SAN DIEGO LAFCO

COMMISSION MEETING
FEBRUARY 2, 2026

SAN DIEGO LAFCO

Agenda Item No. 7a

Draft Legislative Proposal | Implementing UC Report to Enhance LAFCOs' Effectiveness

2/2/2026

U.C. Berkeley Report

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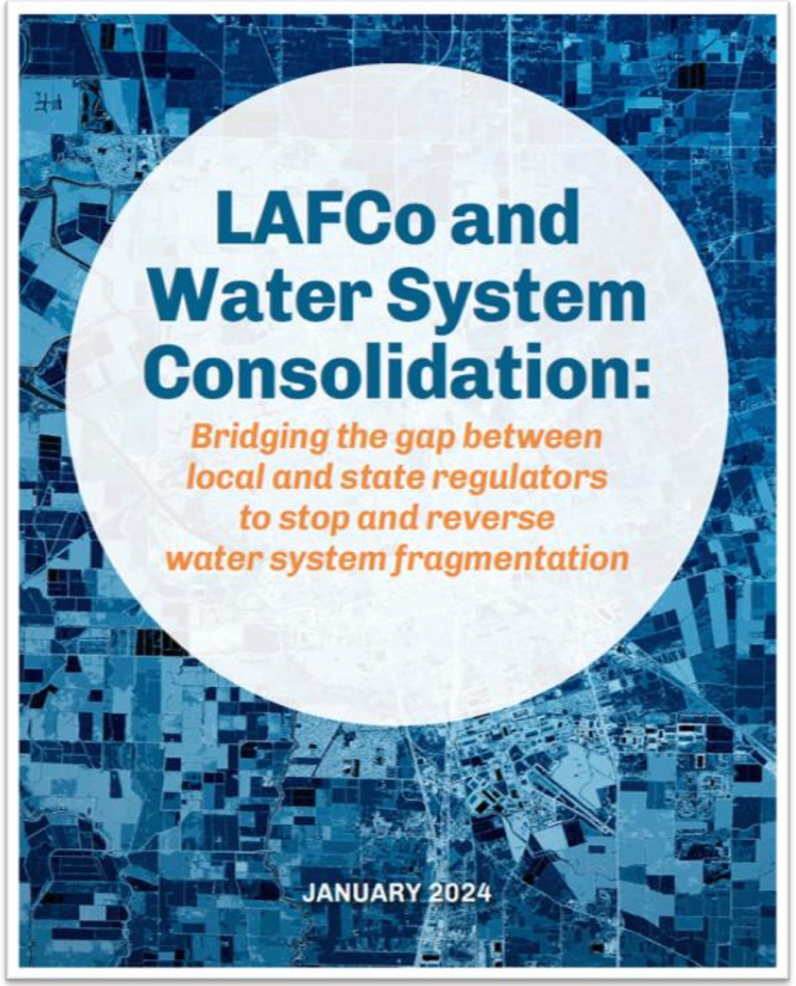
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Report Focus: Improve public water systems through consolidations with emphasis on underserved communities.

Key Recommendations: Regular communications between LAFCOs and State water regulators.

MSR Importance: Well-funded MSRs to identify and prioritize consolidations, small system mergers, and seek annexation authority.



Joint Legislative Group

- **Kristin Dobbin**, Assistant Professor of Cooperative Extension, U.C. Berkeley and the Division of Agriculture and Natural Resources
- **Justin McBride**, PhD Candidate in Urban Planning, U.C. Los Angeles
- **Orange** LAFCO
- **Napa** LAFCO
- **Sacramento** LAFCO
- **Alameda** LAFCO
- **Butte** LAFCO
- **Santa Cruz** LAFCO
- **Community Water Center**
- **Leadership Counsel for Justice and Accountability**

Legislative Proposals

1 2 3 4 5

1 Expand LAFCOs Ability to Initiate jurisdictional changes **or Out-of-Agency Service Agreements** to Support Timely Water Or Wastewater Services Consistent With Community Needs.
(Amend GCS 56375)

2 Amplify MSRs Role in Communicating Community Needs. Requiring Publicly Noticed Hearing (LAFCO + local agencies).
(Amend GCS 56430)

