

# PVP Watch Newsletter – June 26, 2014

## To Our Friends and Supporters

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### **RPV – New City Manager Search**

On Thursday June 19<sup>th</sup>, PVP Watch posted a Public Service Announcement concerning the RPV's Council outreach efforts to gather resident input to the City Manager selection process. As previously posted, there is an online survey at [City Manager Recruitment - Community Survey](#) as well as Town Hall meetings on Tuesday June 24<sup>th</sup> at Miraleste Intermediate School and Wednesday July 9<sup>th</sup> at the PVIC. We encourage RPV residents to participate in this process with their opinions and ideas.

### **RPV – City Manager Job Requirements**

Are residents aware that presently there is no job description for the City Manager? Only Municipal Code 2.08 and the City Manager's employment agreement reference job duties and neither has any specifics for performance measurements. The City Manager's employment agreement was first approved in March 2007 by then Council members Larry Clark, Tom Long, Doug Stern and Stefan Wolowicz. Since then, there have been three updates with the 2011 updated agreement posted at [www.pvpwatch.com](http://www.pvpwatch.com) / Current Issues page. Little has changed since first inception. Section 7 is entitled "Performance Evaluation" yet there are no specifics other than the Council and the City Manager should meet annually to define goals and evaluate performance. It doesn't seem that much has occurred in those sessions other than usually giving City Manager Lehr a salary increase.

The Municipal Codes in recent question, (MC 2.04 / MC 2.08) were written by then City Manager Len Wood in 1974, who by the way is the same Len Wood that has been attacking Mayor Jerry Duhovic with speculative accusations (PV News June 19<sup>th</sup> letters) of a major overhaul of RPV's city government, creating a situation that would "*inevitably lead to corruption*", etc., etc. What absurdity! ALL Newsletter subscribers are encouraged to read Mayor Duhovic's discussion points which are posted at [www.pvpwatch.com](http://www.pvpwatch.com) / Current Issues page. MC 2.08 was poorly written and is out of date. Mr. Duhovic's discussion points were clearly designed to give the Council food for thought and initiate a discussion to clean up the outdated codes. Several factors to consider; Mr. Woods has previously demonstrated that he is biased and as a former City Manager seems to believe that

City Councils are a nuisance that should be set in a corner to emerge when called. Readers should also be on notice that Len Woods and Council member Susan Brooks are good friends. Hmmm, Len Woods being Susan Brooks attack dog?!

Do RPV residents believe that the City Manager's position should have some quantifiable goals and metrics that can measure job performance? Unfortunately, there appears to be a current Council majority (Brooks, Knight, and Misetich) that has little interest in protecting the taxpayer's interests.

### **RPV – City Council Authority**

A significant issue to ponder; what do RPV residents who elect Council members believe Council member's duties should be? There are some who believe that everything has worked well for the past 40 years and why change or update anything? That opinion is illogical and not worthy of response.

There are some, Tom Long for one, who believe that the Council should be likened to a Board of Directors and just set policy. This is a very simplistic point of view as to what Boards of Directors actually do. According to Webster's Desk Dictionary, a policy is *A definite course or method of action selected to guide and determine present and future decisions.* Do RPV residents really believe that is what they elect Council members to do? Or do RPV residents believe that their elected officials are there to set policy AND have oversight and, as such, direct the City Manager accordingly when appropriate.

Mr. Long and others state that California law defines the "Council-Manager" form of city government and "oversight" is prohibited by California Law. Interesting, but PVP Watch finds differently. California Government Code Sections 34851- 34859 define what City Councils may do and section 34851 specifically notes that "*an ordinance establishing a city manager form of government*" is "(a) *Enacted by the legislative body*" (which is what the original Council did in 1973). Section 34852 notes that "*The ordinance shall define the powers and duties of the city manager and may fix his compensation*", etc. The Council is the elected legislature in this case and, within the confines of California law, makes changes in Municipal Codes when a majority of the Council deems appropriate. In fact, enacting new and modifying existing ordinances is an ongoing task performed by all similar legislative bodies, including cities throughout the state.

Some (those who Council Member Brooks organized to oppose Mayor Duhovic's June 3rd agenda item) seem to believe that the Council should just hire a *Professional* City Manager to manage City Hall and then let them "do their thing." Unfortunately, that has been the practice for the past 12 years or so and you should ask yourself, "How has that worked out?" In the opinion of many, not so well. Mayor Duhovic's discussion points were thought provoking and deserved, at a minimum, to be openly discussed. The Council majority thought otherwise. For some to now argue that he tried to ram this item through, when in reality he asked to extend the item to the next meeting to address various concerns, is disingenuous..

Some Reasons Why Greater Oversight Can Protect the Taxpayers Interests:

Mid-2013 - During Susan Brooks' term as Mayor, the San Ramon appeal and change order situation occurred wherein City Manager Lehr and City Attorney Lynch collaborated to keep the Council unaware of a possible contractor lawsuit as well as not promptly informing the Council of a questionable design change decision. Councilman Campbell has been trying for some time to get copies / access to correspondence between City Manager Lehr and City Attorney Lynch relating to the San Ramon situation. However, rather than supporting Campbell's efforts to review information that should be available to ALL Council members, a Council majority of Brooks, Knight and Missetich adopted a poorly written procedure submitted by City Attorney Lynch that impedes Council access to critical internal RPV correspondence.

