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

SPECIAL MEETING
AD HOC CITIES ADVISORY COMMITTEE
- FY2022 to FY2023 LAFCO Workplans –

FINAL AMENDED AGENDA

Friday, September 17, 2021
VIDEOCONFERENCE ATTENDANCE ONLY

1:15 P.M. to 2:00 P.M.

Moderator Keene Simonds

Carlsbad	Chula Vista	Coronado	Del Mar	El Cajon	Encinitas
Escondido	Imperial Beach	La Mesa	Lemon Grove	National City	Oceanside
Poway	San Diego	San Marcos	Santee	Solana Beach	Vista

Consistent with the Governor's Executive Order N-29-20, the September 17, 2021 special meeting will occur remotely through videoconferencing. The public may watch the meeting live using the link on our website home page (www.sdlafco.org).

The public may submit comments remotely and/or register to speak by:

1. Submitting an eComment at www.sdlafco.org prior to 4:00 P.M. on Thursday, September 16, 2021
   - These comments will be distributed and posted online ahead of the meeting
   - This includes the option to request a call-in to directly comment during the meeting

2. Emailing erica.blom@sdcounty.ca.gov during the meeting on Friday, September 17, 2021
   - These comments will be read by staff into the record and subject to a three-minute limit

1. **CALL TO ORDER BY MODERATOR**

2. **ROLL CALL**

3. **EXECUTIVE OFFICER REPORT**

4. BUSINESS ITEMS

a) Minutes for the April 9, 2021 Special Meeting (action)
The Committee will consider approving summary minutes prepared by staff for the special meeting held on April 9, 2021. Recommended approval as presented.

b) Update on Adopted Workplan for 2021-2022 (discussion)
The Committee will receive an update on the Commission's adopted workplan for 2021-2022. This includes focusing on two specific projects expected to take precedence with direct interest to the Committee and involve proceeding forward with a proposed legislative amendment to Government Code Section 56133 (outside contract services) and reviewing Policy L-105 (island annexations). The item is being for discussion and feedback.

c) Update on Reorganization Proposals Filed by Fallbrook Public Utility District and Rainbow Municipal Water District to Concurrently Detach from the San Diego County Water Authority and Annex to Eastern Municipal Water District (discussion)
The Committee will receive an update on the reorganization proposals and the current work of an appointed 10-member Ad Hoc Committee to assist in the administrative review with specific focus on evaluating supply reliability, water rate impacts, and potential exit fees. The item is being presented for discussion and feedback.

5. PUBLIC COMMENTS

6. COMMITTEE MEMBER ANNOUNCEMENTS

7. ADJOURNMENT

Attest to Posting:

Erica Blom
Committee Secretary

Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) working days prior to the meeting at 858-614-7755 for any requested arrangements or accommodations.

4a

AGENDA REPORT
Consent | Action

September 17, 2021

TO: Cities Advisory Committee

FROM: Ruth Arellano, Executive Assistant

SUBJECT: **Approval of Meeting Minutes for April 9, 2021**

SUMMARY

The Cities Advisory Committee ("Committee") will receive action minutes prepared for the last meeting held on Friday, April 9, 2021. The minutes are in draft-form and being presented for formal approval with any corrections identified by the Committee.

BACKGROUND

The Ralph M. Brown Act was enacted in 1953 and establishes standards for the public to attend and participate in meetings of local government bodies. The "Brown Act" requires – and among other items – public agencies to maintain written minutes for qualifying meetings.

DISCUSSION

This item is for the Committee to consider approving action minutes prepared by the Committee Secretary for the April 9, 2021 meeting consistent with the Brown Act.

ANALYSIS

The attached action minutes for the April 9, 2021 meeting accurately reflect the Committee's deliberations as recorded by the Committee Secretary. A video recording of the meeting has also been posted online at www.sdlafco.org/meetings.

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Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

RECOMMENDATION

It is recommended the Committee approve the draft action minutes prepared for the April 9, 2021 meeting as presented and consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to the Committee through a single motion:

Alternative One (recommended):
Approve the draft action minutes prepared for the April 9, 2021 meeting with any desired corrections or clarifications.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

PROCEDURES

This item has been placed on the Committee'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 as provided unless otherwise specified by the Committee.

Respectfully,

Ruth Arellano
Committee Secretary

Attachment: as stated

DRAFT
LOCAL AGENCY FORMATION COMMISSION
AD HOC CITIES ADVISORY COMMITTEE
April 9, 2021 SPECIAL MEETING

1. CALL TO ORDER BY EXECUTIVE OFFICER

The special meeting was called to order at 1:00 p.m. by Moderator, Executive Officer Keene Simonds in the County of San Diego. Given the declaration of a pandemic associated with COVID-19 and direction therein by the Governor to practice social distancing, members were allowed to participate in a virtual meeting via Zoom or by telephone.

2. ROLL CALL BY SECRETARY

The Secretary performed the roll call with the following attendance recorded. Twelve cities were represented.

Regular Committee Members Present:
Paz Gomez (Carlsbad); Vince DiMaggio (El Cajon); Jeff Epp (Escondido); Tyler Foltz (Imperial Beach); Kerry Kusiak (La Mesa); Lydia Romero (Lemon Grove); and Patrick Johnson (Vista).

Alternate Committee Members Present:
Laura Black (Chula Vista); Tony Winney (National City); Jonathan Borrego (Oceanside); Wendy Kaserman (Poway); and Tom Ronstead (Santee).

Regular Committee Members Absent:
Tiffany Allen (Chula Vista); Blair King (Coronado); CJ Johnson (Del Mar); Jennifer Campbell (Encinitas); Brad Raulston (National City); Deanna Lorson (Oceanside); Chris Hazeltine (Poway); Kris Michell (San Diego); Jack Griffin (San Marcos); Marlene Best (Santee); and Gary Wade (Solana Beach).

