June 1, 2023

Dear Water Authority Board Members,

This is to provide you with a copy of a letter Director Bebee sent to Water Authority member agency managers yesterday (LINK), with a cc to the CEO of LAFCO. As you know, this Monday LAFCO's eight Commissioners will be discussing the detachment issue. This letter involves important Water Authority business, and since you were not copied on the letter, we wanted you to be included. You will recognize that in his letter, Director Bebee says things he has said many times during our board meetings.

I do not think we have any disagreement about issues to be addressed, we only disagree about the process and timeline of the Water Authority's ongoing long-term planning to maintain a reliable and affordable water supply in San Diego County. We think the right process is continued decision-making by you, our Board of Directors, on the timeline we have discussed and established leading to a retreat at the end of summer. We do not believe that the Water Authority is in "imminent" danger of any kind.

In addition to our own planning processes, the Water Authority and its MWD board members and professional staff are also directly involved in MWD's long-term resource and financial planning ("climate action masterplan for water"), which is just beginning. We expect our planning processes to be integrated and may very well result in the kind of partnerships Director Bebee mentions in his letter. However, as in the case of our agency, this will be for the MWD Board of Directors to decide.

Similarly, and as you know from closed session information, our Board is extremely knowledgeable about the issues in the litigation and how they might best be resolved in a mutually satisfactory way that protects San Diego County water ratepayers and taxpayers and avoids future litigation.

We do not believe these are appropriate subjects for LAFCO to decide in connection with the detachment applications or otherwise.

Sincerely,

Mel Katz

MEMBER AGENCIES

Carlsbad MWD · City of Del Mar · City of Escondido · Fallbrook Public Utility District · Helix Water District · Lakeside Water District · City of National City
City of Oceanside · Olivenhain MWD · Otay Water District · Padre Dam MWD · Camp Pendleton Marine Corps Base · City of Poway · Rainbow MWD
Ramona MWD · Rincon del Diablo MWD · City of San Diego · San Dieguito Water District · Santa Fe Irrigation District · Sweetwater Authority
Vallecitos Water District · Valley Center MWD · Vista Irrigation District · Yuima Municipal Water District



cc: Adan Ortega, MWD Board Chair Sandy Kerl, General Manager Water Authority Member Agency General Managers Keene Simonds and LAFCO Commissioners

MEMBER AGENCIES

Carlsbad MWD · City of Del Mar · City of Escondido · Fallbrook Public Utility District · Helix Water District · Lakeside Water District · City of National City City of Oceanside · Olivenhain MWD · Otay Water District · Padre Dam MWD · Camp Pendleton Marine Corps Base · City of Poway · Rainbow MWD Ramona MWD · Rincon del Diablo MWD · City of San Diego · San Dieguito Water District · Santa Fe Irrigation District · Sweetwater Authority Vallecitos Water District · Valley Center MWD · Vista Irrigation District · Yuima Municipal Water District

