



## IRVINE RANCH WATER DISTRICT

15600 Sand Canyon Avenue • P.O. Box 57000 • Irvine, California 92619-7000 • (949) 453-5300 • www.irwd.com

September 15, 2009

The Honorable Kim Dunning, Presiding Judge  
Orange County Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Subject: 1) Irvine Ranch Water District Response to the 2008/2009 Orange County Grand Jury Report, "*Water Districts: A New Era in Public Involvement*"  
2) Irvine Ranch Water District Response to the 2008/2009 Orange County Grand Jury Report, "*'Paper Water' – Does Orange County Have a Reliable Future?*"

Dear Presiding Judge Dunning:

The following represents the Irvine Ranch Water District's (IRWD) response to the findings and recommendations contained in the above referenced 2008/2009 Orange County Grand Jury Reports. Section 1) responds to the "Water Districts: A New Era in Public Involvement" report and Section 2) responds to the "Paper Water" – Does Orange County Have a Reliable Future?" report. The responses are specific to the role and responsibilities of IRWD as a retail water supplier formed under the laws applicable to California Water Districts. The format for each section identifies each finding and recommendation followed by a specific response to same.

### 1) Water Districts: A New Era in Public Involvement

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*F.1: Water Districts' procedures for the selection of professional consultants' contracts are somewhat lax and in some instances non-existent, thereby creating a perception of bias in the selection of candidates, especially in the selection of board members from other member agencies to provide professional services.*

We disagree with this finding, especially as it applies to IRWD. IRWD has adopted and follows very specific and stringent policies for the procurement of professional services. IRWD is not aware of any perception of "bias" in the selection of candidates for its consultant contracts. Furthermore, though we do not monitor the procurement practices of all water districts, IRWD is not aware of a widespread perception of bias in the selection of candidates for professional consultants' contracts at other water districts. In this finding the Grand Jury has made a very serious allegation and is attempting to apply it to all water districts. If the Grand Jury found specific instances of impropriety during its investigation, then the Grand Jury is obligated to turn the matter over to the District Attorney for further investigation.

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*F.2: Some board members are conducting their professional practices with member agencies and use their elected positions to promote their competitiveness.*

## 2) “Paper Water” – Does Orange County Have a Reliable Future?

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*F.1: There is inadequate coordination between local land use planning agencies and local water supply agencies, resulting in a process that fails to engage the issues.*

IRWD disagrees with this finding. A number of critical factors go into the land use decision-making process, including the availability of a reliable water supply. Water agencies do not have the authority to make land use decisions. Water agencies are required to provide essential information to the designated land use planning authorities so an informed decision can be made. As part of on-going efforts to achieve sound land use decisions, IRWD coordinates with affected cities, the County of Orange, and development interests.

The coordination between the land use agencies and water supply agencies is mandated by the California Water Code §10910 et seq., Assessment of Water Supply (SB-610). As part of the land use agency’s CEQA analysis, the code requires the land-use agency to request a water supply assessment from the appropriate public water agency for any development with the equivalent water use requirements of a 500 dwelling unit project. The water supply assessment must take into account not only the project in question, but all existing development and any future developments that the agency may have knowledge of regardless of its size or current status. The water supply assessment serves as a critical means of evaluating future water supplies for the entire service area of the water entity and provides critical technical information to the public and land use agencies. This process is designed to fully engage the water supply agencies and the land use agencies to address water supply issues before new development projects are approved. As part of a project’s CEQA documentation, the water supply assessment is designed to engage both the public and elected officials from interested agencies.

Additionally, under Government Code §66473.7(b)(1), written verification by the public water system of the availability of a sufficient water supply is required in conjunction with or prior to the approval of any tentative map that includes a residential subdivision of more than 500 dwelling units.

