

**RESPONSES OF THE
TRABUCO CANYON WATER DISTRICT
TO
REPORTS OF THE
ORANGE COUNTY GRAND JURY**

✓ **“Paper Water”– Does Orange County Have
A Reliable Future?”
and
“Water Districts: A New Era in Public Involvement”**

August 20, 2009

Submitted to:

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

**RESPONSES OF THE TRABUCO CANYON WATER DISTRICT
TO ORANGE COUNTY GRAND JURY REPORTS**

Introduction:

The Trabuco Canyon Water District (“TCWD” or “District”) is a County water district organized and operating pursuant to the provisions of Water Code Sections 30000 and following, and is located wholly within the boundaries of the County of Orange (“County”), State of California. A diagram of TCWD’s service boundaries is attached to this response as Appendix “1” and incorporated herein by this reference. TCWD currently services approximately 4,000 customer accounts, including various types of residential uses, commercial, government and irrigation water usages within its service boundaries. TCWD also provides non-potable (reclaimed and recycled) water service to various customers located within its service boundaries. TCWD also provides wastewater collection, transportation, treatment and disposal services to various customers located within its service boundaries. Information relating to TCWD’s facilities can be found at TCWD’s website located at www.tcwd.ca.gov.

On or about June 19, 2009, the Orange County Grand Jury (“Grand Jury”) released two reports entitled ““Paper Water” – Does Orange County Have a Reliable Future” and “Water Districts: A New Era in Public Involvement” (“Grand Jury Reports”).

TCWD received the Grand Jury Reports on or about June 16, 2009. Pursuant to the provisions of Penal Code Section 933.05, TCWD has prepared the required responses to the Grand Jury Reports as further set forth herein (“TCWD Response(s)”). The responses to the Grand Jury Report have been authorized for release by action of the Board of Directors of Trabuco Canyon Water District (“District Board”). Pursuant to the provisions of Penal Code Section 933(c), this response furnished on behalf of the District (“District Response”) is furnished to the Presiding Judge of the Orange County Superior Court. A copy of the District Response is also being furnished to the Grand Jury. The District may also post the text and appendices of the TCWD Response on the District’s website for a period of time to be designated by the District.

In addition to the responses set forth in this document, TCWD also wishes to bring to the attention of the Presiding Judge, the Grand Jury and other interested persons and parties various factual, legal and policy issues which TCWD believes are appropriate for consideration by the Presiding Judge and by members of the public who read the Grand Jury Report and these TCWD Responses, and by members of the Grand Jury in the event that they undertake further review or consideration of the matters set forth in the Grand Jury Reports and these TCWD Responses at some point in the future.

Response to Findings and Recommendations:

The Grand Jury Reports included various findings and recommendations. These findings and recommendations are set forth below:

The District Responses to the findings and recommendations are pursuant to Penal Code Section 933.05(a)(1), 933.05(b)(2), Penal Code Section 933.05(b)(1) and (4). The responses of the District to the findings and recommendations provided in the Grand Jury Reports are set forth below.

**RESPONSE OF THE TRABUCO CANYON WATER DISTRICT
TO ORANGE COUNTY GRAND JURY REPORT
“Paper Water”– Does Orange County Have a Reliable Future?”**

Findings

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

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

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

TCWD’s Response to F.1:

TCWD respectfully disagrees with the Grand Jury finding. TCWD notes that it is a county water district with limited powers and purposes as defined in Section 31000 et.seq. of the Water Code of the State of California. TCWD is not empowered to interfere with growth-management decisions. California law allocates to cities and counties the principle zoning, building and construction requirements. Many of the relevant decisions are not within the jurisdiction or authority of the public agency which provides water to service to such parcel(s). Developmental approvals are within the purview of the city or county in which the property is located. Water usage on particular parcels of property is a function of the design and developmental approval process of the property concerned.

