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DHS City Manager in Rehab

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By [Dean Gray](#)

A Sober Perspective on Daniels' Situation

PUBLICITY SHINES SOBERING LIGHT ON CITY AFFAIRS



City Manager Rick Daniels

Desert Hot Springs, CA - A decision to seek treatment never comes easy. It takes courage to enter rehab for alcoholism. Some take time off from work. Some go quietly while others go with the fanfare most recently associated with Lindsey Lohan and Paris Hilton.

For Desert Hot Springs City Manager Rick Daniels, a highly public figure, a decision to enter a rehab facility for alcohol use comes with an added burden of being front page news.

The Desert Sun newspaper broke the story last week when Assistant City Manager Jason Simpson explained Daniels' absence from a September 21 council meeting as being due to medical leave.

For Daniels, the news replaces one spotlight, a favorable one, for another with a decidedly harsher glare.

The article in the Desert Sun, while noting Daniels' penchant for martinis and whiskey also lavished praise on Daniels, recognizing his accomplishments. In that breaking news report there was no contention that Daniels' performance has been anything other than stellar. His supporters, of which there are many, will say that is because there are no points of contention.

In the interests of objective journalism, nobody is a saint. Clearly that is evident in Daniels' case with news of his self-imposed rehab. This analysis sets aside the rehab issue to provide the public more of the story.

Daniels' contract as Desert Hot Springs city manager was set to expire the very week news came out about his alcohol problem. Before that, the city council was considering a 5-year extension of his contract, a detail leaked to and first reported by the Desert Sun. For comparison sake, the contract norm for city managers is 3 years and the President of the United States only has a 4 year contract.

Daniels earns \$253,046 annually counting perks and benefits according to a salary survey released by the League of California Cities. Against all other desert region city managers, that puts Daniels as the second highest paid. The Desert Sun, citing only Daniels' base salary of \$217,000, previously reported Daniels' as the second *lowest* paid.

It is the perks and benefits that put Daniels in second position as the League survey, compiled from reportable earnings to the IRS. With a five-year contract, Daniels is set to earn well over a million dollars. But then comes the rehab news.

By all objective accounts, under Daniels' watch the city has greatly changed in the last three years. A \$35 million municipal bond sale engineered by Daniels before the economic meltdown made it possible for the city to repave 80 percent of the city's streets, construct new storefronts downtown and purchase vacant properties for consolidation to attract business to the city. Daniels takes credit for that.

The purchase of vacant properties by the city is not one of Daniels' more saintly moves. The property purchases were made at a time when commercial real estate values were at their peak. Residential property had already started its decline. Daniels ignored warnings from commercial real estate professionals and others that commercial values would soon plunge.

The result is that Daniels paid significantly more for vacant lots and buildings than those properties are now worth. While plenty of names of restaurants and retailers have been mentioned to fill those properties, none have put their money on the table. The purchases have also taken those properties off the tax roles, exacerbating a decline in property tax revenues for the city.

One of Daniels' greatest triumphs is a successful combined law enforcement task force orchestrated with District Attorney Rod Pacheco to rid the town of miscreants and evildoers. On the law enforcement side Daniels has also fulfilled a promise to add more police officers. He guided the city through two voter approved tax measures. Crime in the city is in decline, especially in the area of gang activity. Graffiti, a sign of gangs and once the scourge of the city, has been virtually eliminated.

While Daniels also took groundbreaking shovel in hand for new schools, sidewalks, traffic signals and roadwork, other decisions have been less sobering for a city fighting its own rehab battle.

The city manager signed contracts to purchase a former Jewish temple building for \$1.4 million despite advance warning the 50-year-old building should be inspected first. No inspection was done prior to purchase. After the purchase, an inspection determined the building to be structurally unsafe for occupancy. It had to be demolished; its value on the city's books less than half the price paid.

Daniels also awarded a contract for the renovation of a local hotel, the Pink Flamingo, with the city agreeing to put up \$250,000 towards renovation. The developer left the property in ruins. City funds are stuck in limbo, possibly for eternity.

Ruben Duran, Laura Green & Rick Daniels

Another Daniels contract worth \$250,000 festival that has now Angeles based was paid only as a language in the contract under no obligation and the event will actually

Daniels often bragged



signature appears on a of city funds for a music been canceled. The Los promoter, it turns out, consultant. Specific says the promoter is provides no guarantee take place.

about his ability to

influence the media. It's true. On the controversy over commercial real estate purchases, the Jewish temple and the Pink Flamingo hotel, The Desert Sun, the only daily newspaper in the region, has never reported those issues. On reporting of the music festival, the Desert Sun reported the cancellation along the lines of an announced city issued press release. It made no mention of the non-binding contract terms with the promoter.

