ADMINISTRATION BUILDING

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August 19, 2008

Honorable Nancy Wieben Stock Presiding Judge Orange County Superior Court 700 Civic Center Drive West Santa Ana, CA 92701

Re: Response to Orange County Grand Jury Report "Water Budgets, Not Water Rationing"

Dear Judge Wieben Stock:

This office provides legal services to the City of La Habra, and I serve as the La Habra City Attorney. Pursuant to California Penal Code section 933(c) and 933.05, the City Council of the City of La Habra which is the governing body of the public agency, has reviewed, and hereby provides these comments to the Presiding Judge of the Orange County Superior Court on, the findings and recommendations pertaining to the Orange County Grand Jury's May 22, 2008 report entitled "Water Budget, Not Water Rationing":

Finding F-1: Opportunities for further waster conservation exist, especially with regard to landscape watering.

Response: Pursuant to Penal Code section 933.05(a) (1), the City of La Habra agrees with the finding.

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

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Response: Pursuant to Penal Code section 933.05(a) (1), the City of La Habra agrees with the finding.

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

- Providing a hotline for assisting the public with landscape irrigation information.
- Providing a countrywide soil texture map on the MWDOC website.
- Developing an Orange County specific water calculator on the MWDOC website.

Response: Pursuant to Penal Code section 933.05 (b) (2), the recommendation has not yet been implemented, but will be implemented in the future. The City of La Habra anticipates that implementation will occur during next six months.

Recommendation R-2-A: 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 customer's landscape area.

Response: Pursuant to Penal Code section 933.05 (b)(3), the recommendation requires further analysis with respect to the financial and technical feasibility of the City of La Habra implementing the specific recommendations, and whether the City of La Habra has sufficient staff and/or resources budgeted in this fiscal year to implement the recommendation. It is anticipated that such analysis will be conducted within six months from the date of the Grand Jury report.

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

Response: Pursuant to Penal Code section 933.05(b) (3), La Habra determines that this recommendation has been implemented to a limited degree, however, further implementation and pricing modification requires further analysis, in order to determine if the recommendation can legally be implemented in compliance with Article 13D of the California Constitution, as interpreted by the California Supreme Court in *Bighorn-Desert View Water Agency v. Vergil*, 30

Cal.4th 205(2006), and the California Court of Appeal in *Pajaro Valley Water Management Agency v. Amrhein*, 150 Cal.App.4th 1364(2007).

Recommendation R-2-C: Modify water bills to clearly explain monthly allotment and monthly water usage.

Response: Pursuant to Penal Code section 933.05(b)(3), the recommendation requires further analysis with respect to the feasibility of the City of La Habra including such monthly allotment and water usage information in customer water bills by means of the City's existing water billing software. It is anticipated that such analysis will be conducted within six months from the date of the Grand Jury report.

Please feel free to contact the undersigned or La Habra Public Works Director Steve Castellanos, (562)905-9789, should you have any questions regarding the responses of the City of La Habra to the Orange County Grand Jury's report entitled "Water Budgets, Not Water Rationing."

Very truly-yours,

Richard Jones City Attorney