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VIA ELECTRONIC MAIL ONLY

Keene Simonds
Executive Officer
San Diego LAFCO
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San Diego, CA 92123
E-Mail: Keene.Simonds@sdcounty.ca.gov

Re: LAFCO MOU Regarding Rainbow-Fallbrook-Eastern Proceedings

Dear Mr. Simonds:

Thank you for your September 11, 2019 response to my August 27, 2019 letter. The Water Authority appreciates San Diego LAFCO's willingness to analyze issues related to the potential Rainbow-Fallbrook-Eastern LAFCO Proceedings in advance of any LAFCO taking formal action.

The Water Authority understands that the sequencing proposed in your letter means that San Diego LAFCO would act only if Riverside LAFCO first approves a sphere amendment to Eastern MWD. However, because the changes contemplated by the Potential Applications may significantly impact San Diego County's physical infrastructure, rate-payers, and water supply reliability (and will have virtually no impact in Riverside County) we continue to believe that retaining local control over a consolidated multi-county process is essential to ensuring rate neutrality and minimizing financial and other impacts to the Water Authority's other 22 member agencies and their ratepayers. We believe the proposed MOU should make clear that the San Diego LAFCO will be performing its own independent analyses and determinations.

You indicate that the MOU was developed "at the request of Fallbrook PUD and Rainbow MWD to clarify proposal steps and related actions." We request that the draft MOU be shared with the Water Authority and our 22 other member agencies (which are among the affected parties) at the earliest possible time – and no later than September 23, 2019 – so that all parties have an opportunity to review and provide meaningful input prior to the October 7 Commission meeting. Given the lack of urgency, however, we suggest that a better schedule would be to distribute the draft MOU as soon as it is available to all parties, and then set the MOU for consideration at your November meeting, in order to allow our member agencies an opportunity to meet and consult with their own governing boards and/or city councils.

We thank you for considering preparation of a multi-county study and formation of a multi-county advisory committee. We appreciate that the scale and scope of the analysis of a proposed reorganization will be determined by San Diego LAFCO commensurate with the proposal. Based on our understanding of the proposal, however, we believe that such a proposal is unprecedented in San Diego and possibly the state; given this unique situation, we again urge San Diego LAFCO to consider a well-vetted multi-county process to ensure that all affected parties have an opportunity to contribute to a meaningful evaluation of the potential actions contemplated by the proposal.

We also urge the San Diego LAFCO to ensure that Rainbow and Fallbrook undertake a consultation process with the Water Authority and its other 22 member agencies, pursuant to Legislative Policy L-107. While the Water Authority has been provided with the general outlines of a proposal, there has been fairly little provided in the way of detailed analysis of the core issues – including rate neutrality – and we understand that there has been no formal engagement of the other 22 member agencies. We suggest that perhaps San Diego LAFCO could facilitate such a process in order to ensure meaningful dialogue aimed at identifying and attempting to resolve issues associated with the potential reorganization.

Very truly yours,



Claire Hervey Collins of
LEWIS BRISBOIS BISGAARD & SMITH LLP

CHC:JLB

cc: Holly Whatley, Commission Counsel, San Diego LAFCO
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