

Thomas G. Mauk County Executive Officer August 25, 2009

James R. Perez, Foreperson 2008-09 Orange County Grand Jury 700 Civic Center Drive West Santa Ana, CA 92702

Subject: Response to Orange County Grand Jury Report, ""Paper Water" – Does Orange County Have a Reliable Future?"

Dear Mr. Perez:

Per your request, and in accordance with Penal Code 933, please find the County of Orange response to the subject report as approved by the Board of Supervisors. The respondent is: Board of Supervisors. If you have any questions, please contact Kathleen Long at (714) 834-7410 in the County Executive Office who will either assist you or direct you to the appropriate individual.

Sincerely,

Thomas G/Mauk

County Executive Office

Enclosure

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""Paper Water" – Does Orange County Have a Reliable Future?" Orange County Grand Jury Report 2008 – 2009 Board of Supervisors Responses to Findings and Recommendations

Responses to Findings: F.1, F.1(a), F.1(b), F.2, F.2(a), and F.2(b)

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.

Response: Disagrees wholly with the finding.

In 2001 the State legislature passed, and the Governor signed, two key bills requiring that all counties and cities coordinate land-use decisions and local water supply planning on major development projects. This legislation included Senate Bill 610 that amended Water Code section 10910 *et seq.*, and Senate Bill 221 that added Government Code section 66473.7, both of which took effect January 1, 2002. These bills require that extensive and specific data about water supply be prepared by water supply agencies for local agencies prior to consideration of certain large projects.

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

Response: Disagrees wholly with the finding.

Water agencies are required by State law to participate in major growth-management decisions and the County independently reviews water agencies' water supply assessments and includes them in the environmental documentation for major projects. The law requires that the County consult with water suppliers prior to certain projects including all new planned communities, large subdivisions, and large non-residential developments.

Water suppliers are required to prepare a water supply assessment of these projects for the County to consider. This assessment includes the total projected water supplies available during normal, single dry, and multiple dry water years over a 20-year period for the proposed project. Additionally, the assessment includes the public water system's existing and planned future uses. If the water supplier determines that supplies will be inadequate, the supplier is required to provide plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies.

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

Response: Disagrees wholly with the finding.

Senate Bill 610 (Water Code §§ 10910-10915 - Chapter 643, Statutes of 2001) requires that: "At the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required, a city or county must identify any public water system that may supply water to the project." The County is required to notify public water system operators of the project and "the water supply assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses." If the water supplier determines that supplies will be inadequate, the water supplier "shall provide to the city or county its plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies." (Water Code § 10911). If the water supplier cannot provide the water supply assessment, the County must provide the water supply assessment. (Water Code § 10910(b)).

The water assessment must be included in the environmental document prepared for the project. Prior to certifying or approving the environmental document for the project, the County must determine whether water supplies will be adequate. If the County determines that water supplies will not be sufficient, the County must include this determination in the environmental document findings for the project. (Water Code § 10911(c)).

In the case of the Rancho Mission Viejo Ranch Plan Final EIR 589 referred to in the Grand Jury Report, the County's independent counsel and consultants evaluated the Santa Margarita Water District water supply assessment and concluded that it was adequate. In addition, the Metropolitan Water District, reviewed Draft EIR 589 and the water supply assessment and agreed with the conclusions of these documents that sufficient supplies of water for the proposed project will be available. (Letter September 13, 2004)

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.

Response: Disagrees partially with the finding.

While the number of comments on an EIR is not necessarily a measure of the level of public concern, there were a number of comments related to water supply impacts issues in the case of the Ranch Plan Final EIR 589. Specifically, of the 155 comment letters, emails and other written comments on Draft EIR 589, 25 included comments regarding water supply.

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.

Response: Disagrees partially with the finding.

Although not all Orange County's citizens and interest groups appear cognizant of the seriousness of the water supply situation or the complexity and urgency of the necessary solutions, the public and interest groups do express views on water supply; and the County and water suppliers do respond to these issues.

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.

Response: Agrees with the finding.

The O.C. Water Summit shows promise and water agencies and local governments should continue planning and outreach efforts that will engage all County residents.

Response to Recommendation: R.1

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 of "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) and F.2(b))

<u>Response</u>: The recommendation will not be implemented because it is not warranted or is not reasonable.

The County General Plan already includes a Water Resources Component. In addition, the General Plan is "general" and is not the best location for "detailed implementation measures." The Grand Jury Report identifies an effective approach to addressing the water supply issues – the Integrated Regional Water Management Planning Program, which is already underway.

As noted in the Report (Innovative Solutions to Long-Term Supply Shortages and the State of Orange County's Water Resources), the Board of Supervisors directed OC Public Works/OC Watersheds in June 2003 to lead a multi-agency

task force to develop a countywide Water Quality Strategic Plan. As a result, a new structure for water resource management has evolved based on a new concept of Watershed Management Areas (WMAs). The eleven watersheds in Orange County are grouped by similar characteristics into three Watershed Management Areas: North, Central, and South.

At its essence, the Watershed Management Area is a collaborative framework for municipalities and special purpose agencies to work collaboratively and find synergies across water resource disciplines. Its purpose is to bring together a wide variety of water resource managers in order to achieve more comprehensive and cost effective solutions to Orange County's water resource needs. Member agencies voluntarily enter into a cooperative agreement that forms the Watershed Management Area. Governance includes a policy committee of elected officials to oversee each Watershed Management Area. Senior staff from each member organization form a management committee to develop a joint work plan and oversee its implementation. Regular stakeholder forums are held to involve the public and share information across organizations within each Watershed Management Area.

Throughout Orange County, these groups meet together on a regular basis to collaborate on water resource issues, including water supply, surface water quality, flood management, wastewater, and natural resource protection. Integrated Regional Water Management Plans are under development or update in all three Watershed Management Areas. In the process of developing these plans, goals and solutions specific to each Watershed Management Area are formulated through consensus. Likewise, a custom slate of projects and programs is developed to address the water resource needs of each Watershed Management Area.

In the future, the ability to implement water resource projects will be challenging. With the collaborative process, Orange County continues to be the leader in meeting these challenges. Watershed Management Areas and Integrated Regional Water Management Plans are key tools in providing a sustainable water supply future for the County.