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September 1, 2023

The Honorable Maria D. Hernandez Presiding Judge of the Superior Court 700 Civic Center Drive West Santa Ana, CA 92701

RE: City of San Juan Capistrano Response to Orange County Grand Jury Report Entitled "Historic Rains, Yet Drought Remains"

Dear Honorable Judge Hernandez:

In its report entitled "Historic Rains, Yet Drought Remains," the Grand Jury requests responses to certain findings and recommendations. Specifically, the City was requested to respond to Finding F1 through F12, and Recommendations R2, R3, and R4. It appears that among Orange County cities, only those that directly operate and maintain a municipal water utility were selected for response to the report's findings and recommendations.

In November 2021, following a lengthy public process facilitated by the Local Agency Formation Commission (LAFCO), the City of San Juan Capistrano successfully transferred its water and sewer utility to the Santa Margarita Water District (SMWD). The SMWD was selected among other neighboring agencies that expressed interest in annexing the City's utility service based on numerous factors, including but not limited to SMWD's efforts to expand long-term supply as well as initiatives related to water conservation and emergency planning.

As part of the annexation, City employees within the former Utilities Department were transferred to SMWD. The City is no longer a local water supplier and does not possess the requisite technical expertise, experience, industry-specific training or knowledge to provide and informed response to the various findings and recommendations contained in the report. Rather, the City defers to SMWD on matters related to regional water supply and other aspects of operating a water utility.

Thank you for the opportunity to respond to the Grand Jury report. If you have any questions, please feel free to contact me at (949) 443-6314.

Sincerely,

Benjamin Siegel

City Manager

cc: Orange County Grand Jury, 700 Civic Center Drive West, Santa Ana, CA 92701

San Juan Capistrano City Council