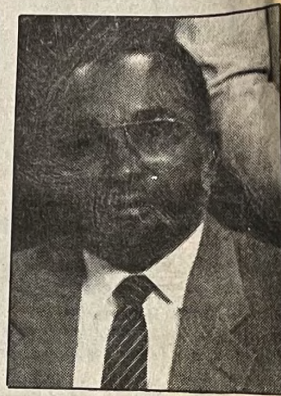


# A Need For Fiscal Accountability

## Council Majority Ignores Councilmembers Plea!



William Vines



Warnell Coats



Nevada Butler



Pat Johnson



Sharifa Wilson

Former Mayor Bill Vines expressed considerable concern over the current City Council majority's continuous decisions to expend City Council revenues without making appropriate budget modifications to the budget document adopted by the City Council in June, 1990.

response was unnecessary as C.G. Grant (the consultant) was retained without further discussion.

"The city's bidding procedure was not used for this consultant. The excuse given was there were times when the consultant selection procedure was not used in the past.

"This is an interesting response, inasmuch as Mr. Coates, on numerous occasions, objected to contracts that may or may not have gone through the consultant selection process. His concerns were always heard and accommodated by the council under my tenure as mayor.

"Mr. Coats has no respect for the policy in effect, his colleagues or the position he has previously stated in his assessment of the previous process of selection.

"This is an issue because it was Mr. Coats who made it an issue, and because my colleague is simply spending money the city does not have.

"The same council majority gave an extra week of vacation

and an increase in uniform allowance to police detectives, who wear no uniforms. The cost to the city may be as high as \$30,000.

"No action has been taken to increase revenue or modify the budget.

"The county is charging the city \$115,000 for booking fees and \$32,000 for administrative costs for tax collection. There is no new revenue to cover this cost or modification to the budget, with appropriate cuts to cover these costs.

"A previous decision was made to bring in sheriff's deputies at a price tag of \$350,000, and to pay staff for \$50,000. No budget modifications have been made and no new revenue has been identified.

"We have a city manager on forced administrative leave that this City Council majority has supported regardless of the potential legal liability the city may incur as a result of their actions and the advice of city attorneys. The city has lost once in court on this issue, costing more than \$10,000 plus benefits, plus the legal costs paid for the bad advice given.

"The lawyers will go to court again in February, and of course

will be paid for advice the council majority continues to follow regarding the status of current city manager Stan Hall. Estimated financial liability as a result of the council majority's action is estimated to be as high as \$250,000.

"If we total these costs, \$250,000 for city manager Stan Hall, \$50,000 for senior citizens, \$35,000 for the county, another \$115,000 for the county, \$35,000 for the county sheriff, \$30,000 for employee benefits for police, we have an approximate total of \$850,000 over budget with no new revenue priority expenditure.

"I have repeatedly asked where the funds will come from to cover these costs. My pleas have been ignored.

"I have urged budget meetings to get to the business of modifying our current budget. This plea also has been ignored. These decisions represent deficit spending or approving expenditure for money we do not have. These deficit expenses represent fiscally-unsound decisions. The fiscal unsound decisions cannot help but affect already-approved council programs.

"These artificial barriers can only spell doom to the city. We are being spent into a hole and councilmember [Sharifa] Wilson and I are helpless without the support of the citizens.

"I love this city and I cannot sit by idly and say there is nothing that can be done. I will share my concerns and ask your

support and help. You elected me to this office to represent you in making this the best city we can.

"There are forces among us who simply believe that this will not be. They disguise our concerns as oppositions to progress.

"Being \$800,000 in the hole is not progress, but regress. It is quite obvious to me that the current council majority's aim is not to make this a great city, but propel the city into deeper fiscal turmoil than existed in the summer of 1987.

"They are simply trying to bankrupt the city and destroy our dream.

"Let us wake up, East Palo Alto, and take charge of our destiny," Councilman Vines stated.

## Joint Powers Board Approves Rail Right-Of-Way Purchase

A letter of intent to purchase 52.4 miles of Southern Pacific mainline right-of-way between San Francisco and San Jose for \$242.3 million was approved unanimously January 2 by a three-county Joint Powers Board.

Culminating nearly two years of negotiations, the agreement also provides for acquisition of

including the San Bruno line (a candidate for the BART/SF Airport extension) and the Moffett Branch for potential Santa Clara County light rail.

Closing of the right-of-way transaction is contingent on financing being obtained by the three JPB members (San Francisco, San Mateo and Santa Clara counties). Southern Pa-

Financing for the purchase is predicated on \$120 million earmarked from Proposition 116, approved last June. Another \$53 million in Proposition 116 moneys is allocated among San Francisco, San Mateo and Santa Clara counties for corridor improvements. JPB officials will seek the remaining funding from other sources.