

Santa Margarita Water District

Cadiz Water Conservation, Recovery and Storage Project

Overview

SMWD IS INCREASING WATER RELIABILITY AND STABILIZING RATES BY SEEKING NEW WATER SUPPLIES, CONSERVING & RECYCLING

WHY DOES SMWD NEED MORE WATER?

SMWD relies almost entirely on imported water supplies which are increasingly unreliable and costly:

- California water agencies will only receive 65 percent of their legally-entitled deliveries from the State Water Project (SWP) this year because of the dry winter.
- Even in wet years, the SWP delivers far less than what is allowed because of environmental conditions and regulatory restrictions.
- An earthquake of 6.7
 magnitude or greater would
 wipe out a significant portion
 of the SWP, causing severe
 shortages for SMWD.
- Colorado River supplies have been impacted by years of drought and growth in adjoining states, putting California's annual water allocation at risk.

Ensuring our customers have a safe, affordable and reliable supply of water both now and in the future are the top priorities for the Santa Margarita Water District (SMWD). With no natural water source located within the service area, SMWD relies almost entirely on imported water, so we are always looking for additional ways to enhance the reliability of supplies.

Water-use efficiency continues to play an important role in maximizing our water resources. With ongoing education and programs, SMWD has helped customers decrease their water usage 25 percent over the past 10 years.

Each year, we also produce more than 1.8 billion gallons of recycled water to expand local water supplies – that's about one-fifth of SMWD's annual water needs. Recycled water is used for irrigation purposes throughout the community, including parks, golf courses and municipal and homeowner association landscapes.

CADIZ PROJECT WILL INCREASE WATER RELIABILITY

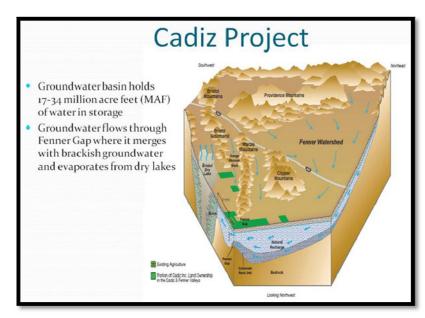
In addition to conservation and recycling, SMWD is seeking innovative, new supplies of water, including desalination and the Cadiz Project. The Cadiz Project will provide a new Southern California water supply by actively managing a groundwater basin that is part of a 1,300-square-mile watershed in eastern San Bernardino County.

Water that would otherwise evaporate will be collected and conserved for beneficial use. The project will then convey the conserved water to SMWD and to other Southern California water agencies. A future phase of the project could include the ability to store water underground in the Cadiz aquifer so that it could be used during dry years

SMWD will purchase at least 5,000 acre-feet of water annually from the Cadiz Project. The 5,000 acrefeet of water represents approximately 20 percent of the District's overall water supply.

CADIZ PROJECT WILL PROTECT NATURAL RESOURCES

The Cadiz Project is designed to protect natural resources through careful management of an extensive groundwater basin in eastern San Bernardino County. In the first phase of the project, wells will be built on the Cadiz Valley property. These wells will capture and conserve water that flows through the underground system every year, prior to it evaporating from nearby dry lakes.



Independent scientific reviews

have determined that neither plants nor animals rely on this groundwater for their water sources, so the project will have no impact on them. To ensure the continued protection of natural resources, the project includes extensive monitoring, overseen by a panel of groundwater experts. (For more information, please see SMWD's fact sheet on the groundwater monitoring program.)

A second phase of the project, if approved, would use the underground aquifer for storing up to one million acre-feet of water from other sources, including the State Water Project, a primary source of SMWD's water supply and the nation's largest state-built water conveyance system.

Cadiz Project water would be conveyed to SMWD and other participating water providers through a 43-mile pipeline connecting to the Colorado River Aqueduct, which delivers water to the providers' supplier, the Metropolitan Water District of Southern California. The pipeline will be buried beneath an active railroad right-of-way to avoid any impact on natural resources.

CADIZ PROJECT UNDERWENT EXTENSIVE ENVIRONMENTAL REVIEW

The Cadiz Project underwent an extensive environmental review spanning nearly two years and will need additional regulatory approvals from certain public agencies, including San Bernardino County, before it becomes operational. SMWD served as the lead agency for the environmental review under the California Environmental Quality Act. As part of that review, an independent team of scientific, environmental and engineering experts was engaged to conduct the studies, obtain public input and determine the feasibility of the Cadiz Project.

After obtaining that public input and carefully evaluating the project, SMWD issued a nearly 3,000-page Draft Environmental Impact Report (DEIR) in December 2011. The DEIR concluded that the project will avoid any significant unmitigatable impacts to desert resources—except for some short-term construction emissions. The SMWD Board of Directors then received additional public input and approved the Final Environmental Impact Report on July 31, 2012.