IRWD notes that the Report appears to question a statement excerpted from an IRWD water supply verification that IRWD “...does not allocate particular supplies to any project, but identifies total supplies for its service area.” Although the Report does not identify a specific flaw or criticism in this statement, it characterizes it as a “caveat” or a “disclaimer.” To the contrary, IRWD believes that it is short-sighted and unrealistic for an agency such as IRWD, with an integrated system served from several sources, to disaggregate supplies and allocate them to specific projects. Once a development project is connected and serving customers, IRWD’s long-term supply and demand planning is done with the recognition that it cannot simply take a particular community off its system if a supply source falls short.

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*F.1(a): Water agencies have tended to avoid interfering with or participating in growth-management decisions.*

IRWD disagrees with this finding. There is not a “tendency to avoid interfering” on the part of water agencies, but a careful observance of jurisdictional limitations in full accordance with California law. As required, water agencies provide information and assistance to cities regarding the availability of water supplies so cities may consider that information when they make growth-management decisions (as explained in IRWD’s responses to Findings F.1 and F.1(b)). It is beyond a water agency’s statutory purpose and jurisdiction to usurp or attempt to influence or constrain those decisions by general purpose agencies. Although water agencies may advise cities of the insufficiency of supplies and may even take temporary emergency actions (such as service connection moratoria), over the long term water agencies have a duty to use reasonable efforts to obtain supplies to meet demands. Growth management policy to meet water supply constraints and any other resource limitations is a matter for the cities, counties and the state. This is made evident by: (1) California appellate court decisions which acknowledge both a requirement for water agencies to “exert every reasonable effort” to augment their supplies and broad discretion for the agencies in deciding how to do that (*e.g.*, *Building Industry Association v. Marin Municipal Water District* (1991) 235 CA3d 1641. Likewise, a water agency has to analyze whether it is inducing growth if it secures supplies that “get ahead” of a land use agency’s planning. *County of Amador v. El Dorado County Water Agency* (1999) 76 CA4<sup>th</sup> 931, 950); (2) statutory provisions requiring water agencies to undergo public notice procedures and make findings of emergency or necessity before they take actions to limit demand to conserve supplies (*e.g.*, Water Code sections 350 *et seq.* and 375 *et seq.*; Government Code section 65589.7); (3) statutory provisions for cooperation by water agencies with development project proponents or cities to secure more supplies, and for supply planning to alleviate insufficiencies (Government Code section 66473.7(f); Water Code section 10911); (4) the express language of the water supply verification statute disclaiming an intent to change the obligation of water suppliers to provide service to existing and future customers (Government Code section 66473.7(n)).

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*F.1(b): Cities and the County have tended to not critically evaluate the limitations of water supply agencies’ supply projections.*

IRWD disagrees with this finding. As described in IRWD’s response to Findings F.1, the water supply assessment process requires a dialogue between cities and the county on development projects and future water supply projections for the entire service area. IRWD has completed multiple water supply assessments for multiple cities within IRWD’s service area including the cities of Orange, Lake Forest, Irvine, Tustin, and Newport Beach. Through the process of completing these assessments, IRWD has extensively reviewed the availability of water supplies and their potential limitations with staff from each of these cities. Discussions have included global warming effects on long-term supplies, Bay-Delta issues, the Colorado River drought, imported water allocations, along with IRWD’s groundwater supplies, recycled water supplies, brackish water supplies and future water supplies such as desalinization and water banking. IRWD reviews not only the information available at the County level but from Metropolitan Water District and state agencies as well. IRWD has been requested to attend and present this same information directly to city councils. In addition, and completely separate from the water

supply assessment discussions, IRWD has presented updated water reliability information to many of these same cities.

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*F.2: California's looming water supply crisis receives very little, if any, expressed concern from the public in comparison to the numerous other environmental issues presented during development project reviews.*

IRWD disagrees with this finding. The public has been subjected to a flood of information regarding the California's water supply situation from an array of national, statewide and local public media outlets and directly from local water agencies. IRWD customers have demonstrated their concern and understanding by dramatically improving their water use efficiency.

