

Nov. 25, 2019

Dear San Diego County Water Customer:

The San Diego County Water Authority is a regional agency that has provided wholesale water service to San Diego County for more than 75 years. The Water Authority has 24 member agencies, each of which has at least one appointed local representative on the Water Authority's Board of Directors.

The Water Authority aims to provide a reliable water supply at the lowest possible cost to our member agencies, and through them, to all San Diego County water users. We have achieved that goal through innovative solutions and shared investments in our future over the past three decades.

Recently, you may have read or heard that two of our member agencies – the Fallbrook Public Utility District and Rainbow Municipal Water District – announced that they may pursue plans to detach from the Water Authority and instead rely on a Riverside County water agency for water supplies. If not carefully considered, detachment by these agencies could have significant impacts on water rates and water supply reliability for all water users in San Diego County, including those in Fallbrook and Rainbow.

Fortunately, San Diego County's Local Agency Formation Commission – known as San Diego LAFCO – recently determined that if Rainbow and Fallbrook actually file applications to detach, it will establish a process to ensure a thorough review of impacts on all water users countywide. At its meeting on November 21, the Water Authority's Board of Directors approved a resolution seeking to ensure that all voters in San Diego County have an opportunity to be heard on this matter.

In addition, LAFCO requires that agencies interested in detachment first seek to engage all other affected agencies. Besides Water Authority member agencies, this includes fire agencies or other special districts that could be impacted, for example, by reductions in water supply reliability.

The Water Authority has been contacted by water users in Fallbrook and Rainbow and a number of other member agencies, expressing concern about the potential detachment. We want to assure you that the process established by LAFCO is strong, and that the Water Authority will remain committed to representing all 24 of our member agencies and to providing all information requested by LAFCO. We seek to ensure that the process protects the interests of <u>all</u> San Diego County water ratepayers.

If you have questions, please call us at 858-522-6526 or email us at second-us an email if you want to be updated on this issue, and we'll follow up periodically. Finally, note that you can read related materials at www.sdcwa.org/lafco-detachment. Thank you for your continued support of safe and reliable water supplies.

Sincerely,

San Diego County Water Authority