City Manager / Staff abuses and poor judgment:

) Rather than inform the Council,, City Manager Lehr had subordinate Deputy City Manager Petru approve City Manager Lehr's application to "cash in" unused vacation time. Should not City Manager Lehr have apprised the Council?

) City Manager Lehr rebuffed efforts to obtain her salary / payroll data. After considerable time and pressure, she finally released her and staff's actual salaries. Should not the Council have ready access to RPV financial data? Where are the "checks & balances?" The 2013 salary data is now posted on the PVP Watch website and RPV employees appear to do quite well.

) Should not the Council have an opportunity to know when senior staff are to be hired and what they will be paid? As Ms. Lehr was leaving, she hired the new Public Works Director, Michael Throne, without informing the Council. Mr. Throne may turn out to be a good choice but how will we know? How will performance be measured? Are there measurement criteria for all positions? Do all new hires have a probation period? Are employees subjected to "feel good" evaluations or is there real established criteria? Under current circumstances, only the City Manager knows and does not tell. Is this good management? Should there not be better management processes? Should there not be Council oversight?

) October 2012 - IT consultant NextLevel submitted a report based on their analyses of RPV IT services. Contained within the report was direction that the PVNet agreement for IT services be updated with specificity and measurements of the services being provided to RPV by PVNet. The timeframe for completion was the 1<sup>st</sup> quarter of 2013. It is now mid-2014, 1 ½ years later and nothing has been done. Why is it that the Council does not have the oversight role to see that Council direction and specific projects are accomplished? Is this what the taxpayers want?

) We could go on but the incompetence and mismanagement that has prevailed at RPV is obvious. The issue, and real question is do RPV residents care?

### **RPV Storm Drains**

The RPV Council accepted the Storm Drain Oversight Committee's recommendation to increase the Storm Drain User Fee and to collect the Fee for the 2014 / 2015 Fiscal Year. The increase is less than \$1.00 and the

typical land owner will have a total fee approximating \$97.00. All should recall that the “Fee” applies to only 80% of RPV properties who have RPV storm drains. The other 20% have LA County storm drains and do not pay the annual fee.

The fee has a Sunset clause that terminates the fee in two years unless the residents / voter approve a new fee. Appears Staff is beginning a campaign of financial “doom & gloom” as support that the fee must be renewed. City Hall would like residents to forget that the fee was approved as an interim until the Terranea TOT fee came on line. Well thanks to the popular and well managed Terranea Resort, the TOT now exceeds \$4 million annually and the residents will not likely be so naïve to extend the unneeded Storm Drain User Fee.

Interesting was Chairman of the Water Quality Oversight Committee Lowell Wedemeyer’s comments at a recent Council meeting concerning a lack of good data being provided by RPV staff for making good decisions. Has not PVP Watch been expressing the same opinion for some time?

### **RPV Budget**

Looking at the FY 2014 / 2015 GF (General Fund) budget there is good news.

Projected GF revenues are ~\$26 million and GF expenditures are almost \$20 million.

In comparison, FY 2012 / 2013 budget, GF revenues were ~\$24 million and GF expenditures were ~\$19 million.

FY 2011 / 2012 budget GF revenues were ~\$23 million and GF expenditures were ~\$18, million.

Looking further at history, these trend lines have existed for some years. About half of RPV GF revenues are from LA County property taxes and virtually each time a property is sold, that property tax increases.

Reading the budget reveals that that approximately \$7.6 million of GF revenues will be transferred to “Council Restricted Funds.” The April 2014 Cash Balance Report depicted about \$14.8 million in Council Restricted Funds including approximately \$11.3 million in the CIP fund. As residents are likely aware, the Council Restricted Funds can be used in any lawful manner so decided by the Council.

Residents should remember that the Terranea TOT taxes go direct to the TOT funds and are not included in GF revenues. The ~\$4 million Terranea TOT (increasing annually) going to the CIP fund and the approximate \$7 million GF transferred to CIP total some \$11 million annually for CIP programs. Let’s spend it wisely.

### **PVP Watch**

PVP Watch welcomes reader comments. Please send comments to [info@pvpwatch.com](mailto:info@pvpwatch.com)

We recognize that many PVP Watch newsletter subscribers use mobile devices to read newsletters. However, mobile devices do not provide acknowledgement that a newsletter has been opened and read; that must come from the primary computer whether desktop or laptop. This is a new system capability that can report opening and reading newsletters which is a very important tool for newsletter management. We ask that those who do read newsletters from mobile devices, to also open the newsletter at their primary computer as well.

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One of the current email issues is overactive “spam” detectors and we urge everyone to enter info@pvpwatch.com and PVP Watch into their computer address book

PVP Watch welcomes all input and awaits subscriber feedback on the new newsletter format and postings.

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*PVP Watch – Newsletter List* - A reminder to ALL PVP Watch supporters, should you change your e-mail address don't forget to advise PVP Watch of your new address. We also suggest that *info@pvpwatch.com* be added to your computer Contacts Directory to assure delivery of PVP Watch Newsletters.

#### *PVP Watch – Contributions*

PVP Watch thanks the many subscribers who have contributed to PVP Watch. Those desiring to make a modest contribution, please send checks to PVP Watch / PO Box 2041 / Palos Verdes Peninsula, CA 90274

#### *Subscribers*

The PVP Watch e-mail list continues to grow. For those who wish their addresses removed, please send notice to info@pvpwatch.com. Those who have topics of community interest are encouraged to bring those issues to [info@pvpwatch.com](mailto:info@pvpwatch.com) as well.

#### ***The Editorial Committee***

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