In the late 1980s to early 1990s, IRWD set an aggressive tone to promote the efficient use of water resources. This effort, which included intensive communication with the various customer groups and some of the first home water audit and ultra-low flush toilet programs in the state, culminated in the adoption of an allocation-based tiered rate structure by the IRWD Board in 1991. This rate structure was instituted to promote the efficient use of water and provide customers with economic signals as their use increased and has provided the foundation for IRWD's water conservation programs since the early 1990s. Since its introduction, per acre water consumption dropped significantly while the health of landscapes within IRWD's service area improved. Between 1992 and 2005, the average landscape water use within the district decreased from 4.2 acre-feet per acre per year to 1.9 acre-feet per acre per year, a 61 percent reduction. From 2001 to 2006, irrigated areas in the district increased 280 percent, but total landscape water usage only increased 70 percent. Today, the average water use in Orange County is 190 gallons per person per day while the average use in IRWD's service area is only 90 gallons per person per day – a 52 percent decrease. These results are directly attributable to the customers of IRWD understanding of the importance of water use efficiency.

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*F.2(a): Orange County's citizens and interest groups do not appear to grasp the seriousness of the water supply situation or the complexity and urgency of the necessary solutions.*

IRWD disagrees with this finding. See item F.1 (above).

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*F.2(b): Several recent, substantial water supply awareness efforts are underway (e.g., the O.C. Water Summit) that show promise but appear targeted to audiences that are already informed.*

IRWD disagrees with this finding. California's existing water supply and delivery system continues to face multiple threats including aging infrastructure, environmental concerns, water conveyance and climate change challenges. This coupled with the recent court ruling in August 2007 that mandated a significant reduction in water supplies from the state's two largest water delivery systems, the State Water Project (SWP) and Central Valley Project (CVP) in order to protect the endangered Delta Smelt, has caused water agencies and related associations throughout the state to increase their water supply and conservation public outreach programs and strategies.

There is already a significant number of water awareness efforts designed to target many different audiences of regarding water supply issues, both uninformed and informed. The following are examples of outreach strategies implemented by the Association of California Water Agencies (ACWA), the Metropolitan Water District of Southern California (MWD), the Orange County Water District (OCWD), the Municipal Water District of Orange County (MWDOC), and IRWD:

ACWA Statewide Outreach Campaign:

ACWA is a leader in water issues and is the largest coalition of public water agencies in the country with over 440 members state wide who are responsible for about 90% of the water delivered in California. As early as 2005, ACWA and its statewide member agencies recognized a need to increase their public education outreach efforts regarding water supply issues. Titled “No Time to Waste: A Blueprint for California Water,” this outreach effort was designed to garner support for a water policy document calling for a comprehensive suite of actions and investments to meet the state’s water needs. Key elements of this outreach campaign included earned media, outreach to local governments and business groups and water-related organizations.

In 2006, ACWA launched the award-winning “California Water” series for public television. A multi-part series hosted by Huell Howser, this campaign was designed to educate all Californians regarding key water topics indentified in ACWA’s 2005 Blueprint. Twenty-one segments were filmed and shown throughout California, including Orange County, and featured the many aspects of water in our state including reclaimed rivers, recycled water, aqueducts and pipelines, recreation and fishing on the Delta, agriculture and water friendly native plants. Two segments were filmed in the service area and featured IRWD facilities along with smart water use by IRWD customers.

At its conference in May of 2007, ACWA unveiled “The Time Is Now” outreach campaign designed to build comprehensive support for a plan to meet California’s water needs. As part of this effort, ACWA implemented a multi-level, statewide public education effort aimed at providing the public with accurate and concise information about our water system and the problems confronting it. The program’s collateral material includes fact sheets, brochures, and public service announcements presented through the website [www.calwatercrisis.org](http://www.calwatercrisis.org). The campaign focused on providing a compelling description of environmental, water supply and water quality challenges facing the state today. Since the inception of this campaign, it has been covered by the media across the state. ACWA has also aggressively pursued placement of both letters to the editor and op-eds in over 150 community newspapers. Public service announcements were aired on community public access stations throughout California. Over 80 organizations, including IRWD, spread the word about the program by posting banner links, publishing newsletter articles, and e-mailing program materials.

