

The County of Orange Report

Prepared for the Mesa Water District

August 19, 2022
by Lewis Consulting Group

MWDOC Responds to Grand Jury

At the August 17th meeting, MWDOC unanimously passed their response to the Orange County Grand Jury's recent report. Previously OCWD had replied in a laudatory manner. The MWDOC response was a forceful response to the contrary and could best be described as a "you don't know what you are talking about". Prior to the vote, Director Al Nederhood summed up the Directors feelings when he referred to it as a "seriously flawed Grand Jury Report". Parts of the MWDOC response are printed below:



August 12, 2022

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The Honorable Erick L. Larsh
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: MWDOC Responses to the Orange County Grand Jury Report's Findings and Recommendations

Dear Judge Larsh,

Please accept this letter as the Municipal Water District of Orange County's (MWDOC) timely response to the 2021-22 Orange County Grand Jury report, *Water in Orange County Needs "One Voice."* The responses to the Orange County Grand Jury Report's findings (F1-F6) and recommendations (R1-R2) are attached.

Water and the provision of water services at both the wholesale and retail level, are highly complex issues with multiple factors that must be fully assessed and understood when considering changes. MWDOC understands the Grand Jury has limitations on comprehensively researching the issue of consolidation or conducting the level of detailed analysis required to substantiate many of its findings. Potential consolidation of Orange County Water District (OCWD), and MWDOC has been evaluated and considered on numerous occasions in the past, and neither MWDOC nor OCWD have previously concluded that the benefits of consolidation are compelling enough to overcome the substantial financial, institutional, and statutory challenges.

While MWDOC appreciates the Grand Jury's time and efforts in preparing this report, we find the report did not conduct an in-depth analysis of the advantages and disadvantages of consolidation nor did it look at how the water providers and system interact and function. The simplicity of the report lacks compelling facts and evidence to support its findings and recommendations. Although MWDOC currently believes that consolidation is not in the best interest of the Orange County water providers and the public, we are committed to identify the avenues to improve its coordination, communication, and services and with OCWD and all the water providers throughout the county.

We thank the Grand Jury for its hard work on the report and interest in Orange County water issues.

Sincerely,

Megan Yoo Schneider, M.S., P.E.
Board President

F1 - A SINGULAR WATER AUTHORITY FOR ORANGE COUNTY'S WHOLESALE WATER SUPPLY LIKELY WOULD RESULT IN FURTHER OPPORTUNITIES AT THE LOCAL, STATE, AND FEDERAL LEVELS IN LEGISLATION, POLICY MAKING AND RECEIVING SUBSIDIES AND GRANTS.

RESPONSE: Disagree wholly with this Finding

MWDOC does not agree with this finding. The state and federal advocacy efforts of MWDOC and OCWD, combined with our respective member retail agencies (many of which also have their own state and federal advocacy programs), have resulted in substantial influence with state and federal legislators, as well as numerous successes in obtaining outside subsidies and grants. A simple reason for this effectiveness stems from the fact that multiple voices advocating for Orange County water interests resonate with more influence. Having multiple agencies with their own staff and advocacy resources actively involved in water policy and legislation increases our collective success rate and enhances, rather than diminishes, the County's influence. MWDOC, OCWD, and retail agencies each bring their own unique perspectives to the table on particular issues, whether those issues relate to imported water, groundwater, wholesale, or retail agency experience and knowledge. Recurring meetings and venues have been established in which MWDOC, OCWD and their member agencies actively collaborate on policy and legislative advocacy, as well as outside funding opportunities.

This coordinated structure has also resulted in numerous grant awards for groundwater clean-up, water use efficiency programs, and local water resource project development. This success is due to coordination among the agencies; and there is a long history of utilizing each agencies' area of expertise, whether it be local versus regional and/or groundwater versus imported water. MWDOC retains a specialized consultant who produces a monthly tracking report and identifies matching grants for all water providers' current infrastructure projects throughout the County. Upon request, the consultant assists agencies in applying for and securing available grants. This MWDOC cooperative service seeks to ensure that any available funding that will advance water interests in Orange County is identified and pursued by all interested agencies.

It should be noted, the Grand Jury report does not identify any specific instances in which there have been forgone grant opportunities, or conflicts in securing an outside funding among MWDOC or OCWD. Similarly, the report does not identify instances of materially conflicting policy positions among MWDOC and OCWD. As such, the conclusion of the Grand Jury that a single wholesale entity will improve legislative advocacy or the potential for securing outside funding is unfounded.

