

RESOLUTION 2013-01-03**RESOLUTION OF THE BOARD OF DIRECTORS OF SANTA MARGARITA WATER DISTRICT, ORANGE COUNTY, CALIFORNIA, AUTHORIZING PROPOSITION 1E GRANT APPLICATION AND GRANT AGREEMENT EXECUTION WITH CALIFORNIA DEPARTMENT OF WATER RESOURCES**

WHEREAS, the California Department of Water Resources is requesting applications for grant funding pursuant to the Disaster Preparedness and Flood Prevention Bond Act of 2006, Proposition 1E (Prop 1E); and

WHEREAS, the Santa Margarita Water District is proposing to apply for Prop 1E grant funding for the construction of the Ortega Reservoir; and

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Margarita Water District that application be made to the California Department of Water Resources to obtain a Stormwater Flood Management grant funding pursuant to the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Public Resources Code Section 5096.800 et seq.), and to enter into an agreement to receive a grant for the Ortega Reservoir Project.

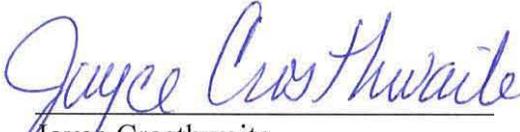
BE IT FURTHER RESOLVED that the Chief Engineer of the Santa Margarita Water District is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with the California Department of Water Resources.

APPROVED AND ADOPTED this 23rd day of January, 2013.



Roger Faubel
President, Board of Directors
Santa Margarita Water District

ATTEST:



Joyce Crosthwaite
Secretary, Board of Directors of
Santa Margarita Water District

STATE OF CALIFORNIA)
)ss.
 COUNTY OF ORANGE)

I, JOYCE CROSTHWAITE, Secretary of the Board of Directors of the Santa Margarita Water District, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of said District at a regular meeting held on the 23rd day of January, 2013 and that it was so adopted by the following vote:

AYES: DIRECTORS:	FAUBEL, WILSON, OLSON, JACOBS, GIBSON
NOES: DIRECTORS:	NONE
ABSENT: DIRECTORS:	NONE
ABSTAIN: DIRECTORS:	NONE



 Secretary, Board of Directors
 Santa Margarita Water District

I, JOYCE CROSTHWAITE, Secretary of the Board of Directors of the Santa Margarita Water District, do hereby certify that the above and foregoing is a full, true and correct copy of Resolution No. 2013-01-03 of said Board, and that the same has not been amended or repealed.

DATED: January 23, 2013



 Secretary, Board of Directors
 Santa Margarita Water District

(Seal)

