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

5c

AGENDA REPORT
Business | Information

July 17, 2026

TO: Special Districts Advisory Committee

FROM: Michaela Peters, Analyst II
Adam Wilson, LAFCO Consultant

SUBJECT: **Resource Conservation Districts 2.0 Update**

SUMMARY

The Special Districts Advisory Committee (Committee) will receive an update on the Commission's RCDs 2.0 initiative, a workplan priority involving the region's three resource conservation districts (RCDs): Mission RCD (MRCD), Upper San Luis Rey RCD (USLRRCD), and the Resource Conservation District of Greater San Diego County (RCDGSDC). RCDs 2.0 builds on the Commission's earlier RCD Ad Hoc effort (RCDs 1.0), which implemented recommendations from the 2021 county-wide Municipal Service Review (MSR) on RCDs by establishing a Master Memorandum of Understanding (MOU) to address unauthorized out-of-agency services between the districts. The current phase focuses on aligning district boundaries with actual service areas through boundary reorganizations and, where appropriate, consolidation. Since February 2025, the RCDs 2.0 working group has met nine times – most recently in June 2026 – and continue exploring reorganization alternatives including consolidation. This item is presented for Committee information.

BACKGROUND

Municipal Service Review on RCDs + Key Recommendation

San Diego LAFCO completed a countywide MSR on RCDs in February 2021. Among its principal findings, the MSR concluded the RCDs should align existing and future service activities with

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Chair Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

their jurisdictional boundaries, with any out-of-agency services authorized through the LAFCO approval process established under Government Code section 56133. The MSR also recommended establishing an advisory committee to assist in implementing these and other key recommendations, including evaluating opportunities for functional and/or political consolidations. These recommendations led to two separate but related efforts referred to as RCD 1.0 and RCD 2.0, as further detailed below.

RCDs 1.0 | Ad-Hoc Committee + Master MOU

On August 1, 2022, the Commission established a nine-member RCD Ad Hoc Committee to implement the MSR recommendations, consisting of representatives from the three RCDs together with members representing the agricultural, water, and fire protection sectors. The Committee's initial phase of work (RCDs 1.0) focused on resolving unauthorized out-of-agency service activities occurring between the districts. These efforts culminated in the adoption of a master MOU – provided as Attachment One – by all three RCDs, establishing a coordinated framework for providing out-of-agency services and guiding future interagency projects.

Transition to RCDs 2.0 | Service Designations and Boundary Realignment

The Commission's adopted workplan continues to prioritize implementation of the MSR recommendations through the next phase of work (RCDs 2.0), transitioning the former ad hoc committee into a working group.[1] Current efforts are centered on two primary objectives:

(a) Developing contemporary RCD service function and class designations as required under LAFCO statute, and

(b) Facilitating coordinated boundary changes to eliminate reliance on out-of-agency service activities currently addressed through the MOU.

Since February 2025, LAFCO staff (Analyst Michaela Peters and consultant Adam Wilson) have met with the working group on nine occasions to evaluate existing district boundaries and potential reorganization alternatives.

DISCUSSION

This item is for the Committee to receive an update on one of the Commission's adopted workplan activities — RCDs 2.0. As part of this ongoing initiative, the working group continues to actively explore reorganization alternatives to achieve boundary realignment as well as consolidation options with the overall goal of advancing the Commission's earlier MSR recommendations. Should discussions continue to advance in either direction, the districts would be required to file a formal application with the Commission, including accompanying

[1] The Commission approved modifying the Ad Hoc composition for purposes of 2.0 down to six to no longer include three at-large members. The current composition includes the General Manager and one board member from each of the three RCDs.

resolutions of application with proposed boundary changes, for formal consideration in accordance with applicable law and Commission policies.

ANALYSIS

None.

RECOMMENDATION

This item is presented to the Committee for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the Committee's agenda for information as part of the business calendar. The following procedures are recommended in consideration of this item:

1) Receive verbal presentation from staff unless waived.
2) Invite comments from interested audience members, if any.
3) Discuss item and provide general feedback, as needed.

