

CITY OF ANAHEIM MAYOR CURT PRINGLE

August 25, 2009

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

Re: 2008-2009 Orange County Grand Jury Report,

"Paper Water" - Does Orange County Have a Reliable Future?

Dear Judge Dunning:

As the Mayor of the City of Anaheim, and in consultation with our City Council, I am pleased to respond on behalf of the City to the 2008-2009 Orange County Grand Jury Report, "Paper Water" – Does Orange County Have a Reliable Future? The City's response addresses the Orange County Grand Jury Report's findings and recommendations.

Finding 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.

- (a). Water agencies have tended to avoid interfering with or participating in growth-management decisions.
- (b). Cities and the County have tended to not critically evaluate the limitations of the water agencies' supply projections.

Response to Finding F.1.a: The City of Anaheim disagrees wholly with this finding. The Anaheim Planning Department closely coordinates all of its land use planning activities with the City's local water supply agency, the Anaheim Public Utilities Department (APU). In fact, the APU is consistently engaged at the front end of all major growth-related discussions in order to ensure that the City's water supply is factored into the land use planning process. For example, one of the first tasks completed during the City's 2004 General Plan update program involved consultation with the APU in order to ensure that the City's water supply conditions and forecasts were clearly understood prior to developing potential future growth scenarios. This type of proactive coordination has occurred during all recent major planning efforts, including those associated with the Platinum Triangle and Anaheim Resort Areas. In addition, the APU is an active participant on the City's interdepartmental development review committee which is tasked with reviewing all discretionary land use proposals. Through its participation on this interdepartmental committee, the APU is able to closely monitor development activity within the City. The committee also provides a standing forum to discuss and address growth-related issues.

Further, the City directly appoints a member to the Metropolitan Water District of Southern California (MWD) Board of Directors. Our appointee works in coordination with the APU and other City departments. Up until recently, that appointee was the General Manager of the APU.

Additionally, the City has an appointee to the Orange County Water District (OCWD) Board of Directors. Our appointee is in constant contact with our APU and City staff as it pertains to groundwater management issues.

Response to Finding F.1.b: The City of Anaheim disagrees wholly with this finding.

The limitations of Anaheim's water supply projections are critically evaluated on a regular basis. Much of this analysis takes place during the environmental review process required for many development projects under the California Environmental Quality Act (CEQA). Per the CEQA, nearly all significant development projects are subject to an environmental analysis that, among other things, assesses a project's impact upon the local water supply system. In addition, per SB 610, the City requires the preparation of a comprehensive Water Supply Assessment (WSA) in conjunction with all large-scale development projects. WSAs examine whether available water supplies are sufficient to serve the demand generated by the project, as well as the region's reasonably foreseeable cumulative demand, over the next 20 years. Since the enactment of SB 610 in 2002, approximately 6 WSAs have been prepared under the direction of the APU. Each of these WSAs represents a critical, updated analysis of the City's water supply projections.

Additionally, water agencies are required to prepare an Urban Water Management Plan (UWMP) every 5 years which must include supply analyses for normal years, single dry years and multiple dry years. The UWMP must also include drought-response measures for potential shortages. The UWMP process also represents an opportunity to critically evaluate the City's water supply projections on a regular basis. The City's next UWMP will be completed in 2010.

Finding 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.

- (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.
- (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 to Finding F.2.a: The City of Anaheim agrees with this finding. In general, it seems public awareness of water supply issues is lower in comparison to other environmental issues; however, Anaheim has been working aggressively to increase this awareness. Specific information on Anaheim's outreach efforts is provided in response to Finding F.2.b.

Response to Finding F.2.b: The City of Anaheim disagrees partially with this finding. Anaheim has a comprehensive outreach program designed to communicate directly to our residents and businesses about water supply challenges and the importance of using water wisely.

In September 2008, the City Council adopted a resolution identifying the threats to Anaheim's water supply and encouraging all customers to reduce their water use through voluntary conservation measures. Coupled with this action, the APU mounted an aggressive outreach campaign to increase the public's awareness and to encourage adoption of water-saving habits. The success of these actions is demonstrated by the response from our customers. In the 12 month period ending June 30, 2009, our customers collectively saved a billion gallons of water, enough to serve 7,000 homes for a year.

Highlights of the City's outreach campaign, entitled "Don't be a water waster, be water wise," are as follows:

- An electronic newsletter, "Water Pipeline," provides information on challenges to Southern California's water supply and conservation-related news and resources to subscribers on a bi-monthly basis. Subscribers include residents, businesses, policy makers, and visitors.
- Door hangers are used as a friendly reminder to customers to eliminate water waste.
- Anaheim 311 is a convenient, non-emergency hotline that allows residents, businesses and visitors to contact City Hall by dialing 311. Water utility customers are able to report water waste through this service.
- Anaheim Anytime, a web-based customer response management system, provides easy access for the public to submit conservation questions or report water waste 24 hours a day.
- Marketing efforts include print articles, advertisements, public service announcements on Anaheim Community TV, website banners, bus shelter ads, sponsorships, and contests.