**South Orange County
IRWM Plan Update
2012**

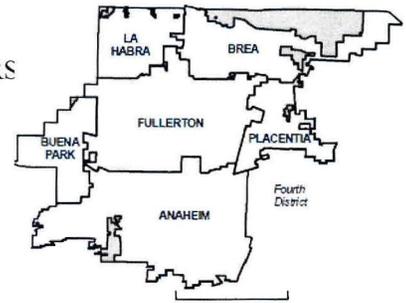
New Project List

Priority	Water Management Objective	Water Management Strategy	Implementing Agency	Project Title	Project Description	Total Project Cost	Matching Funds Percentage	Matching Funds Total	Total Funding Request	Yield (AF)	Construction	Post Implementation and Monitoring Efforts	CEQA/NEPA	Forms Submitted And Complete
		Water Supply	Municipal Water District of Orange County	South Orange Coastal Ocean Desalination Project	Construction of a 15 mgd ocean desalination facility.	\$161,000,000	75%	\$120,750,000	\$40,250,000	16,000	1/1/14		CEQA not completed.	no
		Water Supply	Municipal Water District of Orange County	Second Lower Cross Feeder Project	Involves a pipeline and pump station connecting MET's Second Lower Feeder and the East Orange County Feeder No. 2 (hence the project name – Second Lower Cross Feeder) to provide imported supplies into central and south Orange County in the event of an outage of the Diemer Plant. The same system can also be used to move groundwater or previously stored imported water around the county during emergency situations. The reliability improvements when the Diemer Plant are down are most important to South Orange County; moving groundwater around would be most important to OCWD or their agencies.	\$50,000,000	75%	\$37,500,000	\$12,500,000	No yield, but could move as much as 100 cfs of water around the county.	2014/15		CEQA not completed.	no
		Water Supply	Santa Margarita Water District	Ortega Recycled Water Seasonal Storage Reservoir	Construction of a reservoir for seasonal storage of recycled water to serve SMWD, MNWD, Cities of SJC and San Clemente	\$35,000,000	75%	\$26,250,000	\$8,750,000	4,200	5/1/12		CEQA Completed date?	no
		Water Supply	Santa Margarita Water District (SMWD) [Designated Project Lead between County of Orange, Rancho Mission Viejo, and SMWD]	Gobernadora Multi-Purpose Basin	The Project includes facilities for water quality, drainage peak flow retarding, Regional Riding and Hiking Trail, and non-potable water extraction/recycling and the ultimate size is a 35 acre basin. Important benefits include: Reduction in hydrologic conditions for erosion control stabilization and reduction of sediment degradation from the County unincorporated community of Coto de Caza (an existing community of more than 5000 homes) which has direct impacts to Gobernadora Ecological Restoration Area (GERA), a conserved wetlands restoration area that is occupied by the least Bell's vireo and southwestern willow flycatcher, both State and federally endangered riparian bird species.Reduction in the pollutants of concern from urban drainage runoff that is degrading water quality in Gobernadora Creek, Water recycling and harvesting for regional water conservation (for SMWD water supplies to the Portola Reservoir), Potential for ground water recharge, Regional trail connection from Thomas F. Riley Park to Caspers Wilderness Regional Park.	\$13,925,000	78%	\$10,925,555	\$2,999,445	725	2011/12		CEQA Completed on November 8, 2004, as a part of the programmatic Ranch Plan EIR (#589) approved by the County of Orange. Supplemental documentation is underway by SMWD anticipated for completion in summer 2010.	no
		Water Supply	Santa Margarita Water District (SMWD) [Designated Project Lead between County of Orange, Rancho Mission Viejo, and SMWD]	Ortega Recycled Seasonal Water Storage Reservoir (with appurtenant pumping, pipeline, and treatment facilities)	The Project is to construct a recycled water storage reservoir which will provide seasonal storage for the SMWD existing and proposed recycled water system within the southerly portion of the District. Water supplies will be provided by expansion of the Chiquita Water Reclamation Plant (CWRP) and may be supplemented by other potential non-domestic water supply sources. The proposed Project also includes the water supply facilities required to provide recycled water from the CWRP to the proposed reservoir. These facilities include a pump station at the CWRP and transmission main from the CWRP to the proposed reservoir. The reservoir project is currently included as a "covered activity" in the Southern Subregion Natural Community Conservation Plan/ Master Streambed Alteration Agreement/ Habitat Conservation Plan (NCCP/MSAA/ HCP) and Joint Environmental Impact Report/ Environmental Impact Statement (EIR/EIS).which were approved in late 2006.	\$45,000,000	96%	\$43,000,000	\$2,000,000	3,185	2014/15		CEQA completed on November 8, 2004, as a part of the programmatic Ranch Plan EIR (#589) approved by the County of Orange. Supplemental documentation and study is underway.	no
	Water supply reliability, water conservation, and water use efficiency	Water Supply	SOCWA	Coastal Zone Effluent Utilization & Salinity Reduction Study	Along the coastal zone of Southern California there is pressure from a variety of sources to reduce the dependency on imported water, increase all forms of water reuse, reduce the amount of water discharged to the ocean (used once), reduce urban runoff impacts on bathing beach standards exceedances, reduce the GHG emissions associated with excessive water importation. This study would identify the most favorable reuse options for the effluent treated by the coastal zone wastewater treatment plants in South Orange County. Additionally this study would look at the impacts to and contributing sources of salinity in the influent of coastal zone wastewater plants in South Orange County	\$100,000	50%	\$50,000	\$50,000	9,000	1/1/2011		Exempt from CEQA	yes



SHAWN NELSON
 CHAIRMAN, ORANGE COUNTY BOARD OF SUPERVISORS
 SUPERVISOR, FOURTH DISTRICT

ORANGE COUNTY HALL OF ADMINISTRATION
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 SANTA ANA, CALIFORNIA 92701
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January 29, 2013

California Department of Water Resources
 Division of Integrated Regional Water Management
 Financial Assistance Branch
 P.O. Box 942836
 Sacramento, CA 94236-0001

RE: Ortega Reservoir, Santa Margarita Water District, Orange County, California

Department of Water Resources:

I write this letter to support the efforts of the Santa Margarita Water District to obtain funds from the Proposition 1E Stormwater Flood Management Grant Program for the development of the Ortega Reservoir Project in accordance with the Disaster Preparedness and Flood Prevention Bond Act of 2006.

The Santa Margarita Water District ("SMWD") has undertaken a plan for the construction of a 5,300 acre-foot recycled water reservoir. This Ortega Reservoir Project (the "Project") is proposed to provide seasonal storage of recycled water for SMWD's existing and proposed system within the southerly portion of the SMWD service area in Orange County. The Project would also involve a 156-foot-high main dam, proposed west of the Reservoir, and a saddle dam, proposed to the north. Both would be zonal earthfill dams, and materials for the dams would likely come from the Project site.

The Project will divert flood and drainage waters and pump them into the Reservoir. The County of Orange is pleased to see these drainage waters leave the basin, rather than be drained out to the ocean. The Project will also receive tertiary treated sewage water acceptable for landscape irrigation. As such, the Project will be providing flood control and water supply benefits to the region as required by the Proposition 1E Stormwater Flood Management Grant Program.

The OC Watersheds Program is a section within OC Public Works Department whose goal is to protect our watersheds and coastal resources. OC Watersheds serve the residents, businesses, and visitors throughout Orange County with respect to water quality planning, monitoring programs, environmental data management, the National Pollutant Discharge Elimination System (NPDES) compliance, and environmental engineering.

California Department of Water Resources
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Should you desire floodzone maps, or evidence of a greater flood management plan or project, please do not hesitate to contact Harry Persaud at OC Public Works at (714) 667-9655. We look forward to working cooperatively with SMWD, local Project proponents and developers, and the California Department of Water Resources on this important project.

Sincerely,



SHAWN NELSON
CHAIRMAN
Fourth District

cc: Dan Ferons and Don Bunts, General Manager, SMWD
Ignacio Ochoa and Harry Persaud, County of Orange Public Works Department
Richard Broming and Jeff R. Thompson, Rancho Mission Viejo, LLC