



CITY
OF
**FALLS
CHURCH**

August 2, 2011

Mr. Charles M. Murray
General Manager
Fairfax Water
8570 Executive Park Avenue
Fairfax, Virginia 22031

Dear Mr. ~~Murray~~: *Church,*

Thank you for your letter of July 29, 2011, in which you state that Fairfax Water believes that it is unnecessary to file any additional papers with Judge Ney to secure a determination that the City's proposed water rate increase conforms with the Final Decree. The City is pleased to hear that Fairfax Water does not intend to initiate litigation to challenge the City's proposed water rate increase. I thank you, your Board, and your legal staff for Fairfax Water's input and cooperation.

In reliance upon Fairfax Water's stated position that it is unnecessary to file any additional papers with Judge Ney regarding the conformity of the proposed water rate increase with the Final Decree, and because of its intention not to initiate litigation to challenge the rate increase, City staff intends to recommend to City Council that the City not file such papers with Judge Ney, and proceed forward to final decision on the proposed water rate increase on Monday, September 12, 2011. The City is hopeful that the cooperation of the City and Fairfax Water on this matter will be the first of many positive steps to resolve matters amicably. We too look forward to future cooperative discussions.

Thanks once again for your cooperation and assistance. Please let me know if you have any questions.

Sincerely,

Wyatt Shields
City Manager

cc: Mayor Nader Baroukh
Members, City Council
Philip W. Allin, Chairman
Members, Fairfax Water
John E. Foster, City Attorney
Stuart A. Raphael, Esq.