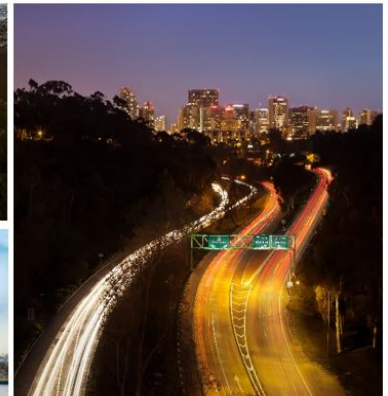


SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION



RESOURCE CONSERVATION DISTRICTS

Municipal Service Review | Government Code 56430

Affected Agencies

Mission Resource Conservation District

Resource Conservation District of Greater San Diego County

Upper San Luis Rey Resource Conservation District

Final Report | February 2021

Project Manager

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Local Government Analyst II

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ACKNOWLEDGEMENT

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San Diego LAFCO also acknowledges the unique circumstances underlying the preparation of this report and participation therein by the affected agencies and stakeholders given the parallel impact of the COVID-19 pandemic.

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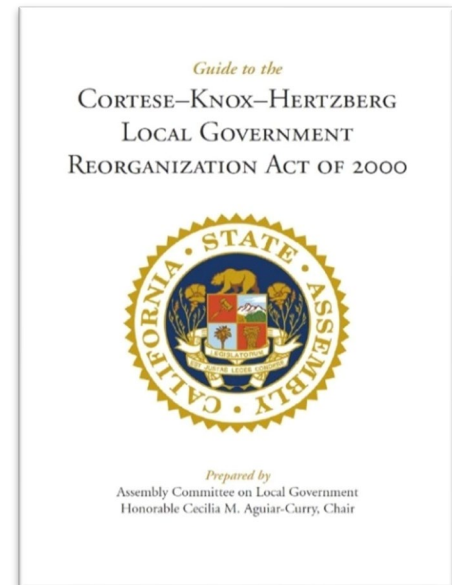
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CHAPTER ONE | INTRODUCTION

1.0 LOCAL AGENCY FORMATION COMMISSIONS

1.1 Authority and Objectives

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") with principal oversight provided by the Assembly Committee on Local Government.¹ LAFCOs are comprised of locally elected and appointed officials with regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. LAFCOs' creation were engendered by Governor Edmund "Pat" Brown Sr. (1959-1967) to more effectively address the needs of California's growing and diversifying population with an emphasis on promoting governmental efficiencies. Towards this end, LAFCOs are referred to as the Legislature's "watchdog" for local governance issues.²



Guiding LAFCOs' regulatory and planning powers is to fulfill specific purposes and objectives that collectively construct the Legislature's regional growth management priorities outlined under Government Code (G.C.) Section 56301. This statute reads:

“Among the purposes of the commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions. One of the objects of the commission is to make studies and furnish information to contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

¹ Reference California Government Code Section 56000 et. seq.

² In its ruling on *City of Ceres v. City of Modesto*, the 5th District Court of Appeals referred to LAFCOs as the “watchdog” of the Legislature to “guard against the wasteful duplication of services.” (July 1969)

LAFCO decisions are legislative in nature and therefore are not subject to an outside appeal process. LAFCOs also have broad powers with respect to conditioning regulatory and planning approvals so long as not establishing any terms that directly control land uses.

1.2 Regulatory Responsibilities

LAFCOs' principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities, towns, and most special districts in California.³ LAFCOs are also tasked with overseeing the approval process for cities, towns, and special districts to provide new or extended services beyond their jurisdictional boundaries by contracts or agreements. LAFCOs also oversee special district actions to either activate new service functions and service classes or divest existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by affected agencies, landowners, or registered voters. Recent amendments to CKH also authorize and encourage LAFCOs to initiate jurisdictional changes to form, consolidate, and dissolve special districts consistent with community needs.

LAFCOs have been responsible since 1963 to oversee formation, expansion, reorganization, and dissolution actions involving cities, towns, and special districts in California with limited exceptions.

1.3 Planning Responsibilities

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence (“sphere”) determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and serve as the Legislature’s version of “urban growth boundaries” with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county. Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and intended to inform – among other activities – sphere determinations. The Legislature mandates, notably, all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCOs are effectively aligning governmental services with current and anticipated community needs. An expanded summary of the function and role of these two planning responsibilities follows.

LAFCOs are tasked with planning the location of future urban uses through two interrelated activities: (a) establish and update spheres of influence as gatekeepers to future jurisdictional changes and (b) prepare municipal service reviews to independently evaluate the availability and performance of governmental services relative to community needs.

³ CKH defines “special district” to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCO with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; and air pollution control districts.

Spheres of Influence

LAFCOs establish, amend, and update spheres for all cities, towns, and most special districts in California to designate the territory it independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions as footnoted.⁴ Further, an increasingly important role involving sphere determinations relate to their use by regional councils of governments as planning areas in allocating housing need assignments for counties, cities, and towns.

Starting January 1, 2008, LAFCOs must review and update all local agencies' spheres every five years. In making sphere determinations, LAFCOs are required to prepare written statements addressing five specific planning factors listed under G.C. Section 56425. These mandatory factors range from evaluating current and future land uses to the

Spheres serve as the Legislature's version of urban growth boundaries and – among other items – delineates where cities, towns, or districts may seek future annexations or outside service approvals with LAFCOs. All jurisdictional changes must be consistent with the affected agencies' spheres with limited exceptions.

existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCOs in addressing the core principles underlying the sensible development of local agencies consistent with the anticipated needs of the affected communities. The five mandated planning factors are summarized in short-form below.

1. Present and planned land uses in the area, including agricultural and open-space.
2. Present and probable need for public facilities and services in the area.
3. Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.
4. Existence of any social or economic communities of interest in the area.
5. If the city or special district provides water, sewer, or fire, the need for those services in any disadvantaged unincorporated communities in the existing sphere.

⁴ Exceptions in which jurisdictional boundary changes do not require consistency with the affected agencies' spheres include annexations of State correctional facilities or annexations to cities/towns involving city/town owned lands used for municipal purposes with the latter requiring automatic detachment if sold to a private interest.

Municipal Service Reviews

Municipal service reviews serve as a centerpiece to CKH’s enactment in 2001 and represent comprehensive studies of the level, range, and performance of governmental services provided within defined geographic areas. LAFCOs generally prepare municipal service reviews to explicitly inform subsequent sphere determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular agency or governmental service. LAFCOs may use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies. Advisory guidelines on the preparation of municipal service reviews were published by the Governor’s Office of Planning and Research in 2003 and remain the lone statewide document advising LAFCOs in fulfilling this mandate.

All municipal service reviews – regardless of their intended purpose – culminate with LAFCOs preparing written statements addressing seven specific service factors listed under G.C. Section 56430. This includes, most notably, infrastructure needs or deficiencies, growth and population trends, and financial standing. The seven mandated service factors are summarized below in short-form with additional details footnoted.⁵

Municipal service reviews fulfill the Legislature’s interests in LAFCOs regularly assessing the adequacy and performance of local governmental services in order to inform possible future actions ranging from sphere determinations to reorganizations.

1. Growth and population projections for the affected area.
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to affected spheres of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.
4. Financial ability of agencies to provide services.
5. Status and opportunities for shared facilities.

⁵ Determination No. 5 was added to the municipal service review process by Senate Bill 244 effective January 1, 2012. The definition of “disadvantaged unincorporated community” is defined under G.C. Section 56330.5 to mean inhabited territory that constitutes all or a portion of an area with an annual median household income that is less than 80 percent of the statewide annual median household income; the latter amount currently totaling \$53,735 (emphasis added).

6. Accountability for community service needs, including structure and operational efficiencies.
7. Matters relating to effective or efficient service delivery as required by policy.

1.4 LAFCO Decision-Making

LAFCOs are generally governed by 11-member board comprising three county supervisors, three city councilmembers, three independent special district members, and two representatives of the general public. Some larger LAFCOs – including San Diego – also have additional board seats dedicated to specific cities as a result of special legislation. All members serve four-year terms and divided between “regulars” and “alternates” and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCO members are subject to standard disclosure requirements and must file annual statements of economic interests. LAFCOs have sole authority in administering its legislative responsibilities and decisions therein are not subject to an outside appeal process. All LAFCOs are independent of local government with the majority employing their own staff; an increasingly smaller portion of LAFCOs, however, choose to contract with their local county government for staff support services. All LAFCOs, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the membership. All LAFCOs must also appoint their own legal counsel.

State law directs all LAFCO members to independently discharge their responsibilities for the good of the region and irrespective of the interests of their appointing authorities.

1.5 Prescriptive Funding

CKH prescribes local agencies fully fund LAFCOs' annual operating costs. Counties are generally responsible for funding one-third of LAFCO's annual operating costs with remainder one-third portions allocated to the cities/towns and independent special districts. The allocations to cities/towns and special districts are calculated based on standard formula using general tax revenues unless an alternative method has been approved by a majority of the local agencies. The funding proportions will also differ should the LAFCO have additional representation as a result of special legislation. LAFCOs are also authorized to collect proposal fees to offset local agency contributions.

2.0 SAN DIEGO LAFCO

2.1 Adopted Policies and Procedures

The majority of San Diego LAFCO’s (“Commission”) existing policies and procedures were initially established in the 1970s and subsequently updated in the 2000s in step with the enactment of CKH. These policies and procedures collectively guide the Commission in implementing LAFCO law in San Diego County in a manner consistent with regional growth management priorities as determined by the membership with sufficient discretion to address local conditions and circumstances. This includes overarching policies and procedures to align present and planned urban uses with existing cities and special districts and discourage proposals that would convert prime agricultural and open-space lands unless otherwise orderly relative to community needs and or sufficiently mitigated. The Commission has also established pertinent policies and procedures specific to preparing sphere updates and municipal service reviews. This includes direction to the Executive Officer to regularly prepare municipal service reviews in appropriate scope and level to inform the Commission in updating spheres in regular five-year intervals.

2.2 Commission Information

San Diego LAFCO holds regular meetings on the first Monday of each month at the County of San Diego Administration Center located at 1600 Pacific Highway in San Diego, California. Meetings start at 9:00 A.M. Agenda materials are posted online generally no less than one week in advance of a regular meeting. The current Commissioner roster follows.

San Diego LAFCO Membership

Current as of January 20, 2021

Commissioner	Appointing Authority	Affiliation
Chair Andy Vanderlaan	Commission	Representative of the Public
Vice Chair Jim Desmond	Board of Supervisors	County of San Diego
Chris Cate	City of San Diego Council	City of San Diego
Jo MacKenzie	Independent Special Districts	Vista Irrigation District
Mary Casillas Salas	Cities Selection Committee	City of Chula Vista
Nora Vargas	Board of Supervisors	County of San Diego
Bill Wells	Cities Selection Committee	City of El Cajon
Baron “Barry” Willis	Independent Special Districts	Alpine Fire Protection District
Joel Anderson, Alternate	Board of Supervisors	County of San Diego
Erin Lump, Alternate	Independent Special Districts	Rincon del Diablo Municipal Water District
Harry Mathis, Alternate	Commission	Representative of the Public
Paul McNamara, Alternate	Cities Selection Committee	City of Escondido
Marni von Wilpert, Alternate	City of San Diego Council	City of San Diego

Immediate Past Members in 2020:
Dianne Jacob, County of San Diego
Mark Kersey, City of San Diego
Greg Cox, County of San Diego (alt)

2.3 Contact Information

San Diego LAFCO's administrative office is located within the County of San Diego's Operations Center at 9335 Hazard Way in San Diego (Kearny Mesa). Visitor parking is available. Appointments to discuss proposals or other matters are encouraged and can be scheduled by calling 858.614.7755. Communication by e-mail is also welcome and should be directed to lafco@sdcounty.ca.gov. Additional information regarding San Diego LAFCO's programs and activities is also online by visiting www.sdlafco.org.

Thank you.



Keene Simonds
Executive Officer

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CHAPTER TWO | EXECUTIVE SUMMARY

1.0 OVERVIEW

This report represents San Diego LAFCO’s scheduled municipal service review on resource conservation districts (RCDs) in San Diego County. The report has been prepared by staff and consistent with the scope of work approved by the Executive Officer. The underlying aim of the report is to produce an independent assessment of the level and range of services provided by the three authorized public agencies under LAFCO oversight operating in San Diego County – Mission RCD, RCD of Greater San Diego County, and Upper San Luis Rey RCD. Information generated as part of the report will be used by the Commission in (a) guiding subsequent sphere of influence updates, (b) informing future boundary changes, and – if merited – (c) initiating government reorganizations, such as special district formations, consolidations, and/or dissolutions.

The purpose of the report is to produce an independent “snapshot” of the level and range of services provided by all three RCDs operating in San Diego County – Mission, Greater San Diego County, and Upper San Luis Rey – relative to informing future LAFCO decision-making.

1.1 Key Premises, Assumptions, and Benchmarks

The report has been oriented in scope and content to serve as an ongoing monitoring program on RCDs in San Diego County. It is expected San Diego LAFCO will revisit the report and key assumptions and benchmarks therein approximately every five years consistent with the timetable set by the Legislature and memorialized under adopted policy. This will also allow the Commission – among other tasks – to assess the accuracy of earlier projections and make appropriate changes in approach as needed as part of future reports. Key assumptions and benchmarks affecting scope and content in this report follow.

Looking Back | Determining the Data Collection Range or Report Period

The period for collecting data to inform the Commission’s analysis and related projections on population growth, service demands, and finances has been set to cover the five-year fiscal period from 2015 to 2019 with limited exceptions. This data collection period – which covers the 60 months immediately preceding the start of work on the document – purposefully aligns with the five-year timeline for the report with the resulting data trends appearing most relevant in making near-term projections; i.e. data from the last five years is most pertinent in projecting trends over the next five years.

Looking Forward | Setting the Report's Timeframe

The timeframe for the report has been oriented to cover the next five-year period through 2024 with the former (five years) serving as the analysis anchor as contemplated under State law. This timeframe is consistent with the five-year cycle prescribed for municipal service reviews under G.C. Section 56430 and expected therein to inform all related sphere of influence and boundary actions undertaken during this period involving any of the affected agencies unless otherwise merited.

Calculating Population Estimates and Projections

Past and current residential population estimates in the report draw on data generated by Esri and their own mapping analyses of census tracts. This approach differs from past Commission practice to utilize estimates by the San Diego Association of Governments or SANDAG and done so given – and among other factors – the ability of Esri's mapping software to readily sync with special district boundaries. Projections over the succeeding five-year period are made by LAFCO and apply the estimated growth trend in each service area over the last 60 months with limited exceptions; i.e. population growth over the last five years is generally expected to hold over the next five years.

Emphasis on Qualifying Service Levels

The report emphasizes qualifying RCD service levels and marked by describing active functions and central characteristics. This approach deviates from standard municipal service review practice and reflects the unique role of RCDs in providing services that are increasingly focused on education and information as opposed to transactional – such as water, wastewater, and fire protection – where quantification is more readily available.

Benchmarking Fiscal Standing: Focus on Averages and Trends

Several diagnostic tools are used to assess and make related determinations on the RCDs' financial standing based on a review of available audited information during the report period, fiscal years 2015 to 2019. This includes an emphasis on analyzing days' cash, debt-to-net assets, and total margin with deference on overall averages and trends. These specific diagnostics provide the Commission with reasonable benchmarks to evaluate liquidity, capital, and margin while controlling against one-year outliers.

Focusing on Macro-Level Determinations

The report focuses on the RCDs' program-level activities during the five-year report period and broader and cumulative policy considerations. This approach informs macro-level

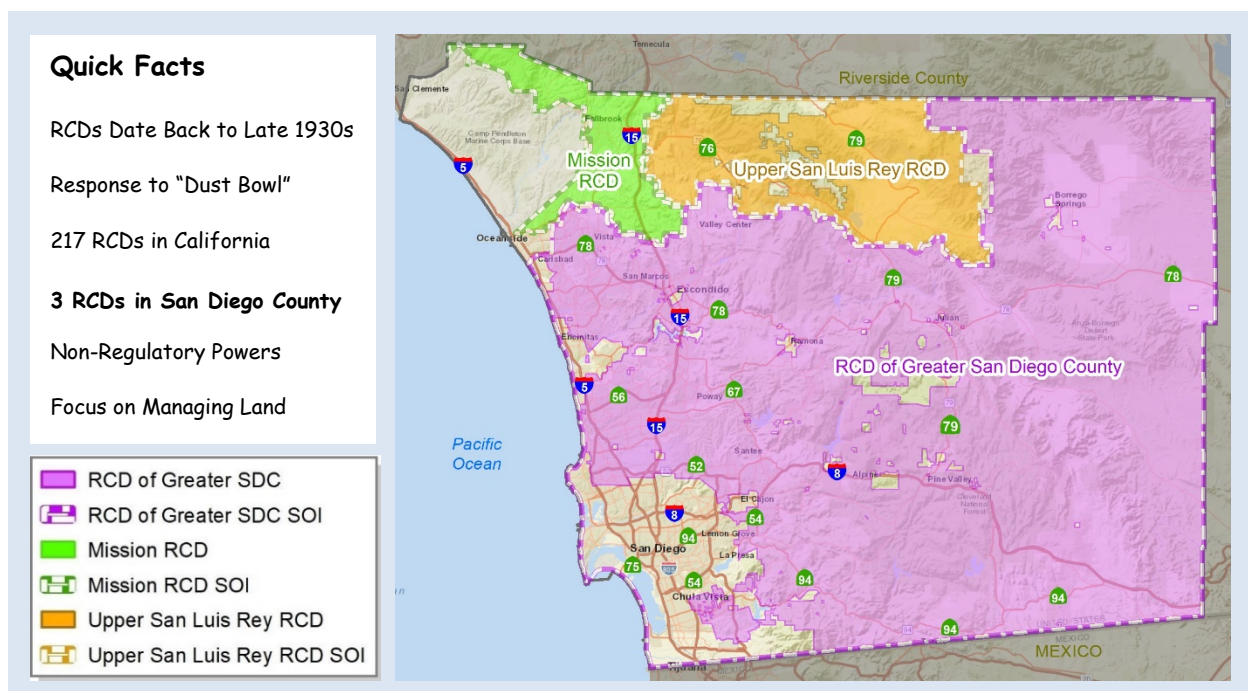
determinations for all mandatory factors under statute. When applicable, the report notes the need for more micro-level analysis – including transition to more quantitative analysis – as part of addendums or future municipal service reviews.

2.0 STUDY ORGANIZATION

This chapter serves as the Executive Summary and outlines the key conclusions, recommendations, and determinations generated within the report.⁶ This includes addressing the mandatory factors required for consideration by the Legislature anytime San Diego LAFCO performs a municipal service review. The Executive Summary is preceded by individual agency profiles (Chapter Three) of all three active RCDs operating in San Diego County. The profiles transition between general descriptions of the background and development of these agencies' service areas to addressing specific agency service functions.

3.0 GEOGRAPHIC AREA

The geographic area designated for this municipal service review includes all of San Diego County and covers 4,027 square miles or 2.58 million acres. This designation captures all three RCDs' – Mission, Greater San Diego County, and Upper San Luis Rey – jurisdictional boundaries and spheres of influence and illustrated below.



⁶ The Executive Summary distinguishes between “conclusions,” “determinations,” and “recommendations.” Conclusions are general policy takeaways. Determinations address specific legislative factors. Recommendations address actions drawn from the determinations.

4.0 REPORT SUMMARY

4.1 General Themes and Conclusions

RCDs – originally known as Soil Conservation Districts – first emerged in California in the late 1930s and memorialized the State Legislature’s interest to empower local landowners to proactively remedy soil erosion by water, wind, and other sources. RCDs’ enabling legislation followed the Federal government’s lead and the Soil Conservation Act of 1935, which responded to the “Dust Bowl” and created the Natural Resources Conservation Services to partner with states and local agencies to protect against soil erosion and loss of farmland. California’s legislation, notably, initially focused RCDs in creating a local property tax base to supplement work by the Natural Resources Conservation Services through community engagement and technical expertise.⁷ Subsequent legislation through the early 1970s reoriented RCDs as stand-alone agencies with an expanded focus to also include wildlife.

An initial round of RCD formations in San Diego County started in the early 1940s with additional formations continuing through the 1960s. At the height, there were 15 RCDs operating throughout San Diego County. New restrictions in raising tax revenues tied to Proposition 13 coupled with land use changes beginning in the 1970s led to a course reverse and a trend in consolidations through the 1990s as smaller RCDs (Borrego, Julian, Lakeside, Penasquitos, Valley Center, etc.) folded into larger RCDs with greater economies of scale.⁸ Changes in land uses, pertinently, involved a significant expansion of urban development in step with San Diego County’s population more than doubling between 1970 and 2000 from 1.357 million to 2.815 million; a difference translating to the average net addition of 135 new residents in San Diego County each day over a 30-year period.⁹ The substantive result was the methodical drawn-down in RCDs to the remaining three in operation today along with the realignment of service activities to be largely guided by available grant funding.

A review of the three RCDs operating in San Diego County relative to San Diego LAFCO’s growth management tasks and interests as prescribed under statute produces eight central themes or conclusions. These conclusions are in linear order and collectively address the availability, demand, and performance of RCD services as well as challenges and opportunities proceeding forward. The conclusions are independently drawn and sourced to information collected and analyzed between 2015 and 2019 and detailed in the agency profiles.

⁷ The first field office in San Diego County for the Natural Resource Conservation Services was established in 1941 in Escondido.

⁸ Proposition 13 was approved by voters in June 1978 and capped property tax rates at 1% at the time of acquisition. This provision created a property tax ceiling and replaced the prior ability of counties, cities, and special district to set their own tax rate and irrespective of cumulative impacts on property owners. Proposition 13 also requires two-thirds approval from voters for local government to establish special taxes/assessments.

⁹ For comparison, San Diego County’s overall population increased from 2.815 million in 2000 to 3.345 million in 2020 and translates an average day addition of 73 residents over the 20-year period.

- **No. 1 | Introductory Municipal Service Review**

This report marks San Diego LAFCO's first municipal service review on RCDs in San Diego County and in doing so serves as a substantive new introduction of the Commission to all three affected agencies. Marking this introduction is addressing relatively new LAFCO statutes and responsibilities to the affected agencies in real-time while proceeding with an otherwise unfamiliar and relatively detailed service review process. Similarly, this introduction for the Commission reorients this municipal service review to focus on establishing baseline information for all three affected agencies with the intention of expanding the analysis – and specifically providing more quantitative measurements – in future municipal service reviews.

- **No. 2 | And Then There Were Three**

Over the last 40 years the number of RCDs in San Diego County have gradually decreased from 15 to the three – Mission, Greater San Diego County, and Upper San Luis Rey – remain today. This draw-down reflects a statewide trend and follows multiple consolidations where smaller RCDs have voluntarily folded into larger RCDs. The underlying attributes to the draw-down involve restrictions in generating new tax revenues paired with changes in land uses and expansion of the urban footprint.

- **No. 3 | Outdated Principal Act**

RCDs' principal act has remained largely unchanged since the 1970s and has become increasingly antiquated in aligning service powers with current resource conservation practices and needs. The principal act – relatedly and pertinently – has also fallen out of step with LAFCOs' oversight role of RCDs and highlighted by creating ambiguity in the Commission's task in statute to establish and regulate functions and classes of services. The cumulative effect of the principal act's antiquation are higher levels of local discretion needing to be exercised by the affected agencies as well as the Commission that may or may not sync with legislative expectations.

- **No. 4 | Influence of Grant Funding**

RCDs represent a unique outlier among special districts given their funding status and dependency on outside grants fall outside the traditional criteria of operating either as an enterprise (direct fees for services) or non-enterprise (tax supported) agency. Alternatively, and as illustrated locally, the three RCDs in San Diego County operate more similarly to non-profit organizations with grants more so than other factors guiding decision-making in delivering municipal services. This dynamic also further illuminates the antiquation of the RCD principal act given the nature of grant funding to address current interests and needs and increasingly prompts the affected agencies

– and more specifically Mission RCD and RCD of Greater San Diego County – to take on service programs beyond the clear and/or explicit provision in statute.

- **No. 5 | RCD Services Need to Reflect Boundaries**

Two of the three affected agencies – Mission RCD and RCD of Greater San Diego County – have invested significant resources in providing services outside their jurisdictional boundaries without having received approval from San Diego LAFCO as required under statute. These irregular service activities – while premised on good intentions – diminish the function and role of jurisdictional boundaries and have contributed to conflict among the agencies. These conditions require correction and may lead to substantive changes in these agency operations and/or fiscal standing.

- **No. 6 | Expanded – and Expanding – Role for RCDs**

The three affected agencies' formations date to a period where constituency needs were focused on receiving water and soil expertise to protect and enhance farmland with the related assumption these interests were limited to unincorporated lands. Subsequent demographic and societal changes have measurably expanded these roles to be more holistic and now connect to wildlife habit, wildfire prevention, and climate change through technical, education, and advocacy services. These benefits, pertinently, also extend into the incorporated communities and merit expansion of RCD boundaries into adjacent cities lying in shared watersheds where appropriate.

- **No. 7 | Recent Downward Fiscal Trends for Two RCDs**

Two of the three affected agencies – Mission RCD and RCD of Greater San Diego RCD – finished the five-year report period trending negatively in standard measurements used by San Diego LAFCO in the municipal service review process. Both agencies finished with overall negative total margins over the 60-month period paired with double-digit percentage decreases in liquidity levels. These changes were most impactful Mission RCD as it finished the report period with only one month of unassigned monies in its General Fund to meet average operating costs.

- **No. 8 | Clarifying Upper San Luis Rey RCD's Role in Managing Groundwater**

Upper San Luis Rey RCD is a member of the Pauma Valley Groundwater Sustainable Agency (GSA) along with Yuima Municipal Water District and the Pauma Valley Community Services District and responsible for developing and implementing a plan to achieve long-term groundwater sustainability in the local basin. RCD's participation began in 2017 and ties to its water conservation powers under the RCD principal act and – notably – provides the GSA complete coverage of the subbasin as required under

statute. However, and in response to stakeholder comments in preparing this report, additional review is needed to determine whether the RCD's water conservation powers were "active" at the time of joining the GSA or if the District should request and receive activation approval from LAFCO.

- **No. 9 | Purposeful LAFCO Pause**

The introductory role of this municipal service review coupled with other noted factors – including the more immediate need to sync services and boundaries – suggest a purposeful pause is merited before proceeding with next level analyses. Most notably, this includes deferring the Commission's evaluation of shared resource opportunities, such as functional and/or political consolidations, to the next municipal service review cycle.

4.2 Recommendations

The following recommendations call for specific action either from San Diego LAFCO and or one or more of the affected agencies based on information generated as part of this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations of LAFCO action are dependent on a subsequent directive from the Commission and through the adopted workplan.

1. San Diego LAFCO affirms resource conservation functions are explicit municipal services under CKH and support – both through direct and indirect means – orderly growth and development in San Diego County. LAFCO should accordingly incorporate regular reviews of RCD functions as part of future municipal service review cycles.
2. San Diego LAFCO should collaborate with the County of San Diego and SANDAG to develop buildout estimates specific to each affected agency and incorporate the information into the next scheduled municipal service review.
3. San Diego LAFCO should coordinate with all three affected agencies in developing performance measurements to help quantify capacity-demand relationships in each jurisdiction to appropriately inform future studies and/or reorganizations.
4. San Diego LAFCO should work with stakeholders and local legislators to propose a comprehensive rewrite of the RCD principal act and – among other benefits – clarify service function powers relative to current and anticipated community needs.

5. Irrespective of other efforts, San Diego LAFCO should proceed and address RCDs in the scheduled update to Rule No. 4 and the associated statutory directive for the Commission to formalize and regulate special districts' functions and classes.
6. All three affected agencies should voluntarily proceed in taking necessary corrective measures to ensure regulatory compliance with San Diego LAFCO and statutory emphasis therein to align municipal services with jurisdictional boundaries.
7. All three affected agencies are reminded to request and receive written approval or confirmation of exemption before entering contracts or agreements to provide municipal services outside their jurisdictional boundaries per G.C. Section 56133. None of the affected agencies are authorized to self-exempt under this statute.
8. San Diego LAFCO recently issued a cease and desist order to Mission RCD to terminate unauthorized out-of-agency services provided within the boundary and sphere of influence of RCD of Greater San Diego. It is unclear whether Mission RCD has complied with this order and accordingly additional action by LAFCO may be appropriate.
9. Upper San Luis Rey RCD should review the prescriptive requirements recently enacted (Assembly Bill 2257 and Senate Bill 929) and make conforming changes to their website and improve communication with constituents. Most urgently, this includes posting agendas and minutes online and in a timely manner as required under the Brown Act.
10. The County of San Diego should consider expanding their permit process to include erosion and sediment control plan reviews by applicable RCDs to enhance coordination among government agencies for the benefit of shared constituencies.
11. All three affected agencies can enhance their accountability to the public by providing video-recordings of board meetings online in step with their increasingly emphasized roles to educate and disseminate information on resource conservation best practices.
12. Notwithstanding other recommendations, San Diego LAFCO should immediately proceed with an addendum to determine if Upper San Luis Rey RCD has authority under LAFCO statute to provide water conservation and/or similar services under the principal act necessary to be a member of the Pauma Valley Subbasin GSA.
13. San Diego LAFCO should expand on the baseline information collected in this introductory municipal service review and provide a more quantified assessment of the three affected agencies services and related trends. The subsequent review

should also – markedly – dutifully explore reorganization options, including functional and/or political consolidation opportunities.

14. San Diego LAFCO should proceed and update all three affected agencies' spheres with no changes and in doing so satisfy its planning requirement under G.C. Section 56425.

5.0 WRITTEN DETERMINATIONS

San Diego LAFCO is directed to prepare written determinations to address the multiple governance factors enumerated under G.C. Section 56430 anytime it prepares a municipal service review. These determinations serve as independent statements based on information collected, analyzed, and presented in this report. The underlying intent of the determinations are to provide a succinct detailing of all pertinent issues relating to the funding, administration, and delivery of public services provided by the three affected RCDs specific to the Commission's growth management role and responsibilities. An abbreviated version of these determinations will be separately prepared for Commission consideration and adoption in conjunction with receiving the final report at a noticed hearing.

These determinations detail the pertinent issues relating to the funding, administration, and delivery of the three RCDs' public services based on data collected and analyzed between 2015 and 2019.

5.1 Growth and Population Projections

1. San Diego LAFCO independently estimates there are collectively 1,580,806 total fulltime residents within the three affected agencies' jurisdictional boundaries as of the end of the five-year report period. This amount translates to nearly one out of every two residents in San Diego County reside within a RCD.
2. There is no overlap in residential populations among the three affected agencies with individual agency estimates at the end of the report period as follows:
 - (a) 123,611 residents in Mission RCD.
 - (b) 1,445,460 residents in RCD of Greater San Diego.
 - (c) 11,735 residents in Upper San Luis Rey RCD.
3. San Diego LAFCO estimates the combined annual rate of new fulltime population growth among the three affected agencies region during the five-year report period has been 0.98% and has netted 67,975 new residents. This growth rate is one-fifth

higher than the corresponding change for all of San Diego County.

4. The annual population growth rates among the three affected agencies during the five-year report period have varied with individual agency estimates as follows:
 - (a) 0.9% annual growth rate in Mission RCD.
 - (b) 1.0% annual growth rate in RCD of Greater San Diego.
 - (c) 0.8% annual growth rate in Upper San Luis Rey RCD.
5. The affected agencies' jurisdictional boundaries are relatively rural with an overall average of 1.0 resident for every 1.4 acres. This ratio – however – is contracting and decreased by one-tenth over the five-year report period from 1.0 resident for every 1.5 acres and reflects the changing and increasing development of the region.
6. San Diego LAFCO projects the current population growth rate within the three affected agencies will generally hold over the report timeframe. Should the projection hold, there will be a net increase within the affected agencies of 1.58 million to 1.65 million by 2024 and divided between the following individual agency changes:
 - a) 4,938 new residents in Mission RCD with the overall total increasing to 128,549 by 2024.
 - b) 59,574 new residents in RCD of Greater San Diego County with the overall total increasing to 1,505,034 by 2024.
 - c) 469 new residents in Upper San Luis Rey RCD with the overall total increasing to 12,204 by 2024.
7. San Diego LAFCO should coordinate with the County of San Diego and SANDAG to develop buildout estimates specific to each affected agency and incorporate the information into the next scheduled municipal service review.
8. A review of demographics reveals one notable distinction among the three affected agencies during the five-year report period. This distinction involves median household income being substantially higher in Mission RCD at \$75,375 compared to RCD of Greater San Diego County and Upper San Luis Rey RCD at \$59,041 and \$48,882,

respectively. All other demographics – i.e. median age, education attainment unemployment, etc. – are more or less consistent within the three agencies.

5.2 Location and Characteristics of Any Disadvantaged Unincorporated Communities.

1. All three affected agencies' jurisdictional boundaries include lands qualifying as disadvantaged unincorporated communities or DUCs under San Diego LAFCO policy. The highest ratio lies within RCD of Greater San Diego County with close to three-fifths of its jurisdictional boundary qualifying as DUCs.
2. Only Mission RCD's sphere of influence is adjacent to lands qualifying as DUCs under San Diego LAFCO policy that is not already in another RCD. The affected DUC adjacent to Mission RCD's sphere comprises Marine Corps Base Camp Pendleton.

5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies

1. None of the affected agencies own or maintain substantial capital infrastructure, facilities, or equipment. The agencies instead rely largely on human resources to provide technical assistance and educational services to constituents.
2. All three affected agencies have experienced sizeable increases and/or changes in municipal service demands over the five-year report period and commonly highlighted by each agency expanding activities under their wildlife enhancement function.
3. The increasing focus on activities tied to the affected agencies' wildlife enhancement function parallels societal and political interests to broaden RCD work and expand beyond traditional water conservation and soil erosion/stabilization tasks. It also – pertinently – reflects the related influence of grants on RCD decision-making.
4. The level of information available to San Diego LAFCO at this time is limited to generating a qualified determination the three affected agencies have adequate capacities – and specifically in the form of personnel – to meet existing constituent demands.
5. Additional information and analysis by San Diego LAFCO is needed to further quantify the adequacy of the three affected agencies' capacities – infrastructure, facilities, personnel and the like – to meet current and near-term constituent demands.

6. San Diego LAFCO should proceed and expand on the baseline information collected in this introductory municipal service review and provide a more quantified assessment of the three affected agencies services and related trends.
7. As part of a future municipal service review, San Diego LAFCO should coordinate and solicit input with all three affected agencies in developing performance measurements to help quantify capacity-demand relationships in each jurisdiction.
8. With respect to Mission RCD, it currently provides four service functions under the principal act: soil erosion; water conservation; wildlife enhancement; and agricultural enhancement. These functions are primarily supported by District staff and totaled 5.0 fulltime equivalent personnel at the end of the report period.
9. With respect to RCD of Greater San Diego County, it currently provides four service functions under the principal act: soil erosion; water conservation; wildlife enhancement; and agricultural enhancement. These functions are primarily supported by District staff and totaled 18.0 equivalent personnel at the end of the report period.
10. With respect to Upper San Luis Rey RCD, it currently provides two service functions under the principal act: water conservation and wildlife enhancement. These functions are provided by contract through a part-time equivalent staffing of 0.25.

5.4 Agencies' Financial Ability to Provide Services

1. The three affected agencies operate with significantly different financial resources in providing municipal services to their constituents and as such ended the report period in dissimilar financial standings.
2. All three affected agencies are primarily reliant on external revenues sources in the form of grants and other subventions that are increasingly competitive within the region among like-minded agencies and non-profit organizations.
3. The ability of the three affected agencies to fund their municipal service functions through new assessments and taxes appears constrained given current constituent reluctance as evident by the recent trend of failed measures by local special districts.
4. The combined net position of the three affected agencies decreased by (9.4%) from \$3.39 million to \$3.10 million during the five-year report period.

5. With respect to Mission RCD, its net position has decreased during the five-year report period with an overall change of (22.8%) from \$0.513 million to \$0.396 million and produces a net loss of \$0.117 million. Additional details follow.
 - (a) The unrestricted portion of Mission RCD's net position decreased by (47.9%) over the five-year report period finishing with a balance of \$0.128 million and equal to cover one month of typical operating expenses.
 - (b) Mission RCD's liquidity levels are very low and decreasing. The amount of immediate cash available to the District decreased by (25%) during the five-year report period and equivalent to cover 26 days.
 - (c) Mission RCD's capital levels are low and decreasing. The debt-to-net assets ratio increased by close to one-half during the five-year report to 54.1% with the ending tally reflecting the portion of the net position tied to long-term debt.
 - (d) Mission RCD's recent margin levels are very low and decreasing. The average total margin during the five-year report period tallied (1.1%).

6. With respect to RCD of Greater San Diego County, its net position has decreased during the five-year report period with an overall change of (8.5%) from \$2.6 million to \$2.4 million and produces a net loss of \$0.218 million. Additional details follow.
 - (a) The unrestricted portion of RCD of Greater San Diego County's net position decreased by (69.6%) over the five-year report period ending with a balance of \$0.474 million and equal to cover nine months of typical operating expenses.
 - (b) RCD of Greater San Diego County's liquidity levels are moderately low and decreasing. The amount of immediate cash available to the District decreased by (61%) during the five-year report period and equivalent to cover 330 days.
 - (c) RCD of Greater San Diego County's capital levels are high despite recent decreases. The debt-to-net asset ratio finished the five-year report period at 1.6% and reflects the bulk of the net position is free from long-term debt.
 - (d) RCD of Greater San Diego County's recent margin levels are very low and decreasing. The District experienced losses in four of the five years of the report period with an average total margin of (3.1%).

7. With respect to Upper San Luis Rey RCD, its net position has increased during the five-year report period with an overall change of 17.2% from \$0.295 million to \$0.346 million and produces a net gain of \$0.051 million. Additional details follow.
 - (a) The unrestricted portion of Upper San Luis Rey RCD's net position increased by 38.5% over the five-year report period ending with a balance of \$0.179 million and equal to cover 124 months of typical operating expenses.
 - (b) Upper San Luis Rey's liquidity levels are exceedingly high and increasing. The amount of immediate cash available to the District increased by 47% during the five-year report period and equivalent to cover 7,475 days – or 20 years.
 - (c) Upper San Luis Rey's capital levels remain unblemished with a debt-to-net asset ratio at 0% and shows the District's net position is free of long-term financing.
 - (d) Upper San Luis Rey's recent margin levels are high and increasing. The District experienced gains in all five years of the report period with an average total margin of 35.8%.

5.5 Status and Opportunities for Shared Facilities and Resources

1. All three affected agencies have established responsive shared resources with other public agencies as well as non-profit organizations in fulfilling their responsibilities to provide specified municipal functions to their respective constituents.
2. All three affected agencies' activities are primarily funded by grants and leverage the agencies' respective expertise in achieving broader policy objectives set by the grantor, typically the State or other regional agency.
3. Mission RCD and RCD of Greater San Diego County dedicate considerable resources in community outreach and education to empower and inspire best practices among constituents with respect to managing natural resources.
4. The technical expertise of all three affected agencies could be further utilized by the County of San Diego and integrated into the permit process involving erosion and sediment control plans for the benefit of shared constituents.
5. Opportunities to share and/or consolidate resources all three affected agencies merit continued attention. Exploring these opportunities is consistent with San Diego

LAFCO's standing policy objective to facilitate the logical order and its role to promote efficient services.

5.6 Local Accountability and Government Restructure Options

1. All three affected agencies provide value in providing natural resource conservation functions and advantageously contribute to their communities' distinct character.
2. Mission RCD and RCD of Greater San Diego County regularly hold noticed regular meetings and actively maintain websites and in doing so provide meaningful opportunities for timely public engagement with both board and staff.
3. Opportunities for the public to meaningful engage the Upper San Luis Rey RCD and specifically the Board is deficit given the lack of holding regular meetings and limited agenda postings coupled with operating an otherwise barren website.
4. All three affected agencies can enhance their accountability to the public by providing video-recordings of board meetings online in step with their increasingly emphasized roles to educate and disseminate information on resource conservation best practices.
5. All three affected agencies operate under a principal act that has become increasingly antiquated in aligning service powers with current resource conservation practices and interests San Diego LAFCO should work with local legislators to propose a comprehensive rewrite of the RCD principal act and – among other benefits – clarify service function powers relative to current and anticipated community needs.
6. Both Mission RCD and RCD of Greater San Diego County have invested considerable resources in providing services outside their jurisdictional boundaries without receiving approval or exemption from San Diego LAFCO under G.C. Section 56133. It appears most of these non-complaint service activities can be attributed to oversight and unfamiliarity with the statute requirements but nonetheless require correction.
7. All three affected agencies should voluntarily proceed in taking necessary corrective measures to ensure regulatory compliance with San Diego LAFCO and statutory emphasis therein to align municipal services with jurisdictional boundaries.
8. San Diego LAFCO recently issued a cease and desist order to Mission RCD to terminate unauthorized out-of-agency services provided within the boundary and sphere of

influence of RCD of Greater San Diego. It is unclear whether Mission RCD has complied with this order and accordingly additional action by LAFCO may be appropriate.

9. Additional analysis is warranted to determine the status of Upper San Luis Rey RCD and its eligibility in LAFCO statute to provide groundwater management services as part of the Pauma Valley Subbasin GSA.
10. The introductory role of this municipal service review coupled with the immediate need to sync services and boundaries suggest a purposeful pause is merited for proceeding with next level analyses. This includes deferring San Diego LAFCO's evaluation of shared resource opportunities, such as functional and/or political considerations, to the next municipal service review cycle.
11. Proceeding with sphere of influence updates with no changes for all three affected agencies is merited at this time.

CHAPTER THREE | AGENCY PROFILE

A. MISSION RESOURCE CONSERVATION DISTRICT

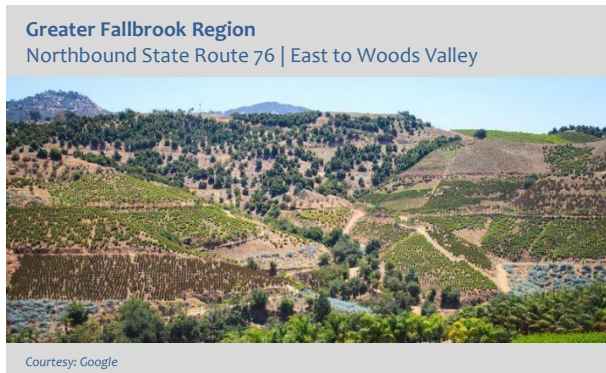
1.0 OVERVIEW

The Mission Resource Conservation District (RCD) is an independent special district formed in 1944 originally known as the Middle San Luis Rey Soil Conservation District. Formation proceedings were initiated by area farmers and ranchers for the broad purposes of creating a local government unit to assist landowners in implementing soil, water, and other natural resource conservation practices.

Mission RCD encompasses a 185-square mile jurisdictional boundary and includes all and/or portions of several unincorporated communities in northern San Diego County and marked by Bonsall, Fallbrook, and Rainbow. The jurisdictional boundary also extends into a portion of the City of Oceanside along State Route 76. Governance is provided by a five-person board with members directly elected by geographic divisions and serve staggered four-year terms. The average tenure on the Board among the current members is six years with their longest tenured member – Scott Murray – completing his 19th year.

Mission RCD is presently organized as a multi-purpose agency with municipal functions presently tied to four active categories under its principal act: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement. Mission RCD is also authorized – subject to LAFCO approving latent power expansions – to provide water distribution and erosion stabilization. The operating budget at the term of the report period (2018-2019) was \$1.75 million with 5.0 fulltime equivalent employees. The last audited financial statements cover 2018-2019 and show Mission RCD’s net position totaling \$0.396 million with the unrestricted portion tallying \$0.128 million. This latter amount translates to covering less than one month of operating expenses based on recent actuals.

LAFCO independently estimates the fulltime resident population within Mission RCD is 123,611 as of the term of this report period and accommodated through the overall construction of 43,605 housing units within the District. It is also projected the estimate of fulltime residents represents an overall increase of 8.0% since 2010 – or 888 annually – with a resulting annual growth rate of 0.9%, which is slightly above the corresponding countywide rate of 0.8%. The

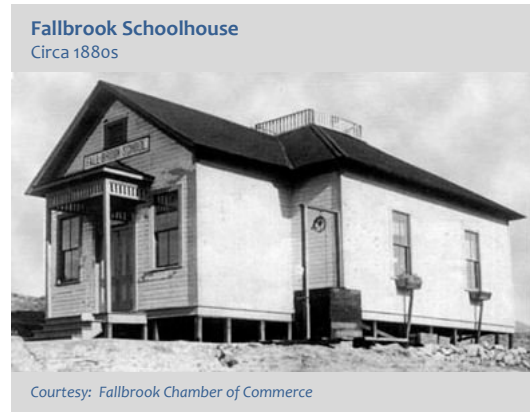


median household income within Mission RCD is \$75,375 based on the current five-year period average and exceeds the countywide average of \$66,529 by more than one-eighth.

2.0 BACKGROUND

2.1 Community Development

Mission RCD's service area is anchored by the unincorporated community of Fallbrook as the commercial and social center for the surrounding region, which includes – and among others – Bonsall and Rainbow. Fallbrook began its present-day development during the mid-1800s in parallel with the creation and awards of land grants or ranchos throughout California by the Mexican government. Most of Fallbrook was borne out of the Rancho Monserate grant that was issued to Ysidro Alvarado in the 1870s and led to subsequent homesteading in the area with an early focus on ranching. One of these homesteaders was Canadian immigrant Vital Reche who settled with his family just north of Alvarado's original ranch at the site now known as Live Oak Park and later credited with naming the community "Fallbrook" after their former home in Pennsylvania.