On behalf of staff,

Michaela Peters

Michaela Peters
Local Government Analyst II

Attachments:
1) Master Memorandum of Understanding between RCDs (May 2023)

Blank for Photocopying

MASTER MEMORANDUM OF UNDERSTANDING BETWEEN THE RESOURCE CONSERVATION DISTRICT OF GREATER SAN DIEGO COUNTY, MISSION RESOURCE CONSERVATION DISTRICT AND UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 56133

This Master Memorandum of Understanding ("MOU") is entered into by and between the Resource Conservation District of Greater San Diego County, with its principal place of business located at 11769 Waterhill Road, Lakeside, CA 92040 (hereinafter referred to as "RCDGSDC"), the Mission Resource Conservation District, with its principal place of business located at 130 East Alvarado Street, Fallbrook CA 92028 (hereinafter referred to as "Mission RCD") and the Upper San Luis Rey Resource Conservation District, with its principal place of business located at 34928 Valley Center Road, Valley Center CA 92092 (hereinafter referred to as "San Luis Rey RCD") (collectively the "Districts").

RECITALS

WHEREAS, Resource Conservation Districts, under Division 9 of the California Public Resources Code, section 9408, are allowed and encouraged to cooperate and enter into agreements with other Resource Conservation Districts to accomplish the purpose of said Districts, which is to conserve natural resources and to provide conservation services; and,

WHEREAS, the RCDGSDC, Mission RCD and San Luis Rey RCD would like to establish a framework for the Districts to provide outreach and technical assistance and to meet the need for that service with their collective jurisdictional boundaries as more fully described in Exhibit A hereto; and

WHEREAS, one or more of the Districts may be awarded grants or contracts on an ongoing basis requiring the need for technical assistance and outreach in the jurisdictional boundaries of one or more of the other Districts.,

NOW THEREFORE, the Districts mutually agree, effective on the date of the last signature, and within the limitations of authorities, resources, and established policies of the Districts, including, but not limited to, compliance with California Government Code, section 56133 and , if required by law, written consent of the San Diego Local Agency Formation ("LAFCO"), as follows:

ARTICLE I. SCOPE OF WORK; STATUS OF PARTIES; COOPERATION.

A. Pursuant to the grant or contract attached hereto as Exhibit B and incorporated by reference, each District will provide the scope of services within its own boundary and within the jurisdictional boundaries of the other Districts as set forth in Exhibits C and D, respectively ("Scope of Work"). . The Districts further agree to comply with all requirements of any applicable subgrant or subcontract, which is attached hereto as Exhibit E and incorporated by reference.

The Districts agree to undertake, carry out and complete, in a satisfactory and competent manner, all of the work and services set forth in the Scope of Work attached hereto as Exhibits C and D and comply with the requirements set forth in the grants or subgrants or contracts or subcontracts attached hereto and Exhibit B and E, respectively.

In addition to the specific services and formal reports required hereunder, the Districts agree that each District will at all times during the performance of this MOU maintain close liaison with the director of the other Districts in order to assure well-integrated and coordinated efforts.

B. The Districts shall perform all work under this MOU in a skillful, competent and timely manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Each District represents and warrants that it is skilled in the professional calling necessary to perform the services. Each District represents and warrants that all of their employees and subcontractors shall have sufficient skill and experience to perform the services assigned to them. Each District further represents and warrants that it, its employees and subcontractors or subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the services, and that such licenses and approvals shall be maintained throughout the term of this MOU. Each District shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the work and shall give all notices required by law.

ARTICLE II. ADMINISTRATION OF AGREEMENT.

Performance of duties and responsibilities under this MOU shall be the responsibility of the Executive Director (or his/her designee) of each District as identified below:

Ann Baldridge, serving as RCDGSDC's contact person.
Name, serving as Mission RCD's contact person.
Name, serving as San Luis Rey RCD's contact person.

Each District shall promptly notify the other Districts, of any change of such personnel or designee.

ARTICLE III. PERIOD OF PERFORMANCE.

The period of performance of this MOU shall be for the term set forth in the grant or contract attached hereto as Exhibit B.

ARTICLE IV. COMPENSATION AND MAXIMUM COST.

In full and complete consideration of the Districts' performance under this MOU, each

District shall be reimbursed for allowable costs incurred in providing the work required pursuant to this MOU and specifically as set forth in Exhibit F hereto, which is incorporated by reference.

MOU expenditures shall be in accordance with Exhibit F. Minor variances of less than 10% are allowable if authorized by the applicable grant or contract and approved in writing prior to the work being performed.