In September of 2007, ACWA also unveiled a companion statewide public education program “California’s Water: A Crisis We Can’t Ignore” to educate Californians about critical challenges now confronting the state’s water supply and delivery system. Drawing on successful models for other key public policy issues, the education program was delivered to the public directly through television, radio and print advertising, as well as through the internet and community outreach. This program, funded by voluntary contributions from public water agencies

throughout the state, was aimed at raising awareness among all Californians of current and future water problems, including a deepening crisis in the Sacramento-San Joaquin River Delta (Delta) and a recent court-ordered massive reduction in our statewide water supply.

In April of 2009 ACWA also launched a new statewide public education program challenging individuals to do their part to “Save Our Water.” The program was designed to educate all Californians about the state’s ongoing water supply challenges and promote conservation through public service announcements, educational outreach, and a comprehensive website. The “Save Our Water” program was developed in partnership with the California State Department of Water Resources and ACWA and is a statewide multi-faceted public education effort that uses web-based outreach and paid advertising to show residents easy ways to reduce water use every day. The program also offers consumer-oriented information and tips to increase awareness and understanding of the complex issues facing the state’s water delivery and supply system. As part of this campaign AWCA also undertook a cooperative effort with the National Geographic Custom Publishing to publish a consumer-oriented magazine titled “Water for Tomorrow”. This publication is designed to engage Californians statewide with visuals and articles on all aspects of California water and practical information on how to conserve.

#### MWD Regional Outreach Efforts:

In addition to their current inventory of brochures that highlight native plants and water-saving tips for the home and garden and their website, [www.bewaterwise.com](http://www.bewaterwise.com), MWD has developed new brochures emphasizing its new “Time to Get Serious” campaign that features water-wise tips and immediate steps to conserve water. MWD also launched four conservation advertisements that are currently running on 10 Southern California television stations and on many cable networks.

#### OCWD Regional Outreach Efforts:

OCWD has developed the Orange County Water Hero Program which is designed to teach children in kindergarten through sixth grade simple ways to conserve 20 gallons of water per day. To become water heroes, kids pledge to save water by taking actions such as turning off the water when brushing their teeth and limiting shower durations to five minutes or less. After pledging, each hero receives a kit filled with activity sheets, water saving tips and prizes. OCWD also sponsors the Children’s Water Education Festival which attracts more than 6,000 students annually. The Festival teaches youth that they can make a difference in protecting our water resource today, tomorrow and in the future. In addition, OCWD has the Hotel/Motel Restaurant Water Conservation Program and is sponsoring a bi-weekly advertisement in the Orange County Register which promotes water and conservation awareness.

#### MWDOC Regional Outreach Efforts:

MWDOC’s Water Forum targets decision makers from the community and public organizations as well as residents, business owners, homeowners associations and water professionals. The event was inaugurated in 2008. The event provides background information on the water situation in Delta, the Colorado River, and MWD’s water allocation. Its purpose is to examine the impacts that limited water supplies will have on southern California businesses and what we all need to do to ensure water reliability.

IRWD Public Outreach Program:

The IRWD public outreach program delivers water supply and conservation messages to our customers that both reinforce the statewide drought and infrastructure issues while at the same time emphasizing our successful and effective conservation programs and water supply planning efforts. The IRWD public outreach campaign “Always Water Smart” is designed to reach our local customers, both residential and commercial, through a variety of media outlets including articles published monthly in the customer billing insert and eNewsletter, customer tours, school education programs, informational brochures, the IRWD website, through “messages on-hold” that customers hear when they call the District, community events and landscape workshops, and an IRWD lobby display on water supply and conservation issues. We also partner with the cities within the service area to provide information to our customers.

