

from judge

Board of Directors

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Joy L. Neugebauer
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August 4, 2011

Honorable Thomas J. Borris
Presiding Judge of the Orange County Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Re: Response to Grand Jury Report re Compensation Survey of Orange County
Water and Sanitation Districts

Dear Judge Borris:

The Board of Directors of Midway City Sanitary District ("MCS D") reviewed the Grand Jury Report entitled "Compensation Survey of Orange County Water and Sanitation Districts" at its Board of Directors' meeting of August 2, 2011. After studying the report's findings and recommendations, the MCS D Board of Directors directed its staff to provide a prompt response to the Grand Jury Report. Initially, the Board of Directors notes that MCS D is a sanitary district created pursuant to the Sanitary District Act of 1923. It is not a sanitation district.

Response to Findings

F.1 District websites often do not provide easy public access to compensation and financial data of the district, if available at all.

MCS D disagrees with this finding as to MCS D's website. The MCS D website contains an easily accessible link to the State Controller's website on which is posted the compensation information for the MCS D Board of Directors and its General Manager. Furthermore, a summary of MCS D's current annual budget is posted on the MCS D website. The Board of Directors believes that this meets the criteria necessary. However, we shall work more diligently to have all information available.

F.2 District websites were sometimes not updated to reflect public meeting changes or cancellations.

MCS D disagrees with this finding as to MCS D's website. MCS D's website is updated in a timely manner if there is a change or cancellation in a public meeting.

Response to Recommendations

R.1 Provide in an easily accessible format on the district's website, data on compensation for the board of directors and general manager, as well as current budget and financial reports.

Although MCSD has already provided easy public access to the information on compensation of its Board of Directors and General Manager by providing on MCSD's website a direct link to the State Controller's website on which this data is posted, MCSD will implement the recommendation by posting directly on the MCSD's website the data on compensation for its Board of Directors and General Manager.

Although MCSD has previously posted a concise and easily readable summary of its current budget on the MCSD website, MCSD will further implement the recommendation by posting its current budget and current annual audited financial statement on the MCSD website.

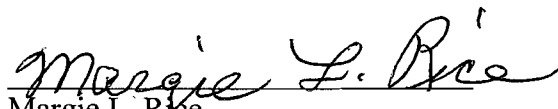
The recommendation will be implemented by August 10, 2011.

R.2 Maintain and update agendas, minutes, meeting schedules and location on the district's website.

The recommendation has already been implemented. MCSD already maintains and updates agendas and minutes on the MCSD website. Although MCSD's agendas clearly state the date, time and location of MCSD meetings, MCSD has further implemented this recommendation by adding additional clarification to the website's general language on MCSD meetings confirming the scheduled time and location of regular Board of Director meetings.

Thank you for the opportunity to respond to the Grand Jury's report.

Sincerely;


Margie L. Rice
President of the Board of Directors
Midway City Sanitary District