From: JimPeg <jimpegjordan1@twc.com> Sent: Thursday, June 1, 2023 10:15 AM

To: Mumpower, Priscilla < Priscilla. Mumpower@sdcounty.ca.gov>

Subject: [External] FPUD/RMWD Detachment

Ms. Mumpower,

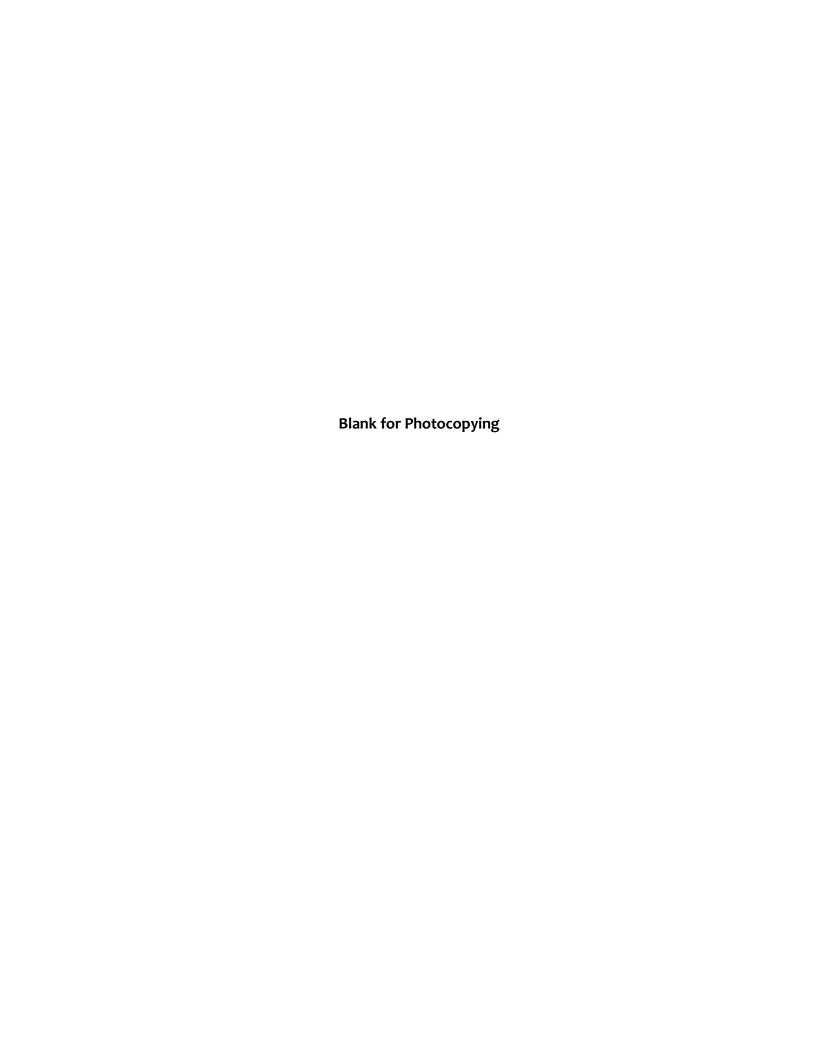
My wife and I are homeowners and residents of Fallbrook and customers of FPUD. I would like to register my disagreement with the proposed detachment of FPUD from SDCWA and attachment to the Riverside County EMWD. FPUD suggests that the detachment will result in a cost savings to their customers, but their rate studies do not support that the savings will be significant enough to support this drastic change.

We certainly would not support deannexation of Fallbrook from San Diego County and will oppose every step of that process. We support Option Five of your staff recommendations.

Thank you for allowing me to comment.

James A Jordan
2416 Hummingbird Hill Lane
Fallbrook, CA 92028
(442) 444-8423

Sent from Mail for Windows



From: Dale New <dale.new@caltropic.com>

Sent: Friday, June 2, 2023 1:46 PM

To: Sellen, Erica A; Mumpower, Priscilla

Subject: [External] Comment on LAFCO June 5, 2023 Hearing Agenda Item No. 6a: " Proposed Rainbow MWD

and Fallbrook PUD Reorganizations"

Dear LAFCO Commissioners:

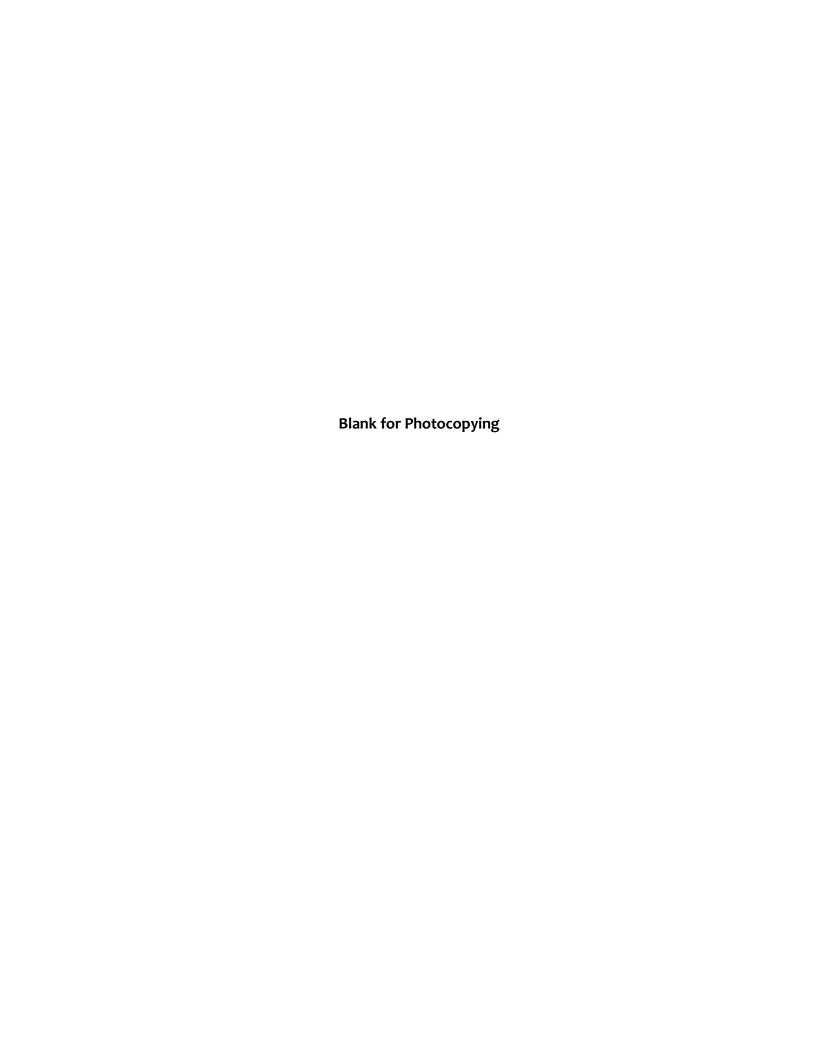
I am a 47-year resident of Fallbrook and own a home and 7 acres of property within the boundaries of the Fallbrook Public Utility District. My wife, Marion, and I came to Fallbrook upon my securing employment as a field representative with Calavo Growers of California. Having begun my business career in the then-flourishing California avocado industry, I am deeply saddened to have witnessed its downward trajectory, due in large part to ever-increasing water costs. Changing water suppliers from the San Diego County Water Authority to the Eastern Municipal Water District will help Fallbrook Public Utility District provide water to its agricultural users at rates that will at least give them a fighting chance of remaining in business. At your June 5, 2023 hearing, I urge you to approve "Option 2" of the alternatives proposed by County staff. Protect North County agriculture and the jobs, commerce and tax revenue that it generates.

Thank you,

Dale W. New, MS

President & General Manager Cal-Tropic Producers Fallbrook, CA 92028 Cell Phone: (760) 271-3657

www.caltropic.com



From: Duane Urquhart <duane@ncinvests.com>

Sent: Friday, June 2, 2023 3:58 PM

To: Sellen, Erica A

Subject: [External] Reminder LAFCO Meeting Monday 8 AM.

Corrected some typos. Pls use this version. Thanks

From: Duane Urquhart

Sent: Friday, June 02, 2023 3:53 PM To: erica.sellen@sdcounty.ca.gov Subject: LAFCO Meeting Item 6a

Commissioners:

I am a second generation avocado farmer and would like to see future farmer generations be able to prevail. I writing to request your support for the Rainbow MD and Fallbrook PUD de-annexation from the San Diego County Water Authority. There are some pertinent facts to consider.

Historically, agricultural production has been predominant in N. San Diego County for many different types of crops and agricultural pursuits. In the case of avocado production because the unique growing environmental requirements, there are only a few distinct USA locations in which this crop can be grown- N. San Diego County being one such location. Back in the 1960's and 1970's avocado acreage significant increased along with demand for this very nutritious produce.

Since that early period of avocado industry water costs have increased significantly along with the substantial increase in San Diego County population. As a result, producing avocado acreage has declined while the residential population in San Diego County has grown dramatically. This I believe is where the disconnect exists between northern section and southern sections of San Diego County. Since the evidence is that overall water costs have gone up and the amount of agricultural producing acreage has declined, it would be a logical extension to presume that the majority of the increase in water costs as been related to overall population growth in the southern section of the County.

As a result, this increase in water costs has placed a undue burden of farmers and growers in the N. San Diego County. We have a special opportunity to obtain water at a lower cost which is critical if we are going to maintain our agricultural base in this County and the ability to grow fresh specialty fruits, vegetables, and nursery crops. But, its not just the farmers that are impacted by this decision, there are many agricultural service related industries which are affected along with thousands of workers important to the local economy.

In addition, the Rainbow and Fallbrook water districts are at risk. The large portion of the water sales in these districts are still directed towards agriculture. To the extent that increasing water costs displace more agricultural production, it adversely impacts the water districts themselves and forces them to increase water costs even more to maintain their district infrastructure.

When looked at from a County wide perspective, this is a common sense decision. The impact of deannexation is of marginal impact to the southern County residents amounting to approximately a \$1 per month in added costs. I would respectfully suggest this is not an unreasonable cost sacrifice to in order to maintain the exceptional attributes that Northern San Diego County helps contribute to the rest of the County at large.