Alternate Committee Members Absent:
Gary Barberio (Carlsbad); Scott Donaghe (Chula Vista); Kristin Crane (Del Mar); Mark Delin (Encinitas); Andy Hall (Imperial Beach); Erik Caldwell (San Diego); Bill Maertz (Santee); and John Conley (Vista).

The following members of LAFCO Staff were present: Executive Officer Keene Simonds; Chief Analyst Robert Barry; Local Government Analyst Linda Heckenkamp; Local Government Analyst Priscilla Allen; GIS Analyst Dieu Ngu; Commission Clerk Tamaron Luckett; Administrative Assistant Erica Blom; and Executive Assistant Ruth Arellano serving as Secretary.

3. EXECUTIVE OFFICER'S REPORT

Executive Officer Keene Simonds welcomed the Committee members and gave a quick agenda overview. Mr. Simonds introduced LAFCO staff to the Committee.

4. CONSENT ITEMS

a) Approval of Meeting Minutes for September 18, 2020

Item presented to the Committee to review the draft summary minutes prepared for the last meeting held on September 18, 2020. Recommendation to approve.

On motion by Jeff Epp (Escondido), seconded by Lydia Romero (Lemon Grove) and carried unanimously by the committee members present to approve the meeting minutes for September 18, 2020.

b) Update on Current and Pending Proposals

Item presented to the Committee to review a report identifying current, pending, and anticipated proposals on file with LAFCO. Item for information only.

c) Progress Report on 2020-2021 Workplan

Item presented to the Committee to review a progress report on accomplishing specific projects included in LAFCO's adopted workplan for 2020-2021. Item for information only.

5. BUSINESS ITEMS

a) Proposed 2021-22 Workplan and Budget

The Committee reviewed the Commission's proposed Workplan and Budget for FY 2021-22. Discussion and feedback were provided by the committee members present for consideration by the Commission for final action at the May 2021 meeting.

b) Draft Municipal Service Review on Poway Region

The Committee reviewed and received a presentation of the Commission's draft Municipal Service Review on the Poway Region and the City of Poway therein. Discussion and feedback were provided by the Committee for consideration by the Commission at its June 2021 meeting.

BUSINESS ITEMS CONTINUED…

c) Call for the Cities to Reconstitute for New Two-Year Term

The Committee considered the recommendation by the Executive Officer for the Committee to continue beyond the two-year pilot term and reconstitute for FY 2021 to FY 2023 with the expectations of holding approximately two meetings per fiscal year. The Committee agreed to go forward with the LAFCO's recommendation to continue the Cities Advisory Committee until 2023.

6. COMMITTEE MEMBER ANNOUNCEMENTS

No additional comments or announcements were made by the committee members present.

7. ADJOURNMENT

There being no further business to come before the Ad Hoc Cities Advisory Committee, the meeting was adjourned at 1:45 p.m.

Attest
RUTH ARELLANO
EXECUTIVE ASSISTANT

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4b

AGENDA REPORT
Business | Discussion

September 17, 2021

TO: Cities Advisory Committee

FROM: Keene Simonds, Executive Officer

SUBJECT: **Update on Adopted Workplan Projects**

SUMMARY

The Cities Advisory Committee will receive an update on San Diego County Local Agency Formation Commission's (LAFCO) adopted workplan for 2021-2022. The update is marked by LAFCO commencing work on 12 of the 30 projects in the workplan during the first two months of the fiscal year with two now completed (office move and translation policy) and a third nearing completion (Fallbrook-Rainbow Ad Hoc Committee). Other underway projects expected to take precedence in the near term with direct interest to the Committee involve proceeding forward with a proposed legislative amendment to Government Code Section 56133 (outside services) and reviewing Policy L-105 (island annexations) and are highlighted as part of this update. The item is for Committee discussion and feedback.

BACKGROUND

2021-2022 Workplan

San Diego LAFCO's current fiscal year workplan was adopted at a noticed public hearing held in May 2021. The workplan includes 30 projects and divided into two distinct categories – statutory and administrative – along with priority assignments ranging from high to low. The Commission reserves discretion to amend the workplan during the fiscal year to address changes in priorities or resources as well as to continue projects into subsequent fiscal years.

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The Commission has approved one amendment to the workplan to date and summarized in the accompanying footnote.[1]

DISCUSSION

This item provides the Committee its biyearly opportunity to review the status of San Diego LAFCO's adopted workplan and provide input on underway and/or pending projects. All workplan projects are detailed in Attachment One in their priority order along with their status. Additional discussion on two highlighted projects staff believes merit specific attention by the Committee as they proceed forward follows and involve amending Government Code Section 561333 and establishing city island annexation policies.

Highlighted Projects

- No. 5 | Legislative Proposal to Amend Government Code Section 56133(e)
  This high-priority project involves amending Government Code Section 56133 and its provisions directing cities and special districts to receive LAFCO approval before providing services by contract beyond their boundaries less certain exemptions. This section was made effective in 2001 and chaptered as part of legislation authored by former San Diego LAFCO Commissioner Mike Gotch. Administering the legislation, nonetheless, continues to be challenging. This is headlined by the statute not being explicit in delegating authority to LAFCOs in determining exemption status under subsection (e); resulting in some local agencies to have self-exempted and proceed with otherwise improper extensions. An amendment is accordingly being sought to clarify the exemption allowances in subsection (e) – such as grandfathering eligibility and contracts between two or more public agencies in which the subject services are equal substitutes for services already provided – are determined by LAFCO.

  San Diego LAFCO's initial activities on this workplan project began in Fall 2020 and included outreach with stakeholders – including other LAFCOs and the California Association of Special Districts – and potential authors before work was paused due to other workplan priorities and resource considerations. Staff is now returning to the project with the enlistment of CALAFCO as a co-sponsor and the goal of securing an author for introduction into the 2022 session with the related interest to receive the Committee's support. The proposed amendment is provided as Attachment Two.

[1] At the recommendation of the Executive Officer, the Commission amended the adopted workplan in August 2021 to split the Oceanside-Carlsbad Regional Municipal Service Review and in doing so allow for separate studies on the Oceanside and Carlsbad subregions. A corresponding amendment was also made to remove and defer the Encinitas Regional Municipal Service Review.

