

## M E M O

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** December 9, 2019  
**SUBJECT:** Consider Adoption of a Resolution of Application Requesting the San Diego Local Agency Formation Commission to Commence Proceedings for the Detachment/Exclusion of FPUD from the San Diego County Water Authority and Annexation into the Eastern Municipal Water District and Finding that the Action is Exempt from CEQA

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Purpose

For the Board to consider Adoption of a Resolution of Application Requesting San Diego Local Agency Formation Commission (LAFCO) to commence proceedings for a reorganization to include detachment/exclusion of territory from San Diego County Water Authority (SDCWA) and annexation to Eastern Municipal Water District (EMWD) (the Reorganization), and finding that the action is exempt from the California Environmental Quality Act (CEQA).

Summary and Background

At the regular Board Meeting on July 22, 2019 the Board directed the General Manager to continue to work on establishing potential terms of detachment with SDCWA. At the regular Board Meeting on August 26, 2019, the Board directed the General Manager to begin preparation of the Resolution of Application for the proposed Reorganization and also to continue to work with SDCWA on identifying potential terms relative to the SDCWA detachment/exclusion component of the Reorganization. Staff has not been successful in negotiating potential terms with SDCWA (See attachment A). SDCWA has also recently taken a position that any negotiation must be done with each of SDCWA's 26 member agencies instead of with SDCWA, notwithstanding the express provisions of LAFCO's applicable policy. At its November 21, 2019 Board Meeting, SDCWA took an action to request that the detachment/exclusion request be subject to a vote of all voters in SDCWA's service area instead of limiting the vote to the District's service area as is expressly required under the County Water Authority Act. These actions clearly indicate that SDCWA is not interested in negotiating potential terms with the District and the only option left for the District is to either stop the process or submit an application to LAFCO and allow LAFCO to develop potential terms.

Staff has prepared the attached draft plan for services, as required by Government Code section 56653, describing in detail the impacts of the proposed reorganization.

Options:

There are two options presented for the Board to consider:

1. Adopt the Resolution of Application for the Reorganization to include detachment/exclusion from SDCWA and annexation to EMWD for submission to San Diego LAFCO.
2. Do not adopt the Resolution of Application.

Recommended Action

Staff supports Board direction.