



April 15, 2020

Mr. Mike Markus, P.E.  
General Manager  
Orange County Water District  
18700 Ward Street  
Fountain Valley, CA 92708

Subject: Basin Production Percentage, Basin Equity Assessment and Production  
Limitation and Surcharge – April 15, 2020 Hearing

Mike:

Irvine Ranch Water District (“IRWD”) hereby submits the following letter to renew and reiterate its objections to Orange County Water District’s (“OCWD”) Basin Equity Assessment (“BEA”) and Production Limitation and Surcharge (“PL/S”). IRWD objects for all of the reasons stated in the letters previously submitted to OCWD. Such letters are contained on an FTP website<sup>1</sup> and are as follows:

- (1) IRWD General Manager Paul Cook’s April 20, 2016 letter to OCWD General Manager Mike Markus;
- (2) IRWD Counsel Edward J. Casey’s April 11, 2017 letter to OCWD’s Board of Directors;
- (3) IRWD Counsel Edward J. Casey’s November 15, 2017 letter (and exhibits) to OCWD’s Board of Directors;
- (4) IRWD General Manager Paul Cook’s February 21, 2018 letter to OCWD General Manager Mike Markus;
- (5) IRWD General Manager Paul Cook’s March 21, 2018 letter to OCWD General Manager Mike Markus;
- (6) IRWD General Manager Paul Cook’s April 18, 2018 letter to OCWD General Manager Mike Markus;
- (7) IRWD Counsel Edward J. Casey’s April 4, 2019 letter to OCWD’s Board of Directors;
- (8) IRWD Counsel Edward J. Casey’s April 17, 2019 letter to OCWD’s Board of Directors;
- (9) IRWD General Manager Paul Cook’s April 17, 2019 letter to OCWD General Manager Mike Markus; and
- (10) IRWD General Manager Paul Cook’s March 18, 2020 letter to OCWD General Manager Mike Markus.

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<sup>1</sup> The FTP site may be accessed as follows:

**Website:** <https://transfer.alston.com>  
**Username:** 2020-04-15-IRWDLetter  
**Password:** boaFQjFXukWXu0GLxJfu

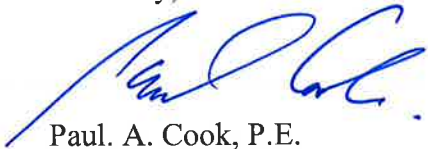
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IRWD reiterates its request that OCWD establish a BEA for the year 2020-21 in a manner that recognizes recycled water as a Supplemental Source within the meaning of Section 31.5 of the OCWD Act. Failure to do so, or even to provide a lower BEA rate for those producers (such as IRWD) that use a significant amount of recycled water instead of producing more groundwater, is inconsistent with the language, policy and intent of the OCWD Act.

IRWD also restates its request that OCWD not adopt the proposed PL/S. The proposed PL/S violates the OCWD Act's plain language and the California Constitution, and lacks any evidentiary support to justify its adoption.

IRWD further objects to OCWD's practice of excluding contaminated groundwater from the numerator and including it in the denominator when it calculates the Basin Production Percentage ("BPP"). This arbitrary action violates Section 38.1 of the OCWD Act and has the effect of lowering the BPP, thereby increasing the amount of BEA that a producer pays. IRWD urges OCWD to calculate the BPP in a manner that is consistent with the OCWD Act.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul A. Cook".

Paul. A. Cook, P.E.  
General Manager  
Irvine Ranch Water District

cc: OCWD Board of Directors