



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

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AGENDA REPORT
 Consent | Action

August 7, 2023

TO: Commissioners

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

SUBJECT: **Dissolution of the “Fallbrook-Rainbow” Advisory Committee and Related Commendation Actions**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider an action to formally dissolve the Advisory Committee tasked with informing the administrative reviews for the Fallbrook Public Utility District and Rainbow Municipal Water District’s proposals to detach from the San Diego County Water Authority. The 10-member Advisory Committee was established by the Commission in June 2020 and held more than one dozen meetings through April 2023. The Commission will relatedly consider a recommendation to authorize the Chair to issue commendations to all members for their service.

BACKGROUND

Reorganization Filings & Establishment of an Advisory Committee

San Diego LAFCO received separate reorganization proposals in March 2020 from Fallbrook and Rainbow to concurrently (a) detach from the San Diego County Water Authority and (b) annex to Eastern Municipal Water District. The proposals were separately filed with LAFCO on the basis of providing the applicants’ retail ratepayers cost-savings with respect to

<p>Administration Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619-321-3380 www.sdlafco.org lafco@sdcounty.ca.gov</p>	<p>Chair Jim Desmond County of San Diego</p> <p>Joel Anderson County of San Diego</p> <p>Nora Vargas, Alt. County of San Diego</p>	<p>Kristi Becker City of Solana Beach</p> <p>Dane White City of Escondido</p> <p>John McCann, Alt. City of Chula Vista</p>	<p>Vice Chair Stephen Whitburn City of San Diego</p> <p>Marni von Wilpert, Alt. City of San Diego</p>	<p>Jo MacKenzie Vista Irrigation</p> <p>Barry Willis Alpine Fire Protection</p> <p>David A. Drake, Alt. Rincon del Diablo</p>	<p>Andy Vanderlaan General Public</p> <p>Harry Mathis, Alt. General Public</p>
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wholesale water supply costs. The Commission subsequently established the Fallbrook-Rainbow Advisory Committee in June 2020 to assist the Executive Officer in the administrative reviews of the reorganization proposals. This included – markedly – addressing several disputes among the affected agencies consistent with the provisions of the Commission’s Legislative Policy 107. The Advisory Committee roster was subsequently finalized by the Executive Officer with consultant Adam Wilson contracted to serve as moderator as follows.

Advisory Committee			
Moderator Adam Wilson			
Member	Title	Agency	Representation
Jack Bebee	General Manager	Fallbrook PUD	Applicant
Tom Kennedy	General Manager	Rainbow MWD	Applicant
Nick Kanetis	Assistant General Manager	Eastern MWD	Subject Agency
Sandy Kerl	General Manager	County Water Authority	Subject Agency
Mel Katz *	Board Member	County Water Authority	CWA Appointee
Nick Serrano **	Board Member	County Water Authority	CWA Appointee
Lydia Romero	City Manger	City of Lemon Grove	Cities Committee
Kimberly Thorner	General Manager	Olivenhain MWD	Districts Committee
Brian Albright	Parks Director	County of San Diego	At-Large
Keith Greer ***	Regional Planner	SANDAG	At-Large

- * Successor appointee following resignation of Gary Croucher
- ** Successor appointee following resignation of David Cherashore
- *** Successor appointee following resignation of Rachel Cortes

Ad Hoc Meetings

The Fallbrook-Rainbow Advisory Committee held 13 public meetings between July 2020 and April 2023 that collectively spanned nearly 30 hours. Most of the meetings were dedicated to addressing three overlapping topics – (a) water supply reliability, (b) financial impacts, (c) potential exit fees – selected by the Advisory Committee with their related tasking of Dr. Michael Hanemann with Arizona State University to provide expert analysis. With regular input along the way from the Advisory Committee in scaling the analysis as well as applying assumptions, Dr. Hanemann ultimately presented a final report on all three topics in February 2022. In receiving the final report, each Advisory Committee member was asked to go on the record with respect to determining whether they believe Dr. Hanemann’s analysis positions LAFCO to make informed decisions on each of the three topics. All members responded “yes.” The final three Advisory Committee meetings held between April 2022 and April 2023 were spent providing input to LAFCO staff in completing the administrative reviews on both proposals – including direct feedback on potential recommendations.

DISCUSSION

This item is for San Diego LAFCO to consider approving formal dissolution of the Fallbrook-Rainbow Advisory Committee given the conclusion of the administrative review was reached in step with the Commission conditionally approving both proposals in July 2023. This item also requests Commission authorization for the Chair to issue commendations to all members for their service over the three-year period.

ANALYSIS

None.

RECOMMENDATION

It is recommended San Diego LAFCO proceed to formally dissolve the Fallbrook-Rainbow Advisory Committee and authorize commendations through the Chair. This recommendation is reflected in the proceeding section as Alternative Action One.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):

- (a) Adopt the attached resolution approving the proposed dissolution of the Advisory Committee.
- (b) Authorize the Chair provide commendations to Advisory Committee members.

Alternative Two:

Continue the item to the next regular meeting and provide direction to staff as needed.

Alternative Three:

Take no action.

PROCEDURES

This item has been placed on San Diego LAFCO’s agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachment: as stated

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RESOLUTION NO. _____

**A RESOLUTION OF THE SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION
DISSOLVING THE ADVISORY COMMITTEE ESTABLISHED FOR AND INVOLVING THE
FALLBROOK PUBLIC UTILITY DISTRICT & RAINBOW MUNICIPAL WATER DISTRICT
REORGANIZATION PROPOSALS (LAFCO FILE NO. RO20-05 & RO20-04)**

WHEREAS, on March 18, 2020 and March 19, 2020, the Rainbow Municipal Water District (MWD) and Fallbrook Public Utility District (PUD), respectively, filed a resolution of application to initiate proceedings with the San Diego County Local Agency Formation Commission, hereinafter referred to as “Commission,” pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, on June 1, 2020, San Diego LAFCO approved the establishment of an advisory committee to directly assist the Executive Officer in the administrative review of the Combined Proposals; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public meeting on the proposal on June 5, 2023 and took action on July 10, 2023; and

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The Recitals above are incorporated herein by reference.
2. **DISSOLUTION.** The Commission hereby dissolves the Advisory Committee established June 1, 2020 involving the Rainbow Municipal Water District (MWD) and Fallbrook Public Utility District (PUD) reorganization proposals.
3. **RESCISSION.** The Board hereby rescinds all prior resolutions in conflict with this Resolution.
4. **EFFECTIVE DATE.** This Resolution shall take effect retroactively to July 10, 2023 immediately upon adoption.
5. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.
6. Under Government Code Sections 56880-56882, the Executive Officer is hereby authorized and directed to mail copies of this Resolution.

**

PASSED AND ADOPTED by the Commission on August 7, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Attest:

Keene Simonds
Executive Officer