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El Toro Water District

"A District of Distinction"
Serving the Public - Respecting the Environment

August 30, 2023

The Honorable Maria Hernandez
Presiding Judge of the Superior Court
700 Civic Center Drive west
Santa Ana. CA 92701

Re: Responses to the Orange County Grand Jury Report "Historic Rain,

Yet Drought Remains"

Dear Judge Hernandez,

On June 9 2023, the Orange County Grand Jury released a report titled "Historic Rain, Yet Drought Remains" (Report). This Report requested that El Toro Water District (District) respond to findings and recommendations contained in the Report. The District appreciates the opportunity to provide feedback and comments on the Orange County Grand Jury Report. The District recognizes and similarly appreciates the efforts made by the Grand Jury to evaluate the important issues of water supply in Orange County.

The El Toro Water District provides water, wastewater and recycled water service to nearly 50,000 residents in portions of the cities of Aliso Viejo, Laguna Hills, Lake Forest, Mission Viejo and all of the City of Laguna Woods. The District service area is in the southern part of the County and does not overlie the Orange County Groundwater Basin. The District imports all its potable water from the Metropolitan Water District of Southern California through the Municipal Water District of Orange County (MWDOC).

The District has experienced and adapted to multiple cycles of wet and dry conditions since its founding over 60 years ago. The District has invested heavily over the last twenty years in diversification of its water supply portfolio in order to enhance short term and long-term reliability for its customers. The District continues to maintain a focus on water use efficiency as well as proactive planning for future water supply opportunities.

Per the 2022-2023 Orange County Grand Jury's request, and in accordance with Penal Code 933.05, below are the District's responses to each of the Findings and Recommendations outlined in the Report.

FINDINGS

F1 Future water supplies are impacted by climate change and current supplies will not meet future demands.

The District disagrees partially with this Finding.

The Finding makes extremely definitive statements about the future that are projections and subject to change. The District has experienced and adapted to several drought cycles over the last several decades. While the District continues to maintain an aggressive water use efficiency program to prepare for the potential of water supply challenges, the definitive statement that current water supplies will not meet future demands is not substantiated. That said, the District agrees that continued preparation for water supply challenges is an integral component of local and regional water supply planning strategies. The District has invested heavily in water supply projects that help meet current and future needs and continues to evaluate potential future projects on both a local and regional level to help ensure water supplies will meet future demands. Investment in additional storage facilities in the northern part of the State as well as improvements to Delta conveyance is critical to managing water supply statewide.

F2 Climatologists predict future extended periods of low moisture with occasional wet years.

The District agrees with this Finding.

While the prediction of future climate is often a hotly debated issue, the District is aware of the predictions of changing weather patterns resulting in drought conditions with interludes of wet seasons.

F3 Climate change is inevitable and is exacerbated by human behavior.

The District disagrees partially with this Finding.

The climate on the planet has been changing for millions of years. To that extent the District agrees that climate change is inevitable. The District does not disagree that human behavior may play a role in climate change. The extent to which human behavior impacts climate change is an evolving science.

F4 South Orange County relies primarily on the importation of water.

The District disagrees partially with this Finding.

The statement would be more correct if it referred to the importation of "potable" water. South Orange County relies primarily on the importation of water for potable uses. It should be noted that El Toro Water District, as well as many other South Orange County water agencies, has developed significant recycled water systems to supply local water for landscape irrigation. These investments have significantly reduced the amount of water imported into South Orange County.

F5 Local water suppliers recognize that enhanced stormwater capture and storage, wastewater recycling, and infrastructure improvements will not be sufficient to address the long-term forecast of drought and its effects on supply.

The District disagrees partially with this Finding.

The District continues to evaluate long-term water supply in concert with similar regional evaluations by MWDOC and the Metropolitan Water District. The District is not aware of statements by local water suppliers that are consistent with this Finding. Many local water suppliers are pursuing water supply projects, inclusive of wastewater recycling in the form of direct potable reuse, that will have significant benefits on the sufficiency to address the potential impacts of drought on future supplies.

F6 There is significant water infrastructure planning, but inadequate implementation.

The District disagrees partially with this finding.

The District would agree that there has been inadequate implementation of water supply and storage projects in the State of California. However, to the extent that the Report and this Finding are focused on Orange County, the District disagrees with this Finding. Orange County water agencies have been and continue to be leaders in the State in the implementation of water infrastructure projects. There are several expansive recycled water systems in South Orange County that have significantly offset the need for imported water. The El Toro Water District has invested over \$40 million on a Recycled Water System that provides nearly 20% of the District's total water supply. The Report identifies and acknowledges the Orange County Water District Groundwater Replenishment System that provides 130 million gallons of water each day to replenish the groundwater basin benefitting the water agencies in central and north Orange County. There are numerous clear examples of successful implementation of water infrastructure projects in Orange County.

The District would agree that it is important to plan and implement new projects both in the State of California as well as in the County to enhance water supply and ensure adequate supply for current and future residents. There is a significant amount of planning to this effect already occurring by the District as well as other local and regional agencies in the County.

F7 The review and approval process for major water capital projects is cumbersome and overly restrictive.

The District agrees with this Finding.