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*F.3: LAFCO is the agency charged with facilitating constructive changes in governmental structure to promote efficient delivery of services. To this end, LAFCO is conducting a governance study of MWDOC which is the designated representative for nearly all the Orange County retail water agencies, acting on their behalf with their surface water supplier Metropolitan.*

IRWD generally agrees with this finding. LAFCO is indeed conducting a governance study which is designed to identify feasible alternatives to MWDOC’s existing governance structure and to address concerns of many of MWDOC’s south Orange County member agencies. These long-standing and well documented concerns regarding MWDOC include the structure of MWDOC’s board representation, expansion of services, growth in budget, growth in reserve levels, cost recovery methods and lack of public scrutiny and accountability. It should be noted that MWDOC does not represent Santa Ana, Anaheim or Fullerton residents, but does represent the remainder of the County.

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*F.3(a): There are a number of points of governance disagreement between MWDOC and several of its member agencies. This is creating an impediment to the on-going effectiveness of these agencies in critical areas of Orange County’s water supply management.*

IRWD partially agrees with this finding. As noted in the response to finding F.3, there are in fact specific, long-standing concerns regarding MWDOC’s governance structure, policies and performance. These have been documented in the 2007 Municipal Services Review (MSR) of MWDOC conducted by Orange County LAFCO, and have been communicated to MWDOC by various south Orange County water agencies. The current governance study being conducted by LAFCO was ordered by the commission in response to the findings of the MSR and the unresolved status of the aforementioned issues. However, the Grand Jury’s finding that efforts to address these long-standing and critical governance issues through the LAFCO process and other means is an impediment to the on-going effectiveness of the agencies in critical areas of water supply management is conjecture that is not supported by any specific example or fact. The stakeholder water agencies involved in the LAFCO governance study understand that, despite concerns that may exist between the agencies, a collective fiduciary responsibility exists to provide reliable and cost effective water service to the citizens of Orange County. The south Orange County water agencies and MWDOC continue to work together and are presently

collaborating on a wide variety of water supply planning and operational efforts, including items such as the Dana Point and Huntington Beach Desalination facilities, the management of imported water supply shortage allocations from MWD, the implementation of water use efficiency programs, and other similar efforts. These projects and programs are being jointly implemented by MWDOC and the stakeholder agencies in an effective and professional manner.

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*F.3(b): The current disagreement is a distraction from the greater good of the agencies working toward Orange County's water future.*

IRWD disagrees with this finding. As noted in the response to finding F.3(a), MWDOC and the stakeholder water agencies involved in the LAFCO governance study are working collectively on projects and programs to enhance the future water supply and system reliability. Therefore, all agencies continue to be committed to the "greater good" of Orange County's water future. It is important, however, for LAFCO (under its statutory responsibilities) and the water community to identify the most efficient and effective governmental structure for providing water service to the citizens of Orange County. If opportunities exist among the water agencies to reduce costs, enhance accountability and improve the overall efficiencies, the water community and LAFCO would be remiss if such opportunities were not fully explored and analyzed. Providing a better model for wholesale water service is also part of the "greater good" of Orange County's water future.

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*F.3(c): The stakeholders in LAFCO's study failed to meet their March 11, 2009 deadline for LAFCO's public hearing on this matter. Continued delays are unacceptable.*

IRWD partially agrees with this finding. The initial schedule for the governance study included a non-statutorily dictated hearing date of March 11, 2009. However, LAFCO, without opposition from the stakeholders, revised the schedule based upon the comments received on the technical report components of the study, and on the desire to provide a draft of the study that LAFCO staff deemed was complete and accurate. The draft of the study was issued on July 15, 2009, and LAFCO's hearing to consider an action to receive and file the study is scheduled for September 9, 2009. The Grand Jury provides no specific basis for its comment regarding the unacceptability of scheduling delays in the process.

