear Judge Gallagher:

The Governing Board of Redding School of the Arts has reviewed the 2004-2005 Grand Jury Report. We are pleased to see the Grand Jury recognizes the importance of charter schools in educating students.

The Governing Board of Redding School of the Arts (RSA) agrees with the findings. The Grand Jury reported 3 recommendations. Recommendations #1 and #2 require a response from the RSA Board. Below are our responses.

Recommendation #1: Each charter school should obtain financial/business training and expertise with regard to the operation of a charter school and its financial relationship with the sponsoring district. One form of training can be provided by CASBO. An outside consultant could be considered.

Response: Margaret Johnson and Jean Hatch have been proactive in increasing their knowledge of charter school finance through workshops and consultants. Both attended a charter school finance workshop in Los Angeles in March 2005. Additional staff from RSA has attended CASBO and California Charter Schools Association (CCSA) workshops this past spring. To further strengthen the school's financial expertise a consulting firm, Delta Management Solutions (DMS), has been retained by RSA for the 2005-2006 school year to work with the charter school and the Shasta Union High School District.

Recommendation #2: The District and RSA need to improve communication. Total revenue, supervisory changes, and which funds the District should have access to, should be jointly reviewed and fully understood by both parties.

Response: RSA, DMS and the Chief Business Officer will continue to meet bi-monthly or as necessary to improve communication during the 2005-2006 school year. RSA and the SUHSD will be negotiating the Memorandum of Understanding, (MOU) this fall in the hopes of clarifying which funds the district should have access to. It is hoped that DMS can help clarify laws surrounding revenues, federal grants, district costs and supervision. RSA would very much appreciate the Superintendent and/or the Chief Business manager attending the regularly scheduled board meetings. It would also be RSA's wish that the SUHSD board liaison to RSA resume regularly scheduled attendance at RSA Governing Board meetings.

Respectfully submitted,

Margaret Johnson

Governing Board Members: Jean Hatch - Mary Hall - Pam Kellogg - Jeanne Neves - Scott Putnam



FILED

AUG 25 2005

CATHY DARLING, COUNTY CLERK
BY: C. Ashcraft
DEPUTY CLERK

Board of Trustees
Larry Lees
Cassandra Ryan
Debra Stills
Constance Pepple
Charles Haase

Superintendent
Michael J. Stuart

August 9, 2005

Certified Mail 7004 1160 0005 0308 0830

The Honorable William Gallagher, Presiding Judge
Shasta County Superior Court
Shasta County Courthouse, Room 205
1500 Court Street
Redding, Ca 96001

Dear Judge Gallagher:

The Board of Trustees of the Shasta Union High School District has reviewed the 2004-2005 Grand Jury Report. We are pleased to see the Grand Jury recognize the importance of the charter schools in educating students.

In regards to Finding #16, the Board is completely satisfied there are existing checks and balances in place that are designed to avoid any conflict of interest related to classroom space allotments.

The Grand Jury reported three Recommendations. Recommendations #2 and #3 require a response from the Board. Below are our responses.

Recommendation #2: The District and RSA need to improve communication. Total revenue, supervisorial changes, and which specific funds the District should have access to, should be jointly reviewed and fully understood by both parties.

Response: Beginning August 2004, the District's Chief Business Official (CBO) and the Budget Analyst met regularly with the two RSA directors, special education psychologist, and a parent volunteer. The frequency of the meetings was an agreed upon attempt to improve communication and provide training in charter finance and budget.

The District's business staff will continue to offer regularly scheduled meetings for the RSA directors and other charter employees.

Recommendation #3: The Superintendent and/or Chief Business Official of the District should attend board meetings of the charter schools at least two to three times per year.

Response: Both the Superintendent and Chief Business Official have attended board meetings of the charter schools during 2004-2005. When requested, they have presented information or training at both regular charter board meetings and at special charter study sessions. The District will continue to provide this service on an ongoing basis.

In summary, the Board will continue with the existing communication practices already in place. Specifically, Board members will continue to act as liaisons with the charter school boards. The liaisons sit on the charter boards as non-voting members. In addition, the Board will continue to encourage the charter schools to attend and present at District Board meetings. The Board and administration will also continue their open-door policy.

Respectfully submitted,

Larry Lees
Larry Lees, President
Shasta Union High School District Governing Board

8/9/05
Date



UNIVERSITY PREPARATORY SCHOOL

Creating the Future, One Student at a Time

Principal

Erin Stuart

Advisory Board

David Yorton, *Chairman*
Joe Chimenti, *Vice-Chair*
Diedra Malain, *Member*
Charlie Haase, *SUHSD Liaison*
Judy Smith, *Member*
David Sulier, *Member*

September 22, 2005

Honorable Judge William Gallagher
Shasta County Superior Court
1500 Court Street
Redding, California 96001

FILED

OCT 17 2005

CATHY DARLING, COUNTY CLERK
BY: *C. Darling*
DEPUTY CLERK

Re: 04/05 Grand Jury Final Report

Dear Judge Gallagher:

On behalf of the members of the School Board at University Preparatory School, we would like to thank you and the Grand Jury for the review of charter schools in Shasta County. We believe that charter schools can provide innovative and exciting educational opportunities for our students in Shasta County.

The Grand Jury requested a response to Recommendation No. 1.

In response, our leadership intends to follow the recommendation of the Grand Jury and will obtain financial/business training and expertise with regard to the operation of University Preparatory School and its financial relationship to Shasta Union High School District. We intend to meet this goal by attending an appropriate training program and consulting outside experts in the areas of charter school finance and business as the need arises.

Again, thank you for your guidance and consideration.

David Yorton
Chairman

2200 Eureka Way
Redding CA 96001

cc:
Erin Stuart, Principal

Phone:
530.245.2790

Fax:
530.245.2791

E-mail:
ups@suhsd.net

Website:
http://www.ups.suhsd.net

REDDING LAND PURCHASES

City of Redding
777 Cypress Avenue
Redding, Ca 96001
(530) 225-4500

REASON FOR INQUIRY:

California Penal Code Section 925a empowers a grand jury to examine the books and records of any city or joint powers agency located in the county. A grand jury may also investigate and report upon the operations, accounts, and records of the officers, departments, and functions and the method or system of performing the duties of any city and make such recommendations as it may deem proper and fit.

BACKGROUND:

The City of Redding (City) has purchased real property in Shasta County for a number of years. In the last year or so this activity has increased. For example:

1. On March 16, 2004, the City Council approved the Vacant Land Purchase Agreement to buy 82 acres (parcel B on map) located between I-5 and the Sacramento River. This parcel is at the terminus of Adra Road on the north side of Smith Road and is outside the City's limits. The purchase price was \$1.5 million. About two-thirds of the parcel is in the 100 year flood plain and all of it is in the 500 year flood plain. The official reasons given by the City Manager and City Council members for this purchase were to provide a buffer between Redding and Anderson, to provide river access to citizens and to provide an aesthetic appearance for the City's entry. The City already owns some fifty acres just west of I-5 at Knighton Road which serves as a buffer. Many people interviewed by the Shasta

County Grand Jury (SCGJ) believe the City wanted the recently purchased 82 acre parcel for an auto mall. The largest single source of sales tax revenue to the City is the \$2 million generated by auto sales each year. Funds for the purchase of the land came in the form of a loan from Redding Electric Utility's (REU) reserve fund. The REU is an enterprise department and currently has a \$42 million reserve fund. These monies are being accumulated in part for capital improvements and equipment replacement.

At the same time as the purchase of parcel B, a 152 acre parcel of vacant land (parcel A on map) abutting and to the north of the City's land was in escrow for \$1.7 million by a local non-profit organization. One half of this property is in the 100 year flood plain. The City had a back-up offer of \$1.8 million in case escrow was cancelled. However, the original purchaser closed escrow.

2. The City has also purchased a building in the Downtown Redevelopment District with \$495,000 of Redevelopment funds. The reason given by the City for the purchase was that it facilitated a theatrical company's future housing. The verbal agreement is that the company will buy the building and improve it by approximately \$1.25 million. If the theatrical company is unable to fulfill its obligation, the City will still own the building.
3. The City recently purchased 5.8 acres on Churn Creek Road near South Bonneyview Road. Originally, the plan was to buy a small piece (0.6

acre) of it in order to realign and widen Churn Creek Road. The reason for purchasing the entire parcel is unclear to the Grand Jury.

METHOD OF INQUIRY:

The Grand Jury collected and reviewed the following documents:

- Assembly Bill 1290 (Isenberg) 1993
- Agendas and minutes of Redding City Council meetings of March 2 and 16, 2004
- Agendas and minutes of Redding Redevelopment Agency meeting of September 20, 2004
- Purchase offer and escrow papers on the 82 acre parcel
- Purchase offer and escrow papers on the downtown building

The Grand Jury conducted the following interviews:

- Director, Redding Electric Utility
- President, local theatrical company
- Realty Director, local non-profit organization
- Redding Administrative Services Director
- Redding City Council members (five)
- Redding City Manager
- Redding Financial Director
- Redding Deputy City Manager
- Shasta County Chief Administrative Officer
- Three Realtors/Brokers

- Two Land Appraisers
- Two Redding Senior Redevelopment Coordinators

FINDINGS:

1. The \$1.5 million used to buy the 82 acre parcel B was loaned to the City by the REU @ 3.5% (below market, but at the same rate the money had been earning) for a ten year term. Repayment does not start for four years (beginning in 2008) and the City Council has the right to forgive the loan at any time.
2. The appraisal on the less desirable parcel B was \$18,300/acre versus the appraisal on the immediately adjacent 152 acre parcel A at \$11,200/acre. The appraisers on parcel B said this discrepancy was due in part to a back-up offer the main realtor said he had in his possession. Surprisingly, the realtor told the Grand Jury that the seller refused to sell to the non-profit organization making the alleged back-up offer. The realtor did not substantiate this offer. The Grand Jury talked to a representative of the organization who supposedly made the back-up offer. This representative stated that no opportunity to make an offer had been forthcoming. In fact, there was no back-up offer.
3. The SCGJ can find no justification for the City's purchase of the 82 acres, other than an attempt to increase property values in the area.
4. The Churn Creek Road property purchased with Redevelopment Funds could have been developed by private parties. The City purchased this property for development, not redevelopment as defined in Assembly Bill 1290.

Therefore, Redevelopment Funds should have been used only for buying right-of way, if at all. As for realigning Churn Creek Road, the three alternative alignments the Grand Jury reviewed do little to improve the current route. Other areas such as South Bonneyview Road have a much more urgent need for improvement.

5. When the City buys a piece of property, it removes that parcel from the property tax rolls.

RECOMMENDATIONS:

1. The City Council needs to be more forthright in letting the public know why it is accumulating property for development and/or speculation in competition with private parties.
2. Redevelopment Funds should be used for redevelopment only, not development.
3. Borrowing of REU reserve funds for speculative land acquisition is an unsound business practice. When used for such purposes, these funds are unavailable for use by the utility for years. The Grand Jury recommends that the City Council utilize excess funds to lower electric rates instead of making real estate purchases.
4. The City Council must ensure full and timely repayment of the loan to Redding Electric Utility. Fees charged by public entities may not exceed the cost of providing the service. If the debt is forgiven by the City Council, then the rate payers will have paid in excess of the cost of electricity.

RESPONSES REQUIRED:

The Redding City Council as to all Recommendations.

Response to Grand Jury Report **Redding Land Purchases**

Before commenting on the specific findings and recommendations contained in the Report, it is important to note that the aforementioned document contains some factual errors. It would not be productive to list all of those errors here, but it may be instructive to highlight two examples:

1. The Report states that, "The City has also purchased a building in the Downtown Redevelopment District with \$495,000 of Redevelopment funds." This statement is not accurate. The property in question was purchased by the Redding Redevelopment Agency (as opposed to the City) for \$450,000 (as opposed to \$495,000).
2. The Report states that, "The City recently purchased 5.8 acres on Churn Creek Road near South Bonnyview Road." This statement is not accurate. The Redding Redevelopment Agency (as opposed to the City) has entered into an agreement that gives the Agency the contractual right to purchase the property in question; however, the Redding Redevelopment Agency has not yet purchased this property. That decision will be made after the Redding Redevelopment Agency completes its due diligence process.

With respect to the findings contained in the Report, the City of Redding responds as follows:

Finding No. 1

The City of Redding partially disagrees with Finding No. 1. The interest rate associated with the internal loan that is described in the Report is not fixed at 3.5 percent. The interest rate associated with this internal loan is identical to the rate of return that the City of Redding receives on its investment portfolio, which fluctuates from year to year.

Furthermore, the City of Redding has never indicated or implied that it intends to forgive the aforementioned loan at some point in the future. The City of Redding has made a number of loans between different City funds in the past. None of these loans have ever been "forgiven."

Finding No. 2

The City of Redding is unable to comment on the accuracy of the information contained in Finding No. 2, since this information was obtained from other sources (i.e., "the realtor" and "the appraisers"). The City of Redding would note, however, that it retained a reputable MAI appraiser to establish the value of the property in question. The City of Redding relied on that appraisal to establish the fair market value of this property.

Finding No. 3

The City of Redding disagrees with Finding No. 3. In fact, the Report itself lists three reasons why the City of Redding purchased the property in question (please refer to the last paragraph on page 70 of the Report).

Finding No. 4

The City of Redding disagrees with Finding No. 4. As noted above, the Redding Redevelopment Agency has not yet purchased the property on Churn Creek Road. If the Redding Redevelopment Agency does decide to proceed with this acquisition, however, this activity will be in full compliance with the Community Redevelopment Law (Section 33000 et seq. of the California Health and Safety Code), as amended by Assembly Bill 1290 in 1993.

As noted in the staff report that was considered by the Board of Directors of the Redding Redevelopment Agency at an open public meeting on February 28, 2005, there are at least six good reasons why the Redding Redevelopment Agency should consider buying the entire parcel in question (as opposed to 0.6 acres of right-of-way). If the Redding Redevelopment Agency just acquired 0.6 acres of right-of-way, as suggested by the Grand Jury, it would bisect the parcel and potentially make the property less useable. It is likely that this approach would result in the payment of additional severance damages to the current property owner. Thus, the Redding Redevelopment Agency determined that it would be more cost effective to acquire the entire parcel and sell the residual property after the Churn Creek Road Widening and Realignment project is finished.

To the best of the City of Redding's knowledge, the Grand Jury did not review the technical merits of the Churn Creek Road Widening and Realignment project, nor did it compare the technical merits of this project with the technical merits of other potential projects on South Bonnyview Road. Therefore, it is not clear if the last two sentences of Finding No. 4 are supported by objective facts. It is also important to note that the section of South Bonnyview Road to the west of the Sacramento River is not located in the Canby-Hilltop-Cypress Redevelopment Project Area. As such, the funds that have been allocated for the Churn Creek Road Widening and Realignment project cannot legally be used to improve this section of South Bonnyview Road.

With respect to the recommendations contained in the Report, the City of Redding responds as follows:

1. **Grand Jury Recommendation:** The City Council needs to be more forthright in letting the public know why it is accumulating property for development and/or speculation in competition with private parties.

Response: The City of Redding is not accumulating property for speculation in competition with private parties. Furthermore, the City of Redding has an excellent record of fully complying with the Ralph M. Brown Act (i.e., California's "open meeting" law). The rationale for each decision that the City Council makes is contained in a written report that is made available to the public (via the City Clerk's Office and via the City of Redding's web site). In addition, the agenda for each City Council meeting is provided to the media in advance of each meeting.

For the reasons outlined above, the City of Redding respectfully disagrees with the Grand Jury's statement that the City of Redding needs to be "more forthright." The City of Redding already conducts its business in a forthright and highly ethical manner.

2. **Grand Jury Recommendation:** Redevelopment Funds should be used for redevelopment only, not development.

Response: The City of Redding disagrees with Recommendation No. 2. The two redevelopment projects referenced in the Report fully comply with both the “letter” and the “spirit” of the Community Redevelopment Law. Redevelopment agencies throughout California undertake similar activities on a regular basis. Thus, the City of Redding does not intend to implement this recommendation.

3. **Grand Jury Recommendation:** Borrowing of REU reserve funds for speculative land acquisition is an unsound business practice. When used for such purposes, these funds are unavailable for use by the utility for years. The Grand Jury recommends that the City Council utilize excess funds to lower electric rates instead of making real estate purchases.

Response: The City of Redding disagrees with Recommendation No. 3. The use of internal loans is a sound business and management practice. Such loans can save the taxpayers of the City of Redding a significant amount of money. It would be more expensive to the taxpayers if the City of Redding borrowed these funds from a bank or another financial institution.

As noted in the Report, the funds in question are being held in reserve, in part, for future capital projects and equipment purchases. Therefore, it would not be prudent to use these funds to “lower electric rates” at this time. This would simply result in higher electric rate increases in the future. Thus, the City of Redding does not intend to implement this recommendation.

4. **Grand Jury Recommendation:** The City Council must ensure full and timely repayment of the loan to the Redding Electric Utility. Fees charged by public entities may not exceed the cost of providing the service. If the debt is forgiven by the City Council, then the rate payers will have paid in excess of the cost of electricity.

Response: The City of Redding concurs with Recommendation No. 4. It has always been the City of Redding’s intent to fully repay the loan described in the Report in a timely manner. Thus, this recommendation has already been implemented.

For the sake of accuracy, however, it should be noted that the second sentence in Recommendation No. 4 is not correct. The California Supreme Court has ruled that a municipal utility can generate a “profit” (see *Hansen v. City of San Buenaventura*).

REDDING LAND PURCHASES

City of Redding
777 Cypress Avenue
Redding, Ca 96001
(530) 225-4500

REASON FOR INQUIRY:

California Penal Code Section 925a empowers a grand jury to examine the books and records of any city or joint powers agency located in the county. A grand jury may also investigate and report upon the operations, accounts, and records of the officers, departments, and functions and the method or system of performing the duties of any city and make such recommendations as it may deem proper and fit.

BACKGROUND:

The City of Redding (City) has purchased real property in Shasta County for a number of years. In the last year or so this activity has increased. For example:

1. On March 16, 2004, the City Council approved the Vacant Land Purchase Agreement to buy 82 acres (parcel B on map) located between I-5 and the Sacramento River. This parcel is at the terminus of Adra Road on the north side of Smith Road and is outside the City's limits. The purchase price was \$1.5 million. About two-thirds of the parcel is in the 100 year flood plain and all of it is in the 500 year flood plain. The official reasons given by the City Manager and City Council members for this purchase were to provide a buffer between Redding and Anderson, to provide river access to citizens and to provide an aesthetic appearance for the City's entry. The City already owns some fifty acres just west of I-5 at Knighton Road which serves as a buffer. Many people interviewed by the Shasta

County Grand Jury (SCGJ) believe the City wanted the recently purchased 82 acre parcel for an auto mall. The largest single source of sales tax revenue to the City is the \$2 million generated by auto sales each year. Funds for the purchase of the land came in the form of a loan from Redding Electric Utility's (REU) reserve fund. The REU is an enterprise department and currently has a \$42 million reserve fund. These monies are being accumulated in part for capital improvements and equipment replacement.

At the same time as the purchase of parcel B, a 152 acre parcel of vacant land (parcel A on map) abutting and to the north of the City's land was in escrow for \$1.7 million by a local non-profit organization. One half of this property is in the 100 year flood plain. The City had a back-up offer of \$1.8 million in case escrow was cancelled. However, the original purchaser closed escrow.

2. The City has also purchased a building in the Downtown Redevelopment District with \$495,000 of Redevelopment funds. The reason given by the City for the purchase was that it facilitated a theatrical company's future housing. The verbal agreement is that the company will buy the building and improve it by approximately \$1.25 million. If the theatrical company is unable to fulfill its obligation, the City will still own the building.
3. The City recently purchased 5.8 acres on Churn Creek Road near South Bonneyview Road. Originally, the plan was to buy a small piece (0.6

acre) of it in order to realign and widen Churn Creek Road. The reason for purchasing the entire parcel is unclear to the Grand Jury.

