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A Public Agency Serving the Greater Escondido Valley Since 1954

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September 17, 2020

Mr. Keene Simonds Executive Officer San Diego LAFCO 9335 Hazard Way, Suite 200 San Diego, California 92123

E-Mail: Keene.Simonds@sdcounty.ca.gov

Re: Fallbrook PUD and Rainbow MWD Wholesaler Reorganization (2020)

(RO20-04; RO20-05)

Dear Mr. Simonds:

I am responding to offer support in the evaluation and subsequent proceedings as related to the potential Detachment of the Rainbow Municipal Water District (RMWD) and the Fallbrook Public Utility District (FPUD) from the San Diego County Water Authority (SDCWA).

As a member of the SDCWA we are concerned about any decision that would have a negative impact on current and futures water rates. It is unfortunate that RMWD and FPUD have found themselves in a situation where they have had to go outside the County to secure a better deal for their customers. I am certain that most member agencies understand the rights of both Districts and remain highly concerned about the potential outcomes.

I have had the opportunity to read documents on both sides of the issue and find they typically address the legal or financial implications of detachment. I am, however, concerned there does not seem to be any discussion on how to maintain RMWD and FPUD as member agencies and help them succeed.

You may be aware there are several projects throughout the County that will come online in the next five or ten years that will result in demand roll-offs. We expect that these roll-offs, while not exactly like detachment, will have negative financial implications that deserve some discussion. It is my opinion this is an important discussion because the primary difference occurs mainly because of RMWD and FPUD's relative location to the County line.

Please be aware that Rincon del Diablo Municipal Water District has not taken a formal position on this issue. We understand there is a system in place to insure the financial and legal boundaries will be maintained. We support the efforts of San Diego Local Agency Formation Commission (LAFCO), SDCWA, RMWD, FPUD and the San Diego

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LAFCO Ad Hoc Committee in producing a positive outcome for all San Diego County rate payers.

If you should any questions or would like any clarification, please contact me at your convenience by email at cbaze@rinconwater.org or by phone at 760 745-5522, ext. 606.

Sincerely,

Clint R. Baze

General Manager

ClinBaze