



ORANGE COUNTY

Local Agency Formation Commission

REQUEST FOR PROPOSALS

**For the Municipal Service Review
and Sphere of Influence Update for the
Orange County Water District**

January 9, 2023

Orange County LAFCO
2677 North Main Street | Suite 1050 | Santa Ana, CA 92705
(714) 640-5100 | www.oclafco.org

January 9, 2023

RE: Request for Proposals (RFP) for the Municipal Service Review and Sphere of Influence Update for the Orange County Water District (OCWD)

Dear Interested Party:

The Local Agency Formation Commission of Orange County (OC LAFCO) invites your firm to submit a proposal to perform a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Orange County Water District (OCWD).

To be considered, a submittal in accordance with the requirements, specifications, conditions, and provisions as described and set forth herein must be provided. Responses must satisfy all of the objectives and work requirements specified in the RFP Scope of Services.

SUBMITTALS ARE DUE BY 4:00 PM on Tuesday, February 14, 2023 and may be submitted to OC LAFCO at 2677 North Main Street, Suite 1050, Santa Ana, CA, 92705 or by email to Luis Tapia at ltapia@oclafco.org. Any questions regarding this RFP should also be directed by email to Mr. Tapia or at (714) 640-5100.

The tentative schedule calls for the completion of the evaluation of proposals and the selection of the successful proposal by **March 20, 2023**. A final interview may be required and the final selection by the Commission is anticipated by **April 12, 2023**.

Thank you for your interest.

Respectfully,



Carolyn Emery, Executive Officer
OC LAFCO

I. OBJECTIVE

The Local Agency Formation Commission of Orange County (OC LAFCO) is seeking Proposals (Proposals) in this Request for Proposals (RFP) from professional service firms to perform a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update of the Orange County Water District (OCWD).

II. BACKGROUND

In accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), codified at California Government Code §56000 et seq. and a locally adopted MSR policy, OC LAFCO is required to conduct service reviews in conjunction with SOI updates on or before January 1, 2008, and every five years thereafter. Thus, OC LAFCO has determined it is necessary to conduct an MSR and SOI update for OCWD.

Interested and qualified Proposers, who can demonstrate their ability to successfully provide the required services outlined in Exhibit A, Scope of Services of this RFP are invited to submit a proposal, provided they meet all requirements identified in this RFP at the time of proposal submission. At the close of the solicitation process, Proposals will be evaluated, and staff will provide a recommendation to the Commission for the selection of a Consultant. Subject to the Commission's approval, the selected consultant will be notified, and with approval of the Commission, a professional services agreement ("Agreement") will be executed consistent with the parameters of this RFP and the Proposal submitted.

III. SCOPE OF SERVICES

The **Scope of Services** is described in Exhibit A and includes the preparation of an MSR and SOI Update consistent with the requirements of the CKH Act, including the statutory factors and findings identified below. In addition to the review of the statutory MSR and SOI requirements, the **Scope of Services** also includes an analysis of the potential consolidation of OCWD and the Municipal Water District of Orange County (MWDOC). Details of this focused analysis are provided in the next paragraph.

On October 4, 2022, OCWD filed an application with OC LAFCO to prepare a study focused on the potential consolidation of OCWD and MWDOC. OCWD's application was submitted in response to a report prepared by the Orange County Grand Jury, "Water in Orange County Needs "One Voice." The report discusses the consolidation of OCWD and MWDOC into a single County wholesale water agency to increase the efficiency and effectiveness in delivering imported water and groundwater, major infrastructure investments, development of forward-thinking policies and practices, and opportunities at the local, State and federal levels in legislation, policy making and receiving subsidies and grants. The report is attached to this RFP for reference.

The Districts are defined as independent districts in accordance with Government Code Section 56044. OCWD was established in 1933 by an act of the State Legislature to protect Orange County's water rights for the Santa Ana River and to manage the groundwater basin that underlies northern and central Orange County. MWDOC was established in 1951 under the Municipal Water District Act of 1911 to import wholesale water from the Metropolitan Water District of Southern California (MWD) and provide the service within a defined geographic area in Orange County. The **Scope of Services** identifies areas that should be addressed in part to OCWD's application. Firms may also elect to supplement the **Scope of Services** with additional information and concepts that might be beneficial to OC LAFCO as long as the minimum requirements defined in this RFP are still met.

IV. PROPOSAL COSTS

Proposers shall submit a Pricing Sheet that identifies the total of all charges to complete each Task required under the Agreement. OC LAFCO reserves the right to negotiate the terms, conditions, and prices of the final Agreement, in its sole discretion, to achieve the most beneficial services and price. OC LAFCO may limit the negotiation, if any, to one or more responsive and responsible Proposers who receive the highest scores in a preliminary scoring of Proposers in accordance with the evaluation criteria set forth in Section VII. The negotiation with the Proposer(s) will not result in a change in the rating of the proposers. If a satisfactory Agreement cannot be negotiated with the highest rated Proposer, OC LAFCO may, at its sole discretion, begin negotiations with the next highest rated Proposer who submitted a Proposal, as determined by OC LAFCO.

V. PROJECT SCHEDULE

Time is of the essence. Proposers shall submit, as part of its Proposal, a timeline with completion dates that include time for review by OC LAFCO, affected agencies and the public (Project Schedule). The final Project Schedule for the scope of services may be negotiated with the Proposer selected for the work prior to an agreement being recommended to the Commission for adoption. The Project Schedule must be completed and submitted with the response to this Proposal to be considered complete and responsive. The Project Schedule must identify all Tasks clearly; however, it may be modified by Proposers only if needed to include the completion of more detailed subtasks.

VI. PROPOSAL SUBMISSION

A. Submittal Procedures

Proposal must be received by OC LAFCO no later than **4:00 PM on February 14, 2023**. Submittals sent by electronic mail shall be addressed to: Luis Tapia at ltapia@oclafco.org. Submittals sent by USPS shall be addressed to Luis Tapia at OC

LAFCO, 2677 North Main Street, Suite 1050, Santa Ana, CA 92705, and include the following:

- One original (marked original) and three printed copies of the proposal.
- One electronic copy in pdf format on CD, flash drive, or other electronic media.

Proposers are solely responsible for ensuring their proposal is received by OC LAFCO in accordance with the solicitation requirements, before the submittal deadline, and at the place specified. Postmarks will not be accepted in lieu of actual delivery. No oral, telegraphic, facsimile, or telephonic proposals or modifications will be considered unless specified.

Late proposals submitted by email or USPS will not be accepted. For late proposals submitted, OC LAFCO will notify the sender by email that the proposal was not accepted. Late proposals submitted by USPS will be returned unopened.

OC LAFCO shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Delivery of proposals shall be made at the office specified in this Request for Proposals. Deliveries made before the Submittal Deadline but to the wrong office will be considered non-responsive unless re-delivery is made to the office specified before the Submittal Deadline. All proposals shall become the property of OC LAFCO.

If discrepancies are found between the original and PDF version, the "ORIGINAL" will provide the basis for resolving such discrepancies. If one document is not clearly marked "ORIGINAL," OC LAFCO reserves the right to use any of the proposals as the Original. If no document can be identified as an original bearing original signatures, Proposer's proposal may be rejected at the discretion of OC LAFCO.