I recommend LAFCO support **Option 1.** Thank you for your consideration.

Duane Urquhart

From: Ken Melban < kmelban@avocado.org>

Sent: Sunday, June 4, 2023 11:18 AM
To: Sellen, Erica A

Cc: Robert Grether; Jeffrey Oberman; Michael Perricone; Jessica Hunter; ozkara@aol.com; John Cornell;

Robert Jackson; Wolk, Charley; R C; joanne.robles4@gmail.com; rachael@kimballavocados.com;

jaycole3410@gmail.com; Terry Splane; April Aymami; Simonds, Keene

Subject: [External] California Avocado Commission comments, LAFCO meeting, June 5, 2023

Attachments: CAC LAFCO 6-5-2023.pdf

Hi Erica,

Attached are the California Avocado Commission's comments for the June 5, 2023, LAFCO meeting; Agenda Item No. 6a: Proposed "Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services" | Concurrent Annexations to Eastern Municipal Water District and Detachments from San Diego County Water Authority with Related Actions (RO20-05 & RO20-04).

Please confirm receipt.

Thank you, Ken

Ken Melban

Vice President Industry Affairs & Operations

kmelban@avocado.org

559.859.6811 cell



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June 5, 2023

Local Agency Formation Commission (LAFCO), San Diego Chair Jim Desmond

Re: June 5, 2023 LAFCO meeting

Agenda Item No. 6a: Proposed "Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services" | Concurrent Annexations to Eastern Municipal Water District and Detachments from San Diego County Water Authority with Related Actions (RO20-05 & RO20-04)

Sent via email to erica.sellen@sdcounty.ca.gov

Honorable Chair Desmond and Commissioners:

The California Avocado Commission (Commission) is established in state law and authorized to represent California's 3,000 commercial growers who produce avocados on about 50,000 acres. California produces 90% of total U.S. avocado production and 100% of domestic Hass production, with an average annual farmgate value of more than \$400 million.

One out of five California avocado growers farm within the Rainbow Municipal Water District and Fallbrook Public Utility District. In these two districts, approximately 600 growers produce about ten percent of the state's crop on about 5,300 acres.

For these growers, water is the highest input cost and continues to increase year-after-year. In addition, they have experienced tremendous cost increases in other areas including labor, fertilizer, and energy. All this while increasing avocado imports continue to put downward pressure on revenue.

California avocados are a highly nutritious and healthy fruit, grown locally for local consumers. The avocado groves sequester carbon, provide open green space, and serve as a hedge against urban sprawl and wildfires, all of which help to mitigate climate change. While our growers provide these environmental benefits, they also provide local jobs and generate local taxes.

If our growers are unable to pay their bills, the inevitable is obvious. When they go out of business the environmental and socio-economic benefits they provide will disappear, as well.

Currently, agricultural customers account for 60-65% of Rainbow's total water sales and 30% of Fallbrook's. Unfortunately, over the past few years, some growers have been forced to turn off their water, resulting in abandoned groves and eventual urban development. Many remaining growers are in peril. A stabilization in water rates will provide much needed relief.

Accordingly, the Commission strongly supports LAFCO's Option One:

"Approve both reorganization proposals as submitted (no modifications) with standard conditions. No exit fees would apply given deference to the County Water Authority principal act and its silence on the topic. Approval is prefaced on prioritizing the standalone merits of the proposals and its local benefits – including direct support to agriculture in North County. Approval includes exemption findings under CEQA and subject to confirmation by registered voters within the affected territory." (LAFCO June 5, 2023 meeting; LAFCO staff 6a Agenda Report, Public Hearing: www.sdlafco.org/home/showpublisheddocument/6896/638211259312070000)

The Commission remains hopeful this process will be completed in accordance with existing law and in a timely manner. The Commission will oppose any legislative effort that attempts to circumvent the will of our growers.

Thank you for your thoughtful consideration of the foregoing.