- No. 19 | Policy Review on City Island Annexations
  This moderate-priority project involves reviewing San Diego LAFCO Policy L-105 and its provisions to guide city island annexations. This policy was established in 2000 in step with new legislation to create an expedited process for cities to annex unincorporated pockets that are either entirely or substantially surrounded by their jurisdictional boundaries, which are referred to as "islands." This expedited process is currently codified under Government Code Section 56375.3 and allows cities to annex unincorporated islands under certain conditions while – pertinently – avoiding protest proceedings. The expedited process also curtails LAFCOs' discretion by directing annexation approval if the island – among other conditions – is less than 150 acres, does not comprise prime agricultural land, and is substantially developed or developing. A related statute also prohibits LAFCOs in creating new islands unless local conditions warrant otherwise.

  San Diego LAFCO's Policy L-105 provides discretion to the Commission in considering the merits of city island annexations on a case-by-case basis. This includes – significantly – not defining the "substantially surrounded" for purposes of applying the expedited annexation proceedings allowed under statute. LAFCO staff believes establishing a clear and quantifiable threshold in defining substantially surrounded – whether as low as 50% or as high as 99% – offers value and will be the primary focus of the planned update. A copy of L-105 is provided as Attachment Three.

ANALYSIS

San Diego LAFCO is generally proceeding as planned through the first two months of the fiscal year with two high-priority projects already completed. This involves a scheduled office move out of the County of San Diego's Operations Center and establishing a policy on translation protocols and related accommodations. LAFCO is also nearing completion of a third high-priority project with the work of the Fallbrook-Rainbow Ad Hoc Committee approaching its conclusion and further detailed as part of a separate agenda item scheduled for today's meeting. Other projects underway are reflected in Attachment One. This is highlighted by the above-discussed priority projects to amend existing law to make explicit LAFCOs determine when local agencies need formal approval to provide outside services and updating L-105 to help facilitate otherwise warranted city island annexations in proceeding.

RECOMMENDATION

This item is presented to the Committee for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES FOR CONSIDERATION

This item has been placed on the Committee's agenda for discussion as part of the business calendar. The following procedures apply.

1) Receive verbal report from staff.
2) Initial questions or request for clarifications.
3) Discuss item and provide feedback as requested.

Respectfully,



Keene Simonds
Executive Officer

Attachments:

1) 2021-2022 Workplan with Status Notations
2) Proposed Amendment to Government Code Section 56133
3) LAFCO Policy L-105

San Diego County Local Agency Formation Commission

Subdivision of the State of California | Regional Service Planning

2021-2022 Workplan

Introduction:

Local Agency Formation Commissions' (LAFCOs) operate under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2001 ("CKH") and are delegated regulatory and planning responsibilities by the Legislature to oversee the formation and subsequent development of local government agencies and their municipal service areas. Common regulatory functions include approving jurisdictional changes (annexations, detachments, etc.) and outside service requests. Common planning functions include preparing studies to independently evaluate the availability, performance, and need for municipal services and establishing and updating spheres of influence – which are the Legislature's version of urban growth boundaries and gatekeepers to future jurisdictional changes – for all cities and special districts. All regulatory and planning activities undertaken by LAFCOs may be conditioned and must be consistent with policies and procedures.

Objective:

This document represents San Diego LAFCO's ("Commission") formal 2021-2022 Workplan. The Workplan is divided into two distinct categories – statutory and administrative – with sequential priority rankings from high to low. The underlying intent of the Workplan is to serve as a management tool to allocate Commission resources in a transparent manner over the 12-month period. Further, while it is a stand-alone document, the Workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly. Additionally, and as needed, the Commission reserves discretion to amend the Workplan during the fiscal year.

Executive Summary:

The 2021-2022 Workplan continues to guide the Commission to prioritize resources in addressing statutory duties and responsibilities and supplemented by administrative activities. The Workplan includes continuing work on existing projects established – but not yet completed – from earlier fiscal years and marked by completing municipal service reviews in north and coastal communities. Several new projects are also included in the Workplan and highlighted by sponsoring and/or otherwise facilitating amendments to existing statutes to clarify LAFCOs' responsibilities in authorizing outside service extensions as well as to streamline and modernize the principal act for resource conservation districts. Other new projects include policy reviews on environmental justice and city island annexations.