B. Response Requirements

It is imperative that all firms responding to the RFP comply exactly and completely with the instructions outlined below. Proposals must be concise but with sufficient detail to allow accurate evaluation and comparative analysis. Proposals should be straightforward and provide "layman" explanations of technical terms that are used. Emphasis should be concentrated on conforming to the RFP instructions, responding to the RFP requirements, and on providing a complete and clear description of the elements of the submittal.

Response items should be indexed in the following order with individual tabs:

1. Cover Letter

The submittal must be accompanied by a cover letter signed by an individual authorized to bind the proposing entity. The cover letter should include the following information:

- o Title of the RFP.
- o Name and mailing address of firm.
- o Name, address, e-mail, and telephone number of firm's point of contact.

2. Submittal Summary

The summary provides a synopsis, prepared for management review, covering the interest and qualifications of the firm, and the salient features of the proposal, including overall costs, conclusions, and general recommendations in a summary format.

3. Firm's Qualifications

Describe the firm and provide a statement of the firm's qualifications for performing the requested consulting services, including the number of years of experience the firm has had in providing required, equivalent, or related services.

4. Qualifications of Project Personnel

The firm shall furnish a personnel staffing plan with sufficient information for judging the quality and competence of the personnel dedicated to the project. In its assessment of the proposal, OC LAFCO will place considerable emphasis on the commitment by the Proposer to provide qualified personnel for the execution of the Agreement. The Proposer shall furnish resumes in outline form for key personnel committed to this project. Proposer shall also include the number and type of additional support personnel who will be assigned to the project. The substitution or addition of individuals shall be allowed only with prior written approval of OC LAFCO.

Additionally, the Proposer must meet all of the following minimum qualifications:

- o Proposer or the Lead Professional(s) assigned to manage the Scope of Services must demonstrate knowledge of LAFCO law and the MSR and SOI processes.
- o Proposer or the Lead Professional(s) assigned to manage the Scope of Services must demonstrate knowledge of municipal financing and governance involving public water agencies and familiarity with the CKH Act, LAFCOs, and the MSR process.
- o Proposer or the Lead Professional assigned to manage the Scope of

Services must demonstrate experience presenting to governing bodies at public meetings in the past three years.

5. Client References

Provide a list of at least three (3) client references, preferably from government agencies. The reference list should include the client's/agency's name, contact person, address, telephone number, email address, and location.

6. Prior MSR Experience

Provide any relevant website links for MSRs prepared by Proposed and Lead Professional(s) and include the following:

1. Date and agency(ies) the MSRs were prepared for.
2. Affected agency(ies) and services reviewed.
3. Outcome(s) of MSR and if recommendations were implemented.

7. Project Schedule

Proposals shall contain the Project Schedule, which shows the overall timeline for completion of each scope task. The Project Schedule shall include proposed dates for release of the "Administrative Draft MSR" to the OC LAFCO Executive Officer and affected agencies for review and input, release of the "Public Draft MSR" for 30-day public review and comment, and presentation of the "Final Draft MSR" to the Commission.

8. Cost/Pricing Sheet

The Proposal must include a Cost/Pricing Sheet that lists each firm professional working on the Agreement's Scope of Services, the estimated number of work hours corresponding to each professional, and the billable hourly rate. The Pricing Sheet must include all costs required for a complete product, including administrative costs and other expenses incurred by the Proposer, if any (i.e., mileage, postage, copies, etc.) that would be contained in a potential agreement with OC LAFCO.

9. Exceptions to Form of Agreement

The Proposal must include any objections, qualifications, or other exceptions the Proposer may have with respect to the proposed form of agreement included with this RFP ("Form of Agreement"), which is set forth within Exhibit B hereto. The failure to include an exception to the Form of Agreement within the Proposer's Proposal shall be deemed the waiver of such exception by the Proposer.

VII. RESPONSE EVALUATION AND SELECTION PROCESS

The selection of the Consultant will be based on the below criteria. These criteria are listed in random sequence and are not considered in any rank or order of importance. Proposers may be required to participate in an oral interview, and final selection by the Commission is anticipated by **April 12, 2023**.

Submittals will be evaluated on the basis of the response to all questions and requirements of this RFP. OC LAFCO shall use some or all of the following criteria in its evaluation:

1. Quality and completeness of the submittal.
2. Understanding of the needs and requirements of OC LAFCO.
3. Experience of the firm, particularly of staff assigned to administer this Agreement.
4. Education and experience of staff members assigned to account.
5. Demonstrated knowledge of government agencies and the MSR process.
6. Proposed project schedule.
7. Number and type of declared conflicts.
8. Location of firm and availability of staff assigned to project.
9. Quality of references.
10. Proposed costs.

VIII. Report Preparation

The following is an outline of anticipated schedule for the review of responses and contract award. This schedule is subject to change.

RFP Posting, transmittal:	January 9, 2023
Pre-proposal Conference:	January 23, 2023 (10:00 a.m. – 11:00 a.m.)
Submittal Deadline:	February 14, 2023 (To OC LAFCO by 4:00 p.m.)
Consultant Interviews:	Week of March 13, 2023
Consultant Selection and Contract Preparation	Week of March 20, 2023
Commission Consideration of Contract Award	April 12, 2023

IX. GENERAL CONDITIONS

AUTHORIZED SIGNATURES. Every submittal must be signed by the person or persons legally authorized to bind the Proposer to an agreement for the execution of the work. Upon request of OC LAFCO, any agent submitting a proposal on behalf of a Proposer shall provide a current power of attorney certifying the agent's authority to bind the Proposer. If an individual makes the proposal, his or her name, signature, and post office address must be shown. If a firm or partnership makes the proposal, the name and post office address of the firm or partnership and the signature of at least one of the general partners must be shown. If a corporation makes the proposal, the proposal shall show the name of the state under the laws of which the corporation is chartered, the name and post office address of the corporation and the title of the person signing on behalf of the corporation.

AWARD OF AGREEMENT. Award will be made to the firm that presents the best qualifications and offers the best proposal after consideration by the OC LAFCO management staff. Evaluation criteria (Section VII) are not listed in any order of preference. OC LAFCO reserves the right to establish weight factors that will be applied to the criteria depending upon order of importance. Weight factors and evaluation scores will not be released until after award of proposal. OC LAFCO shall not be obligated to accept the lowest priced proposal, but will make an award in the best interests of OC LAFCO after all factors have been evaluated.

Discussions may, at OC LAFCO's option, be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible of being selected for an award. Discussions may be for clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and written revision of proposals. In conducting discussions, OC LAFCO will not disclose information derived from submittals submitted by competing firms.

CANCELLATION OF SOLICITATION. OC LAFCO may cancel this solicitation at any time.

COMPLIANCE WITH LAWS. All submittals shall comply with current federal, state, and other laws relative thereto.

AGREEMENT DOCUMENTS, EXAMINATION OF. It is the responsibility of the Proposer to carefully and thoroughly examine and be familiar with these RFP documents, general conditions, all forms, specifications, drawings, plans, and addenda (if any), referred to as Agreement Documents. Proposer shall satisfy him/herself as to the character, quantity, and quality of work to be performed and materials, labor, supervision, necessary to perform the work as specified by the Agreement Documents. The failure or neglect of the Proposer to examine the Agreement

Documents shall in no way relieve him from any obligations with respect to the solicitation or Agreement. The submission of a proposal shall constitute an acknowledgment upon which OC LAFCO may rely that the Proposer has thoroughly examined and is familiar with the Agreement Documents. The failure or neglect of a Proposer to receive or examine any of the documents shall in no way relieve him from any obligations with respect to the Proposal. No claim will be allowed for additional compensation that is based upon a lack of knowledge of any solicitation document.