Respectfully submitted,

Ken Melban

Vice President, Industry Affairs & Operations

en Milla

Cc: Rob Grether, Chair

Jeff Oberman, President

Michael Perricone, District #1 Board Member

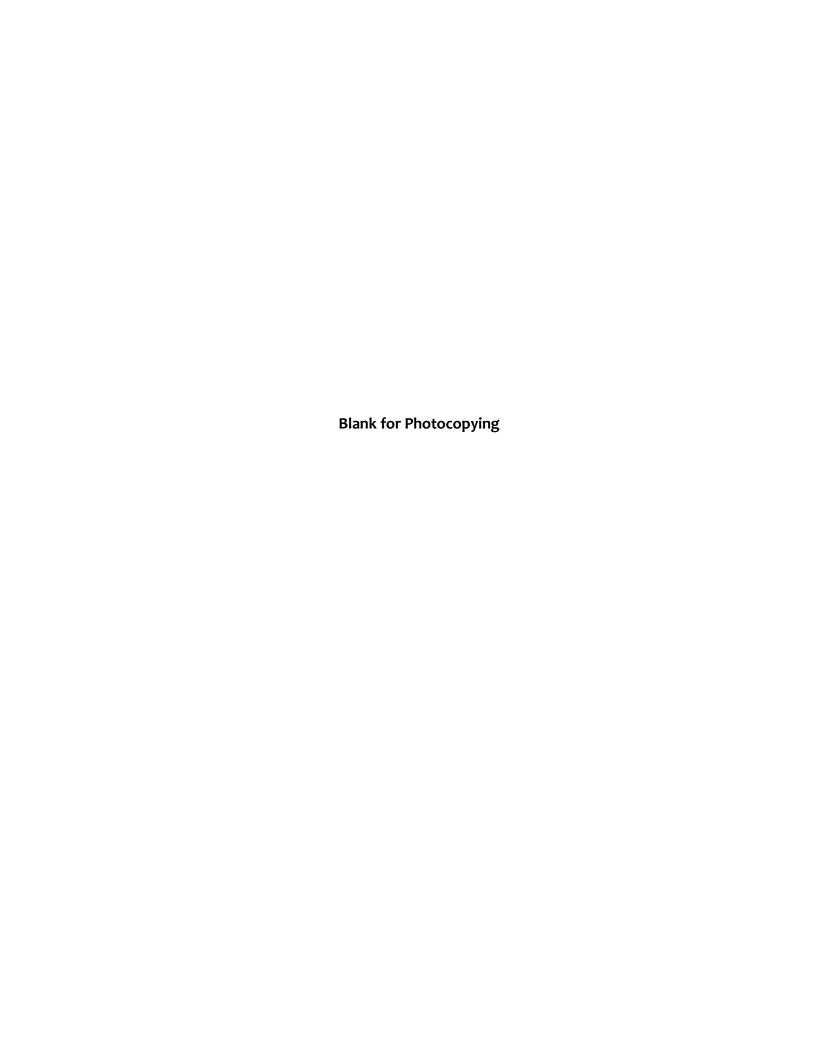
Jessica Hunter, District #1 Board Member

