



# Civil Grand Jury Response

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CITY COUNCIL | AUGUST 07, 2023

BRIAN COCHRAN, ASSISTANT CITY MANAGER

ERIC DANLY, CITY ATTORNEY

BRIAN OH, COMMUNITY DEVELOPMENT DIRECTOR



# Agenda

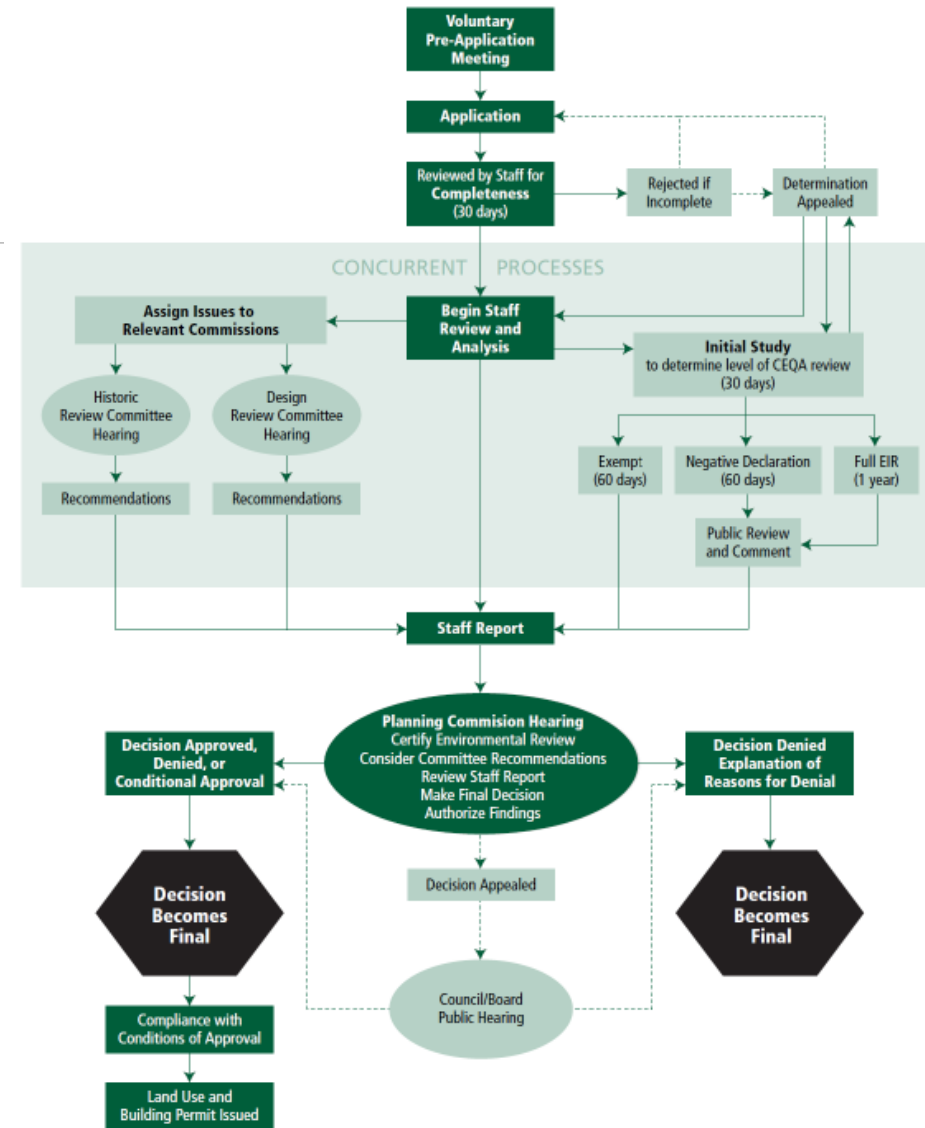
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- ☐ Receive staff presentation and recommended responses
- ☐ Consider resolution authorizing response to Civil Grand Jury Report



# Petaluma's planning process

- Processing development applications
- State and local land use regulations
- Cost recovery / non-General Fund \$





# Petaluma's service contract model

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- ❑ Full-service city that delivers core services with a \$330M budget
- ❑ Ensure fiscal health and optimal city service delivery
- ❑ Checks and balances through performance standards



# Conflicts of interest

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- ☐ Applies to all city employees and contractors acting on behalf of the city
- ☐ Public disclosures of economic interests



# Report conclusions

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- ❑ No conflict of interest utilizing M-Group as part of the city's hybrid workforce model
- ❑ Findings and recommendations

FINDINGS (7)	
The City of Petaluma has continued to contract with M-Group for the past 14 years and has failed to conduct a formal performance review, cost-benefit analysis, or new RFP to determine if the level of costs can be improved.	Disagree partially
The amount of money flowing from the City to M-Group has increased over the life of the contracts due to the increase in development activity and M-Group’s rate increases. The City has failed to provide a cost-benefit analysis justifying the continuing issuance of contracts.	Disagree wholly
The City has failed to conduct a cost-benefit analysis to determine if base level services could be filled with City employees and reduce overall costs.	Disagree wholly
The City of Petaluma recently hired a director of community development, demonstrating an interest in increasing oversight, however, the City has failed to consider hiring FTE employees in base level services positions.	Disagree partially
The City has failed to require M-Group employees working in the planning department to wear identifying badges or logos that would inform the public that they are interacting with contractors and not City employees.	Disagree wholly
The City has failed to require M-Group employees working in the planning department to include the M-Group logo or company name in their email signatures.	Agree
The City has failed to identify persons listed on the Planning Directory located on the City’s website as M-Group employees.	Agree

RECOMMENDATIONS (6)	
By December 31, 2023, the City completes a cost-benefit analysis of using a private firm versus employees to staff the planning department. (F1, F2, F3, F4)	Has been implemented
By no later than March 1, 2024, the City opens an RFP for planning services and considers a combination of city employees and private contractors to staff the planning department. (F1, F3)	Not yet implemented, but will implement
By September 30, 2023, the City requires M-Group to provide badges or logos to their employees that identify them as M-Group employees. (F5)	Has been implemented
By August 31, 2023, the City requires M-Group to direct their employees to include their firm’s logo and or name in their email signature. (F6)	Has been implemented
By August 31, 2023, the City includes an M-Group designation on each staff listing under the planning staff directory on the website. (F7)	Has been implemented
By December 31, 2023, the City conducts a formal survey of the citizens of Petaluma to better understand their awareness and understanding of the outsourcing of the planning department and their experiences interacting with M-Group employees. (F5, F6, F7)	Has not been implemented, and will not be implemented, because it is not reasonable.



# COMMUNITY DEVELOPMENT DEPARTMENT



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