COSTS. OC LAFCO is not liable for any costs incurred by firms before entering into a formal Agreement. Costs of developing the proposal or any other such expenses incurred by the Proposer in responding to the RFP, are entirely the responsibility of the Proposer, and shall not be reimbursed in any manner by OC LAFCO. No reimbursable cost may be incurred in anticipation of award.

INTERPRETATION OF AGREEMENT DOCUMENTS. OC LAFCO reserves the right to make corrections or clarifications of the information provided in this RFP. If any person is in doubt as to the true meaning of any part of the specifications or other Agreement Documents, or finds discrepancies or omissions in the specifications, he may submit to OC LAFCO a written request for an interpretation or correction.

Oral statement(s) interpretations or clarifications concerning meaning or intent of the contents of this RFP by any person are unauthorized and invalid.

Requests for interpretations shall be made in writing and delivered to Scott Smith, Best, Best and Krieger, OC LAFCO Legal Counsel, at 18101 Von Karman Avenue, Suite 1000, Irvine, CA 92612 at least six (6) days before the Submittal Deadline.

The requesting party is responsible for prompt delivery of any requests. When OC LAFCO considers interpretations necessary, interpretations will be in the form of an addendum to the Agreement Documents, and when issued, will be sent as promptly as is practical to all parties recorded by OC LAFCO as having received Agreement Documents. All such addenda shall become a part of the Agreement. It is the responsibility of each Proposer to ensure OC LAFCO has their correct business name and address on file. Any prospective Proposer who obtained a set of Agreement Documents is responsible for advising OC LAFCO that they have a set of Agreement Documents and wish to receive subsequent Addenda.

IRREGULARITIES. OC LAFCO reserves the right to waive non-material irregularities if such would be in the best interest of OC LAFCO as determined by OC LAFCO.

NON-EXCLUSIVE AGREEMENT. The successful Proposer will enter a NON-EXCLUSIVE Agreement and OC LAFCO reserves the right to enter into agreements with other firms.

OFFERS OF MORE THAN ONE PRICE. Proposers are NOT allowed to submit more than one proposal.

NO OBLIGATION: The release of this RFP does not obligate or compel OC LAFCO to enter into a contract or agreement.

PAYMENT TERMS. Discounts for payments made within 20 days or more from receipt of invoice will be considered in award of proposal. Payment discounts must be clearly shown in the proposal.

PROPOSAL, REJECTION OF. OC LAFCO reserves the right to reject any or all proposals or any part of a Proposal. OC LAFCO reserves the right to reject the submittal of any firm who previously failed to perform adequately for OC LAFCO or any other governmental agency. OC LAFCO expressly reserves the right to reject the submittal of any firm who is in default on the payment of taxes, licenses or other monies due.

PROPRIETARY INFORMATION. Proposals must NOT be marked as confidential or proprietary. OC LAFCO may refuse to consider a proposal so marked. Information in proposals shall become public information and is subject to disclosure laws.

PUBLIC OPENING: There will be no public opening of proposals. Prices and other proposal information shall not be made public until the proposal is awarded. At that time the submitted proposal information and executed Agreement will become public information.

SEVERABILITY. If any provisions, or portion of any provision, of this Agreement are held invalid, illegal or unenforceable, they shall be severed from the Agreement and the remaining provisions shall be valid and enforceable.

SUBCONTRACTOR INFORMATION. If the proposal includes the use of subcontractors, Proposer must identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor would perform services.

SUBCONTRACTOR REFERENCES. For all subcontractors that will be used on this project, Proposers must provide a minimum of two references from similar projects performed for any local government clients within the last three years. Information provided shall include:

- a. Client name.
- b. Project description.
- c. Dates (starting and ending).
- d. Staff assigned to reference engagement that will be designated for work per this RFP.
- e. Client project manager's name and telephone number.

TERMS OF THE OFFER. OC LAFCO reserves the right to negotiate final Agreement terms with the Proposer selected. Agreement between the parties will consist of the OC LAFCO Professional Services Agreement, the RFP together with any modifications thereto, the awarded Proposer's proposal, and all modifications and clarifications that are submitted at the request of OC LAFCO during the evaluation and negotiation process. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the final executed Professional Services Agreement, the RFP, any modifications and clarifications to the awarded Proposer's proposal, and the awarded Proposer's proposal. Specific exceptions to this general rule may be noted in the final executed Professional Services Agreement. Proposer understands and acknowledges that the representations above are material and important, and will be relied on by OC LAFCO in evaluation of the proposal. Proposer misrepresentation shall be treated as fraudulent concealment from OC LAFCO of the facts relating to the proposal.

VALIDITY. Proposal must be valid for a period of 90 days from the due date.

WITHDRAWAL OF PROPOSAL. Proposers' authorized representative may withdraw Proposals only by written request received by OC LAFCO before the Proposal Submittal Deadline.

EXHIBIT A
SCOPE OF SERVICES
for
THE MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE ORANGE COUNTY
WATER DISTRICT

I. Municipal Service Review

The services to be provided include the preparation of a Municipal Service Review (MSR) and a Sphere of Influence (SOI) Update for the Orange County Water District (OCWD).

The MSR and SOI Update shall be prepared consistent with the requirements of the CKH Act, including the statutory factors and findings identified below.

A. Municipal Service Review Determinations

Government Code Section 56430 requires OC LAFCO, as part of preparing an MSR, to adopt a written statement of determinations on seven (7) areas. The MSR shall provide research and analysis of each of these factors to enable the Commission to adopt the statements of determinations on the following:

- (1) Growth and population projections for the affected area.
- (2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- (3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- (4) Financial ability of agencies to provide services.
- (5) Status of, and opportunities for, shared facilities.
- (6) Accountability for community service needs, including governmental structure and operational efficiencies.
- (7) Any other matter related to effective or efficient service delivery, as required by commission policy.

B. Sphere of Influence Determinations

Additionally, the MSR shall include an analysis of the five (5) factors as required by Government Code Section 56425 and recommendations of the most appropriate Sphere of Influence for OCWD. The following are the five (5) factors to be analyzed for OCWD:

- (1) The present and planned land uses in the area, including agricultural and open-space lands.
- (2) The present and probable need for public facilities and services in the area.
- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- (4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
- (5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing SOI.

C. Analysis of Potential Consolidation of OCWD and MWDOC

In addition to factors of Government Code Sections 56425 and 56430, the MSR shall also include an analysis involving the potential consolidation of OCWD and MWDOC. The analysis shall involve, but not be limited to, Government Code Sections 56653, 56700, 56826.5, 56865, 57150(d), 57500, 57502, 57077.2 and assess the following:

- (1) Fiscal sustainability involving the consolidation of OCWD and MWDOC's operations, infrastructures, programs, contracts and agreements, retirement plans and other obligations of both Districts.
- (2) The potential opportunities of consolidation involving an increase in efficiency and effectiveness involving the following areas:
 - a. Provision and management of wholesale imported water, groundwater, and recycled water services
 - b. Infrastructure investments
 - c. Legislative advocacy
 - d. Local, state and federal funding, including subsidies and grants
 - e. Metropolitan Water District of Southern California representation, advocacy and coordination of programs and operations.
 - f. Clarity and accountability with one County wholesale agency.
- (3) Recommended and required legislative changes involving governance structures involving potential consolidation of Districts formed under different principal acts.

