

COMMUNITY DEVELOPMENT AGENCY

REASON FOR THE INVESTIGATION

The Nevada County Civil Grand Jury received several formal complaints from employees in the Community Development Agency (CDA) and from private citizens.

PROCEDURE FOLLOWED

The Grand Jury interviewed the following employees during this investigation:

County Administrative Officer David Brennan
County Assistant Administrator Tom Miller
CDA Director Tim Chow
Planning Department Deputy Director Bob Leggett
Building Department Deputy Director Clint McKinley
Environmental Health Deputy Director Tim Snelling
Seventeen staff employees

Plans, proposals and timelines for the development of the CDA were studied, as were over 50 e-mails and the compliance records of the Code Enforcement Group.

FINDINGS

1. The CDA was formally proposed in 1997 by combining three function-related county departments: Planning, Building and Environmental Health. The Grand Jury could not find any written statement of goals and objectives that had been discussed with employees, much less agreed to by the Board of Supervisors (BOS) and County Administrative Officer (CAO).
2. The proposed agency was to be managed by a director who reported to the CAO. The agency would be responsible for the existing duties of the departments, i.e. permitting, enforcing state and county laws and regulations (ordinances), land use, planning, building inspections and all activities relating to land development and building.
3. The CDA concept had been discussed by the BOS and county executive management for several years. They had made visits to neighboring counties where a like concept had been implemented.
4. The Permit Processing Center (PPC) concept, which preceded the CDA, was designed to accomplish permitting with only one stop at the counter. Cross-training in all areas of the permit process was provided for staff with the goal of streamlining the process, thereby saving the customer time. Employees stated that there was inadequate training for the concept, a lack of effective supervision and problems created by non-compatible computer systems between the three departments.
5. Dr. Tim Chow was hired by the CAO as the director of the CDA. He was instructed to design a plan that defined the agency and to propose an implementation schedule. His written guidelines were

limited to CAO staff reports and BOS minutes.

- a. The new director was to present his plan to the CAO for review by February 11, 1998, only six weeks after being hired. The design of the plan was left up to the new director, as he was the accepted expert. The review of the plan, as it was developed, was delegated to a deputy administrator.
 - b. A steering committee was formed by the BOS to review the proposed plan as developed by the director. It was made up of two members of the BOS, a deputy administrator and the director of personnel. No written input from the CAO could be found. The three deputy department directors, as well as other employees in the agency, were used as resources for the plan development.
 - c. After numerous revisions, the proposed plan was presented to the BOS on May 12, 1998. The BOS, including the two members who had also served on the steering committee, asked for numerous additional changes that resulted in major revisions. The draft was then returned to the director who made these changes.
 - d. The revised plan was brought back to the BOS on August 4, 1998. It was approved as far as concept was concerned, but implementation was not defined, and additional funding was not granted.
6. Implementation of the plan was begun in August 1998, and the BOS directed the use of funds from Planning, Building and Environmental Health to finance the required work. The CDA staff testified this action reduced its effectiveness.
- a. The majority of employees interviewed said that the CDA implementation hindered their ability to perform their job assignments adequately because of poor organization, lack of communication and ineffective leadership.
 - b. All employees interviewed expressed extreme frustration with this new concept. One complaint heard frequently was "No one cares anymore." However, it was found that some employees were reluctant to accept changes in their roles necessitated by implementation of the CDA plan.
7. Several interviewees testified that some members of the BOS interacted directly with employees after plan approval, making various suggestions for changes to the plan. In doing this, they bypassed the CAO and department heads and caused considerable confusion.
8. Dr. Chow testified he had been told throughout his tenure that he was performing his assignment well. However, on November 27, 1998, he was asked for his resignation. Dr. Chow complied. The Building Department Deputy Director was appointed Interim CDA Director.
9. On April 13, 1999, a letter was sent to the BOS from the CAO and Assistant County Administrator recommending the implementation and updating of the revised CDA consolidation plan. The BOS approved the revised plan and set milestones for subsequent reporting

CONCLUSIONS

1. Although the concept of a CDA plan had been contemplated for several years, the BOS and county executive management failed to give the new CDA Director written direction to accomplish his assignment to their satisfaction. The Grand Jury believes there was not consensus on the part of the BOS as to what they expected from and wanted accomplished by the plan. It would have been a difficult enough assignment with a clear set of parameters, but without these, the Director started out at a disadvantage in his effort to please the BOS and the CAO.
2. The Grand Jury believes there was not enough time allocated to develop the CDA plan and to "fine tune" the introduction of the plan to employees and ensure a well thought-out and managed implementation. It was unrealistic of the BOS to insist on a compressed timeline.
3. The Grand Jury believes the BOS was not adequately prepared to undertake the formation of the CDA when it did, because:
 - a. It lacked consensus on what the plan was to accomplish
 - b. It had not established clear-cut goals.
 - c. Its success or failure could not be measured.

That there was extensive criticism of the submitted plan at the May 12, 1998, BOS meeting by some of the very people who had already suggested and effected a number of changes in committee, illustrates indecision long after there should have been resolution.

4. Some supervisors bypassed the CAO and department managers in going directly to department employees to discuss constituent problems. Such action is inappropriate and intimidating.
5. Because of inconsistent direction and lack of clear intent, the BOS was responsible for wasting taxpayer dollars.

RECOMMENDATIONS

1. The Grand Jury recommends that the BOS agrees to a written set of goals before proceeding with any further implementation of the CDA plan. These goals should explain clearly what is expected of the plan in terms of its providing economy of time, effort, cost savings and other features.
2. The Grand Jury recommends that the BOS allow the CAO to carry out the review and consolidation plan without interference, thus allowing the plan to proceed as designed without further wasting of county funds.

