

**City of Hughson
Grand Jury Case No. 04-19
2003-2004**

REASON FOR INVESTIGATION

A complaint was received concerning the declaration of an emergency at the sewer lift station in the City of Hughson.

BACKGROUND

The sewer lift station is the treatment facility and the effluent pump station which treats the waste water from the City of Hughson. It has been in operation since 1986.

PROCEDURES FOLLOWED

The Civil Grand Jury conducted individual interviews and requested and/or reviewed various documents.

The Civil Grand Jury made an on-site tour of the sewer lift station in the City of Hughson.

The Civil Grand Jury conducted eight interviews. Those interviewed included:

1. City of Hughson Officials
2. City of Hughson Employees
3. The Complainant

Records requested and/or reviewed included:

1. Hughson City Resolution No. 02-36, declaring need to take immediate action in an emergency without bidding.
2. Hughson City Council Minutes, June 24, 2002 to present.
3. Financial records concerning the sewer lift station repair, 2002 to present.
4. All records, since 1998, of any repairs to pumps at the sewer lift station.
5. City of Hughson Annual Financial Report, year ending June 30, 2003.
6. Correspondence between the City of Hughson and Howk Systems, 2002 to present.
7. Evaluation of the Waste Water Treatment Plant, prepared by consultant for the City of Hughson in 1999.
8. The City of Hughson Wastewater Master Plan.
9. Sewer Lift Station Emergency Repair Project Evaluation, performed by consultant engineering firm, dated May 2004.

FINDINGS

1. The Public Works Manager of the City of Hughson requested the City Council on June 24, 2002 adopt City Resolution No. 02-36, declaring the need to take immediate action in an emergency without bidding in order to expedite the repairs of the sewer lift station.
2. The Public Works Manager reported to the Council that the sewer lift station experienced catastrophic failure of equipment. The Council did not ask for confirmation from any other source.
3. The Public Works Manager told the Council that the cost of the repair would be “anywhere between \$100,000.00 and \$200,000.00” during the discussion on the adoption of Resolution No. 02-36.
4. Action was required because the sewer lift station had been allowed to deteriorate into a state of disrepair.
5. Repair work to the sewer lift station by the contractor began previous to the adoption of Resolution No. 02-36.
6. Selection of the contractor to do the repairs, install equipment and the modification of the sewer lift station was done exclusively by the Public Works Manager, without consultation with other staff members or Council approval.
7. A contract between the City of Hughson and the contractor was never presented to the Council.
8. A written contract was never signed between the City of Hughson and the contractor.
9. Repair work by the contractor was done after normal working hours, in the evenings and on weekends.
10. No detailed reports on the repair of the sewer lift station were presented to the Council during the months of repair.
11. The configuration of the sewer lift station pumps was modified from the original setup of two 10 hp pumps and two 60 hp pumps to four 40 hp pumps.
12. The City Council approved \$100,000.00 for the sewer lift station repair. Any work beyond the initial cost was to be approved by the City Manager. There were numerous succeeding purchase orders without the City Manager’s signature.
13. Total paid to the contractor for the repairs and upgrade to the sewer lift station was approximately \$240,000.00.

14. The estimated total cost for the repair determined by the engineering firm hired by the City of Hughson to do a study of the project was \$220,000.00.
15. The equipment selected to repair the sewer lift station was not of equivalent quality to the equipment replaced.
16. The study done by the consultant engineering firm, dated May 2004, concluded that an emergency situation did not exist in 2002.

CONCLUSIONS

1. The City Council relied solely on the Public Works Manager to determine that an emergency situation existed.
2. The City Council allowed the Public Works Manager to make all the decisions concerning the project and had no input on the repair or modification of the sewer lift station before or after the passage of Resolution No. 02-36.
3. The City of Hughson did not follow established municipal financial practices, pursuant to regulations in the Public Contracts Code, by permitting a work project to proceed without first entering into a written contract for said work.

RECOMMENDATIONS

1. The City of Hughson should adopt a more stringent procedure for determining when an emergency situation is declared.
2. More than one source of information should be required for the declaration of an emergency.
3. The City Council should adopt a written policy requiring written contracts for all work done with the City, to be signed prior to the commencement of work.
4. All invoices and billings submitted to the City should be required to include specific information regarding the materials and actual work performed.
5. The City Council and staff should more closely monitor projects.