- (4) Potential impacts of consolidation to the infrastructure and governance of the groundwater basin and wholesale water supplies and the respective producers and members.
- (5) Potential impacts to current and future representation of Orange County on the Metropolitan Water District of Southern California (MWD).

The analysis of the factors listed above that will be provided within the MSR for OCWD will be made available to affected agencies and interested parties. However, the agencies and parties will be responsible for independently performing due diligence and determining whether to submit an application for consolidation to OC LAFCO.

D. Tasks

The Consultant shall perform the following services (Tasks) to complete the MSR and SOI Update(hereafter referred to as "MSR" or "MSR Report"):

Task 1. Project Initiation

The Consultant shall:

- a. Arrange a kick-off meeting with OC LAFCO staff within 30 days of commencement of the Agreement. The meeting will ensure initial understanding of the project Scope of Services and objectives, define roles, and responsibilities, and lines of communication.
- b. Initiate discussions with key staff of OCWD and MWDOC as directed by OC LAFCO.

Task 2. Data Collection and Document Review

The Consultant shall:

Collect and review applicable agency documents for relevant information about current services, facilities and operations to include the following:

- a. Review, and update as needed, the OC LAFCO MSR Questionnaire.
- b. Circulate the Request/Questionnaire to OCWD, MWDOC and other agencies as identified to complete. The Consultant and OC LAFCO staff to determine response period.
- c. Consider the collected data and perform an analysis required by the CKH Act for the MSR and SOI reviews, to include Sections as stated in Section I (A, B and C) of this Scope of Services. The MSR shall address *at a minimum* the following research questions, yet, may also include any additional information the Consultant and/or OC LAFCO determines necessary to provide a complete analysis:

- 1) What class and level of services are currently provided by OCWD?
- 2) How much population growth is anticipated within the District's respective boundary and sphere of influence over the next 5, 10, 15 years?
- 3) What is the anticipated increase, if any, in the demand for services expected within the OCWD's respective sphere of influence over the next 5, 10, 15 years?
- 4) What is the current capacity and adequacy of public facilities and services

- provided within the District's service area?
- 5) To what extent is the District able to meet anticipated growth in demand for current services provided with its respective sphere of influence?
 - 6) What are the present and planned land uses within the OCWD's existing sphere of influence?
 - 7) What opportunities exist for OCWD to share public facilities to deliver services currently provided more effectively and efficiently?
 - 8) What financing constraints and financing opportunities exist relative to the provision of municipal services for OCWD?
 - 9) To what extent is OCWD accountable to the population the District serves?
 - 10) Relative to potential consolidation of OCWD and MWDOC, analyze the following in concert with the areas identified specifically in Section I(C) of the Scope of Services:
 - i. Districts' revenues and expenditures
 - ii. Districts' audited financials
 - iii. Districts' rates, fees and assessments and potential impacts to each involving consolidation
 - iv. Districts' rate studies and projections
 - v. Potential impacts to water supply reliability involving consolidation
 - vi. Districts' debt obligations and potential impacts involving consolidation
 - vii. Districts' Current and projected staffing levels involving consolidation
 - viii. Possible Board structure and representation options involving consolidation
 - ix. Transition cost projections involving consolidation
 - x. Assumption of any pending or ongoing litigation settlements of cases.
- d. Preparation of preliminary findings.
 - e. Present preliminary findings to key OC LAFCO staff.

Task 3. Administrative Draft MSR

The Consultant shall:

- a. Provide additional analysis, as needed, to amend or append collected data and preliminary findings and present those findings to OC LAFCO staff for review and comment.
- b. Prepare an Administrative Draft MSR to be circulated internally to OC LAFCO staff and the subject agencies.
- c. Provide research, analysis, and recommendations for the relevant findings and determinations with respect to the Government Code Sections as identified in Section I (A,B, and C) of this Scope of Services in the MSR Report.

- d. Be accessible to OC LAFCO staff and subject agencies for comment and review of the Administrative Draft MSR.

Task 4. Public Review Draft MSR

The Consultant shall:

- a. Prepare a Public Review Draft MSR that includes agency comments and/or clarification, as deemed appropriate by OC LAFCO staff.
- b. Publish and facilitate the Public Review Draft MSR for 30-day public comment period or otherwise established jointly by OC LAFCO and Consultant.
- c. Present the Public Review Draft MSR to the Commission at an OC LAFCO Public Hearing or Study Session.

Task 5. Final MSR Report

The Consultant shall:

- a. Prepare a final draft MSR Report that includes response to comments and recommended determinations for factors required for the MSR and SOI review/update in the CKH Act and findings of the factors identified in Section I(C) of this Scope of Services.
- b. Present the final MSR report to the Commission at the OC LAFCO Public Hearing.

Water in Orange County Needs “One Voice”



Water in Orange County Needs “One Voice”

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Water in Orange County Needs “One Voice”

SUMMARY

The future of a reliable water supply for California, as well as Orange County (OC), is at risk. The intense dry spell in the West, the worst in 1,200 years, is being labeled a “Mega Drought.”¹ Multiple years of drought and inconsistent availability of imported surface water from Northern California and the Colorado River should inspire OC leaders responsible for a reliable water supply to consider new ways to offset the likely depletion of aquifers and reservoirs.

Ronald Reagan once said: “No government ever voluntarily reduced itself in size.” However, it is important that Orange County water providers consolidate their resources and establish a unified voice to lead the County more efficiently in its water policies and planning. Multiple water experts agree it is time to coordinate strategies in water conservation, development of new supply and infrastructure, and preparation for the possibility of continued drought, disaster, and State-mandated water cutbacks.

Providing water to Orange County residents is a complicated process and requires the work of water wholesalers and retailers. Retail water agencies (districts and cities) are the direct link to residential and commercial customers. It is they who set the retail price for the water that is delivered. Providers of drinkable water to these retail entities are the wholesalers (suppliers) of imported and local groundwater from the aquifer.

The current structure of wholesale water supply and operations in Orange County, although fragmented between Orange County Water District (OCWD), Metropolitan Water District of Southern California (MET), and Municipal Water District of Orange County (MWDOC), has been successful in providing reliable, high-quality drinking water. While differences in geology and geography dictate different water supplies, no single governmental body is solely responsible for wholesale water policy and operations in Orange County, even though providing future reliable water supply is becoming more challenging.

While the processes of supplying wholesale groundwater and imported water are arguably dramatically different, complex, and should remain separated in OC, the Orange County Grand Jury (OCGJ) has determined that all sources of water are interconnected and would be best administered by one governmental entity. All the water flowing to OC taps looks the same, whether imported or groundwater, so why do we need two wholesale agencies?

This single leadership structure, whether through consolidation of existing dual entities (OCWD and MWDOC) or creation of a new water authority, is achievable through a combination of governance and local and State legislative changes that authorizes the single organization to lead all aspects of Orange County wholesale water. Although any consolidation or formation of a new water agency would pose political, administrative, and operational challenges, the OCGJ concluded that, at long last, it is time for Orange County to operate with “one water voice.”

