



**EAST
ORANGE
COUNTY
WATER
DISTRICT**

DIRECTORS

Richard E. Barrett
Richard B. Bell
Douglas M. Chapman
John Dulebohn
William Vanderwerff

William H. Redcay
General Manager

August 12, 2008

The Honorable Nancy Wieben Stock
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

**SUBJECT: EOCWD RESPONSE TO GRAND JURY REPORT
ON "WATER BUDGETS, NOT WATER RATIONING"**

Dear Judge Wieben Stock:

East Orange County Water District (EOCWD) wishes to thank the Orange County Grand Jury for the opportunity to respond to their report titled "Water Budgets, Not Water Rationing."

On May 20, 2008, Orange County Grand Jury released the report entitled "Water Budgets, Not Water Rationing." The purpose of the report by the Grand Jury was to investigate water conservation efforts in the County due to the looming water shortages and potential cutbacks.

The Grand Jury requested East Orange County Water District to respond to Findings F-1, F-2 and Recommendations R-1, R-2a, R-2b, and R-2c.

The following are East Orange County Water District's responses:

EOCWD Responses to findings F-1 and F-2

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

EOCWD agrees with the finding.

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.

EOCWD does not agree with tiered pricing and does not intend to restructure its pricing as such. Tiered rate structuring can work if it is implemented on a "property by property" basis. In order for that to be done, an agency would need personnel to be assigned to just that project and a study done on each property to determine the proper allotment for that property. Larger water agencies may be able to do this. EOCWD has only 3 workers who are field employees; therefore, it is not possible to do this type of study even if we were to consider a tiered water rate. For the last eleven years, EOCWD has sold an average of 1055 acre feet of water per year (see attached). In that same period, we have added 64 service connections to our system for a total of 1207. The average usage per

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service connection has reduced from 40ccf per month to 38ccf. One ccf equals 100 cubic feet of water, or 748 gallons. It is apparent that our customers are already using less water, thus our conservation efforts are taking root.

EOCWD will continue to send out water conservation information with our billing statements as a constant reminder to encourage conservation.

As a reminder, it is our understanding that any water agency that desires to increase its water rates or implement tiered water rates would be required to obtain a vote of the public under Proposition 218 regulations.

RECOMMENDATIONS

In accordance with California Penal Code sections 933 and 933.05, each recommendation will be responded to by the government entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court. Based on the findings of this report, the 2007-2008 Orange County Grand Jury makes the following recommendations:

EOCWD responses for the R-1, R-2a, R-2b, and R-2c are as follows:

R-1 Continue to emphasize methods and availability of tools that assist the customer in understanding weather-based irrigation practices by:

- ❖ Providing a hotline for assisting the public with landscape irrigation information
- ❖ Providing a countywide soil texture map on the MWDOC website
- ❖ Developing an Orange County specific water calculator on the MWDOC website
- ❖ **EOCWD assists its customers with landscaping information by providing them with the literature generated by MWDOC for this purpose. We encourage them to contact MWDOC directly for additional detailed assistance.**
- ❖ **Through direct mailing and our website, EOCWD will advise our customers about the soil texture map that MWDOC provides on their website.**
- ❖ **EOCWD will be pleased to work with MWDOC on developing a specific water calculator**

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R-2a Develop monthly water allocations for each customer based on both of the following:

- ❖ A per person indoor water allotment that satisfies basic needs
- ❖ An outdoor water allotment that applies the weather-based method over the customers' landscaped area
- ❖ **EOCWD does not intend to do a water allotment as this is an unproven methodology.**
- ❖ **We will continue to advise our customers about the smart timers and recommend their use.**

R-2b Develop a tiered-pricing structure with the first tier based on individual customer water allocation priced at a commodity rate, and subsequent tiers priced significantly higher to encourage conservation. The pricing shall be structured in a manner that will preclude the necessity of price increases as a result of reduced water use.

- ❖ **EOCWD does not intend to implement a tiered rate structure. Taking into consideration the economic structure of residents within our district, a financially oriented penalty system would not necessarily encourage conservation. Other methods have a better chance of attaining conservation goals.**

R-2c Modify water bills to clearly explain customer monthly allotment and monthly water usage.

- ❖ **EOCWD does not intend to implement a customer monthly allotment.**

East Orange County Water District appreciates Orange County Grand Jury concern regarding water conservation, and the opportunity to respond to your findings and recommendations.

Respectfully Submitted,

William Vanderwerff,
President East Orange County Water District

cc: Orange County Grand Jury

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