The first official census performed for Fallbrook estimated the area's population at 415 in 1890. The population increased by over one-half during the next 10 years to an estimated 656 in the 1900 census and aided by the completion of railroad line (California Pacific Railroad) connecting National City to San Bernardino with a station in Fallbrook. The railroad allowed area ranchers and farmers to begin expanding operations and cumulatively contributed to the approval of the area's first planned subdivision (West Fallbrook) along with several local serving uses in the forms of schools, churches, and basic service and supply stores. Also aiding the development of the area at the turn of the century was the formation of one of the first special districts in San Diego County – Fallbrook Irrigation District (1891) and its successor Fallbrook Public Utility District (1922) – and establishment of a community water system drawing initially from underflow from the Santa Margarita River.



The Fallbrook region's growth continued into the new century and premised on the expansion of agricultural activities with an early focus on olives, nuts, and citrus orchards before transitioning towards avocados and floral nurseries. Residential growth also continued in response to supporting the region's agricultural industries and Fallbrook's population reached an estimated 2,308 by 1940. It was also at this time surrounding areas in the region began to take form led by expanding agricultural interests in the nearby communities of Bonsall, Rainbow, and Valley Center.

Fallbrook – Main Street
Circa 1949



Courtesy: San Diego History Center

2.2 Formation Proceedings

The Middle San Luis Rey Soil Conservation District's (later renamed Mission RCD) formation was petitioned by landowners in early 1944 and actively supported by the Fallbrook Chamber of Commerce as well as other local business associations. The petition paralleled a statewide movement to establish local agencies to further advance soil conservation services administered by the United States Department of Agriculture and through its own Natural Resources Conservation Service offices. Formation proceedings were overseen by the County of San Diego's Boundary Commission – a precursor to the creation of LAFCOs – and approved subject to voter confirmation. An election was subsequently held in September 1944 with landowners approving the formation along with electing an initial board.

2.3 Post Formation Activities

A summary of notable activities undertaken by Mission RCD and/or affecting the District's service area following formation in 1944 is provided below.

- The Middle San Luis Rey Soil Conservation District is renamed Mission RCD in 1971 and done so according to the District to reflect a broader emphasis on the conservation of soil, water, and other natural resources.
- LAFCO establishes Mission RCD's sphere of influence in June 1986. The sphere is set conterminously with the jurisdictional boundary.
- LAFCO updates and affirms Mission RCD's sphere of influence in November 2005 with no changes.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

Mission RCD’s existing boundary spans approximately 185.2 square miles and covers 118,528 acres (parcels and public rights-of-ways). The County of San Diego is the predominant land use authority for Mission RCD and overlaps 90% of the jurisdictional boundary with most of the lands included in the Fallbrook, Rainbow, Bonsall, and Pendleton-Deluz Community Plans. These unincorporated lands, notably, generally encompass commercial agricultural and low-to-moderate single-family residential uses with local supporting retail uses focused in the Fallbrook community. The remaining portion of the jurisdictional boundary is incorporated and lies in the City of Oceanside. Overall, there are currently 69,139 registered voters within Mission RCD within nearly one-half in Oceanside.

Mission RCD’s jurisdictional boundary spans 185.2 square miles and covers 4.3% of all of San Diego County. Almost all of the jurisdictional boundary is unincorporated and overlaps the land use authority of the County of San Diego with the exception of 18.0 square miles within the City of Oceanside. Nonetheless, close to one-half of all District registered voters reside in Oceanside.

Mission RCD Boundary Breakdown by Land Use Authority					
Table 3.1a (Source: Esri and San Diego LAFCO)					
Land Use Authority	Total Assessor Parcel Acres	% of Total Assessor Parcel Acres	Total Assessor Parcels	Number of Registered Voters	
County of San Diego	107,056	90%	52,436	36,049	
City of Oceanside	11,505	10%	19,627	33,049	
TOTAL	118,561	100%	72,063	69,139	

Total assessed value (land and structure) within Mission RCD is set at \$17.3 billion as of January 2019 and translates to a per acre value ratio of \$1.46 million. The former amount – \$17.3 billion – further represents a per capita value of \$0.014 million based on the estimated fulltime population in Mission RCD of 123,611. Mission RCD receives 0.0000061% of the annual 1.0% of property tax collected in the District.

Mission RCD receives \$0.00000610 cents for every \$1.00 dollar in property tax collected within its jurisdictional boundary. The amount received from Mission RCD at the end of the fiscal year was \$0.034 million.

The jurisdictional boundary is currently divided into 72,063 parcels spanning 113,685 acres. (The remaining jurisdictional acreage consists of public right-of-ways or waterways.) Over nine-tenths of the parcel acreage in Mission RCD is under private ownership with the majority of this amount (i.e. private property) having already been developed and/or improved to date, albeit not necessarily at the highest density as allowed under zoning. The remainder of private acreage in Mission RCD’s

There are 6,912 privately owned parcels within Mission RCD that remain undeveloped and span 37,119 acres; an amount that represents close to one-tenth of the entire District.

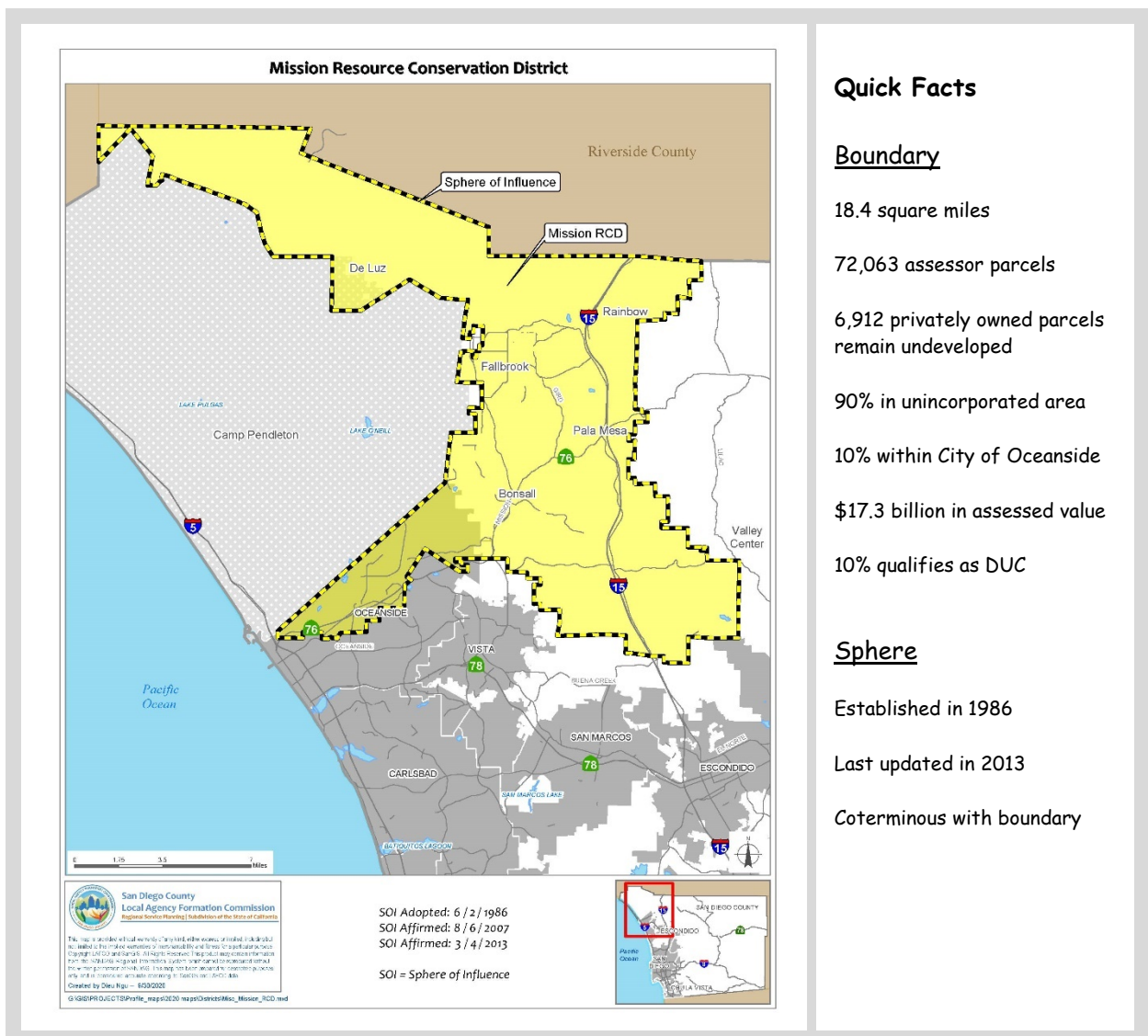
boundary is undeveloped and consists of 6,912 vacant parcels that collectively total 37,119 acres. Approximately one-tenth – or 8,609 acres – of lands within the jurisdictional boundary qualify as a disadvantaged unincorporated community under LAFCO policy.

3.2 Sphere of Influence

Mission RCD’s sphere of influence was established by LAFCO in June 1986 and last reviewed and affirmed in March 2013. The sphere does not include any non-jurisdictional lands and is entirely coterminous with the District boundary. There are also no special study areas assigned to Mission RCD’s sphere.

Mission RCD’s sphere of influence is entirely coterminous with its jurisdictional boundary and reflects a standing Commission policy expectation that no changes are anticipated in the near future.

3.3 Current Boundary and Sphere Map



Quick Facts

Boundary

- 18.4 square miles
- 72,063 assessor parcels
- 6,912 privately owned parcels remain undeveloped
- 90% in unincorporated area
- 10% within City of Oceanside
- \$17.3 billion in assessed value
- 10% qualifies as DUC

Sphere

- Established in 1986
- Last updated in 2013
- Coterminous with boundary

4.0 DEMOGRAPHICS

4.1 Population and Housing

Mission RCD’s total fulltime resident population within its jurisdictional boundary is independently estimated by LAFCO at 123,611 as of the term of the five-year report period. This amount represents 3.7% of the countywide total. It is also estimated the fulltime population has risen overall by 8.0% from 113,844 in 2010 and the last census reset in 2010. This translates to an annual change of 0.89% and above the corresponding countywide growth rate of 0.81%. It is projected the current growth rate will continue intact into the near-term and result in the fulltime population reaching 128,549 by 2024. The jurisdiction has a current population density of 1 resident for every 0.88 acres and underlies the overall rural – albeit slowly changing and intensifying – character of the service area.

It is estimated there are 123,611 fulltime residents within Mission RCD at the end of the report period. It is also projected the fulltime population will increase consistent with recent trends – or 0.89% annually – and reach 128,549 by 2024.

Mission RCD

Resident Population

Table 4.1a (Source: Esri and San Diego LAFCO)

Factor	2010	2019	2024 (projected)	Annual Change %
Mission RCD	113,844	123,611	128,549	0.89%
San Diego County	3,095,264	3,344,136	3,499,829	0.81%

There are 43,605 residential housing units within Mission RCD as of the report period term. The majority of these units are in the Fallbrook and Rainbow communities with the overall amount increasing by 2,371 – or 263 annually – since 2010. With respect to current housing characteristics, 66.7% are owner-occupied, 28.4% are renter-occupied, and the remaining 4.9% are vacant with a sizeable portion suspected to serve as second homes. The average household size is 2.84 and has increased by 1.7% from 2.79% over the preceding five-year period. The mean monthly housing cost in Mission RCD has decreased by (7.39%) from \$1,964.79 to \$ 1,819.55 based on the most recent five-year period averages. The mean monthly housing cost, however, remains well above the countywide average of \$1,578.00.

Housing production in Mission RCD totals 43,605 dwelling units as of the term of the report period. This includes the addition of 2,371 units – or 263 a year – since 2010. The average monthly housing cost in Mission RCD is \$1,819, which is close to 15.3% higher than the countywide average.

Mission RCD Housing Breakdown

Table 4.1b (Source: American Community Survey and San Diego LAFCO)

Jurisdiction	2010 Housing Units	2019 Housing Units	Change	2010 Monthly Housing Cost	2019 Monthly Housing Cost	Change
Mission RCD	41,234	43,605	5.7%	1,964.79	1,819.55	(7.4%)
San Diego County	1,164,766	1,236,184	6.1%	\$1,540	\$1,578	2.5%

4.2 Age Distribution

The median age of residents in Mission RCD is 47.6 based on the current five-year period average. This amount shows the population is generally holding with the median age experiencing an overall and modest change of 3.1% from 46.2 over the preceding five-year period average. The current median age in Mission RCD remains significantly higher than the countywide average of 35.3. Residents in the prime working age group defined as ages 25 to 64 make up slightly more than one-half of the estimated total population at 50.6%.

Residents within Mission RCD tend to be significantly older with a medium age of 47.6; an amount that is more than one-fourth higher than the countywide average of 35.3. The majority – 50.7% – of the residents are also aged within the prime working group of 25-64.

Mission RCD Resident Age Breakdown

Table 4.2a (Source: American Community Survey and San Diego LAFCO)

Service Area	2010 Median Age	2019 Median Age	Change	2010 Prime Working Age	2019 Prime Working Age	Change
Mission RCD	46.2	47.6	3.1%	51.58	50.7%	(1.7)%
San Diego County	34.6	35.3	2.0%	53.4%	47.0%	(12.0)%

4.3 Income Characteristics

The median household income in Mission RCD is \$75,375 based on the current five-year period average. This amount shows fulltime residents are receiving slightly less pay with the median income experiencing an overall decrease of (0.32%) from the preceding five-year period average of \$75,614. The current median household income in Mission RCD – nonetheless – is more than one-eighth higher than the current countywide median of \$66,529.

Mission RCD residents' average median household income has experienced a slight decrease in recent years and is currently \$75,375. This amount remains higher than the countywide median income \$66,529. The rate of persons living below the poverty rate – however – has increased by nearly three-fifths to 11.6% and is now approaching the countywide rate of 14.0%.

Separately, the current average rate of persons living below the poverty level in Mission RCD is 11.6% and has substantively increased by over three-fifths – or 61.2% – over the earlier five-year period and approaching the countywide rate of 14.0%.

Mission RCD**Resident Income Breakdown**

Table 4.3a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011			2012-2016		
	Median HH Income	Median HH Income	Change	Poverty Rate	Poverty Rate	Change
Mission RCD	\$75,614	\$75,375	(0.32%)	7.2%	11.6%	61.2%
San Diego County	\$63,857	\$66,529	4.2%	13.0%	14.0%	7.7%

4.4 Socioeconomic Indicators

Unemployment within Mission RCD is relatively low at 2.5% based on the current five-year period average. This amount also represents an overall and decrease of (39.6%) compared to the previous five-year average and finishes substantially below the corresponding countywide tally of 4.9%.

Close to one-third of Mission RCD residents have undergraduate degrees. The unemployment rate within Mission RCD is nearly one-half below the countywide amount.

Educational levels as measured by adults 25 or older with bachelor's degrees has slightly increased by 2.6% over the previous five-year period from 33.4% to 34.3%, but still continues to fall below the countywide rate of 36.5%. Over one-fourth – or 26.2% – of the population currently collects retirement income. The non-English speaking percentage of the population has decreased during this period from 12.5% to 10.6%; an overall difference of (15.2%).

Mission RCD**Socioeconomic Indicators Breakdown**

Table 4.4a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011			2012-2016		
	Unemployment Rate	Unemployment Rate	Change	Non English	Non English	Change
Mission RCD	4.1%	2.5%	(39.6%)	12.5%	10.6%	(15.2%)
San Diego County	5.6%	4.9%	(12.5%)	16.1%	15%	(6.8%)

5.0 ORGANIZATION

5.1 Governance

Mission RCD's governance authority is established under the Resource Conservation District Law and codified under Public Resources Code Section 9151 - 9491. This principal act empowers Mission RCD to provide a moderate range of municipal functions involving natural resource protections and improvements upon approval by LAFCO. Mission RCD is currently authorized to provide three active municipal service functions under the principal act: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement. All other service functions (i.e. powers) enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO at a noticed hearing before Mission RCD would be allowed to initiate. Similarly, should Mission RCD seek to divest itself of directly

providing an active service function, it would need to receive LAFCO approval at a noticed public hearing. A list of active and latent Mission RCD service functions follows.

Active Service Functions

- Soil Erosion
- Water Conservation
- Wildlife Enhancement
- Agricultural Enhancement

Latent Service Functions

- Water Distribution
- Erosion Stabilization

Governance of Mission RCD is independently provided by a five-member Board of Directors. Each member of the Board is directly elected by registered voters or – and as needed – appointed by the County of San Diego Board of Supervisors. All Board members serve staggered four-year terms with a rotating president system. The Board’s bylaws provide that they meet every third Monday at 6:30pm. Meetings are held at the Mission RCD office at 130 East Alvarado Street in Fallbrook. Directors do not receive per diems. Summary minutes are prepared for all meetings; audio and video recordings are not provided. A current listing of the Board along with respective backgrounds and years served with the District follows.

Mission RCD meetings of its Board of Directors are scheduled for the third Monday each month. Directors do not receive per diems.

Mission RCD Current Governing Board Roster Table 5.1a (Source: Mission RCD)			
Member	Board Position	Years on the Board	Background
Scott Murray	President	19	Farmer
Julia Escamilla	Secretary	5	Conservationist
George Archibald	Director	4	Businessman
Vacant	Director	-	-
Heather Conklin	Director	1	Government

5.2 Administration

Mission RCD appoints an at-will General Manager to oversee all District activities. Principal duties include preparing an annual budget, liasoning with other State and local agencies, and supervising staff and contractors. The current District Manager – Darcy Cook – was appointed in May 2020 and oversees a budgeted staff of 5.0 fulltime and 1.0 part-time employees. Mission RCD contracts for legal services with Best, Best and Kreiger (San Diego) LLP and Attorney Scott Brown (Grass Valley).



6.0 MUNICIPAL SERVICES

Mission RCD (Mission) is currently authorized to provide four distinct municipal service functions under its principal act: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement.¹⁰ These service functions are provided through 5.0 fulltime equivalent employees at the end of the report period. Overall staffing levels have not changed over the corresponding 60-months and further detailed in the accompanying footnote.¹¹ A summary analysis of these active functions follows with respect to applicable capacities, demands, and performance during the five-year report period.

Mission RCD provides four active service functions under its principal act: soil erosion; water conservation; wildlife enhancement; and agricultural enhancement. These categories are identified by LAFCO consistent with its responsibilities under statute to classify the type and location of active functions and related classes.

6.1 Soil Erosion

Mission RCD's soil erosion service function involves maintaining chemical makeup of healthy soils. Current activities focus on conducting soil surveys and developing carbon farming projects as further described below.

Soil Health Surveys

This service activity involves taking soil samples to identify type, texture, and nutrient levels. This information is subsequently analyzed by Mission RCD to determine carbon uptake and ability to reduce greenhouse gas emissions. The service activity is typically performed year-round and – among other outcomes – informs conservation activities.

Carbon Farming

This service activity involves providing technical assistance to landowners to increase organic matter contents into the soil by sequestering carbon dioxide from the atmosphere for placement into soil and vegetation. Common examples include composting applications, mulching, and other cover crops. The sequestration process supports plant photosynthesis and retention of water and nutrients in the soil and in doing so helps reduce soil erosion while also combats climate change by reducing greenhouse gas emissions. Related services include assisting landowners to apply for grants to fund individual carbon farming projects. The District also performs related educational services by operating demonstration plots at their community gardens.

¹⁰ Mission RCD is also authorized – subject to LAFCO approval – to provide water distribution and erosion stabilization.

¹¹ Full time equivalent staffing levels at the start of the five-year report period was five.

Mission RCD currently has two active soil erosion related contracts:

- California Department of Food and Agriculture: Climate Smart Program
This contract relationship began in 2018 to provide demonstration of healthy soils with testing to measure improvements in soil health. It includes demonstration of healthy soil management practices to growers in the region to reduce GHG by sequestering carbon, reduce soil salinity and water infiltration rates. Mission RCD received a \$0.044 grant from the CA Department of Food and Agriculture and extends to 2020.
- California Department of Food and Agriculture: Healthy Soils Demonstration Program
This contract relationship began in 2019 to provide demonstration of healthy soils with testing to measure improvements in soil health. It includes demonstration of healthy soil management practices to growers in the region to reduce GHG by sequestering carbon, reduce soil salinity and water infiltration rates. The current grant is for \$0.073 million and extends through 2022.

6.2 Water Conservation

Mission RCD's water conservation service function involves economizing water resources for maximum beneficial uses. Current activities focus on performing irrigation audits, providing watershed education, and promoting residential and agricultural water conservation practices and further described below.

Irrigation Audits

This service activity involves capturing water consumption and potential losses to evaluate water use for landowners. This information is subsequently analyzed and corrective measures are identified to increase water efficiency and improve crop usage (vineyards, orchards, nurseries, etc.). Related technical services are also provided to landowners as requested and detailed below under "Water Conservation."

Watershed Education

This service activity involves a variety of programs and demonstrations aimed at informing opportunities to improve conditions within San Luis Rey, Santa Margarita, and Rainbow Creek Watersheds. Central examples include working with landowners, community groups, and other stakeholders to inform and facilitate stewardship activities throughout the watersheds with the collective aim of improving water quality and riparian habitats. Recent watershed education programs involved grant work with the California

Department of Conservation's Proposition 68 supporting avian monitoring (Least Bell's vireo and coastal California gnatcatcher) and fire-abatement projects.

Water Conservation

This service activity draws on information developed in water audits and involves implementation of water-saving practices. Current activities include participating in San Diego County Water Authority's Landscape Water Management Program and involves promotion and education of water efficiency practices to reduce residential and commercial water usage. This service supports residential and landscape water use surveys, evaluations and checkups, turf removal and installation of water conservation devices to reduce urban runoff and water consumption rates.

Mission RCD has current five active water conservation related contracts:

- Municipal Water District of Orange County: Irrigation Incentive Rebate Programs
This contract relationship was established in 2017 and involves a rebate program for residential and commercial sites for turf removal and installation of water conservation devices to reduce urban runoff and water consumption rates. The current grant is for \$1.2 million grant and extends through 2022.
- San Diego County Water Authority: WaterSmart Field Services Program
This contract relationship was established in 2010 and involves residential and landscape water use surveys, evaluation, and checkup. The current grant is for \$0.530 million with work extending through 2021.
- San Diego County Water Authority: Agriculture Water Management Plan
This contract relationship was established in 1992 and involves on-farm evaluations via the Mobile Irrigation Lab to retrofit agriculture irrigation systems to increase water efficiency and crop yields. The current grant is for \$0.290 million and extends to 2023.
- State Water Efficiency and Enhancement Program
This contract relationship was established in 2015 and involves grants to implement irrigation systems to reduce greenhouse gases and conserve water on agricultural uses. Additional details on grant value is pending.
- Rancho California Water District: Crop Sustainable Water for Agriculture Production
This contract relationship was established in YEAR and involves technical assistance

for crop conversion projects to replace existing crops with those with lower irrigation water demands. The current grant is for \$0.022 million and extends to 2020.

6.3 Wildlife Enhancement

Mission RCD's wildlife enhancement service function involves improving the natural landscape for ecological purposes. Current activities include invasive species removal, habitat restoration, and best management practices for equestrian properties. A summary description of these service function activities follows.

Invasive Species Removal

This service activity involves mitigating against invasive (non-native) species and their negative impact on biodiversity and natural ecosystems. Removal may be performed manually by hand or heavy machinery and sometimes herbicide. Current activities include remove *Arundo donax* in the San Luis Rey and Santa Margarita Watersheds. The establishment of the Santa Margarita – San Luis Rey Weed Management Area (WMA) was formed in the later 1990s to provide support, coordination and funding for management of invasive non-native plants and restoration of native riparian habitat within the Santa Margarita and San Luis Rey watersheds in San Diego County.

Habitat Restoration

This service activity involves repairing ecosystems that have been degraded or destroyed especially along riparian habitats. Current activities include restoration and conservation of natural resources in the Santa Margarita and San Luis Rey watersheds as well as establishing an avian monitoring of Least Bell's vireo and coastal California gnatcatcher.

Equestrian Properties Best Management Practices (BMPs)

This service activity involves how to properly set up and manage horse properties in ways that maximize sustainability and promote healthy and thriving lands by limiting soil degradation and sedimentation. Notably, this includes properly storing and disposing of horse manure for multiple reuse purposes.

Mission RCD currently has two active wildlife enhancement focused contracts:

- Vista United School District: Endowment Agreement for Arundo Management
This contract relationship was established in 2006 and involves long-term eradication

and retreatment of the invasive *Arundo donax* (Giant Reed) and maintenance of native plants on the Vista High School property. The current grant is for \$0.024 million and extends to 2022.

- California Wildlife Conservation Board: Riparian Restoration Field Services

This contract relationship was established in 2017 and involves riparian restoration field services for invasive *Arundo* detection and control in the San Luis Rey Watershed and San Juan Creek. The current grant is for \$1.8 million and extends to 2021.

6.4 Agricultural Enhancement

Mission RCD's agricultural enhancement service function involves supporting healthy and sustainable crop and livestock production. Current activities focus on agricultural sustainability as described below.

Agricultural Sustainability

This service activity involves an integrated system of plant and animal production practices having a site-specific application that will over the long-term satisfy human food and fiber needs. Additional details on related activities is pending.

Mission RCD has one active agriculture enhancement focused contract:

- Natural Resources Conservation Service: Regional Conservation Partnership Program

The 2018 Farm Bill created a stand-alone in coordination with the to provide financial and technical assistance to growers for implementation of agricultural sustainability and conservation practices on working lands. The current grant is for \$0.002 million grant and extends to 2021.

7.0 FINANCES

7.1 Financial Statements

Mission RCD contracts with an outside accounting consultant to prepare an annual report reviewing the District's financial statements in accordance with established governmental accounting standards. This includes auditing Mission RCD's statements in verifying overall assets, liabilities, and net position. These audited statements provide quantitative measurements in assessing Mission RCD's short and long-term fiscal health with specific focus on delivering its active municipal service functions: soil control and improvement; water

conservation; wildlife enhancement; and agricultural enhancement. The current outside consultant retained by Mission RCD is Nigro & Nigro, PC (Murrieta).

Mission RCD’s most recent audited financial statements for the five-year report period were issued for 2018-2019.¹² These statements show Mission RCD experienced a moderate and positive change over the prior fiscal year as the District’s overall net position (accrual basis) increased by 6.5% from \$0.370 million to \$0.396 million.

Most Recent Year-Ending Financial Statements (2018-2019)	
Assets	\$1,031,358
Liabilities	\$635,377
Outflow/Inflow	\$0
Net Position	\$395,981

Underlying this change in net position is an increase in capital assets during the fiscal year. A detailing of year-end totals and trends during the report period follows with respect to assets, liabilities, and net position.

Agency Assets

Mission RCD’s audited assets at the end of 2018-2019 totaled \$1.031 million and is 2.2% higher than the average year-end amount of \$1.008 million documented during the five-year report period. Assets classified as current with the expectation they could be liquidated within a year represented more than one-half of the total amount – or \$0.596 million – and primarily tied to contracts receivable (e.g. grants). Assets classified as non-current make up the remaining total – or \$0.436 million and entirely categorized as capital assets with more than one-half labeled as “improvements.”¹³ Overall assets for Mission RCD have increased by 11.7% over the corresponding 60-month period.

Mission RCD’s assets have increased by one-tenth – or 11.7% – during the report period. The overall increase is directly attributed to increases in capital assets from \$0.079 to \$0.435 million over the 60-month period and marked by the purchase of a new administrative office in Fallbrook.

Mission RCD Audited Assets							5-Year Trend	5-Year Average
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019			
Current	844,299	754,557	574,187	934,892	595,854	(29.4%)	740,758	
Non-Current	79,266	220,284	223,386	379,763	435,504	449.4%	267,641	
Total	\$923,565	\$974,841	\$797,573	\$1,314,655	\$1,031,358	11.7%	\$1,008,398	

¹² The audit for 2018-2019 was issued by Nigro & Nigro, PC on June 30, 2019.

¹³ The District provided “improvements” is defined as the purchase of the office building.

Agency Liabilities

Mission RCD's audited liabilities at the end of 2018-2019 totaled \$0.635 million and finished 17.6% higher than the average year-end amount of \$0.540 million documented during the five-year report period. One-third of all liabilities finished the report period categorized as current and represent obligations owed within the year with most involving contract obligations. Overall liabilities for Mission RCD increased by 54.7% over the corresponding 60-month period.

Mission RCD's liabilities increased by more than one-half – or 54.7% – during the report period from \$0.411 to \$0.635 million. The increase is largely attributed to debt payments associated with purchase of its administrative office in Fallbrook.

Mission RCD

Audited Liabilities

Table 7.1b | Source: Valley Center CSD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Current	221,004	229,896	100,498	718,039	421,212	90.6	338,130
Non-Current	189,749	189,749	189,749	226,517	214,165	12.9%	201,986
Total	\$410,753	\$419,645	\$290,247	\$944,556	\$635,377	54.7%	\$ 540,116

Net Position

Mission RCD's audited net position or equity at the end of 2018-2019 totaled \$0.396 million and represents the difference between the District's total assets and total liabilities. This most recent year-end amount is (15.4%) lower than the average year-end sum of \$0.468 million documented during the five-year report period. More than one-half of the ending net position – or \$0.209 million – is tied to capital assets with most of the remainder categorized as unrestricted. Overall the net position for Mission RCD has decreased by (22.8%) over the corresponding 60-month period.

Mission RCD's net position is trending negatively during the report period with overall losses. The net position has decreased overall from \$0.513 to \$0.396 million; a difference of (22.8%).

Mission RCD

Audited Net Position

Table 7.1c | Source: Mission RCD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Invested in Capital	79,266	220,284	223,386	143,867	208,987	163.7%	175,158
Restricted	187,991	187,633	187,104	-	59,009	-68.6%	124,347
Unrestricted	245,555	147,279	96,836	226,232	127,985	(47.9)	168,777
Total	\$512,812	\$555,196	\$507,326	\$370,099	\$395,981	(22.8%)	\$468,283

Mission RCD maintains one active governmental fund account – General – in support of its net position. The unassigned portion of the General Fund totaled \$0.128 million (modified accrual basis) as of the last audited fiscal year and represents the available and spendable portion of Mission RCD’s fund balance. The unassigned amount represents less than one month of operating expenses based on actuals in 2018-2019.¹⁴

Mission RCD’s unassigned balance within its General Fund at the end of the report period totaled \$0.128 million and has decreased overall by (47.9%). The end balance is sufficient to cover no more than one month of operating expenses.

7.2 Measurements | Liquidity, Capital, and Margin

LAFCO’s review of the audited financial statement issuances by Mission RCD covering the five-year report period shows the District experienced significant diminishment in all standard measurement categories – liquidity, capital, margin, and structure – utilized in this document as summarized below and reflected in the proceeding table.

Standard measurements used to assess Mission RCD’s financial standing shows the District finished the report period with trending negatively in all categories. Most notably, this includes an average total margin of (1.1%) during the corresponding 60-month period.

- Mission RCD’s liquidity levels are low and decreasing. The current ratio decreased by nearly two-thirds – or (63.0%) – during the report period from 3.8 to 1.4 with the ending amount reflecting sixty cents out of every \$1.00 available to the District is needed to cover an existing/immediate expense. The District’s days’ cash levels, similarly, decreased by (24.7%) and finished the report period at 26 days.
- Mission RCD’s capital levels are low and decreasing. The debt-to-net assets ratio increased by almost one-half during the report period from 37.0% to 54.1% with the ending amount reflects more than one-half of the net position is tied to long-term financing and reduces the District’s ability to secure outside capital. Moreover, the District’s debt ratio increased during the period from 44.5% to 61.6%.
- Mission RCD’s margin levels are very low and decreasing. The average total margin – the bottom line with respect to comparing revenues to expenses – during the period tallied (1.1%).

¹⁴ Actual operating expenses in 2018-2019 totaled \$1.722 million and produces a monthly average cost of \$0.143 million.

Mission RCD Financial Measurements

Table 7.2a | Source: San Diego LAFCO

Fiscal Year	Current Ratio	Days' Cash	Debt Ratio	Debt to Net Position	Total Margin	Operating Margin	Operating Reserves Ratio	Equipment Replacement
2014-2015	3.8 to 1	99.2	44.5%	37.0%	4.2%	6.2%	19.6%	15.6
2015-2016	3.3 to 1	73.4	43.1%	34.2%	3.3%	3.3%	11.7%	29.5
2016-2017	5.7 to 1	92.4	36.4%	37.4%	(6.0%)	(6.0%)	11.5%	35.4
2017-2018	1.3 to 1	257.1	71.9%	61.2%	(13.7%)	(13.7%)	19.4%	42.5
2018-2019	1.4	74.7	61.6%	54.1%	1.48%	1.48%	7.4%	26.4
Average	3.1 to 1	119.3	51.5%	66.3%	(1.1%)	(1.1%)	13.9%	29.9
Trend	(63.0%)	(24.7%)	38.5%	179.1%	(64.4%)	(64.4%)	(62.0%)	69.1%

Current Ratio (Liquidity)

Compares available assets against near-term obligations; the minimum desirable ratio is 1.0 and means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)

Measures the number of days the agency can fund normal operations without any new cash income; an appropriate minimum threshold is 180 days. This measurement focuses on immediate cash available to the agency in comparison to the current ratio.

Debt Ratio (Capital)

Measures the relationship between the agency's total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)

Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth; an appropriate maximum standard threshold is 50%.

Total Margin (Margin)

Measures the bottom line of the agency with respect to comparing all revenues to all expenses; a positive percentage is desirable within the caveat capital improvement expenditures may appropriately result in a negative percentage in individual years.

Operating Margin (Margin)

Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans; a consistent positive percentage shows the agency has established a structured budget.

Operating Reserves Ratio (Structure)

Measures the percent of available monies of an agency to cover unforeseen shortfalls; an appropriate maximum standard threshold is 50%.

Equipment Replacement Ratio (Structure)

Measures the average age of depreciable equipment and facilities; the lower the number the younger the infrastructure with the assumption therein better efficiencies/effectiveness.

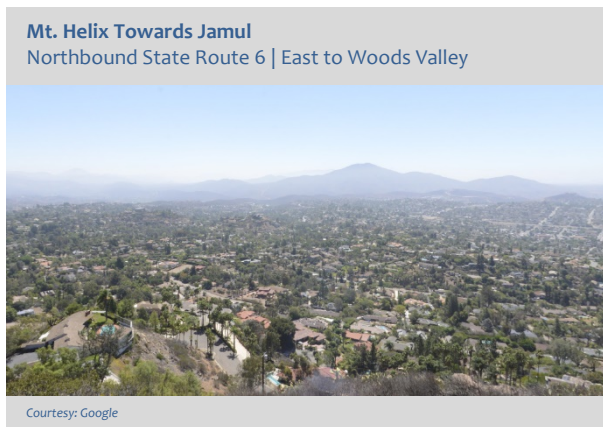
7.3 Pension Obligations

Mission RCD does not have recorded pension obligations.

B. RESOURCE CONSERVATION DISTRICT OF GREATER SAN DIEGO COUNTY

1.0 OVERVIEW

The Resource Conservation District (RCD) of Greater San Diego County is an independent special district formed in 1995. Formation followed the voluntary consolidation of the Greater Mountain Empire and Central San Diego County RCDs, which were separately biproducts of earlier consolidations involving eight RCDs with initial formations dating back to 1941 in the El Cajon and Valley Center regions. RCD of Greater SD County



encompasses a 2,889-square mile jurisdictional boundary and includes two-thirds of all San Diego County. Most of the jurisdictional boundary – approximately 87% – comprises the unincorporated area and marked by the communities of Borrego Springs, Lakeside, Julian, Otay, Ramona, and Valley Center. The remainder of the jurisdictional boundary includes all or portions of the Cities of Carlsbad, Del Mar, El Cajon, Encinitas, Escondido, National City, Poway, San Marcos, Solana Beach, San Diego, Santee, and Vista. These latter lands, notably, are in the jurisdictional boundary as a result of having been added to one of the eight original RCDs prior to being annexed or incorporated into cities. Governance is provided by a seven-person board with members directly elected by geographic divisions or appointed by the Board of Supervisors in lieu of candidate filings. All members serve staggered four-year terms. The average tenure on the Board among the current members is five years with the longest tenured member – Marilyn Huntamer – completing her ninth year.

RCD of Greater San Diego County is presently organized as a multi-purpose agency with municipal services currently tied to four active categories under its principal act: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement. RCD of Greater San Diego County is also authorized – subject to LAFCO approving latent power expansions – to provide water distribution and erosion stabilization. The operating budget at the term of the report period (2018-2019) was \$1.016 million and accommodated 18.0 fulltime equivalent employees. The last audited financial statements cover 2018-2019 and show RCD of Greater San Diego County's net position totaling \$2.362 million with the unrestricted portion tallying \$0.474 million. This latter amount translates to covering eight plus months of operating expenses based on recent actuals.

LAFCO independently estimates the fulltime resident population within RCD of Greater San Diego County is 1,445,460 as of the term of this report period and accommodated through the overall construction of 517,652 housing units in the District. Close to two-thirds of all District residents now reside in incorporated areas. It is also projected the estimate of fulltime residents represents an overall increase of 15.4% since 2010 – or 13,930 annually – with a resulting annual growth rate of 0.99%, which is moderately above the corresponding countywide rate of 0.81%. The median household income in the District is \$59,041 based on the current five-year period average and one-tenth below the countywide average of \$66,529.

2.0 BACKGROUND

2.1 Community Development

RCD of Greater San Diego County’s service area covers seven-eighths of San Diego County and began its present-day development as a Spanish settlement with the founding of the San Diego Presidio and Mission San Diego de Alcalá by Spanish soldiers and clerics in 1769. Jurisdiction over the service area transitioned from Spain to Mexico in 1821 and later to the United States in 1848 as a result of the Treaty of Guadalupe Hidalgo, which ended the Mexican–American War. Statehood in 1850 paralleled San Diego County’s establishment as one of California’s original 27 counties and initially included most of present-day Riverside County and all present-day Imperial County before their detachments by the Legislature in 1893 and 1907, respectively.

The first census performed estimated the overall population of San Diego County at 798 in 1850. The population increased to 35,090 in 1900 with nearly two thirds – or 22,479 – lying within the five incorporated communities at the time (Coronado, Escondido, National City, Oceanside, and San Diego). The remaining one-third of the centurion population – or 12,611 – was spread out among two dozen plus unincorporated communities. This included close to 7,500 living in the present-day RCD of Greater San Diego County with notable unincorporated communities beginning to

View of Presidio Hill
Circa 1887



Courtesy: San Diego County History Center (Pending)

Jamul Ranch
Circa 1910s



Courtesy: San Diego County History Center

develop in Alpine, Campo, Capitan Grande (Lakeside), Jamul, Otay, and Valley Center and predominantly consisting of agrarian and ranching uses.

The development of local water supplies coupled with improvements in transportation and the ability of farmers to bring products more directly to market led to intensification in commercial agricultural activities in unincorporated San Diego County by the 1930s. Prominent crops at the time were lemons, eggs, milk/cream, oranges, and beef cattle.¹⁵ The intensification in agricultural activities in San Diego County relatedly led to the opening of the first local field office of the Natural Resources Conservation Services (NRCS) in Escondido in 1940 to assist farmers with developing effective soil management practices consistent with the newly created federal agency's tasks following the Dust Bowl experience a decade earlier.

Establishment of NRCS in San Diego County preceded the coordinated formation of several RCDs to partner in organizing soil management activities while providing funding through a modest portion of local property taxes. This included formation of several within the present-day service area of RCD of Greater San Diego County beginning in 1941 with the Valley Center and El Cajon-Lakeside RCDs (then Soil Conservation Service Districts). A listing of all RCDs subsequently formed in the service area and associated consolidations follows.¹⁶

- Valley Center RCD in 1941
 - Later consolidated into Palomar RCD in 1975
- El Cajon-Lakeside RCD in 1941
 - Later consolidated into Palomar RCD in 1968
- Mountain Empire RCD in 1942
 - Later consolidated into the Greater Mountain Empire RCD in 1961
- Ramona-Julian RCD in 1942
 - Later consolidated into RCD on Central San Diego County in 1980
 - Escondido-San Marcos RCD (date unknown)
- Penasquitos RCD (date unknown)
 - Later consolidated into Palomar RCD in 1976

¹⁵ Reference to San Diego County's Annual Agriculture Report, 1938.

¹⁶ Soil Conservation Services changes its name to Resource Conservation District in 1971 and expands its resource conservation to include habitat loss, invasive species removal, water and air quality.

- Borrego Valley RCD (date unknown)
 - Later consolidated into Ramona-Julian RCD in 1976
- Agua Buena RCD (date unknown)
- Greater Mountain Empire RCD in 1961
 - Consolidation of El Cajon-Lakeside and Mountain Empire RCDs
 - Later consolidated into RCD of Greater San Diego County in 1995
- Palomar RCD in 1968
 - Consolidation of Escondido-San Marcos and Agua Buena RCDs
 - Later consolidated into RCD of Central San Diego County in 1980
- RCD of Central San Diego County in 1980
 - Consolidation of Palomar and Ramona-Julian RCDs
 - Later consolidated into RCD of Greater San Diego in 1995

2.2 Formation Proceedings

RCD of Greater San Diego County's formation was proposed in 1994 as successor agency to the concurrent consolidation of Central San Diego County RCD and Greater Mountain Empire RCD. The proposal was jointly filed by the two RCDs and done so to establish long-term economies of scale for RCDs in the affected territory while immediately remedying Greater Mountain Empire's precarious financial condition. LAFCO approved the concurrent consolidation and formation in February 1995. Protest proceedings did not generate sufficient objections and the formation was finalized in May 1995 with the appointment of seven directors with all five from Central San Diego along with two from Greater Mountain Empire with appointments made by the Board of Supervisors.

2.3 Post Formation Activities

A summary of notable activities undertaken by RCD of Greater San Diego County and/or affecting the District's service area following formation in 1944 is provided below.

- LAFCO establishes RCD of Greater San Diego County's sphere of influence in May 1995. The sphere is purposely set as a larger-than-agency designation and matches the prior designations of the two predecessor agencies – Greater Mountain Empire and Central San Diego County RCDs.

- LAFCO updates and affirms RCD of Greater San Diego County’s sphere of influence in March 2013 with no changes.
- LAFCO updates and affirms RCD of Greater San Diego County’s sphere of influence in March 2013 with no changes.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

RCD of Greater San Diego County’s existing boundary spans approximately 2,989 square miles and covers 1,913,312 acres (parcels and public rights-of-ways). The County of San Diego is the predominant land use authority and overlaps 87% of the jurisdictional boundary and planned accordingly in 31 separate community plans. The remaining portion of the jurisdictional boundary is incorporated and includes all or portions of lands lying in the Cities of Carlsbad, Del Mar, El Cajon, Encinitas, Escondido, National City, Poway, San Marcos, Solana Beach, San Diego, Santee, and Vista. This latter portion of the jurisdictional boundary, notably, represents lands previously within the predecessor agencies of RCD of Greater San Diego County and were subsequently and separately annexed or incorporated into cities. Overall, there are currently 748,225 registered voters within the District.

RCD of Greater San Diego County’s jurisdictional boundary spans 2,989 square miles and covers 66% of all of San Diego County. Almost all the jurisdiction is unincorporated with exception of 247,893 miles lying within all or portions of 13 cities.

RCD of Greater San Diego County Boundary Breakdown By Land Use Authority Table 3.1a (Source: Esri and San Diego LAFCO)				
Land Use Authority	Total Assessor Parcel Acres	% of Total Assessor Parcel Acres	Total Assessor Parcels	Number of Registered Voters
County of San Diego	1,665,419	87%	118,728	238,036
City of Carlsbad	20,346	1.06%	51,380	59,008
City of Chula Vista	14,379	0.75%	26,290	51,324
City of El Cajon	5,407	0.28%	10,400	19,807
City of Encinitas	5,537	0.29%	7,878	14,413
City of Escondido	22,570	1.18%	33,726	63,640
City of La Mesa	196	0.01%	395	1,261
City of Oceanside	9,174	0.48%	23,701	40,081
City of Poway	25,039	1.31%	16,190	30,997
City of San Diego	106,850	5.58%	270,211	62,287
City of San Marcos	15,556	0.81%	26,401	47,445
City of Santee	10,686	0.56%	19,366	35,336
City of Solana Beach	200	0.01%	355	584
City of Vista	11,952	0.62%	23,896	46,402
TOTAL	1,913,312	100%	628,917	748,225

Total assessed value (land and structure) within RCD of Greater San Diego County is set at \$321.1 billion as of January 2020 and translates to a per acre value ratio of \$0.168 million. The former amount – \$321.1 billion – further represents a per capita value of \$0.221 million based on the estimated fulltime population of 1.45 million. RCD of Greater San Diego County receives 0.00006417% of the annual 1.00% of property tax collected in the District.

RCD of Greater San Diego County receives \$0.00006417 cents for every \$1.00 dollar in property tax collected within its jurisdictional boundary. The amount received from RCD of Greater San Diego County at the end of the fiscal year was \$0.357 million.