METHOD OF INQUIRY:

The Grand Jury collected and reviewed the following documents:

- Assembly Bill 1290 (Isenberg) 1993
- Agendas and minutes of Redding City Council meetings of March 2 and 16, 2004
- Agendas and minutes of Redding Redevelopment Agency meeting of September 20, 2004
- Purchase offer and escrow papers on the 82 acre parcel
- Purchase offer and escrow papers on the downtown building

The Grand Jury conducted the following interviews:

- Director, Redding Electric Utility
- President, local theatrical company
- Realty Director, local non-profit organization
- Redding Administrative Services Director
- Redding City Council members (five)
- Redding City Manager
- Redding Financial Director
- Redding Deputy City Manager
- Shasta County Chief Administrative Officer
- Three Realtors/Brokers

- Two Land Appraisers
- Two Redding Senior Redevelopment Coordinators

FINDINGS:

1. The \$1.5 million used to buy the 82 acre parcel B was loaned to the City by the REU @ 3.5% (below market, but at the same rate the money had been earning) for a ten year term. Repayment does not start for four years (beginning in 2008) and the City Council has the right to forgive the loan at any time.
2. The appraisal on the less desirable parcel B was \$18,300/acre versus the appraisal on the immediately adjacent 152 acre parcel A at \$11,200/acre. The appraisers on parcel B said this discrepancy was due in part to a back-up offer the main realtor said he had in his possession. Surprisingly, the realtor told the Grand Jury that the seller refused to sell to the non-profit organization making the alleged back-up offer. The realtor did not substantiate this offer. The Grand Jury talked to a representative of the organization who supposedly made the back-up offer. This representative stated that no opportunity to make an offer had been forthcoming. In fact, there was no back-up offer.
3. The SCGJ can find no justification for the City's purchase of the 82 acres, other than an attempt to increase property values in the area.
4. The Churn Creek Road property purchased with Redevelopment Funds could have been developed by private parties. The City purchased this property for development, not redevelopment as defined in Assembly Bill 1290.

Therefore, Redevelopment Funds should have been used only for buying right-of way, if at all. As for realigning Churn Creek Road, the three alternative alignments the Grand Jury reviewed do little to improve the current route. Other areas such as South Bonneyview Road have a much more urgent need for improvement.

5. When the City buys a piece of property, it removes that parcel from the property tax rolls.

RECOMMENDATIONS:

1. The City Council needs to be more forthright in letting the public know why it is accumulating property for development and/or speculation in competition with private parties.
2. Redevelopment Funds should be used for redevelopment only, not development.
3. Borrowing of REU reserve funds for speculative land acquisition is an unsound business practice. When used for such purposes, these funds are unavailable for use by the utility for years. The Grand Jury recommends that the City Council utilize excess funds to lower electric rates instead of making real estate purchases.
4. The City Council must ensure full and timely repayment of the loan to Redding Electric Utility. Fees charged by public entities may not exceed the cost of providing the service. If the debt is forgiven by the City Council, then the rate payers will have paid in excess of the cost of electricity.

RESPONSES REQUIRED:

The Redding City Council as to all Recommendations.

Response to Grand Jury Report **Redding Land Purchases**

Before commenting on the specific findings and recommendations contained in the Report, it is important to note that the aforementioned document contains some factual errors. It would not be productive to list all of those errors here, but it may be instructive to highlight two examples:

1. The Report states that, "The City has also purchased a building in the Downtown Redevelopment District with \$495,000 of Redevelopment funds." This statement is not accurate. The property in question was purchased by the Redding Redevelopment Agency (as opposed to the City) for \$450,000 (as opposed to \$495,000).
2. The Report states that, "The City recently purchased 5.8 acres on Churn Creek Road near South Bonnyview Road." This statement is not accurate. The Redding Redevelopment Agency (as opposed to the City) has entered into an agreement that gives the Agency the contractual right to purchase the property in question; however, the Redding Redevelopment Agency has not yet purchased this property. That decision will be made after the Redding Redevelopment Agency completes its due diligence process.

With respect to the findings contained in the Report, the City of Redding responds as follows:

Finding No. 1

The City of Redding partially disagrees with Finding No. 1. The interest rate associated with the internal loan that is described in the Report is not fixed at 3.5 percent. The interest rate associated with this internal loan is identical to the rate of return that the City of Redding receives on its investment portfolio, which fluctuates from year to year.

Furthermore, the City of Redding has never indicated or implied that it intends to forgive the aforementioned loan at some point in the future. The City of Redding has made a number of loans between different City funds in the past. None of these loans have ever been "forgiven."

Finding No. 2

The City of Redding is unable to comment on the accuracy of the information contained in Finding No. 2, since this information was obtained from other sources (i.e., "the realtor" and "the appraisers"). The City of Redding would note, however, that it retained a reputable MAI appraiser to establish the value of the property in question. The City of Redding relied on that appraisal to establish the fair market value of this property.

Finding No. 3

The City of Redding disagrees with Finding No. 3. In fact, the Report itself lists three reasons why the City of Redding purchased the property in question (please refer to the last paragraph on page 70 of the Report).

Finding No. 4

The City of Redding disagrees with Finding No. 4. As noted above, the Redding Redevelopment Agency has not yet purchased the property on Churn Creek Road. If the Redding Redevelopment Agency does decide to proceed with this acquisition, however, this activity will be in full compliance with the Community Redevelopment Law (Section 33000 et seq. of the California Health and Safety Code), as amended by Assembly Bill 1290 in 1993.

As noted in the staff report that was considered by the Board of Directors of the Redding Redevelopment Agency at an open public meeting on February 28, 2005, there are at least six good reasons why the Redding Redevelopment Agency should consider buying the entire parcel in question (as opposed to 0.6 acres of right-of-way). If the Redding Redevelopment Agency just acquired 0.6 acres of right-of-way, as suggested by the Grand Jury, it would bisect the parcel and potentially make the property less useable. It is likely that this approach would result in the payment of additional severance damages to the current property owner. Thus, the Redding Redevelopment Agency determined that it would be more cost effective to acquire the entire parcel and sell the residual property after the Churn Creek Road Widening and Realignment project is finished.

To the best of the City of Redding's knowledge, the Grand Jury did not review the technical merits of the Churn Creek Road Widening and Realignment project, nor did it compare the technical merits of this project with the technical merits of other potential projects on South Bonnyview Road. Therefore, it is not clear if the last two sentences of Finding No. 4 are supported by objective facts. It is also important to note that the section of South Bonnyview Road to the west of the Sacramento River is not located in the Canby-Hilltop-Cypress Redevelopment Project Area. As such, the funds that have been allocated for the Churn Creek Road Widening and Realignment project cannot legally be used to improve this section of South Bonnyview Road.

With respect to the recommendations contained in the Report, the City of Redding responds as follows:

1. **Grand Jury Recommendation:** The City Council needs to be more forthright in letting the public know why it is accumulating property for development and/or speculation in competition with private parties.

Response: The City of Redding is not accumulating property for speculation in competition with private parties. Furthermore, the City of Redding has an excellent record of fully complying with the Ralph M. Brown Act (i.e., California's "open meeting" law). The rationale for each decision that the City Council makes is contained in a written report that is made available to the public (via the City Clerk's Office and via the City of Redding's web site). In addition, the agenda for each City Council meeting is provided to the media in advance of each meeting.

For the reasons outlined above, the City of Redding respectfully disagrees with the Grand Jury's statement that the City of Redding needs to be "more forthright." The City of Redding already conducts its business in a forthright and highly ethical manner.

2. **Grand Jury Recommendation:** Redevelopment Funds should be used for redevelopment only, not development.

Response: The City of Redding disagrees with Recommendation No. 2. The two redevelopment projects referenced in the Report fully comply with both the “letter” and the “spirit” of the Community Redevelopment Law. Redevelopment agencies throughout California undertake similar activities on a regular basis. Thus, the City of Redding does not intend to implement this recommendation.

3. **Grand Jury Recommendation:** Borrowing of REU reserve funds for speculative land acquisition is an unsound business practice. When used for such purposes, these funds are unavailable for use by the utility for years. The Grand Jury recommends that the City Council utilize excess funds to lower electric rates instead of making real estate purchases.

Response: The City of Redding disagrees with Recommendation No. 3. The use of internal loans is a sound business and management practice. Such loans can save the taxpayers of the City of Redding a significant amount of money. It would be more expensive to the taxpayers if the City of Redding borrowed these funds from a bank or another financial institution.

As noted in the Report, the funds in question are being held in reserve, in part, for future capital projects and equipment purchases. Therefore, it would not be prudent to use these funds to “lower electric rates” at this time. This would simply result in higher electric rate increases in the future. Thus, the City of Redding does not intend to implement this recommendation.

4. **Grand Jury Recommendation:** The City Council must ensure full and timely repayment of the loan to the Redding Electric Utility. Fees charged by public entities may not exceed the cost of providing the service. If the debt is forgiven by the City Council, then the rate payers will have paid in excess of the cost of electricity.

Response: The City of Redding concurs with Recommendation No. 4. It has always been the City of Redding’s intent to fully repay the loan described in the Report in a timely manner. Thus, this recommendation has already been implemented.

For the sake of accuracy, however, it should be noted that the second sentence in Recommendation No. 4 is not correct. The California Supreme Court has ruled that a municipal utility can generate a “profit” (see *Hansen v. City of San Buenaventura*).

Memory Park Subdivision:

Playing Monopoly with the City of Redding

City of Redding
777 Cypress Avenue
Redding, Ca 96049-4325
(530) 225-4500

REASON FOR INQUIRY:

Section 925a of the California Penal Code provides that the Grand Jury may examine the books and records of any incorporated city located in the county.

BACKGROUND:

The laws of the State of California require all cities and counties to prepare long range plans that address such issues as land use, transportation, health and safety, noise, housing, open space and land conservation. The General Plan for the City of Redding (City) establishes basic policies for development and zoning in the City. The General Plan benefits the community since it establishes the basic guidelines for future development. These guidelines include such things as how the City should grow, where development may occur, where future parks and trails may be located, and ensuring that municipal services levels are maintained. The City's new General Plan became effective on November 2, 2000.

The Memory Park Subdivision was a proposed development in the City on Pioneer Lane to subdivide about five acres to create 17 new home lots. Pioneer Lane is located in a developed area that has a wide mix of home types ranging from single-family houses on several acres to buildings on 10,000 square foot lots. The new General Plan zoning designation in the Pioneer Lane area is Residential which allows 2.0 to 3.5 units per acre. The zoning for this five-acre parcel allows three units per acre, or a total of 15 units.

In December of 2001, a "Planned Development" designation was placed on the property as part of the citywide rezoning effort to address "Infill Development" issues within the City. According to the City's General Plan, "A Planned Development is a proposed unified development, consisting of a minimum of a map and adopted ordinance setting forth the regulations governing, and the location and phasing of all proposed uses and improvements to be included in the development". Infill Development is the development of vacant land (usually individual lots or leftover properties) in areas that are already largely developed. A Planned Development designation allows for a maximum density of 3.5 units per acre. Thus, the proposal for Memory Park Subdivision allowed for 17 units, instead of 15.

In 2002, prior to the Memory Park Subdivision proposal, the five acre parcel on Pioneer Lane was offered for sale to neighboring property owners. The offer listed a potential for 15 lots on the property.

The Memory Park Subdivision/Planned Development was similar to the City's approved Parkview Neighborhood Revitalization Plan. Both were Infill Projects with single-family houses, parking and detached garages off rear alleys, a pedestrian friendly orientation, traditional styles, and ample common open space.

The City Planning Department strongly recommended approval of the Memory Park Subdivision project to the Planning Commission, which then approved the project application on April 27, 2004. Because of the project's high density and perceived incompatibility with the character of the area, there were strong objections to the project by organized neighborhood residents. One of the residents is a retired City employee and McConnell Foundation Board Member. This resident appealed the Planning Commission

action to the City Council. After hearing the Planning Department recommendation for approval, and considering the City Manager's and neighbors' concerns, the City Council voted on June 21, 2004 to deny approval of the Memory Park Project. In support of this action, the City Council on July 20, 2004 voted to adopt the Planning Department's revised findings to uphold the appeal and deny the Memory Park Project.

METHOD OF INQUIRY:

The Grand Jury collected and reviewed the following documents:

- The property offer dated August 7, 2002 to neighboring landowners for the sale of approximately five acres on Pioneer Lane
- Agendas, minutes, recordings, and transcripts of the City Planning Commission Meetings of March 27, 2004 and April 27, 2004
- Agendas, minutes, recordings, and transcripts of City Council Meetings of June 21, 2004 and July 20, 2004
- The City Planning Department's file and correspondence related to Tentative Subdivision Map S-9-03, Planned Development Application PD-3-03, and Memory Park Subdivision and Planned Development
- The City's Ombudsman report, "Recommended Service Enhancements For The Development Review Process", dated October 2004

The Grand Jury conducted the following interviews:

- Five City Council Members
- Newly elected City Council Member
- Two Planning Commission Members

- City Manager
- City Administrative Services Director
- Deputy City Manager
- City Development Services Director
- City Senior Planner
- Two local developers
- Original land owner
- Neighboring land owner

FINDINGS:

1. City Council adopted the current General Plan after a four-year study by a 35 member public commission.
2. The Memory Park Subdivision was supported by both the City's Planning Department and Planning Commission because it was an Infill and Planned Development of well-designed homes that meet the City's General Plan goals for quality design.
3. Developers must expend substantial amounts of time and money on planning, engineering, and environmental studies to meet City requirements before a project is approved. These development costs have increased substantially in the last year alone and are often passed on to future homebuyers.
4. Projects resubmitted to meet the City's recommended changes may result in a developer's partial or total loss of investment.

5. Neighborhood opposition, when submitting projects of approval should not under estimated.
6. The proposed Memory Park subdivision met the General Plan requirements; however, the application and approval process took almost two years to complete.
7. In an attempt to resolve neighborhood concerns, the City Manager met with the Memory Park Developer several days before the City Council meeting of June 21, 2004.
8. Strong political influence was exerted on the Planning Commission and City Council to disapprove this project.
9. The City's Ombudsman report on recommended process changes was presented to the City Council for consideration on October 25, 2004. Some of the recommendations include:
 - Computerized project tracking system
 - Document and distribute results of scheduled meetings with applicants
 - Recap key points and distribute the information in a timely manner
 - Accelerate the evaluation "for completeness process" for use permits and site development permits
 - Have early face-to-face discussions on projects
 - Schedule meetings in a timely fashion for the resolution of issuesSome of these recommendations are being implemented by the City's Development Services Department.

RECOMMENDATIONS:

1. The City Council should not derail well designed Infill and Planned Developments.
2. The Planning Department should attempt to expedite the permit approval process. The City's Ombudsman report on recommended process changes should continue to be implemented.
3. Political influence should not override sound planning decisions.

RESPONSES REQUIRED:

1. The Redding City Council as to all Recommendations.

Response to Grand Jury Report Memory Park Subdivision

1. **Grand Jury Recommendation:** The City should not derail well-designed infill and planned developments.

Response: Concur, if they meet the General Plan and other development policies as determined by the public's elected representatives who are selected to make these decisions. The Grand Jury's finding on this matter (No. 6) has substantial factual errors. The City Council determined that the project was not consistent with the General Plan. The design of the project contained aspects that did not comply with the General Plan policy.

When the City Council received a different project without alleys and at a density level of 14 units – 1 unit below the established maximum density of 15 units, the project was approved.

2. **Grand Jury Recommendation:** The Planning Department should attempt to expedite the permit approval process. The City's Ombudsman Report on Recommended Process Changes should continue to be implemented.

Response: Concur, with the following points:

- The expediting of the permit process is possible to a point, but must consider additional resources and adequately-prepared applications. Grand Jury Finding No. 6 said, in part, "...however, the application and approval process took almost two years to complete." This is not accurate. The application and approval process, including all appeal hearings, took approximately 11 months (August 2003 to July 2004), not two years as stated. More specifically, the application was not complete for processing until December 2003. The time from complete application (which allowed preparation of environmental documents) until final action was approximately five months and included four public hearings, each of which required a 10-day public hearing process.
- Grand Jury Finding No. 9 states that, "the City's Ombudsman Report on Recommended Process Changes was presented to the City Council for consideration on October 25, 2004. ...Some of these recommendations are being implemented by the City's Development Services Department." In fact, all of these measures are being implemented with the exception of the permit tracking system. The tracking system is extremely expensive, which is why it has taken longer than the other points mentioned in the Grand Jury's findings. However, the City Council will be discussing this issue as the City looks at planning and engineering fee increases in the next few months.

- Grand Jury Finding No. 3 states: “Developers must expend substantial amounts of time and money on planning, engineering, and environmental studies to meet City requirements before a project is approved. These development costs have increased substantially in the last year alone and are often passed on to future home buyers.” While this finding is true, it completely ignores the other side of the issue. Also, most of the costs mentioned by the Grand Jury are related to mandated environmental and subdivision mapping requirements. Most importantly, it is these very processes which ensure that future residents can be served by City services. It is also these planning and engineering efforts which create the ability to capture the substantial increased value in the developed property from which the developers and the residents ultimately benefit.

Although development costs may have risen “dramatically” in the past year, according to the Grand Jury Report, a small amount of these increases is related to the City. City processing and other fees have risen at an amount far less than the rate of house pricing increases. For example, City fees for a 1,200-square-foot home are \$18,746 and the average price for this house today is \$228,000. These fees represent about 8.2% of the cost, even after the substantial (and necessary) increases in traffic, sewer, and water system fees over the past year. As the size of house increases, the impact of these fees is reduced. On the other hand, the average house price rose by 17% in 2004 and has continued to rise by an additional 19% during the first part of 2005. It is a complete misnomer to think fee increases are driving the cost of housing.

3. **Grand Jury Recommendation:** Political influence should not override sound planning decisions.

Response: Concur. Grand Jury Finding No. 8 states that, “strong political influence was exerted on the Planning Commission and City Council to disapprove this project.”

This is obviously a statement of opinion. It would be equally valid to say that strong political pressure was exerted on the Planning Commission and City Council to approve the project. Concerns for and against projects will very likely continue as the City entertains more infill projects.

READY TO RESPOND

Cottonwood Fire Protection District
3271 Brush Street
Cottonwood, CA 96022
530-347-4737

REASON FOR INQUIRY:

Section 933.5 of the California Penal Code provides that the grand jury may investigate and report on the operations of any special purpose assessing or taxing district located wholly or partly within the county.

BACKGROUND:

Several devastating fires are recorded in Cottonwood's history. In 1902, all buildings on the south side of Front Street were lost to fire, although the north side of the street was saved by a bucket brigade. The following January brought another loss of three important Cottonwood buildings: the John Munter Mercantile Company, the United States Post Office, and the Cottonwood Herald newspaper plant. Two large fires in 1904 and 1909 destroyed several more establishments in the business district.

A Volunteer Fire Department was formed in 1931, followed five years later by the establishment of the current special district, Cottonwood Fire Protection District (CFPD). The District is charged with providing fire protection and life safety services to the community of Cottonwood and adjacent areas of Shasta County. The District serves a population of approximately 3,000 residents and covers an area of roughly thirty-six square miles, reaching from Moonbeam Lane at the west to Coleman Fish Hatchery at the east, and Lone Tree Road at the north to the Shasta/Tehama County line at the south. Additionally, the District responds to traffic accidents within the District and along the I-

5 corridor through Cottonwood; and has a mutual assistance agreement with Tehama County covering the northern-most areas of Tehama County adjacent to the CFPD.

Currently, CFPD has two paid fulltime employees (a Chief and Captain), one authorized but unfilled officer position, and 13 volunteer firefighters. The Cottonwood station is manned by the Chief and Captain, on a rotational basis 24 hours a day, 7 days a week. The five Directors of the CFPD Board serve four-year terms, and meet monthly. Interested persons are invited to attend and participate in the meetings.

The District depends on property taxes as its principal source of revenue. In addition, some parcels are assessed an annual fee of \$30 (mostly those in the older sections of the District). Wages for paid employees of the district come from property tax revenues and private donations. Parcel fees and grants are used for equipment purchases. CFPD owns four fire engines, including a still-active 1951 International pumper. The District has a water-tender and a rescue unit. A new Type II/III engine (capable of handling wildland as well as structure fires) has been ordered for delivery in the spring of 2005.

CFPD responds to over 800 requests for emergency services each year (57% emergency medical calls, 19% fire, 11% traffic collision/accident, 5% public assist, 3% hazardous materials, 3% false alarms, and 2% other).

