

## BELL: A TOTAL BREAKDOWN

By Jeff Gottlieb

Ruben Vives was covering southeastern Los Angeles County, a region that has endured so many scandals that it's called the Alley of Corruption, when he learned that Maywood was taking the unprecedented act of laying off nearly all its employees.

Because of lawsuits, most of them filed against a police department that was under a court order to reform itself, Maywood became the first city to have its insurance cancelled by the California Joint Powers Insurance Authority. The Maywood council couldn't even take simple steps the insurer required, such as hiring a permanent city manager.

Without insurance, the city couldn't operate. So in June 2010, Maywood cut deals with the Los Angeles County Sheriff's Department to patrol the town, and with Bell, its southern neighbor, to take over city services. Bell also sent Angela Spaccia, its assistant chief administrative officer, to take over as city manager.

I got called in to work on the story, which seemed an interesting tale about an astonishingly incompetent city government.

We were an unlikely pair. Ruben had come to this country from Guatemala when he was 6, living here illegally for a time. His mother worked as a housekeeper for Shawn Hubler, a Los Angeles Times columnist, who helped him get a job at the paper. He had started at The Times as a news clerk, passing out mail and fixing the printers, eventually working as a translator on a project about King Drew Medical Center, which won a Pulitzer, and had only been a reporter for three years.

I had been a reporter and editor for nearly 30 years. While I had a master's degree from Columbia and had received the George Polk Award, one of journalism's most prestigious, when I worked at the San Jose Mercury News, Ruben had dropped out of Cal State Fullerton to take care of his sick mother, continuing to work at The Times. We hardly knew each other.

While reporting about Maywood, Ruben and I heard rumors of investigations into corruption. I called David Demerjian, head of the district attorney's Public Integrity Division, which investigates public officials, to ask if his unit was looking at Maywood. It was the first conversation we had ever had.

He said the PID had backed off Maywood because other agencies were investigating, but he wouldn't tell us which ones. We hadn't heard any rumors of corruption about Bell, so I'm not sure why I asked him the next question: "What about Bell?"

Demerjian said his office had received a complaint that council members were making nearly \$100,000 a year for their part-time jobs. According to state law, he said, the council should be making \$4,800 a year. He said this was not a full-fledged investigation, but an inquiry and wouldn't become an investigation until his office was convinced a crime had been committed. I told him I was moving to Bell and running for city council.

The mayor's position in Bell rotates annually between council members. I called Mayor Oscar Hernandez, and he defended the salaries. "In a troubled city, the city council should get paid a little more," he said.

Vice Mayor Teresa Jacobo, who sold real estate, insisted the salary figures the DA had given me were wrong, and that it must include medical insurance, retirement and other benefits.

Southeast L.A. County was once a predominantly white working-class area, where many people were able to support their families by working in nearby factories. But as industry left town, so did the workers, and the area became increasingly Latino. Bell, one of the poorest cities in the

county, is about 90% Latino and 50% foreign born, which means that many residents are in this country illegally.

The Bell council salaries reminded me of a story I had written in 1993 about the East Palo Alto Sanitary District when I worked for the San Jose Mercury News. East Palo Alto is a much different town than Palo Alto. Palo Alto, the home of Stanford University and the center of Silicon Valley, is one of the wealthiest cities in the state. East Palo Alto is literally across the railroad tracks, and in a different county. At the time it was mostly African-American, and one of the poorest cities in the Bay Area. It had the highest murder rate in the country.

My story showed that the sanitary district spent more money on parties than it did repairing sewer lines, and its part-time directors traveled around the country at district expense, staying at fancy hotels and eating expensive meals. On top of that, the district had spent \$1.8 million to build a new headquarters, the nicest building in the city, driving up its customer charges to the highest in the Bay Area.

After my story appeared, one of its directors, a Harvard grad who had spent time at Stanford law school, was charged with theft.

The salaries in Bell seemed an echo of what I had found in East Palo Alto. I figured if Bell council members were being paid nearly \$100,000 a year, they must be ripping off the city in other ways.

The next day Ruben and I drove to Bell to ask for documents under the California Public Records Act. We walked into the small, red brick city hall and asked to see Robert Rizzo, the city's chief administrative officer, whom neither of us had met. Nearly everyone else in that position calls themselves city manager, so his inflated title immediately grabbed my attention.

The woman at the counter said Rizzo couldn't see us, which struck us as odd. It's not every day that two reporters from the L.A. Times show up in Bell's city hall.