Daniels, by the way, takes offense to the word "canceled" to describe the music festival. He calls it postponed and rescheduled for fall 2011. Some will call that spin while others call it successful *and welcome* media management.

Before Daniels took the helm, the city was mired in bad press. It was portrayed as a city behaving like a drunken sailor; a city lurching in all directions, always threatening to sink. Mayor Yvonne Parks, who served on the city council prior to Daniels, often complained the Desert Sun only reported negative news. Daniels turned that ship around.

For Daniels it was easy since his media connections run deep. He is close personal friends with the executive editor of the Desert Sun, Rick Green. Daniels executive assistant that he brought with him to the city manager position is Laura Green, wife of Rick Green. Laura Green now serves as communications manager for the city.

Laura Green & Rick Daniels



That connection between known in political circles Riverside County executive intergovernmental dinner relationship as fodder for a roast of Daniels, poking fun Svengali-like control over

Daniels and Green is so well that Larry Parish, a retired officer, speaking at a last summer used the friendly Dean Martin style at the city manager for the newspaper.

Whatever the reason for the and some will say it is the progress and not the relationship between the Greens and Daniels – the community at large is generally happy the Desert Sun appears to have "laid off" the city. improved media coverage –

On the glare hitting Daniels this week, nobody has reported seeing Daniels drunk on the job. To the contrary, those that worked with him say they saw no sign that alcohol was getting in the way of his performance. Questions are necessarily raised now. Were decisions over the multi-million dollar projects highlighted above compromised by lack of sober judgment?

The Desert Sun detailed in its reports that Daniels' drinking was well-known to friends and colleagues, something the newspaper reports regularly took place at the Capri Restaurant in Desert Hot Springs

The city is now operating without a city manager. Daniels departure was sudden and kept quiet by a city council following a closed session meeting. Left to deal with the pieces of many projects is Assistant City Manager Jason Simpson now filling in for Daniels.

Rick Daniels Post Rehab

The city by most accounts has made progress despite an alcohol problem lurking in the life of its city manager. Now it finds itself trying to hold onto that progress without a city manager credited with bringing it about. Simpson, who also acts as Administrative Service Director and head of city finances, has no prior city manager experience. It is not known how long Daniels will be absent. Most in-house rehab situations are at least 30 days.

Where Daniels is seeking released. His wife is very Betty Ford Center in lists are confidential.

Daniels is not the first suffer from alcoholism, just have successfully positions and performed



treatment has not been active as a volunteer at the Rancho Mirage but patient

prominent city official to the most recent. Others recovered, retained their well.

Rick Daniels is a big man with the bravado of many well-earned accolades who has long held positions of power in our desert. As head of a mining company Daniels first came to the desert promoting but failing to bring “trash trains” to the valley. That plan was to haul trash from Los Angeles to fill a dump located at Eagle Mountain and next to the Joshua Tree National Monument, something federal courts recently pulled the plug on.



Rick Daniels at work

Daniels exited that position to run the Coachella Valley Economic Development Partnership, a non-profit community service organization recently led by the publisher of The Desert Sun, governed by a board of directors consisting of representatives from the private, public and educational sectors.

Staying on the path of a public service and just prior to his city manager gig, Daniels was tapped to head up the Salton Sea Authority where he is reported to have secured money for the agency to begin its work.

Mayor Yvonne Parks and Councilwoman Jan Pye have commented publicly on Daniels new challenge with alcohol use and say they have seen nothing negative in his performance. Mayor

Pro Tem Scott Matas and Councilmen Karl Baker and Russell Betts have no comment, citing laws governing their ability to speak on personnel matters.

The subject of Daniels' contract renewal was missing from the last city council meeting when it was expected a new five-year contract would be approved. Daniels is at the end of his existing contract. Prior to the Daniels announced leave, the council voted for a 30 day extension of Daniels' existing contract but with conflicting official reasons given as to why.

At a council meeting on September 7 when Daniels contract was first thought to be approved, Councilman Karl Baker explained the council wanted to make sure the public had a clean copy of Daniel's new contract for review. Mayor Parks, however, said in a Desert Sun interview the delay is attributed to closed session "fine tuning" of the contract.

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