METHOD OF INQUIRY:

The Grand Jury reviewed the following documents:

- District policies, procedures and memoranda
- 1997, 1998 and 1999 General Purpose Financial Statements (combined)

- 2000 and 2001 General Purpose Financial Statements (combined)
- 2004/2005 Budget
- Historical account by Dottie Smith, a local historian
- Local newspaper articles

The Grand Jury conducted the following interviews:

- Fire Chief
- Chairman of the Board of Directors
- Two Volunteer Firefighters
- Shasta County Fire Marshal

The Grand Jury attended Board meetings held on 9/13/04 and 12/2/04 and toured the fire station in February 2005.

FINDINGS:

1. The CFPD has undergone several changes in leadership style over the past several decades. At times, morale has waxed and waned due to the use of 'good ole boy' special arrangements. Currently, high morale is recognized as necessary for good firefighting cooperation and maintaining sufficient personnel. The present administration stresses efficiency and teamwork; it strives to ensure fair treatment for all, and values open and honest communication at all levels.
2. The Chief and Captain are responsible for all the District's administrative and operational duties. These two perform overall administration, operations, training, and fire prevention duties. Combined with the everyday emergency response

workload, the ability to maintain the attention necessary to every area of responsibility is compromised.

3. Past administrations failed to maintain appropriate recordkeeping and seek annual financial audits. CFPD is now committed to correcting the gaps in accounting documentation. The Board has recently mandated that annual audits be performed and has contracted with a Certified Public Accountant. Lack of a clerical employee in the CFPD contributes to the poor record keeping and associated financial accountability.
4. The District's policies and procedures material, as presented to the Grand Jury, is a compilation of disorganized documents. Much of the material consists of handwritten memoranda from prior chiefs dating back more than fifteen years. A person seeking information regarding a particular policy or procedure would find it difficult to locate, and if located, confusing as to its current relevance.
5. Lack of public interest, coupled with the cost of holding elections for unopposed candidates, has resulted in Board membership turnover without election. Board members have been appointed, not elected, for the last seventeen years.
6. The CFPD's operating budget as presented to the Grand Jury, for the fiscal year July 1, 2004, to June 30, 2005, is \$408,780. Revenues are anticipated at \$393,175, plus a transfer of \$15,605 from the Capital Projects Fund. A FEMA (Federal Emergency Management Agency) grant of \$201,600 was secured for the new fire engine. Without the transfer from the Capital Projects Fund, CFPD would have a deficit for the year. Revenues since 1997 have risen roughly fifteen percent, which has not kept

pace with rising costs. The District annexed an additional 15 square miles in 1998, which brought increased responsibility but did not help the financial situation.

7. The Board of Directors meets with the CFPD Volunteer Association monthly for a round table discussion of plans and needs. Beyond that, there is little, if any, formalized planning for the District. Lack of a formal strategic plan, coupled with the needs of an increasing population and changing demographics, threatens CFPD's ability to remain viable long-term. CFPD is exposed in several areas:

- a. Restricted tax revenues – tax rate and overall funding sources
- b. Expanding population without increased revenue to cover growing responsibilities
- c. A large, sometimes remote, and diverse geographical area
- d. Aging apparatus, inadequate facilities, and out-dated equipment
- e. Lack of community knowledge of fire district operations resulting in weak community support
- f. A fluctuating volunteer pool – not unique to CFPD are the mounting challenges to recruiting and retaining volunteers due to ever-increasing regulations and legal standards

8. CFPD lacks a formal capital improvement plan, leaving the district exposed in two areas:

- a. Apparatus – The equipment owned by CFPD consists of structural and wildland firefighting apparatus as well as an emergency medical response vehicle. After delivery of the new Type II/III fire engine, three of the four

engines will still be older than 25 years. The normal life expectancy of active fire engines is less than 25 years.

- b. Facilities – CFPD needs a new fire station. In addition to having too few bays, the floor has been raised to mitigate flooding problems, thereby leaving the ceiling too low to accommodate the height of newer apparatus. There is a separate garage behind the station that houses the water tender and the oldest engine. The new engine will take one of those spaces, and the oldest engine will be parked outdoors. CFPD owns a parcel of land on the southeast corner of Brush and Fourth streets in Cottonwood, but lacks sufficient funds needed to construct a new station.
9. Community awareness of the District's operations and needs is poor, and therefore support is not adequate. By contrast, the Cottonwood Beautification Committee and community volunteers have recently raised significant funds for a series of life-size cowboy sculptures along Main Street, clearly demonstrating that public support can be marshaled for well-presented and well-communicated initiatives.

RECOMMENDATIONS:

1. The CFPD should make it a priority to find at least part-time clerical personnel, whether paid or volunteer. This would help mitigate the poor recordkeeping and general lack of organization found by the Grand Jury. More importantly, it would allow time for the Chief and Captain to focus on CFPD's emergency response responsibilities while addressing matters discussed in recommendations 2, 3, and 4.

2. Effective policies and procedures are needed to comply with legal mandates and to promote good practice generally. It is not enough to just have policies and procedures. "Effective" means well-defined policies (statements that provide managerial guidance) and procedures (operational reflections of those policies), that are written, well-organized, crystal-clear, and well-communicated. CFPD should begin the process of developing and writing its policies and procedures and set a date by which they will be completed.
3. Board elections are prescribed by state law and CFPD's by-laws. The Grand Jury finds that elections are preferable to appointments to ensure that the Board does not stagnate and become ineffective. Simply posting the required legal notices when a board seat becomes vacant is insufficient. CFPD should take steps necessary to generate publicity and enthusiasm for Board service.
4. A formal strategic planning process should be created and then implemented. A planning team should be established and team members should be drawn from local business people, District Board members, fire personnel, and especially, residents. A strategic plan would review all areas and issues necessary to set the future direction of CFPD. The results can be formulated into a clear vision, with mission and value statements, that would be a guide for many years. This collaborative effort would greatly improve CFPD's relationships and communications with the business community and residents. Public support for funding initiatives necessary to execute the plan would follow.

RESPONSES REQUIRED:

The CFPD governing board as to all recommendations

RECOGNITION:

It is admirable that CFPD has provided protection to the Cottonwood community for almost 70 years with volunteers and meager budgets.

Board of Directors:
Chairman,
Arthur W. Parham Jr.

Board Members:
Carrolyn Barlow
Helen Wooten
Michael Plank
Larry Brower

Fire Chief:
Randall G. Armstrong

Cottonwood Fire Protection District

P.O. Box 618

3271 Brush Street

Cottonwood, CA 96022

Business (530) 347-4737

Fax (530) 347-4771

FILED

OCT 17 2005

CATHY DARLING, COUNTY CLERK
BY: *C. Ashcraft*
DEPUTY CLERK

September 20, 2005

The Honorable William Gallagher, Presiding Judge
Shasta County Superior Court
1500 Court Street
Redding, CA 96001

Dear Judge Gallagher:

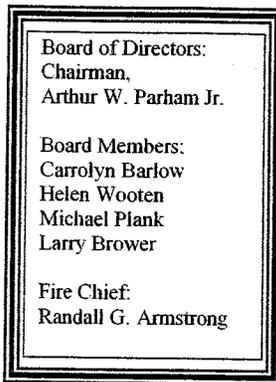
After a thorough review and collective study of the findings of the Shasta County Grand Jury, our board and staff both agree and disagree with the final evaluation of our Districts' business affairs.

In this, our response, we will try to address the four (4) issues in question as presented by the Grand Jury. First, however, we feel that by presenting our adopted business philosophy and operational plans, we can give an in depth picture of the District and its goals.

Approximately twelve (12) years ago, our Board recognized the need for change in order to advance the Cottonwood Fire Protection District into the 21st century. It is human nature to resist change and we were hobbled by decades old paradigms. Barriers were identified and solutions presented. Next it was determined that if one wasn't willing to be part of the solution, then they may be part of the problem and we had moved into our problem solving mode. We still operate in this mode today.

Lower than average incoming revenues were major barriers keeping the Department from moving forward. It became one of our goals to seek out and develop alternate sources of income.

To date, we have done so and this has allowed the Department to move ahead at an impressive pace given our past budget constraints.



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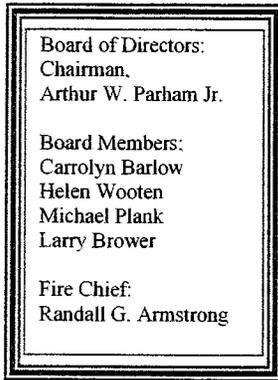
Now, as to the first recommendation, the Board and staff totally agree with the finding that the Department would greatly benefit by having clerical help to assist the Chief. This would help Chief Armstrong such that he could better concentrate on operational duties and responsibilities. We will elaborate more on this issue in the fourth recommendation.

As is stated in the second recommendation, much of our policy and procedures are fragmented and in some cases vague. Our Department agrees that we can upgrade and update the documents from a Mission Statement through Operational Policy and Procedures by no later than February of 2006.

Our Department agrees that elections are preferable to appointments, however, unless there are issues that adversely affect members of the community; people aren't interested in serving in a public position for no monetary compensation. Due to the budget constraints over the years, our Board members have elected to remain non-paid, this savings being directed toward Department operations. This year, our Department announced the three (3) Board openings up for election in the Record Searchlight, Valley Post, and with flyers posted in numerous locations within the District. Only one (1) challenger signed up to run for a position on our Board, that individual is a volunteer firefighter with the Department. There will be an election this year.

The major issue faced by this Department has been lower property tax revenues coming to the District, with Proposition 13 and Proposition 218 greatly hindering our ability to raise these to parity with other fire districts in Shasta County. With this, our administration has undertaken an aggressive move to generate revenue from other sources. In 1992, we implemented a parcel assessment fee inside the District which generated approximately \$42,000 additional dollars the first year.

Next we annexed 15,000 acres to our East since many of these residents already felt that they were part of this District, this has helped with incoming revenues. This past year, we implemented a Building Impact fee for any new construction within District boundaries.



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As is evidenced, our main focus for the past five years has been to generate additional, permanently sustained revenues to add to our property tax income, the projects worded such that the income may be used for wages and benefits, equipment, training and Facilities. All of these projects being implemented to assist this Board and staff to formulate a long term capitol improvement strategy.

It has been this administrations goal to return to a compliment of three (3) full time employees. By hiring the 3rd employee, this will reduce the operational burdens on the Chief and free up time for more administrative duties. Based on our recent review of the 2005/06 operating budget, this will strongly be considered to occur this fiscal year. The District is currently researching another project that will generate additionally sustained revenues such that part time clerical could follow as well.

During the past five (5) years, the District has obtained a 1.25 acre parcel in the Eastern portion of the District to be the site for a substation; purchased a 1.6 acre parcel (\$57,750) at the corner of Fourth and Brush Street for the new main station, the location being more centrally located to the projected District growth; purchased a new 3,200 gallon water tender (\$110,000); purchased a new type II/III fire engine (224,500); paid off several long standing debts; brought current all department auditing; updated and upgraded all personal protective equipment for our fire personnel, all the above being purchased with Department income as well as federal, State and local grants. At present the Department is debt free.

The next priority for this administration is the construction of the new main station. A recently announced growth project in the North West corner of our District may dictate the construction of a substation on Rhonda Road in the very near future. Any and all projects undertaken for the past five (5) years are directed at our I.S.O. (Insurance Service Organization) rating such that we can retest the District and possibly improve our present rating, there by providing a reduction in home owner insurance rates for the community.

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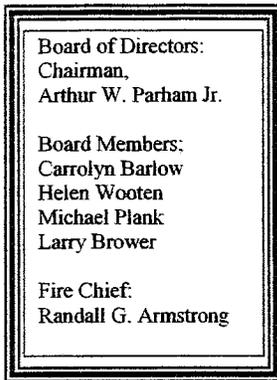
Our Board recently met again with all members of the Department for a brainstorming session to compile a list of present and future needs for the Department and community. From this list, we intend to formulate our next ten (10) year plan the last ten year plan had twenty-one (21) items, twenty (20) have been completed with the remaining item being the new main fire station.

In reference to our long term strategic planning, the new main station is to not only house the Fire Department, but it will have provision for an office for a Shasta County Sheriff sub-station, the Citizens Patrol, and possibly an office to house an ambulance company.

At this point, we understand that the community needs to be involved and this administration will be advertising our approach to this project.

This administration solicits and welcomes input from interested parties. One of the topics we have tried to address for several years is how to better project the fire department to the people of our District. Members have submitted articles to the Valley Post and Record Searchlight describing the operation of this fire department, our volunteer status and the need to increase the size of this group, our budget constraints, and projections for future growth. We regularly conduct training in high profile areas of the district, invite the Cottonwood School classes to visit the department, take the equipment and apparatus to the schools for demonstrations, as well as participate in almost all community functions in the district.

In my ten years of service on this Board, the members of this department, the Board, paid staff, and volunteers have proven to be the most proactive, progressive group I've had the honor to serve with. Our Directors are individual thinkers who voice their opinions openly with one purpose, to better serve the people of this District who own the District.



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This Board agrees that there is always room for improvement and we constantly strive to accomplish this. We appreciate and thank the Grand Jury for their Department review as we consider this as constructive criticism.

As is our policy, we invite the public as well as any member(s) of the Grand Jury to attend and participate in our meetings of the Board of Directors of the Cottonwood fire Protection District.

Respectfully submitted,



Arthur Parham Jr., Chairman
Board of Directors
Cottonwood Fire Protection District

Cc: Shasta County Supervisors
ATTN: Trish Clarke, Supervisor District 5

Shasta County Grand Jury
ATTN: Harry T. Tully, Foreperson

SAFETY FIRST

Burney Fire Protection District
37072 Main St.
Burney, CA 96013
(530) 335-2212

REASON FOR INQUIRY:

Section 933.5 of the California Penal Code authorizes a Grand Jury to examine the books and records of any special district located wholly or partly within the county and investigate and report upon the method or system of performing its duties. The Shasta County Grand Jury (SCGJ) investigated a complaint regarding some of Burney Fire Protection District's practices and procedures.

BACKGROUND:

The Burney Fire Protection District (BFPD) was formally organized in 1927 to provide fire protection and other ancillary services. In 1939 it began ambulance services. The BFPD charges fees for ambulance services to recipients of those services. The services provided by the BFPD for fire protection and ancillary services are primarily funded by property tax assessments. The District has as paid employees, one full-time chief, two part-time secretaries and two part-time fire fighters. In addition, there are 20 paid volunteers of which 12 are emergency medical technicians or paramedics. The BFPD operates Station #17 in Burney (staffed daily) and Station #18 in Johnson Park (staffed only part time). The area covered in eastern Shasta County is 35 square miles for fire protection and 1,600 square miles for ambulance services.

In the Johnson Park area of the BFPD, the California Department of Forestry and Fire Protection (CDF) operates Station #14 which is staffed 24 hours a day, seven days per

In the Johnson Park area of the BFPD, the California Department of Forestry and Fire Protection (CDF) operates Station #14 which is staffed 24 hours a day, seven days per week during fire season (usually June through October). In addition to fire suppression, CDF personnel are qualified and equipped to handle all types of emergencies. CDF Station #14, when staffed, is occasionally unavailable for emergency responses because of other demands. With the exception of the cities of Anderson and Redding, CDF dispatches all fire and emergency services throughout Shasta County.

METHOD OF INQUIRY:

The SCGJ attended a BFPD board meeting on September 15, 2004. Additionally, the following documents were collected and reviewed:

- Agendas and minutes of the April 14 through September 15, 2004, Board of Commissioners' meetings
- Agreement between County Service Area No.1 (CSA #1) and the BFPD dated July 28, 1998
- 2004 Annual Operating Plan between California Department of Forestry and Fire Protection (CDF) and the BFPD
- Audits of the BFPD for fiscal years 2002/2003 and 2003/2004
- Budget for fiscal year 2004/2005
- The BFPD's Board of Commissioners Policy Manual adopted August 8, 2001
- Section 13916 a-f of the California Health and Safety Code
- CDF dispatch logs dated June 1 through October 31, 2004

- Eight e-mails between CDF and representatives of the BFPD dating from April 19, 2004 to September 1, 2004
- Ordinance BFPD 2004-01
- Record Searchlight article dated September 27, 2004
- Copies of Explanation of Benefits (EOBs) from Medicare and a private health insurance carrier
- Copy of a pre-hospitalization ambulance form

The SCGJ interviewed the following persons:

- The BFPD Fire Chief
- A member of the BFPD Board of Commissioners
- The fire chief of another local fire protection district
- Three CDF officials
- Two residents within the BFPD
- An accountant working on the BFPD audit

FINDINGS:

1. A properly noticed ambulance fee increase ordinance (BFPD 2004-01) was introduced at the August 11, 2004, Commissioners' meeting. California Health and Safety Code #13916 dictates that fee increases can only be made to cover increased costs. At the meeting the BFPD's Fire Chief stated that fee increases were necessary because of rising fuel and worker's compensation insurance costs. In fact, worker's compensation costs were reduced because BFPD became self-insured. Therefore, fee increases that

were adopted were not supported by the prescribed requirement. The one study done to justify the ambulance fee increase was a fee comparison with other ambulance service providers both in and out of the County.

At the same August 11, 2004 Commissioners' meeting, the billing agency for the BFPD also recommended raising ambulance rates to increase payments from both Medicare and Medi-Cal. The billing agency benefits from any fee increase since it is compensated on a percentage of collections.

As reported in the BFPD audits, actual ambulance expenses did not reflect all costs. According to the Fire Chief, expenses, such as his salary, are not pro-rated between fire protection and ambulance services. The ambulance service is a separate entity from fire protection since it is supported by its fee collections and grants, not taxes. The Board of Commissioners received a letter dated January 28, 2004, from its auditor stating that the ambulance service is a proprietary one, *i.e.*, a separate cost center. The auditor recommended fire protection and ambulance expenses and income be reported separately. This has not been done. Consequently, the annual audit figures do not accurately reflect the allocation of costs between fire protection and ambulance service. Before the ambulance fee increase, as reported to the BFPD Board of Commissioners, the projected ambulance fee net income for FY 2004/2005 was \$59,000. Without clarification, this profit is in violation of CaH&S Code #13916 because it far exceeds costs as

currently identified. The BFPD Fire Chief stated that BFPD has neglected to charge for and recover costs for some medical supplies and other expenses. Nonetheless, BFPD Ordinance #04-01 was passed at the September 15, 2004 Commissioners' meeting.

2. The BFPD has, via e-mail dated April 19, 2004, and later, demanded that CDF not respond to any fire or medical emergencies within BFPD boundaries, even when CDF is closer and may respond more quickly. However, CDF is mandated by law to respond to any wildland fire on private property. The BFPD Fire Chief informed the SCGJ that he is unconcerned about any liability resulting from the above. Assuming there is no liability, it is still in the public's best interest to have CDF also respond to calls in the BFPD because they often can respond quicker.
3. The Grand Jury found that on at least one occasion, BFPD's ambulance service billed Medicare and a private insurance carrier for services not rendered and medical supplies not utilized.

RECOMMENDATIONS:

1. The BFPD should accurately and completely allocate expenses to the ambulance and fire protection activities. All billable charges should be reevaluated to increase revenue before increasing fees.
2. The BFPD should follow section 13916 of the California Health and Safety Code and document all cost increases used to justify the 2004 raise in ambulance fees. If this cannot be done, BFPD Ordinance 04-01 should be repealed.

3. A "closest responder" memorandum of understanding between BFPD and CDF should be established for when the CDF Station (Station #14) is staffed. Because the citizens of California (including residents of the BFPD) support CDF through tax dollars, they should not be denied a service when available. Any other policy ill serves the people in the District. As part of this policy, CDF should notify BFPD when CDF is unavailable to respond.

RESPONSES REQUIRED:

1. The BFPD Board of Commissioners as to all of the Recommendations



BURNEY FIRE PROTECTION DISTRICT

Established 1939

June 29, 2005

The Honorable William Gallagher, Presiding Judge
Shasta County Superior Court
Shasta County Courthouse, Room 205
1500 Court Street
Redding, CA 96001

Honorable Gallagher:

The Burney Fire Protection District (BFPD) welcomes the opportunity to respond to the comments in the 2004/2005 Grand Jury Report.