As a City, we are also setting an important example to the public on efficient use of water through efficiency retrofits at public facilities, use of pressurized Waterbrooms to clean paved surfaces in parks and city buildings, installation of artificial turf in street median/ parkway sites and parks, smart irrigation controllers at parks and golf courses, weekly inspections of irrigation systems to prevent leaks and runoff, and the use of California-friendly landscaping in parks and city facilities.

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

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

Response to Finding F.3: The City of Anaheim is not a member of MWDOC; therefore, a response is not provided.

Finding 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.

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

Response to Finding F.4.a: The City of Anaheim disagrees partially with this finding. The availability of water from the OCWD groundwater basin is controlled via legislative and water rights law. Although the water situation is different for the basin and non-basin areas, the water agencies in both areas have worked well together to enhance supply reliability for the entire County. More specific information on these joint efforts is provided in response to Finding F.4.b.

However, for water agencies overlying or tributary to the groundwater basin there should be equal access to the basin. The City continues to push for annexation of the eastern-most portion of its jurisdiction into OCWD, yet this has been delayed for a number of years. While it is understandable that different areas of the county have different water rights and access to the groundwater basin, there should be no disparity among agencies served by OCWD for equal access to the basin.

Response to Finding F.4.b: The City of Anaheim disagrees partially with this finding. Water agencies throughout Orange County have worked well together to develop solutions for improving supply reliability for the benefit of the entire County. Some examples of this collaboration with OCWD and water agencies include:

- OCWD Groundwater Replenishment System The Groundwater Replenishment System (GWRS) is a regional water recycling facility that produces a new drought-proof water supply for the County. As an OCWD groundwater producer, the APU has participated in the development of the GWRS project. In addition, a significant amount of land within the City of Anaheim is used by OCWD to recharge GWRS and Santa Ana River water. These facilities in Anaheim provide groundwater recharge and water availability benefits for the entire basin area.
- OCWD Storage Agreement OCWD has entered into a storage agreement with the MWD to allow it to store up to 66,000 acre-feet (AF) of imported water in the groundwater basin for the benefit of south Orange County and all of MWD's service area. This agreement allows MWD to withdraw as much as 20,000 AF of water out of storage in any one year.
- Emergency Services Program In February 2006, the Emergency Services Program Agreement was developed with OCWD that allows emergency water supplies from the groundwater basin to be exchanged with south Orange County. This program is currently

being used to allow conveyance of water to south Orange County during emergency situations.

In addition, Anaheim has made significant investments in its water supply reliability, which provides auxiliary benefits to south Orange County, such as:

- Emergency Water Storage Stored imported water in Anaheim's 920 million gallon Walnut Canyon Reservoir can be used in an emergency to free up imported water and capacity in the imported water transmission mains for south Orange County.
- Joint Well Field with IRWD Anaheim and the Irvine Ranch Water District (IRWD) completed a study in January 2008 to evaluate the feasibility of a joint well field project to improve supply reliability for both Anaheim and IRWD. The joint well field concept would include conveyance of groundwater through the Allen McColloch pipeline, where it would benefit IRWD and potentially other south County water agencies during an emergency. Anaheim and IRWD will further evaluate costs and permitting requirements for a joint well field to provide both agencies adequate information to make a decision on whether to implement this project.

Recommendation 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 F1 a & b, and F2 a & b)

Response to Recommendation R.1: The City of Anaheim is already implementing this recommendation. The land use/water supply relationship is already adequately addressed in the Anaheim General Plan which was comprehensively updated in 2004. The General Plan, coupled with the environmental impact report that was approved in conjunction with the update program, comprehensively examines and addresses future growth in the context of future water supplies. Both the General Plan's Public Services and Facilities Element and Green Element contain goals and policies aimed at ensuring a reliable water supply system, including measures that support various water conservation and recycling programs and the protection of the local groundwater table. Therefore, there is no apparent benefit in preparing and adopting a separate, stand-alone Water Element. Such an endeavor would be a costly and time consuming exercise that would result in no net benefit to the community. Rather than adopting a new Water Element, the City will continue its practice of reviewing and updating (as necessary) its existing General Plan to ensure that the supply assumptions, goals and policies remain current and reflect any significant changes to the water supply picture.

Also, as described in the response to Finding F.1.a, above, water agencies are already required to prepare an Urban Water Management Plan (UWMP) every 5 years. Anaheim's Urban Water Management Plan, in concert with its General Plan and MWD's Regional UWMP, Integrated Resources Plan (IRP), and Water Surplus and Drought Management Plan (WSDM), collectively

address the same issues that the Grand Jury suggests would be addressed by a stand-alone Water Element.

Recommendation 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 & b)

Response to Recommendation R.2: The City of Anaheim is already implementing this recommendation. We also believe the response to this question should be separated into two points, the first associated with public outreach programs and the second with respect to emergency planning.