The jurisdictional boundary is currently divided into 628,917 assessor parcels spanning 1,865,577 acres. (The remaining jurisdictional acreage – 47,735 – consists of dedicated public right-of-ways and local water bodies.) More than nine-tenths – 98.6% – of the assessor parcel acreage is under private ownership with four-fifths of this amount having already been developed and/or improved to date, albeit not necessarily at the highest density as allowed under zoning. The remainder of private parcel assessor acreage is undeveloped and consists of 57,537 vacant parcels that collectively total 353,766 acres. More than four-sevenths – or 1,117,575 acres – of lands within the jurisdictional boundary qualify as a disadvantaged unincorporated community under LAFCO policy.

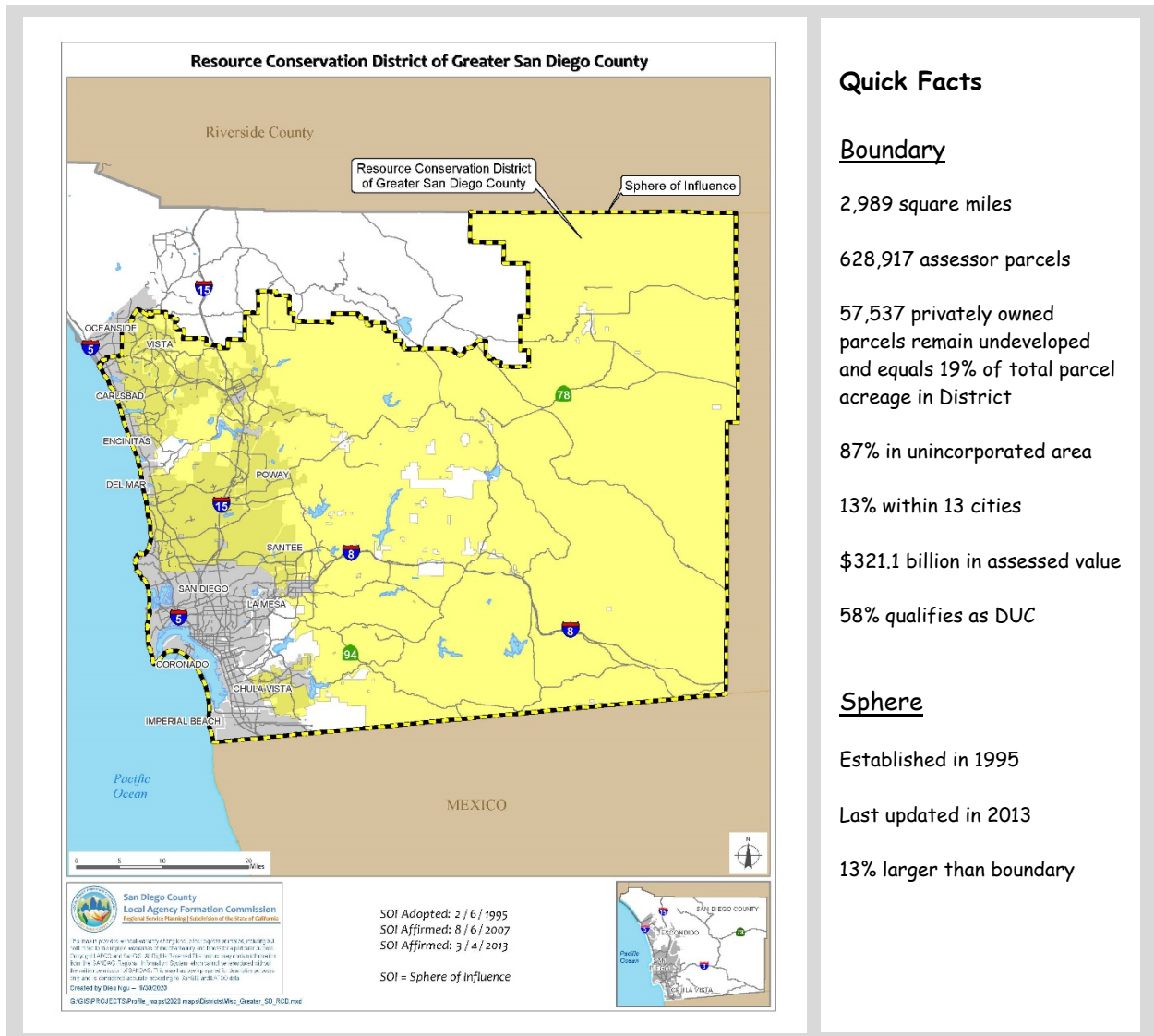
There are 619,514 privately owned assessor parcels within RCD of Greater San Diego County that remain undeveloped and total 353,766 acres; an amount that represents close to one-fifth of the entire District.

3.2 Sphere of Influence

RCD of Greater San Diego County's sphere of influence was established by LAFCO in May 1995 and last reviewed and affirmed without change in March 2013. The sphere is larger than the District boundary with the inclusion of 257,247 non-jurisdictional acres with and largely centered in the Cities of San Diego, Chula Vista, and National City. The sphere does not exclude any existing jurisdictional lands. No special study areas have been assigned to the RCD of Greater San Diego County sphere.

RCD of Greater San Diego County's sphere of influence is 13% larger than the District that totals 257,247 acres lying outside the jurisdictional boundary.

3.3 Current Boundary and Sphere Map



Quick Facts

Boundary

- 2,989 square miles
- 628,917 assessor parcels
- 57,537 privately owned parcels remain undeveloped and equals 19% of total parcel acreage in District
- 87% in unincorporated area
- 13% within 13 cities
- \$321.1 billion in assessed value
- 58% qualifies as DUC

Sphere

- Established in 1995
- Last updated in 2013
- 13% larger than boundary

4.0 DEMOGRAPHICS

4.1 Population and Housing

RCD of Greater San Diego County's total fulltime resident population within its jurisdictional boundary is independently estimated by LAFCO at 1,445,460 as of the term of the five-year report period. This amount represents 43.4% of the countywide total. It is also estimated the fulltime population has risen overall by 8.90% from 1,320,088 in 2010 and the last census reset. This translates to an annual change of

It is estimated there are 1,445,460 fulltime residents within RCD of Greater San Diego County at the end of the report period and captures two-fifths of the county total. It is also projected the fulltime population will increase consistent with recent trends – or 0.81% annually – and reach 1,505,034 by 2024.

0.99% and above the corresponding countywide growth rate of 0.81%. It is projected the current growth rate will continue intact into the near-term and result in the fulltime population reaching 1,505,034 by 2024. The jurisdiction has a current population density of 1 resident for every 1.3 acres and underlies the overall rural character of the jurisdiction.

**RCD of Greater San Diego County
Resident Population**

Table 4.1a (Source: Esri and San Diego LAFCO)

Factor	2010	2019	2024 (projected)	Annual Change %
RCD of Greater San Diego County	1,320,088	1,445,460	1,505,034	0.99%
San Diego County	3,095,264	3,333,975	3,460,447	0.81%

There are 517,652 residential housing units within RCD of Greater San Diego County as of the report period term. This amount has increased by 484,140 – or 3,724 annually – since 2010. With respect to current housing characteristics within the District, 62.2% are owner-occupied, 33.8% are renter-occupied, and the remaining 4.0% are vacant. The average household size is 2.60 and has decreased by (1.2%) from 2.63 over the preceding five-year period. The mean monthly housing cost in RCD of Greater San Diego County has decreased by (4.1%) from \$1,305.79 to \$1,252.88 based on the most recent five-year period averages. The mean monthly housing cost also continues to remain well below the countywide average of \$1,578.00.

Housing production in RCD of Greater San Diego County totals 517,652 dwelling units as of the term of the report period. This includes the addition of 33,512 units – or 3,724 a year – since 2010. The average monthly housing cost in the District is \$1,252.88, which is close to one-fourth lower than the countywide average.

**RCD of Greater San Diego County
Housing Breakdown**

Table 4.1b (Source: American Community Survey and San Diego LAFCO)

Jurisdiction	2010 Housing Units	2019 Housing Units	Change	2010 Monthly Housing Cost	2019 Monthly Housing Cost	Change
RCD of Greater San Diego County	484,140	517,652		1,305.79	1,252.88	(4.9%)
San Diego County	1,164,766	1,236,184	6.1%	\$1,540	\$1,578	2.5%

4.2 Age Distribution

The median age of residents in RCD of Greater San Diego County is 47.7 based on the current five-year period average. This amount shows the population is rising with the median age experiencing an overall change of 5.9% from 45.1 over the preceding five-year period average. The current median age in RCD of Greater San Diego County also remains significantly higher than the countywide average of 35.3. Residents in the prime working age group defined as ages 25 to 64 make up slightly more than one-half of the estimated total population at 50.4%.

Residents within RCD of Greater San Diego County tend to be significantly older with a medium age of 47.7; an amount that is more than one-fourth higher than the countywide average of 35.3. The majority – 50.4% – of the residents also are aged within the prime working group of 25-64.

RCD of Greater San Diego County Resident Age Breakdown

Table 4.2a (Source: American Community Survey and San Diego LAFCO)

Service Area	2010			2019		
	Median Age	Median Age	Change	Prime Working Age	Prime Working Age	Change
RCD of Greater San Diego County	45.07	47.71	5.87%	50.63	50.4%	(0.5)%
San Diego County	34.6	35.3	2.0%	53.4%	47.0%	(12.0)%

4.3 Income Characteristics

The median household income in RCD of Greater San Diego County is \$59,041 based on the current five-year period average. This amount shows fulltime residents are receiving less pay with the median income experiencing an overall decrease of (5.4%) from the preceding five-year period average of \$62,427. The current median household income in RCD of Greater San Diego County is also lower by one-eighth than the current countywide median of \$66,529. Separately, the current average rate of persons living below the poverty level in RCD of Greater San Diego County is 14.4% and has increased by or 5.3% over the earlier five-year period and surpassing the countywide rate of 14.0%.

RCD of Greater San Diego County residents' average median household income has experienced a decrease in recent years and is currently \$59,041. This amount is more than one-eighth lower than the countywide median income \$66,529. The rate of persons living below the poverty rate has separately increased by to 14.4% and is now slightly above the countywide rate of 14.0%.

RCD of Greater San Diego County Resident Income Breakdown

Table 4.3a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011			2012-2016		
	Median HH Income	Median HH Income	Change	Poverty Rate	Poverty Rate	Change
RCD of Greater San Diego County	\$62,427	\$59,041	(5.4%)	13.7%	14.4%	5.3%
San Diego County	\$63,857	\$66,529	4.2%	13.0%	14.0%	7.7%

4.4 Socioeconomic Indicators

Unemployment within RCD of Greater San Diego County is relatively high at 8.6% based on the current five-year period average. This amount represents an overall and negative change of 100.3% compared to the previous five-year average and is far in excess of the corresponding countywide change of (12.5%) from 5.6% to 4.9%. Educational levels as measured by adults 25 or older with bachelor degrees has slightly increased with the overall rate rising by 5.5% over the previous five-year period from 25.3% to 26.7% - although still substantially below the countywide rate of 36.5%. Over one-fourth – or 27.0% – of the population currently collects retirement income. The non-English speaking percentage of the population has decreased during this period from 14.3% to 9.6%; an overall difference of (32.5%).

Slightly more than one-fourth of RCD of Greater San Diego County residents have undergraduate degrees. The unemployment rate within the District is nearly double the countywide amount.

**RCD of Greater San Diego County
Socioeconomic Indicators Breakdown**

Table 4.4a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011			2012-2016		
	Unemployment Rate	Unemployment Rate	Change	Non English	Non English	Change
RCD of Greater San Diego	4.30	8.62	100.3%	14.3%	9.6%	(32.5%)
San Diego County	5.6%	4.9%	(12.5%)	16.1%	15%	(6.8%)

5.0 ORGANIZATION

5.1 Governance

RCD of Greater San Diego County’s governance authority is established under the Resource Conservation Districts Law and codified under Public Resources Code Section 9151 - 9491. This principal act empowers RCD of Greater San Diego County to provide a moderate range of municipal service functions involving natural resource protections and improvements upon approval by LAFCO. RCD of Greater San Diego County is currently authorized to provide four active municipal service functions: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement. All other service functions (i.e. powers) enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO at a noticed hearing before RCD of Greater San Diego County would be allowed to initiate. Similarly, should RCD of Greater San Diego County seek to divest itself of directly providing an active service function, it would need to receive LAFCO approval. A list of active and latent RCD of Greater San Diego County service functions follows.

Active Service Functions

- Soil Erosion
- Water Conservation
- Wildlife Enhancement
- Agricultural Enhancement

Latent Service Functions

- Water Distribution
- Erosion Stabilization

Governance of RCD of Greater San Diego County is independently provided by a seven-member Board of Directors.¹⁷ Each member of the Board is either elected by registered voters or appointed by the County of San Diego

RCD of Greater San Diego County’s regular meetings are scheduled on the first Tuesday of each month. Directors do not receive per diems.

Board of Supervisors in the event no candidates file for election. All Board members serve staggered four-year terms with a rotating president system. The Board has also established to two “Associate” positions on the Board to help inform decision-making. The Board regularly meets every first Tuesday at 1:00pm at RCD of Greater San Diego County’s

¹⁷ LAFCO established a seven-member Board as part of the formation proceedings in 1995 and initially comprised all five Board members from RCD of Central San Diego County and two members from Empire Mountain RCD.

administrative office at 11769 Waterhill Road in Lakeside (92040). Directors do not receive per diems for meetings attended. Summary minutes are prepared for all meetings; audio and video recordings are not provided. A current listing of the Board along with respective backgrounds and years served with the District follows.

RCD of Greater San Diego County Current Governing Board Roster Table 5.1a (Source: RCD of Greater San Diego)			
Member	Board Position	Years on the Board	Background
Donald Butz	President	5	Fire Service
Marilyn Huntamer	Vice President	9	Small Business Owner
James Thompson	Secretary	4	Registered Arborist
Jordan Gascon	Director	2	Executive Director
Cody Petterson	Director	1	Non-profit Director
Vacant			
Vacant			
D.K. Nasland	Associate Director	Less than 1	Engineering Director
Jo MacKenzie	Associate Director	Less than 1	Land Use Planner

5.2 Administration

RCD of Greater San Diego County appoints an at-will General Manager to oversee all District activities. Principal duties include preparing an annual budget, liasoning with other State and local agencies, and managing staff and contracted consultants/vendors. The current General Manager – Sheryl Landrum – was appointed in January 2013 and oversees a budgeted staff of 18.0 fulltime employees along with seasonal staff. RCD of Greater San Diego County contracts with McDougal Love Boehmer Foley Lyon and Canlas (La Mesa) with principal legal representation provided by Steven E. Boehmer.



6.0 MUNICIPAL SERVICES

RCD of Greater San Diego County is currently authorized to provide four distinct municipal service functions consistent with its principal act: (a) soil erosion; (b) water conservation; (c) wildlife enhancement; and (d) agricultural enhancement.¹⁸ These service functions are provided through 18.0 equivalent staff at the end of the report period. Overall staffing levels has changed by 260% over the corresponding 60-months and detailed in the accompanying footnote.¹⁹ A summary analysis of the active functions follows with respect to applicable capacities, demands, and performance during the five-year report period.

RCD of Greater San Diego County provides four active service functions under its principal act: soil erosion; water conservation; wildlife enhancement; and agricultural enhancement. These categories are identified by LAFCO consistent with its responsibilities under statute to classify the type and location of active functions and related classes.

6.1 Soil Erosion

RCD of Greater San Diego County's soil erosion service function involves maintaining chemical makeup of healthy soils. Current activities focus on developing carbon farming projects and providing fuel reduction. A description of these current activities follow.

Carbon Farming

This service activity involves providing technical assistance to landowners to increase organic matter contents into the soil by sequestering carbon dioxide from the atmosphere for placement into soil and vegetation. Common examples include composting applications, mulching, and other cover crops. The sequestration process supports plant photosynthesis and retention of water and nutrients in the soil and in doing so helps reduce soil erosion while also combats climate change by overtime reducing greenhouse gas emissions. Related District services include assisting landowners to apply for grants to fund individual carbon farming projects. The District also performs related educational services by operating demonstration plots at the Sweetwater and Tijuana Valley Community Gardens.

Fuel Reduction

This service activity involves providing educational and related technical advice to landowners and community organizations to help reduce excess surface fuels that have fallen to the ground. Common examples of surface fuels are leaves, twigs, and pieces of bark, which are collectively referred to as "leaf litter." Reducing fuels through prescribed burning or other

¹⁸ RCD of Greater San Diego County is also authorized – subject to LAFCO approving latent power expansions – to provide water distribution and erosion stabilization.

¹⁹ Fulltime equivalent staffing levels at the start of the five-year report period was 8.

methods can minimize soil erosion caused by severe wildfires.

RCD of Greater San Diego County currently has four active contracts relating to its soil erosion service function and are summarized below.

- United States Forest Service: Cleveland National Forest
This contract relationship was established in 2009 and involves grant funding for the District to provide fuel reduction and fire prevention education services specific to the Palomar Observatory and Bergman Ranch areas within the Cleveland National Forest. The current grant provides \$2.0 million and extends through 2021.
- United States Forest Service: Grants Clearinghouse
This contract relationship was established in 2008 and involves grant funding for the District to provide fuel reduction and fire prevention education services specific to rural San Diego County. The current grant provides \$200k and extends through 2020.
- San Diego Gas and Electric (SDG&E)
This contract relationship was established in 2012 and involves grant funding for the District to provide fuel reduction and fire prevention education services specific to the SD County area. The current grant provides \$0.120 million and extends through 2021.
- California Department of Food and Agriculture (CDFA)
This contract relationship was established in August 2019 and involves grant funding for the District to assist carbon farming practices at the Daley Ranch in Jamul. The current grant provides \$0.099 million and extends through 2022.

6.2 Water Conservation

RCD of Greater San Diego County's water conservation service function involves economizing water resources for maximum beneficial uses. Current activities focus on watershed education and related technical assistance. Additional details follow.

Watershed Education

This service activity has been a central focus of the District since formation and involves an education program delivered to schools and at community events to educate and inform students and residents to improve conditions within the San Diego Bay Watershed and its three sub-areas: Otay; Pueblo; and Sweetwater. Examples include working with landowners, schools, and community groups to inform and facilitate stewardship activities

throughout the San Diego Bay Watershed to improve water quality. The program includes a classroom presentation to educate students about what a watershed is, how watersheds become polluted, and how individuals can make a difference. The District also annually awards \$1,000 scholarships to graduating high-school students demonstrating achievement in promoting watershed stewardship.

RCD of Greater San Diego County currently has two active contracts relating to its water conservation function and are summarized below.

- San Diego County Port Authority

This contract relationship was established in 2017 and involves grant funding for the District to provide free watershed education programs made available to all second through sixth grade students located within the San Diego Bay Watershed. The grant program typically involves registered schools receiving in-class presentations aimed at providing students hands-on opportunities to learn about their environment and the connection between land, water, and human actions. The current grant provides the District \$0.101 million grant and extends through 2022.

- Student & Landowner Education & Watershed Stewardship (SLEWS)

This contract relationship was established in 2014 and involves grant funding to for the District to engage high school students on real-world conservation projects. The grant program focuses on watershed education at the elementary school level within AREA. The current grant provides the District \$0.016 million through 2021.

6.3 Wildlife Enhancement

RCD of Greater San Diego County's wildlife enhancement service function involves improving the natural landscape for ecological purposes. Current activities focus on habitat restoration, pollinator health, and wildfire prevention. Additional details follow.

Habitat Restoration (Invasive Species Removal)

This service activity involves addressing the negative effects on the natural environment from invasive species – such as *Arundo donax* and Tamarisk. This includes removing and/or otherwise curbing invasive species that are prone to spread massively on natural ecosystems and cause adverse impacts and marked by the loss of biodiversity. Removal is typically performed manually by hand or heavy machinery and supplemented as needed by herbicide. Current activities include eliminating invasive plants, weeds, and wildlife species along the El Capitan Reservoir to limit their deleterious effects on water supply and quality while reducing fuel loads.

Pollinator Health

This service activity involves restoring and enhancing natural habitat for native pollinators, including bees, birds, and butterflies. The aim of the program is to support pollinators and the essential role in supporting food production and plant diversity and currently include creating demonstration pollinator gardens in public spaces and as part of an annual exhibit at the San Diego County Fair. Related work also includes creating a local source of native milkweed for use in habitat creation in both home gardens and restoration projects. The District serves as the administrator for the San Diego Pollinator Alliance, which is a network of agencies and organizations partnering to support pollinator health in San Diego County.

Wildland Fire Prevention

This service activity involves managing local programs to help facilitate defensible space initiatives and protect landowners and communities from wildland fires. These activities are done in partnership with the Fire Safety Council of San Diego County and its local chapters. Management activities includes organizing and administering grants to provide local fire safe council chapters with free chipping, brush thinning and clearing, and community workshops. The service activity is performed across the District and the work is conducted year round.

RCD of Greater San Diego County currently has six active contracts relating to its wildlife enhancement function and are summarized below.

- California Association of Resource Conservation Districts
This contract relationship was established in 2016 and involves grant funding to raise awareness of the benefits of planting native milkweed and includes providing local, native milkweed seed sources to landowners. The current grant is for \$0.002 million grant and extends to 2022.
- San Diego Integrated Regional Water Management
This contract relationship was established in 2017 and involves grant funding to improve water quality in the El Capitan Reservoir in eastern San Diego County. The grant program is tied to Proposition 84 and funds the elimination of invasive plants, weeds, and wildlife species along the El Capitan Reservoir. The current grant is for \$2.1 million extends through 2022.

- U.S. Fish and Wildlife Service
This contract relationship was established in 2014 and involves grant funding to build and support local pollinator habitats and the work of the San Diego Pollinator Alliance. Existing focus is on the creation of the first local source of native milkweed seed to support and revitalize pollinator habitats in San Diego. The current grant is for \$0.044 million grant and extends through 2023.
- California Department of Forestry and Fire Protection (CAL FIRE)
This contract relationship was established in 2019 and involves grant funding to conserve working forests and minimize loss of forest carbon as well as protect upper watersheds. Current focus is on the Palomar Mountain area and includes a multi-agency partnership with Fire Safe Council of San Diego County, United States Forest Service, La Jolla Band of Luiseño Indians, Pauma Band of Mission Indians, and Palomar Land & Cattle Company. The current grant is for \$5.0 million grant and extends to 2024.
- County of San Diego
This contract relationship was established in 2016 and involves grant funding to improve the Tijuana River Valley. Specific activities focus on expanding and improving the Tijuana River Valley Community Garden with recent accomplishments including new irrigation and security for 98 garden plots as well as creating six quarter-acre plots for more intestine gardening. The current grant is for \$0.030 million and extends to October 2020.
- California Department of Conservation: Regional Fire and Forest
This contract relationship was established in 2019 and involves assistance to develop local chapters for the Fire Safe Council of San Diego County. Specific activities funded by the grant program include planning and demonstration project such as wood chipping, defensible space assistance, and conducting fire-safety workshops. The current grant is for \$1.43 million and extends to 2023.

6.4 Agricultural Enhancement

RCD of Greater San Diego County's agricultural enhancement service function involves supporting healthy and sustainable crop and livestock production. Current activities focus on regenerative farming, community supported agriculture, and integrated pest management. Additional details follow.

Regenerative Farming

This service activity involves working with landowners and other stakeholders to develop alternative farming methods to conventional practices that rely on tilling and non-organic fertilizers. The purpose of the service is to improve biodiversity through natural land restorative practices. Additional details on related activities is pending.

Community Supported Agriculture

This service activity involves connecting local farmers with consumers and provide a direct farm-to-table relationship through the District's operations at Wild Willow Farm and Education Center. Key mechanics involve managing an exchange system in which customers pre-purchase a "share" of produce with regular deliveries throughout the year (weekly or biweekly) from the farm based on the true costs of production. Additional details on related activities is pending.

Integrated Pest Management (IPM)

This service activity involves providing instruction to landowners and other stakeholders on garden-friendly pest control methods. The purpose of the service is to reduce non-native pests and maintain healthy gardens. Additional activity details are pending.

7.0 FINANCES

7.1 Financial Statements

RCD of Greater San Diego County contracts with an outside accounting consultant to prepare an annual report reviewing the District's financial statements in accordance with established governmental accounting standards. This includes auditing RCD of Greater San Diego County's statements in verifying overall assets, liabilities, and net position. These audited statements provide quantitative measurements in assessing RCD of Greater San Diego County's short and long-term fiscal health with specific focus on delivering its active municipal service functions: soil erosion; water conservation; wildlife enhancement; and agricultural enhancement. The current outside consultant is Wilkinson, Hadley, King and Co (El Cajon).

RCD of Greater San Diego County's most recent audited financial statements for the five-year report period were issued for 2018-2019.²⁰ These statements show RCD of Greater San Diego County experienced a slightly negative change over the prior fiscal year as the District's overall net position (regular accrual basis) decreased by (4.8%) from \$2.483 million to \$2.362 million. Underlying this change in net position is an increase in accounts payable coupled with a total margin loss of (6.9%) during the fiscal year due to the purchase of Wild Willow Farm. A detailing of year-end totals and trends during the report period follows with respect to assets, liabilities, and net position.

Most Recent Year-Ending Financial Statements (2018-2019)	
Assets	\$2,595,328
Liabilities	\$233,250
Outflow/Inflow	\$0
Net Position	\$2,362,078

Agency Assets

RCD of Greater San Diego County's audited assets at the end of 2018-2019 totaled 2.595 million and is (0.8%) lower than the average year-end amount of \$2.610 million documented during the five-year report period. Assets classified as current with the expectation they could be liquidated within a year represented close to two-thirds of the total amount – or \$1.669 million – and primarily tied to cash and investments. Assets classified as non-current make up the remaining total – or \$0.926 million and entirely categorized as capital facilities. Overall assets for RCD of Greater San Diego County have decreased by (1.5%) over the corresponding 60-month period.

RCD of Greater San Diego County's assets have modestly decreased by (0.8%) during the report period due to the purchase of Wild Willow Farms. The overall decrease is primarily attributed to a decrease in cash equivalents from \$1.478 to \$1.183 million over the 60-month period.

RCD of Greater San Diego County Audited Assets

Table 7.1a | Source: RCD of Greater San Diego County

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Current	1,616,411	1,578,735	1,677,866	1,591,911	1,669,656	3.3%	1,626,916
Non-Current	1,019,173	1,017,442	995,724	959,209	925,672	(9.2%)	983,444
Total	\$ 2,635,584	\$2,596,177	\$2,673,590	\$2,551,120	\$2,595,328	(1.5%)	\$2,610,360

Agency Liabilities

RCD of Greater San Diego County audited liabilities at the end of 2018-2019 totaled \$0.233 million and finished 125.1 higher than the average year-end amount of \$0.102 million documented during the five-year report period. More than four-fifths of all

RCD of Greater San Diego County's liabilities remain modest overall but nonetheless have increased by three-fold – or 321.5% – during the report period from \$0.055 to \$0.233 million. The increase is largely attributed to a period-ending spike in accounts payable.

²⁰ The audit for 2018-2019 was issued by Wilkinson, Hadley and King Company, LLP on June 30, 2019.

liabilities finished the report period categorized as current and represent obligations owed within the year and largely tied to accounts payable. The remaining amount of liabilities are categorized as non-current and exclusively involve unearned revenues. Overall liabilities for RCD of Greater San Diego County have increased by 321.5% over the corresponding 60-month period.

RCD of Greater San Diego County Audited Liabilities							
Table 7.1b Source: RCD of Greater San Diego County							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Current	26,719	37,664	26,681	33,627	195,376	631.2%	64,646
Non-Current	28,621	21,681	69,084	40,861	37,874	32.3%	39,624
Total	\$55,340	\$59,345	\$95,765	\$74,488	\$233,250	321.5%	102,270

Net Position

RCD of Greater San Diego County's audited net position or equity at the end of 2018-2019 totaled \$2.362 million and represents the difference between the District's total assets and total liabilities. This most recent year-end amount is (5.8%) lower than the average year-end sum of \$2,508 million documented during the five-year report period. Close to two-fifths of the ending net position – or \$0.926 million – is tied to capital assets. The remainder is divided between restricted and unrestricted. Overall, the net position for RCD of Greater San Diego County has decreased by (8.5%) over the corresponding 60-month period with the volume attributed to the preceding reference to a period-ending spike in liabilities.

RCD of Greater San Diego County's net position is trending slightly negative with losses in four of the five years during the report period. The net position has decreased overall from \$2.580 to \$2.362 million; a difference of (8.5%).

RCD of Greater San Diego County Audited Net Position							
Table 7.1c Source: Mission RCD							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Invested in Capital	1,019,173	1,017,442	995,724	959,248	925,671	(9.2%)	983,452
Restricted	-	-	942,118	962,519	961,915	n/a	573,310
Unrestricted	1,561,071	1,519,390	639,983	561,701	474,492	(69.6%)	951,327
Total	\$2,580,244	\$2,536,832	\$2,577,825	\$ 2,483,468	\$2,362,078	(8.5%)	\$2,508,089

RCD of Greater San Diego County maintains one active governmental fund – general – underlying the net position. The unassigned portion of the General Fund totaled \$0.474 million (modified accrual basis) as of the last audited fiscal year and represents the available and spendable portion of Mission RCD’s fund balance. The unassigned amount represents less 8.8 months of operating expenses based on actuals in 2018-2019.²¹

RCD of Greater San Diego County’s unassigned balance within its General Fund at the end of the report period totaled \$0.474 million and has changed overall by (69.6%). The end balance is equal to covering close to nine months of operating costs.

7.2 Measurements | Liquidity, Capital, and Margin

LAFCO’s review of the audited financial statement issuances by RCD of Greater San Diego County covering the five-year report period shows the District generally experienced declines in all standard measurement categories – liquidity, capital, margin, and structure – utilized in this document. A summary of these standard measurements follow.

Standard measurements used to assess RCD of Greater San Diego County’s financial standing shows the District finished the report period trending negatively in all standard measurement categories. This includes a negative total margin in four of the five years with an overall average of (2.8%).

- RCD of Greater San Diego County’s liquidity levels are low and decreasing. The current ratio – which compares available assets against near-term obligations – decreased in four of the five years during the report period with an overall change of more than four-fifths – or (84.7%) – from 60.5 to 8.6. This ending amount reflects the District finished the report period with \$8.60 in available cash for every \$1.00 in immediate bills. The District’s days’ cash levels, similarly, decreased during the report period with an overall change of (60.7%) from 831 days to 330 days.
- RCD of Greater San Diego County’s capital levels have decreased over the report period but remain high overall and available to help cover large and/or otherwise unplanned expenses. The debt-to-net assets – which measures the portion of the net position tied to outside financing – finished low at 1.6% while absorbing an approximate one-half increase during the report period. Similarly, the District’s debt ratio and its measurement of total liabilities against total assets finished at 8.9% despite a three-fold increase.

²¹ Actual operating expenses in 2018-2019 totaled \$1.357 million.

- RCD of San Diego County’s margin levels are very low have been decreasing with losses in four of the five years during the report period. The average total margin – the bottom line with respect to comparing overall revenues to expenses – generated during the period tallied (3.1%) with an ending amount of (6.9%).

RCD of Greater San Diego County Financial Measurements								
Table 7.2a Source: San Diego LAFCO								
Fiscal Year	Current Ratio	Days' Cash	Debt Ratio	Debt to Net Position	Total Margin	Operating Margin	Operating Reserves Ratio	Equipment Replacement
2014-2015	60.5 to 1	830.7	2.1%	1.5%	(3.5%)	(3.5%)	227.9%	6.5
2015-2016	41.9 to 1	728.0	2.3%	0.9%	(6.2%)	(6.3%)	204.0%	7.3
2016-2017	62.9 to 1	445.1	3.6%	2.7%	5.4%	5.4%	58.6%	8.2
2017-2018	59.4 to 1	532.6	2.7%	1.6%	(4.1%)	(4.1%)	53.1%	9.4
2018-2019	8.6 to 1	326.6	8.9%	1.6%	(6.9%)	(6.9%)	35.0%	10.7
Average	44.4 to 1	572.6	3.9%	1.6%	(3.1%)	(3.1%)	140.5%	8.4
Trend	(85.8%)	(60.7%)	328.0%	43.7%	97.9%	97.9%	(84.7%)	64.3%

Current Ratio (Liquidity)

Compares available assets against near-term obligations; the minimum desirable ratio is 1.0 and means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)

Measures the number of days the agency can fund normal operations without any new cash income; an appropriate minimum threshold is 180 days. This measurement focuses on immediate cash available to the agency in comparison to the current ratio.

Debt Ratio (Capital)

Measures the relationship between the agency's total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)

Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth; an appropriate maximum standard threshold is 50%.

Total Margin (Margin)

Measures the bottom line of the agency with respect to comparing all revenues to all expenses; a positive percentage is desirable within the caveat capital improvement expenditures may appropriately result in a negative percentage in individual years.

Operating Margin (Margin)

Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans; a consistent positive percentage shows the agency has established a structured budget.

Operating Reserves Ratio (Structure)

Measures the percent of available monies of an agency to cover unforeseen shortfalls; an appropriate maximum standard threshold is 50%.

Equipment Replacement Ratio (Structure)

Measures the average age of depreciable equipment and facilities; the lower the number the younger the infrastructure with the assumption therein better efficiencies/effectiveness.

7.3 Pension Obligations

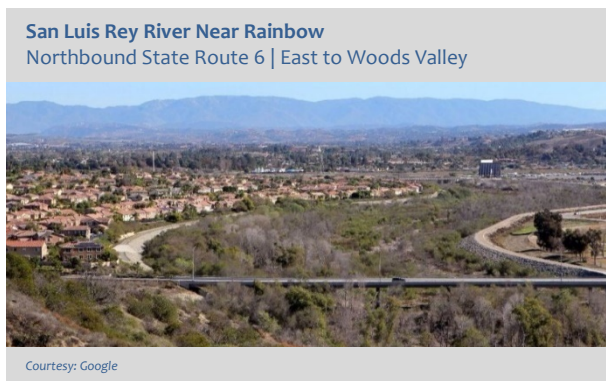
RCD of Greater San Diego County does not have recorded pension obligations.

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C. UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

1.0 OVERVIEW

The Upper San Luis Rey Resource Conservation District (RCD) is an independent special district formed in 1942 and the longest operating RCD in San Diego County. Formation proceedings were initiated by area farmers and ranchers in consultation with the Natural Resources Conservation Services to create a locally funded agency to assist landowners in implementing soil, water, and



San Luis Rey River Near Rainbow
Northbound State Route 6 | East to Woods Valley

Courtesy: Google

other land management practices in support of agrarian activities. Upper San Luis Rey RCD encompasses a 402-square mile jurisdictional boundary and generally overlaps with the northern San Luis Rey Watershed.²² All lands in the jurisdictional boundary are unincorporated and anchored by the communities of Pala, Pauma Valley, Rainbow (portion) Warner Springs, and Yuima. Close to one-fifth of the jurisdictional boundary also includes five American Indian reservations (La Jolla, Pala, Pauma-Yuima, Rincon, and Santa Ysabel). Governance is provided by a five-person board with members directly elected by geographic divisions or appointed by the County of San Diego Board of Supervisors in lieu of candidate filings. All members serve four-year terms. The average tenure on the Board among current members is 10 years with the longest tenured member – Oggie Watson – completing his 35th year.

Upper San Luis Rey RCD is presently organized as a limited-purpose agency with municipal service functions tied to two active categories under its principal act: (a) water conservation and (b) wildlife enhancement. Upper San Luis Rey RCD is also authorized – subject to LAFCO approving latent power expansions – to provide water distribution, agricultural enhancement, and soil erosion functions. The primary focus of Upper San Luis Rey RCD has involved maintaining conservation easements and performing related work to protect and restore native wildlife. Upper San Luis Rey RCD more recently has partnered with other local and State agencies to create the San Luis Rey Sustainable Groundwater Agency to plan and manage basin supplies. The operating budget at the term of the report period (2018-2019) was \$0.031 million. The last audited financial statements cover 2018-2019 and show Upper San

²² The San Luis Rey Watershed lies in the northern portion of the County and encompasses a land area of about 560 square miles and encompasses parts of the City of Oceanside, City of Vista, Fallbrook, Pala, Valley Center, and Palomar Mountain. Over half of the watershed remains undeveloped and is largely agricultural with green groves, slopes and canyons. The watershed neighbors Santa Margarita Watershed to the north and Carlsbad and San Dieguito Watersheds to the south. San Luis Rey Watershed supplies area residents with potable water sourced from Turner Reservoir and Lake Henshaw, as well as a number of underground aquifers.

Luis Rey RCD's net position totaling \$0.346 million with the unrestricted portion tallying \$0.179 million. This latter amount reflects the unassigned monies in the General Fund and translates to covering more than 124 months of operating expenses based on recent actuals.

LAFCO independently estimates the fulltime resident population within Upper San Luis Rey RCD is 11,735 as of the term of this report period and accommodated through the construction of 4,615 current housing units in the District. Most of the estimated population – notably – lies within the unincorporated community of Pauma Valley. It is also projected the estimate of fulltime residents represents an overall increase of 811 since 2010 – or 90.1 annually – with a resulting annual growth rate of 0.78%, which is slightly below the corresponding countywide rate of 0.81%. The median household income in the District is \$48,822 based on the current five-year period average and nearly two-fifths below the countywide average of \$66,529.

2.0 BACKGROUND

2.1 Community Development

Upper San Luis Rey RCD's service area began its present-day development in the mid-1800s in parallel with the creation and awards of land grants – or ranchos – throughout California by the Mexican government. Rancho Pauma covers a sizeable portion of the region and was granted to Jose Antonio Serrano in 1844 and preceded a series of subsequent land divisions and arrival of permanent settlers.²³ The region also was introduced to emigrants beginning in the 1850s as a result of the Overland Mail Stagecoach Line with a stop at Warner Ranch. Initial development of the region primarily involved ranching with some local-serving agriculture with the former highlighted by cattle and sheep. The region's Native American population also remained prominently present during this period with several Luiseno Indian bands located along the San Luis Rey River and anchored by the earlier establishment of the Mission San Antonio del Pala in 1816.

Warner Ranch on the Way to Pala |
Overland Mail Stagecoach Line
Circa 1903



Courtesy: San Diego History Center

²³ The word "pauma" is a Native American phrase and translates to "I bring water" or "a place where there is water."

The first official census performed for the Upper San Luis Rey region estimated the population at 603 in 1890 and generally divided between the communities of Warner Springs and Yuima. The population increased by nearly triple during the next 10 years to an estimated 1,736 in the 1900 census and primarily attributed to an influx of Native American band members (Pala and Pauma) moving into the region as a result of having to abandon villages to the west along the San Luis Rey River due to the incorporation and development of Oceanside. It was also during this period agricultural activities in the region

began to intensify. This intensification was aided by water diversions from the San Luis Rey River along with transportation improvements allowing farmers to bring products more directly to market. The result was a substantive expansion in family farming in the region heading towards the century midpoint and headlined by lemon groves and other citrus crops.

Warner Springs
Circa 1941



Courtesy: San Diego History Center (pending)

2.2 Formation Proceedings

Upper San Luis Rey Soil Conservation District's (later renamed Upper San Luis Rey RCD) formation was petitioned by area landowners in early 1942. The petition paralleled an emerging statewide movement to establish create local agencies with a dedicated property tax base to advance soil conservation services in partnership with the Natural Resource Conservation Services' regional offices. Formation proceedings were overseen by the County of San Diego's Boundary Commission – a precursor to the creation of LAFCOs – and approved subject to voter confirmation of landowners. An election was subsequently held in May 1942 with landowners approving the formation on a vote of 71 to 0 along with electing an initial board of directors.²⁴ The effective date of the formation was June 1, 1942.

2.3 Post Formation Activities

A summary of notable activities undertaken by Upper San Luis Rey RCD and/or affecting the District's service area following formation in 1945 is provided below.

²⁴ The inaugural Board consisted of Jack Adams, Howard Baily, Orlando Bergman, H.D. Curtis, and W.F. Wright.

- LAFCO adopts Upper San Luis Rey RCD’s sphere of influence in June 1986. The sphere was established with a “larger-than-agency” designation to include several non-jurisdictional islands as well as adjacent northern land to Riverside County.
- The Sustainable Groundwater Management Act (SGMA) becomes law on January 1, 2015 and requires public agencies to manage all high and medium priority basins as identified by the State Water Resources Control Board. The subsequent identification process identifies the San Luis Rey Valley Groundwater Basin as a medium priority basin.
- Upper San Luis Rey RCD enters into an agreement with the County of San Diego, Pauma Valley Community Services District, and Yuima Municipal Water District to establish the San Luis Rey Groundwater Sustainability Agency (GSA) in June 2017.
- LAFCO updates and affirms Upper San Luis Rey RCD’s sphere of influence in March 2013 with no changes.
- The State Water Resources Control Board awards a \$1.3 million grant to fund the initial operation of the San Luis Rey GSA and development of a management plan over the basin in April 2018. Yuima MWD agrees to be lead agency in the GSA.
- The County of San Diego withdraws from the San Luis Rey GSA in January 2019 and the remaining agencies – Upper San Luis Rey RCD, Pauma Valley Community Services District, and Yuima Municipal Water District – enter into a new agreement regarding the governance and operation of the San Luis Rey GSA.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

Upper San Luis Rey RCD’s existing jurisdictional boundary spans approximately 402 square miles and covers 257,280 unincorporated acres (parcels and public rights-of-ways). The County of San Diego is the sole land use authority within the jurisdictional boundary with associated planning provided in the County General Plan last updated in 2011 and further prescribed in several community plans as detailed in the accompanying footnote.²⁵ The primary land use within the jurisdictional boundary is commercial agriculture

Upper San Luis Rey RCD’s jurisdictional boundary spans 402 square miles and covers 9.4% of all of San Diego County. All of the jurisdictional boundary is unincorporated and overlaps the land use authority of the County of San Diego.

²⁵ The following County Community Plans collectively encompass the Upper San Luis Rey RCD jurisdictional boundary: Rainbow; Fallbrook; Bonsall; Valley Center; Pala-Pauma; Palomar; North Mountain; Desert; and Borrego Springs.

and low to moderate residential estate uses focused in the Pala, Pauma Valley, Warner Springs, and Yuima communities along with a small amount of local-serving retail. There are also regional-serving commercial uses in the area and include Pauma Country Club, and Palomar Observatory. Five American Indian reservations are also within the jurisdictional boundary (La Jolla, Pala, Pauma-Yuima, Rincon, and Santa Ysabel). Overall, there are currently 5,597 registered voters in the District.

Upper San Luis Rey RCD Boundary Breakdown By Land Use Authority Table 3.1a (Source: Esri and San Diego LAFCO)					
Land Use Authority	Assessor Parcel Acres	Total Assessor Parcel Acres	% of Total Assessor Parcel Acres	Total Assessor Parcels	Number of Registered Voters
County of San Diego	256,350		100%	6,210	5,597

Total assessed value (land and structure) within Upper San Luis Rey RCD is set at \$1.47 billion as of January 2020 and translates to a per acre value ratio of \$0.006 million. The former amount – \$1.47 billion – further represents a per capita value of \$0.125 million based on the estimated fulltime population in Upper San Luis Rey RCD of 11,735. Upper San Luis Rey RCD receives approximately one hundred thousandths (1/100,000) of the annual 1.0% of property tax collected in the District.

Upper San Luis Rey RCD receives \$0.00000145 cents for every \$1.00 dollar in property tax collected within its jurisdictional boundary. The amount received from Upper San Luis Rey RCD at the end of the fiscal year was \$0.008 million.

The jurisdictional boundary is currently divided into 6,210 assessor parcels spanning 256,350 acres. (The remaining jurisdictional acreage consists of public right-of-ways or waterways.) More than six-sevenths – 86.8% – of the assessor parcel acreage is under private ownership with five-eighths of this amount having already been developed and/or improved to date, albeit not necessarily at the highest density as allowed under zoning. The remainder of private assessor acreage in Upper San Luis Rey RCD is undeveloped and consists of 2,041 vacant parcels that collectively total 34,766 acres, which equals 13.5% of the entire District.

There are 2,041 privately owned parcels within Upper San Luis Rey RCD that remain vacant and span 34,766 acres; an amount that represents more than 13.5% of the entire District.