Rebecca Valdez, the city clerk who had started working for Bell as an intern, came out to talk to us. We told her we wanted to see minutes of council meetings, contracts for city officials and their expenses.

She handed me a form. I filled it out, figuring this was the city's bureaucracy at work. She told me we would get the documents in 10 days. I was stunned. While the public records act entitled the city to take that long, Valdez should have walked to the files, pulled out the records we had requested, handed them to us and said, "Knock yourselves out." It might have taken her 10 minutes.

When we asked to look at the records instead of asking her to copy them, she said she was too busy. I told her that if we didn't get the documents within 10 days, we'd sue.

I asked Valdez for a copy of the form I had filled out. She charged me a dollar. We walked out of city hall thinking something was wrong here. They were making it too difficult to get simple records.

I called Valdez nearly every day, asking if the documents were ready. When I got a hold of her, she always had the same testy answer. "I told you it would be 10 days."

Each time I told her we would sue if we didn't get the documents, and that after we won, we'd ask the judge to order the city to pay our legal costs, which is a provision of the law.

After the story about the council salaries appeared, I had received emails from Bell residents talking about corruption in the city, and I used the 10 days to talk to them. One of them, Nestor Valencia, had run for council against the entrenched regime and would win election after the scandal broke. Another, Cristina Garcia, used her renown as a leader of the Bell activist group BASTA to get elected to the state Assembly.

No one could provide evidence or put their arms around it, but it was clear something was wrong in the city. People kept telling me Rizzo made a lot of money. How much? I'd ask. The highest I heard was \$300,000 to \$400,000, close to double what you'd expect he would be paid.

On day nine, I received a surprise call from Valdez. She told me we would get the documents the next day, and Rizzo wanted to meet with us. I assumed she meant city hall. But Valdez said we'd meet at Little Bear Park, a place where I'd bring my then 2-year-old. I thought we were going to meet on a park bench. .

We met on Friday, July 9. Ruben and I drove separately. Ruben parked in the lot on the other side of the park. We didn't talk about this until several months later, but we both worried we were being set up. There are lots of gangs in Bell, and why did Rizzo want to meet in a park? It was just weird.

Ruben had visions of a white van driving up, armed men jumping out and kidnapping him. He sat in his car and copied the license plates of the vehicles parked nearby. He tore the paper from his notebook and put it under the passenger seat. He figured if something happened to him, when his car was discovered, police would find the license numbers, which would lead them to his kidnappers.

As I walked through the park, trying to figure out where we were gathering, I passed Rizzo and Hernandez and they pointed me to a nearby building.

When I walked into the room, which had a fireplace surrounded by American and Cub Scout flags, I saw Rizzo had brought nine people with him, obviously trying to intimidate us. There were two attorneys, a couple city councilmen, the police chief, the assistant city manager, the city clerk and a councilman from Maywood. Rizzo, who has the egg-shaped body of the Penguin in the movie "Batman Returns," sat at the back in an open collared shirt.

Edward Lee, Bell's contract city attorney, later said Rizzo insisted he appear at the meeting, even though he had to leave a conference in San Diego County. "The way it was put to me was it was a command performance," Lee said. "You need to be there."

Pedro Carrillo, then a contractor for the city who would become the interim chief administrative officer, said Rizzo never told him what the meeting was about, not even that he was meeting with a couple reporters, just that he wanted him to show up.

We sat around a group of tables arranged in rectangle, with me and Ruben at one end, a foot-high stack of documents next to us. I figured if we were going to take them home, why bother to look through them now.

Neither Ruben nor I had any idea this interview would turn out to be a historic meeting. We didn't know Rizzo's salary. We didn't know much about Bell. We didn't even know if we had a story.

Neither of us brought a tape recorder. I generally don't like using one because it takes so long to transcribe, and I'm confident in the accuracy of my notes. Besides, in this case, both of us were scribbling down their comments

I began asking questions, starting with softballs to put everyone at ease. I eventually asked Councilman Luis Artiga and Mayor Hernandez if they made as much money in their day jobs as they did from their council salaries. Hernandez, who owned a small grocery store next to the park, smiled, and said he did.

Artiga, pastor of the Bell Community Church, said, No way. When he had been appointed to the council 15 months earlier, he told us, he had no idea how much he would be paid. When he received the first check, he thought it was "a miracle from God."

In a tearful interview in his office three months later, the day before he was arrested, Artiga had a different reaction. "I thought God had answered my prayers, but it was a trap from the devil," he said.

