



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

7b

AGENDA REPORT
 Business | Action

June 14, 2023

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Priscilla Mumpower, Assistant Executive Officer

SUBJECT: Request to Re-Calendar Date of Continued Public Hearing Item |
 Proposed “Rainbow Municipal Water District and Fallbrook Public Utility
 District Reorganizations: Wholesale Water Services” (RO20-05 & RO20-04)

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider action to re-calendar the continued hearing on the reorganization proposals filed by Fallbrook Public Utility District (PUD) and Rainbow Municipal Water District (MWD). The Commission opened the hearing on June 5th before continuing its deliberations to August 7th. It is recommended the Commission re-calendar and advance the continued hearing by one month to July 10, 2023 and in doing so address new information separately detailed as part of Item No. 7a.

BACKGROUND

Public Hearing Opening

San Diego LAFCO held a regular meeting on June 5, 2023 and opened a public hearing in consideration of the proposed “Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services”. The purpose of the proposals is to achieve cost-savings to the applicants and their retail ratepayers based on the difference in charges between their current wholesale supplier – San Diego County Water Authority (CWA) – and Eastern MWD. Five distinct alternative actions have been evaluated for Commission

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action and this included staff’s recommendation to proceed with Option Two (approve the proposals with additional conditions that include requiring the applicants to pay exit fees to CWA). The Commission closed public testimony and proceeded to continue its deliberations to August 7th with related direction to staff for additional information on exit fee alternatives.

DISCUSSION

This item is for San Diego LAFCO to consider re-scheduling its continued hearing on the Fallbrook PUD and Rainbow MWD reorganization proposals from August 7th to July 10th. The proposed re-scheduling helps to accommodate the Commission in taking actions on the proposals ahead of the potential enactment of legislation as detailed in Item No. 7a that would require any approvals be subject to a vote of the entire CWA electorate. Both applicants support re-scheduling the public hearing to July 10th.

ANALYSIS

Staff believes it is reasonable and merited for San Diego LAFCO to re-schedule the continued hearing on the Fallbrook PUD and Rainbow MWD’s detachment proposals to July 10th. Advancing the continued hearing by one month positions the Commission to consider the staff recommendation to approve the proposals with special conditions ahead of the potential enactment of legislation as detailed that would otherwise moot any approvals.

RECOMMENDATION

It is recommended San Diego LAFCO re-schedule the continued public hearing on the Fallbrook PUD and Rainbow MWD reorganization proposals to July 10th. This recommendation is consistent with Alternative One as outlined in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

Re-schedule and advance the continued hearing on the “Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services” proposals from August 7, 2023 to July 10, 2023.

Alternative Two:

Take no action.

PROCEDURES

This item has been placed on the agenda for action as part of San Diego LAFCO’s business calendar. The following procedures, accordingly, are recommended in the consideration of this item:

- 1) Receive verbal report from staff unless waived.
- 2) Invite comments from interested audience members.
- 3) Discuss item and consider recommendation.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

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