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*F.4: Orange County is uniquely fortunate to have a vast, high-quality, well-managed groundwater basin serving its north geographical area. However, in its south reaches, it has an equally large, high-growth area with virtually no available groundwater resources.*

IRWD agrees with the finding that northern Orange County has a well-managed groundwater basin, but we disagree that south Orange County has "virtually no available groundwater resources." Further discussion regarding this point is included below.

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*F.4(a): The difference in groundwater availability creates a "haves versus have-nots" situation that is conducive to inherent conflicts.*

We disagree with this finding. The groundwater basin that is found below north Orange County is an asset that, like any groundwater or other property rights, is there primarily for the benefit of its owners. North Orange County was developed with the knowledge that the groundwater basin,



along with imported water, would be used to supply water to residents; south Orange County was developed with the understanding that its residents would be more reliant upon imported water supplies. IRWD is uniquely positioned in this discussion as portions of IRWD's service are within the groundwater basin boundaries while other areas of IRWD are outside the groundwater basin.

Using the logic being applied by the Grand Jury in this finding, if one agency constructs adequate reservoir space for seven days of storage while another only constructs reservoir space for less than one day of storage, there is now a "'haves versus have nots' situation that is conducive to inherent conflicts." Would the Grand Jury, therefore, suggest a re-alignment of constructed reservoir space ownership from the agencies that have constructed adequate reservoir space to those that do not? Would the Grand Jury also suggest a re-alignment of equipment in water districts' fleets? The faulty premise that the Grand Jury has made this finding is that the basin belongs to all of Orange County; it does not. Furthermore, the Grand Jury is using conjecture and presents no evidence to support its conclusion that conflicts are "inherent". Ownership and use of an asset are concepts readily understood by most residents of Orange County.

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*F.4(b): The difference in groundwater availability provides opportunities for responsible participants to develop and construct long-term solutions which will benefit the entire County.*

We agree with this finding. Not only does the availability of groundwater provide opportunities to develop solution which will benefit the entire County, many of these opportunities have been identified and implemented. The use of storage in the groundwater basin is allowed by agreement with OCWD, the manager of the basin. OCWD has entered into storage arrangements that allow MWD to store up to 66,000 acre-feet of imported water and to recall as much as 20,000 acre-feet out of this same storage in any one year. This additional yield out of storage benefits everyone in Southern California. In addition, in February 2006 an Emergency Services Program Agreement was executed with OCWD that allows emergency water supplies from the basin to be exchanged with south Orange County. This program is currently being used to allow an exchange of water to south Orange County during emergency situations. Finally, development of projects by OCWD like the Groundwater Replenishment System (GWRS) that create new sources of water benefit the south Orange County area as well as all of southern California. IRWD looks forward to working with agencies in both northern and southern Orange County to optimize the use of the groundwater basin.

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*R.1: Each Orange County municipal planning agency, in cooperation with its respective water supply agency, should prepare for adoption by its city council, a dedicated Water Element to its General Plan in conjunction with a future update, not to exceed June 30, 2010. This document should include detailed implementation measures based on objective-based policies that match realistic projections of the County's future water supplies. These objectives, policies, and implementation measures should address imported supply constraints, including catastrophic outages and incorporate the realistic availability and timing for "new" water sources such as desalination, contaminated groundwater reclamation and surface water recycling. (Findings F.1, F.1(a), F.1(b), F.2, F.2(a), F.2(b))*

This recommendation will not be implemented as IRWD does not believe it is warranted within its service area. The recommendation would be a duplication of effort as IRWD already prepares a Water Resources Master Plan (WRMP) and/or an Urban Water Management Plan (UWMP). These documents are prepared with the same objectives as the "Water Element" portion of the General Plan as described in this recommendation. The UWMP is required by the State of California's Urban Water Management Planning Act, Water Code Sections 10610 through 10656 and is required to be updated every five years. The WRMP is updated more frequently based on the availability of new information. City and County notification and participation are required in the preparation of the UWMP updates, including providing information on land use planning decisions that may impact water consumption. The duplication of effort that would result from complying with the recommendation could lead to dated or misleading information in the water element. This recommendation would be suitable only if an agency did not prepare either a WRMP or an UWMP and substituted a water element to the General Plan.