Priority	Level	Type	Project	Description	Status
Ongoing	...	Statutory	**Applicant Proposals and Requests**	LAFCO will prioritize on an ongoing basis its available resources to process applicant proposals	
Ongoing	...	Administrative	**Targeted LAFCO Presentations**	LAFCO will prioritize on an ongoing basis its resources to perform public outreach	
1	High	Statutory	**MSR | Fallbrook-Rainbow Region**	Complete the scheduled review of Fallbrook PUD, Rainbow MWD, CSA 81, & North County FPD	Underway
2	High	Administrative	**Fallbrook-Rainbow Ad Hoc Committee**	Complete the work of the Ad Hoc in assisting in the administrative review of the associated reorganization proposals	***Near Completion***
3	High	Administrative	**Office Space Needs**	Review office space needs and proceed with executing new office lease and related actions as needed	**Completed**
4	High	Statutory	**MSR | Escondido Region Part II**	Complete the scheduled review of the City of Escondido	Underway
5	High	Administrative	**Legislative Proposal | G.C. 56133(e)**	Sponsor and/or facilitate an amendment to clarify LAFCOs' responsibility in exempting outside service agreements	Underway
6	High	Statutory	**Commission Rule No. 4**	Complete a comprehensive update to Rule No. 4 and its provisions to regulate special districts' functions and classes	Pending
7	High	Statutory	**MSR | Oceanside Region**	Complete scheduled reviews of the City of Oceanside local serving special districts	Underway
8	High	Statutory	**MSR | Carlsbad Region**	Complete scheduled reviews of the City of Carlsbad and local serving special districts	Underway
9	High	Administrative	**Translation Policy**	Establish procedures and related accommodations to communicate with non-English speaking communities	**Completed**
10	High	Statutory	**Environmental Justice Policy**	Consider policy options to address environmental justice in regulatory and planning activities	Pending
11	High-Moderate	Administrative	**2020-2021 Audit**	Complete outside audit of financial statements for 2020-2021	Pending
12	High-Moderate	Statutory	**2022-2023 Workplan and Budget**	Adopt proposed and final workplan and budgets documents by March and May 2022	Pending
13	High-Moderate	Statutory	**MSR | San Marcos Region**	Complete the scheduled reviews of the City of San Marcos and surrounding local serving special districts	Underway
14	High-Moderate	Statutory	**MSR | Vista Region**	Complete the scheduled reviews of the City of Vista and surrounding local serving special districts	Underway
15	High-Moderate	Administrative	**Special Districts Advisory Committee**	Provide administrative support to the Special Districts Advisory Committee and hold no less than three meetings in FY	Pending
16	High-Moderate	Administrative	**Cities Advisory Committee**	Provide administrative support to the Cities Advisory Committee and hold no less than two meetings in FY	Pending
17	Moderate	Administrative	**RCD Ad Hoc Committee**	Coordinate work of the Ad Hoc Committee in implementing recommendations included in the final MSR on RCDs	Pending
18	Moderate	Administrative	**Legislative Proposal | RCDs**	Facilitate and/or participate in a comprehensive rewrite of RCD law and – among other priorities – clarify service function powers	Pending
19	Moderate	Statutory	**Policy Review | Island Annexations**	Consider options to define "substantially surrounded" and provide related mapping to inform review	Pending
20	Moderate	Administrative	**SALT Grant | Agricultural Trends**	Implement two-year grant project to identify and track agricultural trends in San Diego County	Underway
21	Moderate-Low	Statutory	**MSR | Pauma Valley Region**	Complete the scheduled review of local serving special districts in the Pauma Valley region	Underway
22	Moderate-Low	Statutory	**Report on Mutual Water Companies**	Prepare informational report on private mutual water companies consistent with AB 54	Pending
23	Moderate-Low	Administrative	**Social Media**	Establish internal guidelines manual in conjunction with expanding social media presence in communicating information	Pending
24	Moderate-Low	Administrative	**SANDAG**	Participate in SANDAG's Technical Working Group (TWG) and provide update to Commission	Pending
25	Moderate-Low	Administrative	**Application Procedures**	Streamline existing application packet to be more user-friendly	Pending
26	Low	Administrative	**Mapping Outside Utility Services**	Establish a new GIS layer to identify existing outside wastewater and water services approved by the Commission	Pending
27	Low	Administrative	**Website Enhancement | SGMA**	Add a dedicated page to the LAFCO website addressing SGMA and related GSA activities in San Diego County	Pending
28	Low	Administrative	**Website Enhancement | Videos**	Add video discussions on current LAFCO projects and key duties on the website and cross-connected to social media	Pending
29	Low	Administrative	**Annual Local Agency Directory**	Update and publish local agency directory building on the inaugural version published in 2021	Pending
30	Low	Administrative	**SOI/MSR Annual Report**	Update and publish an annual report documenting all recorded municipal service reviews and sphere actions	Pending

Government Code Section 56133
Proposed Amendment Regarding Exception Determination

56133.
(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.
(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.
(c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
(1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.
(d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
(e) This section does not apply to any of the following **as determined by the commission or the executive officer**:
(1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
(2) The transfer of nonpotable or nontreated water.
(3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus

water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
(4) An extended service that a city or district was providing on or before January 1, 2001.
(5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.
(6) A fire protection contract, as defined in subdivision (a) of Section 56134.
(f) This section applies only to the commission of the county in which the extension of service is proposed.

LEGISLATIVE POLICY L–105

Subject

UNINCORPORATED ISLANDS

Purpose

To establish a policy governing the reduction in the size of existing unincorporated islands and other illogically configured areas that may promote infill development and the discouragement of urban sprawl.

Background

The Cortese-Knox Local Government Reorganization Act prohibits the annexation of territory to a city if the annexation would result in the creation of an unincorporated island. Unincorporated islands are defined as unincorporated territory completely surrounded by a city, or by territory of a city on one or more sides and the Pacific Ocean on the remaining sides. LAFCO may waive these restrictions if it finds that: (a) the application of the restrictions would be detrimental to the orderly development of the community, and (b) the area that would be enclosed is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

Policy

It is the policy of the San Diego Local Agency Formation Commission to:

Consider the creation of unincorporated islands on a case-by-case basis and to balance the negative implications of unincorporated islands with the need to promote orderly development, the efficient provision of public services, and the reduction of the size of existing islands or other illogically configured areas. The following factors shall be considered in the Commission's determinations:

1. Consistency of the annexation proposal with the spheres of influence of all affected agencies.
2. Whether the unincorporated island that would be created is already substantially surrounded by the annexing city.
3. Whether the size of existing islands and other illogically configured areas will be reduced.

4. Effect of island prohibition provisions on creating secondary impacts, such as urban sprawl, inefficient service delivery, etc.
5. Ability to facilitate infill development within the annexation area.
6. Ancillary benefits associated with annexation that may offset disadvantages associated with the creation of unincorporated islands.
7. Environmental impacts that could be addressed through annexation of territory to a subject agency.
8. Existing or potential health or safety concerns that may be resolved through the annexation of island areas or other similar areas.
9. Need for essential city services within the annexation area.
10. Ability to consolidate and simplify the provision of public services.
11. Effect on the provision of public services within existing and newly created island area(s).
12. Completion of a survey of residents within the potential island or other illogically configured area to determine their willingness to be added to the annexation proposal.

