December 9, 2019

VIA EMAIL ONLY

Board of Directors
Fallbrook Public Utility District
990 E Mission Rd, Fallbrook, CA, 92028
Fallbrook, California 92028

Re: Fallbrook Public Utility District’s Board Agenda Item K - Application to LAFCO for Reorganization

Dear Directors McDougal, DeMeo, Baxter, Endter, and Wolk:

I am writing on behalf of the Otay Water District (Otay) to express support for, and to join, the correspondence dated December 9, 2019, and submitted by the Claire Hervey Collins, Esq. on behalf of the San Diego County Water Authority (SDCWA) against Item K on the Agenda for the Fallbrook Public Utility District’s (FPUD) Board of Directors Meeting to be held on December 9, 2019, titled: Consider Adoption of a Resolution of Application Requesting the San Diego Local Agency Formation Commission (SDLAFCO) to Commence Proceedings for the Detachment/Exclusion of FPUD from the San Diego County Water Authority and Annexation into the Easton Municipal Water District and Finding that the Action is Exempt from CEQA.

The Otay Water District supports the SDCWA’s contention that FPUD’s proposed application for detachment from the SDCWA is premature as FPUD has not yet provided essential financial and environmental data, and the Board Memo dated December 9, 2019, does not include all relevant information concerning the history of this matter.

Importantly, the proposed Resolution for Item K is premature as FPUD still has obligations to fulfill pursuant to SDLAFCO Legislative Policy L-107, before it can submit an application to SDLAFCO for reorganization. SDLAFCO Legislative Policy L-107 requires a “proposal applicant” to meet with “affected agencies” or their representatives at the earliest

1 Legislative Policy L-107 was adopted by San Diego LAFCO on May 3, 2010 and revised on April 4, 2016.
possible stage and prior to the submission of a proposal requesting LAFCO consideration of a change of organization or reorganization, “for the purpose of identifying and attempting to resolve any issues associated with the proposed jurisdictional change(s).” (Emphasis added.)

As a SDCWA member agency, Otay will feel the impacts of FPUD’s proposed reorganization. There remain many issues that FPUD must attempt to resolve with the SDCWA and its member agencies prior to submitting a proposal for reorganization to SDLAFCO. Included among these are FPUD’s continuing obligations for outstanding SDCWA financial obligations that were incurred to develop the reliable water supplies now being delivered to FPUD and all SDCWA member agencies. General Managers Tom Kennedy and Jack Bebee met with Otay’s General Manager Mark Watton and me last month. We were very appreciative that they both took the time to attend the meeting and provide us with some information. But, unfortunately, nothing of substance regarding the financial or environmental impacts of FPUD and Rainbow Municipal District’s proposed detachment from the SDCWA, was disclosed.

We note that the Board will, as part of Item O on the Agenda, consider adopting a Resolution for FPUD to enter into a professional services agreement with Alchemy Consulting Group to help it educate key stakeholders relative to FPUD’s potential application to SDLAFCO for detachment/exclusion from the SDCWA and annexation to Eastern Municipal Water District. It is our understanding that this effort to educate “key stakeholders” includes Otay and the SDCWA’s other member agencies. As referenced above, SDLAFCO Legislative Policy L-107 requires Fallbrook to educate all stakeholders “prior to the submission of a proposal requesting LAFCO consideration of a change of organization or reorganization…”

For the reasons described above, we urge the FPUD Board to ask management to provide complete and accurate information to Otay and all interested parties, and to comply with LAFCO Legislative Policy L-107, before any action is taken with regard to Fallbrook’s proposed reorganization.

Very truly yours,
ARTHIANO SHINOFF

Jeanne Blumenfeld
GENERAL COUNSEL for
OTAY WATER DISTRICT

JB:bdp
cc: (via email only)
Mark Watton, General Manager, Otay Water District
Jack Bebee, General Manager, Fallbrook Public Utility District
Sandy Kerl
Mark Hattam, Esq.
Clair Hervey Collins, Esq.
Keene Simonds, Executive Officer San Diego Local Agency Formation Commission