The evaluation of catastrophic outages as an imported supply constraint is more appropriately done by Metropolitan Water District of Southern California who has the necessary expertise and information. Agencies at the intermediate wholesaler and retail level can then appropriately evaluate that information in conjunction with their other supplies. The planning of new sources is undertaken by water agencies at various regional and local levels. The realistic availability and timing of "new" sources, rather than being a separate layer of analysis to be applied by a city in a planning element, should be fully integrated within the water agency's UWMP and other water planning documents. The water agency must analyze reliability, redundancy and other factors to do this. Done in this manner, the water supply availability analysis provided to the City by the water agency will take these considerations into account when a city considers a plan change or update. Otherwise, a city would be left to apply the water element considerations separately from the water agency's analysis, leading to gaps or other errors in the analysis.

In addition, the Planning and Zoning Law (Government Code §65000) already requires counties and cities to adopt a conservation element in a general plan which must include water. The conservation element requires the counties or cities to coordinate this effort with water agencies. Individual cities can adopt an optional water resources element in the general plan if they feel sufficient information is not available from local water agencies. IRWD would suggest that the decision to adopt optional water resources element in the general plan be left to the cities depending on the availability of an UWMP and other water supply planning documents from local water agencies.

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*R.2: Each Orange County retail and wholesale water should affirm its responsibility to develop new, additional, innovative public outreach programs beyond water conservation and rationing programs to expose the larger issues surrounding water supply constraints facing Orange County. The objective should be to connect the public with the problem. The outreach effort should entail a water emergency exercise that simulates a complete, sudden break in imported water deliveries. The exercise should be aimed directly at the public and enlist widespread public participation on a recurring basis beginning by June 30, 2010. This recommendation may be satisfied by a multi-agency exercise but the inability to coordinate such an event should not preclude the individual agency's responsibility (Finding F.2, F.2(a) and F.2(b))*

This recommendation will not be implemented as IRWD believes that its existing customer outreach and emergency response preparedness efforts are appropriate for developing customer awareness of water supply issues and potential emergency outage situations. For details on water supply outreach programs, please refer to the response in F.2.

As detailed in the Grand Jury Report "Paper Water", Orange County water agencies are very active in emergency planning and participation in simulations of water supply disruptions for Orange County businesses and residents. IRWD developed an Emergency Plan in November of 1996 for managing and responding to major emergency incidents, including major water supply interruptions. The Emergency Plan is revised periodically to promote a continuous process of quality review and improvement of the Emergency Preparedness Program. The goal of IRWD's the Emergency Preparedness Program is to maintain the highest possible quality of preparedness for any given emergency event.

IRWD believes strongly in emergency planning to be prepared for natural and other disasters and has an up-to-date Emergency Plan that is fully correlated with the California State Emergency Management System (SEMS). Under the SEMS system, all agencies in the state operate with the same type of emergency structure, which makes mutual aid among agencies far easier.

IRWD has two different facilities that can serve as an operations center the the event of an emergency: the Michelson Operations Center and the Sand Canyon Headquarters. IRWD's primary Emergency Operations Center (EOC) is located at the Michelson Operations Building. If something were to happen to that facility, the EOC would be established at the IRWD Headquarters Building. IRWD also reminds its customers regularly about the importance of disaster preparedness and recommends that they keep kits of food, water, medications, first aid supplies and basic hand tools to help them be self-sufficient in the first few days after a major disaster.

IRWD holds regular emergency exercises simulating disaster response scenarios, including disruption in water supply, so that its employees will be able to better respond to actual emergencies. IRWD also participates in regional and statewide disaster emergency response scenario simulations and is an active member of the Water Emergency Response Organization of Orange County (WEROC).