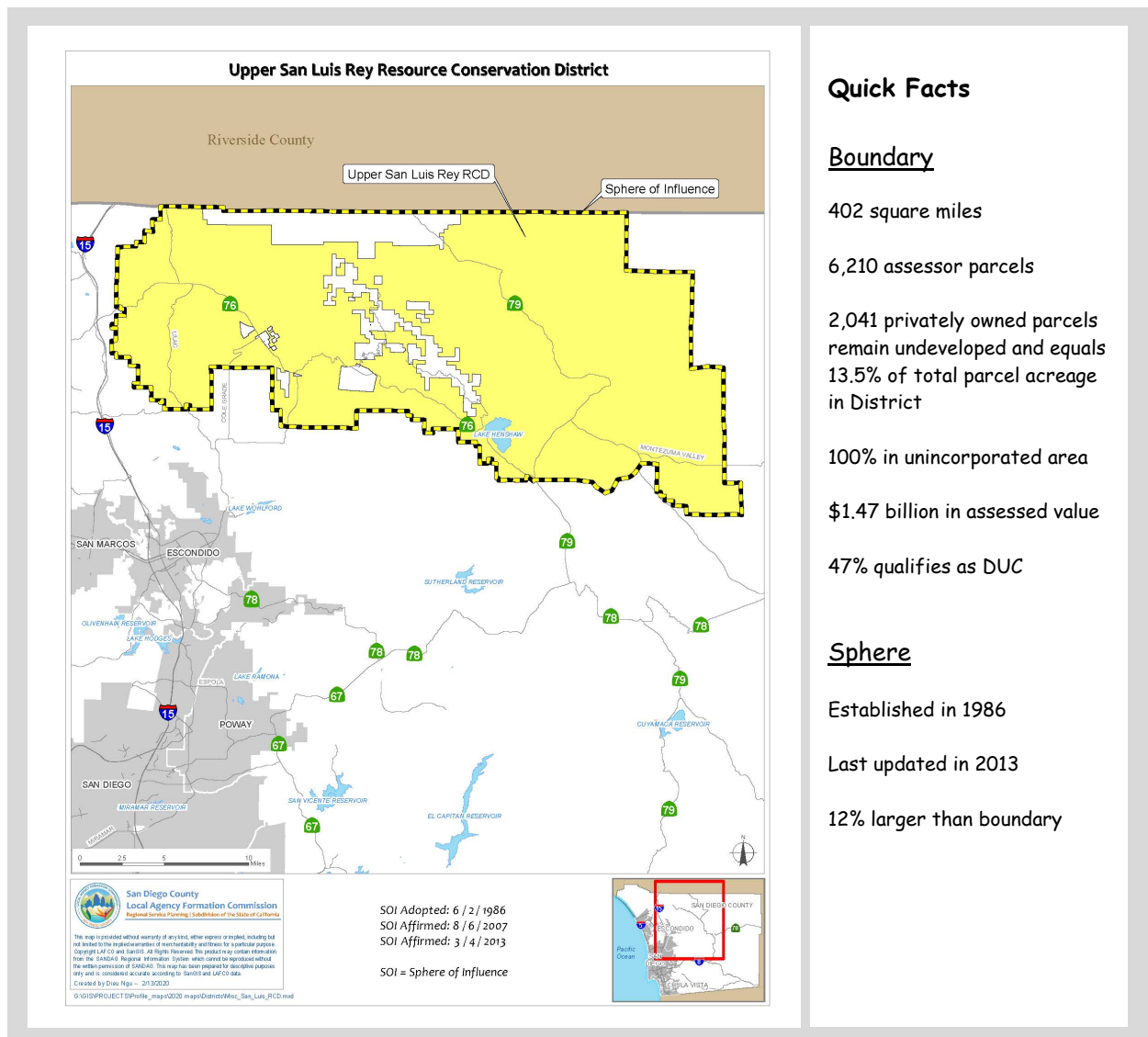
Close to seven-tenths – or 117,575 acres – of lands within the jurisdictional boundary qualify as a disadvantaged unincorporated community under LAFCO policy.

3.2 Sphere of Influence

Upper San Luis Rey RCD’s sphere of influence was established by LAFCO in June 1986 and last reviewed and affirmed in March 2013. The sphere is categorized under LAFCO policy as “larger-than-agency” and includes approximately 31,000 acres of non-jurisdictional lands; an amount that would expand the District by one-tenth if annexed. These non-jurisdictional lands within the sphere constitute 30,715 acres and mostly consists of non-jurisdictional corridors or islands. No jurisdictional lands lie outside the District sphere.

Upper San Luis Rey RCD’s sphere of influence is 11.9% larger than the District with the inclusion of 30,715 non-jurisdictional acres.

3.3 Current Boundary and Sphere of Influence Map



4.0 DEMOGRAPHICS

4.1 Population and Housing

Upper San Luis Rey RCD’s total fulltime resident population within its jurisdictional boundary is independently estimated by LAFCO at 11,735 as of the term of the five-year report period. This amount represents 0.35% of the countywide total. It is also estimated the fulltime population has risen overall by 7.4% from 10,924 in 2010 and the last census reset and produces an average increase of 90 new residents each year. The annual average change of 0.78% mirrors the corresponding countywide growth rate of 0.81%. It is projected the current growth rate will continue into the near-term and result in the fulltime population reaching 12,204 by 2024. The jurisdiction has a current population density of 1 resident for every 21 acres and underlies the substantively rural character of the jurisdictional boundary.

It is estimated there are 11,735 fulltime residents within Upper San Luis Rey RCD at the end of the report period and equals less than 0.5% of the entire county amount. It is also projected the fulltime population will increase consistent with recent trends – or 0.78% annually – and reach 12,204 by 2024.

Upper San Luis Rey RCD Resident Population				
Table 4.1a (Source: Esri and San Diego LAFCO)				
Factor	2010	2019	2024 (projected)	Annual Change %
Upper San Luis Rey RCD	10,924	11,735	12,204	0.78%
San Diego County	3,095,264	3,333,975	3,460,447	0.81%

There are 4,615 residential housing units within Upper San Luis Rey RCD as of the report period term. This amount has increased by 221 – or 24.6 annually – since 2010. With respect to current housing characteristics within the District, 64.8% are owner-occupied, 22.2% are renter-occupied, and the remaining 13.0% are vacant with a sizeable portion suspected to serve as second homes. The average household size is 2.6 and has increased by 3.0% from 2.5 over the preceding five-year period. The mean monthly housing cost in Upper San Luis Rey RCD has decreased by (10.6%) from \$1,048.67 to \$937.89 based on the most recent five-year period averages. The mean monthly housing costs also remains significantly below the countywide average of \$1,578.

Housing production in Upper San Luis Rey RCD totals 4,615 dwelling units as of the term of the report period. This includes the addition of 221 units since 2010. The average monthly housing cost in Upper San Luis Rey RCD is \$937.89, which is two-fifths – or (41%) – lower than the countywide average.

Upper San Luis Rey RCD Housing Breakdown

Table 4.1b (Source: American Community Survey and San Diego LAFCO)

Jurisdiction	2010 Housing Units	2019 Housing Units	Change	2010 Monthly Housing Cost	2019 Monthly Housing Cost	Change
Upper San Luis Rey RCD	4,394	4,615	5.0%	1,048.67	937.89	(10.6%)
San Diego County	1,164,766	1,236,184	6.1%	\$1,540.00	\$1,578.00	2.5%

4.2 Age Distribution

The median age of residents in Upper San Luis Rey RCD is 46.9 based on the current five-year period average. This amount shows the population is experiencing a turnover and getting slightly younger with the median age experiencing an overall change of (3.1%) from 48.3 during the preceding five-year period average. The current median age in Upper San Luis Rey RCD, however, remains significantly higher than the countywide average of 35.3. Residents in the prime working age group defined as ages 25 to 64 make up nearly one-half of the estimated total population at 48.2%.

Residents within Upper San Luis Rey RCD tend to be older with a medium age of 46.9; an amount that is more than one-third higher than the countywide average of 35.3. Also close to one-half – 48.2% – of the residents are aged within the prime working group of 25-64.

Upper San Luis Rey RCD Resident Age Breakdown

Table 4.2a (Source: American Community Survey and San Diego LAFCO)

Service Area	2010 Median Age	2018 Median Age	Change	2010 Prime Working Age	2018 Prime Working Age	Change
Upper San Luis Rey RCD	48.3	46.9	(3.1%)	54.76	48.22	(12.0%)
San Diego County	34.6	35.3	2.0%	53.4%	47.0%	(12.0%)

4.3 Income Characteristics

The median household income in Upper San Luis Rey RCD is \$48,822 based on the current five-year period average. This amount shows fulltime residents are receiving less pay with the median income experiencing an overall decrease of (6.3%) from the preceding five-year period average of \$52,129. The current median household income in Upper San Luis Rey RCD is also more than one-fifth lower than the current countywide median of \$66,529. Separately, the current average rate of persons living below the poverty level in Upper San Luis Rey RCD is 19.2% and has increased by nearly two-thirds – or 65.0% – over the earlier five-year period and substantively above the countywide rate of 14%.

Upper San Luis Rey RCD residents' average median household income has experienced a moderate decrease in recent years and is currently \$48,822. This amount is more than one-fifth lower than the countywide median income \$66,529. The rate of persons living below the poverty rate has also increased by nearly two-thirds to 19.2% and well above the countywide rate of 14.0%.

Upper San Luis Rey RCD Resident Income Breakdown

Table 4.3a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011		2012-2016		2007-2011		2012-2016	
	Median HH Income	Median HH Income	Change	Poverty Rate	Poverty Rate	Change		
Upper San Luis Rey RCD	\$52,129	\$48,822	(6.3%)	11.6%	19.2%	65.0%		
San Diego County	\$63,857	\$66,529	4.2%	13.0%	14.0%	7.7%		

4.4 Socioeconomic Indicators

Unemployment within Upper San Luis Rey RCD is at 6.2% based on the current five-year period average. This amount represents an overall decrease of (13.0%) compared to the previous five-year average though still above the corresponding countywide tally of 4.9%. Educational levels as measured by adults 25 or older with bachelor degrees has slightly regressed with the overall rate decreasing by (5.3%) over the previous five-year period from 21.2% to 20.1% and continues to fall below the countywide rate of 36.5%. Slightly over one-fourth– or 25.2% – of the population currently collects retirement income. The non-English speaking percentage of the population has decreased during this period from 7.7% to 6.2%; an overall difference of (19.5%).

Slightly more than one-fourth of RCD of Greater San Diego County residents have undergraduate degrees. The unemployment rate within the District is nearly double the countywide amount.

Upper San Luis Rey RCD Socioeconomic Indicators Breakdown

Table 4.4a (Source: American Community Survey and San Diego LAFCO)

Service Area	2007-2011		2012-2016		2007-2011		2012-2016	
	Unemployment Rate	Unemployment Rate	Change	Non English	Non English	Change		
Upper San Luis Rey RCD	7.1	6.2	(13.0%)	7.7%	6.2%	(19.5%)		
San Diego County	5.6%	4.9%	(12.5%)	16.1%	15%	(6.8%)		

5.0 ORGANIZATION

5.1 Governance

Upper San Luis Rey RCD's governance authority is established under the Resource Conservation Districts Law and codified under Public Resources Code Section 9151 - 9491. This principal act empowers Upper San Luis Rey RCD to provide a moderate range of municipal service functions involving natural resource protections and improvements upon approval by LAFCO. Upper San Luis Rey RCD is currently authorized to provide two active categories under its principal act: (a) water conservation and (b) wildlife enhancement. All other service functions (i.e. powers) enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO at a noticed hearing before Upper San Luis Rey RCD would be allowed to initiate. Similarly, should Upper San Luis Rey RCD seek to divest itself of directly

providing an active service function, it would need to receive LAFCO approval at a noticed public hearing. A list of active and latent Upper San Luis Rey RCD service functions follows.

Active Service Functions

- Wildlife Enhancement
- Water Conservation

Latent Service Functions

- Soil Erosion
- Water Distribution
- Agricultural Enhancement
- Erosion Stabilization

Governance of Upper San Luis Rey RCD is independently provided by a five-member Board of Directors. Each member of the Board is either elected by registered voters or appointed by the County of San Diego Board of Supervisors in the event no candidates file for election. All Board members serve staggered four-year terms with a rotating president system. The Board sets its regular meetings for every second Thursday at 12:00pm at Yuima Municipal Water District located at 34928 Valley Center Road in Pauma Valley (92061). Directors do not receive per diems and serve without compensation. Summary minutes are prepared for all meetings; audio and video recordings are not provided. A current listing of the Board along with respective backgrounds and years served with the District follows.

Upper San Luis Rey RCD Current Governing Board Roster Table 5.1a (Source: Mission RCD)			
Member	Board Position	Years on the Board	Background
Andrew Lyall	President	9	Farmer
Shasta Gaughen	Vice President	9	Environmental Director
Oggie Watson	Treasurer	35	Retired General Manager
Michael Perricone	Director	1	Farmer
Greg Kamin	Director	1	Farmer

5.2 Administration

Upper San Luis Rey RCD operates without dedicated and/or separate administration. The five-member Board itself directly oversees the day-to-day activities of the District and does not have an appointed or delegated General Manager. The District utilizes two contractors to assist the Board in administration and operation services. Yuima Municipal Water District is contracted to provide bookkeeping and general administrative support – including serving as the contact point for public inquiries.



Shay O’Keefe – a conservation biologist – is contracted to maintain the District’s field operations.

The District also contracts as needed for other services – including for legal services.

6.0 MUNICIPAL SERVICES

Upper San Luis Rey RCD is currently authorized to provide two distinct municipal service functions consistent with its principal act: (a) water conservation and (b) wildlife enhancement.²⁶ These service functions are provided through a part-time equivalent staffing of 0.25 at the end of the report period. Overall staffing levels have not changed over the corresponding 60-months and further detailed in the accompanying footnote.²⁷ A summary analysis of the two active functions follows with respect to applicable capacities, demands, and performance during the five-year report period.

Upper San Luis Rey RCD provides two active service functions under its principal act: water conservation and wildlife enhancement. These categories are identified by LAFCO consistent with its responsibilities under statute to classify the type and location of active special district functions and related classes.

6.1 Water Conservation

Upper San Luis Rey RCD's water conservation service function involves economizing water resources for maximum beneficial uses. Current activities focus on managing local groundwater resources through the District's participation in the San Luis Rey GSA. Additional details follow.

San Luis Rey GSA

Upper San Luis Rey RCD is a member of the relatively new San Luis Rey GSA and its statutory task to develop and implement a plan to achieve long-term groundwater sustainability in the Pauma Valley Subbasin upstream from Frey Creek. The San Luis Rey GSA was established in June 2017 and initially included Upper San Luis Rey RCD, Pauma Valley Community Services District, Yuima Municipal Water District, and the County of San Diego as lead manager. The County subsequently withdrew from the San Luis Rey GSA in January 2019 with Yuima Municipal Water District assuming the lead manager. The San Luis Rey GSA recently circulated a request for qualifications for preparing a groundwater sustainability plan and proceeded to contract with Geosciences, Inc (Claremont) in September 2020. The associated scope of work outlines 11 distinct phases from data collection to project management and expected to be completed by the January 1, 2022 deadline prescribed under statute. Funding for the San Luis Rey GSA to date is drawn from two grants totaling \$1.3 million and detailed in the associated footnote.

²⁶ Upper San Luis Rey RCD is also authorized – subject to LAFCO approving latent power expansions – to provide water distribution and erosion stabilization.

²⁷ Fulltime equivalent staffing levels at the start of the five-year report period was .25.

6.2 Wildlife Enhancement

Upper San Luis Rey RCD's wildlife enhancement service function involves improving the natural landscape for ecological purposes. Current activities focus on habitat restoration through the management of conservation agreements. Additional details follow.

Habitat Restoration (Invasive Species Removal)

This service activity involves mitigating the negative effects on the natural environment and loss of biodiversity due to invasive species. Common invasive species in the San Luis Rey RCD jurisdictional boundary include castor bean, standing tree tobacco, and tamarisk. activities are performed year-round by the District and done so currently as part of two conservation easements with the service of a contract biologist with an emphasis to protect the Arroyo Toad. Details on each conservation easement follows.

- San Luis Rey Arroyo Toad Preserve Conservation Easement

This contract relationship was established in September 2007 with the United States Fish and Wildlife Service to manage and preserve an approximate 20-acre area located within the San Luis Rey River basin and natural habitat for the Arroyo Toad. The conservation area is part of the Fish and Wildlife Service's 10,000-acre area within the San Luis Rey River basin. The current contract provides the District a \$150,000 endowment that extends in perpetuity. The investment returns of this endowment provided the necessary funding for the required agreement activities.

- Pauma Valley Country Club Easement:

This contract relationship was established in December 2012 with the United States Army Corp of Engineers to restore, enhance, and protect an approximate 24-acre area within in the Pauma Valley Country Club held by the federal government. Additional details on related activities is pending.

A third conservation agreement is scheduled to begin in 2021 and intended to mirror the San Luis Rey Arroyo Toad Preserve Conservation Easement with the Fish and located in the Pauma Estates development. The pending contract will provide the District a \$0.265 million endowment that extends in perpetuity.

7.0 FINANCES

7.1 Financial Statements

Upper San Luis Rey RCD contracts with an outside accounting consultant to prepare an annual report reviewing the District’s financial statements in accordance with established governmental accounting standards. This includes auditing Upper San Luis Rey RCD’s statements in verifying overall assets, liabilities, and net position. These audited statements provide quantitative measurements in assessing the District’s short and long-term fiscal health in delivering its active service functions: water conservation and wildlife enhancement. The current outside consultant is Sonnenberg and Company (San Diego).

Upper San Luis Rey RCD’s most recent audited financial statements for the five-year report period were issued for 2018-2019.²⁸ These statements show Upper San Luis Rey RCD experienced a moderate improvement over the prior fiscal year as the District’s overall net position (regular accrual basis) increased by 3.9% from \$0.333 million to \$0.346 million. Underlying this change in net position is a net surplus and marked by a total margin gain of 44.2% during the fiscal year. A detailing of year-end totals and trends during the report period follows with respect to assets, liabilities, and net position.

Most Recent Year-Ending Financial Statements (2018-2019)	
Assets	\$346,061
Liabilities	\$0
Outflow/Inflow	\$0
Net Position	\$346,061

Agency Assets

Upper San Luis Rey RCD’s audited assets at the end of 2018-2019 totaled \$0.346 million and is 13.4% higher than the average year-end amount of \$0.321 million documented during the five-year report period. Assets classified as current with the expectation they could be liquidated within a year represented nearly all of the total amount – or \$0.340 million – and largely tied to cash and investments. Assets classified as non-current make up the remaining total – or \$0.006 million and entirely categorized as depreciable capital facilities that include land, buildings, road signs, and improvements. Overall assets have increased by 16.0% over the corresponding 60-month period.

Upper San Luis Rey RCD’s assets have increased by nearly one-fifth – or 16.0% – during the report period. The overall increase is primarily attributed to increasing cash and investments from \$0.287 to \$0.336 million over the 60-month period.

²⁸ The audit for 2018-2019 was issued by Sonnenberg & Company on June 30, 2019.

Upper San Luis Rey RCD Audited Assets

Table 7.1a | Source: Upper San Luis Rey RCD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Current	289,416	301,277	310,950	326,372	340,349	17.6%	313,673
Non-Current	8,837	8,056	7,275	6,493	5,712	(35.4%)	7,275
Total	\$298,253	\$309,333	\$318,225	\$332,865	\$346,061	16.0%	\$320,947

Agency Liabilities

Upper San Luis Rey RCD ended 2018-2019 without any reported liabilities. Overall, the average amount of liabilities during the five-year report period was \$400 and attributed to having accounts payable debts at the close of 2014-2015 and 2017-2018.

Upper San Luis Rey RCD's liabilities remained minimal during the report period with a one-year high amount of \$1,600. The District finished the report period without any short or long-term debts.

Upper San Luis Rey RCD Audited Liabilities

Table 7.1b | Source: Upper San Luis Rey RCD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Current	1,600	-	-	400	-	(100%)	400
Non-Current	-	-	-	-	-	n/a	-
Total	\$1,600	-	\$	\$400	-	(100%)	400

Net Position

Upper San Luis Rey RCD's audited net position or equity at the end of 2018-2019 totaled \$0.346 million and represents the difference between the District's total assets and total liabilities. This most recent year-end amount is 8.1% higher than the average year-end sum of \$0.320 million documented during the five-year report period. Less than one-tenth of the ending net position – or \$0.006 million – is tied to capital assets. The remainder is divided between restricted and unrestricted. Overall, the net position Upper San Luis Rey RCD has increased by 17.2% over the corresponding 60-month period and attributed to consistent annual surpluses.

Upper San Luis Rey RCD's net position is trending positively during the report period with gains each year. The net position has improved overall from \$0.295 to \$0.346 million; a difference of 17.2%.

Upper San Luis Rey RCD Audited Net Position Table 7.1c Source: Upper San Luis Rey RCD							
Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	5-Year Trend	5-Year Average
Invested in Capital	8,837	8,056	7,275	6,493	5,712	(35.4%)	7,275
Restricted	157,451	160,090	158,833	160,373	161,692	2.7%	159,688
Unrestricted	128,985	141,187	152,117	152,117	178,657	38.5%	150,613
Total	\$295,273	\$309,333	\$318,225	\$318,983	\$346,061	17.2%	\$317,575

Upper San Luis Rey RCD maintains two active funds – General and Rancho Corrido Endowment – underlying the net position. The General Fund covers general governmental activities and ended the report period with unassigned balance of \$0.179 million and represents the available and spendable portion of the District’s fund balance. The unassigned amount represents 124 months of operating expenses based on actuals in 2018-2019.²⁹

The unassigned balances within the General Fund at the end of the report period totaled \$0.179 million and reflects an overall change during the 60-months of 38.5%. The end balance is equal to covering 124 months of operating costs.

7.2 Measurements | Liquidity, Capital, and Margin

LAFCO’s review of the audited financial statement issuances by Upper San Luis Rey RCD covering the five-year report period shows the District experienced positive improvements in most of the standard measurement categories – liquidity, capital, margin, and structure – utilized in this document. A summary of these standard measurements follow.

Standard measurements used to assess Upper San Luis Rey RCD’s financial standing shows the District finished the report period with positive capital and margin levels. However, liquidity levels have either declined and/or remain low and create stresses on cash-flow and generate added importance on finishing with net surpluses.

- Upper San Luis Rey RCD’s liquidity levels are exceedingly high and have been increasing. The District’s days’ cash ratio finished the report period at 122,677 and reflects available cash to cover current expenses over the next 336 years or 4,089 months. This ratio has also increased by 46.5% during the report period.
- Upper San Luis Rey RCD’s capital levels remain exceedingly high and have improved during the report period with the District finishing without any obligations and memorialized in a 0.0% debt ratio. This advantageously positions the District to secure outside financing to help cover large and/or otherwise unplanned expenses.

²⁹ Actual operating expenses in 2018-2019 totaled \$0.017 million.

- Upper San Luis Rey RCD’s margin levels are high and been increasing with surpluses in each year during the report period. The average total margin – the bottom line with respect to comparing overall revenues to expenses – generated during the period tallied 35.8% with an ending amount of 44.2%.

Upper San Luis Rey RCD Financial Measurements								
Table 7.2a Source: San Diego LAFCO								
Fiscal Year	Current Ratio	Days' Cash	Debt Ratio	Debt to Net Position	Total Margin	Operating Margin	Operating Reserves Ratio	Equipment Replacement
2014-2015	180.9 to 1	5101.2	1.0%	0.5%	32.7%	32.7%	60.3.7%	11.4
2015-2016	37.4 to 1	4925.9	0.0%	0.0%	38.0	38.0	615.0%	10.3
2016-2017	n/a	4118.3	0.0%	0.0%	24.2%	24.2%	544.6%	13.4
2017-2018	815.9 to 1	6053.2	0.12%	0.0%	41.3%	41.3%	819.1%	14.4
2018-2019	n/a	7474.9	0.0%	0.0%	44.2%	44.2%	1039.1%	15.4
Average	n/a	5534.7	0.2%	0.1%	35.8	35.8	724.3%	13.0
Trend	n/a	46.5%	(100%)	(100%)	35.2%	35.2%	72.1%	35.1%

Current Ratio (Liquidity)

Compares available assets against near-term obligations; the minimum desirable ratio is 1.0 and means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)

Measures the number of days the agency can fund normal operations without any new cash income; an appropriate minimum threshold is 180 days. This measurement focuses on immediate cash available to the agency in comparison to the current ratio.

Debt Ratio (Capital)

Measures the relationship between the agency's total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)

Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth; an appropriate maximum standard threshold is 50%.

Total Margin (Margin)

Measures the bottom line of the agency with respect to comparing all revenues to all expenses; a positive percentage is desirable within the caveat capital improvement expenditures may appropriately result in a negative percentage in individual years.

Operating Margin (Margin)

Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans; a consistent positive percentage shows the agency has established a structured budget.

Operating Reserves Ratio (Structure)

Measures the percent of available monies of an agency to cover unforeseen shortfalls; an appropriate maximum standard threshold is 50%.

Equipment Replacement Ratio (Structure)

Measures the average age of depreciable equipment and facilities; the lower the number the younger the infrastructure with the assumption therein better efficiencies/effectiveness.

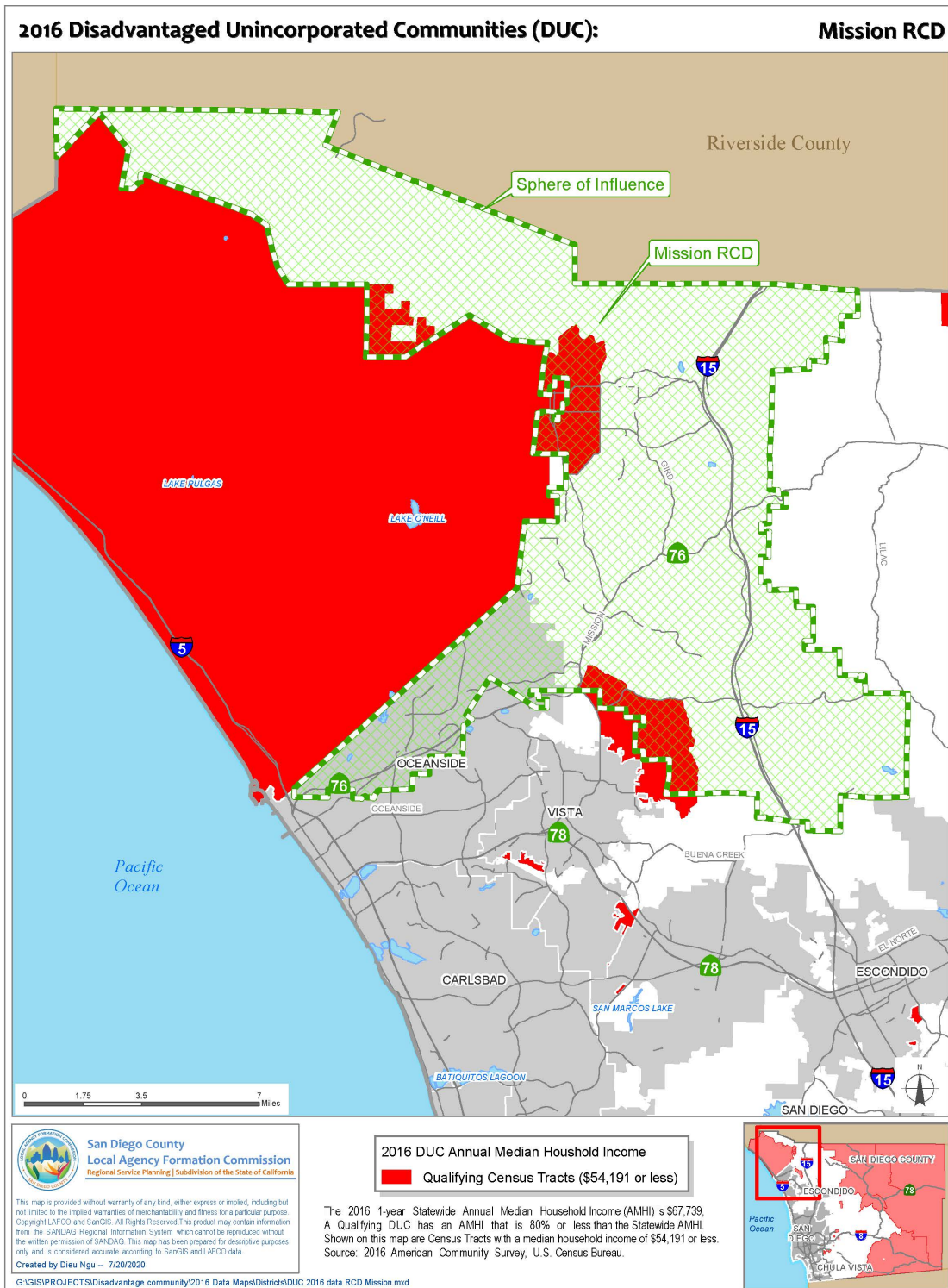
7.3 Pension Obligations

Upper San Luis Rey RCD does not have recorded pension obligations.

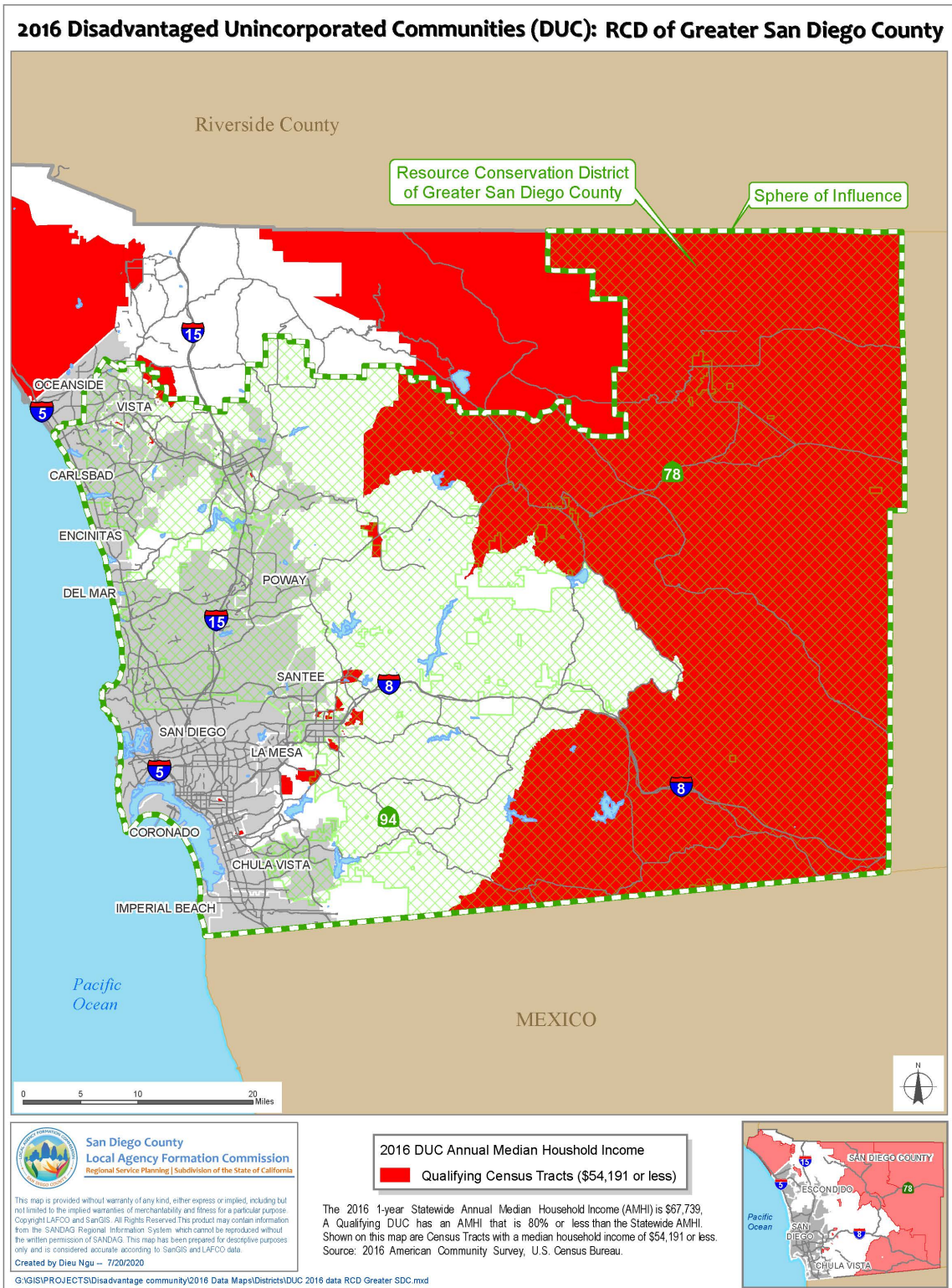
Appendix A

Disadvantaged Unincorporated Communities

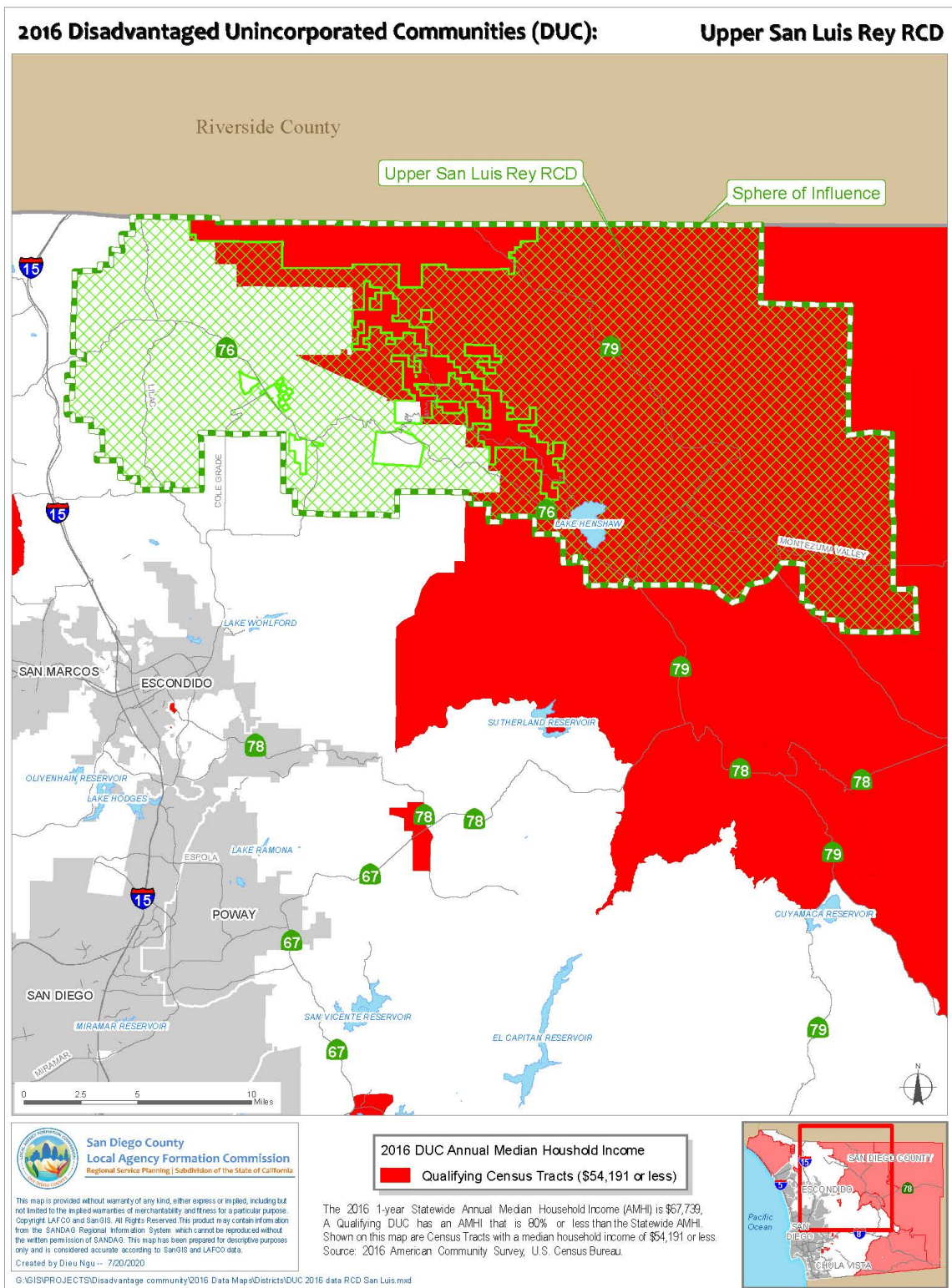
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Appendix B Primary Sources

Agency Contacts

Mission Resource Conservation District

Darcy LaHaye, General Manager
Courtney Provo, General Manager (Former)

Resource Conservation District of Greater San Diego County

Sheryl Landrum, General Manager

Upper San Luis Resource Conservation District

Amy Reeh, Interim General Manager of Yuima Municipal Water District

Websites

American Community Survey / Demographic Information

www.census.gov

California Association of Resource Conservation Districts

www.carcd.org

California Department of Conservation

www.conservation.ca.gov/DLRP/rcd

Publications / Documents

County of San Diego General Plan and Adopted Community Plans

San Diego LAFCO Background Files and Agency Questionnaires

Mission Resource Conservation District Annual Financial Reports

Resource Conservation District of Greater San Diego County Annual Financial Reports

Upper San Luis Rey Resource Annual Financial Reports

A complete source list is available by contacting San Diego LAFCO.

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Appendix C

Comment Letters on Draft Report and Final Report

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Letter No. 1



November 30, 2020

Keene Simonds, Executive Director
San Diego Local Agency Formation Commission
9335 Hazard Way, Suite 200
San Diego, CA 92123

Dear Keene;

We have been advised that LAFCO will be considering the Municipal Service Review for Resource Conservation Districts at its December 7th Commission Meeting. We also understand that LAFCO may be evaluating a recommendation for some sort of re-organization affecting the Mission Resource Conservation District (MRCD) and the Resource Conservation District of Greater San Diego.

As independent special districts, we recognize LAFCO's mission of, and expertise in, evaluating how critical public services are to be delivered efficiently and effectively. As client public water agencies, we also recognize the vital role the Mission Resource Conservation District has played in sustaining and enhancing agriculture and water body/watershed protection in North San Diego County. Here are just a few examples:

- In 1992, with agriculture struggling to deal with the devastating impacts of the '90-'91 drought cutbacks and rising water costs, the San Diego County Water Authority and MRCD entered into contracts to provide Irrigation Water Use Efficiency Evaluations and other technical assistance to both Agriculture and Landscape customers within the CWA service area. Work done outside of MRCD territory is done under MOU with nearby RCD's.
- That very effective and critical relationship between wholesale/retail water agencies has been maintained continuously for almost 30 years to the great benefit of San Diego County Agriculture.
- More recently, in partnership with Valley Center, Rainbow, Carlsbad, and Rincon del Diablo Municipal Water Districts, Fallbrook Public Utility District, San Dieguito and Vallecitos Water Districts, the City of Escondido, the City of Oceanside, and SDCWA, the MRCD secured a \$1.5M Regional Conservation Partnership Program Grant from the National Resource Conservation Service (NRCS) to assist local growers addressing water and soil resource conservation concerns on their farms. Through this program, growers have been able to upgrade their irrigation systems for greater irrigation efficiency and address issues with runoff and erosion for greater soil and watershed health.
- Over the past 5 years, MRCD has worked with 2,500 property owners in both the Landscape and Agriculture sectors to improve water use efficiency in irrigation and eliminate irrigation run-off into storm drains, water courses and ultimately, the Pacific Ocean.

Keene Simonds, LAFCO

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Nov. 30, 2020

We can easily state that the cooperative efforts, specialized expertise, and successful track record of the MRCD have played a large role in preserving San Diego County's agricultural heritage and economy, as well as protecting watersheds and local surface and groundwater water quality. Further, we can state that the MRCD is well known and well regarded in the communities which benefitted from its services, which is a key factor.

To quote from the *RCD's Guide Book for Collaboration and Consolidation*:


"RCD's relationships with the communities they serve and the credibility and trust they built with those communities, are essential to their ability to do their work. Trust is built on a track record of accomplishments, successful projects, and satisfied landowners."

As LAFCO considers its recommendations concerning the potential re-organization of resource conservation districts in San Diego County, in our view, the issue should be *much more* about the effectiveness of services being provided by the MRCD to agriculture and water quality protection in our region, than about the number of RCDs. LAFCO might also consider that MRCD does not provide services in the traditional sense one thinks of with special districts, such as water, wastewater, fire protection, etc. What the MRCD does provide is effective, knowledge-based service or intellectual property which is put to effective use to the overall benefit of the region, irrespective of where the MRCD boundaries lie.

A possible solution would be to expand the boundaries of the MRCD southerly to the northern boundary of the city of San Diego. This boundary adjustment would allow the MRCD to encompass the areas hosting 95% of the County's commercial agriculture traditionally benefitting from its services. Even though this would not result in the reduction of special districts, three RCDs for a diverse San Diego County, which is the eighth largest out of California's 58 counties, covering 4,526 square miles, does not seem unreasonable.

Whatever LAFCO determines in regards to re-organization of the region's Resource Conservation Districts, there needs to be specific provisions in the LAFCO decision which guarantee preservation of the scope and effectiveness of the Mission Resource Conservation District's long-standing, specialized and critical services to the San Diego Region for the preservation of commercial agriculture, watershed protection and water quality.

Respectfully submitted by the undersigned San Diego County client public water agencies and partners with the MRCD;



Sandra Kerl, General Manager, SDCWA



Jack Bebee, General Manager, Fallbrook Public Utility District

Keene Simonds, LAFCO

-3-

Nov. 30, 2020



Tom Kennedy, General Manager, Rainbow Municipal Water District



Cliff Baze, General Manager, Rincon del Diablo Municipal Water District



Gary Arant, General Manager, Valley Center Municipal Water District

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Letter No. 2



FARM BUREAU San Diego County

The Voice of Local Farmers

Serving San Diego agriculture since 1914

December 3, 2020

Keene Simonds, Executive Director
San Diego Local Agency Formation Commission
9335 Hazard Way, Suite 200
San Diego, CA 92123

Dear Mr. Simonds:

On behalf of the San Diego agricultural community, we are submitting this letter in regards to the December 7th Commission meeting where LAFCO will be considering the Municipal Service Review for the Resource Conservation Districts. We also understand that LAFCO may be evaluating a recommendation for some sort of re-organization affecting the Mission Resource Conservation District (MRCD) and the Resource Conservation District of Greater San Diego.

MRCD has played a vital role in sustaining and enhancing agriculture and water body/watershed protection in North San Diego County. In 1992, with agriculture struggling to deal with the devastating impacts of the '90-91' drought cutbacks and rising water costs, the San Diego County Water Authority and MRCD entered into contracts to provide Irrigation Water Use Efficiency Evaluations and other technical assistance to both Agriculture and Landscape customers within the CWA service area. That very effective and critical relationship between wholesale/retail water agencies has been maintained continuously for almost 30 years to the great benefit of San Diego County Agriculture. More recently, in partnership with Valley Center, Rainbow, Carlsbad, and Rincon del Diablo Municipal Water Districts, Fallbrook Public Utility District, San Dieguito and Vallecitos Water Districts, the City of Escondido, the City of Oceanside, and SDCWA, the MRCD secured a \$1.5M Regional Conservation Partnership Program Grant from the National Resource Conservation Service (NRCS) to assist local growers addressing water and soil resource conservation concerns on their farms. Through this program, growers have been able to upgrade their irrigation systems for greater irrigation efficiency and address issues with runoff and erosion for greater soil and watershed health. Over the past 5 years, MRCD has worked with 2,500 property owners in both the Landscape and Agriculture sectors to improve water use efficiency in irrigation and eliminate irrigation run-off into storm drains, water courses and ultimately, the Pacific Ocean.

Whatever LAFCO determines in term of re-organization of the region's Resource Conservation Districts, there needs to be specific provisions in the LAFCO decision which guarantee preservation of the scope and effectiveness of the Mission Resource Conservation District's long-standing, specialized and critical services to the San Diego Region for the preservation of commercial agriculture, watershed protection and water quality.

Thank you for your consideration.

Sincerely,



HANNAH GBEH Executive Director

📍 420 S. Broadway - Ste 200, Escondido, CA 92025 📞 760.745.3023 🌐 www.sdfarmbureau.org ✉ sdcfb@sdfarmbureau.org

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Letter No. 3

THE UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT'S
PARTICIPATION IN THE UPPER SAN LUIS REY RIVER BASIN GSA
IS AN ABUSE OF THE LAFCO PROCESS

Since 1968, the La Jolla, Rincon, San Pasqual, Pauma and Pala Bands of Mission Indians (Bands) and the San Luis Rey Indian Water Authority have been engaged in multiple efforts to preserve, defend, protect and enforce the Bands' federally reserved and other rights to the surface and ground waters of the Upper San Luis Rey River and its tributaries. Their litigation, which also involved the United States, against the City of Escondido (Escondido) and the Vista Irrigation District (Vista) went to the United States Supreme Court in 1984. The result of the Supreme Court's decision was to send the case back to essentially to start over again.

The parties then commenced negotiations which eventually resulted in settlement agreements approved by Congress, the federal district court and the Federal Energy Regulatory Commission. The settlement includes important agreements with the Metropolitan Water District of Southern California and the San Diego County Water Authority and finally took effect on May 17, 2017.

The litigation and settlement with Escondido and Vista were limited to the surface and ground waters of the San Luis Rey River and its tributaries above the Henshaw Dam and above the diversion dam on the San Luis Rey River nine miles below Henshaw Dam. It did not include the ground water in the Upper San Luis Rey River (Upper Basin).

In September of 2014 as the settlement was in its final stages, the California legislature enacted, and Governor Brown signed the Sustainable Groundwater Management Act (SGMA). SGMA primarily applies to groundwater basins classified by the Department of Water Resources

as high or medium priority. Substantial portions of the La Jolla, Rincon, Pauma and Pala Reservations overlie the medium priority Upper Basin.

SGMA includes three important provisions applicable to California tribes. Section 10720.3(b) says that SGMA applies to an Indian tribe “to the extent authorized under federal or tribal law. Section 10720.3(c) says that any federally recognized Indian tribe “may voluntarily agree to participate in the preparation or administration of a groundwater sustainability plan or groundwater management plan... through agreements with local agencies in the basin.” Most importantly, section 10720.3(d) states:

... In the management of a groundwater basin or subbasin by a groundwater sustainability agency or by the [State Water Resources Control] board, federally reserved water rights to groundwater shall be respected in full. In case of conflict between federal and state law in that ... management, federal law shall prevail.