Adopted: May 1, 2000

Cross-reference:

GOVERNMENT CODE:
-SECTION 56001 LEGISLATIVE FINDINGS AND DECLARATIONS

SAN DIEGO LAFCO POLICY:
-L-100 CITY ANNEXATION OF UNINCORPORATED TERRITORY WITHIN SPECIAL DISTRICTS
-L-102 SPHERES OF INFLUENCE

SAN DIEGO LAFCO PROCEDURES:
- CITY ANNEXATIONS AND DETACHMENTS
- SPHERES OF INFLUENCE

4c

AGENDA REPORT
Business | Discussion

September 17, 2021

TO: Cities Advisory Committee

FROM: Keene Simonds, Executive Officer
Adam Wilson, Consultant

SUBJECT: **Update on Reorganization Proposals Filed by Fallbrook Public Utility District and Rainbow Municipal Water District to Detach from the San Diego County Water Authority and Annex to Eastern Municipal Water District**

SUMMARY

The Cities Advisory Committee will receive an update on San Diego County Local Agency Formation Commission's (LAFCO) administrative reviews on the reorganization proposals filed by Rainbow Municipal Water District (MWD) and Fallbrook Public Utility District (PUD) to change water wholesalers from the County Water Authority to Eastern MWD. This includes addressing the status of a 10-member Ad Hoc Committee tasked with advising on key aspects of the proposals and headlined by vetting reliability of water supplies and rate impacts. The item is being presented to the Committee for discussion and feedback.

BACKGROUND

Proposal Filings

In March 2020, San Diego LAFCO San Diego LAFCO received separate reorganization proposals from Fallbrook PUD and Rainbow MWD to concurrently (a) detach from the County Water Authority and (b) annex to Eastern MWD. The stated purpose of the coordinated reorganizations is to achieve cost-savings for the applicants and their constituents by securing less expensive wholesale water supplies.

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County Water Authority Response

The County Water Authority responded to the reorganization filings made by Fallbrook PUD and Rainbow MWD in April 2020 by requesting San Diego LAFCO only approve the requested actions if all the following factors are addressed:

- It can be determined Fallbrook PUD and Rainbow MWD can guarantee all obligations as promised to their own ratepayers are met.
- It can be demonstrated the reorganizations will not adversely affect other County Water Authority member agencies and San Diego County as a region.
- It can be demonstrated the reorganizations will not increase reliance on the Delta.
- It can be demonstrated the reorganizations will not diminish the County Water Authority's voting power at the Metropolitan Water District of Southern California.

The County Water Authority also requested any proposal approvals be subject to an expanded confirmation vote to include the electorate within all 24 member agencies.

Establishing Ad Hoc Committee

San Diego LAFCO created an Advisory Committee in June 2020 to directly advise LAFCO staff in real-time during the administrative reviews with respect vetting key issues unique to both reorganization proposals. All four subject agencies (Fallbrook, Rainbow, Eastern, and County Water Authority) are represented on the Ad Hoc Committee as well as other at-large agency representatives, including Lydia Romero on behalf of the Cities Advisory Committee.

DISCUSSION

This agenda item is for Committee to receive an update on the administrative reviews underway by San Diego LAFCO and the Ad Hoc Committee on the Fallbrook PUD and Rainbow MWD reorganization proposals. An outlining of key activities follows and further detailed as part of the staff presentation.

- The Ad Hoc Committee agrees to focus its review on three topics: (a) reliability of supplies between the two wholesale providers and whether there are any substantive differences; (b) potential rate impacts to the subject agencies should one or both reorganizations proceed; and (c) the merit and amount of potential departure fees as approval conditions should one or both reorganizations proceed.
- The Ad Hoc Committee establishes criteria for the recruitment and selection of one or more consultants to evaluate the three topics prioritized by the Committee. This includes allowing the subject agencies to strike any consultant identified by LAFCO.

- Consistent with the criteria set by the Ad Hoc Committee, Arizona State University Professor Michael Hanemann is retained by the Executive Officer in November 2020 to evaluate and make recommendations on the three referenced topics.

- Between December 2020 and August 2021, the Ad Hoc Committee holds five noticed meetings to receive updates from Professor Hanemann as he proceeds with his analysis of the three referenced topics. Most recently at the August 2021 meeting, Professor Hanemann presents draft conclusions on the first two topics – supply reliability and rate impacts – ahead of finalizing in September. A copy of Professor Hanemann's presentation from August 2021 is provided as Attachment One.

ANALYSIS

The reorganization proposals filed with San Diego LAFCO by Fallbrook PUD and Rainbow MWD engenders unique and multi-layered policy considerations with interests that span beyond just the four subject agencies. It is presently anticipated the Ad Hoc Committee will complete its work by November 2021 and LAFCO staff will complete the administrative reviews and schedule the reorganization proposals for public hearings as early as February 2022.[1] With these considerations in mind, this item provides the Committee an opportunity to provide feedback on the work of the Ad Hoc Committee and associated administrative revies before their approaching completion.

RECOMMENDATION

This item is presented to the Committee for discussion and feedback only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the Committee's agenda as part of the business calendar. It will include a brief verbal presentation from staff followed by discussion from the Committee.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) Professor Hanemann's August 16, 2021 Presentation to Ad Hoc Committee

[1] The timing to schedule public hearings at the Commission level is premised on LAFCO staff's related expectation of completing its separately scheduled municipal service review on the Fallbrook-Rainbow region by February 2022.

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Report to Ad Hoc Advisory Committee Meeting: August 16, 2021

Michael Hanemann

Topics for today

- The context – whose water?
- The London Moeder Benefit Cost Analysis
- Water supply reliability for FPUD and RMWD as customers of EMWD
- Delta reliance impact
- Exit fee
- Next steps

The material being presented today is still a work in progress and should be treated as a draft.

- All comments and suggestions are welcomed.

The form of my report

- Rather than three separate documents covering each of the three issues assigned to me – impact on water supply reliability, rate impact, and exit fee – my report will take the form of a single integrated document.
- Part of the report text will be in a Question-Answer format that will be used in some of today's presentation.
- I will have a draft of the document to present in September, with all revisions to be completed for October.

