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## **2010 GOLDEN WATCHDOG & FLEECE AWARD WINNERS**

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### **WINNER OF THE GRAND GOLDEN WATCHDOG AWARD:**

#### **East County Cities – Heartland Fire & Rescue Consolidation Efforts**

The cities of El Cajon, La Mesa, and Lemon Grove joined forces to consolidate fire management services, creating additional staffing capacity and containing costs while maintaining a high level of fire and emergency medical services. Under this consolidation, one Fire Chief will oversee operations within the three cities, replacing three individual city fire chiefs. The expected savings is \$560,000 among the three cities without a loss of service to the public. A note of caution: eventually the three cities will consolidate their benefit plans. If these benefits are ratcheted up to the highest benefit plan, costs will increase, net savings will be lost, and this program would be subject to a Fleece.

### **WINNER OF THE GRAND GOLDEN FLEECE AWARD:**

#### **Tri-City Hospital District – Trifecta of Troubles**

The Tri-City Hospital District has been going through some tough times. In a closed meeting in December 2008, four of the seven Tri-City Hospital District Board members voted to put several executives and then-hospital CEO Arthur Gonzalez on paid administrative leave. Two months later, the seven former executives filed suit against the District, alleging that it had violated several aspects of the Brown Act. The result: \$1 million to Gonzalez and \$300,000 to the executives to settle the case. In June 2009, despite severe budget problems, Tri-City Hospital District's Board voted to triple its annual marketing budget to clean up its image. Finally, in January 2010, Tri-City Medical Center CEO Larry Anderson refinanced \$53 million in long-term debt by entering into a 15-month, interest-only bridge loan. The loan requires Tri-City to place all of its reserve cash, about \$51 million, into a money market account as collateral. If the District defaults on the loan, all but \$250,000 of the \$51 million will be lost. Think it couldn't get any worse? The new CEO was just fired, then not, and the Board Chair resigned. When will it end?!

### **WINNER OF THE REGIONAL GOLDEN WATCHDOG AWARD:**

#### **County of San Diego – New Medical Examiner's Office and Forensics Center**

In 2009, the County of San Diego completed construction of a new state-of-the-art facility in Kearny Mesa for the Medical Examiner's office and related forensic units, replacing a facility that was outdated, technically obsolete and too small for the growing region. The County actually set aside money for the facility over a five-year period and remitted full payment in cash, saving the County \$140 million in financing costs. The project was completed on time and under budget, with additional project cost savings expected to be approximately \$12 million. The facility uses the most current technology available, has an 80-year life cycle, and is certified LEED Silver for its sustainable practices.



## **WINNER OF THE REGIONAL GOLDEN FLEECE AWARD:**

### **San Diego Unified School District – Survey This! Governance Woes**

Amid years of budget deficits and threats of teacher layoffs, the San Diego Unified School District (SDUSD) has made a series of nonsensical decisions. For instance, the District paid a political consultant \$130,000 to study and gauge public support for a parcel tax using faulty and misleading poll results. Nevertheless, the District appears to be moving full steam ahead with a parcel tax slated for the November ballot. This comes just two years after the passage of Proposition S, a \$2.1 billion construction bond. Prop S involved the classic bait and switch. A downtown elementary school was sold to the public during the campaign, yet the District is now pursuing a joint-use charter high school/library with the City of San Diego instead. To add insult to injury, the District did not seek input from the bond program's Independent Oversight Committee which is charged with reviewing major program changes. Think it might be because the Committee would be opposed to this nutty scheme? Don't even get us started on the revolving door of superintendents.

## **WINNER OF THE METRO GOLDEN WATCHDOG AWARD:**

### **City of Poway – Lowering Poway's Unfunded Pension Liability**

With increasing pension costs looming as a result of recent investment losses, the City of Poway had prudently set aside money in a Pension Stabilization Fund to hedge against future cost increases. In January 2010, the City of Poway chose to use the \$1.42 million balance in the fund and \$230,000 from its general reserve account to pay down the City's \$1.65 million unfunded pension liability for firefighters. By paying down the City's fire plan unfunded liability, the City will be saving taxpayers approximately \$330,000 per year in principal and interest.

## **WINNER OF THE METRO GOLDEN FLEECE AWARD:**

### **City of Chula Vista – Attack of the Texasaurus**

In May 2009, Chula Vista voters went to the ballot box for a special election to vote on a proposed 1% sales tax increase. Proposition A attempted to increase the City's sales tax from 8.75% to 9.75% for 10 years. The special election cost the City's taxpayers \$300,000, at least twice as much as it would have cost to wait one more year for a regular election. SDCTA adamantly opposed the measure, citing Chula Vista's self-created financial crisis due to increases in spending, including unsustainable compensation increases. Voters overwhelmingly rejected the measure, 67% to 33% - a two to one margin. Just a year prior, SDCTA declared the City a Fleece Award finalist for misleading voters about a potential utility users tax. The Texasaurus threatens to take over the whole city. Calling Godzilla!



## **WINNER OF THE PUBLIC-PRIVATE PARTNERSHIP AWARD:**

### **Multi-Agency/San Diego CleanTECH – Public Facilities Renewable Energy Project**

CleanTECH San Diego is a non-profit organization formed to accelerate San Diego as a world leader in the clean technology economy. Over the past year, CleanTECH led the effort to capture \$154 million in allocations for financing renewable energy projects for public facilities available through the federal stimulus program for the San Diego region. This represents 19% of the total allotment going to public agencies nationwide. The region's dominance was the result of an effort to put together applications that met federal guidelines and placed San Diego at a competitive advantage over other cities. The \$154 million in funding will help complete 192 projects for cities, school districts, universities, and a water district within San Diego.

## **WINNER OF THE "IT'S ABOUT TIME" AWARD:**

### **City/County Managers Association – Pension Reform White Paper**

Historically, cities have had to be pushed, shoved or dragged kicking and screaming to implement pension reform. It's no secret virtually all cities in San Diego are dealing with unsustainable pension programs that cost taxpayers obscene amounts of money. The first step to recovery is admitting you have a problem. Last summer, the Region's City Managers did just that. The group decided to issue recommendations to bring pension costs under control. Under the proposal recommended by the City/County Manager's Association, all employees would contribute at least something to their pension plans. They also agreed it would be prudent to adopt a new, lower cost pension plan for new employees among other recommendations which would save taxpayers money. This effort by the Association to address pension problems regionally is welcome, necessary, and long overdue.

## **WINNERS OF THE MEDIA WATCHDOG AWARD:**

- **Eleanor Yang Su, *San Diego Union-Tribune* - "S.D. Marathon Runs into Controversy"**
- **J.W. August, Lauren Reynolds, Mitch Blacher, Christian Cazares, *10News***