After considerable internal thought and discussion as well as initially constructive meetings and other interactions with local water agencies and users of groundwater in the Upper Basin, the IWA and the Bands decided to voluntarily participate in the preparation and administration of a groundwater sustainability plan through voluntary agreements with local agencies in the Upper Basin. Unfortunately, those efforts were not successful.

Three governmental agencies, Yuima MWD, Pauma Valley Community Services District and the Upper San Luis Rey Resource Conservation District (RCD) have joined together to form a GSA for the Upper Basin without participation by the IWA or any of the Bands. The IWA and the Bands believe, and respectfully request LAFCO to conclude that RCD is not qualified to form a groundwater sustainability agency or to participate in its governance.

SGMA section 10723.6(c) says that a “combination of local agencies may form a groundwater sustainability agency.” A “local agency” is defined in SGMA section 10721(n) to mean “a local public agency that has water supply, water management or land use responsibilities within a groundwater basin.”

RCD does not have water supply, water management, or land use responsibilities. The December 7, 2020 Draft Municipal Service Review for Resource Conservation Districts in San Diego County (Draft MSR) states (on page 73) that the RCD is presently organized as a limited purpose agency with municipal service function tied to two active categories under its principal act: (a) water conservation and (b) wildlife enhancement. “The primary focus of Upper San Luis Rey RCD has involved maintaining conservation easements and performing related work to protect and restore native wildlife.” 12/7/20 Draft MSR at 73 and 82.

The RCD does have latent power to, among other things, provide water distribution. But that latent power has not been and cannot be exercised unless formally authorized by LAFCO at a noticed LAFCO hearing. MSR at 81. No such hearing has been called or held.

The 12/7/20 Draft MSR states that San Luis Rey RCD’s water conservation service function activities “focus on managing local groundwater resources through the District’s participation in the San Luis Rey GSA.” There are two fatal problems with this assertion. First, the SGMA requirement for being a local agency is that it actually has water supply, water management or land use responsibilities. That requirement clearly is not satisfied through its “participation,” whatever that means, in another entity.

Second, and as previously noted, the water distribution is a latent service function which must first need to be “formally activated by LAFCO at a noticed hearing.” There is no indication that any such hearing has been requested or held.

It is therefore crystal clear that the San Luis Rey RCD is not a local agency under SGMA and therefore is not qualified to form a GSA pursuant to SGMA section 10723.6(a).

SGMA requires that all of the land within high and medium priority basins must be subject to being covered and regulated to the maximum extent possible, one way or another, by properly formed GSAs. SGMA section 10723.2 states (with emphasis added): “The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans.” It then lists eleven of those interests, which include the federal government, California Native American tribes, and disadvantaged communities, and, for good measure, states that the covered beneficial uses and users of groundwater are not limited to those on the list.

In addition, SGMA section 10724(a) goes further by providing: “In the event that there is an area within a high or medium priority basin that is not within the management area of a groundwater sustainability agency, the county within which that unmanaged area lies will be presumed to be the groundwater sustainability agency for that area.” Counties can opt out of being the groundwater sustainability agency for the area by providing notice to DWR pursuant to SGMA section 10724.(b). If that fails, SGMA section 10735.2 empowers the State Water Resources Control Board to declare high or medium priority basins probationary. Sections 10735.6, 10735.8 and 10736 authorize the Board to adopt and implement interim plans to carry out the purposes of SGMA. All of these SGMA provisions reinforce the critical importance of

insuring, to the maximum extent possible, that all extractions of groundwater within high and medium priority basins are subject to regulation and control either by properly formed GSAs, by the county or counties in which the GSA is located, or, as a last resort, by the State Water Resources Control Board.

CONCLUSION

The record in this matter clearly establishes that RCD's involvement in the Upper Basin SGMA process is a sham. SGMA's overriding purpose is overcoming the adverse effects of over-pumping the Upper Basin's groundwater by achieving long-term sustainability. Two of the major questions are: (1) how will sustainability be achieved? and (2) how will the Bands' federally reserved water rights be respected in full as SGMA mandates?

RCD does not pump or use groundwater. It is not a "local agency" under SGMA because it does not have "water supply, water management, or land use responsibilities."

Without RCD's participation, there cannot and will not be an Upper Basin GSA that excludes the IWA and the four Bands.. RCD does not have, or should not have, a dog in that fight.

The obvious purpose of RCD's participation in the Upper Basin GSA is to provide a jurisdictional fig leaf for Yuima MWD and local water users other than the Bands to retain their power, dominance and control over the Upper Basin's groundwater at the expense of the Bands' federally reserved water rights and in a manner that undermines the California legislature's directive that those rights be "respected in full."

If RCD wants to participate in the SGMA/GSA/GSP process, it should follow the letter of LAFCO's process and rules for becoming a local agency as defined in SGMA.

Dated: December 4, 2020

Respectfully submitted,

By: Robert S. Pelcyger
Art Bunce
Edward Roybal
Geneva Lofton
Jeff Helsley
Jeremy Billy

FIGURE 4

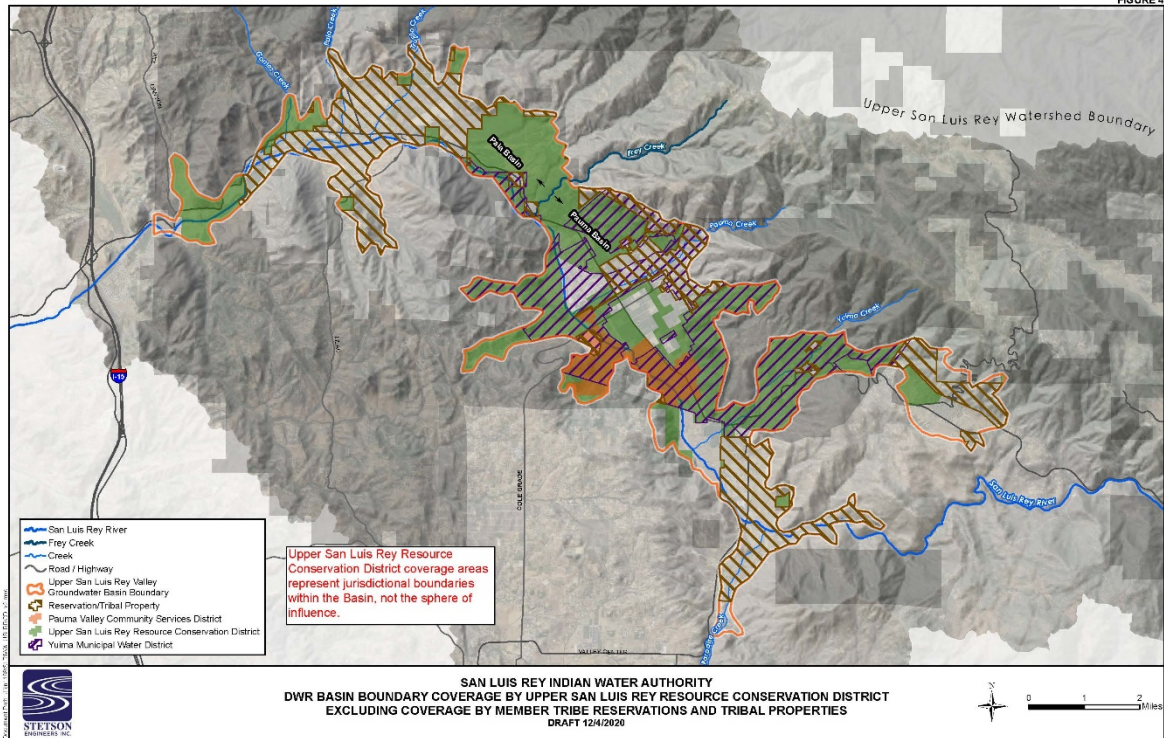


FIGURE 6

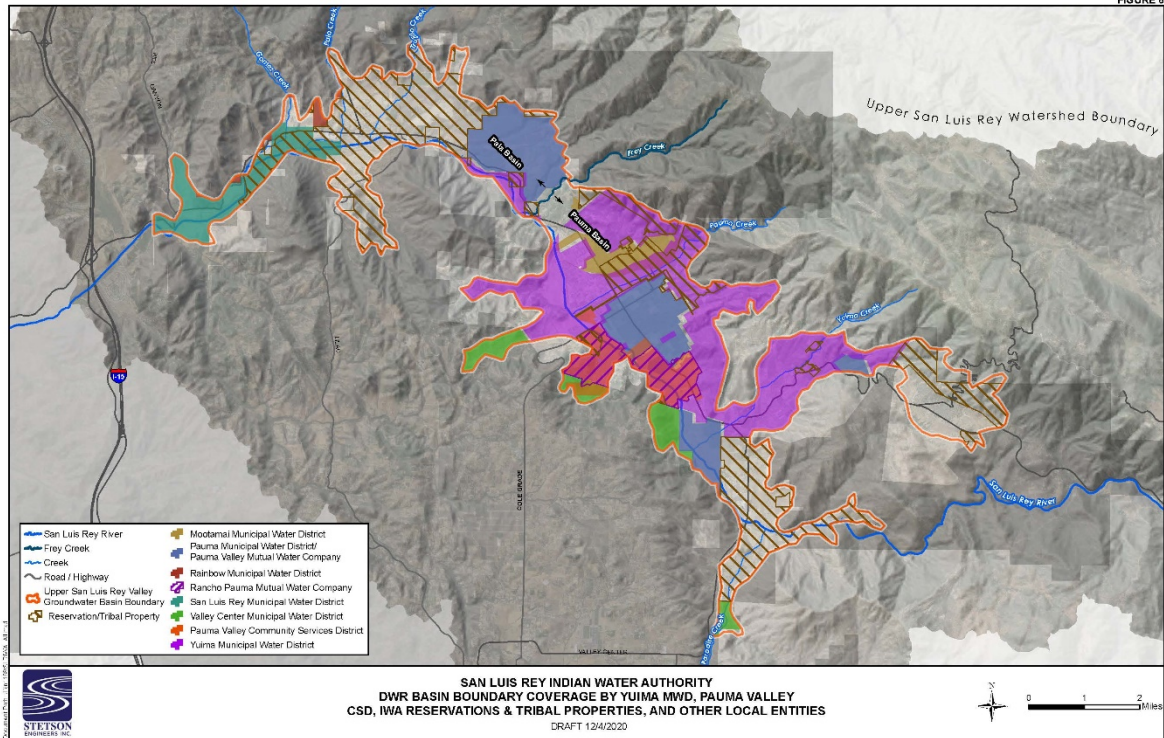


Table 1
San Luis Rey Indian Water Authority
Summary of Jurisdictional Coverage by Member Tribes, GSA Members, & Local Entities
Upper San Luis Rey Valley Basin

Entity Name	Jurisdictional Area within the Upper San Luis Rey Valley Basin (acres)	Percent Coverage of the Upper San Luis Rey Valley Basin ¹
San Luis Rey Indian Water Authority Member Tribes		
Pala Band (Reservation Land & Fee Land/Tribal Property)	4,376	22.7%
Pauma/Yuima Band (Reservation Land & Fee Land/Tribal Property)	450	2.3%
La Jolla Band (Reservation Land & Fee Land/Tribal Property)	831	4.3%
Rincon Band (Reservation Land & Fee Land/Tribal Property)	1,577	8.2%
Total	7,235	37.6%
Current GSA Members, excluding Upper San Luis Rey Resource Conservation District		
Yuima Municipal Water District	6,770	35.2%
Pauma Valley Community Services District	1,120	5.8%
Total²	7,050	36.6%
Upper San Luis Rey Resource Conservation District³		
Total jurisdictional boundary within the Upper San Luis Rey Basin	17,025	88.4%
Total jurisdictional boundary within the Upper San Luis Rey Basin (minus member tribe reservations & tribal properties)	9,880	51.3%
Total Basin Coverage by Yuima MWD, Pauma Valley CSD, and Upper San Luis Rey RCD²	17,363	90.2%
Other Local Water Entities		
Mootamai Municipal Water District	657	3.4%
Pauma Municipal Water District ⁴	2,955	15.3%
Pauma Mutual Water Company ⁴	2,955	15.3%
Rainbow Municipal Water District	94	0.5%
Rancho Pauma Mutual Water Company	929	4.8%
San Luis Rey Municipal Water District	1,183	6.1%
Valley Center Municipal Water District	760	3.9%
Total	6,578	34.2%
Area not Covered by the Member Tribes, GSA Members, Upper San Luis Rey RCD, or Other Local Water Entities		
Total	668	3.5%

Notes

- 1) Upper San Luis Rey Valley Basin consists of **19,254 acres** of land, per DWR Basin Prioritization Report dated September 2019.
- 2) Due to overlapping jurisdictions among the current GSA members, total coverage by the current GSA is less than the combined coverage by each current GSA member individually.
- 3) The Upper San Luis Rey Resource Conservation District coverage areas provided in this table (and in the figures) represent jurisdictional boundaries within the Basin, **not** the sphere of influence.
- 4) Jurisdictions of Pauma MWD and Pauma Mutual Water Company are predominantly overlapping.

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Letter No. 4

Direct Dial: (714) 338-1882
E-mail: jjungreis@rutan.com

December 17, 2020

VIA E-MAIL AND
FIRST CLASS MAIL

Mr. Keene Simonds, Executive Officer
San Diego County Local Agency Formation
Commission (LAFCO)
9335 Hazard Way, Suite 200
San Diego, CA 92123

Dear Mr. Simonds:

This letter is submitted on behalf of the three members of the Pauma Valley Groundwater Sustainability Agency (“PVGSA”¹), Yuima Municipal Water District (“Yuima”), Pauma Valley Community Services District (“PVCSD”), and the Upper San Luis Rey Resource Conservation District (“USLRRCD”). We write to thank LAFCO staff for the professional and thorough job that LAFCO staff did in conducting and presenting to the Commission on December 7, 2020, the recent Municipal Service Review (“MSR”) for Resource Conservation Districts (“RCDs”) in San Diego County. Our agencies appreciated the opportunity to provide input to the Commission regarding USLRRCD, a water and riparian habitat management agency which farmers and other local agencies in the San Luis Rey Valley greatly rely upon

We also write to address what our agencies would contend are inaccurate statements made by legal counsel for the San Luis Rey Indian Water Authority (“SLRIWA”), and the General Manager of the Rainbow Municipal Water District² (“RMWD”). We briefly address some of those assertions below.

¹ PVGSA was formed in 2017 by memorandum of understanding (“MOU”) per the requirements of the Sustainable Groundwater Management Act (“SGMA”). The primary purpose of the PVGSA is to ensure that groundwater in the Upper San Luis Rey is sustainably managed—in order to protect a diverse array of current and future uses in the Upper San Luis Rey Valley. All three current members of the PVGSA are original signatories to the 2017 MOU that created the GSA.

² RMWD’s comments were puzzling for our agencies. RMWD exercises no LAFCO approved groundwater management functions itself and only has approximately ten acres (out of over 19,000) within its service area that overlies the Upper San Luis Rey Valley Sub-Basin, and that portion was only added at the behest of SLRIWA earlier this year. Thus, RMWD overlies a tiny fragment of the Sub-Basin (.0005%), in a portion of the Sub-Basin that has no groundwater production. Thus, it is difficult to understand why RMWD would actively seek to prevent USLRRCD and PVGSA from developing a Groundwater Sustainability Plan (“GSP”) that ensures

Mr. Keene Simonds, Executive Officer
December 17, 2020
Page 2

USLRRCD Has Ample Authority to Manage Groundwater Under the Sustainable Groundwater Management Act (“SGMA”)

PVGSA is well on its way to developing a legally compliant and protective GSP that will be timely submitted to DWR—as SGMA requires—before January 2022. The GSP will address all of the required elements identified in the SGMA GSP regulations, and contrary to SLRIWA’s contentions, the GSP will fully respect Federal Reserved Water Rights (“FRWR”).³ SLRIWA and Mr. Kennedy contended before the Commission on December 7 that USLRRCD does not have authority as a “local agency”⁴ to manage groundwater per SGMA—their reasons for so asserting are not entirely clear. However, as the State Water Resources Control Board has opined on at least two occasions in opinion letters to Sonoma County RCD and Eastern Kern County RCD, letters attached hereto as Exhibit 1, RCDs, much like other local agencies that have not heretofore directly managed groundwater (such as municipal water districts like RMWD), have under their organic statutes the legal authority to manage groundwater for purposes of SGMA. SGMA provides the authority—provided the local agency has statutory authority under its organic act to engage in water management.

Wastewater and stormwater agencies, like RCDs, have statutory authority to manage water; as such the SWRCB has opined that they too meet the criteria under SGMA to become a GSA, individually or in combination with other SGMA eligible local agencies. No LAFCO action is needed. Indeed, we are aware of no instance since the passage of SGMA where a LAFCO “activated” a latent groundwater management power for any special district, while in the meantime hundreds of such agencies have elected to become GSAs. If the organic statute provides authority to manage water, and the RCD Act clearly does per the SWRCB, then a special district, such as USLRRCD is GSA eligible.

RCDs, with similar functions and current management activities as USLRRCD, are managing groundwater basins per SGMA throughout California. RCDs currently serve as GSAs, individually or in combination with other agencies, in Santa Rosa (Gold Ridge RCD), Kern County (East Kern County RCD), Sonoma County (Sonoma County RCD), Amador County (Sloughhouse RCD), Dixon (Solano County RCD), and Santa Barbara County (Cachuma RCD), and there are

sustainable groundwater management for all users in the Sub-Basin while at the same time ensuring local control of groundwater resources in the Upper San Luis Rey.

³ PVGSA will not, however, adjudicate or seek to quantify the FRWR asserted by the Tribes, which the SLRIWA contends is the entire flow and all groundwater resources of the San Luis Rey River below Henshaw Dam. PVGSA has no power to do so, and the USLRIWA knows this. Adjudication of FRWR and other asserted water rights is the job of a court, not a GSA. Indeed, SGMA specifically cautions that SGMA does not change or otherwise modify whatever water rights a groundwater producer claims to have.

⁴ Per SGMA, Water Code Sections 10721(n) and 10723(a), only a local agency with water management, water supply, or land use authority is eligible to elect to become a GSA.

Mr. Keene Simonds, Executive Officer
December 17, 2020
Page 3

no doubt others. None have had local LAFCOs “activate” water management authorities, and all perform similar functions as USLRRCD.

Moreover, USLRRCD clearly engages in “water management” activity within its service area, and it has done so for a very long time. The MSR correctly observes that USLRRCD actively engages in water conservation activities and education (water management), manages conservation easements to create and sustain riparian habitat in the San Luis Rey riverbed (water management), and educates farmers in the USLR on matters related to preventing runoff from their farms that can lead to water quality problems in the groundwater and the San Luis Rey River (water management). All of these things are in addition to USLRRCD acting as part of a GSA in the Upper San Luis Rey, until recently without objection, since 2017.

SLRIWA Has Repeatedly Been Asked to Join the PVGSA in Whatever Manner It Feels Comfortable Participating

The SLRIWA has repeatedly been asked to join PVGSA, as a voting or non-voting member, and it has repeatedly declined to do so—based upon its assertion that the GSA is invalid. However in the spirit of SGMA and ensuring that Tribal stakeholders of the Upper San Luis Rey have a robust voice in the SGMA process in the Upper San Luis Rey, PVGSA will continue to invite Tribal representatives to all meetings of the PVGSA Executive Team. Moreover, the joint powers authority (“JPA”) that the current members of PVGSA are working to form will have two voting seats dedicated to Tribal representatives if the SLRIWA is willing to participate in the JPA. The door is wide open for Tribal participation. They need only walk through it.

We are happy to provide any additional information you would find helpful to LAFCO in concluding the well done and thoughtful initial draft of the MSR for RCDs.

Sincerely,



Amy Reeh
Interim General Manager
Yuima Municipal Water District
Lead Agency - Pauma Valley GSA

cc: LAFCO Board of Directors
Ms. Linda Heckenkamp



State Water Resources Control Board

June 22, 2016

Mr. Don J. McKernan
President
Eastern Kern County Resource
Conservation District
300 South Richmond Road
Ridgecrest, CA 93555

Dear Mr. McKernan:

I am responding to your request of May 13, 2016, for advice from the State Water Resources Control Board (State Water Board) regarding the eligibility of Eastern Kern County Resource Conservation District to serve as a groundwater sustainability agency pursuant to the terms of the Sustainable Groundwater Management Act, Water Code section 10750, et seq.

Definition of "Local Agency"

Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin. (Wat. Code, § 10723, subd. (a).) A "local agency" is defined by the Act as a "local public agency that has water supply, water management, or land use responsibilities within a groundwater basin." (Wat. Code, § 10721, subd. (n).)

As you know, resource conservation districts are locally governed special districts. They are considered agencies of the state only for the purpose of contracting with other state agencies. (Pub. Res. Code, § 9003.) The formation of a resource conservation districts must be locally proposed and locally approved. (Pub. Res. Code, §§ 9161-68, 9181, & 9182.) The legislature has also characterized resource conservation districts as local public agencies or local government entities in several different statutory contexts.¹

Resource conservation districts are non-regulatory agencies with planning, management, operation, and informational functions. A resource conservation district may be formed for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and the improvement of land capabilities. (Pub. Res. Code, § 9151.) Resource conservation districts are authorized to make improvements or conduct operations in furtherance of the prevention or control of soil erosion, water conservation and distribution,

¹ See Delta Protection Act of 1992 (Pub. Res. Code, §29724), Rangeland, Grazing Land, and Grassland Protection Act (Pub. Res. Code, § 10332), Fish and Wildlife Habitat Enhancement Act of 1984 (Fish & Game Code, § 2602, subd. (c)), and the Agricultural Protection Planning Grant Program (Pub. Res. Code, § 10280.5, subd. (e)).

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

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Mr. Don J. McKernan

- 2 -

June 22, 2016

agricultural enhancement, wildlife enhancement, and erosion stabilization. (Pub. Res. Code, § 9409.) The districts are also specifically authorized to disseminate information relating to soil and water conservation and erosion stabilization, (Pub. Res. Code, § 9411), and to manage any soil conservation, water conservation, water distribution, flood control, erosion prevention, or erosion stabilization project located within the district, (Pub. Res. Code, § 9415).

With your inquiry, you attached several documents as evidence of the water management functions of Eastern Kern County Resource Conservation District, indicating that the District is vested with the full range of functions authorized by the Public Resources Code.

Probationary Status and Reporting Requirements

The State Water Board is authorized by the Sustainable Groundwater Management Act to designate a basin as probationary if the board finds that none of the following have occurred after June 30, 2017: (A) a local agency has elected to be a groundwater sustainability agency that intends to develop a groundwater sustainability plan for the entire basin; (B) a collection of local agencies has formed a groundwater sustainability agency or prepared agreements to develop one or more groundwater sustainability plans that will collectively serve as a groundwater sustainability plan for the entire basin; or (C) a local agency has submitted an alternative that has been approved or is pending approval pursuant to section 10733.6. (Wat. Code, § 10735.2, subd. (a)(1).)

The State Water Board considers Eastern Kern County Resource Conservation District to be a local agency for purposes of Water Code section 10735.2, based on the documentation that you provided to us. Therefore, the board would not designate a basin as probationary under Water Code section 10735.2, subdivision (a)(1), if Eastern Kern County Resource Conservation District, or a collection of local agencies that includes Eastern Kern County Resource Conservation District, has satisfied one of the three conditions described.

In addition, the State Water Board would not consider the reporting requirements of Water Code section 5202, subdivision (a)(2), to apply to a person who extracts groundwater within the management area of Eastern Kern County Resource Conservation District, if the District assumed responsibility to be a groundwater sustainability agency.

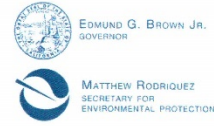
This letter offers a non-binding, advisory opinion. It is not a declaratory decision and does not bind the State Water Board in any future determination.

Sincerely,



Erik Ekdahl
Director, Office of Research , Planning, and Performance

cc: Via Email
David Gutierrez
Department of Water Resources



State Water Resources Control Board

April 12, 2016

Ms. Kara Heckert
Executive Director
Sonoma Resource Conservation District
1221 Farmers Lane, Suite F
Santa Rosa, CA 95405

Dear Ms. Heckert:

I am responding to your request of March 16, 2016, for advice from the State Water Resources Control Board (State Water Board) regarding the eligibility of Sonoma Resource Conservation District to serve as a groundwater sustainability agency pursuant to the terms of the Sustainable Groundwater Management Act, Water Code section 10750, et seq.

Definition of "Local Agency"

Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin. (Wat. Code, § 10723, subd. (a).) A "local agency" is defined by the Act as a "local public agency that has water supply, water management, or land use responsibilities within a groundwater basin." (Wat. Code, § 10721, subd. (n).)

As you know, resource conservation districts are locally governed special districts. They are considered agencies of the state only for the purpose of contracting with other state agencies. (Pub. Res. Code, § 9003.) The formation of a resource conservation districts must be locally proposed and locally approved. (Pub. Res. Code, §§ 9161-68, 9181, & 9182.) The legislature has also characterized resource conservation districts as local public agencies or local government entities in several different statutory contexts.¹

Resource conservation districts are non-regulatory agencies with planning, management, operation, and informational functions. A resource conservation district may be formed for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and the improvement of land capabilities. (Pub. Res. Code, § 9151.) Resource conservation districts are authorized to make improvements or conduct operations in furtherance of the prevention or control of soil erosion, water conservation and distribution, agricultural enhancement, wildlife enhancement, and erosion stabilization. (Pub. Res. Code, §

¹ See Delta Protection Act of 1992 (Pub. Res. Code, §29724), Rangeland, Grazing Land, and Grassland Protection Act (Pub. Res. Code, § 10332), Fish and Wildlife Habitat Enhancement Act of 1984 (Fish & Game Code, § 2602, subd. (c)), and the Agricultural Protection Planning Grant Program (Pub. Res. Code, § 10280.5, subd. (e)).

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Ms. Kara Heckert

- 2 -

April 12, 2016

9409.) The districts are also specifically authorized to disseminate information relating to soil and water conservation and erosion stabilization, (Pub. Res. Code, § 9411), and to manage any soil conservation, water conservation, water distribution, flood control, erosion prevention, or erosion stabilization project located within the district, (Pub. Res. Code, § 9415).

Probationary Status and Reporting Requirements

The State Water Board is authorized by the Sustainable Groundwater Management Act to designate a basin as probationary if the board finds that none of the following have occurred after June 30, 2017: (A) a local agency has elected to be a groundwater sustainability agency that intends to develop a groundwater sustainability plan for the entire basin; (B) a collection of local agencies has formed a groundwater sustainability agency or prepared agreements to develop one or more groundwater sustainability plans that will collectively serve as a groundwater sustainability plan for the entire basin; or (C) a local agency has submitted an alternative that has been approved or is pending approval pursuant to section 10733.6. (Wat. Code, § 10735.2, subd. (a)(1).)

The State Water Board considers Sonoma Resource Conservation District to be a local agency for purposes of Water Code section 10735.2, absent evidence that the District is not vested with the full range of functions authorized by the Public Resources Code. Therefore, the State Water Board would not designate a basin as probationary under Water Code section 10735.2, subdivision (a)(1), if Sonoma Resource Conservation District, or a collection of local agencies that includes Sonoma Resource Conservation District, has satisfied one of the three conditions described.

In addition, the State Water Board would not consider the reporting requirements of Water Code section 5202, subdivision (a)(2), to apply to a person who extracts groundwater within the management area of Sonoma Resource Conservation District, if the District assumed responsibility to be a groundwater sustainability agency.

This letter offers a non-binding, advisory opinion. It is not a declaratory decision and does not bind the State Water Board in any future determination.

Sincerely,



Erik Ek Dahl
Director, Office of Research, Planning, and Performance

cc: VIA E-mail
David Gutierrez
Department of Water Resources

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Letter No. 5



January 8, 2021

Keene Simonds
Local Agency Formation Commission (LAFCO)
9335 Hazard Way, Suite 200
San Diego, CA 92123

Re: Our Client: Resource Conservation District of Greater San Diego County
Issue: Mission Resource Conservation District's Extraterritorial Services

Dear Mr. Simonds:

The purpose of this letter is to address several issues between the Resource Conservation District of Greater San Diego County ("RCD") and Mission Resource Conservation District ("Mission"). Therefore, if you have any questions, please do not hesitate to contact the undersigned.

First, and most importantly, San Diego Local Agency Formation Commission ("LAFCO") should be aware that Mission continues to perform extraterritorial services within the boundaries of RCD, without consent or approval of LAFCO in violation of California Government Code, section 56133.

Section 56133 provides LAFCO with the authority to determine whether a district may offer services outside its boundaries without complying with section 56133. Each subdivision authorizes LAFCO to make the final determination:

(a) A...district may provide new or extended services by contract or agreement outside its jurisdictional boundaries...only if it first requests and receives written approval from [LAFCO].

In addition, Government Code, section 56113, subdivision (e) provides as follows:

This section does not apply to an extended service that a district was providing on or before January 1, 2001.

In addressing the exclusionary language of section 56133, it should be noted that all of the extraterritorial services being offered by Mission within the boundaries of RCD were contracted for after January 1, 2001. Therefore, the requirements of the section are mandatory and shall be complied with by Mission.

In order to resolve this ongoing issue, RCD has made several requests that Mission cease and desist providing services within its boundaries. However, Mission has failed to comply with

Resource Conservation District of Greater San Diego County | Fire Safe Council of San Diego County
11769 Waterhill Road, Lakeside, CA 92040 | Phone: 619.562.0096 | Fax: 619.562.4799
www.rcdsandiego.org | www.firesafesdcounty.org



these reasonable requests. Accordingly, RCD seeks the assistance of LAFCO to address the issue and violation of the Government Code.

Mission has also taken the position that it is uniquely qualified to provide the services being offered to certain water districts within the boundaries of RCD. This is simply factually incorrect. RCD is well equipped to provide the same services to said water districts. RCD has the experience and expertise to offer such services. RCD also has the existing staff to immediately undertake the contractual duties and responsibilities and fulfill the needs of these water districts.

The third issue we would like to address is that Mission has taken the position they have enforceable MOUs with RCD. This is again not the case. I have enclosed copies of the Notices of Rescission sent to Mission providing that any active MOUs by and between Mission and RCD have been rescinded for cause. You will see from the content of the notices that the rationale for rescinding the MOUs is based upon Mission's refusal to cease providing unauthorized services within the boundaries of RCD. At this time, Mission does not have the authority to continue to provide services under the subject MOUs.

Finally, it is our understanding that Mission has taken the position that in the event it is not allowed or authorized to operate within the boundaries of RCD, resulting in a decrease in its gross revenue, then it will no longer be economically viable. Under these circumstances and in light of the fact that Mission continues to violate the Government Code, RCD proposes a merger between RCD and Mission with RCD acting as the lead agency. Under these circumstances, RCD would move forward and annex the jurisdictional area currently serviced by Mission.

In light of the above, it is requested that these issues be agendaized by LAFCO and addressed by its commission. In the meantime, if you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Sheryl Landrum".

Sheryl Landrum

Sheryl Landrum, Executive Director,
Resource Conservation District of Greater
San Diego County
Vice President, Fire Safe Council of
San Diego County
Sheryl.landrum@rcdsandiego.org

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Letter No. 6



January 20, 2021

Keene Simmonds, *Executive Director*
San Diego County Local Agency Formation Commission
9335 Hazard Way, Suite 200
San Diego, Ca 92123

Subject – Draft MSR, San Diego County Resource Conservation Districts

Dear Keene;

First, we want to thank you for the opportunity to review the Draft MSR for the San Diego County Resource Conservation Districts (RCDs). As you prefaced earlier, RCD issues are complex and in need of long-term solutions. However, based upon our understanding of the Draft MSR recommendations, it is the interim period for which there is great concern among the Mission Resource District's client wholesale and retail water agencies.

Wisely, your Draft MSR does not recommend any immediate measures, such as reorganization of the county's three remaining RCDs; rather, it recommends a long-term study process to develop well thought out solutions. However, the near and mid-term impact of the recommendations, combined with the March 4, 2019 Cease and Desist Order, is to prohibit the Mission Resource Conservation District (MRCD) from operating outside its boundary for the interim study period.

This means that MRCD's ability to perform landscape audits, on-site agricultural evaluations or provide technical assistance would be limited; in addition, access to federal funding through the National Resources Conservation Service (NRCS) for growers could also be limited. Without a current and established alternative service provider, growers in a large swath of the county will be left without access to the technical and financial assistance so critical to the survival of San Diego County Agriculture. As is reflected in the Draft MSR, neither Greater San Diego nor Upper San Luis Rey RCD provide these types of services.

Further, with MRCD unable to fulfill its long-standing contractual obligations it will likely be harmed financially as it is very dependent on contract revenues that it has successfully pursued and secured over the years. If financially weakened, MRCD may be unable to retain the staff expertise and organizational structure which might play a key role in the long-term solutions ultimately developed by LAFCO.

We recommended at the December 7, 2020 LAFCO meeting that as the long-term process moves forward, MRCD should be able to continue to provide its essential services to San Diego County Agriculture until conclusion of the study process, or at least until an alternative service provider of demonstrated equal or better quality is identified.

Again, we want to thank you for the opportunity to comment. We trust that SD LAFCO will come up with effective long-term RCD organizational and governance solutions while preserving the interim provision of critical public services by the Mission Resource Conservation District.

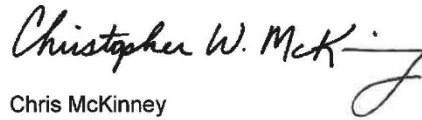
Sincerely, the undersigned public water agencies;

San Diego County Water Authority



Sandra Kerl
General Manager

City of Escondido Water Utilities



Chris McKinney
Director of Utilities

City of Oceanside Water Utilities



Cari Dale
Water Utilities Director

Rainbow Municipal Water District



Tom Kennedy
General Manager

Rincon del Diablo Municipal Water District



Clint Baze
General Manager

Vallecitos Municipal Water District



Glenn Pruim
General Manager

Valley Center Municipal Water District



Gary Arant
General Manager

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Letter No. 7



January 22, 2021

San Diego LAFCO

Re: San Diego LAFCO's Municipal Service Review of RCDs

Dear LAFCO Municipal Service Review Committee,

Thank you for taking the time to review the Resource Conservation Districts (RCDs) currently providing services in San Diego County and preparing such a thorough report. We appreciate that you take your mission seriously to build stronger Special Districts in San Diego County.

As Executive Director of the California Association of Resource Conservation Districts (CARCD), I want to support your reference to the outdated Division 9 code in the draft Municipal Service Review. You are correct that the code has not been significantly updated since the 1960s.

The 1960 version of the code does adequately reflect the core mission of the RCDs. RCDs were created in the 1930s to help communities (particularly ag communities) solve critical conservation challenges- specifically the Dust Bowl crisis. While the core mission of RCDs has not changed since then (they are still focused on serving their communities in relation to conservation, soil, and water) the context in which we work has changed greatly. California is facing critical conservation issues that simply didn't exist when the code was written. In addition, the urban environment has grown significantly and now encompasses more agriculture and conservation concerns (like monarch decline). As a great example, San Diego County has more small, urban farmers than any other county in the nation while remaining critical to Western Monarch overwintering habitat. Neither of these issues was significant in 1960.

The RCDs are addressing 2020's conservation and agriculture challenges and are working hard to solve them. While their work is still in compliance with Division 9, the code does not directly reference the new environmental challenges California faces like endangered species, climate change, carbon emissions from built and natural environments, fire storms, declining biodiversity, and conservation of ag land. These are issues that conservation districts across California and the United States are addressing under their mission of conservation, agriculture and community. It is critical and core to the mission of RCDs and the State of California to address 2020's conservation and agricultural challenges.

Code is meant to empower an entity to meet its mission. The current outdated code does not do that. An updated code that reflects the growing conservation and agricultural context would give RCDs the tools they need to be empowered in their mission to meet California's needs.

To this end, CARCD introduced a revision to Division 9 in the form of AB 2303 (Aguiar-Curry) in 2020. The pandemic in 2020 greatly reduced the number of bills that were heard in the California legislature and AB 2303 did not rise to the highest priority. CARCD is in the process of reintroducing the bill in 2021. Legislators are also being asked to limit their bills in 2021. We

California Association of Resource Conservation Districts
801 K Street, MS 14-15, Sacramento, CA 95814
(916) 457-7904 www.carcd.org



have made the case for why this work is critical and have cited the draft MSR as evidence of it's need. We have not heard back officially yet, but hope that it will be introduced as a bill in 2021. If it is not heard, we intend to try again in 2022 when hopefully we will have a normal legislative cycle.

Thank you for your attention to this matter. We appreciate that you share our commitment to strong RCDs and to supporting them with the tools they need (like an updated code) to meet their mission.

Please let me know if you have any questions or if I can be of service in anyway.

Sincerely,

A handwritten signature in black ink that reads 'Karen Buhr'.

Karen Buhr
Executive Director
California Association of Resource Conservation Districts

California Association of Resource Conservation Districts
801 K Street, MS 14-15, Sacramento, CA 95814
(916) 457-7904 www.carcd.org

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Letter No. 8



January 22, 2021

San Diego LAFCO

Re: RCDs participation in Groundwater Sustainability Agencies (GSAs)

As the Executive Director of the California Association of Resource Conservation Districts (CARCD), I want to provide context for Resource Conservation Districts serving in Groundwater Sustainability Agencies (GSAs). It is my opinion that RCDs are well positioned and have the authority to serve on GSAs for the reasons stated below.

First, it is a common practice in California for RCDs to be part of their local GSA. At least 1 (the Sloughhouse RCD) serves as the GSA lead, and at least 10 serve as official members of their GSA. Many more participate in advisory roles and provide both formal and informal input into their local GSAs. For the RCDs to lead or officially be in a formal role, Department of Water Resources approval was required. The public vetting of the formation of GSAs was intense and all actors were scrutinized by both the DWR and local entities. In many cases legal review was completed. This demonstrates that multiple jurisdictions at various levels of government believe that RCDs can and should serve on GSAs.

Second, GSA service falls within the purview of the RCD enacting code- Division 9 of the Public Resources Code. Division 9 (section 9151) states that "A resource conservation district may be formed pursuant to this division for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and the improvement of land capabilities." SIGMA and the GSA plans will directly affect the ability of the RCD to enact this mission and the RCD viewpoint is relevant to creating a groundwater plan that includes an adequate awareness of agriculture and conservation in decisions about water use, distribution and land use. All of these items are directly cited in their code. I believe that this direct connection between Division 9 and GSAs makes RCDs pertinent to the conversation and appropriate to serve on the GSA board.

Given the Division 9 connection to SIGMA and the widespread practice of RCDs serving on boards, I believe that RCDs have the right to do so.

Please let me know if I can be of further assistance or provide further insight.

Sincerely

Karen Buhr
Executive Director

California Association of Resource Conservation Districts
801 K Street, MS 14-15, Sacramento, CA 95814
(916) 457-7904 www.carcd.org

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Letter No. 9



January 25, 2021

MEMBER AGENCIES

- Carlsbad Municipal Water District
- City of Del Mar
- City of Escondido
- City of National City
- City of Oceanside
- City of Poway
- City of San Diego
- Fallbrook Public Utility District
- Halix Water District
- Lakeside Water District
- Olivenhain Municipal Water District
- Olaj Water District
- Padre Dam Municipal Water District
- Camp Pendleton Marine Corps Base
- Rainbow Municipal Water District
- Ramona Municipal Water District
- Rincon del Diablo Municipal Water District
- San Dieguito Water District
- Santa Fe Irrigation District
- South Bay Irrigation District
- Vallejos Water District
- Valley Center Municipal Water District
- Vista Irrigation District
- Yuma Municipal Water District

OTHER REPRESENTATIVE

- County of San Diego

Keene Simonds, Executive Director
 San Diego County Local Agency Formation Commission
 9335 Hazard Way, Suite 200
 San Diego, CA 92123

RE: Draft Municipal Service Review, San Diego County Resource Conservation Districts

Dear Mr. Simonds:

Thank you for the opportunity to review the Draft Municipal Service Review (MSR) for the San Diego County Resource Conservation Districts (RCDs). After reviewing the MSR we recognize the complexity of the RCD organizations and support the recommendation to complete a long-term study before initiating structural changes to the three RCDs. Concurrently with undertaking the long-term study, we respectfully request that Mission RCD not be prevented from continuing to conduct its water conservation programs that currently benefit water users within the boundaries of the San Diego County Water Authority (Water Authority).

As the regional wholesale water supplier, the Water Authority has contracted with the Mission RCD since 1990 to operate its Agricultural Water Management Program. The goal of the program is to provide technical assistance to growers to enable them to irrigate crops as efficiently as possible to obtain the maximum economic benefit from limited water resources. During this time, there have been almost 2,300 audits on more than 35,000 acres of avocados, citrus, field flowers, and other fruits and ornamental crops.

Mission RCD is also partnering with the Water Authority on two projects funded by State of California Integrated Regional Water Management (IRWM) grants: the Electrical Conductivity (EC) Mapping and Soil Moisture Sensor Systems Program, and the Agricultural Irrigation Efficiency Program. These programs use grant funding to increase on-farm water use efficiency through EC maps, soil moisture sensor systems, and irrigation system equipment retrofits. Mission RCD's technical expertise and experience in performing agricultural audits, its partnerships with the U.C. Cooperative Extension Farm Advisors Office, the U.S. Department of Agriculture, Natural Resource Conservation Service and the San Diego County Farm Bureau, along with its outstanding reputation among local farmers for providing quality water efficiency services, makes Mission RCD uniquely qualified to continue to implement agricultural water use efficiency programs.

Since 2009, Mission RCD has also been the Water Authority's contractor to administer the regional WaterSmart Checkup Program. Through this program, on-site water-use-efficiency audits are conducted for residential and commercial customers who receive verbal and written instruction on water-saving activities such as checking for leaks, reprogramming their irrigation controller, how to read their water meter and available incentives for indoor and outdoor improvements. More than 16,000 checkup services have been provided by Mission RCD for our

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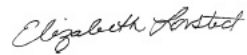
Mr. Simonds
January 25, 2021
Page 2

retail agency customers, including landscape surveys covering more than 2,000 acres. This popular program has led to significant water savings in our region and is especially active during drought years.

Allowing the Mission RCD to continue these services within the Water Authority's boundaries is consistent with LAFCO's purposes, specifically preserving prime agricultural lands and efficiently providing governmental services. To abruptly stop Mission RCD's provision of these services would undermine the important objective of the commission to "advantageously provide for the present and future needs" of these agricultural communities. Therefore, we respectfully request that San Diego LAFCO facilitate the continuation of Mission RCD's services pending the further study of the RCDs as a whole.

Thank you for considering our comments. We again ask that these beneficial programs be allowed to continue during the study period recommended by the MSR, and look forward to the development of a long-term solution that will allow the good work done by the RCDs to continue. If you have any questions or need additional information please contact me at elovsted@sdcwa.org or 858-522-6749.

Sincerely,



Elizabeth Lovsted
Water Resources Manager

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Letter No. 10

January 27, 2021

Keene Simonds, Executive Director
San Diego Local Agency Formation Commission
9335 Hazard Way, Suite 200
San Diego, CA 92123

Dear Mr. Simonds:

Please accept the following as a comment and objection to the Municipal Service Review (MSR) on the Resource Conservation Districts (RCD's) in San Diego County on behalf of Upper San Luis Rey RCD (USLRRCD). As discussed further below, USLRRCD objects to a proposed addendum on USLRRCD's groundwater activities. The proposed addendum should be removed and the original draft presented on December 2020 be adopted.

Thank you for the incredible effort you and your staff have put into the MSR on the RCD's in San Diego County. This is an important step in developing the relationship between LAFCO and the RCD's. We do, however, express caution and object to portions of the proposed MSR Final Report alluding to an addendum on USLRRCD's groundwater activities, and we echo and reinforce the points raised by the Pauma Valley Groundwater Sustainability Agency (PVGSA) in the letter to you dated December 17, 2020 (attached as Letter No. 4 to the draft Final Report). In short, the issues raised by the San Luis Rey Indian Water Authority (SLRIWA) in correspondence attached to the draft Final Report as Letter No. 3 are procedurally and substantively improper for consideration by LAFCO as part of this MSR and no further action should be taken on the suggested addendum.

USLRRCD looks forward to working with LAFCO as we continue our important work in the district. The needs of the community have changed, therefore we need to be willing to adapt and provide support in any way possible in order to conserve resources. The USLRRCD's sphere of influence includes thousands of acres of agriculture, which makes water stability and water quality an issue of utmost importance. The passage of the Sustainable Groundwater Management Act (SGMA) has given local agencies the responsibility to form a Groundwater Sustainability Agency (GSA), and the USLRRCD has taken on this challenge and has been a member of the PVGSA since its inception in 2017. The USLRRCD is a valuable asset to the PVGSA and this task is clearly a part of the RCD's mission. To quote LAFCO's MSR draft, the USLRRCD was formed to "assist landowners in implementing soil, water, and other land management practices in support of agrarian activities." The MSR also affirms the RCD's municipal service function of water conservation under its principal act.

The USLRRCD's involvement in the PVGSA is not unique in the state of California, as there are at least ten RCD's across the state that are members of GSA's, one of which is the sole member of a GSA. Crucially, the State Water Resources Control Board – tasked, in part, with protecting groundwater and implementing SGMA – has opined more than once that substantially similar groundwater activities by RCDs are allowable under the SGMA. The important work of the PVGSA is aligned with the mission of the USLRRCD as we take on the immense challenge of groundwater stability.