Ohannes Karaoghlanian, District #2 Board Member

John Cornell, District #2 Board Member

Robert Jackson, District #1 Board Alternate

Charley Wolk, District #2 Board Alternate



From: basilbestbuy graym <basilbestbuy@msn.com>

Sent: Sunday, June 4, 2023 6:59 PM

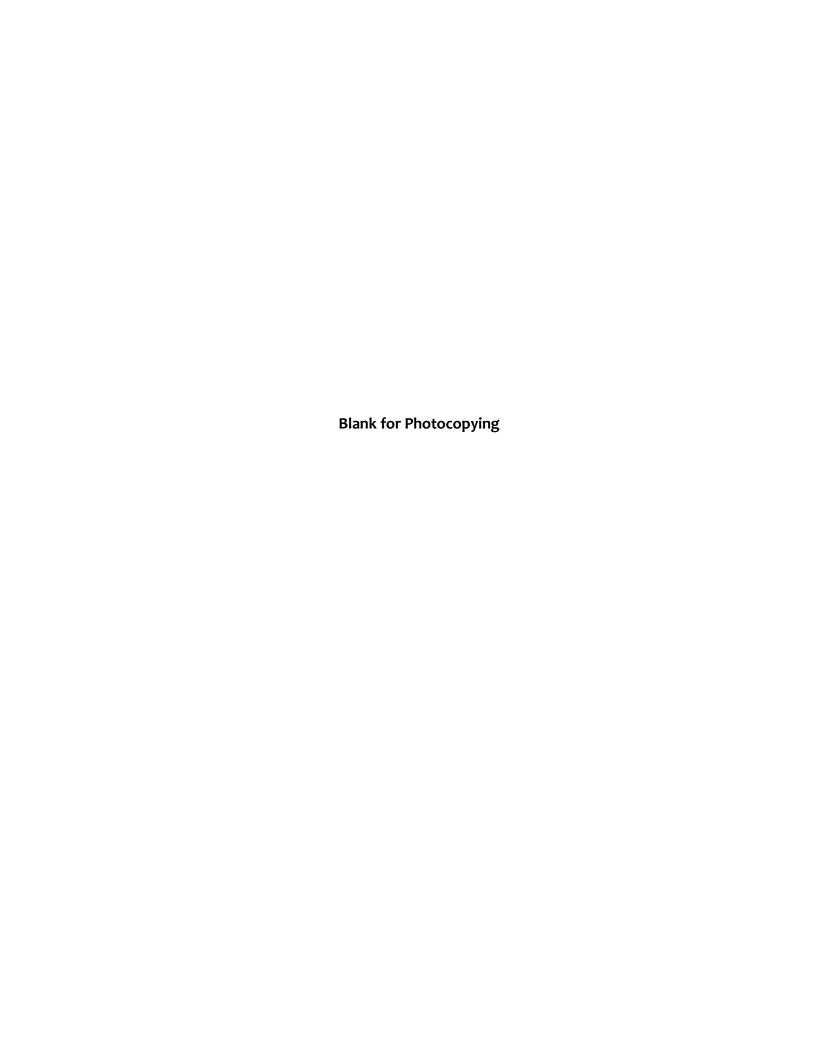
To: Sellen, Erica A

Subject: [External] Support for LAfCO Option one

Dear Commissioners:

I am a 25-year Rainbow resident. I have owned several avocado farms in this area and currently have three properties, one with a 2" meter. I know and understand the value and cost of water in the farming business. I would like my son to continue to be part of Agriculture in the foreseeable future but only if his hard work will be profitable. I removed almost all my avocado trees and now grow succulent fruits due to the high cost of water. Agriculture is adaptive but we are at a threshold! Farmers are resourceful and can be very thrifty, but there is a limit to stretch and bend one can bear. Agriculture does serve a value to the economic vitality of the community, as well as serving a cultural community value, as can be seen by the community interest and support in my neighbor's U-Pick strawberry farm. Any help that can be granted to growers is one step toward preservation! I support LAFCO Option One as a modicum of hope for keeping Agriculture alive in our once "Bread-Basket" State! Thank you!

Gray Martin 1860 Rainbow Glen Road Fallbrook, CA 92028 760 330-6205



From: Jolanda McLouth < jamclouth@gmail.com>

Sent: Monday, June 5, 2023 4:39 AM

To: Sellen, Erica A

Subject: [External] Rainbow-Fallbrook WATER SERVICES QUESTION

Good morning Erica

Hopefully I am still able to get this in before your meeting today or hopefully this question was already asked and answered.

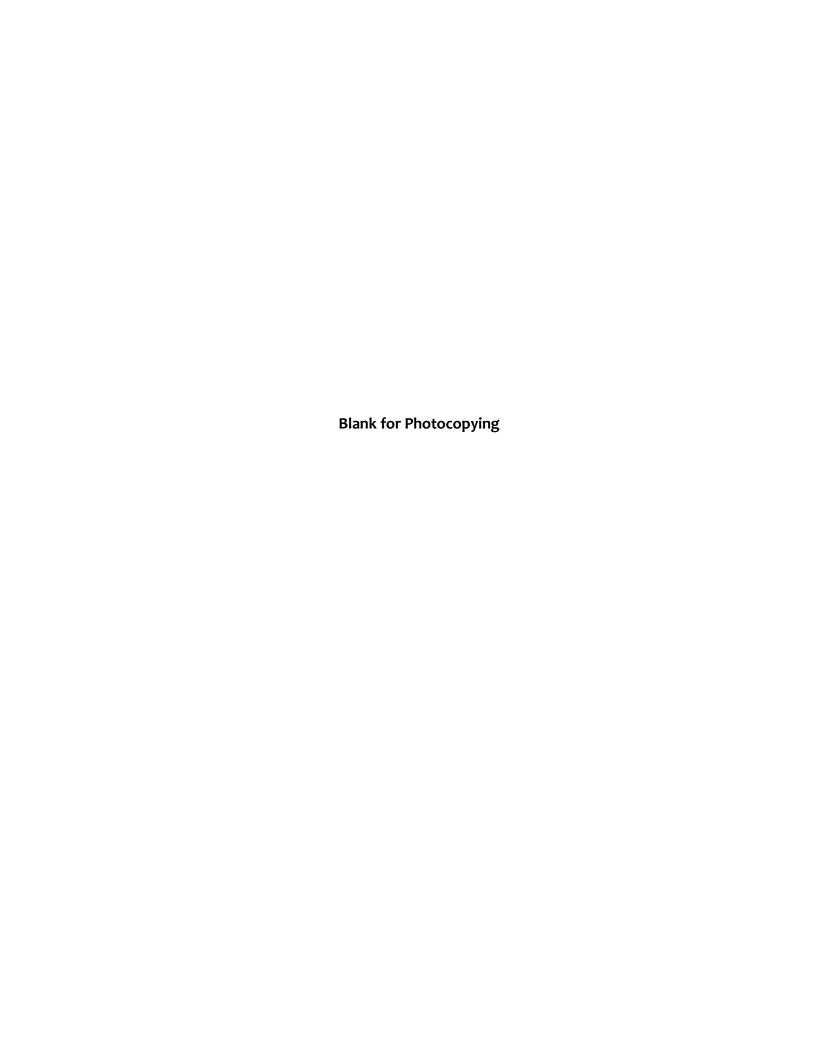
I was out of town and missed the meeting about the possible switch of the local water supplier which was just brought to my attention. Although the current fees for the 2 Water Districts that we pay for Rainbow and San Diego are extremely high and we are all obviously interested in paying less, I would like to know what the outlook is in years to follow with another supplier. Given the fact that the Colorado river is not filling up for all Adjacent States to claim and use, I am wanting to know the untouchable claim of a cheaper service for years to come. In other words what is the garantee for lower rates and for how long and what are the legal conditions?

