



CITY OF RANCHO SANTA MARGARITA

September 10, 2009

Mayor

Gary Thompson

Mayor Pro Tempore

Jerry Holloway

Council Members

L. Anthony Beall

Neil C. Blais

James M. Thor

City Manager

Steven E. Hayman

Honorable Kim Dunning
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

RE: City of Rancho Santa Margarita Responses to Orange County Grand Jury Report - "Paper Water" – Does Orange County Have a Reliable Future?

Dear Judge Dunning:

We have received a copy of the 2008-09 Grand Jury Report, "Paper Water" - Does Orange County Have a Reliable Future? dated June 15, 2009. The Orange County Grand Jury has requested that the City of Rancho Santa Margarita City Council respond to Findings F.1, F.1(a), F.1(b), F.2, F.2(a), F.2(b), and Recommendation R.1 of this Report. Based on direction received from the City Council meeting on September 9, 2009, the City provides the following responses:

F-1 There is inadequate coordination between local land-use planning agencies and local water supply agencies, resulting in a process that fails to fully engage the issues.

Response: The City disagrees wholly with this finding.

While we cannot respond regarding other local agencies coordination efforts, to date there has been good coordination between the City with both the Santa Margarita Water District and the Trabuco Canyon Water District. The City coordinates with these water supply agencies at all levels of the development process. The City of Rancho Santa Margarita is served by both the Santa Margarita Water District, and the Trabuco Canyon Water District. Both water supply agencies are involved in environmental reviews, entitlement reviews, design review and construction oversight. In addition, both water districts are involved in the City's General Plan development and review process.



It is also worth noting that December 10, Mayor Gary Thompson announced that he would be promoting water conservation initiatives during his tenure as Mayor, and that the key components of the Mayor's water initiatives would include community outreach and advocacy efforts. Furthering his water conservation goals, the Mayor conducted a workshop at the January 18, 2009 South Orange County Association of Mayors, citing the importance of a regional collaboration between public agencies to address water conservation and awareness. On April 8, 2009, the City Council directed staff to partner with the Trabuco Canyon Water District (TCWD) and the Santa Margarita Water District (SMWD) staffs to augment their existing water conservation awareness efforts in conjunction with the Mayor's Water Awareness Initiative.

F.1(a) Water agencies have tended to avoid interfering with or participating in growth-management decisions.

Response: The City disagrees wholly with this finding.

Water agencies are required by State law to participate in long term major growth-management decisions. The City reviews water supply assessments and includes them in the environmental documentation for major projects. State law requires that the City consult with water suppliers prior to certain projects including all large subdivisions and large non-residential developments.

Water suppliers are required to prepare a water supply assessment of these projects for the City to consider. This assessment includes the total projected water supplies available during normal, single dry, and multiple dry water years over a 20-year period for the proposed project. Additionally, the assessment includes the public water system's existing and planned future uses. If the water supplier determines that supplies will be inadequate, the supplier is required to provide plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies.



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F.1(b) Cities and the County have tended to not critically evaluate the limitations of the water agencies' supply projections.

Response: The City disagrees partially with this finding.

The City of Rancho Santa Margarita is aware of Sections 10910 and 10911 of the California Water Code. While the City of Rancho Santa Margarita is essentially built out, there are some proposed development opportunities both within the City's boundaries, and in the City's Sphere of Influence, and the City intends to fully comply with the provisions of those sections for any major development or redevelopment proposed in the City.

Nevertheless, as planning agencies, cities generally rely on the expertise of the local water purveyors to critically evaluate local and regional water supply projections. When it comes to evaluation of development projects, city planners generally rely on these water districts as experts on water supply and delivery projections, just as we rely on archaeologists, biologists, geologists, hydrologists, traffic engineers and others as experts in their fields. It would appear by this finding that the Grand Jury is suggesting that planning agencies should evaluate the accuracy of their respective water district's supply projections on an ongoing basis, independent of any particular development project. This is not the role with which planning agencies are typically charged.

F.2 California's looming water supply crisis receives very little, if any, expressed concerns from the public in comparison to the numerous other environmental issues presented during development project reviews.

Response: The City disagrees partially with this finding. CEQA charges planning agencies with presenting information on all potential impacts, and our recent experience is that the public is aware of the water supply crisis. Most recently, when a public scoping session was held at the City to receive public comment on a proposed development in the City's Sphere of Influence, local residents expressed concern about the current water supply crisis as it related to the project. Nevertheless, it



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is acknowledged that public awareness regarding the State's water supply crisis could improve. This is one of the reasons for the Mayor's Water Awareness Initiative that was announced last year.

F.2(a) Orange County's citizens and interest groups do not appear to grasp the seriousness of the water supply situation or the complexity and urgency of the necessary solution.

Response: The City disagrees partially with this finding.

Again, when a recent public scoping session was held at the City to receive public comment on a proposed development in the City's Sphere of Influence, local residents expressed concern about the current water supply crisis as it related to the proposed project. This would indicate that there was some level of awareness of the situation, at least in the City of Rancho Santa Margarita. Furthermore, the recent adoption of a new Water Conservation Ordinance by the Trabuco Canyon Water District met with little public opposition, likely partially because the residents understand the need for conservation. However, the Grand Jury's finding appears to be more global than just one City, and it is therefore difficult to respond to without clear data to support the finding. Therefore, it may be prudent to obtain some recent polling data to determine what percentage of the Orange County residents understand the seriousness of the water supply situation or the complexity and urgency of the necessary solution.

F.2(b) Several recent, substantial water supply awareness efforts are underway (e.g., the OC Water Summit) that show promise but appear targeted to audiences that are already informed.

Response: The City disagrees partially with this finding.

We agree that several recent, substantial water supply awareness efforts are underway. However, we disagree that they appear targeted to audiences that are already informed. The Mayor's recent Water Awareness Initiative, which was first announced in November 2008, is an example of a proactive partnership between a City and its local water



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districts, targeting the citizens and businesses of the City with information on water supply and water conservation.

R1. Each Orange County municipal planning agency, in cooperation with its respective water supply agency, should prepare for adoption by its city council, a dedicated Water Element to its General Plan in conjunction with a future update, not to exceed June 30, 2010. This document should include detailed implementation measures based on objective-based policies that match realistic projections of the County's future water supplies. These objectives, policies and implementation measures should address imported supply constraints, including catastrophic outages and incorporate the realistic availability and timing of "new" water sources such as desalination, contaminated groundwater reclamation and surface water recycling.

Response: The recommendation will not be implemented because it is not warranted. General Plan mandates are the purview of the State of California. A requirement from the Grand Jury to add an additional element to the General Plan would not be in compliance with State law. Furthermore, an analysis of water supply is already addressed within other elements of the General Plan, including the Conservation Element and the Land Use Element.

Finally, water planning is more appropriate and effectively done by water agencies, which are special districts under State law and are not governed by a municipal government. City boundaries and water agency boundaries typically do not coincide with one another, so cities would have to coordinate with multiple water agencies and water agencies would have to coordinate with multiple cities. This could result in conflicting policies.

The City of Rancho Santa Margarita would like to thank the Orange County Grand Jury for taking the time to research these issues and for involving the City in this important discussion. Please contact Steve Hayman, City Manager, at (949) 635-1800 ext. 6304, if there is any additional information we can provide.



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Sincerely,


Gary Thompson
Mayor

cc: Rancho Santa Margarita City Council
Orange County Grand Jury
Steven E. Hayman, City Manager
Kathleen Haton, Development Services Director
Derek Wieske, Director of Public Works/City Engineer
Don Chadd, General Manager, TCWD
John Schatz, General Manager, SMWD