Rizzo jumped in, trying to justify the salaries, saying council members have no staff and pay their own travel to conferences and expenses. "Look at West Hollywood," he said, "each council member has a staff member, phone, car, discretionary fund. Add all these up, they probably going to come to the same number [as Bell]."

Then I asked Rizzo how much he made. "\$700,000," he replied.

That was so much money I wasn't sure I had heard correctly.

"How much?" I asked again.

"\$700,000."

Next to me Ruben quietly exclaimed, "Jesus Christ."

"I'll bet you're the highest paid city manager in L.A. County?" I asked Rizzo..

"I don't doubt it," he replied, looking down at the table. "If that's a number people choke on, maybe I'm in the wrong business. I could go into private business and make that money. This council has compensated me for the job I've done."

Hernandez jumped to Rizzo's defense.. "Our city is one of the best in the area," he said. "That is the result of the city manager. It's not because I say it. It's because my community says it."

I turned to Police Chief Randy Adams, who had retired as chief in Glendale, with a population of nearly 200,000, and taken the job in Bell a week later. "How much do you make?"

"\$457,000," he replied, which was 50% more than L.A.'s police chief.

"How much did you make in Glendale?"

"About \$245,000, \$250,000."

Then I turned to Angela Spaccia, Rizzo's number two, dressed in a low cut blouse, and a low-hanging necklace.

"How much do you make?"

"I don't know," she replied.

It was an astonishing answer. Everyone knows what they make, and this was the woman involved in many of the city's money matters.

"What do you mean?" Ruben asked. "How can you not know what you make?"

Spaccia hemmed and hawed and did a little tap dance. Rizzo stepped in. "She makes about \$350,000," he said.

Nearly everyone around the table began justifying the salaries. They said that when Rizzo become city manager in 1993, Bell was nearly bankrupt, and he had brought financial security. The streets were clean, and the parks were the nicest in the area.

"I would argue you get what you pay for," Spaccia said.

Adams said he used his own car and that he paid for his office furniture. How much was the furniture? "\$6,000,"

The meeting lasted four hours, ending at 5 p.m. with Rizzo and I talking about our 2-year-olds. "I like you, Jeff," he said.

Finally, the only people left in the room were me, Ruben and Tom Brown, a former assistant U.S. attorney who did work for the city. Brown said he told Rizzo the city had to give us the documents we requested. "I told him they'd take a hit but things would blow over," he said.

Ruben and I left with a batch of documents. When I got home I looked at Rizzo's contracts. By my calculations, he was making \$787,637, which included an astonishing 12% annual raise, not exactly the \$700,000 he had told us. Ruben checked the contracts and came up with the same figure. I called Rizzo and told him what we had discovered. "Bob, tell me where I'm wrong?" I asked.

"You're a little high," he said, "but that's OK."

Rizzo said he was going to Washington for a wedding that weekend. In fact, he was going to his horse farm outside Seattle, along with with Brown, Hernandez, Artiga and others, what the prosecutors would later call “The Jig is Up” meeting.

I called Ruben. “Let’s go with our figure,” I said. “If we’re wrong, I’m willing to write the correction that says, ‘Bob Rizzo doesn’t make \$787,637, he makes \$750,000.’”

The story hit latimes.com the evening of July 14, but it wasn’t until the article the newspaper published the story the next morning, a Thursday, that all hell broke loose.

“Is a city manager worth \$800,000?” the front-page headline asked, with a chart showing how Rizzo’s pay had risen from \$72,000 a year when he started in 1993 to his current salary.

We were flooded with emails and phone calls that ranged from congratulations to people wanting us to investigate their cities—in New Jersey, Connecticut and Kentucky. Editors across the country were sending their reporters to city hall find out how much local officials were earning.

Hernandez attacked our reporting in a press release he later told me was written by Brown, referring to “the skewed view of the facts the Los Angeles Times presented to advance the paper’s own agenda.”

A regular council meeting was scheduled for Monday, which Ruben covered. Bell’s council chambers holds about 93 people, and a big crowd was 10, but this time all the seats were filled, TV cameras were packed into the back and hundreds of people had crowded onto the lawn to protest, carrying signs and chanting in English and Spanish.

The meeting had started at 6 p.m., one of Rizzo’s tactics to keep attendance down, since many people were still coming home from work or eating dinner at that time. Ruben called the city desk and told the editors about the growing crowd and suggested I help him cover it.