The District disagrees wholly with the findings and will respond per Penal Code Section 933.5 (a)(2). Also, as to Penal Code Section 933 (b)(4), the recommendations of the Grand Jury are not warranted based on the facts. The Grand Jury Report will be responded to by the Report Headings which will address Penal Code Section 933 (a)(b)(4).

Background

This Grand Jury begins its report with several inaccuracies. The BFPD was formally organized in 1939 not in 1927 as the report states. The District purchased its first ambulance in 1948, not 1939. The services provided by the District are all funded by property taxes and not by property tax assessments. The District does not have special assessments to support the District. The District operates Station 17 in downtown Burney, and just last year, started staffing Station 18 in Johnson Park during seasonal periods. This station was basically sitting idle and used as a garage and storage facility for many years. Only under the current Fire Chief and board has any attempt been made to utilize this station for which it was intended.

The Johnson Park California Department of Forestry (CDF) station is a seasonal station, staffed for the primary purpose of wildland fires throughout the State of California. The station cannot be depended upon for primary responses as they are assigned to wildland incidents throughout California, not occasionally, but on a regular basis. CDF does not dispatch all Emergency Services in Shasta County. SHASCOM dispatches law enforcement. The Anderson Fire District is dispatched by CDF, as are all the fire districts in the county via a county contract. The City of Anderson has its own police dispatch center.

FILED

JUL 18 2005

CATHY DARLING, COUNTY CLERK
BY *C. Ashcraft*
DEPUTY CLERK

RECEIVED

JUL - 5 2005

CLERK OF THE SHASTA COUNTY
SUPERIOR COURT - CIVIL DIVISION

June 30, 2005

The Honorable William Gallager, Presiding Judge

Page 2

Method of Inquiry - Findings, Ambulance Fee Increase

Item 1

California Health and Safety Code 13916(a) states "a District Board may charge a fee to cover the cost of any service which the District provides or the cost of enforcing any regulation for which the fee is charged. No fee shall exceed the cost reasonably borne by the District in providing the service or enforcing the regulation for which a fee is charged."

The ambulance fees were last increased in 1987, 1989 twice and 1990 under Chief Ron Nelson. At that time no public hearings were conducted according to the district minutes.

The current fees were adopted by the prescribed requirement, as defined by Health and Safety Code 13916. The reasons for the rate increase were more than those outlined in the Grand Jury report. Fee comparisons were done with private and public ambulance providers in Shasta County and Northern California. The Grand Jury statement that "the fee increases that were adopted were not supported by the prescribed requirement" is an unfounded statement. The Grand Jury, in its report on Anderson-Cottonwood Irrigation District, Findings Number 6 allow that agency to use comparative analysis with other districts to support the District's per-irrigated area feet of water. Is there a standard all districts should follow?

The BFPD fee comparison showed BFPD below those agencies providing the same service. The ambulance is an integrated part of the Fire District's service delivery. Eighty six percent of the District's activity is EMS related. Total cost allocation for the ambulance service reflects a deficit. The Grand Jury failed to account for the rising costs in service, supplies, fuel, write offs, depreciation costs, bad debt and insurance adjustments.

The audit letter of January 28, 2004, includes recommendations by the District's independent auditors. The recommendations made by the auditors are just that, recommendations that are not required to be adopted. The audit does reflect the District's position as stable and functioning very well.

Where the projected income of \$59,000 for fiscal year 2004-05 came from is a mystery to us. It is assumed a local citizen who had used incorrect figures before provided this information to the Grand Jury. It appears that the Grand Jury relied on this figure without proper documentation. The Grand Jury is using the citizen's words to assert the District made a profit. If that were the case, the District would have had capital reserves set aside for a replacement ambulance and equipment. Also, local governments do not show profits, they have fund balances at the end of each year. The fund balances can be either positive or negative depending on revenues and expenses. They have nothing to do with rate adjustments.

With no fee increases in over 15 years, the accusation that the fee increase is unjustified and the ambulance billing company is only interested in increasing their share of income ignores the

facts of the fee increase. The billing service is only paid 10% on amounts collected which is a bargain for the taxpayer.

The opinion of the Grand Jury that the annual audit does not allocate costs between fire and ambulance would tend to confuse an uninformed reader. Just because the auditor makes a recommendation does not mean the District has to necessarily follow that advice. The Board discussed continuing the split of the ambulance and fire expenses but had found by experience that it is unwieldy and extremely difficult to do. After working with the budget, they decided to return to the earlier method of integrated accounts. This was only done after considerable thought, advice and discussion.

Is the Grand Jury criticizing the BFPD for discovering and implementing a cost savings for Workers' Compensation? Other costs beyond our control escalated. Fuel costs alone have skyrocketed. The cost of supplies, personnel, insurance, and everything else associated with making an ambulance move has increased since 1990.

The ambulance fees do not exceed the costs as stated in the report. The District has complied with Health and Safety Code 13916 and the ambulance fee increase was justified. Because the Ordinance is in compliance with State law, there is no need to repeal it.

Item 2

Health and Safety Code Section 13862 defines the power to provide District services:

- (a) Fire Protection Services
- (b) Rescue Services
- (c) Emergency Medical Services
- (d) Hazardous Materials Emergency Response
- (e) Ambulance Services
- (f) Any other service relating to the protection of lives and property

Health and Safety Code Section 13863 (a) "a District *may* enter into mutual aid agreements with Federal or State agencies, any city, county, city and county, special district, or Federally recognized Indian tribe." The District is not mandated to enter into any agreement unless they choose to do so. The Grand Jury statement that the District "demanded" CDF not respond to any fire or medical emergencies is false.

The e-mail of April 19, 2004, advised CDF "Please let the dispatchers know that daily 08:00-17:00, Monday-Friday the first out engine is staffed and will be responding to all calls in Burney which includes medical aids. This will also include Johnson Park, which means station 14 will no longer need to respond to the calls they have been in the past when staffed during fire season. To help, the dispatchers can change the dispatch from Burney ambulance or EMT's and duty

June 30, 2005

The Honorable William Gallager, Presiding Judge

Page 4

officer to ambulance and engine 17 or something we can agree upon as to not increase workload. Please let me know. The duty officer will still respond first out at night and on weekends/holidays. The duty officer will respond to major events i.e., TC's, fires, major medicals, etc, as they have in the past." The District has established a standard level of service year round and not the multi-level of service provided by CDF and Shasta County Fire Department, which could create liability for those agencies.

In fact, a meeting occurred between CDF and District personnel to work out any concerns in the transition. The Grand Jury used the information out of context. CDF along with any other agency would be used as mutual aid. The Grand Jury was also fully aware that District staff and Commissioners met with Chief McLean and Mark Romero of CDF. The District is meeting its obligation to serve the residents of BFPD under the law. Perhaps, the Grand Jury should investigate why the Shasta County Board of Supervisors does not allocate Proposition 172 funds to the various Fire Districts. Then, the District could staff its stations and make capital improvements appropriate to residents needs.

It is not the State's responsibility to overshadow the local Fire District. The District provides the same level of service year round. The District is not going to disrupt its operation for an agency that is staffed 5 months a year. It is impossible for the for the BFPD to schedule staffing around an outside agency's unknown status. CDF does not use the closest responder to incidents. They will send State fire engines past other staffed fire departments because it's their policy to use State resources. The same holds true for the BFPD; we send Burney resources to Burney incidents. There is no justification for the unilateral determination on the part of the Grand Jury that CDF is quicker in responses. While CDF is professing that the BFPD unilaterally use CDF in Johnson Park as a closest responder, they on the other hand, will dispatch personnel from their Ditty Wells station, which is near Bella Vista on 299E, to calls in Cassel and Hat Creek without requesting BFPD to respond as a closer responder.

Item 3

In response to the Grand Jury's statement, that they found at least one occasion where the insurance was billed for services not rendered and supplies not utilized is a misstatement of the facts. The District was never informed, nor did we receive any complaints of the incident. Only when a member of the Grand Jury contacted the District's billing service were we informed of an error in billing. This was explained to Chris Veal of the Grand Jury in a letter dated April 29, 2005. The Grand Jury failed to state the full facts of the situation. After the District was made aware of the billing error, which was inadvertently made by our billing service, a complete adjustment was made and a letter sent to the patient and the Grand Jury.

June 30, 2005

The Honorable William Gallager, Presiding Judge

Page 5

The fact that a Shasta County Fire Department volunteer from Lake Head, who is managed by CDF, was a member of this Grand Jury and was an active participant in this investigation of BFPD intimates a bias.

Conclusions:

1. The District does use CDF on a mutual aid basis. CDF does respond to fires during wildland season within the District. The Grand Jury was told that the problem BFPD was having with CDF dealt with their dispatch policy. When Station 14 was manned (only 5 months a year) they were dispatching CDF calls in the BFPD without notifying the Burney Fire Chief of situations in our own district. This cannot be allowed. CDF does not have the responsibility in the boundaries of the BFPD, we do. We did sit down with CDF and discuss the problem which dealt mainly with the method of dispatch. We have noticed a definite improvement in that area. The first responder within the BFPD is Station 17. They will assess the situation and call in assistance when it is needed. The Grand Jury is not correct when they say the taxpayer is being denied a service when the State does not respond. The taxpayer (including the taxpayer in the BFPD) should not have to pay for a duplication of services when it is not necessary.
2. The Grand Jury did not explain where they came up with the \$59,000 profit figure; they made no attempt to discuss this with our staff or Board finance committee. We have made every attempt to determine where this "profit" figure came from without success.
3. The billing error statement was simply not necessary, as the Grand Jury knew this was an error on the part of our billing service and the error had already been corrected.

The BFPD has made great strides the past couple of years and we are very proud of our accomplishments. The professionalism of our Department and our Fire Chief should be commended. We welcome another investigation.

Sincerely,



Donna Caldwell
Board President
BFPD

WATER, WATER EVERYWHERE

Anderson-Cottonwood Irrigation District
2810 Silver Street
Anderson, CA 96007
530-365-7329

REASON FOR INQUIRY:

California Penal Code Section 933.5 empowers the Grand Jury to investigate and report on the operations of any special purpose district in the county. The Grand Jury received two citizens' complaints regarding Anderson-Cottonwood Irrigation District (A.C.I.D.).

BACKGROUND:

A.C.I.D. was formed in 1914 to provide irrigation water to farms in the district. The District operates under the authority of Division 11 of the California Water Code. The area served extends from the A.C.I.D. diversion dam facility on the Sacramento River near Caldwell Park in Redding, south into the northern edge of Tehama County; a second pumping facility is located on the river at South Bonnyview Road. From April through October, the District provides water to 885 paying customers, irrigating approximately 7,000 acres via two canal systems. It is estimated that an additional 6,600 acres benefit from canal seepage although no fees are paid.

The District operates under contract with the United States Bureau of Reclamation (USBR) to receive water stored behind Shasta Dam for use during drier months. Beginning in 2002, A.C.I.D. and the USBR began renegotiating the terms of their 40-year contract initiated in 1964. Customers of the District (subscribers) expressed concern that information affecting future water usage was being kept secret, as

negotiations were held during closed-door sessions of the Board of Directors. An informational meeting was held August 31, 2004, to present facts supporting the proposed contract. To better understand the contractual changes, it is necessary to review certain definitions. USBR considers two categories of appropriated water for contract purposes:

1) Base Supply (non-Central Valley Project Water) - water that would be available for appropriation from the Sacramento River if Shasta Dam did not exist. This water may be diverted by A.C.I.D. during the months of April through October without payment to the USBR, and

2) Project Water - water that is stored behind Shasta Dam for which fees are charged to A.C.I.D. by the USBR.

Under the 1964 contract, A.C.I.D. diverted Sacramento River water from a claimed Base Supply of 165,000 acre-feet/year, but was obligated to pay for an additional 10,000 acre-feet of Project Water annually. An acre-foot is the volume of irrigation water that would cover one acre to a depth of one foot (325,900 gallons). The new contract specifies that the USBR will buy back 3,000 acre-feet of Project Water at \$700.00 per acre-foot.

Therefore, A.C.I.D. is obligated to pay 75% of the cost of storage and maintenance for 7,000 acre-feet rather than 100% of 10,000 acre-feet as in the past. A.C.I.D. can offset this fee by selling water to other districts. Additionally, under the proposed contract the Base Supply is reduced to 121,000 acre-feet.

Many subscribers believe that they (or the District) have riparian rights and/or uncontested rights to Sacramento River water, and therefore, a contract with USBR may not be necessary. It should be noted that California operates under a dual or hybrid

system of water rights which recognizes the doctrines of both riparian rights and appropriative rights. Riparian rights refer to the usage of water which flows past an owner's land, for example, the Sacramento River. Riparian water cannot be diverted for use upon non-riparian land. By contrast, the appropriation doctrine recognizes that one (such as a water district) who actually diverts and uses water has the right to do so, provided the water is used for reasonable and beneficial uses. Further, appropriation of water does not permit reservation of water for future needs. Therefore, A.C.I.D., under an appropriative right claimed prior to the enactment of the California Water Commission Act of 12/19/14, diverts and delivers, but does not store Sacramento River water. This appropriative right has never been adjudicated (tested in court). One factor influencing the District's decision to enter into a new contract with USBR was concern that some exposure to a challenge regarding this historical right may exist. An appropriative right can be maintained only by continuous beneficial use of water. Regardless of the amount claimed in the original notice of appropriation or at the time diversion and use first began, the amount which can now be claimed under an appropriative right prior to the 1914 Act, is fixed by actual beneficial use as to both historical amount and season of diversion. An analysis of water usage throughout the District during the past 40 years contributed to the new contract terms. University of California at Davis was involved in performing this water needs analysis in 2003. Significant findings include the District's reduction from 23,000 acres of irrigated crop land to 13,900 acres. Land usage has steadily moved from ranching and agriculture to subdivisions, schools, and community enterprises which do not require irrigation. Prior to 1989, water diversion by the District averaged 150,000 acre-feet per year. From 1989 through 2002, diversions averaged 118,000 acre-feet per

year (calculations excluded 1993, an exceptionally wet year). Therefore, the reduction of Base Supply water from 165,000 acre-feet to 121,000 acre-feet conforms to actual usage as required to maintain appropriative rights.

The A.C.I.D. delivery system has inherent flaws, such as earthen-lined canals subject to significant seepage. A substantial amount of "lost" water returns to the Sacramento River and benefits the local water table. In addition, seepage irrigates parcels owned by non-subscribers who have no control over the amounts or times of water flow. Loss of water from the system necessitates the diversion of larger amounts from the river to fulfill irrigation needs than is required of more efficient systems, such as those in other counties. However, lining the canals would be a prohibitive undertaking both financially and operationally. Budgetary concerns are further strained by the increasing loss of subscribers over the years and a reduction of property tax revenue. The new USBR contract specifies that A.C.I.D. will pay \$24.43/acre-foot, adjusted annually, while the rate in the past was fixed at \$2.00/acre-foot. Of that new amount, \$6.00/acre-foot will be credited toward reducing a debt in the amount of \$820,960, which has accumulated since the 1980's when A.C.I.D.'s payment for stored Project Water did not cover actual expenses incurred by USBR for the operation of Shasta Dam.

Grand Jury reports issued in 1994/1995 and 1996/1997 describe a poor relationship between A.C.I.D. and its subscribers. Some subscribers continue to claim that the District makes little effort to allay their concerns or to solve problems associated with water delivery to particular parcels. In addition, complaints have been made that board meetings have not followed recognized parliamentary procedure and violations of the Ralph M. Brown Act (Brown Act) may have occurred.

METHOD OF INQUIRY:

The Grand Jury reviewed the following documents:

- Rules and Regulations Governing the Distribution of Water in the Anderson-Cottonwood Irrigation District
- Civil Code Sections 654-663
- Minutes of Board Meetings held 7/8/04 and 8/12/04
- A.C.I.D. Revised Water Needs Analysis Documentation dated June 6, 2003
- A.C.I.D. Staff Report for August 12, 2004 - Comparison of Existing Sacramento River Settlement Contract with Proposed Renewal Contract
- Contract No. 14-06-200-3346A-R1 (R.O. Draft 08/19-2004)
Between The United States and Anderson-Cottonwood Irrigation District
- Fiscal Year 2005 Budget
- Redding Basin Water Resources Management Plan, Phase 2C Report, dated August 2003
- The New Robert's Rules of Order, 1993, Edited by John Sherman, Article VII, Section 43 Decorum in Debate
- Brown Act Open Meeting Requirements (Government Code Sections 54950-5462), as of July 1, 2004
- 2004 Schedules of Water Rates of three local water districts
- Citizen Complaints
- Local newspaper articles

The Grand Jury conducted the following interviews:

- General Manager, A.C.I.D.
- President of the Board of Directors, A.C.I.D.
- Legal counsel for A.C.I.D.
- Two subscribers
- A retired certified parliamentarian

The Grand Jury attended one informational meeting regarding the proposed Bureau of Reclamation contract (8/31/04), four Board of Directors meetings (11/11/04, 12/9/04, 2/10/05, 3/10/05), and one Budget Workshop (12/9/04).

FINDINGS:

1. The importance of water, coupled with the complexity and obscurity of water law, has underscored the public's concern regarding A.C.I.D. The Grand Jury found that the most problematic matters were related to water rights, water contracts and possible violations of the Brown Act.

2. The diversion and delivery of water by A.C.I.D. is accomplished using a non-adjudicated appropriative right, not a riparian right. The contract with USBR strengthens the District's position against challenges to its appropriative right, as the arrangement enables A.C.I.D. to be part of a coalition of over 140 water districts that have joined with USBR for protection against protests by environmentalists.

3. The water needs analysis revised in 2003, confirmed that over the past 40 years, the District diverted a substantially lower amount of water than the claimed 165,000 acre-feet/year. Therefore, to comply with the requirement of appropriative right

regarding continuous beneficial use, a lowering of the claimed Base Supply was necessary and appropriate.

4. The Brown Act allows a governing board to meet in closed session for negotiations "... concerning the purchase, sale, exchange, or lease of real property." The courts have stated that by extension of California Civil Code Sections 654-663, rights to use water are "real property." Therefore, A.C.I.D. and USBR conducted their closed-session negotiations in compliance with the Brown Act.

5. The District has adjusted the hours and amounts of water delivery to better ensure continued compliance with water rights law as well as contractual arrangements. Long-time subscribers of A.C.I.D. who have used the flooding style of irrigation over the years, are finding these changes in water delivery difficult. Less water over shorter periods results in unsatisfactory saturation at outer-most sections. Some users, however, are considering and implementing water-saving methods of irrigating including the use of large sprinkler and drip systems.

6. The subscriber rate for water delivery to A.C.I.D. users at \$69.00 per irrigated acre is competitive with those charged by other districts. In spite of the significant increase in cost to the District for Project Water, rates have not been increased for subscribers. New this year is an alternative charge of \$10.00/acre-foot, available for those in the Churn Creek bottom area who wish to use drip or sprinkler irrigation systems monitored by a meter. This is a pilot program designed to give those with sandy soil an opportunity to irrigate in a manner anticipated to be more effective than flood irrigation.

7. Because of seepage from the canals, there are landowners benefiting from A.C.I.D. water who are not subscribers. In other cases, unwelcome water from flood irrigation overflows onto non-subscribers' property.

8. Relations between subscribers and the District, as well as the Board of Directors for A.C.I.D., have been contentious for many years. This discord has been observed by Grand Juries as far back as 1994. Although Grand Jury 2004/2005 observed that some effort is made to resolve issues, the District and its Board appear unwilling or unable to foster mutual cooperation with subscribers. Adding to the disharmony are lengthy delays in reaching solutions to complaints and failure to announce definitive decisions to act, or not act, upon requests. Some issues currently before the Board have been open items for months, with no solution evident in the near future.

9. The Grand Jury witnessed arguing between Board members and rudeness toward public attendees during Board meetings; some members of the public retaliated in kind. However, two of the five Board members maintained professional decorum throughout all proceedings. Although the public was allowed to speak prior to the start of the general business portion of the meetings attended by Grand Jury, public input was not encouraged during the consideration of agenda items and was usually denied prior to the Board voting on issues. During the February 2005 meeting, Counsel for the District instructed the Board regarding the portion of the Brown Act pertaining to public participation.

