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September 12, 2016

San Mateo County Board of Supervisors:

President Slocum

Vice President Horsley

Supervisor Groom

Supervisor Pine

Supervisor Tissier

400 County Center

Redwood City, CA 94063

re: San Mateo County 2015/16 Civil Grand Jury: 'The San Mateo County Harbor District: The Price of Dysfunction is Rising.'

President Slocum, Honorable Supervisors:

In July 2015, LAFCO recommended a 'dissolution' zero sphere of influence for the San Mateo County Harbor District, and at that time, Supervisor Horsley suggested the District be given eighteen months to demonstrate a commitment to good governance and improvement.

Twelve months later, the 2015/16 Civil Grand Jury issued a report, 'San Mateo County Harbor District; The Price of Dysfunction is Rising'. This report requires a response from the Board of Supervisors regarding the initiation of a study which would look at dissolution of the Harbor District, while also stating that 'near-term performance improvements' should be ignored. No other options were considered.

The District has achieved much since LAFCO issued its report, and a brief compilation of some of these changes is attached. Regardless of the Grand Jury recommendation that the Board look beyond near term improvements, long term change begins with those same 'near-term performance improvements'. To fully implement that change, improve employee morale, develop relationships and reputation amongst vendors and granting agencies, and to increase opportunities for partnerships and collaboration, the

District's efforts will be enhanced if not constantly laboring under the shadow of dissolution.

The Board of Commissioners for the San Mateo County Harbor District respectfully requests that the Board of Supervisors:

- recognize the fundamental and institutional changes that have taken place in the District;
- find all parts of the Grand Jury Recommendation unwarranted;
- not commit public resources to another study of the District; and
- recognize and affirm the last sentence of Appendix C to the Grand Jury report, 'Turmoil at the Harbor District 2014-2016', that states:
 - "The 2015-2016 Grand Jury is pleased to learn that its predecessors' recommendations to improve the performance of the Harbor District are finally being implemented."

On behalf of the entire Board of Commissioners,



Tom Mattusch
President
San Mateo County Harbor District Board of Commissioners

Cc: Harbor District Board of Commissioners
Steven D. Miller

Attachment: District progress