Again, thank you for taking on this MSR project and we concur with the recommendations and results of your thorough review except for the recommendation to prepare an addendum related to USLRRCD's GSA activities, and we respectfully request that it be removed from the Final Report¹. In addition to the fact that activity is consistent with determinations by appropriate state agencies, the late addition of this issue – seven months after the MSR workplan was developed -- based entirely on questionable allegations by a party in open dispute with PVGSA raises procedural and due process concerns. The MSR, nor an addendum to it, is not the appropriate vehicle for addressing those issues, assuming for argument's sake that it is properly before LAFCO at all. Instead, if it is to be analyzed at all, it should be done in a timely manner and as a separate process from this MSR. Even without the improper addition of the GSA issue, we have many challenges ahead of us but we will face them together.

Sincerely,



Andy Lyall
President

Upper San Luis Rey Resource Conservation District

¹ Notably, the addendum recommendation is the only material deviation from the draft MSR, as noted on page 3 of the proposed Final Report: "The final municipal service review on RCDs before San Diego LAFCO remains substantively intact with the notable addition of a new recommendation for the Commission to prepare an addendum to address Upper San Luis Rey RCD's authorization in LAFCO statute to provide groundwater management. This new recommendation responds to written comments received during the public review process and ties directly to addressing Upper San Luis Rey RCD's current involvement in the Pauma Valley Groundwater Sustainable Agency. *All other key conclusions and recommendations presented in the draft and outlined in the Executive Summary (Chapter Two) remain.*"

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Letter No. 11



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January 29, 2021

To: Keene Simonds and LAFCo Board of Directors

Re: Draft RCD MSR Report Recommendations

The Board of Mission Resource Conservation District (MRCD) has reviewed and met to discuss the recommendations made by San Diego LAFCO (SDLAFCO) in its Draft Municipal Service Review report and offer their response in this document. In summary:

- MRCD will work together with SDLAFCO to develop viable long-term solutions that meet the needs of SDLAFCO, MRCD, Greater San Diego Resource Conservation District (GSDRCD) and Upper San Luis Rey Resource Conservation District (USLRRCD).
- MRCD will work to develop thoughtful, proactive, viable, and collaborative working relationships with SDLAFCO, GSDRCD and USLRRCD.
- MRCD's efforts will continue to focus on providing effective and responsive resource conservation services to our district, and as appropriate, the greater San Diego North County region.

The MRCD Board responses to the specific LAFCO Draft Municipal Service Review recommendations are provided below.

1. San Diego LAFCO affirms resource conservation functions are explicit municipal services under CKH and support – both through direct and indirect means – orderly growth and development in San Diego County. LAFCO should accordingly incorporate regular reviews of RCD functions as part of future municipal service review cycles.

MRCD Response

Resource Conservation Districts (RCDs) play a key role as a link between state conservation mandates and municipal service provision. The RCD function is to make available technical, financial, and educational resources, and focus or coordinate them so that they meet the needs of local land users for conservation of soil, water, and related natural resources. RCDs provide a unique "boots-on-the-ground" function to support conservation best practices for orderly and sustainable growth and development in their respective communities.

MRCD agrees that regular reviews of RCD functions as part of SDLAFCO's future Municipal Service Review cycles are important to ensure the continuation of essential, directed, and cost-effective conservation services and community support. The mission of MRCD is to promote the conservation of soil, water and other natural resources in the San Luis Rey and Santa Margarita watersheds through effective planning that ensures a healthy ecosystem and provides economic benefits and quality of life for landowners and the general public.

1

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MRCD anticipates working collaboratively with SDLAFCO and the other San Diego RCDs to meet the needs of the growing regional population coupled with the uncertainties of a changing climate and water scarcity. MRCD's services address the broad and shifting conservation needs (e.g., water, soil, wildlife) for effective service provision in San Diego County. Along the lines of the City of San Diego's Complete Communities program, "San Diegans' quality of life depends on a vibrant economy, a healthy environment and thriving neighborhoods." MRCD's efforts support all three of these goals in North County.

2. San Diego LAFCO should collaborate with the County of San Diego and SANDAG to develop buildout estimates specific to each affected agency and incorporate the information into the next scheduled municipal service review.

MRCD Response

MRCD supports SDLAFCO's collaboration with both the County of San Diego and SANDAG to develop buildout estimates specific to each RCD and incorporating this information into the next Municipal Service Review cycle. Future Municipal Service Reviews ought to include current data from SANDAG, such as the most current population estimates and demographics, including relevant data on disadvantaged unincorporated communities (DUCs). Housing and commercial buildout estimates and relevant economic profile data should also be included to provide a more complete picture of district trends and anticipated community needs. The inclusion of this data will assist with identifying demographic and societal changes that have "measurably expanded [the roles of RCDs] to be more holistic [in connection to] wildlife habitat, wildfire prevention, and climate change through technical, education and advocacy services" and meriting the expansion into incorporated communities and adjacent cities with shared watersheds (Municipal Service Review, 2020, p. 22).

Data on regional farming trends and crops collected by the County of San Diego, Department of Weights and Measures and the National Agriculture Census should also be included in future Municipal Service Review cycles. Agriculture is a significant contributor to San Diego County's economy¹ with over 5,000 farms, more than any other county in the U.S. (County of San Diego, Department of Weights and Measures). The majority of San Diego's commercial farms, including small and organic farms, are located in North County with many in MRCD's district. Relatedly, agricultural tourism is prominent in North County, including in MRCD's district. Data on agriculture and agricultural trends (as well as other regional economic and industry trends) will be particularly important in the coming years, as the COVID-19 pandemic shifts the food supply chain, agricultural economics, and agritourism in the region.

MRCD's expertise in North County and technical assistance capabilities are an invaluable resource for addressing the impacts of climate change within the region. Given North County's geography and critical and sensitive watersheds and habitats, climate change will affect North County

¹ In 2019, the direct economic output from agricultural production totaled \$1,795,528,573 (County of San Diego, Department of Weights and Measures, 2019, p. 5).



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differently than other parts of the region. Potential climate change vulnerabilities that have been identified include (but are not limited to):

- Increased risk and severity of wildfires
- Decreased imported water supply, groundwater supply, and surface water availability
- Water quality concerns
- Endangered rivers and impaired water basins
- Sea level rise
- Decreased availability of critical habitat
- Saltwater intrusion.

Now more than ever, expert and targeted services to meet the specific challenges facing regional agriculture and climate change in North County are essential.

3. San Diego LAFCO should coordinate with all three affected agencies in developing performance measurements to help quantify capacity-demand relationships in each jurisdiction to appropriately inform future studies and/or reorganizations.

MRCD Response

MRCD supports the development of performance measurements in coordination with SDLAFCO. All key performance indicators should provide meaningful measures of performance within context.

While conventional financial measures are important to the overall picture of a RCD, such measures do not fully reflect agency performance. As RCDs rely on external grant funding with a small portion of assessment funds provided, RCDs are increasingly in competition with other similarly focused agencies and nonprofit organizations.

The specific funding arrangements of many RCD grants also deserve mention. For many of its grants, MRCD provides technical assistance services for the grantor agency, in which only a small portion of the revenues for services provided are allocated to MRCD as revenue. The remainder of the income received through grants are “passed through.”

The State Legislature has declared RCDs act as not-for-profit entities, as they are legal subdivisions of the state (Division 9, Public Resources Code, Section 9003). RCDs were designed to provide a cost-effective, affordable resource for other agencies and the public². Thus, we recommend using *efficiency per dollar* as a key performance measure, as this measure more accurately reflects financial performance consistent with the Legislature’s intent for RCDs to operate as not-for-profit entities for the public benefit.

Other performance measures of RCD capacities may include (but are not be limited to) infrastructure, facilities, and personnel. We would like to correct the statement made in the draft Municipal Service Review report stating that “[n]one of the affected agencies own or maintain substantial capital infrastructure, facilities, or equipment” (p. 27). MRCD purchased and upgraded

² The provision of cost-effective and affordable conservation services is particularly important, as many public agencies have experienced rate increases over the past few years.



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its building in 2017. It is important to note that the financial picture provided in the draft Municipal Service Review report does not take this purchase of MRCD's building into account.

MRCD has a large technical services component and provides more one-to-one technical assistance to property owners and property occupants than other RCDs across the state. MRCD's staff have diverse expertise and skill sets to provide high quality services, and subject-matter experts may be called on as needed for special projects. MRCD acts as "boots-on-the-ground" by providing educational outreach coupled with technical assistance to reduce barriers to understanding and the adoption of long-term conservation practices (i.e., we don't just tell you *what* to do, we show you *how* to do it).

MRCD's performance meets state and county requirements and has been instrumental in helping San Diego County achieve conservation-oriented goals. Part of our success is due to our collaborative relationships with cities, non-profits, local organizations, businesses, and partner agencies, including water districts.

RCD performance assessment should also consider how an RCD's Board of Directors is representative of its district:

- Directors should have diverse, relevant experience and be current on environmental issues
- Directors should be from various parts of the district to ensure that diverse district needs and interests are reflected in decision-making
- Directors should be committed and connected to their community.

4. San Diego LAFCO should work with stakeholders and local legislators to propose a comprehensive rewrite of the RCD principal act and – among other virtues – clarify service function powers relative to current and anticipated community needs.

MRCD Response

MRCD looks forward to working collaboratively with SDLAFCO and local legislators to propose an update to the RCD Principal Act. MRCD's established relationships with local legislators can assist with the facilitation of legislative updates to meet current and future environmental needs.

An update of the RCD Principal Act should also include a clause clearly stating that one RCD cannot bring a lawsuit against another RCD. Given the critical need for conservation services and limited operating budgets for RCDs, lawsuits between RCDs are frivolous and redirect public funds away from the essential conservation services in the public interest. In the event of disagreements between RCDs, both agencies should seek to act professionally and engage in civilized discussion to develop a mutually beneficial resolution, as the goal of all RCDs should be to provide conservation services in the best interest of the public. Should a situation arise where an objective third party is needed to help facilitate discussion towards a mutually beneficial resolution, the regional LAFCO should be consulted.



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MRCD Response

MRCD will comply with G.C. Section 56133 to request and receive written approval before entering into any new contracts and agreements that include providing services outside of our jurisdictional boundary.

8. San Diego LAFCO recently issued a cease-and-desist order to Mission RCD to terminate unauthorized out-of-agency services provided within the boundary and sphere of influence of RCD of Greater San Diego. It is unclear whether Mission RCD has complied with this order and accordingly additional action by LAFCO may be appropriate.

MRCD Response

MRCD has been operating in North County since 1947, well prior to the formation of GSDRCD. As such, MRCD is recognized as a trusted agency in North County and has consistently provided services in this region. With the consolidation of many smaller RCDs in the San Diego region into GSDRCD in 1995, we assume that the intention of such consolidation efforts was to streamline services and funding for conservation services across San Diego County.

Consolidation efforts through the formation of GSDRCD further centralized services and efforts in the central and southern parts of the county, which largely have not been extended into the North County areas within GSDRCD's boundaries, presumably due to limited resources and a very large territory. Over the years, MRCD and GSDRCD have worked collaboratively to provide services in the North County areas within their respective boundaries. Two MOUs were signed between MRCD and GSDRCD on April 7, 2009 to continue providing irrigation water management in GSD's district boundaries, which MRCD had been providing since the 1980s and prior to the grandfather date for compliance with Government Code Section 56133.

Government Code Section 56133 requires that agencies contracting to provide services outside their district boundaries ("extended services") obtain Local Agency Formation Commission approval and meet certain statutory requirements. Subsection 56133(e) lists certain types of contracts which are exempted from these requirements. One of these is subsection (4) which states: "An extended service that a city or district was providing on or before January 1, 2001."

The above analysis of the contracts, Judy Mitchell's declaration and other evidence of MRCD's operations outside its boundaries, persuasively demonstrates that these programs commenced before January 1, 2001 and have continued to the present. Therefore, a determination may properly be made that these programs are exempt from the requirements of Section 56133 and are not subject to LAFCO approval pursuant to that section.

Following SDLAFCO's initial letter dated August 2, 2019, MRCD has sought to work cooperatively with SDLAFCO to address SDLAFCO's concerns about services provided outside of MRCD's boundaries, including meeting with SDLAFCO Executive Director, Keene Simmonds, and providing detailed information including (but not limited to) information about MRCD's services, contracting



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5. Irrespective of other efforts, San Diego LAFCO should proceed and address RCDs in the scheduled update to Rule No. 4 and the associated statutory directive for the Commission to formalize and regulate special districts' functions and classes.

MRCD Response

MRCD will support SDLAFCO in its efforts to update to Rule No. 4 to formalize and regulate RCD functions and classes. Currently, as described in the Rules for LAFCO under the Classification of Functions and Services (4.4, p. 17), the functions and services relevant to RCDs list water, weed abatement, and soil conservation. MRCD would like to work collaboratively with SDLAFCO to ensure the update accurately reflects RCD functions and services.

6. All three affected agencies should voluntarily proceed in taking necessary corrective measures to ensure regulatory compliance with San Diego LAFCO and statutory emphasis therein to align municipal services with jurisdictional boundaries.

MRCD Response

MRCD seeks to be compliant in all areas of its work and services and will continue to work collaboratively with SDLAFCO to maintain compliance.

The alignment of municipal services within jurisdictional boundaries highlights several underlying challenges for RCDs in San Diego County under the current jurisdictional boundaries. First, as stated in item No. 4 of the draft Municipal Service Review, the funding status and dependency on outside grants requires RCDs to take on projects and/or service programs beyond the clear and/or explicit provision statute (p. 21). A RCD cannot make profits, per Division 9, Public Resources Code, Section 9003, but must cover costs and not lose money when performing its contracts. Second, the responsibilities of RCDs have been expanded (outside of the scope of the statute) to meet state mandates, the demands of a growing population, and to address the immediate impacts of climate change (e.g., wildfires). Governmental and public pressures to address a myriad of highly technical environmental issues create a real need for RCDs to provide municipal services in areas beyond their jurisdictional boundaries. Finally, the COVID-19 pandemic has caused an economic recession, further limiting the availability of funding sources. Broader impacts on funding sources for RCDs and potentially dramatic changes to key industries in San Diego County (e.g., agriculture; tourism) from the COVID-19 pandemic should also be considered when seeking to align services within jurisdictional boundaries, as well as in broader strategies for resource conservation and climate change mitigation in San Diego County.

7. All three affected agencies are reminded to request and receive written approval or confirmation of exemption before entering contracts or agreements to provide municipal services outside their jurisdictional boundaries per G.C. Section 56133. None of the affected agencies are authorized to self-exempt under this statute.



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arrangements and compliance under Code Section 56133, and MOUs with GSDRCD. Additionally, MRCD has sought advice from legal counsel specializing in special districts and LAFCO law to ensure:

- compliance with Government Code 56133, consistent with the Legislature's intent
- fulfilling existing contractual obligations
- meeting state mandates for water and related resources conservation
- ensuring continuity in the provision of critical and expert conservation services.

A timeline of communications between MRCD and SDLAFCO, as well as MRCD and GSDRCD, is provided in the Appendix. Substantial documentation has previously been provided to SDLAFCO, and MRCD will gladly provide additional documentation if needed to demonstrate that MRCD is in compliance and is happy to speak further to answer any questions.

9. Upper San Luis Rey RCD should review the prescriptive requirements recently enacted (Assembly Bill 2257 and Senate Bill 929) and make conforming changes to their website and improve communication with constituents. Most urgently, this includes posting agendas and minutes online and in a timely manner as required under the Brown Act.

MRCD Response

MRCD supports efforts to make RCD websites more accessible and to improve communication with constituents, including the timely posting of agendas and minutes online.

10. The County of San Diego should consider expanding their permit process to include erosion and sediment control plan reviews by applicable RCDs to enhance coordination among government agencies for the benefit of shared constituencies.

MRCD Response

MRCD brings over 74 years of conservation knowledge and expertise in the North County region, including (but not limited to) sediment and erosion control. Soil and water are the traditional foci for RCD services and MRCD has worked collaboratively with NRCS and other local partners for many years in providing these services. However, the above recommendation that MRCD expands its services to provide erosion and sediment control plan reviews as part of San Diego County's permit process, should this recommendation be adopted, would be an unfunded mandate. As MRCD (like other RCDs) already provides substantial conservation services and technical assistance on a lean operating budget, the recommended expansion of MRCD's responsibilities would require the allocation of additional funding.

The unique design of RCDs combines the accountability and transparency of a public agency with the flexibility and non-regulatory approach of a non-profit organization. This nimbleness allows us to adapt to the ever-changing needs of our communities, build trusted relationships, and act as the crucial bridge that connects individuals with state and federal partners and programs. MRCD's



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the watersheds located in North County is necessary to prevent negative consequences to surrounding developed areas. For example, due to the San Luis Rey Watershed's proximity to the coast, sea level rise has the potential to impact several municipalities and resources within the watershed (San Diego Regional Integrated Water Management, 2019).

MRCD is uniquely qualified to provide vital technical assistance that is critical to conservation practices and mitigating the impacts of climate change, including:

- holding the required permits necessary to work in these areas
- is positioned to address agricultural runoff into the ocean
- has established relationships with partner and collaborative organizations and leaders, and deep connections to the communities within the North County region.

Furthermore, this proposed redrawing of MRCD's and GSDRCD's boundaries would allow for the carving out of spheres of regional expertise and programming between both RCDs to facilitate regional collaboration, as opposed to competition for the same limited financial resources.

The exception to the suggested redrawing of RCD boundaries is any current territory within Upper San Luis Rey RCD's boundaries, as their focus is on groundwater issues and includes substantial tribal land. Collaboration with tribes and service provision on tribal land requires the long-term relationships that have already been developed by USLRRCD.

The proposed redrawing of MRCD's district boundaries that encompasses the complete watersheds located in North County also addresses the more fundamental issue of representation of North County in regional governance. North County has long been underrepresented in San Diego County governance, which impacts resource allocation and service provision (among other factors), despite significant population growth, development, and key industries (e.g., agriculture) in the North County region. Sustaining this vibrant region of San Diego County requires agencies, such as an RCD, dedicated to meeting the unique needs of this region. Given the current lack of services provided in North County within GSDRCD's boundaries, any consolidation efforts in San Diego would further suppress representation and essential conservation service provision in North County. Consolidation of RCDs in such a large and diverse region would have negative consequences on regional conservation efforts and the communities whom RCDs are intended to serve.

13. San Diego LAFCO should proceed and update all three affected agencies' spheres with no changes and in doing so satisfy its planning requirement under G.C. Section 56425.

MRCD Response

MRCD seeks to work collaboratively with SDLAFCO to develop a viable, long-term solution that allows all regions of San Diego County to be served effectively, cohesively, and consistently. MRCD respectfully asks that SDLAFCO consider the proposed redrawing of boundaries outlined in Item 12. We look forward to working with SDLAFCO to develop an effective, viable solution that meets the needs of all stakeholders. We recognize and support SDLAFCO's wisdom in taking a



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expertise in erosion and sediment control and extensive knowledge of the North County region would be best utilized in the form of education and technical assistance to the County to aid in the permit process review. Education and technical assistance provided by MRCD would support greater coordination among government agencies to address critical erosion and sediment control issues in the North County region.

11. All three affected agencies can enhance their accountability to the public by providing video-recordings of board meetings online in step with their increasingly emphasized roles to educate and disseminate information on resource conservation best practices.

MRCD Response

MRCD has recorded its Board Meetings since COVID-19 restrictions were initiated last spring, and we are happy to provide video-recordings of Board meetings as part of our broader outreach strategy to increase the accessibility of information and educational content on resource conservation best practices. This will come as MRCD's digital storage capacity and cost-effective technology is increased, or as additional funding becomes available to provide video-recordings of Board meetings online.

12. San Diego LAFCO should expand on the baseline information collected in this introductory municipal service review and provide a more quantified assessment of the three affected agencies services and related trends. The subsequent review should also – markedly – dutifully explore reorganization options, including functional and/or political consolidation opportunities.

MRCD Response

MRCD would like to work with SDLAFCO on a quantified assessment of RCD services and related trends in San Diego County as part of this introductory Municipal Service Review.

Reorganization options under consideration should include a redrawing of district boundaries along the area's watershed boundaries to provide effective and cohesive river basin water management, in which MRCD's boundaries would include the complete watersheds in the North County region, with GSDRCD continuing to serve the remaining territory. Letters submitted to San Diego LAFCO by the SDCWA, FPUD, and several water districts have proposed expanding MRCD's southernmost boundary to the northern boundary of the City of San Diego to allow MRCD to encompass the area with approximately 95% of the County's commercial agriculture. This suggestion is not unreasonable, given MRCD is the oldest RCD in San Diego County with over 74 years of experience, including specialized expertise in agricultural practices, irrigation and water management, and crop cultivation.

The watersheds located within the North County region are critical and sensitive ecological areas. Without the effective conservation of these areas, as is currently provided by MRCD, there would be detrimental impacts to habitat and wildlife, water quality, and this would further increase the risk of wildfires (among other environmental impacts). Additionally, consistent, expert conservation of

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purposeful pause for a forward-thinking and steady approach to sustainable environmental conservation across San Diego County.

Respectfully submitted,

Darcy Cook

Darcy Cook
District Manager

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Letter No. 12



Board of Directors
 Roland Simpson – President
 Steve Wehr – Vice-President
 Don Broomell – Secretary/ Treasurer
 Laney Villalobos - Director
 Bruce Knox - Director

January 28, 2021

Keene Simonds
 Local Agency Formation Committee
 9335 Hazard Way, Ste. 200
 San Diego, CA 92123

Dear Mr. Simonds:

Thank you for providing the opportunity to comment on the draft municipal service review (“MSR”) for San Diego County Resource Conservation Districts (“RCDs”). Similar to the letter I submitted on January 14, 2021 to Ms. Kimberly Thorner, Chairperson of the LAFCO Special District Advisory Committee (attached hereto and incorporated by reference herein as Exhibit 1), this letter is also submitted on behalf of the three members of the Pauma Valley Groundwater Sustainability Agency (“PVGSA”) for which my agency, Yuima Municipal Water District (“Yuima”) serves as lead. This letter provides comments upon, and recommends changes to, the draft MSR (Item 6a) which will be considered for approval by the Commission at the February 1 board meeting. This letter also provides comments upon the thoughtful analysis of the Sustainable Groundwater Management Act contained in item 7b, while seeking to correct inaccurate information in the report regarding federal reserved water rights (“FRWR”).

I would again like to thank you and Linda Heckenkamp for the thoughtful effort to sort through the difficult and sometimes conflicting information pertaining to RCDs in San Diego County. We expect it was no easy task to ascertain which of the somewhat unique municipal services performed by RCDs are active, which are latent, and which are neither, for complex and wide-ranging agencies that have never before been the subject of a San Diego County LAFCO (“SD LAFCO”) MSR.¹

What this Dispute Is About

As you are likely aware, certain vocal interests, most prominently the San Luis Rey Indian Water Authority (“USLRIWA”), have disputed whether the Upper San Luis Rey RCD (“USLRRCD”) exercises water management functions within its service area, and have raised this issue repeatedly during the MSR development process. Despite overwhelming evidence to the contrary—discussed in greater detail below and in the exhibits attached hereto and incorporated herein by reference—these interests contend that USLRRCD has no water management responsibilities within its service area.² They seek LAFCO’s assistance in their effort to have the State of California remove local control of groundwater resource management from San Diego County.³ PVGSA urges

¹ Because there has never before been an MSR for the San Diego County MSRs, there is a strong argument that each RCD in San Diego County currently has all of the authorities, as active powers, that were granted to each RCD under the RCD Act (Public Resources Code [“PRC”] §§ 9151-9491), and specifically Chapter 9 of the RCD Act (PRC §§9401-9420.)

² In order to manage groundwater per SGMA, a “local agency”, such as an RCD, must have water supply, water management or land use responsibilities. (Water Code §§ 10721 (n), 10723(a).) SGMA requires that each medium or high priority basin or sub-basin be managed by one or more local agencies. A local agency can only manage groundwater within its jurisdictional boundaries, and the entire basin or sub-basin must be managed by one or more GSA eligible local agencies.

³ Ironically, what SLRIWA seeks from LAFCO is the opposite of what the Sustainable Groundwater Management Act (“SGMA”) prescribes—groundwater management at the local level by local agencies with a stake in achieving sustainability in the aquifers these local agencies overlie. As recited in Exhibit 1, and in the comment letter that Yuima sent to SD LAFCO on December 18, 2020 (included in the agenda packet at pages 117-119), the members of the PVGSA earnestly desire to work with the USLRIWA and its members to collaboratively develop a groundwater sustainability plan (“GSP”) for the Upper San Luis Rey Sub-Basin that works for all interested stakeholders. PVGSA members have repeatedly

YUIMA MUNICIPAL WATER DISTRICT

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LAFCO to reject this extra-legal approach by simply using the MSR process for what it was intended, the identification and cataloging of powers that local agencies currently and historically have performed within their service areas—ensuring that local communities receive adequate municipal services while preventing service overlap. It is the task of the State Water Resources Control Board (“SWRCB”), SGMA’s enforcement agency, and the courts, to determine which agencies are eligible to manage groundwater per SGMA. The SWRCB has already weighed in—as reflected in the two letters from the SWRCB found at pages 120-123 of the agenda packet for item 6a—opining that RCDs are SGMA “local agencies” because of broad authority for water management granted to RCDs under the RCD Act.

Notwithstanding the SWRCB’s prior opinions on this point, and because of the issues raised by SLRIWA, PVGSA conducted an extensive search of USLRRCD’s historic records. What emerged from that search is documentation of a local agency that is highly engaged in all of the activities, individually and in cooperation with the National Resources Conservation Service (“NRCS”), and other RCDs, for which it was granted authority under the RCD Act (highlighted portions of which are attached hereto and incorporated herein as Exhibit 2), nearly all of which pertain to water management within USLRRCD’s service area. Specifically, the historic documents and photographs attached hereto, and incorporated herein, respectively as Exhibits 3 and 4, clearly demonstrate that not only does USLRRCD extensively perform the water conservation and wildlife enhancement functions listed in Section 5.1, 6.0, and 6.1 of the draft MSR, but also actively performs, among other authorized powers, water management, runoff prevention and control, soil erosion management, agricultural enhancement, and erosion stabilization functions. Accordingly, for the reasons provided below, we ask that LAFCO please modify the current draft of the MSR to recognize as additional active powers, in addition to water conservation and wildlife enhancement, which are clearly established, the long standing and continuing actions of the USLRRCD—individually and in concert with NRCS, other RCDs, and the California Association of Resource Conservation Districts (“CARCD”)—to undertake “water management” activities. These water management activities, all of which are referenced in, and authorized by, the RCD Act,⁴ include water quality improvement, watershed protection, riparian habitat maintenance and management to conserve riparian endangered species (Arroyo Toads), flood water management (see Ex. 4), prevention of soil erosion, and management of runoff to increase water supplies while reducing pollution, and a whole host of projects spanning decades where the primary purpose was to enhance agricultural opportunities for the farming public that USLRRCD serves.

Water Conservation Responsibilities of USLRRCD

USLRRCD’s efforts to undertake water (and soil) conservation projects within its service area date back to its inception in the 1940s. USLRRCD’s water conservation projects for which Yuima and USLRRCD have written records date back to at least the early 1990s when USLRCD and NRCS constructed a series of complex conservation and runoff management projects designed to control flooding, stabilize erosion, and prevent damage to agricultural lands, while simultaneously preventing pollution of ground and surface waters in the Upper San Luis Rey. (See Exhibit 4 for further descriptions and depictions of each project.) USLRRCD memorialized its long-standing partnership with NRCS in 1998 and 1999 by entering agreements to jointly perform water, soil and other natural resource conservation services within USLRRCD’s service area. (See Ex. 3, pp 1-6.) These agreements between USLRRCD and NRCS are binding obligations of both agencies, and they have

invited Tribal members to participate in the GSP development process in whatever manner they feel comfortable, whether in a voting or non-voting capacity. To date, the SLRIWA has declined these repeated invitations, as well as an offer to engage in a facilitated process assisted by the California Department of Water Resources (“DWR”), instead engaging in a concerted lobbying campaign to have the Upper San Luis Rey Sub-Basin declared “probationary,” and local control removed to Sacramento.

⁴ See PRC §§ 9415 (“The directors may manage . . . any soil conservation, water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization project, within or adjacent to the district.”); 9417.5 (authorizing “watershed protection, restoration, and enhancement programs” by resource conservation districts); 9419 (d) (“A district may sponsor programs that address land use practices which reduce water and wind erosion, soil contamination, soil salinity, agricultural land conversion, loss of soil organic matter, soil subsidence, and soil compaction and associated poor water infiltration.”)

produced decades of collaboration on a host of water conservation, runoff management, and water pollution reduction projects, a small sampling of which are described in Exhibit 3 and depicted in the photographs at Exhibit 4. USLRCD and NRCS expanded their efforts to collaboratively develop and implement water, soil, and natural resource conservation projects in 2019 when USLRCD, NRCS, and CARCD entered into an additional agreement wherein the three parties agreed to continue working together to “protect, restore, and enhance the productivity of American agricultural lands” through conserving water, soil and natural resources. (Ex. 3, pp. 20-27.) Of note, the 2019 Agreement memorialized the long-standing conservation efforts of USLRCD by observing: “The NRCS and Upper San Luis Rey Conservation District share a rich history of collaborating to deliver comprehensive technical and financial assistance to farmers, ranchers, forest stewards, and other entities to voluntarily protect, restore and enhance natural resources.” Thus, these two agreements collectively demonstrate that since at least 1998 to the present, USLRCD and its partners have continuously exercised water, soil, and natural resource conservation powers within USLRCD’s service area.

It may be helpful to observe that water conservation has different meanings depending on the context used. However, no matter which definition is used, USLRCD had done conservation work, and continues to do it. In more recent times, “water conservation” has been associated with achieving greater water efficiency. As Exhibit 3 illustrates, the USLRCD had engaged in “efficiency” oriented types of water management since at least the 1990s by providing water efficiency education to both farmers and school age children and partnering with CARCD and other San Diego County RCDs to provide water efficiency training and assistance to farmers in USLRCD’s service area. (See e.g., Ex. 3 at pp. 17-19 [2015 MOU Between USLRCD and Greater San Diego RCD to provide twelve watershed education and protection classes to be given within USLRCD service area], and Ex. 3, p. 20 [2017 MOU Between USLRCD and Greater San Diego RCD to Implement the State Water Efficiency & Enhancement Program (SWEEP)⁵ within USLRCD’s Service Area]; see also PRC §9419 (a)-(d) [authorizing RCDs to individually, or in cooperation with other RCDs, to provide education on water conservation, water quality and watershed protection within their service areas].)

At the time the RCD Act was passed, and in the formation of RCDs throughout the state, a related but distinct definition of “conservation” is also relevant to the MSR—the prevention of water from being wasted or contaminated and thereby lost for future beneficial use. (See PRC § 9001 (a) describing Legislature’s intent for “resource conservation” in California [“to provide the means by which the state may cooperate with the United States and with resource conservation districts . . . to save the basic resources, soil, water, and air of the state from unreasonable and economically preventable waste and destruction.”].) Thus, RCDs throughout California engage in “conservation” when they capture, redirect, or treat water that would otherwise be wasted or rendered unusable for future beneficial use—either because of non-availability or water quality degradation. USLRCD also has also long performed this “waste prevention” type of water conservation project by (a) re-engineering drainage, building culverts and ditches, and redirecting waters that were eroding and damaging farmlands, tribal lands, and other Pauma Valley facilities, during the 1990s (see Exhibit 4); (b) by working with NRCS and the California Integrated Waste Management Board to manage and reengineer waste runoff from farms in a manner that prevents pollution of surface and groundwater that might otherwise render the receiving ground and surface waters unusable. See Ex. 3 at p. 11 [CIWMB list of grant funded projects managed by USLRCD between 1997 and 2006 for water quality improvement and watershed protection], and Ex. 3 at pp. 9-13 [2003 groundwater quality planning study undertaken and managed by USLRCD and 2006-2010 implementation of EQUIP program within USLRCD].

USLRCD has also continuously provided other water conservation and agricultural enhancement opportunities to individual farmers since its inception, as illustrated in the 2017 Cooperative Agreement Between USLRCD and Greater San Diego RCD to implement the State Water Efficiency & Enhancement Program (SWEEP), by contracting with a sister RCD to provide irrigation water efficiency services within the USLRCD service area. USLRCD also, in addition to undertaking major erosion and water quality management projects such as those described in Exhibit 4, has regularly undertaken smaller cooperative agreements with individual landowners (including Tribal entities) to enhance agricultural opportunities, control runoff, and increase water efficiency.

⁵Information regarding the SWEEP program is available online at <https://www.cdfa.ca.gov/oefi/sweep/>.

(See, e.g., 2002 Cooperative Agreement with Village Nurseries to provide water and soil conservation services, Ex. at pp. 7-8; 2009 Project to clean-up pollution from abandoned tires in Pauma Creek, Ex 3, at pp. 15-16.) And these are just a small segment of the ongoing water conservation activities of USLRRCD within its service area, all of which continue to this day. (See 2019 Cooperative Agreement Between USLRRCD, NRCS, and CARCD.)

Other Active Water Management Related Functions of USLRRCD

Exhibits 3 and 4 demonstrate that the ongoing activities of USLRRCD within its service area, include water quality management and improvement,⁶ watershed protection,⁷ riparian habitat maintenance and management to conserve riparian endangered species (Arroyo Toads)⁸, flood water management (see Ex. 4), prevention of soil erosion, and management of runoff to increase water supplies for irrigation use⁹ while reducing pollution. Agricultural enhancement activities by USLRRCD are also well established by Exhibits 3 and 4. USLRRCD has a number of directors that can provide significantly more amplification of the many projects that USLRRCD has undertaken over the years to the extent that additional evidence is needed to inform LAFCO's finalization of the MSR as to USLRRCD's active powers.

Assertion by USLRIWA that Half of the Water in the Upper San Luis Rey Belongs to the Tribes:

We are not clear where this assertion, contained in the staff report for item 7.b for the February 1 LAFCO meeting, came from, but whatever the source, it is simply not accurate. FRWR are judge created law. They constitute a court recognized estoppel that prevents the Federal Government from going back on its word when it creates tribal reservations (e.g., Congress is presumed to not have intended to create a reservation for Tribes without reserving enough water from the public domain to meet the primary purpose of the reservation). This action has not occurred here. No court has ever adjudicated a FRWR anywhere in the San Luis Rey River Basin—for surface water or groundwater, and Congress has never expressly granted FRWR in favor of a San Luis Rey Tribe. That's not to say that a court might not do so in the event of a future basin wide adjudication of the San Luis Rey River, but it has not happened to date. Moreover, because the Tribes, as PVGSA understands the facts, already have all the water they need (either from existing wells on reservation lands, or via retail water suppliers) to meet the primary purposes of their respective reservations, and because no court has ever held that the desire to engage in water speculation with non-Indians is a protected "Winters Right," it is not clear that future FRWR assertions by Tribes in the Upper San Luis Rey would ultimately be successful—and if successful, in what volume. Thus, PVGSA respectfully asks that this language in Item 7.b be removed as it is simply not an accurate statement of the facts or the law.

Conclusion:

The PVGSA is a GSA formed properly per SGMA, and the USLRRCD has been a member and critical partner in PVGSA since day one. USLRRCD has participated as a full "local agency" with groundwater management authority in GSA planning and activities, and, until recently, this occurred with full concurrence and support by the SLRIWA. RCDs are authorized by SGMA to act as GSAs with no further LAFCO action (absent annexation or expansion of boundaries), and the evidence submitted with this letter clearly indicates that the USLRRCD has exercised water management responsibilities within its service area, consistent with the authorities it was granted under the RCD Act, for a very long time, and in a comprehensive manner.

⁶ See Ex. 4. See also Ex. 3 at pp. 9-12 (USLRRCD 2004 groundwater quality study; solicitation and implementation of EQIP program; clean-up of Pauma Creek; clean-up of farm waste per CIWMB grants).

⁷ See Ex. 3 at p. 11 (USLRRCD administration of CIWMB watershed planning and coordination grants between 1997 and 2006).

⁸ USLRRCD manages several conservation easements within its service area, all of which, or nearly all, are in the bed or floodplain of the San Luis Rey River. Arroyo toads can only mate where there are certain types of sandbars and flows in the river, so careful water management of riparian habitat is required within the several conservation easements that USLRRCD manages for successful Arroyo Toad recovery to occur. Obviously, the management of the conservation easements also constitutes Wildlife Enhancement, as the MSR correctly observes.

⁹ See Ex. 4.

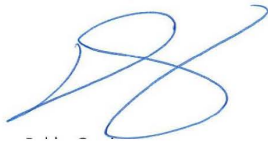
We accordingly ask LAFCO to modify Sections 5.1, 6.0 and 6.1 of the draft MSR to incorporate and memorialize the well-established active powers of the USLRRCD, and how they've been exercised over the decades without interruption. We'd also ask you to revise the SGMA Summary in Agenda Item 7.b to remove any reference to the SLRIWA owning half the water in the USLR Sub-Basin. There is simply no legal basis for that assertion. Alternatively, as time is short before the February 1 Commission meeting, it may make sense for the Commission to table action on the MSR until the March 2021 Commission meeting in order to ensure the MSR properly captures all of the active powers of the USLRRCD, many of which date back for many decades—and continue.

Finally, we respectfully urge that there should be no need for further analysis on the legal ability of USLRRCD to participate as a member of the PVGSA after the MSR is approved since USLRRCD clearly has water management responsibilities, and RCDs are clearly authorized to manage groundwater per SGMA without any further approvals by any agency other than CA DWR and the SWRCB. Unfortunately, SD LAFCO has been asked to weigh in on questions regarding SGMA that the SWRCB is empowered by law to answer. Please allow them to fulfill that role—as SGMA intended. Thank you for your consideration, and we are happy to provide any additional information the Commission may find helpful for the February 1 Commission meeting.

Kindest Regards,



Amy Reeh
Interim General Manager
Yuima Municipal Water District



Bobby Graziano
General Manager
Pauma Valley Community Services District



Andy Lyall
President
Upper San Luis Rey Resource Conservation District

EXHIBIT 1



Board of Directors
 Roland Simpson – President
 Steve Wehr – Vice-President
 Don Broomell – Secretary/ Treasurer
 Laney Villalobos - Director
 Bruce Knox - Director

Sent via email

January 14, 2021

Ms. Kimberly Thorner
 San Diego Local Agency Formation Commission (LAFCO)
 Chair – Special Districts Advisory Committee
 9335 Hazard Way, Suite 200
 San Diego, CA 92123

Dear Ms. Thorner:

Thank you for the opportunity to participate at the Special Districts Advisory Committee (“Advisory Committee”) meeting on December 18, 2020. The discussion related to the ongoing Municipal Service Review (MSR) of San Diego County’s three Resource Conservation Districts (RCDs), and LAFCO’s draft MSR report related to same, were very useful and informative. The Pauma Valley Ground Water Sustainability Agency (PVGSA)—which is composed of the three signatory agencies to this letter—is generally supportive of LAFCO’s recommendations contained in the draft MSR Report, and PVGSA looks forward to working collaboratively with LAFCO staff and the Advisory Committee to ensure the final MSR report accurately reports on existing functions and services currently or recently performed by each RCD in San Diego County.

We also, via this letter, want to ensure that LAFCO does not seek, through the MSR process to impose requirements onto the Sustainable Groundwater Management Act (SGMA) process that no other LAFCO in California has sought to impose on groundwater sustainability agencies (GSAs) formed per SGMA. Specifically, to our knowledge, none of the hundreds of GSAs that have formed in the last five years throughout California to achieve SGMA’s sustainability goals have been required to first undergo a LAFCO review and approval. And with good reason. SGMA could easily have been written to require GSA’s to obtain LAFCO approval prior to filing a notice of intent with the Department of Water Resources (DWR) to become a GSA. The Legislature did not choose to proceed that way—instead casting a broad net in SGMA for the types of agencies eligible to become GSAs, individually or collectively. There are now RCDs managing groundwater basins throughout California. None received approval from a LAFCO before doing so. PVGSA, with USLRRCD as one of its founding members, will similarly continue developing a groundwater sustainability plan (GSP) for the Upper San Luis Rey Sub-Basin (Sub-Basin) so that the Sub-Basin can be sustainably managed in the future. We respectfully reiterate that LAFCO’s focus in the MSR should be limited to identifying and memorializing any active water management functions that USLRRCD currently, and historically, has carried out within its service area.

Additionally, PVGSA would like to briefly to respond to some points that were raised by other stakeholders during the Advisory Committee meeting, which PVGSA members believe to be less than entirely accurate.

During the discussion of the MSR, Mr. Tom Kennedy, General Manager of Rainbow Municipal Water District (Rainbow), stated that Rainbow, along with other stakeholders in the basin and the San Luis Rey Indian Water Authority (SLRIWA) spent four years developing a Groundwater Sustainability Agency in the Upper San Luis Rey Sub-Basin. This assertion is misleading. The PVGSA was formed on June 27, 2017 by the County of San Diego, Yuima, PVCSD and the USLRRCD through a Memorandum of

YUIMA MUNICIPAL WATER DISTRICT

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Understanding (2017 MOU), which I have attached. The 2017 MOU, which was filed with DWR, specifically states that the parties entered into the MOU for the purpose of operating a single, multi-agency GSA to develop a GSP for the Pauma Valley.¹ The 2017 MOU established a future governance structure for the GSA, and specifically named USLRRCD as an active participant in groundwater management in Pauma Valley, much like the water management activities that USLRRCD has provided, and continues to provide, within its service area. Yuima's records indicate that it was not until several months after the signing of the 2017 MOU that Mr. Kennedy and the SLRIWA became involved in the GSP development process, and neither complained until last year about the alleged ineligibility of USLRRCD to participate as a member of a GSA. Indeed, prior to the passage of AB 1944 in 2018, Rainbow had no lands within the Sub-Basin. After AB 1944, they have 38 acres—out of more than 19,000 acres overlying the Sub-Basin.

The MOU Mr. Kennedy referenced at the Advisory Committee meeting was approved on March 21, 2019. It did not modify the 2017 MOU, nor did it purport to modify the GSA created by it. Instead, the 2019 MOU addressed expansion of the Sub basin boundary per AB1944, and it also sought to create a broader framework, which included participation of SLRIWA and Rainbow, for administering grant funding, and developing the GSP. The signing parties of this 2019 MOU were the PVCSD, USLRRCD, Yuima, Valley Center Municipal Water District, Pauma Municipal Water District, Rainbow, and the SLRIWA. Through this 2019 MOU, and at numerous subsequent meetings, both Rainbow and the SLRIWA recognized USLRRCD's participation as a SGMA "local agency" and legal member of the GSA. Indeed, Rainbow and USLRIWA had to directly support USLRRCD's role as a SGMA local agency because around the same time the County of San Diego withdrew from the GSA. After the County's withdrawal, the only way that the GSA could cover the entire Sub-Basin (a requirement of SGMA) was via the membership of USLRRCD in the GSA. This support for USLRRCD's role as a GSA changed, however, when the SLRIWA demanded that the development of the GSP include adjudication and quantification of all of the SLRIWA's asserted water rights (equivalent in volume to all of the water in the Sub-Basin). This new demand by USLRIWA was not part of the 2017 or 2019 MOUs, and was not within the legal purview of SGMA or the powers of the PVGSA. SGMA gives GSAs no power to determine or quantify rights in groundwater as those functions fall within the exclusive purview of the courts. The impasse over SLRIWA's demand that the GSP recognize and accept SLRIWA's claim to own all water in the Sub-Basin was a deal breaker, and the GSP development efforts stalled. Impasse ensued for over a year thereafter.

On or about June 2020, the current members of the PVGSA amended the 2017 MOU to allow Yuima to take on the responsibilities of the County, which as previously noted had withdrawn from the GSA in 2019. Prior to the signing of this amendment, the GSA members invited Rainbow and the SLRIWA to join and participate in the PVGSA. Both declined. Invitations to participate, in a voting or non-voting capacity have since been repeatedly extended to the SLRIWA, but they have repeatedly declined to participate, and indeed have also refused facilitation services offered by DWR. Instead, they seek to destroy the ability of the PVGSA to finish its work and develop a compliant GSP by asking LAFCO, the State Water Board, and DWR, to prevent completion of the GSP, and to declare the PVGSA invalid, with the intent that the State of California will then take over direct management of the Sub-Basin from Sacramento, a result that SGMA does not contemplate, and which nobody in the San Luis Rey Valley appears to want except for SLRIWA and Rainbow.

¹ At that time, and prior to the passage of SB 779 in 2019, all water bearing formations to the west of Pauma Valley were considered to be a subterranean stream and therefore outside the purview of SGMA.

USLRCD engages in water management activities throughout the Sub-Basin, and has continuously done so for a very long time (additional evidence on this point will be submitted to LAFCO in the next week under separate cover). In the meantime, PVGSA will continue to encourage the participation of SLRIWA in the GSA process in whatever form the Tribes feel comfortable participating.

During the Advisory Committee meeting, a special working group was established by the Chair of the Advisory Committee and tasked with reviewing the issue of RCDs and SGMA, and whether LAFCO is required to take any action in relation to the exercise of those powers. All three members of the PVGSA support this process and hereby offer any assistance and information that may aid the workgroup in their assigned task.

The PVGSA is dedicated to achieving the responsibility with which it has been tasked; developing a legally compliant GSP, that fully respects federal reserved water rights, and achieves groundwater sustainability throughout the Sub-Basin. We ask for LAFCO's assistance in facilitating the GSA in completing its mission.