Public Outreach

In addition to promoting the City's water conservation programs and incentives through our public outreach campaign discussed in F.2.b, Anaheim is in agreement with developing new, innovative programs that are beyond water conservation and rationing programs to better communicate issues surrounding water supply constraints facing Orange County. Some examples of Anaheim's recent efforts include:

- Orphaned Parkway Program Through this program the City is replacing landscape in street median and parkway sites with artificial turf to beautify the areas and reduce water use. The City is able to showcase the installation of artificial turf at these sites and through our communication efforts educate the public on how the City is realizing water savings; essential to our overall water conservation effort. Through the installation of 3,382 square feet of artificial turf in four street median/parkway sites, the City is expected to save approximately 150,000 gallons of water per year.
- Water Recycling Demonstration Project The City is in process of constructing a Water Recycling Demonstration Project (Project) in downtown Anaheim to showcase the latest in water recycling technology and to increase the public's understanding and awareness of water recycling as a new drought-proof supply. The Project will consist of a 100,000 gallons per day (gpd) water recycling demonstration facility adjacent to City Hall. This facility will be constructed in a visible and accessible location that will provide an educational opportunity to increase the public's understanding and awareness of using recycled water for various uses. The treated recycled water from this Project will be used for toilet flushing in City Hall West, landscape irrigation around City Hall and in nearby parks, and could potentially be used for toilet flushing and landscape irrigation in future developments in downtown Anaheim.

Emergency Planning

The Water Emergency Response Organization of Orange County (WEROC) was established to coordinate regional emergency planning among water and wastewater agencies in Orange

County and to conduct disaster type events like the one recommended. The City has already implemented this recommendation through our participation in the Golden Guardian exercise in 2008, where a complete sudden break in imported supplies to Orange County was simulated. Anaheim, along with twenty of Orange County's water and wastewater utilities participated in this exercise. This type of exercise or variations of it are repeated periodically.

In regards to engaging the public in water emergency exercises, the City has a Community Emergency Response Team (CERT) that promotes the ongoing training and participation of public volunteers by providing many educational opportunities to better prepare for and respond to disasters. In addition, the Anaheim Radio Amateur Civil Emergency Service (RACES) program, sponsored by the Anaheim Fire Department's Office of Disaster Preparedness provides volunteers with radio equipment skills, supplemental training and operational readiness in which they can assist with emergency communications in the event they are needed during a local or widespread disaster. RACES radio operators are licensed by the Federal Communications Commission and all members agree to attend regular meetings and participate in training sessions.

Recommendation 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 & c)

Response to Recommendation R.3: The City of Anaheim is not a member of MWDOC; therefore, a response is not provided.

Recommendation 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 F4 a & b)

Response to Recommendation R.4: The City of Anaheim is already implementing this recommendation. The City has already implemented this recommendation by participating in WEROC's emergency planning and preparedness activities that impact the water and wastewater agencies within the County.

We believe there may have been confusion in the Grand Jury Report between a catastrophic impact of a Delta Failure, which is more of a long term water supply issue, and therefore different than a WEROC test exercise type of system failure event. Although, much work is underway on resolution of the Delta issues it is not through WEROC. WEROC does conduct test exercises in Orange County of the type noted by the Grand Jury, but WEROC's purpose and the focus of their emergency planning is to improve "system reliability", the ability to continue meeting demands when parts of the water system have suffered outages. This system reliability is distinguished from "supply" reliability, which has to do with having supplies to deliver through the system.

With respect to regional system reliability, Orange County has been successful in requesting MWD to improve the reliability of the Diemer Filtration Plant in Yorba Linda. MWD is in the process of making substantial investments to protect the plant from being damaged by seismic events. The Diemer Plant treats most of the imported drinking water in Orange County.

Moreover, Anaheim has an Office of Disaster Preparedness that is dedicated to providing disaster preparedness education and information to the City, its residents, and businesses. The City's comprehensive Emergency Management Program includes all elements necessary to respond quickly and effectively to major emergencies. These elements include an Emergency Operations Plan, Emergency Operations Center, Public Safety Officers, Public Education Programs and trained volunteers (CERT and RACES programs).

The City of Anaheim has experienced a tremendous amount of growth since its founding over 150 years ago. Anaheim's municipal water system, which was established in 1879, has been carefully managed since that time, ensuring that the City's residents, businesses and visitors are provided with a safe, reliable water system. This effective management will continue through carefully coordinated land use and water system planning, proactive collaboration with state, regional and local water agencies and through public education efforts aimed at raising awareness and promoting conservation. The City has a longstanding history of balancing its growth with the availability water and we expect that legacy to continue even as the region's water supply becomes further constrained.

Respectfully submitted

Curt Pringle Mayor

C: Orange County Grand Jury (paper and electronic copies)
City Clerk, City of Anaheim