F6 - ORANGE COUNTY CURRENTLY DOES NOT HAVE A COUNTYWIDE COORDINATED POLICY REGARDING WATER CONSERVATION, WHICH RESULTS IN DIFFICULTY WHEN COMPLYING WITH ANY NEW STATE-MANDATED CONSERVATION REGULATIONS.

RESPONSE: Disagree wholly with this Finding

MWDOC has a long-standing history of leading and coordinating water use efficiency and conservation efforts and policy implementation throughout Orange County in partnership with the retail water agencies that are required to achieve water use efficiency targets with their customers. It is important to emphasize that the State mandated "Making Conservation a California Way of Life" water use efficiency regulations, are structured for compliance at a retail agency level. While MWDOC has and will continue to provide resources and support locally appropriate responses to the regulations, a one-size fits all water conservation "policy" would neither be productive nor recognize the diversity of needs found throughout Orange County. Retail water agencies have independent relationships and unique understanding of their customer base and in many cases, uniform countywide policies or customer messaging may not be compatible with local needs. The Grand Jury report did not detail the "difficulty" experienced by retail water agencies in meeting state-mandated conservation regulations or support the conclusion that a county-wide conservation "policy" would address such difficulties. The finding does not support the Grand Jury's broader recommendation for a change in Orange County's wholesale water agency structure.

MWDOC provides leadership, coordination, and support to all the Orange County water suppliers on implementation of water use efficiency and conservation programs. Programs include both rebate incentives and customer education resources accessed by Orange County residents and businesses. In addition, MWDOC has been very successful in acquiring and managing local, state, and federal grant funding to implement water use efficiency programs. Many of these programs are implemented exclusively with a combination of grant funding acquired by MWDOC and availability of Metropolitan Water District funding, and therefore require minimal or no funding from the retail water agencies. Since 2001, MWDOC has brought in more than \$113 million in local, state, and federal grant funding for water use efficiency program implementation throughout Orange County. These investments are saving more than 57,000 acre-feet of water per year - enough water to serve 171,200 households per year.

Below are several significant milestones through the years that demonstrate MWDOC leadership in setting a coordinate effort among the agencies in the County regarding State Mandated Conservation regulations:

1991 MWDOC led the effort to voluntarily implement cost effective Best Management Practices within California Urban Water Conservation Council Memorandum of Understanding for urban water use efficiency standards.

2009 MWDOC led the formation of the Orange County Regional Alliance as part of the Conservation Act of 2009, known as 20% by 2020. The formation of the alliance allowed for Orange County retail agency investments in water use efficiency to be “pooled” for collective compliance with the law and successfully met the objective prior to 2020.

2018 “Making Conservation a California Way of Life” sought to take mandatory water use efficiency beyond the 20% by 2020 framework through implementing a retail agency budget-based approach. MWDOC has been a leader in the discussions with the California Department of Water Resources and State Water Resources Control Board in finalizing the details of this framework.

2018 Requirements focusing on distribution system water loss were enacted by the State through SB 555. In response, MWDOC developed a Technical Assistance Program to provide one-on-one technical assistance to comply with the regulations. To provide further services, MWDOC developed an innovative Water Loss Shared Services Program that provides specialized MWDOC staff to perform annual water balance validation, distribution system leak detection, customer water meter accuracy testing, and distribution system flushing.

2021 MWDOC and the retail agencies developed a model water conservation ordinance to have a coordinated, but locally appropriate response to water shortage conditions. Many of the retail agencies are currently implementing their ordinances with the Governor’s call for agencies to be at Level 2 of their Water Shortage Contingency Plans.

2022 MWDOC, in partnership with Santa Margarita Water District, is developing a tool for use by water agencies across the state to demonstrate the costs and efforts needed to meet the proposed new volumetric standards.

In another action, MWDOC unanimously nominated Director Bob McVicker to serve as ISDOC first Vice President.