RECOMMENDATIONS:

1. The District and its Board should expediently and thoroughly research the facts surrounding subscribers' expressed concerns, and announce solutions and/or decisions at the earliest possible board meeting.

2. A.C.I.D. Board of Directors should review the Brown Act with regard to public participation. The public must be allowed to comment on agenda items as they are being considered prior to a vote; this is in addition to the Public Participation portion of the meeting reserved for discussion of non-agenda items.

3. All members of the Board of Directors should adopt and maintain a professional demeanor during public meetings. In addition, a review of the Decorum in Debate section of The New Robert's Rules of Order could be helpful in establishing Board debate protocol.

4. The District should publish via newsletter, billing insert, or website, explanations of issues about which subscribers express confusion. Such repeated education could result in less friction and time-consuming discussion during board meetings.

RESPONSES REQUIRED:

The Board of Directors of A.C.I.D. as to Recommendations 1-4

RECOGNITION:

The A.C.I.D. and its Board of Directors are to be commended for the thorough and diligent attention applied to the consideration of, and the ultimate renegotiation, of the contract with the United States Bureau of Reclamation.

Anderson-Cottonwood Irrigation District
2810 Silver Street - Anderson, California 96007
530-365-7329 Fax; 530-365-7623
e-mail: acidwater@sbcglobal.net

August 17, 2005

The Honorable William Gallagher, Presiding Judge
Shasta County Superior Court
Shasta County Courthouse, Room 205
1500 Court Street
Redding, California 96001

FILED

AUG 30 2005

CATHY DARLING, COUNTY CLERK
BY: *C. Albrecht*
DEPUTY CLERK

Dear Judge Gallagher:

Submitted herewith is the Anderson-Cottonwood Irrigation District's responses to the 2004-2005 Shasta Grand Jury Report (Final Report "Water, Water Everywhere"). That report listed four "recommendations" that the District should consider. As you will see from the enclosed responses, the District is already practicing or has considered the matters included in the recommendations.

I would be happy to meet with you and the Grand Jury Foreperson to review these matters in more detail if you so choose.

Sincerely,

Brenda Haynes
Brenda Haynes
Board President

*Anderson-Cottonwood Irrigation District
Board of Directors' Response to
Shasta County Grand Jury 2004 – 2005 Report*

Page 1 of 2

RECOMMENDATION

1. The District and its Board should expediently and thoroughly research the facts surrounding subscribers' expressed concerns, and announce solutions and/or decisions at the earliest possible board meeting.

DISTRICT RESPONSE

The District agrees with this finding, and the General Manager and Board members will make themselves more aware and familiar with District policies, State water law and Constitution.

RECOMMENDATION

2. A.C.I.D. Board of Directors should review the Brown Act with regard to public participation. The public must be allowed to comment on agenda items as they are being considered prior to a vote; this is in addition to the Public Participation portion of the meeting reserved for discussion of non-agenda items.

DISTRICT RESPONSE

This recommendation has been implemented, as each Board member has been provided with a copy of the Brown Act, and will make itself more familiar with open meeting laws along with comment periods during agenda items as well as the Public Participation portion of the meeting.

*Anderson-Cottonwood Irrigation District
Board of Directors' Response to
Shasta County Grand Jury 2004 – 2005 Report*

Page 2 of 2

RECOMMENDATION

3. All members of the Board of Directors should adopt and maintain a professional demeanor during public meetings. In addition, a review of the Decorum in Debate section of The New Robert's Rules of Order could be helpful in establishing Board debate protocol.

DISTRICT RESPONSE

This District agrees with this finding, and this recommendation has been implemented, as each Board member has been provided with a copy of **The New Robert's Rules of Order**.

RECOMMENDATION

4. The District should publish via newsletter, billing insert, or website, explanations of issues about which subscribers express confusion. Such repeated education could result in less friction and time-consuming discussion during board meetings.

DISTRICT RESPONSE

The District agrees with this finding. The District has, for several years, included a management letter in its annual application / agreement packet that is mailed to its customers each February. The District is developing a website, and will be adding additional information to it as time permits. The District will also consider the development of a newsletter.

WEST NILE VIRUS REACHES THE NORTHSTATE

Shasta Mosquito & Vector Control District
19200 Latona Road
Anderson, CA 96007
530-365-3768

REASON FOR INQUIRY:

California Penal Code Section 933.5 provides that the Grand Jury may investigate and report on the operations of any special district within the county. Of particular interest to the Grand Jury was Shasta Mosquito & Vector Control District's response to the arrival of West Nile Virus in Shasta County

BACKGROUND:

The organization of mosquito abatement districts was authorized by legislation in 1915 as part of the California Health and Safety Code. At that time, malaria transmitted by mosquitoes was a major health threat in the Redding, Anderson, Clear Creek and Cottonwood areas. Beginning in 1919, four separate abatement districts were formed to protect those areas. In the 1950's these districts were consolidated to become the Shasta Mosquito & Vector Control District (SMVCD). Over time, additional area was annexed, bringing the current total to approximately 387 square miles. Protection from mosquito-borne diseases in Shasta County is shared by SMVCD, Pine Grove Mosquito Abatement District in McArthur, and the Burney Basin Mosquito Abatement District (see map). Areas not included in the districts are mostly uninhabited; however, as population increases, residents can petition for annexation. Under the authority of the California Health & Safety Code, such districts have the right of access to any and all areas where there is standing water.

SMVCD is governed by a five-member Board of Trustees and financed by a combination of property taxes and assessment charges. A contract with Shasta County yields some funds to cover inquiries and services outside the annexed boundaries. Even though the most recent California state budget specifies lesser funding for local services, SMVCD received a two-year exemption from these reductions. In addition to these budgetary issues, the interpretation of a 2001 federal court decision requiring mosquito and vector control districts to acquire and comply with a National Pollutant Discharge Elimination System (NPDES) permit remains in question. The permit regulations, specifying extensive water-testing and monitoring procedures, would nearly double the District's budget requirements, if enforced. Alternatively, the U.S. Environmental Protection Agency has issued an opinion that mosquito control agencies using legally registered products for their intended purpose are exempt from acquiring the permit. The issue remains unresolved, however, due to a differing opinion held by the California State Water Resources Control Board. Both agencies have jurisdiction over SMVCD and other such districts. SMVCD, along with over 40 other California mosquito and vector control districts, has successfully negotiated less stringent terms for compliance, although additional clarification is anticipated.

West Nile Virus

SMVCD has been monitoring the spread of West Nile Virus (WNV) since 1999, when the disease was reported in New York City. Before that date, known cases were confined to Africa, West Asia, and the Middle East. WNV is a type of encephalitis (inflammation of the brain) which severely affects horses and certain types of birds. Humans are also susceptible, and although symptoms are often undetected or very mild, death can occur. Since its arrival in the United States, the virus has spread westward over the past five

years, finally reaching southern California in 2003. That year, cases were confirmed in wild birds, monitored chicken flocks (referred to as sentinel chickens), one horse, and three people. Also in 2003, there were 9,186 known human cases of WNV throughout the United States, of which 231 resulted in death. In 2004, Shasta County experienced the arrival of WNV with confirmed cases in birds (90), sentinel chickens (5), horses (30) and humans (6). One human death from encephalitis caused by WNV occurred in adjacent Tehama County. Birds, especially crows, jays, ravens and magpies, act as reservoir hosts. They acquire the disease from infected mosquitoes and pass it on to other mosquitoes. Infection in humans and horses can result from the bite of an infected mosquito. In addition, it is possible for an infected human donor to pass the disease through a blood transfusion or an organ transplant.

Human fatalities due to WNV are relatively rare, but in areas where protection is poor, cases of encephalitis and death increase significantly. As an example, during a year when mosquito and vector control was minimal in the State of Colorado, 2,947 cases of WNV were reported to the Centers for Disease Control and Prevention of which 63 resulted in death. Similarly, analysis of outbreaks in Michigan indicated that citizens living outside of mosquito control jurisdictions had 10.5 times increased risk of WNV infection compared to those living within the jurisdictions. For up-to-date information on WNV throughout the United States, see the Centers for Disease Control website at www.cdc.gov/ncidod/dvbid/westnile.

Extensive preparation for the inevitable arrival of WNV in Shasta County has been a priority with SMVCD since the first reported New York case. An important control measure is the killing of mosquito larvae in water sources before they become adults. All known mosquito-breeding sources are mapped and regularly surveyed for breeding

activity. Mosquitoes hide from natural predators in weeds along canals, making weed eradication a vital part of abatement. Spraying is often done in early morning hours in areas where large numbers of adult mosquitoes are noted, and traps are set throughout the district for the identification and tabulation of mosquitoes by species and number. Blood samples of sentinel chicken flocks placed in strategic areas of the district are also monitored by SMVCD personnel. Because of the threat of WNV, control activities have been increased during the past year. Immediately after the first infected bird in Shasta County was confirmed in July 2004, a bird collection and testing service was utilized to monitor the spread of infection. By September 2004, 89,000 acres had been sprayed, compared to 8,700 acres sprayed the previous year. SMVCD also works closely with the University of California at Davis and the California Department of Health Services to accurately monitor the presence of encephalitis virus in sentinel chicken blood samples and adult mosquito samples. SMVCD meets monthly with ten or more other districts, including participants from the Sacramento Valley region, to share information.

Because WNV has a history of increasing in intensity during its second year in an area" SMVCD is anticipating that 2005 may bring additional challenges. As part of the preparation for the 2005 season, as well as for long-range planning, SMVCD sent 14,000 surveys to residents both within and outside the District. Parcels targeted for the survey were selected randomly by a professional firm specializing in such inquiries. The purpose of the surveys was to explore the willingness of property owners to consider approving a fee increase for services already being delivered, and to determine if outlying areas would be interested in paying for protection.

Continued modernization of SMV CD's operations includes exploration of the possible future use of laptop computers in the field. If implemented, comprehensive mapping

software would pinpoint and track mosquito sources and treatment.

The other two protection districts in Shasta County have a different focus than SMVCD, as they concentrate solely on mosquito abatement, while SMVCD also handles vector control such as yellow jackets and other disease-carrying pests. Burney Basin Mosquito Abatement District (BBMAD) encompasses an area of 75 square miles located in and around the community of Burney. It has been in existence since 1931. Pine Grove Mosquito Abatement District (PGMAD), formed in 1970, is responsible for 205 square miles of territory in the northeast corner of the county. Both of these districts are governed by five-member Boards of Trustees appointed by the Shasta County Board of Supervisors.

METHOD OF INQUIRY:

The Grand Jury toured the SMVCD facility, conducted interviews, and reviewed documentation as follows:

Documents reviewed:

- The SMVCD Operations Manual dated November 21, 2003
- 2001/2002 Shasta County Grand Jury (SCGJ) Report and Responses
- The SMVCD 2003 Annual Report
- Shasta County 2004/2005 Property Tax Apportionment for Special Districts
- Local media publications
- Materials published by SMVCD
- California WNV Surveillance Information Center website
(www.westnile.ca.gov)
- Centers for Disease Control and Prevention web site

(www.cdc.gov/ncidod/dvbid/westnile)

- PGMAD Audited Financial Statement for Fiscal Year Ended June 30, 2004
Maps and materials prepared by PGMAD

- BBMAD Adopted Budget for Fiscal Year 2004-05

Interviews conducted:

- The SMVCD Manager
- The SMVCD Biologist
- The PGMAD Manager
- The BBMAD Manager

The Grand Jury attended SCMVD Board meetings on 11/16/04 and 12/21/04.

FINDINGS:

1. In response to 2001/2002 Grand Jury recommendations, SMVCD developed an Operations Manual.
2. The NPDES permit issue initiated in 2001 has not yet been completely resolved, but the significant budget threat from this federal requirement has been substantially reduced.
3. The State of California has granted a two-year moratorium on a budget reduction of funds for SMVCD.
4. The SMVCD facility was found to be well organized, exceptionally clean, and operationally efficient.
5. SMVCD personnel interviewed were knowledgeable about their areas of responsibility and well-informed about the operations of the facility in general.
6. SMVCD maintains detailed maps, aerial photos, and extensive documentation

regarding known areas of infestation. Mosquito breeding sources are closely monitored and coordinated with activities of control and eradication.

7. SMVCD cooperates with state agencies and other districts to insure up-to-date information is available to all, to minimize risks to people and animals.

8. Public information about WNV was plentiful during the high-risk months in 2004. The media emphasized individual protection methods, but provided little information regarding activities of the county abatement and vector control districts. Because these taxpayer-funded special districts are specifically focused on protecting the public from serious disease threats, the measures undertaken are of utmost interest.

9. The SMVCD has been preparing for the arrival of WNV in Shasta County since the first reported

case in New York (1999). Abatement spraying increased ten-fold in 2004 over that performed during

the 2003 mosquito season.

10. The SMVCD has monitored and treated areas outside its normal jurisdiction when such areas were suspected to be possible pockets of infestation.

11. The SMVCD engages in extensive long-range planning and preparation to protect the public from vector-borne disease. The SMVCD researches and utilizes new technology in a continuing effort to improve operations.

12. The two northeastern districts, BBMAD and PGMAD, have not made significant changes in preparation for WNV as both have few resources with which to expand services or operations. Due to Proposition 13, the percentage of property tax provided for these special districts is fixed and cannot be increased.

13. Based on the 2004-2005 Shasta County property tax apportionment factors, the three mosquito abatement districts will receive the following revenue from each \$100

of assessed property value: SMVCD \$7.23, BBMAD \$0.82, and PGMAD \$0.52.

14. The BBMAD, with 75 square miles to cover (population approximately 4,200), is anticipating revenue of approximately \$135,800 for 2004-2005. The manager works alone during the winter months, and is only able to hire two seasonal workers when mosquitoes are prevalent. The District owns three each, pickup trucks, all-terrain vehicles, and aging fogging machines.

15. The PGMAD, with 205 square miles to cover (population approximately 3,000), operates on an annual budget of \$66,000 with only one employee, the manager. He has use of two older vehicles (1986 & 1988) with which to perform his duties. One vehicle is equipped with a fogger.

16. Risk analysis indicates that citizens in areas unprotected against mosquito and vector-borne disease are at significantly greater risk of West Nile Virus infection than those within such areas. The Grand Jury finds that Shasta County residents outside protection districts should seriously consider availing themselves of these important services, even if an assessment or parcel fee should result.

17. Results of a survey conducted to explore possible expansion of SMVCD's jurisdiction are pending.

RECOMMENDATIONS:

1. The Shasta Mosquito & Vector Control District is encouraged to regularly educate the public about the varied protection activities and in-depth research endeavors undertaken by the District. Of great interest to the public would be such topics as survey results, areas considering annexation and new treatments and technologies being implemented.

2. Since BBMAD and PGMAD cannot increase their respective shares of revenue from Shasta County property taxes, the Boards of Directors of both Districts should consider pursuing other avenues of funding, e.g. assessments or parcel fees separate from property taxes.

RESPONSES REQUIRED:

1. The SMVCD Board of Trustees as to Recommendation #1
2. The Boards of Trustees of BBMAD and PGMAD as to Recommendation #2

COMMENDATION:

Shasta Mosquito & Vector Control District is commended for its thorough and efficient protection services. The extent of expertise is highly evident in the consistent and ongoing responses to mosquito and vector-borne threats in Shasta County.

Pine Grove and Burney Basin Mosquito Abatement Districts are commended for providing valuable protection with extremely limited resources.

Shasta Mosquito and Vector Control District

MANAGER • WILLIAM C. HAZELEUR

DISTRICT OFFICE • 19200 LATONA ROAD, ANDERSON, CA 96007

MAILING ADDRESS • P. O. BOX 990331, REDDING, CA 96099-0331

PHONE (530) 365-3768 • FAX (530) 365-0305

E-mail mosquito@snowcrest.net

August 16, 2005

Honorable Judge William Gallagher
1500 Court Street
Redding, CA 96001

FILED

SEP 07 2005

CATHY DARLING, COUNTY CLERK

BY: 
DEPUTY CLERK

Dear Judge Gallagher,

The District would like to acknowledge the thorough and courteous manner in which the Grand Jury Members conducted their investigation. The following is a response to recommendations given to the District by the Grand Jury in their 04/05 Grand Jury Final Report.

The Grand Jury Final Report stated that "The Shasta Mosquito and Vector Control District is encouraged to regularly educate the public about the varied protection activities and in-depth research endeavors undertaken by the District. Of great interest to the public would be such topics as survey results, areas considering annexation and new treatments and technologies being implemented."

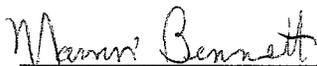
The District would like to thank the Grand Jury for encouraging our public information efforts. The District continually strives to find ways to provide information to the public about the District's mosquito control and disease surveillance programs. The following are some venues the District has used to provide information to the public.

- Written comprehensive Annual Report that is given to all local governing bodies. The report discusses the formation, history, District organization, District activities, special issues, public information activities, mosquito light trap program, encephalitis surveillance program, West Nile virus, dead bird surveillance, West Nile Virus Task Force, out-of-District control and surveillance, research, and biological, chemical and physical control. This has resulted in the District making presentations about its programs and services at the Shasta County Board of Supervisors meeting and the three city councils.
- Paid advertising in the local newspapers discussing the beginning of mosquito control operations began in April 2005. (The District has not paid for newspaper informational ads in the past.)
- Issued several press releases through the Shasta County West Nile Virus Task Force on surveillance activities and West Nile virus.
- Press releases have been sent by the District in the past on issues of specific District activities, however, these informational outreach topics are usually not reported. Hot topics such as West Nile virus take priority.

- The District paid for newspaper ads this year in the Record Searchlight, Shasta Lake Bulletin and Valley Post. These ads ran repeatedly; each week in the 2 weekly papers and 4-5 times a week in the Record Searchlight.
- The District mailed ballots to 62,000 property owners asking for a vote on a proposed Mosquito, Vector and Disease Control Assessment of \$15.96 per single family residence per year. A comprehensive 12 page booklet on district services was included in each mailed ballot. (The proposed assessment was approved by 63.71% weighted vote.) The assessment will appear on the 2005-06 property tax bills.
- The District gives educational talks to schools and other groups. Also a handful of schools come to the District for "field trips". The District puts on a program of District activities and gives tours of the District facilities including mosquito fish rearing ponds, weather towers, mosquito collection light traps and chickens that are kept and tested for mosquito transmitted diseases.
- The District has a web page: <http://www.snowcrest.net/mosquito/index.html>
- The District has its name and phone number on District vehicles making it convenient for the public to contact the District.
- The District has a display at the Shasta District Fair every year with considerable information on District programs. The booth was manned by District employees every hour the fair buildings were open this year. We had giveaways to entice people to visit and talk to our employees about mosquito control services.
- The District has made presentations to the City Councils of Anderson, Shasta Lake and Redding and to the Shasta County Board of Supervisors about control activities and West Nile virus.
- The District is considering resurveying uncontrolled areas outside the District (Igo, Ono, French Gulch, Lakehead, Castella, Oak Run, Shingletown and Whitmore) to determine if the areas would support being annexed into the District and paying an annual assessment in the \$20 a year range on a single family residence to pay for services.

We will continue to seek ways to inform the public about District services and operations.

Sincerely,



Marvin Bennett, President
Shasta Mosquito and Vector Control District
Board of Trustees

BURNEY BASIN MOSQUITO ABATEMENT DISTRICT

Michael S. Churney, Manager
PO Box 1049
Burney, CA 96013

Phone: (530) 335-2133
email: bbmad@frontiernet.net



Honorable Judge William Gallagher
Superior Court
1500 Court Street
Redding, CA 96001

July 19, 2005
FILED

JUL 22 2005

CATHY DARLING, COUNTY CLERK

BY: *C. Ashcraft*
DEPUTY CLERK

Dear Judge Gallagher,

On behalf of the Burney Basin Mosquito Abatement District (BBMAD), I would like to respond to recommendation #2 of the Shasta County's 04/05 Grand Jury Final Report. This report was titled, "West Nile Virus Reaches the Northstate". The recommendation suggests that the Board of Directors consider pursuing other avenues of funding.

