

SMWD to Provide Water and Wastewater Services to San Juan Capistrano **Jim Leach, Director of External Affairs, Santa Margarita Water District**



On Tuesday, February 19, 2019, The San Juan Capistrano City Council voted unanimously to begin the process and discussions that would ultimately see the collaborative annexation of the city's water and sewer utility to Santa Margarita Water District. Two and a half years later, the Orange County Local Agency Formation Commission (OCLAFCO) voted unanimously to approve that annexation. It was the culmination of a years-long process that will ultimately benefit San Juan Capistrano residents, the city, and the district.

The City determined, over several years of careful consideration of the pros and cons, to offer area water districts an opportunity to compete to take over the city's water and service services. After an extended competitive process, Santa Margarita Water District (SMWD or District) was chosen. While all the agencies brought benefits to the city, SMWD was determined to be best suited to provide the local water supply reliability, rate stability, investment in infrastructure, and customer service the city was looking for. Another element in the District's favor was its promise of the ongoing collaboration with the South Coast Water District (one of the other districts under consideration) to serve the residents.

The District, for example, is developing the "San Juan Watershed Project" in San Juan Capistrano. The project will capture and treat water in San Juan Creek and, through an interagency partnership with South Coast Water District, will maximize the use of the San Juan Capistrano's groundwater recovery plant to add to local supplies.

Santa Margarita's balanced approach, low water loss rate, investment in local water supply projects and plans to reduce reliability in imported supply, and the commitment to significant investment in San Juan's aging water and sewer infrastructure made sense to the city. OCLAFCO, for its part, conducted a detailed review over several months and noted that "the transfer would result in enhanced efficiency and more cost-effective delivery of services to residents and businesses," and that "the transfer of the systems and operations to SMWD will result in improved water supply reliability, completion of capital improvement projects that support upgrades and long-term maintenance of the systems, and rate stability for the utility customers."

San Juan Capistrano residents are expected to become a part of the SMWD family in mid-October of this year.