October 26, 2022

Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, CA 92103

RE: LAFCO "Prospectus" Report Summary October 2022

On behalf of Otay Water District, I have the following preliminary objections to the "Tentative LAFCO Staff Conclusions" stated in the "Prospectus."

- 1. The statement that Eastern's water supply "via Met is adequate and can reasonably accommodate demands now and going forward for both Fallbrook and Rainbow MWD" is <u>not accurate</u>. It is public knowledge that MWD is now in the process of preparing to <u>ration its available water supplies</u> as soon as January 2023. If MWD uses the same model it did in earlier droughts, agricultural water use could be reduced by as much as 90% or completely prohibited under the Human Health and Safety formula MWD is currently using in other parts of its service area.
- 2. There is no support for the statement that Fallbrook and Rainbow customers "will" see cost savings in the amounts indicated by LAFCO staff, or in any amount. It is public knowledge that MWD is projecting the need to spend tens of billions of dollars in order to secure a reliable water supply, which it does not now have.
- 3. The conclusion that other County Water Authority member agencies' ratepayers will have to pay higher rates is correct, but the Prospectus <u>greatly understated the magnitude of these rate</u> hikes.
- 4. LAFCO staff is correct that <u>voting rights at MWD are valuable and a valid concern</u>, but its proposed solution would violate California law.
- 5. The Prospectus solution would also violate CEQA and the Delta Reform Act of 2009.

Further comments will be provided in accordance with the public comment period.

Sincerely,

Jose Martinez General Manager From: Gary Hurst
To: Peters, Michaela A

Subject: [External] Comments to Advisory Committees

Date: Tuesday, October 25, 2022 8:28:03 PM

I wish to submit the following comments for consideration of the Special Districts Advisory Committee at its Wednesday 26 October, 2022 meeting and the Cities Advisory Committee at its Thursday 27 October, 2022 meeting:

I am a Director of Ramona Municipal Water District and the elected Ramona Director of San Diego County Water Authority.

The "Tentative LAFCO Staff Conclusions" being presented today were made available only on Wednesday afternoon 25 October, 2022 - too late to allow thorough analysis. However, some issues are readily apparent.

The two member agencies seeking detachment from SDCWA participated in many votes resulting in the expenditure of billions of dollars to provide more reliable water supplies to SDCWA member agencies than are available to Metropolitan Water District of Southern California member agencies, including Eastern. Failing to hold Fallbrook and Rainbow responsible for paying their proportionate share of those capital expenses is a gross injustice to the other SDCWA member agencies.

Met has announced that member agencies will surely be required to implement the next stage of their water conservation plans within months - demonstrating the inaccuracy of the staff conclusion that 'Met (water supply) is adequate and can reasonably accommodate demands now and going forward" Six Met member agencies are already receiving only Health and Human services supplies which must be repaid within five years. SDCWA is decades ahead of Met investing in desalination facilities, water storage reservoirs and inventory, and higher priority Colorado River supplies.

The staff conclusions grossly underestimate the effect on Ramona ratepayers if the remaining 22 SDCWA member agencies must pay the portion of fixed expenses for which Fallbrook and Rainbow are responsible. The only demands that might "replace" Fallbrook and Rainbow demands in the foreseeable future are those of Tribes which are much smaller than the volume of water supplied to Fallbrook and Rainbow.

RE LAFCO "Prospectus" Report Summary October 2022

On behalf of the Lakeside Water District, I have the following preliminary objections to the "Tentative LAFCO Staff Conclusions" stated in the "Prospectus."

- 1. The statement that Eastern's water supply "via Met is adequate and can reasonably accommodate demands now and going forward for both Fallbrook and Rainbow MWD" is <u>not accurate</u>. It is public knowledge that MWD is now in the process of preparing to <u>ration its available water supplies</u> as soon as January 2023. If MWD uses the same model it did in earlier droughts, agricultural water use could be reduced by as much as 90% or completely prohibited under the Human Health and Safety formula MWD is currently using in other parts of its service area.
- 2. There is no support for the statement that Fallbrook and Rainbow customers "will" see cost savings in the amounts indicated by LAFCO staff, or in any amount. It is public knowledge that MWD is projecting the need to spend tens of billions of dollars in order to secure a reliable water supply, which it does not now have.
- 3. The conclusion that other County Water Authority member agencies' ratepayers will have to pay higher rates is correct, but the Prospectus <u>greatly understated the</u> magnitude of these rate hikes.
- 4. LAFCO staff is correct that <u>voting rights at MWD are valuable and a valid concern</u>, but its proposed solution would violate California law.
- 5. The Prospectus solution would also violate CEQA and the Delta Reform Act of 2009.

Further comments will be provided in accordance with the public comment period.

Sincerely,

Frank Hilliker

Frank Hilliker Board Member Lakeside Water District