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ORANGE COUNTY WATER DISTRICT
ORANGE COUNTY'S GROUNDWATER AUTHORITY

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October 18, 2017

The Honorable Gavin Newsom, Chairman
California State Lands Commission
100 Howe Ave., Suite 100 South
Sacramento CA 95825-8202

Subject: Huntington Beach Desalination Plant – October 19, 2017 State Lands Commission Hearing

Dear Chairman Newsom:

Orange County Water District (OCWD or District) previously transmitted a letter to the State Lands Commission dated September 8, 2017 providing local water supply and background information regarding the proposed Huntington Beach Poseidon Resources Ocean Desalination project. The letter included previous OCWD Board actions and policies along with future water supply projections.

Orange County Coastkeeper recently sent a letter to the State Lands Commission regarding the proposed project which made incorrect statements about the District's September 8, 2017 letter. The District offers the following comments to ensure the Commission is considering accurate information.

1. The Orange County Coastkeeper letter indicates that the future water demand projections and water supply pie charts provided in the September 8, 2017 OCWD letter to the State Lands Commission are based upon previous and higher demand projections that are now outdated. This is incorrect. The demand projections and water supply pie charts provided by OCWD account for new lower future water demand projections that were estimated with the 2016 Municipal Water District of Orange County Water Reliability Report.
2. The statement that a staff member of Orange County Water District concluded at the July 6, 2016 public workshop "that 10,000 acre-feet per year was a more feasible amount of water for the project" is some type of misunderstanding. The OCWD staff has never made any type of comment that a 10,000 acre-feet per year project is more feasible than a 56,000 acre-feet per year project.

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October 18, 2017

Page 2 of 2

3. The letter indicates that if the proposed Metropolitan Water District (MWD) Carson Indirect Potable Reuse project is completed and provides OCWD with water, that the Poseidon project would not be needed. OCWD believes this statement is incorrect. At this time it is OCWD's understanding that if recycled water from the MWD Carson project is received by the District it would replace the 65,000 acre-feet per year of untreated MWD water that is currently annually purchased by OCWD. Additionally this comment from Orange County Coastkeeper does not account for the primary purpose of the proposed Poseidon project which is too reduce the areas need for imported water.

We hope this letter helps resolve any questions the Commission may have. Staff and board members from Orange County Water District will attend the October 19, 2017 Commission hearing in Huntington Beach and can answer any further questions that may arise.

OCWD appreciates your support for the Project and the District's efforts to enhance regional water supply reliability by reducing the need to import water from Northern California and the Colorado River.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Markus", is written over a faint, illegible typed name.

Michael R. Markus, P.E., D.WRE, BCEE, F.ASCE
General Manager