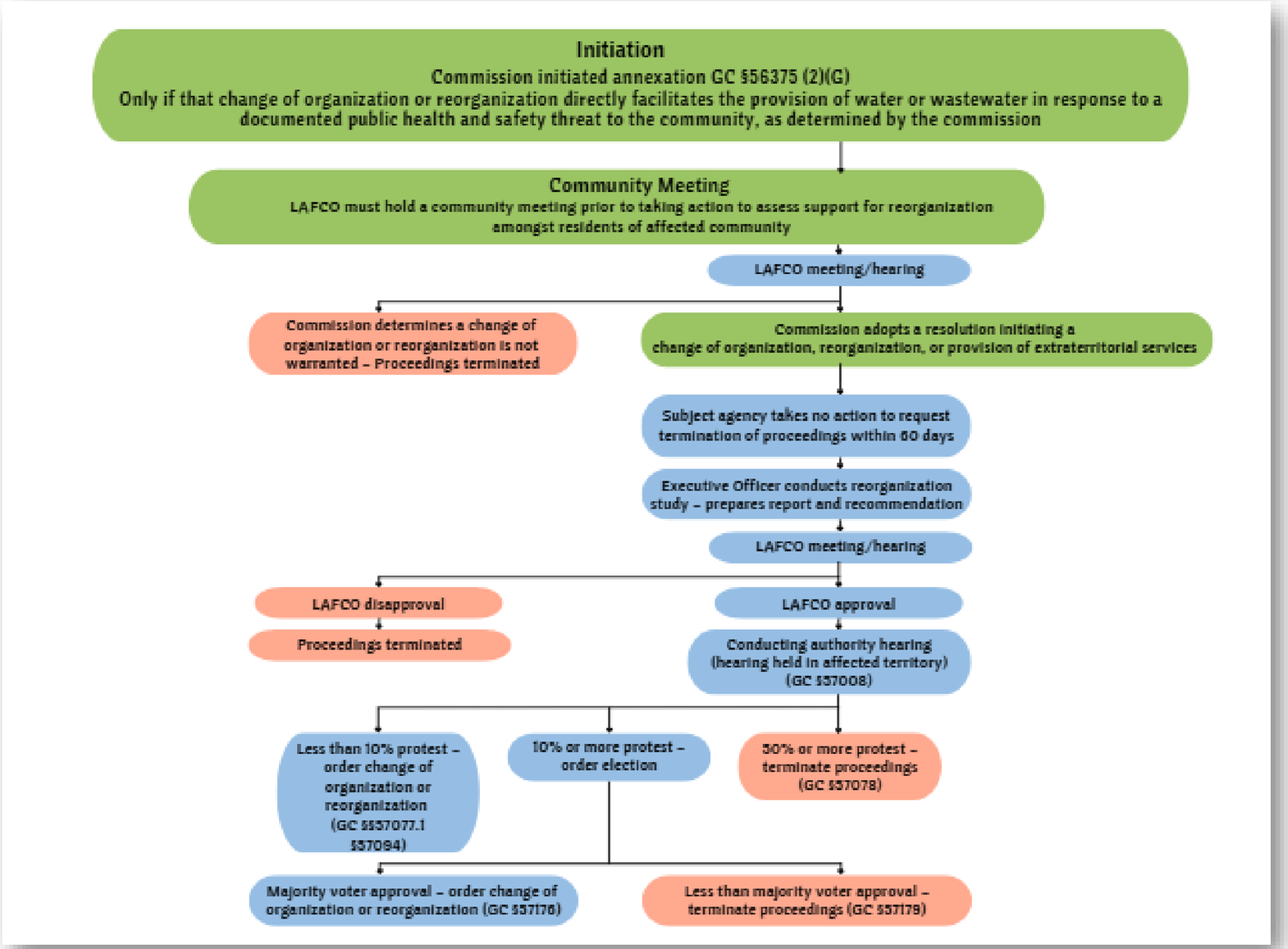
3 Address Service Barriers for Mutual Water Companies and Mobile Home Parks by making them subject to LAFCO.
(Amend GCS 56430 and Health and Safety Code)