A number of Mosquito Abatement Districts within the State have gone to, or are in the process of, seeking additional funding by a Benefit Assessment Tax. This includes Shasta Mosquito and Vector Control District (SMVCD). Most of these Districts, if not all, have hired a consulting firm to survey the property owners within the areas of concern to see if such an election might pass. For the SMVCD the consultation costs were around \$28,000.00. Then one has to add the cost of the election. This is all fine and dandy if the election passes, but it could be a very costly gamble. Recently the Burney - Fall River Mills area passed a school bond election to raise revenue for school building repair, yet only a few months earlier, a proposed increase in the swimming pool maintenance costs of \$12.00 annually failed. Additionally, the Mayers Memorial Hospital District tried a similar election to raise additional revenue only to see it soundly defeated.

Although the Board of Directors of the BBMAD chooses at this time, not to seek a Benefit Assessment Tax, we are leaving the door open for sometime in the future to reinvestigate this option. I will add that currently the BBMAD is seeking additional funding from the State and should have a response within the next two weeks. If you have any further questions of the BBMAD, feel free to call on me.

Respectfully submitted,

Mike Churney
Mike Churney
Manager, BBMAD

RECEIVED
JUL 20 2005
CLERK OF THE
SUPERIOR COURT

Shasta County audit confirmed that the Auditor/Controller's Office has implemented these recommendations.

- b) Fall River Mills Community Services District: There were many recommendations made to the District. New management of the District reports that some, but not all, have been implemented. A future grand jury should revisit the District in the next year or two to ensure that the rest of the recommendations have been adopted.
- c) Shasta Community Services District: The District responded that it did not intend to correct a board member's non-repayment for services rendered by that member's lock service in violation of section 1090 of the Government Code. After consultation with County Counsel and the District Attorney, the SCGJ decided against asking that criminal charges be filed to force repayment of the \$142 at issue. The conflict of interest issue (the spouse of the Fire Chief serving on the Board of Directors) was resolved when the board member resigned. Most of the other recommendations have either been addressed or are in the process of being resolved. An updated Insurance Services Office Report, with a much higher rating, will reduce insurance costs for District customers.
- d) Credit Card Usage: The previous Grand Jury sent out questionnaires to all districts in Shasta County asking about credit card policies and procedures for those that used them. There were eight which did not initially respond to the questionnaire; all have now complied with the request. No irregularities were found.
- e) Shasta Area Safety Communications Agency (SHASCOM): The previous Grand Jury criticized SHASCOM for not posting notices and not meeting in an open public place in violation of the Brown Act. The Board of Directors of SHASCOM has indicated that it

will meet in a more accessible setting for the public. The Board also indicated that it

AND.....

JURISDICTION:

Section 888 of the California Penal Code requires the grand jury to investigate matters of civil concern. Section 925 states the grand jury shall investigate and report upon the operations, accounts and records of the officers, departments or functions of the county. Section 925a empowers a grand jury to investigate and report upon the operations, accounts, and records of the officers, departments, functions, and the method or system of performing the duties of any city or joint powers agency and make such recommendations as it may deem proper and fit. Section 933.5 provides that the grand jury may investigate and report on the operations of any special purpose assessing or taxing district located wholly or partly within the county.

BACKGROUND:

Each year the Grand Jury begins investigations of several entities, but sometimes finds that an inquiry does not merit an extensive report. However, there are often facts discovered which are important or enlightening and should be brought to the public's attention. In addition, for the past few years responses to the previous jury's reports have not been included in the current jury's report because of the expense. This year, the Shasta County Grand Jury (SCGJ) will summarize last year's responses and briefly report on seven other investigations.

REQUIRED RESPONSES TO THE 2003/2004 GRAND JURY RECOMMENDATIONS:

All required responses to the 2003/2004 SCGJ recommendations have been received and may be reviewed at the Shasta County Clerk's Office at 1643 Market Street (in the Downtown Mall).

- a) Office of the Auditor-Controller: Both the Board of Supervisors and the Auditor-Controller responded that the recommendations made in the 2004 "Management Audit

4. RADIO TOWERS:

A local not-for-profit radio station purchased about 40 acres in the Jones Valley area of Shasta County in order to erect two 187 foot transmission towers. The Grand Jury received a complaint stating that many residents did not get notification from the County Planning Department of the radio station's application for a use permit. The towers have been erected, but as of the date of this report, no electrical service has been established. The Grand Jury attempted to contact the owners of five parcels abutting the subject property; only four responded. Three of the four said that they had not received notification of the use permit application to which they are entitled. In the course of its investigation, the Grand Jury found that in order to appeal a use permit, one must submit \$400 and respond within five business days of the use permit being granted. These requirements make it difficult for some to raise the money and prepare an adequate appeal in such a short time.

5. USE OF COUNTY CARS:

The Grand Jury received a complaint regarding the possible inappropriate use of County cars after working hours at night, on holidays and week-ends. After a lengthy and thorough investigation into the methodology used to purchase, assign usage, fuel, and maintain cars and other equipment, the Grand Jury found no evidence of misuse.

6. SHASTA COUNTY ANIMAL SHELTER:

The Grand Jury received a complaint regarding the care of animals and also the treatment of personnel and the public at the Shasta County Animal Shelter. Members of the Jury conducted an unannounced visit to the Animal Shelter and received full cooperation from the staff. While the shelter is old and needs replacing, the members found it clean and not malodorous.

7. GOT BIDS? (GATEWAY UNIFIED SCHOOL DISTRICT):

The buildings on the nine school campuses comprising Gateway Unified School District (GUSD) were built at various times between the 1920's and the 1960's. Over time, major problems such as deteriorating roofs, inadequate heating and air conditioning systems, and aging portable classrooms became evident at several of the older sites. In 2002, a \$22 million bond issue was passed for repair and modernization of facilities throughout the District. Over the past two years, GUSD has utilized a variety of contractual arrangements for these projects. These arrangements have been scrutinized by contractors and others in the community. The Grand Jury received a complaint regarding the method by which the contracts for HVAC (heating, ventilation & air conditioning) replacement and upgrading were awarded for a large project involving several sites. Specifically, it was alleged that bids were not sought.

The Grand Jury learned that GUSD contracted for HVAC upgrading using an instrument known as an Energy Services Agreement (ESA). Under California Government Code sections 4217.10-4217.18, school districts are allowed to enter into such agreements with companies that guarantee a percentage of resultant energy savings. The work is not required to be offered for bid. However, the contractor must include a guaranteed maximum price in the agreement and assume responsibility for the project until completed. This type of contract includes a negotiated contingency amount of 15%-20% and any unused difference is refunded. This arrangement avoids multiple problems such as cost overruns and project completion delays which cause undue expense.

With school construction, timing is of utmost importance as classrooms must be ready for children during a specific time of year. Another challenge for school construction is the many state and federal regulations. Not all contractors specialize in working within these constraints. It should be noted that the GUSD projects have involved demolition, asbestos removal and the

redesign of oddly shaped rooflines, as well as the installation of energy-efficient equipment.

The Grand Jury found that throughout the State, more and more districts are utilizing a maximum price guarantee to ensure the expected outcome. While GUSD did not go to bid on all of its HVAC work, there were some definite advantages that the selected contractor brought to the project.

RECOMMENDATIONS:

RE GARDING RADIO TOWERS:

1. That the Shasta County Board of Supervisors reduce the fee for appeal of use permits and lengthen its appeal period.

RESPONSE REQUIRED:

The Shasta County Board of Supervisors shall respond to recommendation # 1.

FILED

We Said, They Said: Reply to Responses from the 2004/2005 Grand Jury Report
FEB 17 2006

CATHY DARLING, COUNTY CLERK

BY: _____
DEPUTY CLERK

INTRODUCTION:

California Penal Code Section 916 requires that problems identified in a grand jury report be accompanied by suggested recommendations for their resolution.

Official responses to grand jury recommendations are governed by California Penal Code sections 933 and 933.05. All responses are submitted to the presiding judge of the Superior Court. Elected officials are required to respond to the report's findings and recommendations within 60 days and governing bodies within 90 days. Responders must state whether they agree or disagree with each finding and recommendation and any disagreements must be explained. Moreover, each responder must state the extent to which the recommendation has been implemented, or when it will be implemented, or why it will not be implemented.

The 2004/2005 Shasta County Grand Jury Final Report was presented to the presiding judge of the Superior Court on June 25, 2005, as prescribed by California Penal Code Section 933.05. All entities investigated by that grand jury received copies of the report on the same date.

The present 2005/2006 Grand Jury believes that releasing a report presenting the responses to last year's report would be of public interest. What follows is a summary of each of the 2004/2005 reports which contained recommendations for the resolution of problems identified by the Grand Jury. Recommendations are restated (*in italics*) followed by the corresponding responses for each recommendation and the current Grand Jury's evaluation of each response (**in boldface**). The full text of the reports can be accessed on the Grand Jury web site at www.co.shasta.ca.us.

RESPONSES TO REPORTS:

Report No. 1: Memory Park Subdivision: Playing Monopoly with the City of Redding

The Grand Jury investigated a citizen's complaint against the City of Redding regarding a proposed "planned, in-fill development" subdivision (Memory Park), which received Planning Department approval, but was eventually rejected by the City Council. Neighborhood opposition to the proposed subdivision was led by a former city employee who was, at the time, a McConnell Foundation board member.

The City of Redding responded to the three recommendations on July 20, 2005. Members of the current 2005/2006 Grand Jury (including carryover members from 2004/2005) were in attendance when the Redding City Council voted to accept the responses by a 3-0 vote (two abstentions). During his interview by a Grand Jury committee in 2004, one council member repeatedly recused himself from responding to most questions on the subdivision investigation because of a perceived "conflict of

interest.” Despite his previous recusal, this same council member voted in favor of the City Council response a year later.

Recommendation 1: The City Council should not derail well designed Infill and Planned Developments.

Response: Concur, if they meet the General Plan and other development policies as determined by the public’s elected representatives who are selected to make these decisions. The Grand Jury’s finding on this matter (No. 6) has substantial factual errors. The City Council determined that the project was not consistent with the General Plan. The design of the project contained aspects that did not comply with the General Plan policy.

GJ Reply to the Response: The Grand Jury finds the City Council’s response unacceptable. The Grand Jury determined that the project was consistent with the General Plan. Furthermore, if “...the project was not consistent with the General Plan,” as stated above, then it should not have been approved by the Planning Department in the first place.

Recommendation 2: The Planning Department should attempt to expedite the permit approval process. The City’s Ombudsman report on recommended process changes should continue to be implemented.

Response: Grand Jury Finding No. 9 states that “the City’s Ombudsman Report on Recommended Process Changes was presented to the City Council for consideration on October 25, 2004. ...Some of these recommendations are being implemented by the City’s Development Services Department.” In fact, all of these measures are being implemented with the exception of the permit tracking system. The tracking system is extremely expensive, which is why it has taken longer than the other points mentioned in the Grand Jury’s findings. However, the City Council will be discussing this issue as the City looks at planning and engineering fee increases in the next few months.

GJ Reply to the Response: The Grand Jury finds the response acceptable and looks forward to the implementation of the permit tracking system.

Recommendation 3: Political influence should not override sound planning decisions.

Response: Concur. Grand Jury Finding No. 8 states that, “strong political influence was exerted on the Planning Commission and City Council to disapprove this project.” This is obviously a statement of opinion. It would be equally valid to say that strong political pressure was exerted on the Planning Commission and City Council to approve the project. Concerns for and against projects will very likely continue as the City entertains more infill projects.

GJ Reply to the Response: The Grand Jury finds the response acceptable. However, it remains our “opinion” that the front-row presence of McConnell Foundation executives at the City Council meeting regarding opposition to this project represented undue “strong political influence” against the project’s approval.

Report No. 2: Haste Makes Waste

In a lengthy report, the 2004/2005 Grand Jury investigated the closure of the Shasta County Psychiatric Hospital Facility (PHF) and its impact on inpatient care of the acutely mentally ill. The overall operation of the Shasta County Mental Health Department (SCMH) was also investigated. The required response from the Shasta County Board of Supervisors (BOS) was sent to the presiding judge of the superior court on September 27, 2005. The Director of SCMH was also invited to respond to certain recommendations; the response was received on August 29, 2005.

***Recommendation 1:** The County Board of Supervisors (BOS), the Mental Health Advisory Board (MHAB) and SCMH should increase public education about mental impairment. This should concentrate on understanding the disease, reducing its stigma, procuring a diagnosis and accessing treatment. County Government and SCMH should focus on improving public education through grants, requesting volunteer media exposure and improvements in the ineffective SCMH Web site. SCMH and the BOS should support and promote Mental Health Awareness Week each October. The Grand Jury recommends the MHAB institute a regularly reporting, public education subcommittee.*

Response from the BOS: The BOS concurs with the Grand Jury’s findings that the BOS, MHA, and the SCMH Department should increase public education about mental impairment. Currently, the SCMH conducts and participates in many educational and public outreach activities. (The response lists 10 educational activities involving staff and other professionals as well as a 10-page proposed Mental Health Education and Outreach Plan).

The Board concurs with the Grand Jury recommendation to improve the quality of and expand the use of electronic communication through a web site. SCMH will be working with Trilogy Integrated Resources, a contractor selected by the State Department of Mental Health to develop a local web site titled “Network of Mental Health Care,” which will be funded by the State’s Mental Health Services Act funds. This web site will be of value to individual patients, families, and the community in general to provide a resource directory as well as other valuable features customized for Shasta County.

GJ Reply to the Response: The Grand Jury accepts the response and eagerly awaits the implementation of a comprehensive web site. The 2005/2006 Grand Jury is

concerned that the level of general public education about mental illness remains inadequate. We encourage further efforts by the BOS and SCMH to educate all the public, not only those with Internet access, about available services.

Recommendation 2: SCMH needs to improve its relationship with the local medical community by encouraging input from private-practice psychiatrists, emergency room physicians and primary care practitioners involved in treating the mentally impaired. A more collaborative interaction with local hospitals and area clinics is further recommended. We find that improved communication between SCMH and community physicians could be the foundation for future cooperation. The Grand Jury strongly suggests that, like other physician specialists, all psychiatrists employed by the County obtain clinical privileges at local hospitals and directly attend to patients in the emergency room. SCMH should reinstate 5150 authority to non-county psychiatrists and emergency room physicians. Accomplishing the above would promote the integration of mental health care into mainstream medicine.

Response from the SCMH Director: SCMH agrees that communication is the key to quality patient care. In conjunction with the North Valley Medical Association (NVMA), SCMH will continue to expand efforts in the area of training for physicians in order to bring together SCMH psychiatrists and medical practitioners in Shasta County. NVMA in conjunction with an attorney with knowledge of ... 5150 authority, presented training on involuntary detention and treatment on July 20, 2005. The training, although well marketed by NVMA, was not well attended by area physicians. This training was intended to stimulate dialogue regarding the legal aspects of involuntary detention and treatment. (A list of in-service training for county hospital emergency department physicians was included).

The SCMH Medical Chief currently has Medical Staff Privileges at all three hospitals in the county. The SCMH Medical Staff will continue to explore an expanded role with the community clinics and Mayers Memorial Hospital through telemedicine. SCMH Medical Staff are also pursuing hospital consultation privileges with Shasta Regional Medical Center and urgent consultation availability to community physicians.

GJ Reply to the Response: The Grand Jury finds the response inadequate. It is not surprising that 5150 training would be poorly attended by emergency room physicians and private practice psychiatrists. These practitioners previously held, then were stripped of 5150 authority by the SCMH Director prior to the closure of the PHF. The confusion and delay in reinstating this privilege to a local private psychiatrist at the request of the BOS (September 2005), and the continued lack of 5150 privileges among emergency room physicians, is not an indication of a cooperative effort on the part of SCMH.

The Grand Jury further notes that integration at the physician level remains inadequate; we remain convinced that obtaining staff privileges is an essential step toward the integration of mental health care into mainstream medicine. As of

October 10, 2005, only one SCMH psychiatrist, the Medical Chief, holds privileges at both major area hospitals. Indeed, at one hospital, no other SCMH psychiatrists have even begun the staff application process. This lack of participation underscores the ineffective leadership at SCMH.

Recommendation 3: SCMH should hire some primary care practitioners or physician assistants in lieu of more costly psychiatrists and incorporate these front-line providers into the SCMH structure. SCMH should focus on the critical role case managers play in maintaining continuity of care for out-of-county inpatients once their acute care is completed and they return to Shasta County.

Response from the SCMH Director: SCMH is committed to maintaining the highest level of psychiatric services for its clients and, as a result, will continue to employ and contract with physicians who have completed an approved residency in psychiatry.

SCMH concurs with the recommendation regarding the critical role that case management plays in coordinating discharge planning for patients transitioning from acute care. In an effort to identify, treat, and provide psychosocial supports for frequent utilizers of the local emergency departments, SCMH is developing a coordinated case management plan in collaboration with the Shasta Community Health Center, NVMA, and other community providers. Connecting these patients with additional community supports and direct access to treatment through collaborative efforts will reduce emergency response costs by approximately 42 percent and provide stability to this vulnerable population.

GJ Reply to the Response: The Grand Jury applauds the emphasis on case management by SCMH. However, the Grand Jury recommendation to augment the SCMH psychiatry staff with general practitioners represents another step to integrate mental impairment into general medicine. This would allow more attentive treatment of co-morbid conditions such as hypertension, diabetes and emphysema. Here is another missed opportunity to integrate the more common and easily treated mental illnesses such as depression, anxiety and stress disorders into general medical care.

Recommendation 4: The Shasta County BOS should consider privatizing, in part or in total, the delivery of mental health services to the citizens of the county. With proper oversight, this would offer a more efficient overall operation. Assurances that all patients requiring treatment actually receive treatment would be necessary. The Grand Jury feels an extensive and well-planned transition program, with input from the general public and all providers of mental healthcare delivery, must precede any transfer from public to private operation.

Response from the BOS: Currently 54 percent of the SCMH budget is devoted to contract services, and this has consistently increased over the past 2-3 fiscal years. As a result, SCMH is more than half "privatized." With each contract for services entered into by the BOS, SCMH must assure that services are delivered in accordance with State Department of Mental Health requirements, which govern target population, service delivery, and the receipt of State and federal funds.

SCMH provides mental health services to the residents of Shasta County in compliance with three State Department of Mental Health contracts. These contracts include very specific terms and conditions and are renewed annually with the approval of the BOS.

(A one-page description of the contracts accompanied the response).

The Grand Jury notes in its findings a number of perceptions regarding the role of SCMH in the delivery and authorization of inpatient mental health services that are not consistent with this contract and SCMH's practice. The first and most important misperception is related to access to psychiatric hospitalization for all Medi-Cal eligible Shasta county residents. There are no pre-authorization requirements for emergency admissions to psychiatric inpatient hospitals for Shasta County Medi-Cal beneficiaries. SCMH provides post-admission review of written Treatment Authorization Requests submitted by hospitals as required by the State prior to payment by EDS (Electronic Data Systems).

Since SCMH is no longer a provider of psychiatric hospital services, independent practitioners affiliated with the private treating facilities now make the determination of the patient's admission and continued stay.

GJ Reply to the Response: The Grand Jury disagrees with the response. The intent of the recommendation was to consider privatizing the entire mental health delivery system in Shasta County, including its administration. The privatization discussed by the BOS was, in part, necessitated by the closure of the PHF; patients who require hospitalization for acute mental illness now need to be hospitalized out-of-county (i.e., "privatized"). SCMH does serve as the managed care provider and pre-authorizer for Medi-Cal beneficiaries in Shasta County. This was confirmed by the SCMH Director (on two occasions), Deputy Director, and by multiple psychiatrists during the investigation; the Director of the NVMA concurred during a public forum held by the BOS in April 2005.

Recommendation 5: *The Grand Jury recommends the SCMH Director improve lines of communication to ensure that SCMH policies affecting the medical community and other public agencies are uniform and consistent. We encourage SCMH to continue to improve access to its crisis intervention teams to reduce emergency room transfer delays. Moreover, to improve the continuity of patient care, we suggest that SCMH expedite the transfer of medical information (history, diagnosis and prescriptions) along with patients requiring out-of-county care. Conversely, SCMH should demand that discharge summaries accompany its patients returning from out-of-county facilities. Additionally, the Grand Jury discourages the indiscriminate delegation of 5150 authority by the SCMH Director.*

Response from the SCMH Director: SCMH concurs with the recommendation regarding communication with the medical community and out of county facilities. SCMH will promote collaborative efforts with the NVMA to provide education and training for area physicians regarding the treatment of psychiatric illness.