Beyond exercises, IRWD employees have actual hands-on experience in responding to emergencies. IRWD employees responded to and assisted with a number of disasters, such as the Laguna Beach fires, the Northridge earthquake (several teams of IRWD employees provided mutual aid to the Los Angeles Department of Water and Power in restoring water service), the Santiago Fires in 2007 and the break in the Metropolitan Water District's Allen-McColloch Pipeline in 1999. IRWD also participated in the countywide "Golden Guardian" exercise which simulated the effects of disrupted local water supplies due to damaged water transmission pipelines.

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*R.3: Each MWDOC member agency should reaffirm to LAFCO that it will assign the resources necessary to expediently resolve regional governance issues. While the subject study is being facilitated by LAFCO, the options are with the agencies to decide what is best for all. Once conclusions are reached, the parties need to agree quickly and, hopefully, unanimously to adopt a course of action. (Finding F.3, F.3(a) F.3(b) and F.3(c))*

IRWD has committed, and will continue to commit, the resources necessary to expeditiously resolve outstanding governance issues regarding MWDOC. The Grand Jury's instruction on reaching resolution and adopting a course of action regarding these issues is so noted.

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*R.4: Each Orange County retail and wholesale water agency should affirm its commitment to a fair-share financial responsibility in completing the emergency water supply network for the entire County. The entire County should be prepared together for any conditions of drought, natural or human-caused disaster, or any other catastrophic disruption. WEROC should commence meetings of all parties to facilitate consensus on an equitable funding/financing agreement. (Finding F.4, F.4(a) and F.4(b))*

This recommendation will not be implemented as IRWD is already committed to participating in improvement to water supply reliability in Orange County. WEROC was established to conduct emergency planning and preparedness at the regional level and response to disaster events that impact the water and wastewater agencies within the County. WEROC participates with regional and statewide forums as well. Each retailer also has plans and activities it conducts to be in a state of emergency preparedness. The retail water agencies also work together to support each other through the network of emergency interties that allow water to be conveyed between agencies in emergency situations. The objective of emergency planning efforts is to improve the water agencies' ability to meet demands when parts of the water system have suffered outages; this is also referred to as "system reliability". This is different from "supply" reliability which has to do with having sustainable sources of water supply.

With respect to regional system reliability, Orange County has been successful in requesting MWD to improve the reliability of its system, specifically by improving the reliability of the Diemer Filtration Plant in Yorba Linda. The Diemer Plant provides most of the (imported) drinking water for Orange County. MWD is in the process of making substantial investments to protect this facility from being damaged in a seismic event.

We also believe there was confusion in the Grand Jury Report between a "catastrophic" impact of a San Francisco Bay-Delta failure, which is more of a long-term water "supply" issue, and is different than a WEROC test exercise type of "system" event. Much work is underway on resolution of the issues associated with the Bay Delta issues at state and federal levels, not through WEROC. WEROC does conduct test exercises in Orange County of the type noted by the Grand Jury.

We would also like to note that responses to drought situations are included when agencies complete their Urban Water Management Plans. Responses must include supply analyses for normal years, single dry years and multiple dry years and must also include drought response measures for up to a 50% level of shortage. The Urban Water Management Plans address many of the issues raised by the Grand Jury.

The District appreciates your interest in the current and future water supply challenges facing California and more locally here in Orange County. The District remains committed to continued collaborative investment in local, regional and statewide water infrastructure, supply resources and conservation measures/practices that cost effectively, equitably and reliably preserve and extend our water supply to meet constituent demands today and into the future. Further, the District recognizes the need for governance transparency and public involvement with regard to the development and provision of essential water related services.

If you have questions or require further information, do not hesitate to contact the District's General Manager, Mr. Paul Jones, at (949) 453-5310.

Sincerely,

A handwritten signature in black ink, appearing to read 'DJR', with a horizontal line extending to the right.

Douglas J. Reinhart, President  
Irvine Ranch Water District