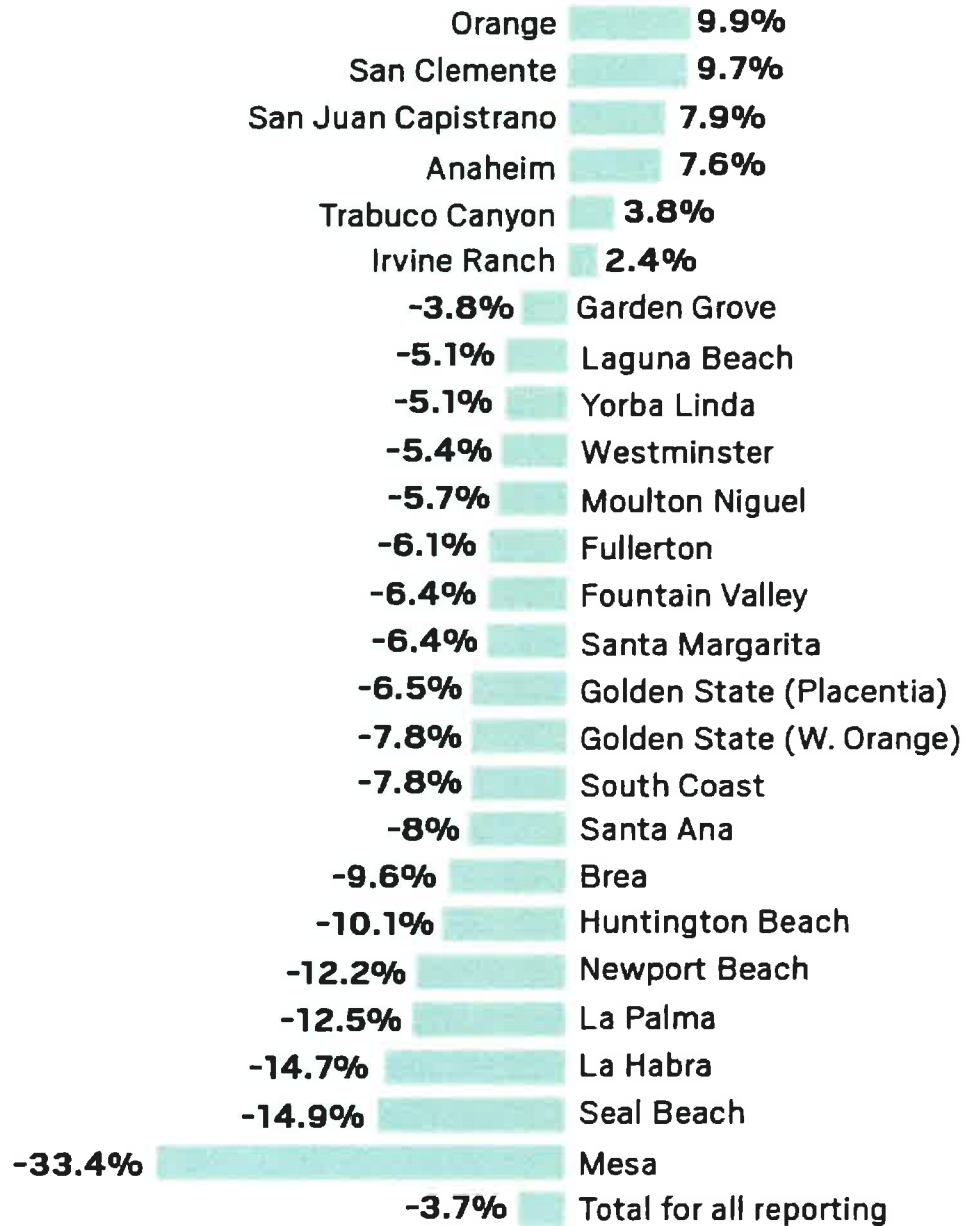


LAFCO’s August meeting was surprisingly crisp. After swearing in Peggy Huang as the newest city full member, the Commission proceeded to unanimously adopt the three year Strategic Plan which had been fleshed out at July’s meeting. Chairman Doug Davert praised facilitator Bill Kelly and staff by referring to it as a “great process”. In closing the meeting it was announced that the September LAFCO meeting has been cancelled.

Congrats to Mesa Water!

Who's using less water?

Water suppliers' % change from
June 2020 to June 2022



Sources: Water agencies

JEFF GOERTZEN, SCNG



August 9th BoS Meeting - It Pays To Be the Boss

The Board of Supervisors meeting lacked items of interest. However, the Board did extend Chief Executive Officer Frank Kim's contract, with an annual salary of \$376,000 and total compensation including benefits of \$590,234.