ARTICLE V. PAYMENT.

The District awarded the grant or contract shall be responsible for making payments pursuant thereto. Payment to the Districts shall be made within thirty (30) days upon receipt and approval by the contact persons identified in Article II above provided an approved invoice is presented for payment showing approved payment categories, expenditures for the period covered by the invoice, and remaining balance.

All invoices must be submittedto the Executive Director of the District awarded the applicable grant or contract and contain the following certification statement: "I certify that all expenditures reported (or payment requested) are for appropriate purposes and in accordance with the provisions of the MOU and applicable grant or contract." All invoices must be signed by the designated contact person or his or her designee on behalf of District seeking reimbursement or payment.

All invoices, including a final invoice, shall be received prior to expiration of the MOU.

ARTICLE VI. REPORTING

Each District will submit quarterly progress reports to the Executive Director of the District awarded the applicable grant or contract, whether or not required by a grant or contract that include work for which a Districts seeks reimbursement. The quarterly progress reports shall be submitted to the other Districts and as required by the grant or contract. Quarterly progress reports may be submitted by email, unless otherwise requested by another District.

If requested in writing, a District shall promptly, within seven (7) days, provide additional information deemed necessary by another District for quarterly progress report purposes.

In addition, and if applicable, each District shall prepare, submit, and implement a specific plan for the activities funded by the grant or contract attached hereto as Exhibit B. This specific plan shall be submitted to the other Districts with the first invoice and be referenced in quarterly progress reports.

ARTICLE VII. OWNERSHIP OF PROPERTY AND WORK PRODUCT.

The Districts agree that the District awarded the grant or contract shall own and be entitled to any physical or intellectual property furnished pursuant to this MOU. All

documents, records, apparatus, equipment and other physical or intellectual property furnished by the respective Districts or produced by a District or others at said District's direction in connection with the attached grant or contract, will be and remain the sole property of the designated District.

ARTICLE VIII. CONFIDENTIALITY.

The Districts acknowledge that during the performance of this MOU, each District (and its employees and agents) may have access to and become acquainted with various confidential matters, proprietary information, innovations, processes, information records and specifications owned by and/or used by the other Districts in connection with the operation of its business including, without limitation, business processes, as well as strategic planning, marketing and financial operations and methods, trade secrets, customer, lists, accounts and procedures. The Districts and their employees and agents will not disclose any confidential information, directly or indirectly, or use any of the confidential information in any manner, either during the term of this MOU or at any time thereafter, except as required in the course of carrying out this MOU or as required by law. The provisions of this paragraph shall survive the termination of the MOU and the obligation of confidentiality shall remain in force for three (3) years from the date of termination of this MOU.

ARTICLE IX. FINANCIAL MANAGEMENT SYSTEMS.

The Districts shall maintain financial management systems during the term of the MOU capable of providing the following associated with any grant, contract or subcontract that is subject to this MOU:

- accurate, current and complete disclosure of the financial activity under this MOU;
- records that identify the source and application of the particular District's funds;
- effective control over and accountability for all funds, property and other assets;
- comparison of actual outlays with budgeted MOU amounts;
- consistency with the applicable regulatory cost principles; and
- accounting records supported by source documentation.

ARTICLE X. RECORDS RETENTION AND AUDIT.

Each District shall have access to and the right to examine and audit directly, during normal business hours, only the pertinent books, documents, papers and records associated with any grant, contract, or subcontract that is subject to this MOU of the other Districts up to a period of ten (10) years beyond the termination of the MOU.

ARTICLE XI. HOLD HARMLESS.

To the fullest extent under the law, each District shall defend, indemnify and hold harmless the other Districts, their officers, employees and agents from and against any and all liability, loss, expense, attorney's fees, or claims for injury or damages arising out of a specific District's performance under this MOU but only in proportion to and to the extent such liability, loss, expense, attorney' s fees or claims for injury or damages are caused by or

result from the negligent or intentional acts or omissions of the District, its officers, agents or employees.

ARTICLE XII. INSURANCE.

