

September 7, 2011

Honorable Eric DuTemple Tuolumne County Superior Court 60 N. Washington Street Sonora, CA 95370

Re: Response to 2010-2011 Grand Jury Report

Dear Judge DuTemple:

The following are the responses to your letter dated June 23, 2011 regarding the findings listed in the 2010-2011 Grand Jury Report.

Recommendations 1, 3, 4, 6, 7, 8, 9, 10, 11, and 12:

Tuolumne City Sanitary District (TCSD) Board of Directors agrees with the recommendations of the Grand Jury. We understand the importance of having qualified board members to represent the districts needs and believes it is in the best interest of district to have a well qualified utility company such as Tuolumne Utility District (TUD) to deliver high quality wastewater services in an environment of ever changing and strengthening state and federal regulations. TUD has the qualified staffing and administration available to effectively operate the TCSD system in a manner that meets these requirements. With that said, TCSD has begun the LAFCO process of dissolution of the Tuolumne City Sanitary District to Tuolumne Utilities District. The expected time to final the LAFCO process is approximately 6 to 8 months.

Recommendation 2:

TCSD agrees that a re-negotiation should take place with TEDA. TCSD has discussed these concerns with TUD staff and TUD agreed to address this during the dissolution process.

Recommendation 5:

The current board has held regular and special meetings in routine fashion at the district office. Each meeting agenda is posted at the local post office, grocery store, and district office and is listed in the Union Democrat prior to the meeting. Board minutes are made available to the public upon request.

Recommendation 13:

In the event TCSD decides to stay solvent, our current board president, John Feriani has proposed to create a Community Service District combining special districts serving Tuolumne City.

Sincerely,

John Feriani

TCSD Board President

Cc: TCSD Board of Directors

FILED
SEP 12 2011
Superior Court of California
County of Tuolumus

BY Factor Passes
Clerk