

CITY OF CALISTOGA

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May 6, 2008

Honorable Francisca P. Tischer
Honorable Raymond Guadagni
Presiding Judges 2007/2008
Superior Court of the State of California County of Napa
825 Brown Street
Napa, CA 94559

FILED

MAY 12 2008

Clerk of the Napa Superior Court
By:  Deputy

RE: Grand Jury Report 2007/2008 Napa Valley Housing Authority/Farmworker Housing Centers

Dear Judges Tischer and Guadagni:

The City of Calistoga has received and reviewed the above referenced Grand Jury Report and pursuant to the provisions of the California Penal Code offers the following response to the recommendations contained therein.

Recommendation 6:

The Grand Jury recommends that: "Agreements to which local government agencies are parties not contain false statements in the recitals."

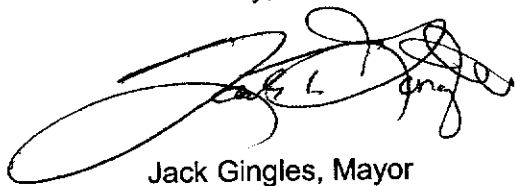
Response:

The City of Calistoga agrees with this statement and recommendation. It should be noted however that the City's action to authorize the Settlement Agreement containing the recital to which the Grand Jury refers was based upon the City Council's understanding that the facts contained in the recital were true.

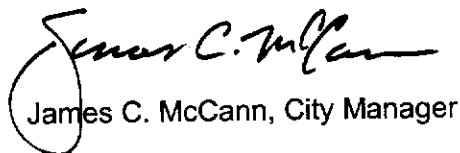
Please note that the City of Calistoga, its staff, and decision makers strive for the highest level of integrity and we endeavor to accurately reflect the basis for decisions and facts accurately through Staff Reports, Resolutions, Recitals, Agreements and Statements.

The City of Calistoga thanks the Grand Jury for its good efforts in investigation and constructive observations and recommendations for improvement in our government affairs

Sincerely,



Jack Gingles, Mayor



James C. McCann, City Manager

cc: File
Correspondence

Received
Napa Superior Court

MAY - 9 2008

Court Executive Office