Each District shall, at its sole cost and expense, procure and maintain throughout the term of this MOU, the following insurance coverage:

A. Comprehensive General Liability insurance providing coverage against claims for Bodily Injury or Death, and Property Damage. Such insurance shall provide protection to the limit of not less than $2,000,000 per occurrence and $2,000,000 combined single limit for Bodily Injury and Property Damage.

B. Workers' Compensation insurance statutory coverage including Employers Liability with limits of not less than $1,000,000.

C. Comprehensive Automobile Liability with limits not less than $1,000,000 each occurrence, combined single limit for Bodily Injury and Property Damage, including coverage for owned, non-owned and hired vehicles.

This insurance coverage shall name the other Districts and each of their directors, officers, agents and employees as additionally insured and shall be sufficient to meet the requirements set forth in the grant or contract attached hereto as Exhibits B and E.

ARTICLE XIII. WORKERS' COMPENSATION.

Each District affirms that it is aware of the provisions of §3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self- insurance in accordance with the provisions of that code, and each District affirms that it will comply with such provisions before commencing the performance of the work under this MOU.

ARTICLE XIV. DRUG-FREE WORKPLACE CERTIFICATION.

Certification of Compliance: By signing this Agreement, the Districts, their contractors, or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.)* and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by

Government Code Section 8355(a)(1).

B. Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
   1. The danger of drug abuse in the workplace.
   2. Districts' policy of maintaining a drug-free workplace.
   3. Any available counseling, rehabilitation, and employee assistance programs, and
   4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code Sections 8355(a)(3), that every employee,contractor, and/or subcontractor who works under this MOU:
   1. Will receive a copy of the Districts' drug-free policy statement.
   2. Will agree to abide by terms of Districts' condition of employment, contract or subcontract.

ARTICLE XV. TERMINATION.

Each District shall use its best efforts to provide the services required herein at the time and in the manner herein provided. This MOU may be terminated by one or more of the Districts at any time, with cause, upon the giving of thirty (30) days prior written notice to the other Districts. Said notice shall be given as provided in Article XX. In the event of termination, no new contract, grant, or subcontract shall be entered that would be subject to this MOU. Each District shall be entitled to payment for acceptable, allowable and completed work performed under this MOU, and for all non-cancellable obligations made in connection with such work, through the date of termination. Any prepaid, but unearned funds shall be promptly returned to, the appropriate District.

Notwithstanding any termination pursuant to this Article XV or any expiration of the period of performance pursuant to Article III, this MOU shall survive, and the Districts shall continue to perform any contract, grant, or subcontract entered pursuant to this MOU until such time that the contract, grant or subcontract may be validly terminated without causing a breach or undue cost to any District.

ARTICLE XVI. SEVERABILITY.

In the event that any of the provisions of this MOU are found invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of the MOU.

ARTICLE XVII. WAIVER.

The failure by any District to enforce a breach, default, delay, or omission of any other provisions of this MOU by another District will not be construed as a waiver of any subsequent breach of same or other provisions, nor as a waiver by any other District of the current or future breach, default, delay or omission of any other provisions of this

MOU by that District.

ARTICLE XVIII. GOOD FAITH MEDIATION.

In the event a dispute arises out of this MOU, the Districts will attempt to resolve said dispute informally in good faith by way of non-binding mediation. A mediator shall be mutually agreed upon by the Districts. The cost of mediation shall be paid on a prorated basis.

ARTICLE XIX. GOVERNING LAW; LABOR CODE.

This MOU shall be governed by and construed in accordance with Federal law and the laws of the State of California, including, but not limited to, the following California Labor Code prevailing wage requirements as applicable.

A. The Districts are aware of the requirements of California Labor Code Sections I720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and " maintenance" projects (" Prevailing Wage Laws"). If the services are being performed as part of an applicable "public works" or" maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, each District agrees to fully comply with such Prevailing Wage Laws. Each District shall defend, indemnify, and hold the other Districts, and their officials, officers, employees, and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Districts and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

B. If any portion of the work is being performed as part of an applicable " public works" or "maintenance project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Districts and all subcontractors performing such services must be registered with the Department of Industrial Relations. The Districts shall maintain registration for the duration of the work performed pursuant to the MOU and require the same of any subcontractors, as applicable. The work under this MOU may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be each Districts sole responsibility to comply with all applicable registration and labor compliance requirements. Notwithstanding the foregoing, the Districts registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works

Blank for Photocopying