When I got there, I tried to make my way through the crowd and into the council chambers. By that time, Ruben and I had been in a video on the paper’s website, and I was carrying a thin reporter’s notebook in my hand, so people recognized me. It’s not easy pushing through a group of angry people, but the crowd parted to let me through, as if I were a celebrity. People were slapping me on the back, congratulating me, cheering, asking for autographs and approaching me with tips. Several showed me their tax bills, and, it turned out that homeowners in Bell, had one of the highest tax rates in the country.

Rizzo, Spaccia and Adams resigned, but that was the beginning of a year’s worth of reporting for me and Ruben, writing more than 100 stories. Day after day, we would interview people and look at documents and come back with 10 story ideas. While we did most of the work about 12 other reporters were involved at various times.

Tired of listening to their constituents berate them, most council members eventually stopped attending meetings. Without a quorum, city business came to a halt. Eventually they would be recalled.

It seemed nearly every time we turned around, another agency was investigating, including the district attorney, state attorney general, state controller, state Department of Corporations, Securities and Exchange Commission, FBI and IRS.

There have been bigger municipal scams--the controller of Dixon, Ill., a city with less than half the population of Bell, was convicted in 2012 of stealing more than \$50 million from the town over several decades, but hardly anyone has heard of the crimes. Few local government scandals, however, have caught people’s imagination like Bell, partly because of the momentum we built rolling out one outrage after another, each more unbelievable than the next. The story became episodic, almost like a TV show, with readers waiting for the next chapter. Bell residents were poor people who were being ripped off during the biggest economic downturn since the depression. It was one more example of the little guy getting screwed.

Rizzo ran Bell like a petty dictator. He kept his employees isolated from their counterparts in other cities, seldom allowing them to attend professional meetings. He was angered if he wasn’t the first to know about important events in his underlings’ lives, whether they were getting married, having a child or buying a house.

With Rizzo setting the tone, unethical and criminal acts permeated Bell's city government.

Rizzo, Spaccia and council members George Cole, Teresa Jacobo, Victor Bello, George Mirabal and Oscar Hernandez were convicted on corruption charges. Artiga was acquitted. The district attorney gave immunity to City Clerk Rebecca Valdez and Lourdes Garcia, the director of administrative services.

But anyone who has delved deeply into the city knows there were others who come under suspicion. The DA, for example, served search warrants on two homes connected to Eric Eggena, the city's highly paid director of general services. He was never charged.

There is the role played by Tom Brown. Rizzo has never explained why he hired Brown for legal work and paid him more than the city attorney, despite his questionable actions in South Gate. Spaccia told me he became Rizzo's closest adviser.

Before Brown showed up in Bell, Superior Court Judge John Shook wrote that the fees his firm charged South Gate were "more than excessive and unreasonable, transcending beyond the stratosphere into deep outer space." Shepard Mullin Richter & Hampton paid South Gate \$2 million to head off a law suit, and Brown left the firm.

When Rizzo was arrested for drunk driving in 2010, he hired Brown's new firm, which had been working for the city for several years, to defend him. Brown testified to the grand jury that four months later, on the trip to Rizzo's ranch, the city administrator paid him \$2,900 in cash for his firm's work on the DUI.

Brown told the grand jury he passed the money to a staffer who handled his firm's banking, but the cash wasn't deposited into the firm's account for four months.

Even Superior Court Judge Kathleen Kennedy, who presided over the Bell trials, was skeptical of Brown's story, saying the "timing and method of payment are suspect at best."

Rizzo pleaded guilty to conflict of interest for his dealings with Brown.

When people ask if I think there can be another Bell, I have to explain that this wasn't just about illegal salaries, but about a city government where almost everything was wrong. Despite Rizzo's claims of what a solid administrator he was, the city was close to bankruptcy. Bonds were misspent, and \$23.5 million in bond money sat in a non-interest bearing account. The city hid an agreement that would have allowed Adams to retire with a disability pension, even though he wasn't disabled when he left Glendale. Rizzo used dubious disability pensions and workers compensation settlements to push out police chiefs and officers he disliked, benefits that could bring them millions of extra dollars.

The district attorney's office discovered that Rizzo and Spaccia had written many of their own contracts and never submitted them to the city council for approval.

Nothing was too outlandish. Things got so bizarre that if someone had told me they had proof that Rizzo was sent to Earth by Martians to loot Bell, we would have had to investigate.

We had heard that after Bello resigned from the council in 2009, he was given took a job as assistant to the city's food-bank coordinator, a job that had never existed, and that for the few hours a month he worked, he was receiving his \$100,000 a year council salary. It turned out to be true.