TCWD works as closely as permitted in conjunction with the two cities, the City of Lake Forest and the City of Rancho Santa Margarita, and an unincorporated area of the County of Orange which it serves. TCWD evaluates any water supply limitations through its Water, Wastewater and Reclaimed Water Master Plan, Sub-Area Master Plans (developments with more than 10 units), review of tentative map applications and will-serve letters, and Water, Wastewater and Reclaimed Water System Analyses (developments with less than 10 units). TCWD also follows the Foothill/Trabuco Specific Plan (County of Orange, Environmental Management Agency, December 1991) for development projects within TCWD’s boundaries that are in the unincorporated area of Orange County.

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.

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.

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.

TCWD's Response to F.2:

TCWD agrees that the water crisis does not receive sufficient concern from Orange County citizens. However, the Orange County water community has many communication and outreach avenues. TCWD utilizes a monthly newsletter to all its customers to advise them of the water supply situation and water conservation tips and opportunities. TCWD also utilizes bill stuffers, and its website, www.tcwd.ca.gov, has a section dedicated to Water Conservation which contains water conservation tips, a water conservation hotline, TCWD's water conservation ordinance, drought restrictions, rainfall data, and a proclamation by the Governor of the State of California declaring a state of emergency relating to the current drought situation.

Metropolitan Water District of Southern California (MET) has developed and promotes extensive water conservation on its website under the section entitled "Bewaterwise.com." Additionally, MET has a Public Information Officers workgroup that coordinates outreach and communication among the MET member agencies. Due to the expense and the limited budgets of retail agencies, the bulk of the television and radio media outreach has been developed via MET through an advertising campaign for the Los Angeles and San Diego markets.

TCWD believes a high percentage of its water consumers are engaged in water conservation efforts as witnessed by the use of TCWD's water conservation hotline. TCWD has methods in place to conduct site visits by trained personnel of each hotline "tip."

TCWD has coordinate with the Cities of Lake Forest and Rancho Santa Margarita and the County of orange in implementing water conservation proclamations.

Additionally, over the past year, the Municipal Water District of Orange County (MWDOC) Public Affairs Workgroup has developed and implemented a regional water conservation message that augments MET's larger media campaign and increases visibility throughout the region. The water industry has strategic, well-known partners to assist in carrying the message to the public. Other programs include 15 episodes about California water hosted by Huell Howser, the use of cable channels to spread the word, and a School Education Program that has reached 3,000,000 students since 1972

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 of nearly all the Orange County retail water agencies, acting on their behalf with their surface water supplier Metropolitan.

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

TCWD's Response to F.3:

TCWD agrees that there are a number of governance disagreements between MWDOC and a number of its member agencies (Finding F3.(a)). These areas of disagreement include, but are not limited to, the size of the MWDOC budget, the services provided by MWDOC, the size of MWDOC's reserves, and the disparate provision of services to member agencies with respect to the collection of funds by MWDOC.

TCWD respectfully disagrees with Finding F.3(b) that the disagreement regarding governance and the subsequent discussions and studies detract from the ongoing effectiveness of the Orange County water supply management. In fact, the disagreement has identified the significant differences between the water supply of many north county agencies and the water supply of many south county agencies. The result has been a healthy discussion of the message that should be carried by the respective MWDOC-appointed MET representatives to the MET Board.

Regarding Finding F.3(c), TCWD will agree that that initial March 11, 2009 deadline was extended but does not agree this is a failure on the part of LAFCO. In fact, this extension of time for the study was intended to facilitate meaningful information between MWDOC and a number of its representative agencies. TCWD believes that the delays are reasonable and do not detract from the intent and purpose of the LAFCO study.

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.

- F.4(a) The difference in groundwater availability creates a "haves versus have-nots" situation that is conducive to inherent conflicts.
- F.4(b) The differences in groundwater availability provides opportunities for responsible participants to develop and construct long-term solutions which will benefit the entire county.

TCWD's Response to F.4:

While TCWD agrees with Finding 4.a., the situation does not cause a problem for TCWD.

For example, TCWD respectfully disagrees partially on Finding 4.b. TCWD owns and operates two wells within its boundaries and has been in a lease agreement to purchase water from a privately-owned well within the District boundaries. The wells are currently being upgraded to comply with various Surface Water Treatment Rules. The wells' production currently represents four (4) to 10 percent of the total TCWD water supply, depending on annual rainfall. The wells' contribution to total demand is expected to be a minimum of 250 acre feet per year and up to a historical average of 400 acre feet per year. The wells are highly desirable in terms of raw water quality, cost, and utilization of local resources. The sustainable use of these wells contributes to TCWD and the entire Southern California regional being less dependent on imported water supplies.

