



Contracting Practices, City of San Carlos

Over the last three years the San Mateo County Civil Grand Jury (Grand Jury) issued two reports on management practices in the City of San Carlos. In both reports the Jury was concerned with the appearance of a conflict of interest in the City's granting and then automatically renewing contracts to ex-employees. After the first Grand Jury report, San Carlos amended its City Code regarding contracting practices. Twice during the last three years, the San Mateo County District Attorney has investigated conflict of interest complaints; neither time were criminal charges filed.

This year the Grand Jury interviewed city officials, both elected and appointed, and met with a concerned private citizen. It also viewed a recording of the council meeting of February 27, 2006, during which a reorganization plan proposed by the City Manager was approved.

The reorganization plan calls for the city to revise several of its contracts to have city employees do work previously done by independent contractors. The Grand Jury supports the implementation of the plan as expeditiously as is practical.

At the same meeting the City voted to begin a review and revision of the City Code section 3.12 dealing with the purchasing of services and supplies. Again, the Grand Jury supports the action, believing that a revision of that section of the code can facilitate the purchasing of all city supplies and services in an open and transparent manner, free from any conflict of interest or appearance thereof.

The interest of the Grand Jury in this matter continues.