Typically these type of dealings start out as a great option or alternative but can be a really expensive ordeal in the end if for whatever reason the weather/climate goes to drought again, which is highly likely, and we are all served with supposedly 'unforeseen cost' that we are at that point forced to pay or may not even have adequite water supply garantee. Its a great deal for those who have wells, such as Kendal farms who have about 30+ wells on their 500 acre + property and water reservoirs which the smaller farms can not afford. So again what are the long term legal terms and rates garanteed for how many years? I hate for all of us to welcome a Trojan horse that might really bite us in the end.

Thank you.

Sincerly,

Johanna McLouth Fallbrook



From: Kevin Grangetto < KGrangetto@grangettos.com>

Sent: Monday, June 5, 2023 5:52 AM

To: Sellen, Erica A

Cc: Desmond, Jim; Rick Carey; jessica@delreyavocado.com; Dominique Lehmer

Subject: [External] FW: California Avocado Commission comments, LAFCO meeting, June 5, 2023

Attachments: CAC LAFCO 6-5-2023.pdf

Hi Erica

I'm not able to attend today's meeting but please include in public comments section of LAFCO meeting Agenda item 6a

On behalf of the farming community of San Diego County Grangetto's Farm & Garden Supply has been established since 1952 serving growers in the greater San Diego County area and have seen the rapid escalation of our water rates at unprecedented levels. This is a realistic reorganization for the needs of the farmers in FPUD and RMWD. The rebuttal offered by CWA is ridiculous and short sighted. Farmers need options and alternatives as we have seen in Escondido with the formation of EGAP (Escondido Growers for Ag Preservation) and the ability to work together with the City to establish a Private/Public partnership and allow the farm community to keep doing what we need to do and provide jobs and services to our community.

Thanks
Kevin Grangetto
Grangetto's Farm and Garden Supply

From: Ken Melban < kmelban@avocado.org >

Sent: Sunday, June 4, 2023 11:18

To: erica.sellen@sdcounty.ca.gov <erica.sellen@sdcounty.ca.gov>

Cc: Robert Grether <<u>rob@gretherfarming.com</u>>; Jeffrey Oberman <<u>joberman@avocado.org</u>>; Michael Perricone <<u>michaelperricone31@gmail.com</u>>; Jessica Hunter <<u>jessica@delreyavocado.com</u>>; <u>ozkara@aol.com</u> <<u>ozkara@aol.com</u>>; John Cornell <<u>cornelljw@gmail.com</u>>; Robert Jackson <<u>robert@jacksontriallawyers.com</u>>; Wolk, Charley <<u>bejoca@sbcglobal.net</u>>; R C <<u>carey_rick29@hotmail.com</u>>; <u>joanne.robles4@gmail.com</u> <<u>joanne.robles4@gmail.com</u>>; <u>rachael@kimballavocados.com</u> <<u>rachael@kimballavocados.com</u> <<u>rachael@kimballavocados.com</u>>; jaycole3410@gmail.com <<u>jaycole3410@gmail.com</u>>; Terry Splane <<u>tsplane@avocado.org</u>>; April Aymami <<u>aaymami@avocado.org</u>>; Simonds,Keene <<u>Keene.Simonds@sdcounty.ca.gov</u>>