As stated in Response No. 3, another solution to the local emergency department congestion and transfer time delays is the implementation of a coordinated case management system that will provide wraparound medical and behavioral healthcare, and psychosocial supports to a population identified as frequent utilizers of the Mental Health emergency response system.

SCMH, in collaboration with North State counties, looks forward to the opening of the North Valley Behavioral Health and Sequoia Psychiatric Center PHF in Yuba City, both of which will exclusively treat our patients. This will greatly enhance the continuity of care and communication of critical patient care issues on admission and discharge for Shasta County patients.

GJ Reply to the Response: The Grand Jury generally agrees with the response, however, the indiscriminate delegation of 5150 authority was not addressed.

Recommendation 6: *SCMH should establish written cost-sharing policies with the County Jail, Juvenile Hall, Probation department and other agencies for inpatient care and transportation of their mentally impaired inmates or clients. SCMH should improve its service to county agencies affected by the PHF closure, e.g. attend to inmates at the Main Jail and Juvenile Hall.*

Response from the SCMH Director: The Shasta County Sheriff's Department and Probation Department maintain a contract with Prison Health Services for the provision of health and mental health services in the jail and juvenile hall. This contract is comprehensive in scope and specifies the responsibility of the provider in the provision of all planned and urgent medical services, including psychiatry. The contract includes the responsibility of the provider for reimbursement of hospital services for inmates and wards in custody, but excludes the contact provider from responsibility for reimbursement for psychiatric hospitalization. As a result, there is a serious gap in coverage for jail inmates in custody and juvenile wards in custody. SCMH works cooperatively with jail and juvenile hall staff to address this gap on a case-by-case basis, following written protocols that were developed collaboratively between the Sheriff's Department, Probation Department, and Mental Health. SCMH also provides the services of a psychologist in juvenile hall and SHIFT (Shasta Housing Intervention For Transition) Program services in the jail to assist Prison Health Services and the courts with inmate/ward mental health issues.

GJ Reply to the Response: The above response is inadequate. It does not address transportation protocols and/or cost-sharing between SCMH and incarceration facilities since the closure of the PHF. The problem of court ordered on-site

psychiatric evaluations is also not addressed. Jail representatives were unable to produce written protocols for inmate evaluation and treatment.

Recommendation 7: The BOS and SCMH should closely monitor the costs (including all transportation costs) of out-of-county inpatient care. The Grand Jury offers the following options for reestablishing inpatient psychiatric services for which the County still holds State licensure:

• Reopen the 15-bed PHF at the previous site on Breslauer Way by deleting its Medicare designation and adopting strict admission criteria for adult inpatients. This would reduce the average daily cost of care by 50 percent (to \$2 million per year) and also minimize patient safety issues. Medicare inpatients requiring hospitalization would be cared for at other facilities.

• Open a 15-bed basic PHF on Breslauer way as a combined adult/child inpatient facility by designating 10 beds for adults and five for children.

• Open a 15-bed basic PHF on Breslauer as the only north state child inpatient facility. Costs would be more manageable and there is a very low risk of associated physical comorbidity in this age group.

The BOS should obtain sufficient information to determine whether or not to renew the SCMH \$1.3 million yearly contract for the Elpida Crisis Residential Center. Any option to reopen a PHF would necessitate either closing or relocating this center. The Grand jury recommends closure. In that event, inpatient psychiatric services could be funded using current SCMH revenues generated by increasing efficiency, reducing out-of-county inpatient care, substituting primary care practitioners for some psychiatrists and eliminating costly Medicare staffing. Moreover, additional funding may become available beginning in 2005/2006 through the Mental Health Services Act. The Grand Jury believes that County residents could, and should, have local access to both inpatient and outpatient mental health services.

Inpatient child psychiatric services have been identified as woefully inadequate for decades and the Grand Jury invites Shasta County to take the initiative and establish a child/adolescent inpatient facility. A north state regional, multi-county proposal for Mental Health Services Act funds (perhaps orchestrated by the SCMH Director) could establish a geographically centered, acute care facility for children with mental impairment. Benefits of such a facility to the overall mental health of children include earlier recognition and treatment of impairment and an improved continuity of care. Enhanced case management, better social rehabilitative services, access to intensive family psychotherapy and recruitment of more child psychiatrists could result from a successful program. This is an opportune time for Shasta County to address the psychiatric needs of north state children.

Response from the BOS: SCMH has submitted the planned budget to the Shasta County Administrative Office including projected expenditures and revenues for fiscal year 2005/2006. In this budget, the SCMH department does not recommend that it operate a

staff a psychiatric health facility during fiscal year 2005/2006. The BOS concurs that an involuntary mental health acute care inpatient unit is needed in Shasta County but realizes that patient safety is of the utmost importance. In an effort to meet the medical needs of all patients, the delivery of mental health treatment services (involuntary or voluntary) should be integrated with emergency and primary health care. The County PHF was not licensed to provide emergency medical or primary health care services, therefore, reopening the facility is not viable.

SCMH, in collaboration with the Shasta County Administrative Office and the North Valley Medical Association (NVMA), has facilitated contacts between interested providers of inpatient behavioral health services and the administrators of the local general hospitals. The goal of this collaboration is to integrate acute care psychiatry into mainstream primary health care so that those suffering from mental illness have the opportunity to receive treatment for all of their medical needs in an environment where they are not stigmatized or isolated from medical care.

The BOS agrees that a regional approach to specialty psychiatric care is viable for target populations. An example of the potential in this area is the soon to open North Valley Behavioral and Sequoia Psychiatric Center PHF. SCMH has taken a strong leadership role in this 4-year effort and the SCMH Director sits on the steering committee that has been responsible for the planning and implementation of these facilities.

Specifically regarding the viability of a regional facility for children, SCMH has promoted three regional options. The first option was the establishment of a regional locked community treatment facility, which was not supported at a regional level. The second option was the dedication of one of the new regional psychiatric facilities to children, which was also not regionally supported. The third option is the establishment of a regional interagency crisis assessment center for children. This option may be considered as a priority focus under the Mental Health Services Act.

GJ Reply to the Response: The Grand Jury disagrees with the response. Adequate revenue exists for the reestablishment of a local, scaled-down (i.e., non-Medicare) PHF. Strict admission criteria would greatly reduce patient safety issues. The BOS talks of integrated care, but the SCMH Director's responses to recommendations 2, 3 and 5 above, do little to promote integration with primary health care. The BOS response claims the County PHF is not licensed for emergency medical or primary health care and therefore, reopening it is not a viable option. The Grand Jury notes that while none of the State PHFs are licensed for emergency medical or primary health care services, they continue to provide acute psychiatric inpatient care. The Grand Jury further notes that the North Valley Behavioral and Sequoia Psychiatric Center, to which Shasta County sends inpatients for treatment, is not a full-service hospital providing integrated health care. Moreover, the BOS response does not address the recommended closure of the Elpidia Crisis Center.

The Grand Jury suggests that the BOS need only look as far as Butte County to consider a functioning non-Medicare designated PHF. The Butte County PHF exists because of support by both the general public and the Butte County Mental Health Director. The integration with mainstream medical care for their patients

with co-morbidities is easily obtained because of a positive relationship with the medical community of that County.

Recommendation 8: Other inpatient psychiatric services could include:

- *The reopening of inpatient services for Medicare patients at a local rehabilitation facility.*
- *A truly collaborative effort between SCMH and the local medical community too begin laying the groundwork for an inpatient psychiatric unit in one of the local full-service hospitals.*

Response from the BOS: The Shasta County BOS concurs with the recommendation that a local inpatient facility should be pursued. This facility should have the capacity to treat patients flexibly, which is best done in a licensed general hospital. SCMH, in conjunction with the Shasta County Administrative Office, has facilitated contracts with three corporations that are providers of behavioral health services that would like to develop a local inpatient facility. At a recent presentation, one provider made it clear that the provision of behavioral health services in a licensed general hospital with more than 100 beds is financially viable and of economic benefit to the hospital. NVMA representatives have made it contact with this provider and will facilitate meetings in an effort to promote the proposal, gain support from local hospitals, and encourage community involvement in this potential opportunity.

GJ Reply to the Response: The Grand Jury accepts the response and awaits the outcome of this potential effort. The SCMH department is working with the NVMA to facilitate contacts between interested psychiatric providers and local hospitals. The Grand Jury applauds this portion of the response, but as noted in our report, the establishment of a psychiatric unit in a local full-service hospital is a three-year process.

Recommendation 10: The Grand Jury suggests that the BOS pay a site visit to the County-contracted Elpida Crisis Residential Center and closely evaluate the benefits of the contract's automatic renewal after fiscal year 2004/2005. Should Elpida remain open, the Grand Jury also recommends adoption of a formal lease between the County and Elpida's private sponsor and establishment of an Elpida Policies and Procedures Manual.

Response from the BOS: Representatives from the BOS, County Administrative Office, and Mental Health Advisory Board participated in a tour of the Elpida Crisis Residential Center on September 7, 2005, as recommended by the Grand jury.

The Elpida crisis residential Center maintains a policy and procedures manual that addresses the areas required by State regulation.

GJ Reply to the Response: The Grand Jury finds the response inadequate. Only two Supervisors participated in the Elpida tour and no evaluation of the benefit of extending the contract was made. The response did not address a lease between the County and Elpida's private sponsor. The Grand Jury is still awaiting receipt of the Policy and Procedures Manual from Elpida.

Recommendation 11: The Grand Jury recommends the County BOS and SCMH consider both financial and staffing support of a proposed County Detoxification Center. This center would afford opportunity for an improved collaboration between SCMH and both the local medical community and city governments. Establishment of a detoxification center would reduce the congestion in local hospital emergency rooms. Mental Health Services Act (Proposition 63) funding could be an additional source of financial support.

Response from the BOS: The BOS, SCMH, and the Shasta County Alcohol and Drug Programs (SCADP) are in complete support of expanding the social model detoxification program in Shasta County. This is consistent with the "Community Action Plan" developed by representatives of Mercy Medical Center, Shasta Regional Medical Center, Shasta Community Health Center, the Good News Rescue Mission, SCMH, and the SCADP. A memorandum of understanding (MOU) has been developed by SCADP and circulated to the participants and other recommended collaborative partners. To date, only the City of Shasta Lake and the Shasta County Administrative Office have responded with support.

The role of the Mental Health Services Act (Proposition 63) funding in this service expansion will be determined once the State Department of Mental Health guidelines for application for funding have been finalized and distributed. Additionally, the input received from stakeholders at more than 30 State required focus groups, conducted by SCMH, must be considered when prioritizing areas of need for mental health services expansion. This process targeted for completion in October to allow for a timely submission to the State Department of Mental Health.

GJ Reply to the Response: The Grand Jury is satisfied with the response. We are also discouraged that only two collaborators have committed financially to a project that received unanimous support from all interviewees.

Recommendation 12: The Grand Jury recommends that County and City Government guarantee public safety at all times by ensuring law enforcement personnel attend to 5150-designated patients while they are treated in, and until they are transferred from, local "unlocked" emergency rooms.

Response from the BOS: The process for transfer of law enforcement 5150 detentions is governed by an interagency agreement developed by local law enforcement agencies in collaboration with representatives of SCMH, Shasta regional Medical Center, Mercy

Medical Center, and Mayers Memorial Hospital District. Less than half of the calls to the emergency departments are the result of this process.

More than half of the calls for SCMH crisis response are for patients who have presented to the emergency departments without law enforcement involvement. Thus, law enforcement personnel are not present in these cases while the emergency department examines the patient to determine if an emergency medical condition exists consistent with the federal requirements under the Emergency Medical Treatment and Labor Act. In these cases, SCMH determines the legal status of the patient if the emergency department physician decides that transfer or discharge to a specialty psychiatric facility is necessary.

Response from the City of Redding: The Grand Jury recommendation requires further analysis. The Police Chief cannot guarantee that law enforcement personnel attend to 5150-designated patients while they are “treated in, and until they are transferred from, local unlocked emergency rooms.” It would mean that police officers would need to be diverted from our neighborhoods and businesses to attend to individuals who should be at a detoxification center or at a mental health facility for as much as 24 to 30 hours.

Currently, police officers remain at the hospital with a 5150-designated patient until the patient is stabilized and no longer believed to present a threat to themselves or anyone else. Since the closure of the County PHF, police time necessary to handle these calls has already increased 66%. Remaining at the hospital to await transportation would further tax resources by doubling the average amount of time spent by police with each patient.

We agree with the hospitals that the solution is not more police officers, but rather more and better health care. Specifically, patients need to be evaluated much quicker as to the cause of their illness (drugs, alcohol, or mental health) and the patients need to be transferred, where appropriate to a detoxification center or a mental health facility. Having patients come to a hospital emergency room, waiting much too long for evaluation, and having a police officer sit in an emergency room and spend time with that patient for hours and hours is a poor use of the public’s limited resources and is not a solution to the premature closure of the County’s Mental Health Facility.

Response from the City of Anderson (received August 18, 2005): Just like the Grand Jury, the City of Anderson, as well as our Chief of Police, are very concerned about public safety. As such, we cannot guarantee that Anderson Police Department (APD) officers can attend to 5150-designated patients “until they are transferred from local ‘unlocked’ emergency rooms.” To meet this recommendation, police officers would need to be diverted from our neighborhoods and businesses to attend to individuals who should be at a detoxification center or at a mental health facility for a minimum of several hours and/or as much as twenty-four to thirty hours. Diverting officers from their patrol duties would not guarantee public safety, but instead would decrease public safety in our own neighborhoods by reducing the number of officers available for law enforcement.

Typically, ADP deploys two to three officers on each twelve-hour shift. These officer’s primary responsibility is the safety and security of the Community of Anderson.

Currently, when an arrest is made, or a 5150-designated patient is taken into civil arrest custody, the shift coverage is reduced to two officers, and too often to just one officer, remaining in the City. Obviously this represents not only an "officer safety" issue but a "community safety" issue as well.

Currently, an ADP officer will remain at the hospital with a 5150-designated patient until the patient is stabilized and no longer believed to present a threat to himself or herself or anyone else. Since the premature closure of the Shasta County Mental Psychiatric Facility, without adequate planning, the amount of time a police officer must spend at the hospitals handling 5150-designated patient calls has already increased. Remaining at the hospital to await transfer, as recommended by the Grand Jury, would further tax APD's resources, typically doubling the average amount of time spent by the officer with each 5150-designated patient.

The Anderson City Council appreciates the opportunity to respond to Grand Jury Recommendation Number 12 and hopes that our response is helpful.

Response from the City of Shasta Lake (received July 28, 2005): The City of Shasta Lake agrees with the recommendation. Law enforcement services for the City of Shasta Lake are provided by the Shasta County Sheriff's Department. The Sheriff has provided these services since the City's incorporation in 1993. It is currently the policy of the Shasta County Sheriff's department to provide law enforcement personnel to attend 5150-designated persons while they are treated in, and until they are transferred from local unlocked emergency rooms.

GJ Reply to the Responses: The Grand Jury accepts the responses from the representatives of law enforcement in the County. We acknowledge the extra time and cost of attending to 5150-designated patients. We remain concerned that persons, who by definition are a risk to themselves or others, even when stabilized, are left unattended in area emergency rooms. A potential for harm within the hospital setting, or after a 5150 designee decides to leave against medical advice, remains a public safety issue.

Recommendation 13: The MHAB needs broader community representation. Private physician, local hospital and clinic, and law enforcement inclusion would strengthen the MHAB role as the community advocate for mental health issues. The Grand Jury encourages the BOS to improve the MHAB composition and strongly urges the MHAB to carefully review all major contracts entered into by SCMH.

Response from the BOS: the BOS concurs with the Grand Jury's recommendation regarding the expansion of community representation on the Mental Health Board. The Chairperson will work with the Mental Health Board Membership Committee to recruit a broader cross-section of community members.

The MHAB will continue to review the State Department of Mental Health Performance Contract, which governs aspects of the operations of the SCMH Department before it is submitted to the BOS for approval.

GJ Reply to the Response: The Grand Jury is satisfied with the response and again encourages MHAB input on all major contracts entered into by SCMH.

Recommendation 14: Citizens of Shasta County can take advantage of a new source of state funding for expanded mental health services through the Mental Health Services Act. Similar to new library construction funding a few years ago, this Act awards state tax revenues to individual or joint county proposals for services based on the merits of the plans submitted. Shasta County citizens rallied impressively to support the library and the Grand Jury strongly recommends the BOS encourage a similar community effort. This is an excellent opportunity for increasing access to local services that are both desperately needed and chronically underfunded. Mental health services should be prioritized through the public input sessions sponsored by SCMH. The BOS and MHAB should incorporate this community input into any proposal being submitted.

Response from the BOS: The BOS concurs with the Grand Jury recommendations regarding the Mental Health Services Act.

GJ Reply to the Response: The Grand Jury appreciates the response. The Grand Jury is concerned that a broad community effort to mobilize for real change in local mental health service delivery is not a priority. The BOS consistently ignores community needs for access to local inpatient care by allowing SCMH to export inpatients to out-of-county facilities. While purporting to support the active integration of mental illness into mainstream medicine, BOS policies and SCMH decisions continue to impede this integration. If the BOS, SCMH and area providers cannot unite to address this problem, it is unlikely that cohesive community support will follow.

Recommendation 15: The BOS should not rely entirely on staff recommendations when considering future funding and direction of mental health policy in Shasta County. Assigning large, long-term, no-bid contracts for untried services (Elpida) and closing the super PHF against the recommendations of the MHAB and a citizen's Community Committee do not represent the best interests of County residents. Since the prior BOS (with the exception of one member) felt economic considerations superceded community recommendations to maintain an inpatient facility, the Grand jury encourages the current BOS (with two new members) to reexamine the issue. From the data presented in this report, the Grand Jury recommends the BOS reconsider the economic factors that led to the decision to close the PHF. We fully appreciate the patient safety issues of the inpatient facility as it was configured prior to its closure. However, our investigation

indicates that reopening a basic PHF (non-Medicare) with strict admission criteria, is an economically viable and safe alternative to having no local locked inpatient facility at all. Establishing appropriate and affordable local inpatient hospital services would improve patient access and care and alleviate the problems generated by the closure of the PHF. In conclusion, the Shasta county Grand jury asks the BOS to examine all the facts and govern for its constituents, and not for what benefits SCMH.

Response from the BOS: The BOS does not rely solely on the recommendations of staff when considering funding or policy changes. The Board follows an extensive process of review to include a departmental staff report, County Administrative Office review and concurrence, County Counsel review, and Risk Management review. In addition, the Board receives and considers constituent feedback, including Advisory Board input, and public input regarding all Shasta County issues.

The BOS voted 4-1 to close the PHF after considering all of the information and several factors including patient safety due to the lack of emergency medical care and the subsequent exposure to litigation. Continued operation of the PHF would require significant funding reductions in other areas of the Mental Health Department. Mental Health Outpatient services would have to be eliminated to ensure the ongoing financial viability of the inpatient unit. Discontinuing outpatient treatment programs would impact a larger population than the closure of the PHF. The loss of outpatient treatment services would impact approximately 87 percent of the total SCMH patient population receiving preventative services, case management, therapy, life management skills, medical management skills, counseling, and other specialty services that minimize or eliminate the need for emergency mental health treatment. Without outpatient treatment the need for emergency mental health treatment services would increase exponentially and exceed the capacity of the PHF. The legal, social, and fiscal impact on law enforcement, social support agencies, and the community in general would be significant.

The Grand jury recommendation states that the Elpida contract was a large, long-term, no-bid contract for untried services. The initial term for the Elpida Crisis Residential contract commenced July 1, 2004, and ended on June 30, 2005. The contract was renewed for the same term length for fiscal year 2005-2006 on July 1, 2005. The Elpida Crisis Recovery Center is a subsidiary organization of Crestwood behavioral Health, Inc. Shasta County has had many contractual agreements with Crestwood for similar residential psychiatric services.

