January 27, 2021

Keene Simonds, Executive Director San Diego Local Agency Formation Commission 9335 Hazard Way, Suite 200 San Diego, CA 92123

Dear Mr. Simonds:

Please accept the following as a comment and objection to the Municipal Service Review (MSR) on the Resource Conservation Districts (RCD's) in San Diego County on behalf of Upper San Luis Rey RCD (USLRRCD). As discussed further below, USLRRCD objects to a proposed addendum on USLRRCD's groundwater activities. The proposed addendum should be removed and the original draft presented on December 2020 be adopted.

Thank you for the incredible effort you and your staff have put into the MSR on the RCD's in San Diego County. This is an important step in developing the relationship between LAFCO and the RCD's. We do, however, express caution and object to portions of the proposed MSR Final Report alluding to an addendum on USLRRCD's groundwater activities, and we echo and reinforce the points raised by the Pauma Valley Groundwater Sustainability Agency (PVGSA) in the letter to you dated December 17, 2020 (attached as Letter No. 4 to the draft Final Report). In short, the issues raised by the San Luis Rey Indian Water Authority (SLRIWA) in correspondence attached to the draft Final Report as Letter No. 3 are procedurally and substantively improper for consideration by LAFCO as part of this MSR and no further action should be taken on the suggested addendum.

USLRRCD looks forward to working with LAFCO as we continue our important work in the district. The needs of the community have changed, therefore we need to be willing to adapt and provide support in any way possible in order to conserve resources. The USLRRCD's sphere of influence includes thousands of acres of agriculture, which makes water stability and water quality an issue of utmost importance. The passage of the Sustainable Groundwater Management Act (SGMA) has given local agencies the responsibility to form a Groundwater Sustainability Agency (GSA), and the USLRRCD has taken on this challenge and has been a member of the PVGSA since its inception in 2017. The USLRRCD is a valuable asset to the PVGSA and this task is clearly a part of the RCD's mission. To quote LAFCO's MSR draft, the USLRRCD was formed to "assist landowners in implementing soil, water, and other land management practices in support of agrarian activities." The MSR also affirms the RCD's municipal service function of water conservation under its principal act.

The USLRRCD's involvement in the PVGSA is not unique in the state of California, as there are at least ten RCD's across the state that are members of GSA's, one of which is the sole member of a GSA. Crucially, the State Water Resources Control Board – tasked, in part, with protecting groundwater and implementing SGMA – has opined more than once that substantially similar groundwater activities by RCDs are allowable under the SGMA. The important work of the PVGSA is aligned with the mission of the USLRRCD as we take on the immense challenge of groundwater stability.

Again, thank you for taking on this MSR project and we concur with the recommendations and results of your thorough review except for the recommendation to prepare an addendum related to USLRRCD's GSA activities, and we respectfully request that it be removed from the Final Report¹. In addition to the fact that activity is consistent with determinations by appropriate state agencies, the late addition of this issue – seven months after the MSR workplan was developed – based entirely on questionable allegations by a party in open dispute with PVGSA raises procedural and due process concerns. The MSR, nor an addendum to it, is not the appropriate vehicle for addressing those issues, assuming for argument's sake that it is properly before LAFCO at all. Instead, if it is to be analyzed at all, it should be done in a timely manner and as a separate process from this MSR. Even without the improper addition of the GSA issue, we have many challenges ahead of us but we will face them together.

Sincerely,

Andy Lyall President

Upper San Luis Rey Resource Conservation District

¹ Notably, the addendum recommendation is the only material deviation from the draft MSR, as noted on page 3 of the proposed Final Report: "The final municipal service review on RCDs before San Diego LAFCO remains substantively intact with the notable addition of a new recommendation for the Commission to prepare an addendum to address Upper San Luis Rey RCD's authorization in LAFCO statute to provide groundwater management. This new recommendation responds to written comments received during the public review process and ties directly to addressing Upper San Luis Rey RCD's current involvement in the Pauma Valley Groundwater Sustainable Agency. All other key conclusions and recommendations presented in the draft and outlined in the Executive Summary (Chapter Two) remain."