¹ February 14, 2022, Peer reviewed study published in the journal *Nature Climate Change*
<https://doi.org/10.1038/s41558-022-01290-z>

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BACKGROUND

Multiple prior Grand Jury Reports have addressed water issues, including water challenges and opportunities jointly being faced by all of Orange County. One report pointed out disparities between the North/Central and South County’s water sources, the fragmented governance, and the significant differences in topography.² Another report informed the public about sustainability of the local water supply and future needs, along with evaluating the efforts of the two major wholesale water agencies in the County.³

Orange County relies heavily on imported water for its ongoing supply, as well as some of its groundwater storage replenishment needs. Metropolitan Water District of Southern California (MET) supplies imported water to Southern California. Municipal Water District of Orange County (MWDOC) buys imported water from MET and sells it to Orange County’s retail water agencies (cities and special districts). Orange County Water District (OCWD) supplies ground water to the retail water agencies and cities geographically served by the aquifer and wells.

REASON FOR THE STUDY

The consolidation of OCWD and MWDOC has been explored in the past, debated by wholesale and retail water agencies, but ultimately never accomplished. The formation of a new Joint Powers Authority is one option. But no matter how a consolidation would be accomplished, the OCGJ concluded that now is the time to have a single wholesale water supply agency in Orange County. Based on statements made during numerous OCGJ interviews, multiple water professionals support moving from two to one wholesale entity for Orange County.

The OCGJ is concerned that opportunities to operate, innovate, lobby, capitalize and coordinate communication are not being optimized with Orange County’s current wholesale water structure, which is split between two key, but very different, agencies. This report will, among other things, address the merits related to the formation of “One Voice” in the Orange County wholesale water structure. It will highlight ways in which Orange County can better address water supply, operations, and infrastructure. The report will not recommend specifically how a single structure comes to fruition legislatively.

METHOD OF STUDY

The Grand Jury evaluated the efforts of the existing primary water entities in Orange County—MWDOC and OCWD—to determine what is working well, and the challenges and opportunities currently existing. In its investigation, the OCGJ used the following sources.

² 2009-2009 Grand Jury report titled *Paper Water*

³ 2012-2013 Grand Jury report titled *Orange County Water Sustainability: Who Cares?*

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- In-person and virtual interviews. Specifically, interviews of current and former Water District Managers, City and Regional Water Managers and other involved State entities and individuals.
- Water District website meeting minutes and document review.
- Independent research (articles, websites, reports, minutes, documents, etc.).
- Research of applicable State and local water-related statutes and ordinances.
- Site tours of water and sanitation districts’ operations.
- Past Grand Jury reports.
- 2021 Orange County Water Summit.

The interviews included personnel from water agencies that represented a cross section of regional and local wholesalers and retailers to obtain a diversity of perspectives based on geography, demographics, and practices. The investigation took into consideration the variety of characteristics that exist in the County, including:

- North compared to South County sources of water supply (reliance on imported water).
- Variety of projects to provide water supplies during normal and emergency times.
- Diversity of projects and plans to increase reliable sources of water supply including categories related to conservation, recycling for irrigation and potable use, storage, desalination options, etc.
- Multi-agency collaboration.

INVESTIGATION AND ANALYSIS

Overall, California water sources come from imported supplies (State Water Project in Northern California and the Colorado River), groundwater, stormwater, water transfers, desalination, and water recycling. Orange County, like the rest of California, relies on a variety of sources, with the exception of desalination which is currently in the planning stage.

Status Quo

To best understand the background of wholesale water in California, and specifically Orange County, one must examine the three major governmental agencies involved: Metropolitan Water District of Southern California (MET), Municipal Water District of Orange County (MWDOC), and Orange County Water District (OCWD). These agencies have similar names but very different responsibilities. The role of retail water districts will also be explained.

Metropolitan Water District of Southern California

MET provides water from the Colorado River and the State Water Project from Northern California to Southern California. It wholesales this imported water to its Orange County member agencies, MWDOC and the independent cities of Anaheim, Fullerton, and Santa Ana.

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MET provides most of the water imported into Orange County. MET currently delivers an average of 1.7 billion gallons of water per day to a 5,200 square mile service area. MET is a group of 26 cities and water districts providing drinking water to over 19 million people in Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura counties.



Municipal Water District of Orange County

MWDOC acts as a pass-through agency for MET’s imported water. This imported water is sold to MWDOC’s 27 member agencies which, except for Fullerton, Anaheim and Santa Ana, covers the entire County. MWDOC also sell untreated water to OCWD for ground water discharge. MWDOC does not own or operate any water infrastructure.

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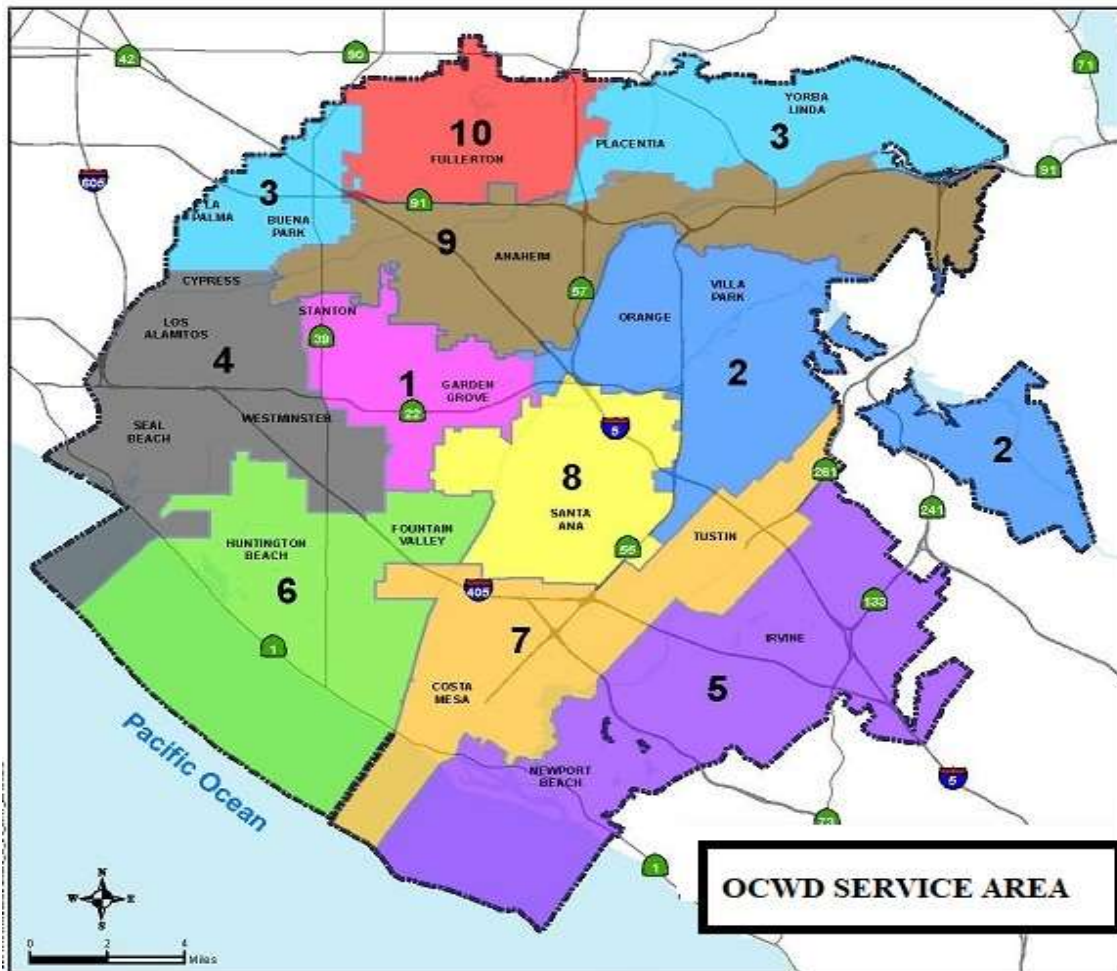


