



**Board of Directors
December 11, 2019**

SUBJECT:

Adopt a Resolution in Support of a Proposed Reorganization by Rainbow Municipal Water District and Fallbrook Public Utility District and Their Filing of Applications with the Local Agency Formation Commission for Such Purpose

BACKGROUND:

On August 7, 2019, the Board of Directors of Eastern Municipal Water District (EMWD) approved and authorized the execution of a Memorandum of Understanding (MOU) by and between EMWD, Rainbow Municipal Water District (RMWD) and Fallbrook Public Utility District (FPUD) to consider and explore the possibility of RMWD and FPUD receiving wholesale water service from EMWD.

After careful consideration, and for what RMWD and FPUD each have determined would be significant cost savings to their customers, these two agencies have now decided to pursue a change in their provider of wholesale water service, from that of the San Diego County Water Authority (SDCWA), their current water provider, to EMWD.

As such, RMWD and FPUD, each intend on initiating proceedings with the San Diego Local Agency Formation Commission (SDLAFCO) to detach from SDCWA and annex into EMWD. This change, if approved by SDLAFCO, and subject to a public vote, would ultimately require conforming sphere of influence amendments for the service areas of RMWD and FPUD from SDCWA into EMWD.

On December 3, 2019 and December 9, 2019, respectively, the Board of Directors of RMWD and FPUD are anticipated to consider for approval and adoption a resolution of application authorizing the filing of an application with SDLAFCO for their detachment from SDCWA and annexation into EMWD.

To formalize and acknowledge EMWD's support for the change in wholesale water service desired by RMWD and FPUD, it is proposed that a Resolution of the Board of Directors of EMWD (Exhibit A) be made in support of the reorganization sought by RMWD and FPUD and the submittal, for such purpose, of their applications to SDLAFCO.

FINANCIAL IMPACT:

None

STRATEGIC PLANNING GOAL/OBJECTIVE:

Partnerships: Position EMWD to respond to interagency consolidation opportunities or partnerships that are mutually beneficial, promote improved service to the community, and are implemented in a timely and orderly fashion.

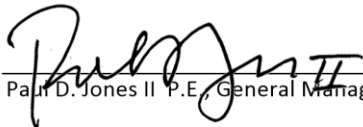
ENVIRONMENTAL IMPACT:

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

RECOMMENDATION:

Adopt a resolution of the Board of Directors of Eastern Municipal Water District (EMWD) in support of a proposed reorganization to detach the Fallbrook Public Utility District and Rainbow Municipal Water District from the San Diego County Water Authority (SDCWA) and concurrently annex to EMWD for their direct receipt of wholesale water deliveries from EMWD in lieu of water supplies that are currently provided by SDCWA.

SUBMITTED BY:



Paul D. Jones II, P.E., General Manager

11/27/2019



Nick Kanetis, Deputy General Manager

11/18/2019

Attachment(s):

Exhibit A - Resolution

12/11/19 Board Meeting

Staff Contact: Nick Kanetis