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August 20, 2013

Honorable Mark Cope, Presiding Judge
Riverside County Superior Court
4050 Main Street
P.O. Box 431
Riverside, CA 92501

Re: Comments on Grand Jury Report – Riverside County Water and Sanitation
Districts, Compensation and Transparency

Dear Judge Cope:

The Desert Water Agency (DWA) has received and reviewed the Grand Jury Report: Riverside County Water and Sanitation Districts, Compensation and Transparency.

DWA respects the function of the Grand Jury to investigate and report on the operations of special districts and appreciates the important role it plays as a check and balance against the possible misuse of public funds.

Per California Penal Code section 933(b), we respectfully submit the following comments on the findings and recommendations contained in the report:

Grand Jury Finding No. 1:

Response – The respondent agrees with the finding with one exception. "State law established the amount of stipend a director may receive for attending meetings; however, there are no regulations on the amount of benefits a director may receive". Government Code section 53208.5 does in fact limit the benefits that a member of a legislative body may receive.

DESERT WATER

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August 20, 2013**Grand Jury Finding No. 2:**

Response -- The respondent agrees with the finding.

Grand Jury Finding No. 3:

Response -- The respondent agrees with the finding.

Grand Jury Recommendation One:

Response -- The recommendation was already previously implemented. Prior to the publication of the Grand Jury Report, effective May 1, 2007, the DWA Board of Directors reduced benefit packages to only cover medical, dental, and vision insurance. This decision was one of many cost-cutting measures made in lieu of increased water and sewer rates. The information contained in Chart B and Table C of the Grand Jury Report is incorrect, overstating total benefits for DWA Board members by the amount of \$14,561 per Board member per year. Thus, the recommendation contained in the report has already been implemented and is consistent with Government Code section 53208.5.

Grand Jury Recommendation Two:

Response -- This recommendation has been implemented.

Grand Jury Recommendation Three:

Response -- The recommendation requires further analysis. DWA has conducted evening meetings and even Saturday meetings at times believed to be more convenient to ratepayers, as recently as 2010. The purpose of these meetings was to encourage greater attendance and input on proposed rate adjustments. However, there was no significant difference in attendance at these meetings. DWA will further analyze this recommendation and include it on a 2013 agenda for Board consideration.

Sincerely,

Patricia G. Oygar
Board President

pgo/sb

cc: Riverside County Clerk of the Board of Supervisors