



CITY OF FOUNTAIN VALLEY

CITY HALL 10200 SLATER AVENUE

FOUNTAIN VALLEY, CALIFORNIA 92708

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November 6, 2008

Mayor: John J. Collins

Mayor Pro Tem: Guy Carrozzo

Council Members: Gus Ayer Cheryl Brothers Larry R. Crandall

City Manager: Raymond H. Kromer

City Attorney: Alan R. Burns The Honorable Nancy Wieben Stock Presiding Judge of the Superior Court 700 Civic Center Drive West Santa Ana, CA 92701

SUBJECT: ADDENDUM TO FOUNTAIN VALLEY'S RESPONSE TO 2007-2008 ORANGE COUNTY GRAND JURY REPORT –"WATER BUDGETS, NOT WATER RATIONING" REFERENCE: GJ TRACKING NUMBER FV-13-M71608

Dear Judge Stock:

This letter is in response to your letter dated October 14, 2008, regarding the City's response to the Grand Jury's Report. The addendum is as follows:

Item F-1 Opportunities for further water conservation exist especially with regard to landscape watering.

RESPONSE: The City of Fountain Valley agrees with the finding. This finding has been implemented by the City of Fountain Valley as the City is a signatory to the California Urban Water Conservation Council (CUWCC) and participates in Best Management Practices (BMP) programs that are administered by the Municipal Water District of Orange County (MWDOC) i.e. Smart Timer Rebate Program, Synthetic Turf Rebate Program, Toilet Rebate Program, etc.

Item F-2 Conservation pricing, or tiered pricing, with a fair and reasonable base allotment, followed by tiers of higher rates, can be an effective tool to motivate further conservation.

RESPONSE: The City of Fountain Valley disagrees partially with the finding. The City of Fountain Valley agrees that tiered pricing may be an effective tool to motivate further conservation; however, the City of Fountain Valley completed a comprehensive water rate study in 2008 that concluded a tiered rate structure in Fountain Valley would not comply with the provisions of Proposition 218 and the recent Bighorn Decision. Effective July 01, 2008, the City of Fountain Valley will convert from the existing 2 tiered rate structure to a single block rate as indicated in the water rate study.

Once again, thank you for the opportunity to respond to the Grand Jury's report.

Sincerely,

Jahn J. Colkins

Mayor

JJC/jh