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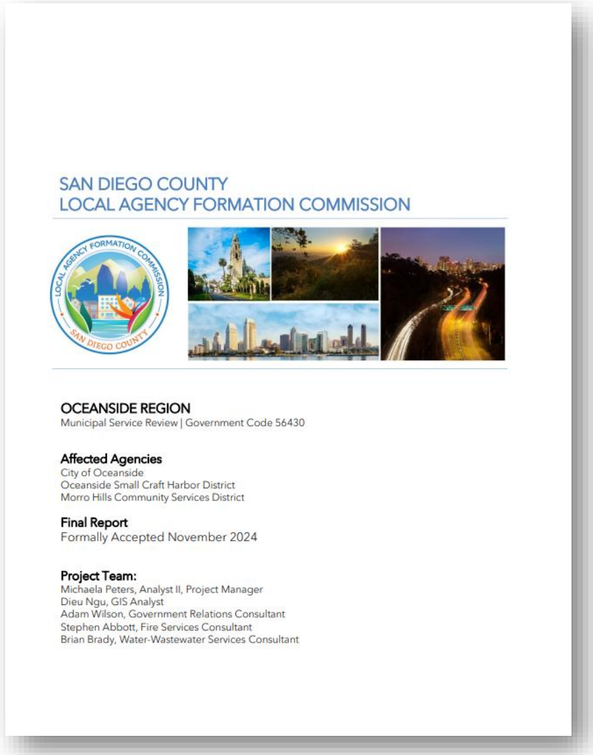
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Comments/Questions?

2/2/2026

Empowering LAFCOs to Initiate Jurisdictional Changes (Under Certain Circumstances)



Amplifying the Role of the Municipal Service Review – Increasing Transparency



SAN DIEGO COUNTY
LOCAL AGENCY FORMATION COMMISSION

OCEANSIDE REGION
Municipal Service Review | Government Code 56430

Affected Agencies
City of Oceanside
Oceanside Small Craft Harbor District
Morro Hills Community Services District

Final Report
Formally Accepted November 2024

Project Team:
Michaela Peters, Analyst II, Project Manager
Dieu Ngu, GIS Analyst
Adam Wilson, Government Relations Consultant
Stephen Abbott, Fire Services Consultant
Brian Brady, Water-Wastewater Services Consultant





SAN DIEGO LAFCO

COMMISSION MEETING
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Chair and Vice Chair Appointments

2/2/2026

SAN DIEGO LAFCO

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Something's Wrong

Introducing San Diego Oaks — a small unincorporated subdivision in transition, where a family discovers their drinking water may not be safe.



San Diego Oaks Setting

Unincorporated community near Fallbrook PUD and the local water/sewer provider — disadvantaged, in transition

The Johnsons

Young family, new to area — Lisa, Mark, and daughter Emma

The Problem

Private well contamination, aging septic — no solution in sight

ACT 2

The Runaround

The Johnson’s have been in their house for about a month and don’t know exactly what to do and who can help — they quickly discover a bureaucratic maze with no clear path forward.

THE CALL SEQUENCE

1. County Public Works

"Since you're on a private well, the County can't help directly. Try Fallbrook PUD."

2. Fallbrook PUD

"You're outside our boundary. You'd need an annexation through the Local Agency Formation Commission… You'd initiate the application with them."

3. Local Agency Formation Commission

Complex application, consultant costs for map, legal (surveyor), $25K+ costs, and environmental review...

Two Paths

The same community. The same problem. Two very different futures.



PATH A: Current Law

The Johnson’s go it alone — months of struggle, mounting costs, declining water quality

PATH B: Proposed Legislation

LAFCO steps in — coordinated process, shared costs, community engagement

PATH A · CURRENT LAW

Going It Alone

THE JOHNSON’S JOURNEY UNDER CURRENT LAW

Months of Paperwork

Assembling application, coordinating with agencies

$30K Equity Loan

Mortgage against home to cover fees

Neighbors Say No

Can't afford it, don't trust it, don't know them

Crisis Continues

Water worsens, Emma gets sick

Without Legislation…

Under current law, the Johnson’s have no choice but to go it alone. The family spends months trying to assemble an application. They take out a costly loan against their home. Although they try to recruit neighbors, it's difficult – they're new to the area and don’t feel comfortable asking strangers to participate. Meanwhile, the water quality continues to decline. One of their children gets a stomach bug — maybe unrelated, maybe not.

PATH B · PROPOSED LEGISLATION

A Better Path Forward

The proposed legislation gives LAFCO authority to initiate annexations when there's a documented threat to public health — with built-in safeguards at every step.

Core Principle:
Community voice is protected at every step. If residents don't want LAFCO to act, LAFCO won't act.

THE PROCESS AT A GLANCE

1. VERIFY THREAT	2. COMMUNITY INPUT	3. FORMAL PROCESS	4. FINAL APPROVAL
LAFCO confirms threat with state/local agencies	Required community meeting before action	Resolution, district notice (opportunity to request termination of proceedings), tax exchange agreement (required)	Public hearing, protest rights preserved

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