Orange County Water District

OCWD manages the groundwater basin in the north and central part of the County. OCWD does not directly provide water to any residents or businesses, except treated wastewater for irrigation in the Green Acres Project. The Green Acres Project is a water reuse effort that provides recycled water for landscape irrigation at parks, schools and golf courses and some industrial

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uses.⁴ OCWD’s primary role is to manage the basin and provide local water retailers with a reliable, adequate, and high-quality supply of water.⁵ In addition, OCWD operates the Groundwater Replenishment System (GWRs) in partnership with the Orange County Sanitation District (OCSAN). This state-of-the-art water purification project can produce over 100 million gallons of high-quality potable water per day for aquifer recharge. OCWD provides groundwater to 19 municipal and special water districts and supplies approximately 77 percent of the water



supply for North and Central Orange County. OCWD is the only wholesale groundwater agency for Orange County and is a customer of MWDOC for imported needs to supplement the aquifer recharge serving North/Central County. OCWD currently has \$1.5 billion in capital infrastructure assets.

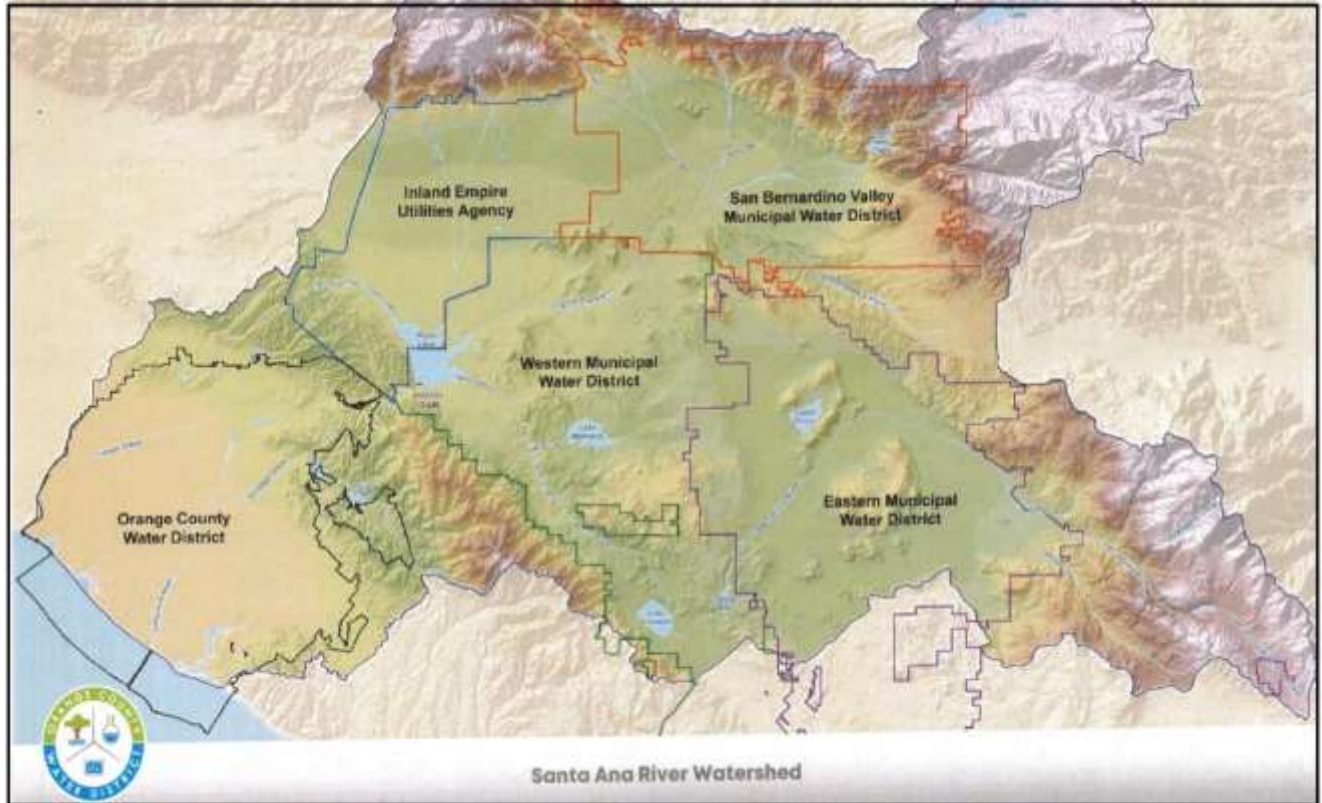
⁴ www.ocwd.com/about/

⁵ *Ibid.*

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Additional Supply for OCWD

The Santa Ana River is the largest coastal stream in Southern California. Flowing west from the San Bernardino Mountains, the river winds through San Bernardino and Riverside Counties before reaching Orange County at Prado Dam, then traveling through the OCWD aquifer to supplement recharge, before terminating at the Pacific Ocean. The river is joined by Santiago Creek and flows to the ocean between Huntington Beach and Newport Beach.⁶



Retail Water Districts

Retail water organizations are the direct connection of supplying water to residential and commercial consumers. There are 29 retail water providers throughout Orange County. These water providers include cities, special water districts/agencies and one private water company.

⁶ www.ocwd.com/what-we-do/

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Differences in Supply Sources

South Orange County’s approximate 600,000 residents rely primarily on imported water (70-100 percent of needed supply depending on location) from hundreds of miles away. The imported water is purchased through the Municipal Water District of Orange County (MWDOC).⁷

North and Central County’s roughly 2.8 million residents rely primarily (19-99 percent depending on location) on groundwater supplied OCWD, which refills the Orange County Groundwater Basin with many different water supplies: water from the Santa Ana River; local rainfall; treated and purified wastewater through the Groundwater Replenishment System (GWRS); and imported water from the Colorado River and Northern California.⁸

⁷ www.ocwd.com/about & www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf

⁸ www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf

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History, Governance and Authorizing Legislation

MET

In 1928, the Metropolitan Water District Act was established by the California Legislature. The original purpose was to construct and operate the 242-mile Colorado River Aqueduct, which runs from an intake at Lake Havasu on the California-Arizona border to an endpoint at Lake Mathews reservoir in Riverside County. MET has a 38-member board of directors representing the district’s 26 agencies. Orange County is represented on the MET Board by seven Board members. MET has imported water from the Colorado River since 1941 and from Northern California since the early 1970s.⁹

MWDOC

MWDOC is a wholesale water supplier and resource planning agency that was established in 1951. Governed by a seven-member Board of Directors,¹⁰ MWDOC is MET’s third largest member agency and appoints four representatives to advocate the interests of Orange County on the Metropolitan Water District Board.¹¹

OCWD

The Orange County Water District was formed in 1933 by a special act of the California Legislature to protect Orange County’s rights to water in the Santa Ana River. OCWD is governed by a 10-member Board of Directors, seven of whom are elected, and three are appointed by the city councils of Anaheim, Fullerton, and Santa Ana.¹²

Retail Water Districts

Each retail water district was established throughout Orange County’s history and provides water directly to consumers. They are each governed by an elected board of directors, respective city councils, or private investors.