Setting the context

Q. Isn't it the case that, if FPUD and RMWD exit from SDCWA, they still would end up receiving the same MWD water from turnouts on the same MWD pipes? Nothing would really change?

A. No – that is not the case.

To some degree, FPUD and RMWD would be receiving water from turnouts on the same pipes, but not completely.

More importantly, FPUD and RMWD would NOT be receiving the same water.

Q. Why will it not be completely the same pipes?

A. It will not be completely the same pipes because, while FPUD and RMWD receive some of their SDCWA-billed water from turnouts along pipes owned by MWD, they also receive other water from turnouts along pipes owned by SDCWA.

Over the period 2015-2019, 35% of the water received by FPUD came through turnouts on pipes owned by SDCWA; for RMWD, 76% of the water received came through turnouts on pipes owned by SDCWA.

If FPUD and RMWD depart from SDCWA, 100% of their water would have to come from turnouts on the MWD pipes.

Q. Why will it not be the same water?

A. It will be water belonging to MWD and supplied by MWD rather than water belonging to SDCWA and supplied to FPUD and RMWD by SDCWA.

Q. How is water supplied by MWD different from water supplied by SDCWA?

A. It is different in source, it is different in supply reliability, it is different in pricing, and it is different in Delta reliance.

Q. How is MWD water physically delivered by MWD to FPUD and RMWD different in source from SDCWA water physically delivered by MWD to FPUD and RMWD?

A. SDCWA, as an MWD member agency, purchases water from MWD. But this is supplemental water. SDCWA's base water supply – water that it owns directly – consists of Canal Lining water and IID Transfer water, from the Colorado River, and desalinated water from the Carlsbad Facility.

MWD base supply – water that it owns directly -- is water obtained under its right to Colorado River, water from the Colorado River purchased from IID, and water from the State Water Project obtained by MWD as a member agency of the SWP.

Q. Isn't it true that MWD currently delivers to SDCWA some water from the SWP?

A. It is more complicated than that. MWD delivers molecules of SWP water to SDCWA in *two distinct capacities*.

MWD delivers water to SDCWA as a *supplier* of water. MWD also delivers water as a *conveyor* (wheeler) of water.

Q. What is the difference between MWD's role as a supplier of water versus its role as a conveyor of water?

A. As a supplier of water, MWD is both selling the water and transporting the water to SDCWA. MWD owns the water supplied and it owns the conveyance facility. It charges for both the water supplied and for the conveyance.

As a conveyor of water, MWD is just transporting water which it does not itself own – the water is owned by SDCWA – and it is charging just for conveyance of SDCWA-owned water.

Q. To repeat: isn't it true that MWD currently delivers to SDCWA some water from the SWP?

A. When MWD delivers water to SDCWA in its role as a supplier of water, some of the MWD supply is SWP water.

When MWD delivers water to SDCWA in its role as a conveyor of water, the water being conveyed is legally not SWP water: it is Colorado River water owned by SDCWA.

But, when MWD is delivering water to SDCWA in its role as a conveyor of water, it sometimes substitutes SWP water as a *replacement* for SDCWA's Colorado River water. This is known as in-lieu water.

The substitution is being made for operational convenience. It does not change the fact that whatever water MWD delivers as a conveyor to MWD is owned by SDCWA, not by MWD; it counts as Colorado River water, not SWP water; and it comes under SDCWA's water right to Colorado River water, not MWD's water right to Colorado River water nor MWD's right to SWP water.

Q. How much of the water delivered by MWD to SDCWA comes under MWD's water right and is owned by MWD (i.e., MWD acts as a supplier of water), and how much comes under SDCWA's water right and is owned by SDCWA (i.e., MWD acts as a conveyor)?

A. This has varied over time.

Before 2003, 100% of the water delivered by MWD to SDCWA came under MWD's water right.

Starting in 2003, some of the water delivered by MWD to SDCWA came under SDCWA's water right. That portion has grown over time.

Q. Why has the portion of water delivered to SDCWA as a conveyor rather than as a supplier grown since 2003?

A. Because the amount of Colorado River water acquired by SDCWA from the IID transfer and from Canal Lining ramped up over time. The amount of IID transfer water started at 10,000 AF/yr in 2003, grew to 100,000 AF/yr over ten years (2013), reached 193,000 AF/yr in 2020, and will now stay at 200,000 AF/yr through 2047 or beyond.

Over the past three years (FY 2018, FY 2019 and FY 2020), 38% of the water delivered by MWD to SDCWA was delivered by MWD as a supplier and 62% was delivered by MWD as a conveyor.

Comments on the London Moeder Advisors Report (9-15-2020)

Benefits Received by FPUD and RMWD

The LMA report equates the degree to which FPUD and RMWD benefit from their membership in SDCWA with the share of their water supply *not* "received from" MWD.

For example, the report states that, prior to 2020, 85% of FPUD's water supplies "were received directly from MWD facilities," the remaining 15% being received from SDCWA facilities. From this, the report infers that FPUD benefits from SDCWA membership only for 15% of its water supply.

LMA makes a parallel argument with respect to RMWD.

This argument is not correct.

- Even if FPUD and RMWD were to receive *all* of their water supply as treated water from MWD's Skinner Water Treatment Plant delivered to them via flow control facilities owned by MWD, all of that water is a benefit of their SDCWA membership.

- FPUD and RMWD would not be in a position to receive any water from the Skinner Plant if
  - (1) SDCWA were not a member agency of MWD,
  - (2) had not contracted with MWD to receive that water, and
  - (3) had not forborne to deliver the entirety of that water to *other* SDCWA member agencies.

- Some of the water from Skinner is QSA water that belongs to SDCWA, not MWD.
  - MWD is acting as a conveyor, not a supplier.
- The rest of the water from Skinner is MWD water (from the State Water Project or obtained under MWD's rights to Colorado River water) which has been purchased by SDCWA from MWD as a member agency.
  - MWD is acting as a supplier.
- Either way, all of the water received by FPUD and RMWD from Skinner belongs to SDCWA and comes to FPUD and RMWD as a benefit of their membership in SDCWA.
- FPUD and RMWD do not have a right to the water flowing in MWD-owned pipes through their service area.