Sincerely,

Amy Reeh
Interim General Manager
Yuima Municipal Water District



Bobby Graziano
General Manager
Pauma Valley Community Services District



Andy Lyall
President
Upper San Luis Rey RCD

USLRCD engages in water management activities throughout the Sub-Basin, and has continuously done so for a very long time (additional evidence on this point will be submitted to LAFCO in the next week under separate cover). In the meantime, PVGSA will continue to encourage the participation of SLRIWA in the GSA process in whatever form the Tribes feel comfortable participating.

During the Advisory Committee meeting, you established a special working group of the Advisory Committee and tasked the working group with reviewing the issue of RCDs and SGMA, and specifically whether LAFCO is required to take any action in relation to the exercise of those powers. All three members of the PVGSA support this process and hereby offer any assistance and information that may aid the workgroup in their assigned task.

The PVGSA is dedicated to achieving the responsibility with which it has been tasked; developing a legally compliant GSP, that fully respects federal reserved water rights, and achieves groundwater sustainability throughout the Sub-Basin. We ask for LAFCO's assistance in facilitating the GSA in completing its mission.

Sincerely,



Amy Reeh
Interim General Manager
Yuima Municipal Water District

Andy Lyall
President
Upper San Luis Rey RCD

Bobby Graziano
General Manager
Pauma Valley Community Services District

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PUBLIC RESOURCES CODE - PRC

DIVISION 9. RESOURCE CONSERVATION [9001 - 9972] (*Division 9 repealed and added by Stats. 1975, Ch. 513.*)

CHAPTER 3. Resource Conservation Districts [9151 - 9491] (*Chapter 3 added by Stats. 1975, Ch. 513.*)

ARTICLE 9. General Powers of District [9401 - 9420] (*Article 9 added by Stats. 1975, Ch. 513.*)

9401. The board of directors of a district shall manage and conduct the business and affairs of the district.
(*Repealed and added by Stats. 1975, Ch. 513.*)

9402. The directors shall be empowered to conduct surveys, investigations, and research relating to the conservation of resources and the preventive and control measures and works of improvement needed, publish the results of such surveys, investigations, or research, and disseminate information concerning such preventive control measures and works of improvement; provided, however, that in order to avoid duplication of surveys, investigations, and research activities, the directors shall seek the cooperation of local, state, and federal agencies.
(*Repealed and added by Stats. 1975, Ch. 513.*)

9403. The directors may accept gifts and grants of money from any source whatsoever to carry out the purposes of the district.
(*Repealed and added by Stats. 1975, Ch. 513.*)

9403.5. The directors may establish and charge fees for services provided by the district to, and upon the request of, persons or governmental entities. No fee shall exceed the cost reasonably borne by the district in providing the service.
(*Added by Stats. 1991, Ch. 831, Sec. 19.*)

9404. The directors may execute all necessary contracts. They may employ such agents, officers, and employees as may be necessary, prescribe their duties, and fix their compensation.
(*Repealed and added by Stats. 1975, Ch. 513.*)

9405. The directors may acquire by purchase, lease, contract, or gift all lands and property necessary to carry out the plans and works of the district. The directors may acquire conservation easements as provided in Chapter 4 (commencing with Section 815) of Title 2 of Part 2 of Division 2 of the Civil Code on lands within the district. **A district acquiring a conservation easement shall prepare a management plan for the easement which fully describes the intent and legal obligations respecting the easement and which shall be consistent with the goals of the State Soil Conservation Plan and other policies adopted pursuant to Section 9108.**
(*Amended by Stats. 1991, Ch. 831, Sec. 20.*)

9406. The directors may take conveyances, leases, contracts, or other assurances for all property acquired by the district, in the name, and for the uses and purposes, of the district.
(*Repealed and added by Stats. 1975, Ch. 513.*)

9407. The directors may sue and be sued in the name of the district and may appear in person or by counsel.
(*Repealed and added by Stats. 1975, Ch. 513.*)

leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=PRC&division=9.&title=&part=&chapter=3.&article=9.

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9408. (a) The directors may cooperate and enter into contracts or agreements with the state, the United States, any county, any city, any other resource conservation or other public district in this state, any person, or the commission, in furtherance of the provisions of this division, and to that end may use any funds available to the district as provided in this chapter, and may accept and use contributions of labor, money, supplies, materials, or equipment useful for accomplishing the purposes of the district.

(b) Districts may cooperate with counties and cities on resource issues of local concern. It is the intent of the Legislature to encourage districts to facilitate cooperation among agencies of government to address resource issues of local concern.

(c) Districts may cooperate with federal, state, and local agencies and owners of private lands under the agreement between the California Association of Resource Conservation Districts and various public and private entities known as the coordinated resource management and planning memorandum of understanding.

(Amended by Stats. 1991, Ch. 831, Sec. 21.)

9409. The directors may make improvements or conduct operations on public lands, with the cooperation of the agency administering and having jurisdiction thereof, and on private lands, with the consent of the owners thereof, in furtherance of the prevention or control of soil erosion, water conservation and distribution, agricultural enhancement, wildlife enhancement, and erosion stabilization, including, but not limited to, terraces, ditches, levees, and dams or other structures, and the planting of trees, shrubs, grasses, or other vegetation.

(Repealed and added by Stats. 1975, Ch. 513.)

9410. The directors may operate and maintain, independently or in cooperation with the United States or this state or any state agency or political subdivision or any person, any and all works constructed by the district.

(Added by Stats. 1975, Ch. 513.)

9411. The directors may disseminate information relating to soil and water conservation and erosion stabilization, and may conduct demonstrational projects within, or adjacent to, the district on public land, with the consent of the agency administering or having jurisdiction thereof, or on private lands, with the consent of the owners thereof, independently or in cooperation with the United States, this state or any political subdivision or public district thereof, or any person.

(Added by Stats. 1975, Ch. 513.)

9412. Each district may provide technical assistance to private landowners or land occupants within the district to support practices that minimize soil and related resource degradation. When in the judgment of the directors it is for the benefit of the district so to do, they may give assistance to private landowners or land occupants within the district in seeds, plants, materials and labor, and may loan or rent to any such private landowner or land occupant agricultural machinery or other equipment. No such assistance shall be given or any such loans made unless the landowner or land occupant receiving the aid or assistance agrees to devote and use the aid or assistance on his or her lands within the district in furtherance of objectives of the district and in accordance with district plans or regulations. Notwithstanding the fact that the landowner or land occupant is also a director, any landowner is qualified to and may receive assistance or loans under this section.

(Amended by Stats. 1991, Ch. 831, Sec. 22.)

9413. (a) Each district may develop districtwide comprehensive annual and long-range work plans as provided in this section. These plans shall address the full range of soil and related resource problems that are found to occur in the district.

(b) The long-range work plans may be adopted and updated every five years, in accordance with a standard statewide format which shall be established by the commission. Districts may amend the long-range plan prior to the five-year update in order to address substantive changes occurring since the adoption of the most recent long-range work plan. The long-range plans shall serve the following functions:

- (1) Identification of resource issues within the district for purposes of local, state, and federal resource conservation planning.
- (2) Establishment of long-range district goals.
- (3) Provision of a framework for directors to identify priorities for annual district activities.
- (4) Provision of information to federal, state, and local governments and the public concerning district programs and goals.

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(5) Setting forth a basis for evaluating annual work plan achievements and allocating available state funding to the district.

(6) Involvement of other agencies and organizations in the district planning process in order to help ensure support in implementing district plans.

(c) The annual work plans may be adopted on or before March 1 of each year in a format which shall be consistent with the district's long-range work plan. The annual work plans shall serve the following functions:

(1) Identification of high priority actions to be undertaken by the district during the year covered by the plan.

(2) Identification of the person or persons responsible for undertaking each planned task, how it will be performed, when it will be completed, what constitutes completion, and the cost.

(3) Demonstration of the relationship of annual tasks to the long-range district goals identified in the long-range work plan.

(4) Provision of assistance to the local field office of the Soil Conservation Service of the United States Department of Agriculture in adjusting staff and program priorities to match district goals.

(5) Informing the public of the district's goals for the year.

(6) Involvement of other agencies and organizations in the district planning process in order to help ensure support in implementing district plans.

(7) Provision of a basis for assisting the commission in determining district eligibility for state funding under this division.

(d) A district may prepare an annual district report. The annual district report shall be completed on or before September 1 of each year in a format consistent with the long-range and annual plans, so that progress made during the reporting period towards district goals can be readily determined. The annual report shall serve the following functions:

(1) To report on the district's achievements during the reporting period to the commission, the department, the board of supervisors of any county in which the district is located, and any agency that reviews district requests for funding assistance.

(2) To increase public awareness of district activities.

(3) To compare district accomplishments during the reporting period with annual work plan objectives for that period and to identify potential objectives for the next annual work plan.

(Repealed and added by Stats. 1991, Ch. 831, Sec. 24.)

9414. Directors may accept, by purchase, lease, or gift, and administer any soil conservation, water conservation, water distribution, erosion control, or erosion prevention project located within the district undertaken by the United States or any of its agencies, or by this state or any of its agencies.

(Added by Stats. 1975, Ch. 513.)

9415. The directors may manage, as agents of the United States or any of its agencies, or of this state or any of its agencies, any soil conservation, water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization project, within or adjacent to the district; and may act as agent for the United States, or any of its agencies, or for this state or any of its agencies, in connection with the acquisition, construction, operation, or administration of any soil conservation, water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization project within or adjacent to the district.

(Added by Stats. 1975, Ch. 513.)

9416. The directors may establish standards of cropping and tillage operations and range practices on private land as a condition to expenditure by the district of district or other funds, or to the doing by the district of any work of any nature, on private lands.

(Added by Stats. 1975, Ch. 513.)

9417. (a) The directors of any district may cooperate with the directors of any other district in respect to matters of common interest or benefit to the districts. An association of resource conservation districts may be organized to facilitate that cooperation, to provide for the loan of equipment and tools by one district to another, and for the making of investigations and studies and the carrying out of projects of joint interest to the districts participating therein.

1/26/2021

Codes Display Text

(b) It is the intent of the Legislature to encourage districts to organize in countywide or regional associations for the purposes of (1) providing coordinated representation of districts before federal, state, and local governmental agencies and (2) coordinating program planning, funding, and delivery of services.

(Amended by Stats. 1991, Ch. 831, Sec. 25.)

9417.5. It is the intent of the Legislature that concerned state agencies, in cooperation with resource conservation districts and other appropriate local entities, work with the agencies of the United States Department of Agriculture and the Department of the Interior, the Environmental Protection Agency, and other federal agencies, to maximize cooperative opportunities for federal, state, and private funding for competitive grants and contracts for watershed protection, restoration, and enhancement programs of resource conservation districts.

(Added by Stats. 1994, Ch. 719, Sec. 3. Effective January 1, 1995.)

9418. The directors of any district may call upon the district attorney of the principal county for legal advice and assistance in all matters concerning the district, except that if the principal county has a county counsel, then the directors shall call upon him for such legal advice and assistance. The district attorney or county counsel, as may be appropriate, shall, upon the request being made, give such advice and assistance.

(Added by Stats. 1975, Ch. 513.)

9419. (a) The directors may engage in activities designed to promote a knowledge of the principles of resource conservation throughout the district and for that purpose may develop educational programs both for children and for adults. In the development of those programs, the directors may authorize the giving of awards and prizes for outstanding achievement.

(b) Each district may develop and disseminate or utilize conservation education programs for use in kindergarten through grade 12. As an option to developing these programs independently, it is the intent of the Legislature to encourage both collaboration with other organizations and incorporation of elements of existing programs.

(c) A district may conduct workshops on the relationships between soil and related resource problems and their effects on other resources, such as wildlife and water quality.

(d) A district may sponsor programs that address land use practices which reduce water and wind erosion, soil contamination, soil salinity, agricultural land conversion, loss of soil organic matter, soil subsidence, and soil compaction and associated poor water infiltration.

(Amended by Stats. 1991, Ch. 831, Sec. 26.)

9420. The board of directors of a district may appoint advisory committees to provide technical assistance in addressing soil and related resource problems, to assist in coordinating conservation programs and activities, and to share information relating to the functions or purposes of the district. Representatives of state, federal, and local governmental agencies, including school districts, as well as private organizations, may serve on these advisory committees.

(Repealed and added by Stats. 1991, Ch. 831, Sec. 28.)

MUTUAL AGREEMENT
Between the
UNITED STATES DEPARTMENT OF AGRICULTURE
and the
STATE OF CALIFORNIA
and the
UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

**For their Cooperation in the
Conservation of Natural Resources**

THIS AGREEMENT is between the United States Department of Agriculture (USDA), the State of California, and the Upper San Luis Rey Resource Conservation District.

The authority of USDA to enter into this agreement is the Soil Conservation and Domestic Allotment Act, 16. 590; the Department of Agriculture Reorganization Act of 1994, Public Law No. 103-354; and Secretary's Memorandum No. 1010-1, dated October 20, 1994. The State of California and the District authority is defined in Division 9 of the Public Resources Code, as amended.

STATEMENT OF PURPOSE

The parties have the common objective of assisting people in their efforts to utilize and manage natural resources in accordance with their capabilities and needs for protection and improvement. Each party is independent, has its respective responsibilities, yet recognizes the need to coordinate as a federal, state and local partnership for the successful delivery of conservation programs related to our soil, water, air, plant, animal, and human resources. Therefore, the parties will cooperate to implement their respective long-range natural resources conservation programs considering available resources, statutory authorities, and regulations. The parties will develop appropriate agreements to further define this relationship.

IT IS UNDERSTOOD THAT:

Broad based conservation programs delivered through the cooperation of the USDA, the Upper San Luis Rey Resource Conservation District, and the State of California are vital to the protection of the natural resources, economic stability and well-being of our Nation.

The parties reaffirm the relationship between the USDA, the Upper San Luis Rey Resource Conservation District, and the State of California. The Secretary will continue, within the terms of various statutes administered by USDA, to carry out broad conservation programs of assistance encompassing technical, research, educational, and financial assistance to land owners and users through the Upper San Luis Rey Resource Conservation District, and the State of California.

The parties also recognize and encourage a continued commitment from the State of California in aiding administration, coordination, financing, and the delivery of conservation programs through the Districts.

This Agreement establishes an enduring basis for cooperation and assistance between the parties to achieve common natural resources conservation goals and objectives. Authority to carry out specific projects or activities, such as the transfer of funds, acquisition of services, and property will be carried out under separate agreements. The parties will encourage other natural resource related agencies to develop similar agreements.


EXHIBIT 3

The signatories will be in compliance with the nondiscrimination provisions contained in Titles VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987 (Public Law 100-259) and other nondiscrimination statutes, namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, and in accordance with regulations of the Secretary of Agriculture (7 CFR-15, Subparts A & B), which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Agriculture or any Agency thereof.

This agreement can be modified or terminated at any time by mutual consent of all parties or can be terminated by any party by giving 60 days written notice to the others.

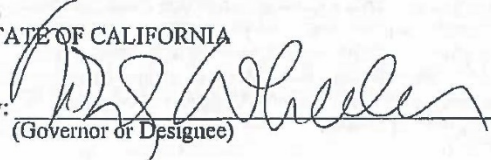
This agreement supersedes all previous Memorandums of Understanding.

UNITED STATES DEPARTMENT OF AGRICULTURE

By: 
(Secretary of Agriculture)

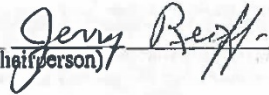
Date: 3/12/98

STATE OF CALIFORNIA

By: 
(Governor or Designee)

Date: 3/12/98

UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

By: 
(Chairperson)

Date: 3/12/98

COOPERATIVE WORKING AGREEMENT

Between the

NATURAL RESOURCES CONSERVATION SERVICE, USDA

and the

UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

and the

CALIFORNIA ASSOCIATION OF RESOURCE CONSERVATION DISTRICTS

and the

CALIFORNIA DEPARTMENT OF CONSERVATION**For their Cooperation in the
Conservation of Natural Resources**

THIS AGREEMENT is between the Natural Resources Conservation Service (NRCS), an agency of the United States Department of Agriculture (USDA), Upper San Luis Rey Resource Conservation District (USLRRCD), California Association of Resource Conservation Districts (CARCD), and the California Department of Conservation (DOC).

AUTHORITIES, STATUTES, LAWS

NRCS is authorized to cooperate and furnish assistance to the parties in the conservation of natural resources as referenced in the Soil Conservation and Domestic Allotment Act, 16 U.S.C. 590; the Department of Agriculture Reorganization Act of 1994, Public Law 103-354; and Secretary's Memorandum No. 1010-1 Reorganization of the Department of Agriculture, dated October 20, 1994. The California authority is defined in California Public Resources Code Division 9 and Public Resources Code Section 614.

For the purpose of this CWA, boundaries referred to herein will be those of the District as determined by the California State Public Resources Code Division 9.

PURPOSE

The purpose of this agreement is to supplement the Mutual Agreement between the United States Department of Agriculture by the State Conservationist and the Upper San Luis Rey Resource Conservation District as authorized by Public Law 103-354 and Secretary's Memorandum No. 1010-1 dated October 20, 1994. This Cooperative Working Agreement (CWA) documents those areas of common interest of the State, Federal and Local partnership in natural resources conservation. In the interest of advancing the concept of "locally led conservation," the District shall be responsible for exerting leadership to identify local resource needs, advocate for effective solutions and work with appropriate parties on implementation. To the extent possible, all signatories shall collaborate on the delivery of conservation through the Upper San Luis Rey Resource Conservation District. Used effectively, the partnership between the above entities will: Increase participation and understanding from landowners, citizen groups and other agencies; improve understanding of natural resource management issues; generate public support for viable recommendations; and reduce duplication of effort and contradictory mandates.

ROLES AND RESPONSIBILITIES

Personnel: Each party is responsible for the hiring, management, supervision, development, and evaluation of its own personnel, including creating an environment that supports a diverse, qualified workforce.

Training: The parties will provide appropriate leadership in administrative and technical training as determined by joint natural resource conservation program needs. The parties will cooperate to offer training opportunities to each other.

Employment: The parties agree to work together to identify individual staffing needs to include the necessary disciplines for program delivery. Employee hiring, placement, personnel policies and evaluations which outline responsibilities of their respective employees and programs will be done independently by the employing agency outlining responsibility of their respective employees and program.

For the purpose of strategic planning, the signatories shall share information on job descriptions, program mandates, and operating guidelines outlining responsibilities of their respective employees as necessary.

TECHNICAL AND ADMINISTRATIVE ASSISTANCE

The parties agree to work together to determine the amount of technical and administrative assistance needed for program delivery at each level, within available resources. Such assistance, as appropriate, may include contracts, agreements, procurement, personnel, engineering, soil and water resources and/or other assistance provided by the parties. Such arrangements will be identified in a separate letter of agreement on a project-by-project basis.

NRCS agrees to provide adequate staffing to the local field office, within NRCS budget constraints, to assist the District in implementing the objectives of this agreement. The parties agree to strive toward a high level of customer satisfaction and quality of service.

Reimbursable costs and billing requirements will be identified in a separate Letter of Agreement on a project by project basis.

PROGRAM DELIVERY

The parties agree to work together in order to accomplish mutual resource conservation priorities identified by the District. The parties will actively seek funding to accomplish these priorities, where permissible. The parties will coordinate with public and private resource groups, and other resource agencies, and interested parties to share information and resources in developing comprehensive natural resource programs.

PLANS

The District agrees to take the lead in the development and review of annual long-range workplans to define the conservation needs within the District's area in cooperation with other stakeholders.

Workplans should be tailored to meet individual needs as well as overall community watershed needs. Each District will have common and specialized priorities based on local community conditions.

The District will obtain necessary documentation of land rights, permits, and licenses needed for the implementation of the projects.

RESOURCE INVENTORIES

To the extent necessary to advance the purposes of the CWA, the parties agree to identify, define, and coordinate the collection and use of resource inventory data.

The parties will cooperate in monitoring and validating the resource inventory data to assure that the data meets the resource planning and evaluation process.

Site specific information obtained by NRCS, DOC, and RCDs will be filed in accordance with the provisions of the Freedom of Information Act and applicable state laws.

RECORDS MANAGEMENT

Freedom of Information Act: Requests for information from client records pursuant to the Privacy Act and the Freedom of Information Act, will be processed according to guidance in NRCS General Manual 120-408.

NRCS will inform the District about such requests, and the District will inform NRCS of requests they receive under the California Open Records Act. The District cooperators' agreement must include responsibility to protect cooperators and limit District Director's/Supervisor's liability.

TECHNICAL STANDARDS

The District will utilize the NRCS Field Office Technical Guide (FOTG) and other science-based technical standards, as approved by the parties of this agreement. The parties will develop a process to establish and maintain consistent technical standards. Applicable agencies will participate in review and adoption of standards.

JOB APPROVAL

Each party agrees to assign job approval authority to its personnel based on knowledge, skill and ability levels and within applicable laws and guidelines.

FEE FOR SERVICES

The parties recognize that non-federal signatories may establish procedures to collect fees, where permissible, for delivery of such services which are not provided through Federal financial or technical assistance.

FACILITIES, EQUIPMENT, AND VEHICLES

Subject to the requirements of State and Federal Laws, established guidelines and procedures, funding limits, and jointly developed policies, the parties will share office space, equipment and vehicles necessary for the conduct of work completed under this agreement.

FUNDING

The parties will work together to maximize available resources and actively seek funding to accomplish natural resource priorities and programs.

TORT LIABILITY

The parties will each assume responsibility for the actions of their officials or employees acting within the scope of their employment to the extent provided by federal and state law.

ACCOUNTABILITY

The parties agree to design and implement an outcome based evaluation system to determine that resource and customer needs are being met at the District level. The responsible person for the NRCS will be the District Conservationist assigned to the local field office; the responsible person for the Resource Conservation District will be the President of the Board of Directors or designated representative. All activity under this CWA will be coordinated by individuals identified above.

SCOPE OF AGREEMENT

Authority to carry out specific projects or activities which involve the transfer of funds, acquisition of services, property or any other obligations, is not provided by this document and would need to be carried out under separate authority.

CIVIL RIGHTS

The parties will be in compliance with the nondiscrimination provisions contained in Titles VI and VII of the Civil Rights Act of 1964, as amended. The Civil Rights Restoration Act of 1987 (Public Law 100-259) and other nondiscrimination statutes, namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, and in accordance with regulations of the Secretary of Agriculture (7 CFR-15, Subparts A & B) which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Agriculture or any agency thereof.

TERMINATION

This agreement can be modified or terminated at any time by mutual consent of any party or can be terminated by any parties giving sixty (60) days written notice to the other parties.

This agreement supersedes the supplemental Memorandum of Understanding.

UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

By: *Opden Watson*
Title: Treasurer
Date: 9.9.99

CALIFORNIA ASSOCIATION OF RESOURCE CONSERVATION DISTRICTS

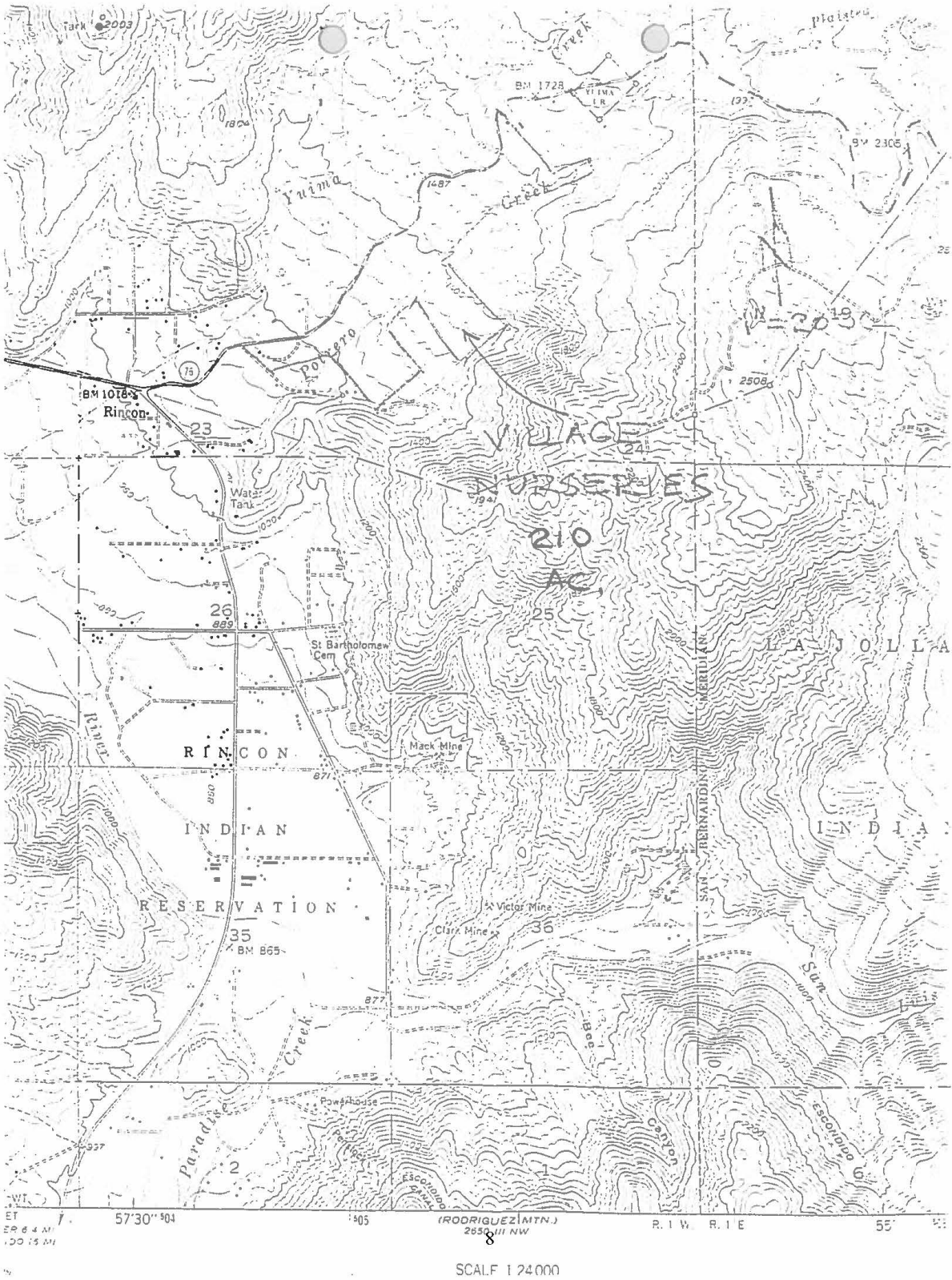
By: *Donna C. Thomas*
Title: President
Date: 2/9/99

**UNITED STATES DEPARTMENT OF AGRICULTURE
NATURAL RESOURCES CONSERVATION SERVICE**

By: *JM Burt*
Title: _____
Date: 4.6.99

STATE OF CALIFORNIA DEPARTMENT OF CONSERVATION

By: *William D. Davis*
Title: Director
Date: 11/8/98





Phone (760) 728-1332
Fax (760) 723-5316

Mission Resource Conservation District
990 East Mission Road, Fallbrook, California 92028
P.O. Box 1777, Fallbrook, California 92088-1777

e-mail
missnrzd@tfb.com

**A Joint Project of
Mission Resource Conservation District
and
Upper San Luis Rey Resource Conservation District**

San Luis Rey River Basin Ground Water Quality Data

Analyte	Units	#1	#2	#3	#4	#5	#6	#7	#8	#9
pH		7.0	7.4	7.8	7.9	7.9	7.8	7.5	8.0	8.0
EC	dS/m	0.5	0.7	0.7	1.2	1.4	0.7	1.8	3.1	2.3
TDS	ppm	309	460	478	787	908	460	1126	1998	1453
CaCo ₃	ppm	176	276	276	508	576	292	652	1184	828
Ca & Mg	ppm	76	94	96	178	199	103	214	387	286
Na	ppm	0.0	12.1	13.2	2.2	2.2	0.0	22.0	12.1	0.0
Cl	ppm	35	89	85	137	164	61	211	550	434
NO ₃	ppm	0.0	2.8	3.0	0.5	0.5	0.0	5.0	2.8	0.0

Collected by: Vic Smothers, April 30, 2003
Analyzed by: Andrea Souther & Trevor Li, May 6, 2003

CONSERVATION • DEVELOPMENT • SELF-GOVERNMENT



Phone (760) 728-1332
Fax (760) 723-5316

Mission Resource Conservation District
990 East Mission Road, Fallbrook, California 92028
P.O. Box 1777, Fallbrook, California 92088-1777

e-mail
agwater@missionrcd.org

**A Joint Project of
Mission Resource Conservation District
and
Upper San Luis Rey Resource Conservation District**

San Luis Rey River Basin Ground Water Quality Data

Analyte	Units	#1	#2	#3	#4	#5	#6	#7	#8	#9
pH		7.3	7.2	7.0	6.9		7.2	7.3	7.1	7.2
EC	dS/m	0.4	0.6	0.9	1.3		0.5	1.6	2.6	2.1
TDS	ppm	286	391	549	806		345	1052	1665	1368
CaCO ₃	ppm	176	230	352	560		208	652	984	816
Ca & Mg	ppm	64	80	120	191		75	208	326	282
Na	ppm	22	35	36	32		28	78	146	117
Cl	ppm	37	72	121	159		55	221	440	440
NO ₃	ppm	0.0	1.0	2.5	0.5		0.5	7.5	0.5	0.5

La Solla *Rain* *Wim* *Well #3* *Pala* *Pankey* *Vessells* *O'side water front*

Collected by: Vic Smothers, January 27, 2004
Analyzed by: Andrea Souther, January 29, 2004

CONSERVATION • DEVELOPMENT • SELF-GOVERNMENT

State of California
CIWMB 688 (New 4/03)

California Integrated Waste
Management Board

Farm and Ranch Solid Waste Cleanup and Abatement Grant Program

Grant Experience Work Sheet

The information provided on this form will be used to determine if Applicant, or its contractor(s), can complete the project as proposed. Points will be awarded for the completion of this form.

Provide evidence in the space below, as it relates to the project, that applicant, or its contractor(s) has sufficient staff resources, technical expertise and experience to successfully manage this grant project. Include previous experience remediating similar sites and/or managing grant.

Previous Experience:

The Upper San Luis Rey Resource Conservation District has successfully completed two CIWMB Farm and Ranch Solid Waste Cleanup and Abatement grant projects since 2004, both within budget. The RCD has also, in the past, partnered with Mission Resource Conservation District to implement three other watershed related grant projects.

List previous grants received: 11-2-2006 FR25-06-003 #34,628

Date of Grant	Grant Number	Grant Amount	Type of Grant, and Awarding Agency	Percent Complete
5/1/2006	FR21-0405	\$70,472	Farm & Ranch Solid Waste Cleanup and Abatement Grant program (CA Integrated Waste Management Board)	100%
12/1/2004	FR15-03-6	\$96,129	Farm & Ranch Solid Waste Cleanup and Abatement Grant program (CA Integrated Waste Management Board)	100%
7/1/2002	65-9104-8-13K (3000-512#1)	\$69,982	Watershed Coordinator, Department of Conservation (USLR RCD and Mission RCD)	100%
1/1/2001	65-9104-8-13K (3000-512)	\$84,300	Watershed Coordinator, Department of Conservation (USLR RCD and Mission RCD)	100%
11/20/1997	97-056	\$175,100	Development of San Luis Rey Corridor Plan, CA Coastal Conservancy (USLR RCD and Mission RCD)	100%

Upper San Luis Rey Resource Conservation District

Water Quality Program

**“Environmental Quality Incentives Program (EQIP)”
WORKSHOP**

EQIP is a federal cost-share program that offers financial and technical help to assist eligible farmers install or implement structural and management practices on eligible agricultural land. This includes projects



involving irrigation system improvements and other methods of eliminating runoff. Opportunities will be provided to discuss your project ideas and to start the application process. For more information, see www.nrcs.usda.gov/programs/eqip.

EQIP Applications due December 1st , 2006

Presenters:

- Cori Calvert, District Conservationist- Natural Resources Conservation Service

Date: September 28, 2006

Time: 1:00—2:00 p.m.

Place: Pauma Valley Community Services District
33129 Cole Grade Rd., Pauma Valley, CA

RSVP: Lisa @ (760) 742-3564 (reservations limited to 25)

Program Sponsors

- Upper San Luis Rey Resource Conservation District
- Natural Resources Conservation Service

MINUTES**December 11th, 2008****Upper San Luis Rey Resource Conservation District**

On Thursday, December 11th, 2008 The Upper San Luis Rey Resource Conservation District met at: 33129 Cole Grade Rd., Pauma Valley, CA 92061

Board Members Present:

Jesse Hutchings, President
Bill Hutchings, Vice-President
Oggie Watson, Secretary-Treasurer
Lenore Lamb – Director

Others Present:

Lisa Payne - USLR
Vic Smothers - NRCS
Cori Calvert Butler - NRCS
Alfonso Ramos – TY Nursery

Board Members Absent:

None

CALLED TO ORDER:

President, Jesse Hutchings called the meeting to order at 11:50 p.m.

REPORTS:

EQUIP applications currently being deferred into 2010. Groves & nurseries are utilizing EQUIP for replacement irrigation after damage from fires. In 2009 there have been more applications than normal. NRCS has received 40 applications to date and will be able to fund 10 to 15 applications in 2009.

Due to the first county wide NRCS audit, Cori has been unable to work on the courtesy monthly newsletter for the past few months. Cori hopes to start up again with it in the first quarter 2009. An audit is being done by the State and all employees of NRCS are currently helping out with the audit in reviewing contracts and the field work is on hold.

APPROVAL OF AGENDA:

Lenore Lamb made a motion to approve the agenda. Seconded by Bill Hutchings the motion was approved.

APPROVAL OF MINUTES:

Bill Hutchings made a motion to approve November minutes. Seconded by Lenore Lamb, the motion was approved.

TREASURERS REPORT:

November's treasurer's reports & bills were approved as read. Bill Hutchings made a motion to approve expenses. Seconded by Lenore Lamb, the motion was approved.

Expenses:

Admin. - \$200.00
CSDA - \$490.00

CSDA payment of annual dues to be discussed next month.

NEW BUSINESS:

Regarding the "FOIA", Cori Calvert indicated that NRCS can give us a general description of projects within our district boundaries, but can no longer provide us with information such as names or addresses. Lenore Lamb would like to receive an official response and requests that the "FOIA" letter be sent. The board agreed. A motion was made for Lenore & Lisa to finish the "FOIA" letter and Jesse will sign. Jesse made the motion and Oggie seconded it, the motion was approved.

Cori indicated that Vic Smothers would be our contact person in the process of obtaining information from NRCS. Cori Calvert will e-mail newsletter to Vic. Vic will highlight what is in our district and e-mail that information to Lisa. Lisa will then be able to submit with monthly package.

Vic indicated the Forest Service was doing research on Tree Mortality. Lenore ask about classes that the Forest Service may offer. He did not know, but suggested she check with the Forest Service.

OLD BUSINESS:

Alfonso offered a tour of TY Nursery. Lisa to coordinate with him for February or March. Lenore indicated that the following month we could tour Pala's Treatment Plant.

ADJOURNMENT:

Motion to adjourn at 12:50 p.m. by Oggie Watson and seconded by Bill Hutchings.
MEETING ADJOURNED.

NEXT MONTHLY MEETING: January 8th, 2008



Acting Secretary

MINUTES
August 13th, 2009

Upper San Luis Rey Resource Conservation District

On Thursday, August 13th, 2009 The Upper San Luis Rey Resource Conservation District met at: 35955 Pala Temecula Rd. (Tribal Hall), Pala, CA 92059

Board Members Present:

Jesse Hutchings, President
Bill Hutchings, Vice-President
Alfonso Ramos - Director

Others Present:

Lisa Payne - USLR
Shea O'Keefe -- NRCS
Vic Smothers - NRCS

Board Members Absent:

Oggie Watson, Secretary-Treasurer
Lenore Lamb – Director

CALLED TO ORDER:

President, Jesse Hutchings called the meeting to order at 12:11 p.m.

REPORTS:

Victoria Jackson, a student from Warner Springs High School that USLR RCD recently sponsored gave a very nice power point presentation on her experience at Range Camp. Victoria found the information she received from camp was invaluable for hands on experience. She was very appreciative of the opportunity to attend Range Camp.

Shea O'Keefe indicated NRCS is starting a new program called the Conservation Stewardship Program "CSP". They will have more information to follow next month. "EQUIP" applications were recently funded. Out of 40 applications, 5 applications were funded, all in other districts.

NRCS is still working on clearing Doane's Pond at Palomar Mountain. Currently they are zip inning the logs off the hill. NRCS has been working with contractors because they are bidding the jobs on the mountain to low. NRCS is in the process of obtaining new bids from new sources. The current Wetlands Reserve Program "WRP" will be ongoing on Palomar Mountain until 2010.

APPROVAL OF AGENDA:

Bill Hutchings made a motion to approve the agenda. Seconded by Alfonso Ramos, the motion was approved.

APPROVAL OF MINUTES:

Bill Hutchings made a motion to approve July minutes. Seconded by Alfonso Ramos, the motion was approved.

TREASURERS REPORT:

July's treasurer's reports & bills were approved as read. Bill Hutchings made a motion to approve expenses. Seconded by Alfonso Ramos, the motion was approved.

Expenses:

Admin. - \$300.00
Pauma Valley Water - \$70.00
Office Supplies - \$70.82

OLD BUSINESS:

Alfonso Ramos is still working on collecting & disposing of tires from Pauma Creek along Highway 76.

NEW BUSINESS:

Jesse Hutchings asked Shea O'keefe if any Steelhead (fish) has been planted in the river? No one from NRCS has received confirmation on this. Shea suggested that we contact David from Fish & Game to attend a meeting and give us an update. She feels Fish & Game is our best source of information on the Steelhead.

ADJOURNMENT:

Motion to adjourn at 1:06 p.m. by Alfonso Ramos and seconded by Bill Hutchings.
MEETING ADJOURNED.

NEXT MONTHLY MEETING:

September 10th, 2009
Tour of Pala Wastewater Treatment Plant


Acting Secretary



Resource Conservation District of Greater San Diego County
 11769 Waterhill Rd., Lakeside, CA 92040
 Phone: (619) 562-0096 • Fax: (619) 562-4799
 Website: www.rcdsandiego.org

RESOLUTION 2015-12-08-02

MEMORANDUM OF UNDERSTANDING BETWEEN THE RESOURCE CONSERVATION DISTRICT OF GREATER SAN DIEGO COUNTY AND THE UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT

WHEREAS, it is recognized that the water resources of San Diego County are a critical aspect to the well being of citizens of San Diego County; and

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 fellow Resource Conservation Districts to accomplish the purpose of Districts to conserve natural resources and to provide conservation education; and

WHEREAS, the Upper San Luis Rey Resource Conservation District does not currently have its own watershed protection education program and would like to meet the need for that service for its cooperators;

NOW THEREFORE BE IT RESOLVED, that a Memorandum of Understanding is entered between the Upper San Luis Rey Resource Conservation District, effective on the date of the last signature, and within the limitations of authorities, resources, and established policies of the Resource Conservation District of Greater San Diego County and its cooperating agencies, the Resource Conservation District of Greater San Diego County will:

1. Provide twelve watershed education classes to elementary schools as suggested by Upper San Luis Rey for the contract price of \$1,000. The Resource Conservation District of Greater San Diego County Watershed education will include:
 - a. Contacting the schools to establish the date and time of the watershed presentations.
 - b. Pre and post testing of the watershed materials taught.
 - c. Cost of materials used.
 - d. Cost of travel incurred.
 - e. Quarterly reports on all schools serviced, children taught, and presentation outcomes
 - f. Quarterly reports on all expenses generated with invoice for payment and items listed under 1e.

Conserving Our Natural Resources




Resource Conservation District of Greater San Diego County
 11769 Waterhill Rd., Lakeside, CA 92040
 Phone: (619) 562-0096 ✦ Fax: (619) 562-4799
 Website: www.rcdsandiego.org

WHEREAS, the Upper San Luis Rey Resource Conservation agrees to pay the Resource Conservation District of Greater San Diego County within thirty (30) days within invoiced.


This agreement between the two entities is subject to revision and extension based on mutual consent of the organizations and shall be in writing. Both parties have the right to terminate the agreement for cause at any time by giving sixty (60) days notice in writing to the other.

 Marilyn Huntamer, President, Resource Conservation
 District of Greater San Diego County

 Date



 Jesse Hutchings, President, Upper San Luis Rey
 Resource Conservation District



 Date

Conserving Our Natural Resources

RESOLUTION 2017-09-12-02

MEMORANDUM OF UNDERSTANDING BETWEEN THE RESOURCE CONSERVATION DISTRICT OF GREATER SAN DIEGO COUNTY AND THE UPPER SAN LUIS REY RESOURCE CONSERVATION DISTRICT-SWEEP PROGRAM

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 fellow Resource Conservation Districts to accomplish the purpose of Districts to conserve natural resources and to provide conservation education; and

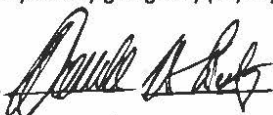
WHEREAS, the State Water Efficiency and Enhancement Program (SWEEP) provides financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on California agricultural operation; and

WHEREAS, the Upper San Luis Rey Resource Conservation District does not currently have its own staff to participate in the SWEEP program and would like to meet the need for that service for its cooperators;

NOW THEREFORE BE IT RESOLVED, that a Memorandum of Understanding is entered between the Upper San Luis Rey Resource Conservation District, effective on the date of the last signature, and within the limitations of authorities, resources, and established policies of the Resource Conservation District of Greater San Diego County and its cooperating agencies, the Resource Conservation District of Greater San Diego County will:

1. Provide CDFA SWEEP evaluations within Upper San Luis Rey territory for a service fee of 10% per evaluation payable to the Upper San Luis Rey.

This agreement between the two entities is subject to revision and extension based on mutual consent of the organizations and shall be in writing. Both parties have the right to terminate the agreement for cause at any time by giving sixty (60) days' notice in writing to the other.



 Don Butz, President, Resource Conservation District of Greater San Diego County

9/14/17

 Date

 Jesse Hutchings, President, Upper San Luis Rey Resource Conservation District

 Date

MEMORANDUM OF AGREEMENT
BETWEEN THE
United States Department of Agriculture, Natural Resources Conservation Service
AND
Upper San Luis Rey Resource Conservation District, State of California
AND THE
California Association of Resource Conservation Districts

I. PURPOSE

This Memorandum of Agreement (MOA) is entered into between the United States Department of Agriculture (USDA) Natural Resources Conservation Service (hereafter referred to as NRCS) and the Upper San Luis Rey Resource Conservation District (hereafter referred to as Resource Conservation District), and the California Association of Resource Conservation Districts.

The NRCS and Upper San Luis Rey Resource Conservation District (referred to jointly as the Parties) have common objectives of delivering technical and financial assistance to farmers, ranchers, forest stewards, and other entities to voluntarily protect, restore, and enhance the productivity of American agricultural lands. The Parties recognize the importance of natural resources, the wise use and management of these natural resources, and, as appropriate, the protection and/or development of these natural resources. This agreement is made and entered into with the objectives of:

- Continuing to support the delivery of excellent and innovative customer service;
- Recognizing conservation planning as foundational to our work and working together to meet the conservation planning assistance needs of our cooperatives/customers.
- Strengthening and modernizing conservation delivery to optimize efficiency and effectiveness;
- Continuing and broadening our outreach to existing and new customers and partners;
- Supporting science-based decision making as close to the resource issue/opportunity as possible;
- Encouraging a voluntary approach with landowners as the primary means of accomplishing conservation goals; and
- Using sound approaches to strengthen each Party and its role in the delivery of soil, water, and related natural resource conservation across the nation.

II. BACKGROUND

The NRCS and Upper San Luis Rey Resource Conservation District share a rich history of collaborating to deliver comprehensive technical and financial assistance to farmers, ranchers, forest stewards, and other entities to voluntarily protect, restore, and enhance natural resources.

The Soil Conservation Service was established in 1935 (renamed NRCS in 1994 to reflect its broader conservation mission). NRCS is committed to "helping people help the land." It provides assistance and resources for conservation practices that improve water and air quality, prevent erosion, restore wetlands, and enhance wildlife. NRCS's approach to mission delivery and customer service is deeply rooted in the notion that locally-led, voluntary efforts yield the most effective and productive outcomes. Locally-led conservation is the principle that farmers, ranchers, and forest stewards know their lands better than anyone else based on their personal knowledge and experience with those lands. As such, they are best positioned to make optimal decisions for the benefit of their operations, their natural resource conditions, and their communities.

The first Conservation District was established in 1937 to provide local leadership in natural resources management. Resource Conservation Districts serve as the link between federal and state agency resources with the local farmers, ranchers, and forest stewards. They are responsible for promoting and carrying out their conservation programs by assisting communities and its members develop, apply, and maintain appropriate conservation practices and resource management systems. They are authorized to provide broad area planning and implementation assistance to units of government. They are a focal point for coordinating and delivering conservation technical assistance and funding to their respective communities.

III. STATEMENT OF MUTUAL BENEFIT

In conjunction with the NRCS, the Upper San Luis Rey Resource Conservation District coordinates and implements locally led conservation plans because of their connections to Federal, State, Tribal, and local governments; private resources; and the public. The Parties agree to facilitate cooperation, collaboration, and agreement between agencies, landowners, and other stakeholders; develop comprehensive conservation plans; and bring those plans to the attention of landowners and others within the district.