July PPIC Survey Explores Water Issues

The Public Policy Institute of California recently released results from its California and the Environment survey. The survey of 1,648 adult Californians, including 1,437 registered voters was conducted July 8-15, 2022. A survey of this size yields a margin of error of +/- 3.4%

Here are the survey's questions of interest:

Overall, do you approve or disapprove of the way that the California Legislature is handling environmental issues in California?

- 55% approve
- 42% disapprove
- 3% don't know

What do you think is the most important environmental issue facing California today?

- 30% water supply, drought, reservoirs
- 13% wildfires, loss of forests, forest fires
- 11% climate change, global warming, greenhouse gases
- 4% air pollution, vehicle emissions, smog
- 4% landfills, garbage, sewage, waste, recycling
- 3% government regulation / too much, over-regulation, politicians, environmentalists
- 2% pollution in general
- 2% water pollution of ocean, rivers, lakes, streams, beaches
- 18% other
- 14% don't know

Would you say that the supply of water is a big problem, somewhat of a problem, or not much of a problem in your part of California?

- 68% big problem
- 24% somewhat of a problem
- 7% not much of a problem

Overall, do you think that the state and local governments are doing too much, the right amount, or not enough to respond to the current drought in California?

- 4% too much
- 27% the right amount
- 68% not enough
- 1% don't know

Do you think climate change has contributed to California's current drought or not?

- 77% yes, has contributed
- 22% no, has not contributed
- 1% don't know

Would you say that you and your family have taken steps to reduce water use recently in response to the current drought?

- 45% yes, done a lot to reduce water use
- 39% yes, done a little to reduce water use
- 16% no, have not taken steps

How about building desalination plants on the California coast? Do you favor or oppose this proposal?

- 72% favor
- 23% oppose
- 4% don't know

Orange County COVID-19 Update

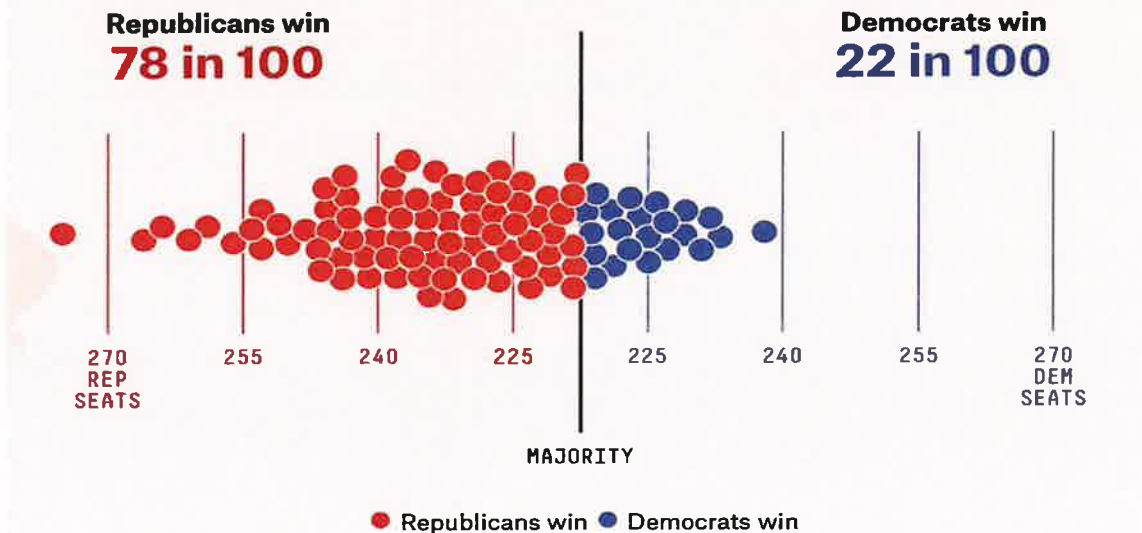
ORANGE COUNTY COVID-19 STATS	8/16/2022	7/18/2022
CUMULATIVE CASES TO DATE	651,486	625,100
CUMULATIVE DEATHS TO DATE	7,274	7,181
DEATHS REPORTED TODAY	12	11
CUMULATIVE TESTS TO DATE	9,808,587	9,592,490
TESTS REPORTED THIS WEEK	47,517	55,938
CASES CURRENTLY HOSPITALIZED	314 *	298 *
CASES CURRENTLY IN ICU	44	45
CUMULATIVE RECOVERED TO DATE	622,358 *	589,302 *

