July 11, 2013

Mr. Thomas J. Borris
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

RE: EEOC POLICIES AND PROCEDURES FOR ORANGE COUNTY CITIES

Presiding Judge Borris:

The City of Fountain Valley has reviewed the 2012-2013 Orange County Grand Jury report entitled "The Goal of Equal Employment Opportunity: NO VICTIMS." As requested, the City of Fountain Valley provides the following required responses to the applicable findings:

<table>
<thead>
<tr>
<th>Finding No.</th>
<th>City's Response</th>
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<tbody>
<tr>
<td>F1.</td>
<td>&quot;Municipalities in Orange County cities are well-versed in EEO issues and maintain exemplary compliance strategies.&quot;</td>
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<td>The City of Fountain Valley is in agreement with the report's finding that the City is &quot;...well-versed in EEO issues and maintain exemplary compliance strategies...&quot;</td>
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<td>The City maintains a comprehensive and up-to-date policy on addressing potential harassment and provides regular training to employees and supervisors. In addition, employees are required annually to review and acknowledge receipt and understanding of the City's policy against harassment.</td>
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<td>F4.</td>
<td>&quot;Complaint ratios between OC cities and the County of Orange are similar; but differences in how previous complaints were handled in the County led to major problems.&quot;</td>
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|             | The City of Fountain Valley is in compliance with complaint handling. The City's Administrative Regulation No. 1019 entitled "Harassment in
Employment" includes a comprehensive policy on harassment including a
detailed complaint procedure and complainant’s recourse procedure. Any
potential issues are addressed quickly and effectively.

F5. “The County and several cities do not offer, or provide limited training in
harassment, discrimination, and retaliation, particularly for line staff. At this
time, although line staff training is not required, all staff benefit from EEO
training."

The City of Fountain Valley does not agree with this statement. The City offers
numerous courses in harassment prevention annually both for employees and
supervisors. New supervisors receiving training within the first few months of
employment while all and supervisors are required to attend training every 2
years. Employees are also required to attend training every 2 years.

F6. “There are several Risk Management Joint Powers Insurance Pools (of which
most cities are members) to ensure adequate coverage and sharing of liability
with other member entities.”

The City of Fountain Valley is in agreement with this statement. The City is a
member of the California Joint Powers Insurance Authority and ensures
adequate coverage for potential liability.

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<tr>
<th>Recommendation No.</th>
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| R1.                | “All OC cities and County government shall include funding for training
of management and supervision as required by law and ensure training
for all employees every two to three years. (F2,3,4,5) |

The City of Fountain Valley does provide sufficient funding and training for
all employees. The City maintains a training budget for all
employees in the amount of $15,500 which is allotted for various
employee training programs. The City is also a member of Liebert
Cassidy Whitmore’s Orange County Consortium providing a minimum of
2 harassment training programs annually to which City employees are
encouraged to attend. In addition, the City is a member of the California
Joint Powers Insurance Authority which also provides numerous
harassment training programs annually to which City employees are
encouraged to attend.

R2    | “OC cities shall review SIR aggregate limits every five years to assess
changes in risk management economies and insurance pool mix.” (F1,3). |
The City of Fountain Valley, as a member of the California Joint Powers Insurance Authority reviews the SIR aggregate limits periodically as well as other risk management insurance to ensure sufficient coverage. The California Joint Powers Insurance Authority pool is insured up to $50 million.

"OC cities and the County of Orange government shall continue efforts to utilize best practices with respect to Harassment, Discrimination and Retaliation." (F2)

The City of Fountain Valley keeps abreast of changes in the law pertaining to harassment, discrimination and retaliation and regularly updates the City’s Administrative Regulation pertaining to harassment. That Administrative Regulations was last updated in May of 2012.

Should you have any questions, please contact me at (714) 593-4506.

Sincerely,

Jean Hirai
Personnel Manager

c: Orange County Grand Jury
   City Manager
   City Council