Subject: California Avocado Commission comments, LAFCO meeting, June 5, 2023

Hi Erica,

Attached are the California Avocado Commission's comments for the June 5, 2023, LAFCO meeting; Agenda Item No. 6a: Proposed "Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services" | Concurrent Annexations to Eastern Municipal Water District and Detachments from San Diego County Water Authority with Related Actions (RO20-05 & RO20-04).

Please confirm receipt.

Thank you, Ken

Ken Melban

Vice President Industry Affairs & Operations

kmelban@avocado.org

559.859.6811 cell



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June 5, 2023

Local Agency Formation Commission (LAFCO), San Diego Chair Jim Desmond

Re: June 5, 2023 LAFCO meeting

Agenda Item No. 6a: Proposed "Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services" | Concurrent Annexations to Eastern Municipal Water District and Detachments from San Diego County Water Authority with Related Actions (RO20-05 & RO20-04)

Sent via email to erica.sellen@sdcounty.ca.gov

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Respectfully submitted,

Ken Melban

Vice President, Industry Affairs & Operations

en Milla

Cc: Rob Grether, Chair

Jeff Oberman, President

Michael Perricone, District #1 Board Member

Jessica Hunter, District #1 Board Member

Ohannes Karaoghlanian, District #2 Board Member

John Cornell, District #2 Board Member

Robert Jackson, District #1 Board Alternate

Charley Wolk, District #2 Board Alternate

From: Simonds, Keene

Sent: Monday, June 5, 2023 9:08 AM

To: Sellen, Erica A; Luckett, Tamaron; Holly Whatley (hwhatley@chwlaw.us)

Subject: Fwd: June 5th Agenda item 6a

Follow Up Flag: Follow up Flag Status: Completed

Email comment

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From: Ortega Jr., Adan < AOrtega Jr@mwdh2o.com>

Sent: Monday, June 5, 2023 8:48:09 AM

To: Simonds, Keene < Keene. Simonds@sdcounty.ca.gov>

Cc: Sandy Kerl <skerl@sdcwa.org>; Hagekhalil,Adel <AdelH@mwdh2o.com>; Joe Mouawad P.E.

<mouawadj@emwd.org>

Subject: [External] June 5th Agenda item 6a

Dear Mr. Simmonds,

Your agenda Item 6a regarding the proposed detachments of two member agencies of the San Diego County Water Authority calls for LAFCO's approval of their "concurrent" annexations to Eastern Municipal Water District.

At last month's Executive Committee meeting, an item was voted to be added to our June Finance, Audit, Insurance, and Real Property Committee meeting to review legal requirements and the board's annexation policies where a change of service is requested within Metropolitan's current boundaries.

Additionally, at least one other county LAFCO in our service area, does not believe that they have any jurisdiction over MWD and our existing member agency boundaries because our agency pre-dates the formation of LAFCO.

As Chair of Metropolitan's Board of Directors I must assert our board's prerogative to approve any service change under the annexation provisions of the Metropolitan Act (Part 7. Changes in Organization). Such matters may impact not only finance, long term planning and water supply issues, but the balance of our weighted voting system and thus our governance.

I hope that you and your commissioners will take these factors into consideration.

Thank you,

Adán Ortega, Jr. Board Chair Metropolitan Water District of Southern California

of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately by return e-mail message and delete the original and all copies of the communication, along with any attachments or embedded links, from your system.

From: Sydne Gilbert <sydne.gilbert@gmail.com>

Sent: Monday, June 5, 2023 9:30 AM

To: Sellen, Erica A

Subject: [External] LAFCO Meeting Now - Doctor's/Consultant Report

Follow Up Flag: Follow up Flag Status: Completed

The Doctor/Consultant fell short of admiring and thanking the farmers and ranchers of both districts. Increase the water rates and you will be buying cartel avocados, fruit, wine grapes, flowers, etc. from Mexico. We farmers simply cannot afford the current water rates and will go out of business. We are currently the best stewards of "green" production in San Diego County.

Ralph Patrick Gilbert Bonsall ranchocircleg@gmail.com