* = INCLUDES *ICU* CASES

Nate Silver's November Prognostications

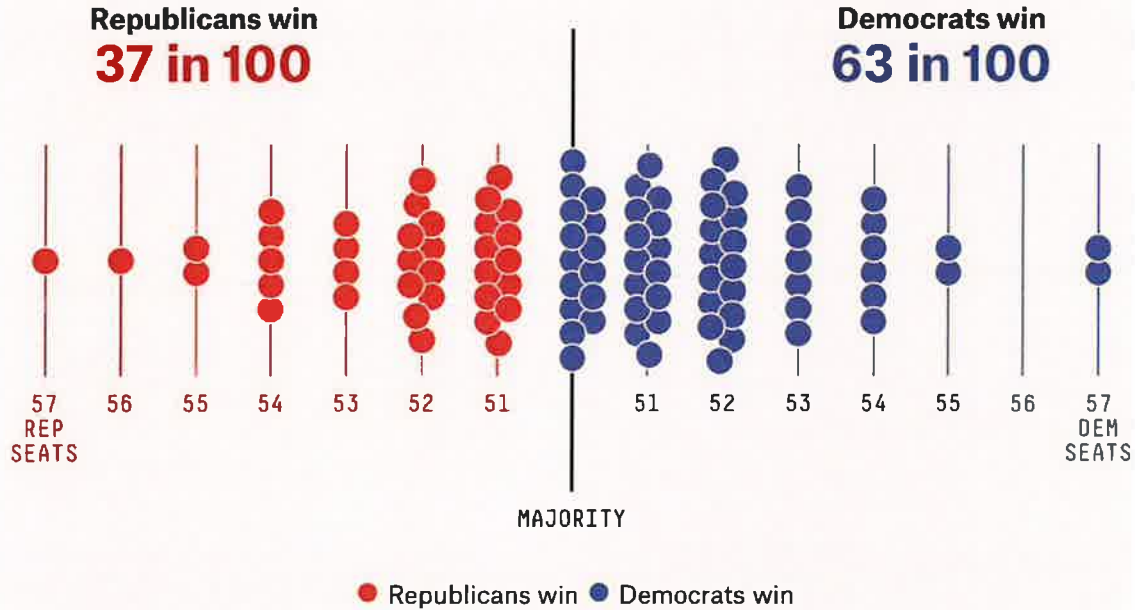
Republicans are *favored* to win the House

The Deluxe version of our model simulates the election 40,000 times to see which party wins the House most often. This sample of 100 outcomes gives you an idea of the range of scenarios the model considers possible.



Democrats are *slightly* favored to win the Senate

The Deluxe version of our model simulates the election 40,000 times to see which party wins the Senate most often. This sample of 100 outcomes gives you an idea of the range of scenarios the model considers possible.



When Republicans and Democrats hold 50 seats each, control of the Senate is determined by the party that holds the vice presidency. If each party holds 50 seats after the 2022 election, Democrats will control the Senate.

Water Drought Takes Toll on Lake Powell & Colorado River

For August 15th, 2022
 Snowpack is 35% of avg
 Total Precip is 99.00% of avg

Lake Powell is currently 401.93 feet deep at the dam

Water Summary

Today is day 319 of 365 for the Water Year 2022. We are 87% through the Water Year.

Last Reading: 3533.93 on Aug 14, 2022

Powell was last within 2" of this elevation on [Aug 13, 2022](#)

There are currently 1,978,963,179,563 gallons of water in Lake Powell!

Elevation & Content	Water Inflow Data	Glen Canyon Dam Release Data
Lake Powell is 166.07 feet below Full Pool (Elevation 3,700)	Total inflows for water year 2022: 4,965,940 acre feet	Total releases for water year 2022: 6,050,705 acre feet
By content, Lake Powell is 24.97% of Full Pool (24,322,000 af)	This is 51.67% of the August 14th average of 9,610,333 acre feet	This is 80.68% of the minimum required of 7,500,000 acre feet
During WY 2022, water storage has fallen by 1,179,637 AF and total outflows have exceeded total inflows by 1,084,765 AF		
The 28 tracked reservoirs above Lake Powell are currently at 65.81% of capacity. Click for Details		
Inflows for WY 2022 are 146.95% of WY 2021	Rivers feeding Lake Powell are running at 68.79% of the Aug 15th avg. Click for Details	

Lake Powell is down -17.47 feet from one year ago. Lake Powell is up 11.69 feet from the low for water year.