The challenges associated with review and approval of major water capital projects is a statewide issue. Too many critical water projects that should have been built decades ago have either been delayed or have failed due to overly restrictive environmental hurdles and a review and approval process that is far too difficult to navigate.

F8 Failing to find solutions to water shortages will have a significant impact on the Orange County economy.

The District agrees with this Finding.

The District agrees that water shortages may have an impact on the Orange County economy. It should be noted, however, that the water purveyors in Orange County are currently evaluating potential diversified solutions. The viability of different solutions will necessarily vary from agency to agency based on location, cost and existing water supply opportunities. No single approach can stand alone to address future water supply.

F9 Continued development in Orange County creates additional water supply needs.

The District agrees with this Finding.

The District agrees that increasing residential and commercial development creates water demand. It should be noted, however, that widespread deployment of water use efficiency practices, devices and appliances have had a significant impact on water demand that has helped to offset the water demand impact of development in Orange County.

F10 Conservation and efficient use of water is essential.

The District agrees with this Finding.

The El Toro Water District maintains an expansive and extremely effective water use efficiency program. The District has invested significant resources in both staff and financial investment to aggressively promote the efficient use of water in its service area. Water consumption data tracked by the District demonstrates the effectiveness of the program as District customers have reduced water consumption by 25% over the last ten years. However, it is critical to note that conservation and efficient use of water are not the only answers. Statewide projects to improve storage, conveyance and availability of water are essential.

F11 Increased outreach and public education are necessary.

The District disagrees partially with this Finding.

The El Toro Water District has invested extensively in outreach and public education regarding water use efficiency for decades. This effort includes social media, newsletters, television appearances, the District website and numerous speaking engagements. The District's unwavering focus on this effort continues through wet and dry cycles. The District agrees this effort is necessary and critical. Specific to the El Toro Water District, in light of the detailed focus that currently exists, the District does not agree there is a need to increase the outreach and public education but rather to maintain the existing focus on these efforts.

F12 Desalination has proven to be technologically and environmentally feasible and is slowly being embraced as a drought-resistant source of water.

The District agrees with this Finding.

Desalination technology has been successfully implemented in numerous locations throughout the world. The District agrees that desalination represents a drought-resistant source of water. However, the District is also aware that the environmental community has continued concerns about the impacts of desalination on marine life. The District is further aware that desalination is far more expensive than the current cost of treated surface water which may have the effect of making water significantly more expensive to end users.

RECOMMENDATIONS

R1 The County of Orange Board of Supervisors should take a leadership role by the end of calendar year 2023 to explore the establishment of a "Climate Resiliency District" or Joint Powers Authority to fund and expedite implementation of a drought-resistant source of water. F1, F2, F3, F4, F5, F6, F7, F8, F9, F12

The District was not requested to respond but is providing a response for information purpose.

The recommendation will not be implemented because it is not warranted.

As noted in the District's responses to several of the Findings, the water agencies in Orange County have and continue to invest in drought-resistant sources of water. The District sees no benefit to creating a new agency. The District supports and encourages the continued collaborative efforts of both local and regional agencies that are already focused on evaluation and implementation of solutions to evolving water supply challenges.

Orange County water agencies should expedite the planning, development, and construction of desalination plants over the next five years to insure a sustainable and reliable drought-resistant source of water. F1, F2, F3, F4, F5, F6, F7, F8, F9, F11, F12

The recommendation requires further analysis or study.

Desalination has the potential to be an important component of a larger water supply portfolio. The ability to construct desalination facilities is constrained by geography, environmental concerns and cost feasibility. Desalination, on its own, is simply not a water supply panacea. Strategic implementation of desalination may well be an important part of future water supply but there is no foundation for the assumption that there is the need, ability or funding available for some undetermined number of desalination plants in Orange County.

R3 The County of Orange and all Orange County cities should formulate an emergency development moratorium plan in anticipation of the Colorado River water supply being constrained. The emergency moratorium plan should be developed by the end of calendar year 2023. F1, F2, F3, F4, F5, F6, F7, F8, F9, F10, F11, F12

The recommendation will not be implemented because it is not warranted.

There is an on-going effort to work towards solutions to the water supply challenges through a combination of water use reduction strategies as well as new water supply projects. The water agencies in Orange County continue to proactively engage in these efforts. In addition, the approval of new development projects is already subject to requirements to assess the sufficiency of supply to meet the demands of the project. The Recommendation does not consider the economic impacts of the proposed moratorium. While such a moratorium may be considered in the future if the strategies noted above are insufficient to manage the water supply needs, said moratorium is not warranted at this time. Further evaluation is necessary of the water supply needs and the economic impacts to the community.

R4 Orange County water agencies should update their public communication strategies, by calendar year end 2023, to inform the public of lifestyle changes if additional water sources are not developed. F10, F11, F12

Recommendation has been implemented

As noted in the responses to the F11, the District currently engages in extensive communication with the public of the need for continued water use efficiency efforts. The District maintains the ability to adapt messaging as water supply challenges evolve.

The District, once again, appreciates the efforts of the Grand Jury and the opportunity to provide responses to the Findings and Recommendations of the Report.

Sincerely,

EL TORO WATER DISTRICT

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Kay Havens President