Meanwhile, the man appointed to replace him, Lorenzo Velez, was only being paid \$8,076 a year. We never received a satisfactory answer why, but that paltry salary kept him out of jail.

Demerjian, head of the DA's Public Integrity Division, said he hadn't known about Velez' salary. "If I were him, I'd be pissed," he joked.

We discovered that we were wrong about Rizzo's salary. It turned out he was making more than \$1.5 million a year in total compensation. Most of the extra money came from cashing in his 26 weeks annual vacation and sick leave. Spaccia had the same deal. At times they were receiving two paychecks, one for their regular salary and another for their vacation and sick leave.

Even though we had documents that proved the story, I couldn't sleep the night before it was published because it just seemed too outrageous to be true. I kept going over the documents in my head, wondering if we had screwed up.

But things kept getting stranger and stranger. At her trial, evidence showed that Spaccia didn't work for 18 months while taking care of her sick grandfather and her ailing son. She was never docked a single day and continued to accumulate those 26 weeks vacation and sick leave.

"You think the people of Bell should have to pay for you to not work for them?" prosecutor Sean Hassett asked.

"That's an interesting question," she answered. "I've never looked at it that way."

"Do you?"

"I don't even know how to answer that. I looked at it that my employer made a decision on how to handle my pay...Is that fair or unfair? I don't know."

Even before Ruben and I came to Bell, residents wondered about Rizzo's salary. When people asked questions, Rizzo tried to hide his and the council's pay. In 2008, Roger Ramirez, a paramedic who lives in Bell, stood up at a poorly attended council meeting and asked how much the city manager and the council members were paid. Instead of giving him an answer, Councilman George Mirabal told Ramirez to file a public records request, which he did.

Ramirez received a memo saying that Rizzo received \$185,736 a year and that council members earned \$8,076.

That wasn't the only time Rizzo had fake documents created. That same year, Rizzo had five contracts prepared that split his salary among city agencies. If someone asked for Rizzo's contract, he could give them the city manager version that showed his salary at \$221,000. The contracts were dated 2008 and were signed by Mayor Oscar Hernandez.

There was one problem—Hernandez wasn't mayor in 2008. We called these "the fake Rizzo contracts," and I'm not sure why Rizzo didn't give them to us in response to our public records request.

We later learned that Rizzo had the contracts prepared in 2008. He pulled them out of the files a couple years later and placed among a stack of papers given to Hernandez, who had gone to sixth grade in Mexico and was basically illiterate in English, knowing he would sign whatever was placed in front of him.

Around that same time Rizzo was creating the fake contracts, another L.A. Times reporter asked how much he was making. The reporter received a detailed spreadsheet, complete with footnotes, that showed Rizzo's was earning \$333,340, including benefits, while council members' compensation ranged from \$29,835 for George Mirabal to \$41,847 for Oscar Hernandez.

Rizzo had help from others to deflect questions about his salary. A few months before we made our public records request, William Fick, another Bell resident, asked for a list of employees and contractors who made more than \$100,000 a year in 2009. Assistant City Attorney William Priest wrote back, "The City does not have any hard copy documents in its possession that are responsive to your request,"

Priest said it would cost \$475 to retrieve the information from the city's electronic database. Fick, who is retired, couldn't afford the fee.

A few hours before our meeting in Little Bear Park, Rizzo called Artiga and Hernandez to his spare city hall office. Rizzo told them that he didn't make \$300,000, as he had told them before, but that he made \$700,000, the incorrect figure he gave us. It didn't seem to register with them that they were supposed to have approved his salary annually.

Council members boosted their salaries by sitting on city boards that met seldom, if ever. They were paid just \$150 a month for their council duties, but boosted their salaries by receiving \$1,575 a month for each of the five boards they sat on.

In most cities, these boards serve as a farm team for people who want to use it as a springboard to the council or for others who want to help the city. Not in Bell, and what few meetings they held took place in the middle of council meetings.

If you sneezed, though, you might miss them, as we found out when we checked the minutes. On July 31, 2006, the Planning Commission met from 8 p.m to 8:03 p.m. The Redevelopment Agency followed from 8:03 to 8:04, the Surplus Property Authority from 8:05 to 8:06, the Housing Authority from 8:06 to 8:07 and the Public Finance Authority from 8:07 to 8:08.

The Surplus Property Authority met once between January 2007 and July 2010. The Public Finance Authority met only three times during that period. The Solid Waste and Recycling Authority has not met since January 2005, although there was evidence at the council members' trial that it never really existed.