- Therefore, LMA's assessment, based on share of water received by FPUD and RMWD from turnouts on SDCWA pipes rather than turnouts on MWD pipes over the period 2010 – 2019, that FPUD and RMWD benefited from their membership of SDCWA only a fraction of what they paid to SDCWA is not correct.
  - The LMA estimate of benefits is too low.
  - All the water FPUD and RMWD received from turnouts on MWD pipes belonged to SDCWA and came as a benefit to FPUD and RMWD of their membership status in SDCWA.

The fair share of SDCWA fixed charges

- During 2010 – 2019, SDCWA received approximately $1.233 billion in revenue from fixed charges from member agencies – the customer service charge, storage charge, supply reliability charge and infrastructure access charge.
  - The charges paid by FPUD and RMWD over that period amounted to approximately $56 million, or 4.5% of the SDCWA total.
- Over that period, FPUD and RMWD consistently comprised approximately 2.7% to 2.9% of all meter equivalents served by SDCWA.
- LMA assert that FPUD and RMWD paid more than their fair share of SDCWA fixed charges since they should have paid their share of meter equivalents (2.8%).
  - FPUD and RMWD would have paid a total of $34.5 million in fixed charges to SDCWA over the period 2010 – 2019, instead of $56 million.
  - I disagree.

- FPUD and RMWD consistently used more water per meter equivalent than other SDCWA member agencies.
  - The average usage of SDCWA water per meter equivalent within the FPUD and RMWD service areas in FY 2019 was more than twice that of the other member agencies.
  - Basing the allocation of all fixed charges on meter equivalent rather than volume of water received would be unfair to the other SDCWA member agencies.
- There is no reason to apportion the fixed costs of water supply among wholesale customers based on the member agencies' shares of the total number of meter equivalents serviced by the wholesale agency.
- It is more appropriate to allocate fixed costs of wholesale supply based on member agencies' (i) share of annual water deliveries, or something like (ii) their share of peak deliveries.

Conclusion

- The LMA Report's benefit-cost analysis is not correct.
- The measurement of the benefits received by FPUD and RMWD is not correct for the reason I have just stated.
- The measurement of the "fair share of fixed charges" attributed by LMA to FPUD and RMWD is not correct for the reason I have stated.
- Consequently, the estimate in the Report that FPUD and RMWD have subsidized the remaining member agencies by $49.5 million over the period 2010 – 2019 lacks foundation and is incorrect.

Supply reliability – FPUD and RMWD

FALLBROOK PUD ANNUAL DEMAND AND SUPPLY (AF/yr)				
Calendar Year	DEMAND	LOCAL SUPPLY	EXTERNAL SUPPLY	% EXTERNAL
2020	8,920	617	8,303	93.1%
2025	9,475	5,430	4,045	42.7%
2030	9,799	5,430	4,369	44.6%
2035	10,381	5,430	4,951	47.7%
SOURCE: 2020 Urban Water Management Plan				

RAINBOW MWD ANNUAL DEMAND AND SUPPLY (AF/yr)

Calendar Year	DEMAND	EXTERNAL SUPPLY	% EXTERNAL
2020	14,297	14,297	100.0%
2025	13,750	13,750	100.0%
2030	15,200	13,200	86.8%
2035	14,672	12,672	86.4%

SOURCE: 2020 Urban Water Management Plan

- FPUD: Some growth in demand, large increase in local supply, fall from 93% to ~45% in reliance on external supply.
- RMWD: Decline in demand, small local supply will develop.

- FPUD currently relies on external supply (now from SDCWA) for 93% of its water supply.
- Starting next year, FPUD will bring local supply online and will rely on external supply for 43% of its water supply, growing to about 48% by 2035.

- RMWD is 100% reliant on external supply both now, but will become 86% reliant starting in 2030.

EMWD

- Both wholesaler and retailer of water. Also treats wastewater.
- Supplies (1) raw & treated water and (2) recycled water.

	2020
Raw & treated water	
Retail service area	84,673
Wholesale service area	36,384
Subtotal	121,057
Recycled water	
Retail service area	31,243
Wholesale service area	1,285
Subtotal	32,528
TOTAL DEMAND	153,585

EMWD supply

- As well as it supply of recycled water, EMWD has some local supply of groundwater.
- Its non-local supply is from MWD.
- It uses its local supply mainly for its retail service area (46% of retail supply) and less for its wholesale service area (21% of wholesale supply).
  - MWD water is 54% of retail supply and 79% of wholesale supply.

	2020
Retail service area	
EMWD Local supply	
Groundwater*	22,362
Recycled Water**	31,244
From MWD	62,310
Subtotal	115,916
Wholesale service area	
EMWD Local supply	
Groundwater	6,467
Recycled Water	1,285
From MWD	29,917
Subtotal	37,669
TOTAL SUPPLY	153,585

- EMWD wholesale customers receiving treated water fall into two groups:
  - Most wholesale customers face a supply charge for treated from EMWD of $1,350/AF.
  - A couple of customers – Rancho California Water District and Elsinore Valley MWD – have MWD pipes passing through their service area and take MWD water directly from turnouts on the MWD pipes.
  - They are billed by MWD through EMWD. They pay the MWD Tier 1 charge ($1,104/AF) plus an administrative fee of $11/AF to cover EMWD expenses, for a total of $1,115/AF.
  - These two districts do not receive local groundwater supply from EMWD – they receive only MWD water from MWD pipes.
    - They are making no use of EMWD's water distribution system.
- If FPUD and RMWD join the EMWD service area, EMWD plans to treat them the same as Rancho California and Elsinore Valley – they will make no use of EMWD's distribution system, and they will pay an $11/AF administrative fee.

EMWD expects significant growth in demand

- Between 2020 and 2035, EMWD expects a growth of ~ 22% in its service area population (retail and wholesale).
- This will trigger a significant increase in demand for water.