Local Agency Formation Commission (LAFCO)

As part of California’s water governance, LAFCO oversees geographic boundaries, evaluates cost-effective and efficient public service delivery, and explores potential alternatives to meet the service demands of the existing and future County population. Orange County LAFCO was founded in 1963 and strives to ensure the delivery of effective and efficient public services, including water, by local governments to the County’s residents.¹³ Orange County water

⁹ www.mwdoc.com/about-mwdoc; www.mwdh2o.com/who-we-are/our-story/

¹⁰ www.mwdoc.com/about-us/about-mwdoc

¹¹ www.mwdoc.com/wp-content/uploads/2017/06/So-Cal-Water-Wholesale-Retailers.pdf

¹² www.ocwd.com/about/

¹³ www.oclafco.org/about-us/agency/

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professionals believe the process of creating one wholesale water agency would first go through LAFCO formation before moving on to State legislation and approval.

Services Provided by Wholesalers & Retailers

The following water services are currently in operation for Orange County.

MET

- Delivering wholesale water supplies from the Colorado River and State Water Project.
- Managing water resources including water storage programs (groundwater banking and reservoir), transfers and exchanges, groundwater recovery, recycling, stormwater capture, and potential seawater desalination.
- Operating water system including treatment, quality monitoring, conveyance, distribution, and support.
- Engineering, safety, and regulatory services such as infrastructure protection, maintenance, and improvement programs.
- Managing energy operations.
- Planning for emergency water supply interruption due to earthquake, fire, power failure, public health, and other unexpected crises.
- Planning for capital investment.

MWDOC

- Purchases wholesale water from MET, approximately 70.2 billion gallons of water annually, and delivers to its 27 member agencies.
- Provides studies, analysis and programs related to water supply development, including desalination, and system reliability and use efficiency.
- Offers planning assistance and local resource development in areas of water recycling, groundwater recharge, and conservation.
- Offers residential and commercial rebate programs.
- Offers leak detection services to its members.
- Develops and administrates disaster preparedness, response, and recovery strategies through the Water Emergency Response Organization of Orange County (WEROC). This organization involves both water and wastewater agencies.
- Provides public education and community outreach.

OCWD

- Manages Orange County’s wholesale groundwater supplies: the basin consisting of a large underground aquifer to ensure a reliable supply, the Santa Ana River watershed, and the Groundwater Replenishment System (GWRS).

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- Replaces groundwater that is pumped out of the basin every year with Santa Ana River watershed, recycled, imported, storm and natural incidental water recharge.
- Ensures groundwater supply safety and quality through monitoring and testing.
- Recycles water primarily through the GWRS which takes treated wastewater that otherwise would be sent to the Pacific Ocean and purifies it for aquifer recharge.
- Participates in legislative and community engagement and education.
- Develops additional innovative programs such as Forecast Informed Reservoir Operations (FIRO) at Prado Dam, capturing and recharging stormwater in the Santa Ana River, and anticipating and optimizing stormwater runoff.
- Coordinates contaminant treatment, financial resource needs, and policy such as for Per- and polyfluoroalkyl substances (PFAS) which enter the aquifer and wells primarily through the Santa Ana River flows. Additionally, organizes litigation and accountability for the contaminant sources.

Retail Water Districts

In addition to being the direct link to consumers, retail agencies provide several additional services beyond those provided by wholesalers. Those services include maintaining water quality and testing throughout their distribution systems, repair and replacement of critical infrastructure, regulatory compliance, customer service, water use conservation, recycled water for irrigation or other non-potable uses, and public outreach and health-related services.

Where Do We Go from Here?

Assessment of Current State

Reliable sources shared opinions with the OCGJ that the current OC wholesale structure is “dysfunctional”, “prevents speaking with one voice for all of Orange County water interests” involving the aquifer and imported water sources, and “currently provides redundant services with redundant costs.” Also, multiple member agencies of MWDOC have expressed dissatisfaction with MWDOC’s operating effectiveness related to MET board and legislative representation, member charges for provided services, and the scope of emergency preparedness.¹⁴

In addition, this dual structure of MWDOC and OCWD has resulted in missed opportunities for the County in the form of more extensive multiple agency collaboration, increased operating efficiency, decreased reliance on imported water, and the creation of a more reliable water

¹⁴ Information based on multiple interviews, past agreements between MWDOC and MWDOC member agencies, and LAFCO Municipal Service Reviews.

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supply.¹⁵ Currently, many projects are undertaken by individual or small groups of retail agencies that could be more expansive if guided by a single wholesale water supplier providing diverse water sources.

Another missed opportunity is a lack of coordinated County analysis about the benefits and drawbacks related to potential desalination projects. Even though desalination projects potentially impact the water supply for all of Orange County, OCWD and MWDOC independently consider these desalination projects and their impact.

Furthermore, many water experts believe that this fragmentation results in less than optimum legislative lobbying effectiveness. This affects programs such as water conservation, related water consumption standards such as State storage projects to capture more water supply during wet years, contamination treatment standards, and the Delta Conveyance System, which is a proposed more efficient and effective system to move water from Northern California to the central and southern part of the State.

Benefits of a Single County Agency - “One Voice”

The Orange County Grand Jury found that creation of a single County wholesale water agency to serve as a conduit for both imported and groundwater would be most effective in coordinating water supply diversification, major infrastructure investments, and developing forward-thinking policies and practices. This single agency would also help facilitate fiscal and environmental responsibility.

Orange County water agencies have earned a tremendous reputation for innovative projects and strategies related to increasing a reliable water supply, even in drought conditions. How do we leverage what already is exemplary and collaborative in Orange County water operations?

- Groundwater Replenishment System (GWRS)
- Santa Ana River Conservation and Conjunctive Use program (SARCCUP)¹⁶
- Inter-county perspective with neighboring jurisdictions of the Inland Empire, San Diego, and Los Angeles Counties.
- Purple water recycling for irrigation coming from treated waste and stormwater capture.
- Burris Basin conversion to Anaheim Coves Trail (OCWD / City partnership).¹⁷

Water experts believe “One Voice” would result in increased influence on the MET Board. The OCJG concluded that having all types (groundwater and imported water) of wholesale water

¹⁵ Information based on multiple water professional interviews.

¹⁶ www.ieua.org/read-our-reports/santa-ana-river-conservation-and-conjunctive-use-program/

¹⁷ http://www.santa-ana-river-trail.com/trail/burris_basin.asp

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providers occupy “seats at the table” would be beneficial to Orange County as a whole and for MET. Additional benefits of a one wholesale water entity include:

- Increased coordination of financial support and capital resources from local, State, and federal sources. An example is in the funding for well contamination remediation utilizing an ionization process.
- More influence at the local, State, and federal levels. Examples include the Delta Conveyance¹⁸ system, additional storage capacity, and preservation of imported supplies from the State Water Project.
- Increased collaboration leading to additional infrastructure shared by wholesale and retail, both for emergency and longer-term everyday use, to move water around as needed.
- Centralized planning for emergency water supply interruptions rather than independent efforts of wholesale and retail water organizations.
- Increased coordination between North and South County for matters such as water banking in Central County for use in South County.
- Cost savings by eliminating duplication of administrative, professional, consultant, lobbying and other expenses currently existing at OCWD and MWDOC.
- Singular County leadership in forming conservation strategies, public outreach, and education.