Council members were insistent on keeping their salaries up. Following a scandal in South Gate, the governor signed a law in 2005 that limited council salaries. Bell council members were making about \$62,000 a year, and the new law would have drastically cut their pay. So they tried to find a way around it.

The city held a special election in 2005 with only one item on the ballot, a measure that would turn Bell into a charter city, which was billed to citizens as a way to give them more local control. City officials thought it would allow the council to evade the stay pay limits.

The measure passed 334 to 54, and the majority of ballots were absentee. In the next five years, council salaries jumped more than 50%. There was one problem. Edward Lee probably goofed when he wrote the charter, and neither Rizzo nor the council members read it closely enough, if at all, to understand that it actually kept their pay at the state limits. Had the charter been worded differently, council members might not have faced criminal charges.

Rizzo also paid city employees extraordinary well, two to three times what they would earn elsewhere, probably to keep them quiet about his salary. The city's director of administrative services, Lourdes Garcia earned \$422,707, and the director of general services, Eric Eggena, earned \$421,402. Annette Peretz, rumored to be Rizzo's girlfriend, earned \$273,542 as the director of community services. No one in those jobs makes that much money.

Rizzo also gave loans of city money to at least 40 employees, including \$350,000 to Spaccia, deals that the council never discussed, let alone approved. They were repaid with vacation and sick leave. Rizzo loaned about hundreds of thousands of dollars to the Steelworkers Old Timers Foundation, run by Councilman George Cole, one of the best known politicians in the Southeast. He gave a \$300,000 loan to Randy Sopp, the owner of a Chevy dealership in town.

Rizzo and the council gave city employees what may have been the best pension plan of any non-public-safety employees in the state. In addition to their retirements through CalPERS, already at the system limit, the city set up its own supplemental pension that would boost payments for about 40 workers.



An employee who worked in Bell for 25 years could retire at 55 and receive more than 90% of their final pay. City council members also were supposed to get in on this deal. George Cole, who served for 24 years, would have received a combined pension of \$80,000 for a part-time job.

But that was nothing compared to the deal Rizzo and Spaccia were trying to set up for themselves. Although it was never funded, the plan was for the city to put in \$15 million in a separate retirement account just for them. Rizzo would have received total payments of more than \$1 million a year.

I've always wondered what would have happened if Rizzo, Spaccia and Adams retired, and people saw that the highest paid pensioners in the CalPERS system were from Bell. Spaccia didn't seem to care.

The Wells Fargo and Co. consultant in Tennessee who helped set up the Rizzo/Spaccia plan warned about potential backlash if it became public.

Alan Pennington sent Spaccia an email in May 2009 pointing out an L.A. Times article reporting that the former city manager in neighboring Vernon was receiving the highest pension in the CalPERS system, \$500,000 a year.

"I guess with the spotlight on, City of Bell could show up (once) you and Bob have retired," Pennington wrote. "Not sure there's anything you should do or anything anyone else could do (to reduce future benefits) but thought you might find it interesting none-the-less."

Spaccia replied: "Yes we have discussed it as well. You are right, there is nothing to do than watch and see how it plays out."

What happened in Bell was a complete breakdown of checks and balances that allowed unrestrained greed and lawlessness to take over. Council members were either part of the scam or too dumb to realize that Rizzo worked for them, not the other way around.

The independent auditor, the national firm Mayer Hoffman McCann, which had inspected Bell's books annually since 1994, never found anything wrong. The long-time contract city attorney, Edward Lee, of the well-known firm Best, Best and Krieger, sat back for years as the scandal unfolded, at times allowing himself to be bullied by Rizzo. Other attorneys acted as if they worked for Rizzo, not the city.

CalPERS, too, failed to stop the escalating salaries. When officials at the retirement system discovered that Rizzo had received a 47% pay hike in 2006, they gave it the OK and let the raise count toward his pension.

What happened in Bell is best summed up by an email the district attorney discovered that Adams wrote to Spaccia while they were negotiating his contract in 2009.

"I am looking forward to seeing you and taking all of Bell's money?!" Adams wrote. "Okay ... just a share of it.!!

Spaccia replied, "LOL ... well you can take your share of the pie ... just like us!!! We all will get fat together ... Bob has an expression he likes to use on occasion ...

"Pigs get Fat ... Hogs get slaughtered!!! So long as we're not Hogs ... all is well!!"

Both testified at Spaccia's trial that they were joking.