The Elpida contract was approved by the Board in an amount not to exceed \$1,124,200. This amount represents a cost savings for inpatient services that were provided at the PHF.

GJ Reply to the Response: The Grand Jury disagrees with the response. With the exception of this final recommendation, all the responses received from the BOS appear to have been provided solely by SCMH; they are taken almost verbatim from a set of responses received earlier from the SCMH Director. This is an indication of a continued over-reliance on staff recommendations.

We feel compelled to point out that the Elpida Center is not licensed as a locked inpatient acute care facility (i.e., a PHF) and is not similar to other Shasta County-Crestwood psychiatric ventures. And although some patients are transferred from local emergency rooms directly to Elpida, it remains our contention that expenditures for this facility do little to address the need of County residents for acute inpatient treatment.

The Grand Jury remains convinced that developing our own inpatient services is preferable to renting them. We contend that reopening a basic PHF is economically viable, as the yearly cost for a similar facility in Butte County is around \$2 million. This represents less than 10 percent of the total SCMH budget, and less than the County is now spending for Elpida and out-of-county inpatient facilities. It is our belief that this will not impact the delivery of outpatient mental health services as described in the response.

Conclusion:

Prior to, and since the release of our report, public interest in the delivery of mental health services to County residents continues to make news.

In April 2005, the BOS held a workshop on mental health issues and listened to patient and provider complaints. In May, the BOS, in conjunction with local hospitals and the Shasta Community Health Center, agreed to seek funding for an outside consultant to review the operations of SCMH. The Grand Jury commends the review and hopes its findings will lead to an improved delivery of care.

In July, SCMH psychiatrists finally applied for privileges at one local hospital, but not at the other. A claimed "lack of collegiality" at the hospitals was offered as the reason SCMH physicians had not previously applied for privileges. An unfriendly response is not a reason to seek or deny privileges, nor has it prevented other specialists from attempting to do so.

This slow pace of psychiatrist integration into general medicine, and a similar disinterest of the medical community to "buy-in" to the public delivery of mental health care provided by SCMH, remains a significant obstacle to further progress. For example, the declining interest in establishing a joint-partnership, community-sponsored, detoxification center underscores the level of mistrust between providers, SCMH and local government. The integration of mental illness into mainstream medicine cannot occur without willing and effective leadership from all sides.

Over the summer months, anecdotal stories from citizens about their inability to access care at SCMH continued to be heard by the BOS. Claims by SCMH administrators that "payor source" is not a factor in the decision to treat patients have been contradicted by both community physicians and families. The Grand Jury remains concerned that there will be no resolution of SCMH bureaucracy and, therefore, gaps in coverage will continue.

On a positive note, SCMH will hold a Mental Health Services Act (Proposition 63) public hearing and release its community action plan for funding in October. The

Grand Jury applauds the effort by SCMH in soliciting broad community involvement over the past year and looks forward to the presentation of the plan.

A major goal of our report was to expand the community discussion about mental health. We believe this has been accomplished. However, discussion is only the first step. Productive action by local government is still lacking. Even with re-opening an inpatient facility, the poor communication between SCMH and the medical community, the ongoing problems with patient access, and an overly bureaucratic mental health department, continue to stymie progress.

Report No. 3: Redding Land Purchases

The Grand Jury reported on the increasing number of land purchases by the City of Redding, specifically the purchase of an 82-acre vacant parcel along Interstate 5. The parcel, ostensibly purchased as a buffer zone to the City's southern boundary, is situated mostly in a flood plain and lies outside the city limits. The \$1.5 million purchase was funded by a loan to the City's general fund from the Redding Electric Utility (REU) reserve fund. The report also focused on the use of Redevelopment funding for the purchase of two other properties.

The City of Redding responded to four recommendations by letter submitted to the presiding judge of the Superior Court by the Mayor of Redding on July 20, 2005.

Recommendation 1: The City Council needs to be more forthright in letting the public know why it is accumulating property for development and/or speculation in competition with private parties.

Response: The City of Redding is not accumulating property for speculation in competition with private parties. Furthermore, the City of Redding has an excellent record of fully complying with the Ralph M. Brown Act (i.e., California's "open meeting law"). The rationale for each decision that the City Council makes is contained in a written report that is made available to the public (via the City Clerk's Office and via the City of Redding's web site). In addition, the agenda for each City Council meeting is provided to the media in advance of each meeting.

For the reasons outlined above, the City of Redding respectfully disagrees with the Grand Jury's statement that the City of Redding needs to be more "forthright." The City of Redding already conducts business in a forthright and highly ethical manner.

GJ Reply to the Response: The findings and recommendations in the report made no accusations of Brown Act noncompliance or violations. The 2004/2005 Grand Jury expressed concern about the apparently inflated purchase price, the appraisal process and the short escrow. "Speculation" was suspected after many interviewees agreed that a buffer zone was not the intended reason behind the purchase. Non-

published staff documents obtained by the 2004/2005 Grand Jury described the parcel with a heading entitled "Riverside Auto Mall."

The Grand Jury disagrees with the response and does not concur that "forthright" is an appropriate adjective when describing the City's explanation of property acquisitions.

Recommendation 2: Redevelopment Funds should be used for redevelopment only, not for development.

Response: The City of Redding disagrees with recommendation No. 2. The two redevelopment projects referenced in the Report fully comply with both the "letter" and "spirit" of Community Redevelopment Law. Redevelopment agencies throughout California undertake similar activities on a regular basis. Thus, the City of Redding does not intend to implement this recommendation.

GJ Reply to the Response: The Grand Jury accepts the response with the understanding that redevelopment agencies and policies, when used appropriately, can be useful tools for revitalizing neighborhoods and business areas. However, we caution that redevelopment policy can also be subject to potential abuses.

Recommendation 3: Borrowing of REU reserve funds for speculative land acquisition is an unsound business practice. When used for such purposes, these funds are unavailable for use by the utility for years. The Grand Jury recommends that the City Council utilize excess funds to lower electric rates instead of making real estate purchases.

Response: The City of Redding disagrees with Recommendation No. 3. The use of internal loans is a sound business and management practice. Such loans can save the taxpayers of the City of Redding a significant amount of money. It would be more expensive to the taxpayers if the City of Redding borrowed these funds from a bank or another financial institution.

As noted in the Report, the funds in question are being held in reserve, in part, for future capital projects and equipment purchases. Therefore, it would not be prudent to use these funds to "lower electric rates" at this time. This would simply result in higher electric rate increases in the future. Thus, the City of Redding does not intend to implement this recommendation.

GJ Reply to the Response: The Grand Jury is partially satisfied with the response. We note that, not only would it have been more expensive to borrow "...these funds from a bank or another financial institution," under the circumstances, it would have been impossible. In the process of considering and granting loans, financial institutions require valid appraisals, collateral, appropriate loan documents, etc. –

all of which the Grand Jury found incomplete or unavailable in support of this transaction.

The Grand Jury acknowledges that REU rates tend to be lower than state averages, but we anticipate that REU rates, along with energy prices statewide, will increase over time. Capital projects and equipment purchases will certainly be a factor in the future success of REU. However, depleting the REU reserve fund by diverting money to unrelated land purchases is inconsistent with the defined purpose of the fund and confirms that at least some portions of the fund are, indeed, surplus. Instead of utilizing these surplus funds for unrelated discretionary purposes, the 2005/2006 Grand Jury believes rate relief to REU customers is the preferred alternative.

Recommendation 4: The City Council must ensure full and timely repayment of the loan to Redding Electric Utility. Fees charged by public entities may not exceed the cost of providing the service. If the debt is forgiven by City Council, then the rate payers will have paid in excess of the cost of electricity.

Response: The City of Redding concurs with Recommendation No. 4. It has always been the City of Redding's intent to fully repay the loan described in the Report in a timely manner. Thus, this recommendation has already been implemented.

For the sake of accuracy, however, it should be noted that the second sentence in Recommendation No. 4 is not correct. The California Supreme Court has ruled that a municipal utility can generate a "profit" (*see Hansen v City of San Buenaventura*).

(Included in the response, the City of Redding objected to Finding No. 1 in the Report)

... the City of Redding has never indicated or implied that it intends to forgive the aforementioned loan at some point in the future. The City of Redding has made a number of loans between different City funds in the past. None of these loans have ever been forgiven.

GJ Reply to the Response: The Grand Jury is not satisfied with the response. We do not consider the recommendation implemented until after the loan is repaid in full. Our concern is based on the fact that the City Council has "forgiven" loans made from other funds in the past.

For example, the City Council recently forgave loans made to the Shasta County Women's Refuge. The first loan of \$75,000 was made in 1983 and a second loan for \$74,459 was made in 1995. As stated by an Assistant City Manager in the minutes of the July 20, 2004, City Council meeting: "... the City Council has previously forgiven a \$75,000 loan, but severe budget constraints are forcing the Refuge to ask forgiveness of the \$74,459 loan, as well."

The Assistant City Manager recommended, and the Council agreed, to forgive the second loan. The Grand Jury is not commenting on the appropriateness or

advisability of the Council's action; we are simply documenting that loan forgiveness has occurred more than once.

Report No. 4: Safety First

The Burney Fire Protection District (BFPD) report focused on ambulance fees and discussions involving turf issues/cross-coverage with the California Department of Forestry and Fire Protection (CDF).

GJ Reply to the Response: The Grand Jury finds the BFPD response particularly disjointed; therefore, we are unable to utilize the format used in our other replies. The BFPD Board objected to most of the report's findings. The Board's response rationalized the District's behavior, claimed the report contained many factual inaccuracies, and made numerous accusations against the 2004/2005 Grand Jury. We emphasize that the alleged inaccuracies were based on data supplied by the interviewed BFPD representatives themselves.

The Grand Jury notes that there is increased community interest in the District Board elections.

Pertaining to the three Grand Jury recommendations, the District failed to state whether each recommendation would be implemented, not yet implemented, required further analysis, or not be implemented as required by Section 933.05 of the Penal Code.

Report No. 5: Water, Water Everywhere

The Anderson-Cottonwood Irrigation District (ACID) Report involved issues of subscriber dissatisfaction, possible Brown Act violations, and water delivery. In 2004 the ACID Board renewed a 40-year contract with U.S. Bureau of Reclamation that includes a reduction in water supply. The District responded to the Grand Jury recommendations on August 24, 2005.

Recommendation 1: *The District and its Board should expediently and thoroughly research the facts surrounding subscriber's expressed concerns, and announce solutions and/or decisions at the earliest possible board meeting.*

Response: The District agrees with this finding, and the General Manager and Board members will make themselves more aware and familiar with District policies, State water law and Constitution.

***Recommendation 2:** ACID Board of Directors should review the Brown Act with regard to public participation. The public must be allowed to comment on agenda items as they are being considered prior to a vote; this is in addition to the Public Participation portion of the meeting reserved for discussion of non-agenda items.*

Response: This recommendation has been implemented, as each Board member has been provided with a copy of the Brown Act, and will make itself (sic) more familiar with open meeting laws along with comment periods during agenda items as well as the Public Participation portion of the meeting.

***Recommendation 3:** All members of the Board of Directors should adopt and maintain a professional demeanor during public meetings. In addition, a review of the Decorum in Debate section of The New Robert's rules of Order could be helpful in establishing Board debate protocol.*

Response: The District agrees with this finding, and this recommendation has been implemented, as each Board member has been provided with a copy of The New Rules of Order.

***Recommendation 4:** The District should publish via newsletter, billing insert, or website, explanations of issues about which subscribers express confusion. Such repeated education could result in less friction and time-consuming discussion during board meetings.*

Response: The District agrees with this finding. The District has, for several years, included a management letter in its annual application/agreement packet that is mailed to its customers each February. The District is developing a website, and will be adding additional information to it as time permits. The District will also consider the development of a newsletter.

GJ Reply to the Responses: The Grand Jury acknowledges receipt of all the responses.

Report No. 6: Innovative Education

The Grand Jury looked at three charter schools sponsored by a local school district. This increasingly popular alternative to traditional public education has both positive and negative characteristics. In exchange for curriculum flexibility, each charter school surrenders business and administrative fees to its sponsor for supervisorial oversight.

Recommendation 1: Each charter school should obtain financial/business training and expertise with regard to the operation of a charter school and its financial relationship with the sponsoring district. One form of training can be provided by the California Association of School Business Officials (CASBO). An outside consultant could also be considered.

Response from Redding School of the Arts (RSA) (received August 24, 2005): (RSA Administrators)...have been proactive in increasing their knowledge of charter school finance through workshops and consultants. Both administrators attended a charter school finance workshop in Los Angeles in March, 2005. Additional staff from RSA has attended CASBO and California Charter Schools Association workshops this past spring. To further strengthen the school's financial expertise a consulting firm has been retained by RSA for the 2005-06 school year to work with the charter school and the Shasta Union High School District (SUHSD).

Response from University Preparatory School (UPS) (received September 29, 2005): In response, our leadership intends to follow the recommendation of the Grand Jury and will obtain financial/business training and expertise with regard to the operation of UPS and its financial relationship to Shasta Union High School District. We intend to meet this goal by attending an appropriate training program and consulting outside experts in the areas of charter school finance and business as the need arises.

GJ Reply to the Response: The Grand Jury acknowledges and appreciates the details of the responses.

Recommendation 2: The District and RSA need to improve communication. Total revenue, supervisory changes, and which specific funds the District should have access to, should be reviewed and fully understood by both parties.

Response from RSA: RSA, its consulting firm, and the Chief Business Officer will continue to meet bi-monthly or as necessary to improve communication during the 2005-06 school year. RSA and SUHSD will be negotiating the Memorandum of Understanding this fall in hopes of clarifying which funds the district should have access to. It is hoped that the consulting firm can help clarify laws surrounding revenues, federal grants, district costs and supervision. RSA would very much appreciate the Superintendent and/or the Chief Business manager attending the regularly scheduled board meetings. It would also be RSA's wish that the SUHSD board liaison to RSA resume regularly scheduled attendance at RSA Governing Board meetings.

Response from SUHSD (received on August 15, 2005): Beginning August 2004, the District's Chief Business Official and the Budget Analyst met regularly with the two RSA directors, special education psychologist, and a parent volunteer. The frequency of the meetings was an agreed upon attempt to improve communication and provide training in charter finance and budget.

The District's business staff will continue to offer regularly scheduled meetings for the RSA directors and other charter employees.

GJ Reply to the Response: The Grand Jury is satisfied with the responses.

Recommendation 3: The Superintendent and/or Chief business Official of the District should attend board meetings of the charter schools at least two to three times per year.

Response from SUHSD: Both the Superintendent and Chief Business Official have attended board meetings of the charter schools during 2004-05. When requested, they have presented information or training at both regular charter board meetings and at special charter study sessions. The District will continue to provide this service on an ongoing basis.

In summary, the Board will continue with the existing communication practices already in place. Specifically, Board members will continue to act as liaisons with the charter school boards. The liaisons sit on the charter boards as non-voting members. In addition, the Board will continue to encourage the charter schools to attend and present at District Board meetings. The Board and administration will also continue their open-door policy.

GJ Reply to the Response: The Grand Jury acknowledges the response.

Report No. 7: West Nile Virus Reaches the North State

The increasing spread of West Nile Virus across the western United States prompted this investigation of Shasta County's preparedness against this mosquito-borne illness. The Grand Jury was impressed by the readiness of the largest (and best financed) of the three Vector Control Districts in the County to meet this threat. In summary, the Grand Jury recommendations encouraged increased public education of the disease and prompted the two smaller districts to consider various avenues of funding for improved control of mosquitoes.

Responses from the Districts (received July 20, 2005, from the Burney Basin Mosquito Abatement District (BBMAD) and August 29, 2005, from the Shasta Mosquito and Vector Control District (SMVCD)):

In summary, the SMVCD outlined many of its ongoing public education and research programs. The BBMAD replied that "the Board of Directors...chooses at this time, not to seek a Benefit Assessment Tax,...and is seeking additional funding from the State."

GJ Reply to the Responses: The Grand Jury accepts the responses and acknowledges the financial constraints of small districts. We applaud the districts for the low prevalence of West Nile cases in Shasta County compared to other north state counties.

The Pine Grove Mosquito Abatement District failed to respond to the Grand Jury's recommendation. This non-response violates Penal Code section 933.05.

Report No. 8: Ready to Respond

This Grand Jury Report identified some problems at the Cottonwood Fire Protection District (CFPD) including sloppy record keeping, deficient policies and procedures, lack of elections for Board positions, and the need for a formal planning process.

Recommendation 1: The CFPD should make it a priority to find at least part-time clerical personnel, whether paid or volunteer. This would help mitigate the poor record keeping and general lack of organization found by the Grand Jury. More importantly, it would allow time for the Chief and Captain to focus on CFPD's emergency response responsibilities while addressing matters discussed in Findings 2, 3 and 4.

Response from the District (received September 20, 2005): Now as to the first recommendation, the Board and staff totally agree with the finding that the Department would greatly benefit by having clerical help to assist the Chief...such that he could better concentrate on operational duties and responsibilities. We will elaborate more on this issue in the fourth recommendation.

Recommendation 2: Effective policies and procedures are needed to comply with legal mandates and to promote good practice generally. It is not enough to just have policies and procedures. "Effective" means well-defined policies (statements that provide managerial guidance) and procedures (operational reflections of those policies) that are written, well-organized, crystal-clear, and well-communicated. CFPD should begin the process of developing and writing its policies and procedures and set a date by which they will be completed.

Response: As stated in the second recommendation, much of our policies and procedures are fragmented and in some cases vague. Our Department agrees that we can upgrade and update the documents from a Mission statement through Operational Policy and Procedures by no later than February of 2006.

GJ Reply to the Response: The Grand Jury accepts the response.

Recommendation 3: Board elections are prescribed by state law and CFPD's by-laws. The Grand Jury finds that elections are preferable to appointments to ensure that the Board does not stagnate and become ineffective. Simply posting the required legal

notices when a board seat becomes vacant is insufficient. CFPD should take steps necessary to generate publicity and enthusiasm for Board service.

Response: Our Department agrees that elections are preferable to appointments, however, unless there are issues that adversely affect members of the community, people aren't interested in serving in a public position for no monetary compensation. Due to budget constraints over the years, our Board members have elected to remain non-paid, this savings being directed toward Department operations. There will be an election this year.

GJ Reply to the Response: The Grand Jury accepts the response.

Recommendation 4: A formal strategic planning process should be created and then implemented. A planning team should be established and team members should be drawn from local business people, District Board, fire personnel, and especially, residents. A strategic plan would review all areas and issues necessary to set the future direction of CFPD. The results can be formulated into a clear vision, with mission and value statements, that would be a guide for many years. This collaborative effort would greatly improve CFPD's relationships and communications with the business community and residents. Public support for funding initiatives necessary to execute the plan would follow.

Response: It has been this administrations goal to return to a compliment of three full time employees. By hiring the 3rd employee, this will reduce the operational burdens on the Chief and free up time for more administrative duties. Based on our recent review of the 2005/06 operating budget, this will strongly be considered to occur this fiscal year. The District is currently researching another project that will generate additionally sustained revenues such that part time clerical could follow as well.

Our Board recently met again with all members of the Department for a brainstorming session to compile a list of present and future needs for the Department and community. From this list, we intend to formulate our next ten year plan...the last ten year plan had twenty-one items, twenty have been completed with the remaining item being the new main fire station.

In reference to our long term strategic planning, the new, main station is to not only house the Fire department, but it will have provision for an office for a Shasta County Sheriff sub-station, the Citizen's Patrol, and possibly an office to house an ambulance company.

At this point, we understand that the community needs to be involved and this administration will be advertising our approach to this project.

GJ Reply to the Response: The Grand Jury accepts the response.

Report No. 9: And...

This Report summarized several minor Grand Jury investigations and generated only a single recommendation concerning the installation of radio towers in the Jones Valley area and the use permit appeal process in Shasta County.

Recommendation: *That the Shasta County Board of Supervisors reduce the fee for appeal of use permits and lengthen its appeal period.*

Response from the Board of Supervisors: No response received.

GJ Reply to the Response: The Board of Supervisors did not respond to the Grand Jury's recommendations regarding the \$400 fee and five-day window for appealing use permits. This non-response is in violation of Penal Code section 933.05.