Concerns related to creating “One Voice”

The Orange County Grand Jury recognizes that with any governance or business model change obstacles will exist to forming a consolidated or new wholesale water agency. Overall, proponents of this change are concerned that there is a lack of political will and that “protecting my own turf” philosophies will get in the way of doing the right thing for reliable water supply in the future. Some additional hesitation exists from some Orange County water board and management professionals that believe:

- Imported versus groundwater requires specialized knowledge and a unique operational approach and should not be combined.
- Staff reductions will occur.
- Merging of retirement pension and benefit liabilities will be complicated and expensive.
- Development of a new Board of Directors structure may cause a loss of representation of the unique water needs of different parts of the County.

¹⁸ www.mwdoc.com/wp-content/uploads/2020/06/Delta-Conveyance-Project-and-EcoRestore.pdf

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- Consolidation of the existing two wholesale water districts, OCWD and MWDOC, or the forming of a new agency would be complicated. The process would likely begin through Orange County LAFCO before moving to State legislative level, both of which would be divisive and risk political influence and interference when revising local and State water acts.

Despite these complications and challenges, the OCGJ concluded that the County will be better served by creating a “one voice” agency to lead and represent all aspects of wholesale water operations in Orange County.

FINDINGS

- 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.
- F2 The current fragmented water system structure and operations provides challenges as it relates to development of new interconnected infrastructure as well as maintenance of existing systems.
- F3 There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.
- F4 South Orange County has many smaller retail water districts that lack a formal centralized leadership. Notwithstanding this lack of structure, South Orange County retail water districts have displayed effective collaboration when dealing with one another.
- F5 Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.
- 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.

RECOMMENDATIONS

- R1 By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

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R2 Any future “One Voice” consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

COMMENDATIONS

- Orange County Water District (OCWD) commitment to sound planning and state-of-the-art technology to provide water to the people of Orange County. Highly recognized, OCWD, along with Orange County Sanitation District, has the world’s largest Groundwater Replenishment System (GWRS).
- Municipal Water District of Orange County (MWDOC) for many provided services related to emergency planning, public education, water reliability and delivery reports, leak detection service, rebate and conservation programs and many other “choice” services.
- All the current wholesale and retail water districts in Orange County for their efforts to collaborate and strategize to better serve Orange County Citizens despite the lack of a centralized administration.

RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official’s control *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

(a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.

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(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary /or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Responses Required

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05 are required from:

90 Day Response Required	F1	F2	F3	F4	F5	F6
OCWD Board of Directors	X	X	X		X	X

90 Day Response Required	R1	R2
OCWD Board of Directors	X	X

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90 Day Response Required	F1	F2	F3	F4	F5	F6
MWDOC Board of Directors	X	X	X	X	X	X

90 Day Response Required	R1	R2
MWDOC Board of Directors	X	X

Responses Requested

90 Day Response Requested	F1	F2	F3	F4	F5	F6
East Orange County Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
East Orange County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
El Toro Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
El Toro Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Emerald Bay Service District	X	X	X		X	X

90 Day Response Requested	R1	R2
Emerald Bay Service District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Golden State Water Co	X	X	X		X	X

90 Day Response Requested	R1	R2
Golden State Water Co	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Irvine Ranch Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Irvine Ranch Water District	X	X

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90 Day Response Requested	F1	F2	F3	F4	F5	F6
Laguna Beach County Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Laguna Beach County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Mesa Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Mesa Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Moulton Niguel Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Moulton Niguel Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Santa Margarita Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Santa Margarita Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Serrano Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Serrano Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
South Coast Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
South Coast Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Trabuco Canyon Water District	X	X	X	X	X	X

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90 Day Response Requested	R1	R2
Trabuco Canyon Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Yorba Linda Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Yorba Linda Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Anaheim	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Anaheim	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Fullerton	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Fullerton	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Santa Ana	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Santa Ana	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Brea	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Brea	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Metropolitan Water District	X	X				X

90 Day Response Requested	R1	R2
Metropolitan Water District	X	X

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GLOSSARY

AQUEDUCT	A structure for transporting water from one place to another by means of a pipeline, canal, conduit, tunnel, or a combination of these things.
AQUIFER	A geologic formation of sand, rock and gravel through which water can pass and which can store, transmit and yield significant quantities of water to wells and springs.
DELTA CONVEYANCE SYSTEM	Refers to State Water Project (SWP) infrastructure in the vast network of waterways comprising the Sacramento-San Joaquin Delta (Delta) that collects and moves fresh, clean, and affordable water to homes, farms, and businesses throughout major regions of the State from the Bay Area to Southern California.
FIRO	Forecast Informed Reservoir Operations is a flexible water management approach that uses data from watershed monitoring and improved weather forecasting to help water managers selectively retain or release water from reservoirs for increased resilience to droughts and floods.
GWRS	Groundwater Replenishment System. A process where water is replaced in the aquifer.
GREEN ACRES PROJECT	OCWD's Green Acres Project (GAP) is a water reuse effort that provides recycled water for landscape irrigation at parks, schools, and golf courses; industrial uses, such as carpet dying; toilet flushing; and power generation cooling.
GROUNDWATER BANKING	A process of diverting surface water into an aquifer where it can be stored until needed
JPA	Joint Power Authority. two or more public agencies to join together, under a joint powers authority (JPA), to provide more effective or efficient government services or to solve a service delivery problem.

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LAFCO	Local Agency Formation Commission. Governed by State law, the Commission oversees proposed changes to local agency and county unincorporated boundaries and prepares special studies to encourage the orderly and efficient delivery of public services to Orange County residential and business communities.
MET	Metropolitan Water District, provides water from the Colorado River and the State Water Project from northern California to Southern California.
MWDOC	Municipal Water District of Orange County represents all of Orange County, excluding the three independent city members of MET, and acts as a pass-through agency for MET water sold to its constituent members and sells additional untreated water to OCWD for groundwater recharge.
OCSAN	Orange County Sanitation District treats and recycles sewer and grey water.
OCWD	Orange County Water District manages the groundwater basin of the north and central part of the County.
ONE VOICE	Orange County needs to have a central entity to speak for water and legislative matters.
PAPER WATER	Transfer water via paper, not physically.
PFAS	Per and polyfluoroalkyl substances chemical by product of past aerospace manufacturing in Orange County.
PURPLE WATER	Recycled water that has been treated for reuse in landscaping, agriculture, and commerce.
SAR	Santa Ana River.
SARCCUP	Santa Ana River Conservation and Conjunctive Use program. Guides the use and conservation of the Santa Ana River basin.
SPECIAL DISTRICTS	Special districts are public agencies created to provide one or more specific services to a community, such as water service, sewer service, and parks.

Water in Orange County Needs “One Voice”

WATER TRANSFERS	A water transfer is a voluntary sale of water proposed and initiated by willing sellers who have legal rights to a supply of water to an interested buyer.
WEROC	Water Emergency Response Organization of Orange County, administered through MWDOC, develops disaster preparedness, response, and recovery strategies.