July 10, 2002

Mr. Lowell W. Smith, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive
San Rafael, CA 94903

Re: Ross Valley Sanitary District No. 1’s Response to Marin County Civil Grand Jury’s Letter of June 14, 2002 Regarding Special Districts in Marin County

Dear Mr. Smith:

The Board of Directors of Sanitary District No. 1 of Marin County has reviewed the above-referenced correspondence and provides the enclosed response, consistent with the requirements of Penal Code section 933.05.

A substantial number of the findings and recommendations contained in the above-referenced correspondence are directed to 34 special districts. Sanitary District No. 1 does not presume to respond on behalf of any other district. Additionally, the form entitled “Response to Grand Jury Report Form” does not lend itself to full answers thus; Sanitary District No. 1’s responses are submitted as an attachment to the Response Form.

If you have any questions or comments, do not hesitate to contact the undersigned.

Sincerely,

/s/
signed original

George H. Buckle, President
Board of Directors Sanitary District No. 1

cc: The Honorable Lynn O’Malley Taylor
FINDINGS

1. Sanitary District No. 1 does not dispute Finding No. 1.

2. Sanitary District No. 1 has no independent knowledge of the meeting schedules of districts other than itself. With rare exception, Sanitary District No. 1 holds one meeting per month.

3. Sanitary District No. 1 has no independent knowledge of medical or dental benefits provided by any district other than itself. Sanitary District No. 1 does not provide medical and/or dental benefits to its directors.

4. Sanitary District No. 1 does not presume to respond regarding Las Gallinas Sanitary District. Sanitary District No. 1 disagrees that it has an unusually high budget for travel and conference expense. The basis of this disagreement is that there is no frame of reference as to what constitutes “unusually high” travel and conference expense. Also, a member of Sanitary District No. 1’s Board of Directors serves on the California Association of Sanitation Agencies (“CASA”) board of directors, thus increasing Sanitary District No. 1’s involvement with that entity. Additionally, Sanitary District No. 1 derives substantial benefit from attendance of its board members and staff at CASA conferences in the interest of keeping abreast of statewide issues affecting Sanitary District No. 1 in the areas of current legislation and technology affecting the District, as well as risk management issues pertinent to the District.

6. Sanitary District No. 1 has no independent knowledge of the means by which any other District provides financial or other information to the public. Sanitary District No. 1 conducts annual independent audits of its financial statements, reserves and other financial conditions, consistent with California law and, as such, disagrees with Finding No. 6.

7. Sanitary District No. 1 has no independent knowledge of matters pertaining to any district other than itself. Sanitary District No. 1 disagrees with the finding that the public has little if any awareness of Sanitary District No. 1’s reserve.

8. Sanitary District No. 1 has no independent knowledge of matters pertaining to any district other than itself.

RECOMMENDATIONS

- Recommendation No. 1 will not be implemented, as Sanitary District No. 1 believes that such justification to the public exists, in the form of audited financial records.

- Recommendation No. 2 will not be implemented for the reason that, with rare exception, Sanitary District No. 1 meets only one time per month.
• Recommendation No.3 will not be implemented, as Sanitary District No. 1’s board members do not receive benefits.

• Recommendation No.4 is currently being implemented, in that Sanitary District No. 1’s travel and conference expenses are reasonable, in light of response to finding no. 4, above.

• Recommendation No.6: Sanitary District No. 1 does not presume to respond to this recommendation on behalf of any district other than itself. Sanitary District No. 1 will not implement additional public written guidelines, as Sanitary District No. 1 follows recommendations of its auditors with regard to making public, in writing, all legally required accounting and budget information.

• Recommendation No. 7: Sanitary District No. 1 cannot speak for the County Auditor, but currently employs clear terminology and standardized formats for the reporting of reserves, thus will not implement recommendation no. 7. However, Sanitary District No. 1 stands ready to cooperate with the County Auditor at any time.