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ORANGE COUNTY WATER DISTRICT

ORANGE COUNTY'S GROUNDWATER AUTHORITY

President
CATHY GREEN

First Vice President
DENIS R. BILODEAU, P.E.

Second Vice President PHILIP L. ANTHONY

General Manager MICHAEL R. MARKUS, P.E., D.WRE

July 16, 2015

Ms. Glenda Sanders
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

and

Orange County Grand Jury 700 Civic Center Drive West Santa Ana, CA 92701

Re: GRAND JURY REPORT – INCREASING WATER RECYCLING: A WIN-WIN FOR ORANGE COUNTY

Dear Ms. Sanders and the Orange County Grand Jury:

As required by the April 24, 2015 Grand Jury Letter the Orange County Water District (District or OCWD) has reviews the report titled "Increasing Water Recycling: A Win-Win for Orange County". The District applauds the Grand Jury's interest in the regions water supplies and for its support of wastewater recycling.

As you are aware the District has just completed expanding the Groundwater Replenishment System from 70 million gallons per day to 100 million gallons per day (GWRS Initial Expansion). The District receives secondary treated wastewater from the Orange County Sanitation District (OCSD) that would otherwise be discharged into the Pacific Ocean and further treats the water to drinking water standards to recharge the local groundwater basin. A total of \$623 million has now been invested in the project which creates enough water to supply approximately 850,000 residents. This project is a testament to the cooperative efforts of the District and the OCSD to reuse available wastewater for the benefit of the region.

The Grand Jury has requested that the District respond to Findings F.1, F.3, F.7, and Recommendation R.2. The original Findings and Recommendations are provided below, along with the District's response in **bold** type.

FINDINGS

#1 – The Orange County Sanitation District processes an average of 198 million gallons per day of wastewater and sends 121 million gallons per day of secondary treated wastewater to the ocean.

The District agrees. It should be noted that the amount of wastewater that OCSD sends to the ocean has been reduced with the completion of the GWRS Initial Expansion project. Additional OCSD wastewater flow rates vary daily and seasonally depending upon a number of factors such as economic activity and weather.

#3 – From the 92 million gallons per day from Orange County Sanitation District the Orange County Water District recycles 7 million gallons per day of water treated to plant irrigation standards.

The District agrees. However the 92 million gallons per day figure has recently been increased to approximately 125 million gallons per day by the OCSD to support the recent GWRS Initial Expansion project.

#7 – In north and central Orange County, the cost to create potable recycled water is \$1,468 per million gallons or \$1,133 less than the current cost per million gallons of imported water.

The District agrees. We would like to point out that your imported water rate is from 2013. The current cost of imported water is approximately \$3,078 per million gallons (\$1,003/acre-foot). With the GWRS Initial Expansion project completed the new unit cost to create recycled water is about \$1,596 per million gallons (\$520/acre-foot). Thus the cost to create recycled water is about \$1,482 per million gallons (\$483/acre-foot) less than imported water. The GWRS unit cost figures include outside grant money received for the project.

RECOMMENDATIONS

#2 - Orange County Water District should conduct a study of possible methods of increasing the amount of processed wastewater and implement the most cost effective method to reduce the amount of imported water to Orange County.

The recommendation has been implemented. A \$2 million study has just been initiated by the OCSD to determine how an additional 30 million gallons per day of water can be created from wastewater flows being treated at the OCSD plant #2. The District is participating in this study and funding 50% of the cost. We expect this work to be completed in June 2016.

We trust and hope that the Grand Jury has found our responses informative and adequate. The District's board of directors, general manager and staff are always available to meet with the Grand Jury to discuss and analyze water issues. Please call our General Manager Mr. Mike Markus at (714) 378-3201 to arrange any further meetings.

Sincerely,

Cathy Green

Orange County Water District

Board President

cc: OCWD Directors

OCSD General Manager