RESPONSES

Board of Supervisors
Due September 30, 1999

Response

COUNTY OF NEVADA
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BOARD OF SUPERVISORS



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September 28, 1999

Cathy R. Thompson
Clerk of the Board

The Honorable Carl Bryan
Presiding Judge, Nevada County Courts
Nevada County Courthouse
201 Church Street
Nevada City CA 95959

SUBJECT: Board of Supervisors Responses to the 1998-99 Nevada County Civil Grand Jury Final Report

Dear Judge Bryan:


The attached responses by the Board of Supervisors to the 1998-99 Nevada County Civil Grand Jury Final Report are submitted as required by California Penal Code 933(b).

These responses were reviewed and approved by the Board of Supervisors at their regular meetings on September 14 and 28, 1999, and are believed to provide a full response to the Grand Jury's findings and recommendations.

The Board will subsequently review a comprehensive list of the implementation dates included in responses to Grand Jury recommendations. Some dates may be adjusted due to availability of resources and time needed by the County Administrator and other departments and agencies to fully implement each recommendation as requested by the Board. Any changes in implementation dates will be forwarded to you as they occur.

The Board of Supervisors would like to thank the members of the 1998-99 Grand Jury for their participation and effort in preparing the final report.

Sincerely,


PETER VAN ZANT
Chairman of the Board

Attachments

V. GRAND JURY INVESTIGATION:

Community Development Agency

Complaints from employees in the Community Development Agency (CDA) and from private citizens.

A. RESPONSE TO FINDINGS & RECOMMENDATIONS:

Findings:

1. Disagree. The Board reviewed three options for creation of a Community Development Agency (CDA) on May 6, 1997. At that meeting, the County Administrator was directed to initiate the process to hire a CDA director and prepare a proposal for creation of a Community Development Agency based on criteria contained in a draft RFP for a consultant to complete an organizational study of the three land use departments. The RFP criteria was based on Board discussion regarding the consolidation of county land use departments on July 23, 1996 and again on August 19, 1996. A Chairman-appointed committee composed of the County Administrator and two members of the Board of Supervisors appointed by the Chairman also met subsequent to these meetings and provided recommendations that were incorporated into the three options and the draft RFP presented to the Board on May 6, 1997. Additionally, members of the Board reviewed reorganizations in other jurisdictions and provided comments regarding their CDA expectations in conceptual terms to the County Administrator.
2. Agree.
3. Agree.
4. Disagree. Cross training of land use department counter staff employees was completed prior to the implementation of the CDA Permit Processing Center and is presently ongoing. Refinements to training based on employee and customer feed back have improved the quality of training, computer system compatibility has improved, and supervision of the processing center has been enhanced.
5. a. Partially agree. The CDA Director was granted more time to prepare his plan and it was subsequently presented to the Board on May 12, 1998.
b. Partially agree. The Chairman-appointed committee of two supervisors and the County Administrator was formed by direction of the Board Chairman and was not appointed by the Board of Supervisors. The County Administrator and staff worked closely with the CDA Director and provided written input to him on each draft proposal.

- c. Agree.
 - d. Partially agree. The CDA proposal was fully funded in the Fiscal Year 1998/99 Budget, but implementation actions were delayed until final budget adoption in late September 1998.
6. a. Cannot agree or disagree. The Board has no knowledge of what was said to the Grand Jury
- b. Cannot agree or disagree. The Board has no knowledge of what was said to the Grand Jury.

Refinement of organizational changes implemented with the Permit Processing Center and continuing with the formation and development of the CDA has since overcome the initial resistance to change expressed by some department employees directly to their department/agency head and the County Administrator.

7. Cannot agree or disagree. The Board has no knowledge of what was said to the Grand Jury.
8. Partially agree.
9. Partially agree. The revised CDA plan was presented to the Board on April 13, 1999, and accepted.

Recommendations:

- 1. That the Board of Supervisors agrees to a written set of goals before proceeding with any further implementation of the CDA plan. These goals should explain clearly, what is expected of the plan in terms of its providing economy of time, effort, cost savings and other features.**

The implementation of the Community Development Agency is an on-going process that is evolving over time to meet customer needs in a cost effective and efficient manner. Board of Supervisor's direction to the County Administrator is to regularly review the CDA organizational structure, operational procedures, costs, and customer service levels and recommend revisions to the organizational structure of the CDA to the Board as needed. The Board agrees that written and clearly stated goals and objectives for all county functions are needed and has directed the County Administrator to implement this process as part of the County Strategic Planning process.

The Board has also directed that the County Administrator present a report to the Board by December 31, 1999 addressing the current status of the CDA development process. This report is to include written goals and objectives for the agency, milestones for on-going implementation actions, and recommendations for future organizational and program refinements.

2. That the Board of Supervisors allow the CAO to carry out the review and consolidation plan without interference, thus allowing the plan to proceed as designed without further wasting of county funds.

The recommendation has been implemented. The Board of Supervisors agrees the County Administrator is responsible for the successful implementation of the Community Development Agency based on policy direction from the Board.

Board policy continues to support implementation of a Community Development Agency that will provide land use services to the public in a cost effective, efficient, and customer friendly way. It is not the intent of this Board to interfere with the implementation of this policy or interfere in any way with the details clearly under the responsibility of the County Administrator, the CDA Director, or other county staff members.

B. OTHER RESPONSES REQUIRED:

None.