					Demand growth	
	2020	2030	2035		2020-2030	2020-2035
Raw & treated water						
Retail service area	84,673	108,300	114,400		23,627	29,727
Wholesale service area	36,384	52,400	54,400		16,016	18,016
Subtotal	121,057	160,700	168,800		39,643	47,743
Recycled water						
Retail service area	31,243	49,020	54,500		17,777	23,257
Wholesale service area	1,285	5,180	5,600		3,895	4,315
Subtotal	32,528	54,200	60,100		21,672	27,572
TOTAL DEMAND	153,585	214,900	228,900		61,315	75,315

Growth in EMWD demand without FPUD and RMWD

- While its retail and wholesale service population are both expected to grow by about 22% between 2020 and 2035, its demand for water is expected to grow by 46% (retail service area) and 59% (wholesale service area).
  - By 2035, it will need to supply an additional 75,315 AF/yr.
- To meet this demand, EMWD will increase its supply of local groundwater and also its supply of recycled water, as well as needing more water from MWD.
- EMWD will increase local groundwater by 38%, recycled water by 31%, and external supply from MWD by 27%.
- It will need to import an extra 24,920 AF/yr from MWD by 2035.

CURRENT AND PROJECTED SUPPLY FROM EMWD (AF/yr)			
	2020	**2030**	**2035**
Retail service area			
EMWD Local supply			
Groundwater*	22,362	32,153	32,153
Recycled Water**	31,244	53,020	66,500
From MWD	62,310	72,147	70,247
Subtotal	115,916	157,320	168,900
Wholesale service area			
EMWD Local supply			
Groundwater	6,467	7,500	7,500
Recycled Water	1,285	5,180	5,600
From MWD	29,917	44,900	46,900
Subtotal	37,669	57,580	60,000
TOTAL SUPPLY	153,585	214,900	228,900
* Includes desalinated groundwater and Saboba Settlement water			
** Excludes recycled water used for recharge			

Growth in EMWD demand with FPUD and RMWD

- If FPUD and RMWD join EMWD, this will create an additional demand for MWD water.
  - FPUD and RMWD will not receive EMWD's local groundwater , nor any of its recycled water.
- EMWD's demand for water from MWD, which was 92,227 AF/yr in 2020, would then rise to 134,770 AF/yr, an increase of 42,543 AF/yr (46%).

CURRENT AND PROJECTED DEMAND FOR WATER FROM EMWD (AF/yr)						
					Demand growth	
	2020	2030	2035		2020-2030	2020-2035
TOTAL DEMAND	153,585	214,900	228,900		61,315	75,315
Retail service area Total	115,916	157,320	168,900		41,404	52,984
Wholesale service area Total	37,669	57,580	60,000		19,911	22,331
RAW & TREATED WATER						
Fallbrook PUD demand		4,369	4,951			
Rainbow MWD demand		13,200	12,672			
Wholesale with FPUD & RMWD	36,384	69,969	72,023		33,585	35,639
Total Raw/Treated (retail plus wholesale	121,057	178,269	186,423		57,212	65,366
with FPUD and RMWD after 2020)						
DATA SOURCE: EMWD, FPUD & RMWD 2020 Urban Water Management Plans						

The availability of water from EMWD

- Most of EMWD's wholesale customers are connected to EMWD's distribution network.
  - For this they pay EMWD a water rate which is set above the MWD Tier 1 rate in the amount of $246/AF in order to account, in part, for their use of EMWD's infrastructure.
  - They either do receive or could possibly receive some local groundwater and/or recycled water from EMWD.
- If FPUD and RMWD join EMWD, they would not be connected to EMWD's distribution network.
  - For this they would pay EMWD a water rate set at the MWD Tier 1 rate plus $11/AF.
  - They could not receive local groundwater or recycled water from MWD.
- In the event of a shortfall in supply availability from MWD, EMWD itself could not help them out with its local supply.

Delta Reliance

- Since 2003, MWD has relied on SWP water for an average of about 63% of its supply.
  - The remainder is MWD's supply from the Colorado River.
- Over the past three years, SDCWA has relied on MWD in its role as a supplier of water (as opposed to as a conveyor of water) for 38% of its water.
- Therefore, on average over those years, SDCWA has relied on SWP water for about 24% (= 0.38*0.63) of its water.
- If FPUD and RMWD switch from SDCWA to EMWD, they will switch from relying on SWP water for 24% of their supply to relying on SWP water for 63% of their supply.

Exit fee

- Last week, I sent the following request to SDCWA, FPUD and RMWD

I am aware that there is currently disagreement among some of the parties with respect to whether LAFCO has the legal authority to prescribe conditions of approval that include financial terms such as a departure fee. I am not being asked to opine on this legal question. I am being asked, instead, to examine whether there is a sound economic justification for requiring a departure fee and, if so, what is an appropriate amount for that fee.

From an economic perspective, it seems to me that there is a sound economic case for requiring some sort of departure fee: the majority of the water received by FPUD and RMWD from SDCWA in recent years has been – either directly or in lieu – QSA water purchased by SDCWA and conveyed to SDCWA by MWD. This is water for which SDCWA has made a long-term purchase commitment.

Before I develop my own recommendation for the terms and magnitude of a departure fee, I would be interested in hearing directly from the parties – SDCWA, FPUD and RMWD – their own recommendations for a departure fee, including whether it should be a single lump sum payment or an annual payment for a number of years, what amount and, if payable over a number of years, then how many years. I would also like the parties to specify in detail the rationale for their assessment of this departure fee.

Next steps for September meeting

- Receive comments and suggestions on what is being presented today.
- Follow up with SDCWA on request for data and/or explanations.
  - This focuses in particular on details of rate impact calculation.
- Complete rate impact analysis.
- Complete and write up supply reliability impact analysis.
- Follow up, if needed, with EMWD for data and/or explanations.
- Follow up with conversations, as needed, with SDCWA, FPUD and RMWD on suggestions regarding an exit fee.
- Draft an exit fee analysis
- Prepare a complete draft of my report