

MAYOR
Vicente Sarmiento
MAYOR PRO TEM
Phil Bacerra
COUNCILMEMBERS
Johnathan Ryan Hernandez
Jessie Lopez
Nelida Mendoza
David Penalzoza
Thai Viet Phan



CITY MANAGER
Kristine Ridge
CITY ATTORNEY
Sonia R. Carvalho
CLERK OF THE COUNCIL

CITY OF SANTA ANA

CITY MANAGER'S OFFICE
20 Civic Center Plaza • P.O. Box 1988
Santa Ana, California 92702
www.santa-ana.org

September 20, 2022

Via E-mail and U.S. Mail

The Honorable Judge Erick L. Larsh
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Dear Judge Larsh,

The City of Santa Ana hereby submits its requested response to the findings and recommendations in the Orange County Grand Jury report, **“Water in Orange County Needs ‘One Voice.’”**

The City of Santa Ana (City) thanks the Orange County Grand Jury for the significant time and effort that was invested to thoroughly understand water supply management in the County, including engagement with the numerous water agencies about the complex water issues we face. We appreciate the Grand Jury’s recommendations of possible solutions for increasing efficiency and we look forward to being part of the solution.

The City of Santa Ana is the sole water purveyor for all of its 320,000-plus residents and the businesses it serves. The City is unique in that it is one of the three Orange County founding member agencies of Metropolitan Water District (MWD), a member of Orange County Water District (OCWD), and contracts with Municipal Water District of Orange County (MWDOC) for various conservation programs and regional services. Given our level of involvement with all three of these agencies, we are committed to doing what it takes to protect the reliability of our water supply and delivery system for the future.

FINDINGS

F1 - A singular water authority for Orange County’s wholesale water supply would likely result in further opportunities at the local, state and federal levels in legislation, policy making, and receiving subsidies and grants.

RESPONSE: Differ partially with this finding

It is true that a single water authority representing the entire County of Orange would likely have greater influence in local, state, and federal legislative and policy making, which could result in more

SANTA ANA CITY COUNCIL

Vicente Sarmiento
Mayor
vsarmiento@santa-ana.org

Phil Bacerra
Mayor Pro Tem, Ward 4
pbacerra@santa-ana.org

Thai Viet Phan
Ward 1
tphan@santa-ana.org

Nelida Mendoza
Ward 2
nmendoza@santa-ana.org

Jessie Lopez
Ward 3
jessielopez@santa-ana.org

Johnathan Ryan Hernandez
Ward 5
iryanhernandez@santa-ana.org

David Penalzoza
Ward 6
dpenalzoza@santa-ana.org

line-item budget “earmarks” and favorable policies for our water agencies. However, it is difficult to ascertain the level of increased effectiveness a single authority would have versus the current makeup and how that would ultimately serve the needs of the individual water agencies. As it relates to subsidies and grants, due to their competitive award processes, it is unclear if a consolidation of wholesalers would have any discernable effect on results.

F2 – The current fragmented water system structure and operations provide challenges as they relate to development of new interconnected infrastructure, as well as maintenance of existing systems.

RESPONSE: Concur with this Finding

While there are challenges to interconnection, it is not impossible. For the City of Santa Ana, the current system continues to work, even if it is not perfect.

F3 – There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.

RESPONSE: Concur with this Finding

There are significant differences in the way water is managed in North/Central and South Orange County, which is largely due to the natural water resources available in each of these areas. As a result, the regions have invested in and developed their unique water resources, management, and operations in diverse, yet effective ways.

F5 – Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.

RESPONSE: Concur with this Finding

OCWD has a proven track record of managing and protecting the Orange County groundwater basin, which has been instrumental in reducing our dependence on more expensive and less reliable imported water. Additionally, OCWD is at the forefront of PFAS treatment technology and has fully funded cleanup facilities. OCWD pays for critical infrastructure and has brokered water storage and stewardship programs.

F6 – Orange County currently does not have a countywide-coordinated policy regarding water conservation, which results in difficulty when complying with any new state-mandated conservation regulations.

RESPONSE: Concur with this Finding

It is the purview of each water agency to develop water conservation policies that meet the needs of their communities and comply with state-mandated regulations. Santa Ana has learned from past

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drought emergencies that a cooperative, coordinated, and uniform regional approach to conservation reduces confusion amongst the public and results in the best outcome.

RECOMMENDATIONS

R1 – By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

RESPONSE: The recommendation has been implemented

Orange County Water District and Municipal Water District of Orange County have formed an ad-hoc committee comprised of three board members from each agency to collaborate on options to be more effective and comprehensive in their individual agency efforts. The City has no direct involvement in these efforts, but we encourage productive and positive dialogue and outcomes.

R2 – Any future “One Voice” consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

RESPONSE: The recommendation requires further analysis

The City agrees in principle that if a consolidated Orange County wholesale water authority were to exist, the voting body would have to be made up of members who vote on issues for the benefit of all water agencies in the County and take their unique needs into consideration. It would be necessary to recognize the investments that those communities have made to manage their water supplies, and act to protect those investments. Creating this proposed authority would require a transparent, collaborative process to ensure the community’s resources are adequately protected and its needs are fairly represented.

The City of Santa Ana thanks you for the opportunity to weigh in on this important matter. We believe it is a practice of good governance to periodically review, reflect on, and evaluate how we conduct business and best serve our community. As such, we welcome additional studies that evaluate the details of a proposed consolidation. We would like to see information and analysis on how such a shift would affect representation on both the MWD and OCWD Boards. As it is now, Santa Ana has one seat at the MWD Board and one seat on the OCWD Board. Additional clarity is needed on the local and regional impacts, including policy making capabilities, of a single county wholesaler. A One Water philosophy is always ideal, particularly with more frequent and severe droughts, conservation mandates, and environmental limitations, but we wonder, how will these challenges be addressed?

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The City of Santa Ana looks forward to continued collaboration on this issue and discovering answers that will be satisfactory to all.

Sincerely,

Kristine Ridge
City Manager

Attachments: Staff report dated September 20, 2022 and related exhibits

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