



July 27, 2011

COPY

Honorable Steve White, Presiding Judge
720 9th Street, Department 47
Sacramento, CA 95814

Re: 2010 Grand Jury Report; Survey of Independent Special Districts; Finding 5.0,
Recommendation 5.2, Follow-Up Report

Dear Judge White:

In the 2010 Grand Jury Report, Survey of Independent Special Districts, Recommendation 5.2 stated:

“All ISDs should commission a thorough periodic management audit. These audits should be completed by a multi-disciplinary team qualified to examine a district’s management practices. This audit should be done in fiscal year 2011, and every four years thereafter.”

In September 2010, Sacramento Suburban Water District staff contacted the American Public Works Association and initiated a Public Works Management Practices Review of its internal governance processes. The District utilized a team of its staff consisting of management, engineering, financial, and operations personnel to conduct the review. The initial review of 294 management practices was completed by July 1, 2011. This review covered the following areas of the District’s internal management:

Organization, Human Resources, Occupied Facilities, Finance, Risk Management and Legal Review, Communications, Information Technology & Communications, Emergency Planning, Safety, Planning and Development, Engineering Management, Bid Process, Project Management, Right-of-Way Management, Utility Coordination, Facilities Management, Equipment and Fleet Management, Potable Water, Other Applicable Practices.

Of the 294 related practices, the audit team found that SSWD was in full compliance with 209 practices, partial compliance in 73 practices, 10 practices did not apply due to the function of the District, and the District was out of compliance with 2 practices. The audit team has initiated the second phase of the review and is examining all practices in which the District was viewed as being in partial or non compliance to determine what must be done to become fully compliant. The second phase of the review may result in changes in procedures or policy depending on the practice recommendation. The District has spent approximately 200 man hours in the first phase

of this effort and the results have been valuable in the determination of the efficiency in delivering the service provided to our customers.

Thank you for this opportunity to respond to the recommendation. If you have any further questions, please don't hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert S. Roscoe". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert S. Roscoe, P.E.
General Manager