TCWD currently is determining a level of participation in the Baker Regional Water Treatment Plant (Baker WTP). Participation in the Baker WTP for south county agencies provides:

- Increased utilization of the Santiago Aqueduct which conveys untreated water into south county
- Improved water supply and water system reliability
- Alternative source of treated water to south county when the Diemer Plant or Allen-McColloch Pipeline are out of service or due to an emergency or natural disaster
- Use of Irvine Lake water as an emergency source water and for long term storage

TCWD is aggressively expanding the use of its recycled water supply. Such expansion offsets the need for imported domestic water. Currently the District supplies 660 acre feet of recycled water. To augment its recycled water supply, TCWD has engaged in a number of dry season water recovery projects that not only augment the recycled water supply but also assist the appropriate agencies responsible for NPDES compliance.

Recommendations

- R.1 Each Orange County municipal planning agency, in cooperation with its respective water 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 of "new" water sources such as desalination, contaminated groundwater reclamation and surface water recycling. (Findings F1 a and b, and F2 a and b.)**

TCWD's Response to R.1:

TCWD respectfully declines to implement Recommendation No. 1. Every five (5) years TCWD prepares an Urban Water Management Plan (UWMP). MET also prepares an UWMP, its IRP and updates its Water Supply Outlook periodically. Collectively, these documents provide what has been recommended.

TCWD serves connections within both the Cities of Lake Forest and Rancho Santa Margarita. The General Plan of the City of Rancho Santa Margarita (City of RSM) addresses Hydrology/Water Quality, and most importantly, Utilities/Service Systems (Section 3.13). Section 3.13 provides detailed information from TCWD's adopted 2000 Urban Water Management Plan. The information includes, but is not limited to, water supply, groundwater, imported water, recycled water, water use by residential, commercial and landscape/recreational users to the year 2020, water reliability, and urban runoff.

TCWD agrees that the City of RSM General Plan could be updated to include the District's updated 2005 Urban Water Management Plan and any appropriate supplemental updates to that plan.

The City of RSM's General Plan can be accessed by any interested group or individual on its website, www.cityofrsm.org.

The City of Lake Forest's General Plan (June 1994) contains very limited information on Water and Sewer Service that is provided within its service area by three water districts. The General Plan does state that the water districts serving the City of Lake Forest will be brought together with the City's Public Facilities/Services Advisory Network. TCWD agrees that the City of Lake Forest could supplement its General Plan to include detailed information from the three water districts that serve the City. The City of Lake Forest's General Plan can be accessed by any interested group or individual on its website, www.city-lakeforest.com.

R.2 Each Orange County retail and wholesale water agency 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 wide-spread 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. (Findings F2 a and b)

TCWD's Response to R.2:

This recommendation has already been implemented. "A complete sudden break in the imported supplies" was a component of the statewide Golden Guardian exercise in 2008 in which 20 of Orange County's water and wastewater utilities participated. This type of exercise or variations of it are repeated periodically.

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. (Findings F3 a, b and c)

TCWD's Response to R.3:

TCWD has implemented Recommendation R.3 by its ongoing participation in the numerous meetings which have occurred about and with MWDOC concerning the governance issues.

R.4 Each Orange County retail and wholesale 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 agreements. (Finding F4 a and b)

TCWD's Response to R.4:

This recommendation is already being implemented. The Water Emergency Response Organization of Orange County (WEROC) has been established to conduct emergency planning, preparedness and response to disaster type events that impact the water and wastewater agencies within the County. WEROC participates with regional and statewide forums as well.

TCWD has plans and activities it carries out to be in a state of emergency preparedness. TCWD has a Board-approved Emergency Preparedness Plan that provides information on District operations, assigns responsibility, and establishes general policies and procedures associated with operations during natural disasters, technological incidents and nuclear defense emergencies. The Plan is updated on an as-needed basis.