

Citizens' Oversight Projects (COPs) Committee

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November 15, 2010



LETTER TO THE GROSSMONT HEALTHCARE DISTRICT BOARD

REF: C00029

Submission to the Grossmont Healthcare District Board regarding the Projects Liaison Monitor and James Stieringer. The underlying facts, as I understand them, are as follows:

1. James Stieringer has served on the Grossmont Healthcare District Board since 1992. Compensation in this position is listed as up to \$6K per year, but there are additional benefits, such as reimbursement of expenses and per-diem compensation for additional meetings. Mr. Stieringer received the most votes of any candidate in the 2008 election when he was recently re-elected.
2. The GHD Board approved the creation of the Projects Liaison Monitor position. The job posting on the GHD website said "This new full time position is included in the District's FY 2010-2011 Administration Budget," implying that even if it was approved in the past, it was part of the current budget and regarded as "new." The job posting did not refer to any changes that would make the position necessary and there are other people and organizations that currently complete those tasks, including the CEO Barry Jantz, the Independent Citizens Bond Oversight Committee (ICBOC), and contract management firms, such as Parsons. It remains an open question as to whether this position actually needs to be filled given that the district has operated successfully to this point.
3. CEO Jantz decided to fill the position and advertised it in the San Diego Daily Transcript for two weeks. No press releases were submitted to the general media and subscribers to the GHD announcement list were not notified. The announcement was not posted to the normal news page of the GHD website. The application closing date was November 9, 2010 at noon.
4. James Stieringer submitted his resignation on Friday, November 5, and stated therein that he was doing so to allow him to apply for the Projects Liaison Monitor position, and he stated that it was not a sure thing that he would get the position. The fact that he resigned means he realized it would be a conflict of interest to apply for the job while he still maintained his role as board member, and would therefore potentially be asked to vote on his own confirmation.
5. COPS submitted a letter to the board through CEO Barry Jantz broaching concerns about the lack of notice, the dearth of applicants, and the apparent insider-dealing with Stieringer. COPS recommended that the rationale for the position be reviewed, the position be announced fully, and for the application period to be extended at least 30 days.
6. The GHD Board called a special emergency meeting for November 10, 2010, to address concerns defined by COPS and other board members. COPS Coordinator Ray Lutz spoke to the issue prior to the closed session. Board member Stieringer was not present, his name plate was covered and

his picture removed from the lobby in response to Stieringer's resignation.

The report of the closed session stated that the pulled the position and rolled it into other positions that were being defined. COPS believes that that action proves that the position was not essential and apparently contrived to allow Stieringer to slip into a position with higher salary, yet keeping his influence in the GHD, and pumping up his CALPERS retirement.

7. Later that day, Stieringer submitted a letter requesting that he be allowed to rescind his resignation, now that the job was not available.
8. The GHD Board has called another emergency meeting for Monday, November 15, 2010, to address Stieringer's request to be allowed back on the board of directors. The board asserts the right to process this as a closed session stating that there has been threats of lawsuits. However, we know of no threats.

Given these facts, COPS makes these observations:

1. It is even more clear that these events were orchestrated to allow Stieringer to have a guaranteed new position in the district, a position that he created for himself while sitting on the board. This is now clarified because he states in his resignation letter that he is doing so to allow him to apply for the seat, but when he did not get the position, he then wanted back on the board after all.
2. CEO Jantz has stated that there is nothing out of the ordinary in this action, equating Stieringer's attempt to be hired into the position with the action in National City where a city council member resigned and was hired as Fire Chief. However, COPS believes the difference is obvious, since the Fire Chief position would exist and be filled regardless of any action done by the city council member. In contrast, the Projects Liaison Monitor position is a new position, created by the board on which Stieringer sits, apparently with the sole purpose of giving Stieringer a position to fill (as there is no other rationale for the new position and it was quickly dissolved).
3. CEO Jantz has defended the creation of the position both in terms of how it was promoted and how it would be possible for Stieringer to both create the position and fill it. This brings into question his role orchestrating the filling of the position such that his friend and supervisor on the board could fill it. Indeed, this underlines this as a conflict of interest since Jantz is responsible for these actions, and he reports to the board members and frequently discusses the creation and promotion of the position. Although he promoted it to pass legal thresholds, his actions are suspect from a propriety standpoint.
4. Regarding the resignation of Mr. Stieringer, it does not make any sense that he can rescind that action. Both the District and Mr. Stieringer have taken actions that depend on the acceptance of that resignation. In the case of Mr. Stieringer, he applied for the job and did not appear at the Nov 10, 2010 meeting. In the case of the District, Stieringer's pictures were removed, his nameplate covered, and a meeting was conducted acknowledging that he had resigned on November 10.

COPS requests as follows:

1. That the November 15th meeting be conducted in an open meeting.
2. That the request that Mr. Stieringer rescind his resignation be denied.
3. That applicants for the board position be solicited and the seat filled by appointment.
4. That CEO Jantz be reprimanded for his sloppy handling of the filling of this position.

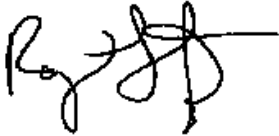
5. (CPRA) Please provide the minutes of the meeting when the Projects Liaison Monitor position was originally approved, the earlier "CEO Assistant" position, and any subsequent position.
6. (CPRA) Please provide the auditor's recent recommendations mentioned in the Nov. 10 report of the closed session meeting.

Please respond electronically.

--Ray Lutz
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Sincerely,

A handwritten signature in black ink, appearing to read "Ray Lutz", with a stylized flourish extending to the right.

Raymond Lutz
Coordinator, Citizens' Oversight Projects Committee.
Former Candidate, 52nd Congressional District