

September 12, 2011

Mr. Marc K. Callahan
Jones Day
3161 Michelson Drive, Suite 800
Irvine, California 92612

This letter is in response to your letter dated August 12, 2011, regarding the Inland Empire Utilities Agency's (IEUA) Amendment to Ordinance No 87 which prohibits the future residential installation, replacement and enlargement of self-regenerating ion-exchange water softeners within IEUA's service area.

A special public hearing was held on Wednesday, June 15, 2011, (noticed in the Inland Valley Daily Bulletin on June 1, 2011 and June 8, 2011) in the early evening to ensure that members of the public would be able to attend. Thirty-five days later, consistent with the proper public notice requirements, the IEUA Board of Directors approved the amendments to Ordinance No. 87, by roll call voice vote, not on the consent calendar, at its regularly scheduled meeting on July 20, 2011. As a result, no additional public hearing is needed.

Just to be clear, the Ordinance does not require residents who have existing self-regenerating water softeners to remove them nor does it ban the use of water softeners. The Ordinance only prohibits the future installation of self-regenerating water softeners. IEUA offers a rebate incentive to residents interested in removing their existing device with one that does not harm our water supplies and over 400 residents have taken advantage of this rebate.

Your letter does not acknowledge the extent to which the water softener industry was involved in the discussions about the proposed ordinance, including a half day briefing hosted by IEUA in July of 2010, and the participation of the Water Quality Association/Pacific Water Quality Association through its representatives on the Regional Water Softener Task Force in December 2010.

IEUA was established to provide water and wastewater services to our community. Self-regenerating ion-exchange (salt-based) water softeners are in conflict with our statutory mandate. Moreover, collectively salt discharges from self-regenerating water softeners could represent a multi-million dollar impact on our ratepayers if we are forced to find replacement water supplies.

While, from a legal standpoint, Ordinance No. 87 does authorize the issuance of search warrants and fines, it is not the intent, nor the practice of IEUA to go to this extreme for minor infractions of the Ordinance. You are very much aware that the sections of the Ordinance you reference are in place to be used as a last resort when it is necessary to protect public health, the safety and welfare of the community and environment.

IEUA is now beginning to implement the ordinance and we ask for your assistance and cooperation in achieving it. We encourage your industry to continue to invest in non-salt based solutions and we are eager to work with you on such an effort.

Sincerely,
INLAND EMPIRE UTILITIES AGENCY

Thomas A. Love
General Manager