In addition, the Parties recognize the importance of working together to broaden strategic assessment and planning under the authority of the Soil and Water Resources Conservation Act of 1977 for the conservation, protection, and enhancement of soil, water, and related natural resources. The Parties further recognize that natural resources are finite and under increasing pressure from a variety of impacts and demands. Soil, water, air, plants, animals, and energy are all addressed under the programs, initiatives, and partnership efforts of the Parties.

In order to deliver the necessary technical and financial assistance to enable locally-led, voluntary conservation, the Parties agree to adhere to the principles, roles, and responsibilities outlined in this Section of the MOA. This MOA does not affect or modify existing regulations or agency responsibilities and authorities. Moreover, this MOA does not commit either party to activities beyond the scope of its respective mission and statutory authorities.

A. Locally-Led, Voluntary Conservation

The Parties agree that locally-led, voluntary conservation must be driven by natural resource conservation needs, rather than by funding. Its primary focus is to identify natural resource concerns, along with related economic and social concerns. Locally-led conservation consists of a series of activities and phases that involve community stakeholders in natural resource planning, implementation of solutions, and evaluation of results:

As funding and other resources allow, the Resource Conservation District agrees to:

- Assist NRCS in promoting USDA programs by participating in outreach and community education activities.
- Advocate for a strong natural resource conservation program by keeping appropriate boards, landowners, legislators, county agricultural commissioners, and other key stakeholders apprised of District conservation activities.
- Assemble and chair the USDA local working group, as chartered under the State Technical Committee and authorized by 7 CFR 610, Part C to encourage public participation.
- ❖ Refer to MOA Attachments, Appendix B, which is a full text of 7 CFR 610, Part C and available upon request. The language for the State Technical Committee authorized by 7 CFR 610, Part C may change, in the future, with a new farm bill. To see the latest State Technical Committee authorization, go to:

<https://www.law.cornell.edu/cfr/text/7/part-610/subpart-C>

Legal Information Institute; Electronic Code of Federal Regulations; Title 7. Agriculture; Subtitle B. Regulations for the Department of Agriculture; Chapter VI NRCS, Subpart B, Conservation Programs; NRCS 7 CFR Subpart C-State Technical Committees.

- Encourage diverse participation in local working groups through community outreach and education, to include stakeholders from historically underserved communities.
- Open local working group meetings to the public and provide public notice of meetings to federal, state, Tribal entities, local agencies and community stakeholders, including using Tribal publications if they exist in the district, including historical lands.
- Develop the agenda and associated materials/information for local working groups and distribute at least 14 calendar days prior to the meeting.
- Develop and file local working group meeting records at the local NRCS office within 30 calendar days of the meetings.
- Adhere to local working group responsibilities and standard operating procedures, as documented in NRCS policy, Title 440, Part 500 - Conservation Programs Manual, Locally Led Conservation.
 - ❖ Refer to MOA Attachments, Appendix C, which is a full text of Title 440, Part 500- Conservation Programs Manual: Locally Led Conservation and is available upon request. Title 440, Part 500 -Conservation Programs Manual, Locally Led Conservation may be revised in the future. To see the latest Title 440, Part 500 - Conservation Programs Manual, Locally Led Conservation go to:

<https://directives.sc.egov.usda.gov/RollupViewer.aspx?hid=27712>

- Develop a conservation needs assessment through broad-based community participation and in accordance with NRCS policy and procedures. This will provide a basis for making decisions about local priorities or policies in all local conservation programs.
- Recommend local natural resource priorities and criteria for NRCS conservation activities and programs based on the conservation needs assessment and public input.
- Develop a Long-Range Plan every three (3) to five (5) years and an Annual Plan of Work and/or Plan of Operations each year, or as specified in state statute. These documents must incorporate local and community inputs.
- Identify NRCS program resources, develop and implement conservation plans and work with NRCS to evaluate/measure the technical and community impacts.
- Update NRCS on conservation activities of local and state advisory committees and community groups attended by resource conservation district board members and staff.
- Cooperate and collaborate across other resource conservation districts, as appropriate and as permitted by state statute.

NRCS agrees to:

- Support outreach activities and ensure the Resource Conservation District is kept informed of NRCS activities and programs on at least a monthly basis. This includes bringing technical and financial assistance opportunities (including matching fund strategies) to the attention of the Resource Conservation District.
- Work cooperatively to solicit and leverage community recommendations to inform priorities that guide the delivery of NRCS conservation programs.
 - Designate a NRCS representative to participate in Resource Conservation District meetings and events, including local working group meetings. Alternatively, NRCS will chair the local working group should the Resource Conservation District be unable or unwilling to.
 - Develop and transmit written notifications to the local working group members as to the decisions made in response to their recommendations within 90 days.
- Respond to requests from the Resource Conservation District for technical guidance and assistance.

- Provide technical or other training for Resource Conservation District employees in conjunction with its own training, or as separate events. Training must be consistent with and in support of NRCS's mission objectives. As such, the principal emphasis will be on the support and delivery of field-based conservation technical assistance.

A. California Association of Resource Conservation Districts (CARCD)

The California Association of Resource Conservation Districts (CARCD) serves as a strong advocate, technical resource, and partner to RCDs in achieving the vision for the RCD field. CARCD builds the network and local impact of RCDs in California, strengthening locally-led conservation and stewardship of natural and agricultural resources. CARCD believes Resource Conservation Districts have greater impact working collectively than working alone and a strong State Association provides a powerful voice for their needs.

CARCD agrees to:

- Participate in State level work groups, committees, and public venues to educate partners and funders about the critical role RCDs play across communities in California.
- Work with State and Federal Agencies to define the potential for CARCD to serve as lead funding recipient in a model where partnerships with one or more RCDs will enhance strategic or program outcomes.
- Develop tools for all RCDs that want to explore the potential for greater conservation involvement and input to conservation efforts.
- Conduct surveys as needed of RCDs to identify partnership needs.
- Plan and host a state-wide Annual Conference with content driven by the conservation needs of California.
- Identify existing resources (NACD, CSDA, NRCS) for webinars and trainings focused on conservation.
- Host an online RCD-exchange portal to include an RCD directory, event calendar, communication and capacity building tools, message boards, and a Resource Library for all RCDs to provide information that can be posted.
- Develop management training series to build the capacity and competencies of District Managers to implement local conservation priorities and chair local work group meetings.
- Develop a board training series to support board effectiveness.
- Provide targeted support to regional networks.
- Develop and disseminate tools for engagement and relationship-building with government decision-makers.

C. Data and Information Sharing

Any information furnished to NRCS under this agreement is subject to the Freedom of Information Act (5 U.S.C. 552). Cooperators providing technical or financial assistance under USDA programs may have access to information that must not be subsequently disclosed and may only be used for the purpose of providing that assistance. The parties also acknowledge that resource conservation districts are subject to the California Public Records Act.

See Appendix A, "ACKNOWLEDGMENT OF REQUIREMENTS FOR PROTECTION OF PRIVACY OF PERSONAL AND GEOSPATIAL INFORMATION RELATING TO NATURAL RESOURCES CONSERVATION SERVICE PROGRAMS." The signatory agrees to abide by these requirements as a condition of receiving access to such information.

IV. GENERAL PROVISIONS

A. Period of Performance

This MOA takes effect upon the signature of the Parties and shall remain in effect until mutually modified or terminated.

B. Amendments

This MOA may be extended or amended upon written request of either Party and the subsequent written concurrence of the other. Either of the parties may terminate this MOA with a 60-day written notice to the other.

This state-level MOA may be supplemented by a local-level MOA, if desired and mutually agreed to by the parties. The local-level MOA reflects locally developed detailed working arrangements, to include NRCS's and Resource Conservation District's Annual Workplan and/or Plan of Operations. These may include, but are not limited to, documenting specific goals and objectives, action items, provision for documentation of accomplishments, schedule of planned events, and assignment of responsibilities.

C. Transfer of Funding or Non-Monetary Resources

This MOA is established to document the collaborative relationship between the Parties. Nothing in this MOA shall require either Party to obligate or transfer funding, or anything of value. This may include, but is not limited to:

- Office spaces and equipment/supplies
- Vehicles and associated expenses (e.g., fuel, maintenance)
- Computers, software, and technical equipment

The transfer of funding or other resources of value among the Parties requires execution of a separate agreement. The appropriate instruments include:

- Cooperative Agreement (2 CFR 200.24), which allows federal agencies to transfer a thing of value to the State, local or Tribal government, or other recipient to carry out a public purpose authorized by law of the United States.
- Contribution Agreement (7 CFR 6962a), which is a unique statutory authority allowing NRCS to enter into an agreement with a non-federal entity that shares a mutual purpose in carrying out NRCS programs. All parties must contribute resources to the accomplishment of these objectives.
- Reimbursable Agreement (31 USC 686; PL 90-577), which allows federal agencies to provide specialized or technical services to State and local governments.

D. Other

This MOA is not intended to, and does not create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity, by any party against the United States, its agencies, its officers, or any person.

All activities and programs conducted under this MOA shall be in compliance with the nondiscrimination provisions contained in Titles VI and VII of the Civil Rights Act of 1964, as amended; Civil Rights Restoration Act of 1987 (Public Law 100-250); and other nondiscrimination statutes; namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendment of 1972, and the Age Discrimination Act of 1975. Also, they will be in accordance with regulations of the Secretary of Agriculture (7 CFR Part 15, subpart A), which provide that no person in the United State shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity of an applicant or recipient receiving federal financial assistance from the Department of Agriculture or any Agency thereof.

All activities, funded by the NRCS, shall be in compliance with the Drug-Free Workplace Act of 1988 (Public Law 100-690, Title V, Subtitle D).

**Acknowledgement of Requirements for Protection of Privacy of Personal and Geospatial Information
Relating to Natural Resources Conservation Service Programs**

SEC. 1619. INFORMATION GATHERING. (Appendix C – Section 1619 of the 2008 Farm Bill)

- (a) **GEOSPATIAL SYSTEMS.** — The Secretary shall ensure that all the geospatial data of the agencies of the Department of Agriculture are portable and standardized.

(b) **LIMITATION ON DISCLOSURES.** —

(1) **DEFINITION OF AGRICULTURAL OPERATION.** — In this subsection, the term “agricultural operation” includes the production and marketing of agricultural commodities and livestock.

(2) **PROHIBITION.** — Except as provided in paragraphs (3) and (4), the Secretary, any officer or employee of the Department of Agriculture, or any contractor or cooperator of the Department, shall not disclose—

(A) information provided by an agricultural producer or owner of agricultural land concerning the agricultural operation, farming or conservation practices, or the land itself, in order to participate in programs of the Department; or

(B) geospatial information otherwise maintained by the Secretary about agricultural land or operations for which information described in subparagraph (A) is provided.

(3) **AUTHORIZED DISCLOSURES.** —

(A) **LIMITED RELEASE OF INFORMATION.** — If the Secretary determines that the information described in paragraph (2) will not be subsequently disclosed except in accordance with paragraph (4), the Secretary may release or disclose the information to a person or Federal, State, local, or tribal agency working in cooperation with the Secretary in any Department program—

(i) when providing technical or financial assistance with respect to the agricultural operation, agricultural land, or farming or conservation practices; or

(ii) when responding to a disease or pest threat to agricultural operations, if the Secretary determines that a threat to agricultural operations exists and the disclosure of information to a person or cooperating government entity is necessary to assist the Secretary in responding to the disease or pest threat as authorized by law.

(4) **EXCEPTIONS.** — Nothing in this subsection affects—

(A) the disclosure of payment information (including payment information and the names and addresses of recipients of payments) under any Department program that is otherwise authorized by law;

(B) the disclosure of information described in paragraph (2) if the information has been transformed into a statistical or aggregate form without naming any—

(i) individual owner, operator, or producer; or

(ii) specific data gathering site; or


(C) the disclosure of information described in paragraph (2) pursuant to the consent of the agricultural producer or owner of agricultural land.

(5) **CONDITION OF OTHER PROGRAMS.** — The participation of the agricultural producer or owner of agricultural land in, or receipt of any benefit under, any program administered by the Secretary may not be conditioned on the consent of the agricultural producer or owner of agricultural land under paragraph

(6) **WAIVER OF PRIVILEGE OR PROTECTION.** — The disclosure of information under paragraph (2) shall not constitute a waiver of any applicable privilege or protection under Federal law, including trade secret protection.

V. SIGNATURES

Upper San Luis Rey RESOURCE CONSERVATION DISTRICT

Signature:  Date: 10/8/2020
Andrew Lyall, President

CALIFORNIA ASSOCIATION OF RESOURCE CONSERVATION DISTRICTS

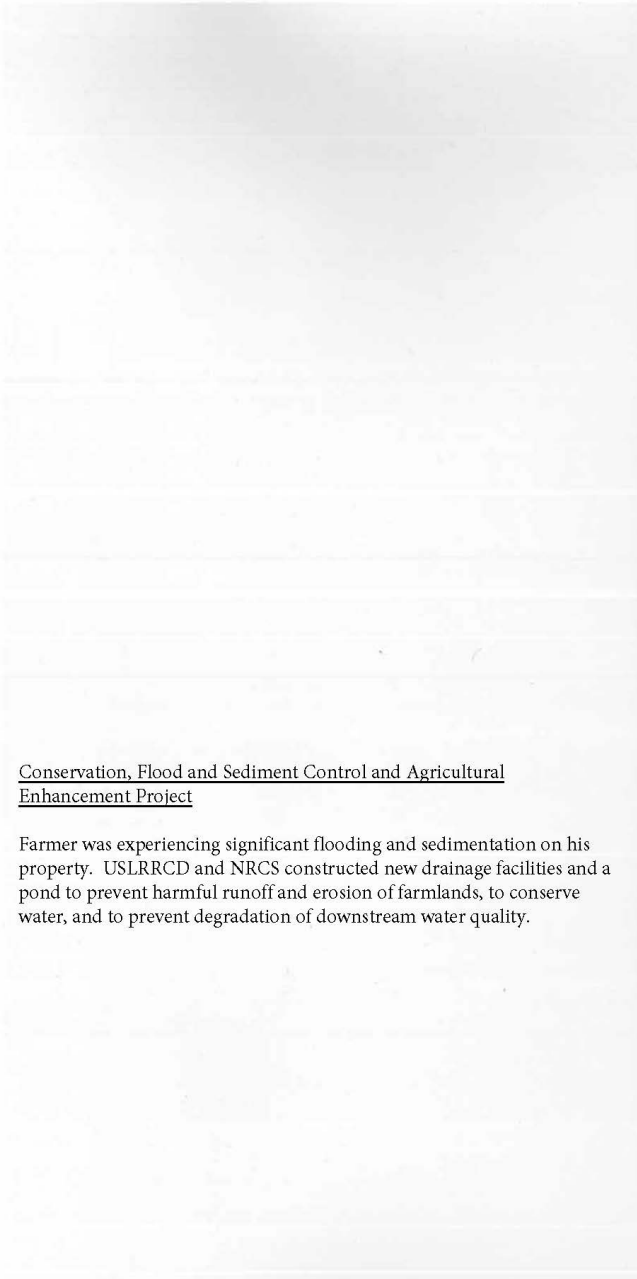
Don Butz, President Date: _____

USDA NATURAL RESOURCES CONSERVATION SERVICE

Carlos Suarez, State Conservationist Date: _____

EXHIBIT 4: PHOTOS OF HISTORIC USLRRCD CONSERVATION, FLOOD CONTROL, EROSION PREVENTION, AND AGRICULTURAL ENHANCEMENT PROJECTS

- All Photos are of projects constructed by USLRRCD, in cooperation with NRCS and other public and private stakeholders, between approximately 1990 and 1998



Conservation, Flood and Sediment Control and Agricultural Enhancement Project

Farmer was experiencing significant flooding and sedimentation on his property. USLRRCD and NRCS constructed new drainage facilities and a pond to prevent harmful runoff and erosion of farmlands, to conserve water, and to prevent degradation of downstream water quality.





Flood and Erosion Control Project

USLRRCD and NRCS built culvert out of rocks and wire to divert excess runoff that was causing excess soil erosion, and to mitigate flooding

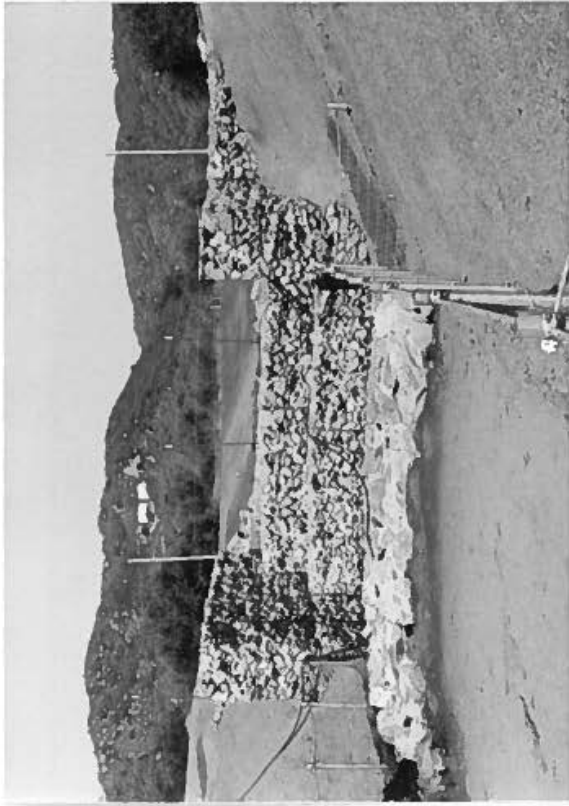




Design and Construction of Reservoir and Culvert in and Around Pauma Valley Country Club

Addressing a long standing flooding problem that was depositing debris and eroded sediment onto the golf course, USLRCD and NRCS designed and constructed a culvert and reservoir project to resolve the problem. Now excess water and sediment during high flows goes into the small reservoir and the sediment is periodically removed. The water conserved is available for reuse.





USLRCD and NRCS constructed dam and culvert on Rincon Reservation in order to prevent flooding of Paradise Creek Road

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File No. 30907.00002

January 29, 2021

**SUBMITTED VIA LAFCO WEBSITE UPLOAD AND
EMAIL TO KEENE.SIMONDS@SDCOUNTY.CA.GOV AND ERICA.BLOM@SDCOUNTY.CA.GOV**
Keene Simonds, Executive Officer
San Diego County Local Agency Formation Commission
9335 Hazard Way, Suite 200
San Diego, CA 92123

Re: Comment Letter regarding Item 6a and related items on SD LAFCO
February 1, 2021 Agenda

Dear Mr. Simonds

Best Best & Krieger LLP serves as general counsel to the Pauma Valley Community Services District (PVCSD). We submit these comments in reference to the Municipal Service Review on Resource Conservation Districts being considered by the San Diego Local Agency Formation Commission at its February 1, 2021 meeting. PVCSD writes in support of expanding the language in the Municipal Service Review for RCD's to explicitly recognize that Upper San Luis Rey Resource Conservation District's (USLRCD) currently active powers include water conservation, water management and other water-related powers based upon its history of providing these services in the Pauma Valley.

History and Purpose of RCD's

The Commission's current staff report as well as the report and presentation from the LAFCO Special Advisory Committee meeting in December 2020 provide a broad and well-described overview of the history and general purposes of resource conservation districts. We take this opportunity to provide more background on that subject. Because our firm serves as legal counsel to more than a dozen RCD's around California, we have further information about RCD's and their unique relationship to landowners, farmers, soil, water and natural resources. We also do or have represented a number of the RCD's that are currently acting as groundwater sustainability agencies (GSA) in basins across the state.

As ably described in the Commission's staff report:

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In response to the national “Dust Bowl” crisis of the 1930s, the federal government passed legislation in 1937 establishing the Soil Conservation Service (SCS). Shortly after the formation of the SCS, conservationists realized that a federal agency in Washington might not be sufficiently responsive to local needs. Soil Conservation Districts were then formed under state law to be controlled by local boards of 5 directors. In 1938, California generated legislation authorizing the formation of Soil Conservation Districts under Division 9 of the Public Resources Code. These districts assisted landowners with erosion and flood control problems (primarily on agricultural lands), functions originally envisioned by the formation of the SCS. Under Division 9, Soil Conservation Districts were empowered to manage soil and water resources for conservation. These powers were expanded in 1971 to include related resources including fish and wildlife habitat. This expansion of power was reflected in the change of name from “Soil” Conservation District to “Resource” Conservation District.”

<https://www.conservation.ca.gov/dlrp/RCD/Documents/DirectorsHandbookWEBSITELargePageVersion.pdf> (pp. 3-4.)

Because RCD’s were formed, in large part, to interface between local landowners and the state and federal governments, RCD’s have unique relationships with the Department of Conservation of the State of California (DOC) and the federal Natural Resources Conservation Service (NRCS), which is an arm of the United States Department of Agriculture. These relationships were designed to provide a permanent link between landowners, RCDs and the state and national governments, to carry out the primary purposes of RCD’s, which are focused on soil, water, water management and water conservation activities.

As described by DOC:

“Public Resources Code Division 9 established Resource Conservation Districts (RCDs) to conserve soil and *water*, control *runoff*, prevent and control soil erosion, manage *watersheds*, protect *water* quality, and develop *water* storage and distribution.

RCDs are special districts of the State of California, set up to be locally governed agencies with their own locally appointed or elected, independent boards of directors. California RCDs implement projects on public and private lands, and educate landowners and the public about resource conservation.

RCDs are a vital link between federal, state, and local programs, helping these agencies meet their conservation goals. RCDs conduct:

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- *Watershed* planning and management
- *Water conservation*
- *Water quality* protection and enhancement
- Agricultural land conservation
- Soil and *water management* on non-agricultural lands
- Wildlife habitat enhancement
- *Wetland* conservation
- Recreational land restoration
- *Irrigation* management
- Conservation education
- Forest stewardship
- Fuels management
- Urban resource conservation”

<https://www.conservation.ca.gov/dlrp/rcd> (emphasis added).

And, DOC does not limit its description and emphasis of RCDs’ water and water management activities and powers to a generic page on the DOC website. Rather, the description and structure of RCDs’ permanent and ongoing powers and duties are focused on water and water resource management. For example, in its Guidebook for Collaboration and Consolidation (2019), DOC explains that RCDs “are created by the community to meet a specific need. . . the protection and wise management of critical agricultural and natural resources: *water* and soil. . . [RCD’s] are the go-to partners for agencies like the U.S. Department of Agriculture’s Natural Resources Conservation Service and for private landowners seeking to conserve wildlife or improve *water quality* or soil productivity.” (p. 5.)

<https://www.conservation.ca.gov/dlrp/RCD/Documents/CDOC-guidebook-2019%20Final.pdf>

Further, the DOC-produced RCD “Directors’ Handbook” (2015-2016) even further emphasizes the focus on water. As just one example, for those RCD’s whose directors are appointed by the County, rather than directly elected by the voters, the Directors’ Handbook recites that “It is the intent of the Legislature that the Supervisors only appoint applicants with a ‘demonstrated interest in soil and *water conservation*.’ (citing Pub. Res. Code, § 9314.)” Director’s Handbook, p. 9.

<https://www.conservation.ca.gov/dlrp/RCD/Documents/DirectorsHandbookWEBSITELargePageVersion.pdf> Thus, water resources and water conservation are the heart of the work of RCD’s across the state and country.

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9414.

Directors may accept, by purchase, lease, or gift, and administer any soil conservation, *water conservation, water distribution, erosion control, or erosion prevention* project located within the district undertaken by the United States or any of its agencies, or by this state or any of its agencies.

9415.

The directors may manage, as agents of the United States or any of its agencies, or of this state or any of its agencies, any soil conservation, *water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization project*, within or adjacent to the district; and may act as agent for the United States, or any of its agencies, or for this state or any of its agencies, in connection with the acquisition, construction, operation, or administration of any soil conservation, *water conservation, water distribution, flood control, erosion control, erosion prevention, or erosion stabilization project* within or adjacent to the district.

9417.5

It is the intent of the Legislature that concerned state agencies, in cooperation with resource conservation districts and other appropriate local entities, work with the agencies of the United States Department of Agriculture and the Department of the Interior, the Environmental Protection Agency, and other federal agencies, to maximize cooperative opportunities for federal, state, and private funding for competitive grants and contracts for *watershed* protection, *restoration*, and *enhancement* programs of resource conservation districts.

9419

...

(c) A district may conduct workshops on the relationships between soil and related resource problems and their effects on other resources, such as wildlife and *water quality*.

(d) A district may sponsor programs that address land use practices which reduce *water and wind erosion*, soil contamination, soil salinity, agricultural land conversion, loss of soil organic matter, soil subsidence, and soil compaction and associated poor water *infiltration*.

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And, as has been described in the accompanying comment letter submitted by Mr. Jungreis, the USLRRCD has been engaging in activities related to water management, watershed protection, soil and water enhancement, erosion control, and related work since the 1940's.

It also bears mention that in recent years, the Legislature has placed even further emphasis on local watershed and water-management processes, and explicitly referenced RCD's as a critical part of those processes, thus implicitly recognizing RCD's broad powers with respect to local water conservation and management issues. (*E.g.*, Water Code, § 7049 (adopted 2017 and amended 2018) (directing the California Department of Water Resources to implement watershed-based riverine and riparian stewardship improvement programs which "shall include all of the following elements: (1) Support for partnerships with . . . resource conservation districts"); AB 2377 (2018) adding Food and Agriculture Code, § 570 (naming resource conservation districts as technical assistance providers to California ranchers and farmers to address climate change, constrained water resources, and related issues, through implementing strategies such as "increased water retention in soils, groundwater recharge, and energy and water conservation savings[.]"); *see also* AB 252 (2021 pending bill) (Multibenefit Land Repurposing Incentive Program Act proposed to improve water quality, increase water supplies or water supply reliability, reduce groundwater demand, preserve, enhance, or restore wildlife habitat, improve flood protection, and other activities to address potential harm to or loss of agricultural lands from implementing SGMA and designating "a local agency, including a resource conservation district" to receive funding in support of the program).

Other RCD Purposes

One of the sometimes overlooked aspects of RCD's is their ability to give voice to agricultural and landowner interests in rural areas across California. Frequently, RCD's are at the forefront of the most important issues in rural communities—water, soil and resource protection, not simply because they have the power to do so, but because they are the most direct link to farmers and ranchers, and perhaps the only public agency representatives working on these issues at the local level. The Pauma Valley is no exception. While the service areas of agencies like PVCSD and Yuima Municipal Water District include many farmlands in the Valley, numerous other agricultural lands and landowners are outside those agencies' boundaries. Those landowners are represented exclusively at the local level by the USLRRCD, particularly with regard to the Sustainable Groundwater Management Act (SGMA) process. Without the RCD available to protect their interests, these farmers and landowners would be left unrepresented in a variety of local resource-oriented processes, including development and implementation of the groundwater sustainability plan (GSP).

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SGMA

It appears from some of the comment letters submitted to the Commission that a limited number of political interests in the Pauma Valley—and not a single one of the farmers the RCD represents—object to a LAFCO recognition of the water conservation and water management powers the USLRRCD has been actively implementing for decades. We would encourage the Commission to disregard these comments for a number of reasons.

Before the last several months, these entities have never objected to the work of the USLRRCD. Indeed, many have enjoyed the fruits of the RCD’s labors in bringing federal and state funds to the area and implementing water conservation, water management and other watershed-benefitting projects. These commenters also did not object to the RCD’s inclusion as one of the signatories to and direct participants in the SGMA planning process and SGMA MOU’s in the Pauma Valley, in their earlier phases. Thus, the commenters’ last-minute objections ring hollow and, at bottom, having nothing to do with what powers the USLRRCD lawfully utilizes. Rather, they seek to utilize the Commission as a pawn to try to disenfranchise local farmers and the local community in the SGMA process. We suggest the Commission should not be improperly used in this way or uphold such cavalier assertions.

By its terms, SGMA was drafted to strongly encourage, and effectively require, that local public agencies step up to manage groundwater so that sustainability can be reached within local groundwater basins within 20 years of adoption of a GSP. A GSA does not and cannot legally control any groundwater pumping that occurs on sovereign lands, as these are beyond the jurisdiction of the local agencies and the State of California. At the same time, the GSP development and implementation process does accommodate wide public participation. And, that process has been and will continue to be observed in the Pauma Valley, to the full extent of the law. Thus, the commenters have had and will continue to have plentiful opportunity to make their views known. They also have the ability to legally and otherwise object to any GSP or action by the groundwater sustainability agency they do not favor or that actually impedes on their interests. Thus, their rights are and will be protected. What these commenters are doing now is objecting in advance to a GSP still in preparation nobody has yet reviewed in anticipation of it potentially not meeting their needs or protecting their rights. This makes little sense. Their objections are premature.

What the commenters fail to reveal in their claims of a “sham” process is what the results would be to the local agricultural community if the commenters’ insincere objections to the RCD’s powers are achieved and the RCD can no longer represent the interests of the agricultural-majority in the Valley in the SGMA process. The State Water Resources Control

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Board would likely deem the Basin “probationary” under SGMA due to the lack of local agency service area coverage. (Water Code, §§ 10735(c), 10735.2.) Immediately after making such a determination, and perhaps even earlier, the State Board would begin to impose very costly per acre foot pumped annual fees on farmers across the Valley pumping groundwater. https://www.waterboards.ca.gov/water_issues/programs/sgma/reporting_and_fees.html These annual fees would increase even further if the State Board elected to produce an “interim plan” for management of the Subbasin. (Water Code, § 10735.8.) The legal and other costs to farmers will even more dramatically rise if, as expected, they individually or through their representatives participate in any of the ensuing State Board processes. At the end of the day, these fees and costs are sufficiently large that there is a very real danger of some farmers going out of business before any state-level SGMA processes could even be completed.

According to the State Board, “[a]n interim plan is intended to be a temporary measure to protect groundwater until effective local management is in place.” https://www.waterboards.ca.gov/water_issues/programs/sgma/docs/sgma/sgma_probation.pdf (page 3). Thus, perhaps most ironically, even after paying annual fees to the State Board and the development of a costly interim plan, the State Board will return the plan to the local agencies to implement. Simultaneously, the local agencies will likely be pursuing development of a final groundwater plan to replace the interim plan. Thus, after the expected years of effort and incredible expense, the Subbasin will end up in the same place it is in today, namely, the local agencies will be charged with developing and implementing a final groundwater sustainability plan.

We hope that the Commission will not let itself be used to achieve political ends that have nothing to do with the underlying question of what water conservation and management powers the USLRRCD has implemented for decades, particularly given the potentially disastrous consequences to the Pauma Valley and its farmers were the Commission to intervene unnecessarily. As explained in the accompanying comment letters, the State Board has already determined that resource conservation districts are qualified to act as GSA’s, and numerous RCDs around the state are doing so, without any—to our knowledge—having confronted an issue with their local LAFCOs. Thus, any question about RCD eligibility to be a GSA has been definitively resolved.

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Conclusion

The Pauma Valley CSD appreciates the efforts undertaken by the San Diego LAFCO in preparing the Municipal Service Review on Resource Conservation Districts. We encourage LAFCO to expressly recognize in the finally-adopted MSR that the Upper San Luis Rey Resource Conservation District's active powers include water management, water conservation and other water-related authority.

Thank you for your attention to this important matter.

Sincerely,

Steve M. Anderson
of BEST BEST & KRIEGER LLP

SMA:smb

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Letter No. 14

From: Pellman, Lloyd W.
Sent: Sunday, January 31, 2021 10:04 AM
To: Blom, Erica
Cc: Simonds, Keene; Bob Pelcyger
Subject: Regarding Items 6a and 7b on Monday's Agenda

These comments are directed to agenda items 6a and 7b.

I am an attorney with Nossaman LLP and have 35 years of experience with the statutes governing LAFCOs and their procedures. I am assisting attorney Bob Pelcyger and submit these comments on behalf of the San Luis Rey Indian Water Authority.

We agree with the statement of determinations for the final Municipal Service Review in determination 6 (j): "Additional analysis is needed to determine Upper San Luis Rey RCD's legal standing under LAFCO statute to provide groundwater management and participate in a GSA". However, we disagree that a proper Groundwater Sustainability Plan will be finalized ahead of the schedule under the Groundwater Sustainability Management Act as stated in agenda item 7b.

As your staff has accurately reported, the San Luis Rey Indian Water Authority objects to the inclusion of the Upper San Luis Rey Resource Conservation District in a Groundwater Sustainability Agency without first having received approval from LAFCO at a noticed public hearing to activate its latent water distribution power.

As your staff has accurately reported, the Upper San Luis Rey Resource Conservation District has not received approval from LAFCO at a noticed public hearing to activate its latent power of water distribution.

It does not matter that the district would have the power if it were to later gain approval from LAFCO when it lacked the power at the time of the purported formation of a GSA.

It does not matter that uninformed or misinformed state water agencies relied on the provisions of the district's principal act instead of the active powers of this district.

It does not matter that resource conservation districts in other counties participate in Groundwater Sustainability Agencies.

It does not matter that the Indian Water Authority has been invited to attend the meetings of the purported GSA.

What does matter is that the Upper San Luis Rey Resource Conservation District has not received approval from LAFCO at a noticed public hearing to activate its latent power of water distribution. It continues to have only its activated powers of water conservation and wildlife enhancement. Those limited powers do not qualify the RCD to be a participant in a GSA and no provision of the Groundwater Sustainability Management Act either excuses the requirements of Cortese-Knox- Hertzberg Act or expressly provides the authority of the State Water Control Board to itself determine what powers an entity has.

In fact the June 22, 2016 non-binding advisory opinion of the State Water Resources Control Board to Eastern Kern County Resource Conservation District found at pages 120 and 121 of the Municipal Service Review is based on the District being "vested with the full range of functions authorized by the Public Resources Code." And the non-binding April 12, 2016 advisory opinion of the State Water Resources Control Board to the Sonoma Resource Conservation District found at pages 122 and 123 of

the Municipal Service Review indicates that approval is based on the district being “vested with the full range of functions authorized by the Public Resources Code.” That is simply not the case with Upper San Luis Rey Resource Conservation District which only has activated powers of water conservation and wildlife enhancement. Without approvals by LAFCO at a noticed public hearing, there is no way that the State Water Resources Control Board could find the Upper San Luis Rey Resource Conservation District was vested with the full range of functions when it purported to participate in the formation of a GSA because it did not have the power of water distribution and it does not have the full range of functions today.

Consequently, the purported GSA was not legally and properly formed and any Groundwater Sustainability Plan resulting from those efforts will be a legal and practical nullity, leaving the basin without a lawfully created Groundwater Sustainability Agency. As a result The State Water Resources Control Board should establish a management plan and assume enforcement powers.

Lloyd W. Pellman

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Letter No. 15

From: Kim Thorner
Sent: Monday, February 01, 2021 8:38 AM
To: Blom, Erica
Cc: Simonds, Keene
Subject: Public Comment on Item 6a today at LAFCO

I would like to submit the following public comment on Item 6a, as I am unfortunately not able to attend the meeting in person this morning.

Good Morning Commissioners, My name is Kimberly Thorner, Chair of the LAFCO Special District Advisory Committee. I apologize that I am unable to attend the meeting this morning, but I wanted to state my support for the Staff recommendation to process an addendum to the MSR on Item 6a, to further evaluate the Upper San Luis Rey RCD's ability and eligibility to participate in a Groundwater Sustainability Agency. This issue arose during the Municipal Service review process and is an important one that needs to have some additional time and a deep dive as it may be precedent setting. The Special District Advisory Committee established a subcommittee to evaluate this issue and we have asked for additional information and research to answer the questions of whether San Luis Rey's water conservation or other powers were active when it entered into the GSA and if they require LAFCO approval to activate necessary powers to participate in the GSA. The subcommittee plans on meeting in February with a recommendation in March, if you approve the staff recommendation before you today. Thank you for the opportunity to comment.

Kimberly A. Thorner, Esq.
General Manager
Olivenhain Municipal Water District

**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO)
ADDENDUM TO THE FINAL MUNICIPAL SERVICE REVIEW ON
RESOURCE CONSERVATION DISTRICTS IN SAN DIEGO COUNTY**

LAFCO File No. 2021-001

March 25, 2021

PURPOSE

This addendum has been prepared by San Diego LAFCO to the final municipal service review on resource conservation districts received and filed by the Commission on February 1, 2021 paired with the separate adoption of written determinations pursuant to Government Code 56340. The addendum's purpose is to satisfy a recommendation in the final municipal service review to further address Upper San Luis Rey Resource Conservation District's (RCD) powers and authorizations therein to provide groundwater management under LAFCO statute.¹ This recommendation ties to the Commission's delegated responsibilities in CKH to establish the nature, location, and extent of special districts' functions and classes of services as well as regulate their activations and divestitures accordingly.²

SCOPE AND ANALYSIS

The addendum is organized to analyze three connected topics in revisiting the municipal service review in combination with the Commission's task to determine San Luis Rey RCD's eligible and authorized service functions and classes under CKH with specific attention to groundwater management. The first two topics revisit the municipal service review's approach with regard to whether amendments are appropriate in identifying available service functions in the RCD principal act and the process for categorizing related classes. The third topic draws on the preceding two topics and addresses whether the listing of service functions and classes specific to the Upper San Luis Rey RCD in the municipal service review are appropriate and/or merit amendments. The three topics are further detailed below and include supplemental analysis performed by LAFCO staff.

Topics 1 and 2 revisit connected assumptions and related conclusions in the municipal service review and further inform the addendum's central task to address Upper San Luis Rey RCD's active and authorized service functions and classes in CKH as Topic 3.

**Item No. 1 |
Confirming Available RCD Functions in Principal Act**

Should San Diego LAFCO confirm or amend the list of six stand-alone service functions available to Upper San Luis Rey RCD through the District's principal act *irrespective* of activation status as stated in the final municipal service review and as follows:

¹ LAFCO statute otherwise referenced as the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH).

² Reference to Government Code Sections 56425 and 56824.14.

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- a) Agricultural Enhancement
- b) Erosion Stabilization
- c) Soil Erosion Control/Prevention
- d) Water Conservation
- e) Water Distribution
- f) Wildlife Enhancement

Addendum Analysis:

The six listed service functions available to all RCDs – irrespective of activation – were developed by LAFCO staff as part of the municipal service review and based on an evaluation of the RCD principal act. The listing reflects LAFCO’s discretionary judgment given the principal act predates conventional legislation vernacular to explicitly identify special district functions. LAFCO’s discretion also reflects the lack of guidance involving RCDs in the Commission’s own Rule No 4 and its provisions to classify special district functions as well as any comparable analysis by other LAFCOs. In revisiting the topic, staff believes the six functions listed in the municipal service review – agricultural enhancement, erosion stabilization, soil erosion control/prevention, water conservation, water distribution, and wildlife enhancement – appropriately capture the full range of functions available to RCDs. The listing appropriately omits flood control given this function is only available as contract agents to federal or State agencies and cannot be independently performed by RCDs. The functions also involve a more extensive range of internal classes (i.e. the public facilities and actions to perform the function). No modifications or amendments are needed.

Item No. 2 |**Confirming Process to Categorize RCD Functions and Classes**

Should San Diego LAFCO confirm or amend the approach in the final municipal service review to directly categorize an RCD class within only one service function.

Addendum Analysis:

The service functions identified in the municipal service review for all RCDs (e.g. soil control/prevention, etc.) are broad and lend themselves to varying levels of overlap with one another in terms of shared and/or similar classes. LAFCO staff addressed this dynamic in the municipal service review by assuming it would be appropriate to categorize an active service class to only one active service function. In revisiting the topic, staff believes this approach holds and appropriately distinguishes between primary and incidental relationships between classes and functions. An apt example involves Upper San Luis Rey RCD’s class activities tied to managing multiple conservation easements in Pauma Valley. The primary purpose of these easements based on the covenants is habitat restoration and consequently categorized in the municipal service review under the District’s “wildlife enhancement” function and irrespective of other incidental relationships, such as water

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conservation.³ This approach is substantively consistent with existing policy and practice under Rule No. 4 and preferable to alternatively making crossover categorizations given the potential therein to vex LAFCO’s responsibility in CKH to ensure special districts’ functions and classes are self-sustaining with dedicated resources.

**Item No. 3 |
 Listing Upper San Luis Rey RCD’s Functions and Categorizing Classes**

Should San Diego LAFCO confirm or amend the listing in the final municipal service review involving Upper San Luis Rey RCD’s active and authorized service functions and categorizing classes as shown in the following table.

Listings in the Municipal Service Review	
Function	Class
Water Conservation	Groundwater Management
Wildlife Enhancement	Habitat Restoration

Addendum Analysis:

The listing of active and authorized service functions and related class categorizations for Upper San Luis Rey RCD in the municipal service review was established by LAFCO staff and drawn on communication exchanges with the District. Most of these exchanges occurred ahead of staff publishing a draft report in December 2020 and remain in the final report accepted by the Commission in February 2021. This includes identifying the District as having two active and authorized service functions – “water conservation” and “wildlife enhancement” – and purposefully aligned with the verbiage in the principal act as addressed in Topic No. 1. The municipal service review relatedly categorizes groundwater management under the water conservation function and habitat restoration under the wildlife enhancement function and purposefully without crossovers as addressed in Topic No. 2. Nonetheless, and based on information received during the public review period, it was also determined these listings warrant additional review with particular focus on groundwater management and serve as the lead item in this addendum. Revisiting the topic in greater detail suggests no amendments are merited with respect to listing the District’s active and authorized functions. Amendments appear merited, however, with respect to the District’s classes and involves the removal of groundwater management and addition of water irrigation assistance, water quality monitoring, watershed planning, and educational outreach. An updated listing follows.

³ A similar example where the source of the grant or grantor appropriate informs the designation of class/ activity involves farm evaluations performed Upper San Luis Rey RCD through a grant from the San Diego County Water Authority. In this example, the underlying activity is captured as a water irrigation class and categorized under the water conservation function rather than under and/or also within an agricultural enhancement function.

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Amended Listings	
Function	Class
Water Conservation	Water Irrigation Assistance
	Water Quality Monitoring
	Watershed Planning
	Educational Outreach
Wildlife Enhancement	Habitat Restoration

CONCLUSIONS AND RECOMMENDATIONS

The supplemental analysis and review of additional information undertaken in this addendum confirms the municipal service review’s approach in identifying available service functions in the RCD principal act as well as the process in categorizing related classes (Topics 1 and 2). The supplemental analysis also confirms the municipal service review correctly identifies Upper San Luis Rey RCD’s active and authorized service functions as water conservation and wildlife enhancement. The supplemental analysis, however, also indicates the municipal service review requires amendments in listing active and authorized classes under the District’s water conservation function. The amendments remedy the municipal service review incorrectly including groundwater management while omitting water irrigation assistance, water quality monitoring, watershed planning, and educational outreach. The removal of groundwater management is warranted since the lone connected activity involves participation in the Pauma Valley Subbasin GSA, which commenced after functions and classes became subject to LAFCO approval under CKH. Furthermore, groundwater management as contemplated for GSAs – an appropriate benchmark given current circumstances – is substantively distinct in scope and scale to other classes established and maintained by the District and marked by their differing regulatory and advisory orientations. The addition of the other classes is separately merited by documentation showing these subject activities were underway at the time of CKH and have been continually provided (Topic 3).⁴

The following statements and recommendations draw from the preceding conclusions and provided for Commission consideration and related action.

1. Upper San Luis Rey RCD’s authorized service functions are confirmed as presented in the municipal service review as water conservation and wildlife enhancement.
2. Upper San Luis Rey RCD’s authorized classes under the District’s water conservation function as presented in the municipal service are amended as water irrigation assistance, water quality monitoring, watershed planning, and educational outreach.

⁴ Reference to documentation filed during the municipal service review’s public review and comment period from the Yuima Municipal Water District on January 28, 2021 and Pauma Valley Community Services District on January 29, 2021.

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3. Upper San Luis Rey RCD requires authorization from San Diego LAFCO to provide groundwater management as a new class under the District's water conservation function to comply with CKH.⁵
4. San Diego LAFCO is not responsible for administering GSAs under the Sustainable Groundwater Management Act (SGMA) and accordingly this addendum addresses only the District's compliance under CKH.
5. San Diego LAFCO takes no position with respect to whether Upper San Luis Rey RCD's is separately eligible and authorized under SGMA to participate in the Pauma Valley Subbasin GSA and its provision of groundwater management irrespective of CKH.
6. The Upper San Luis Rey RCD should apply to activate a groundwater management class under its water conservation function to comply with CKH and harmonize any separate allowances under SGMA through the Department of Water Resources.
7. San Diego LAFCO should address groundwater management in its scheduled policy review and update to Rule No. 4.

⁵ Reference to procedures under Government Code Sections 56824.10-14.

From: [Kim Thorner](#)
To: [Simonds, Keene](#)
Cc: [Jack Bebee](#); [Paul Bushee](#)
Subject: Update from the SDLAFCO SDAC Ad Hoc Subcommittee on the USLRRCD participate in a GSA
Date: Thursday, March 04, 2021 12:00:39 PM

Keene - The *San Diego LAFCO Special District's Advisory Ad Hoc Subcommittee on Upper San Luis Rey RCD's participation in a GSA*, consisting of myself, Jack Bebee, and Paul Bushee, had the opportunity to conduct a second Zoom meeting on 03/02/2021.

The purpose of our meeting was to further discuss and refine the questions that our Ad Hoc Subcommittee had after our first meeting in February and to review and discuss the letters and information from both Mr. Llyod Pelman representing the San Luis Rey Indian Water Authority and also from the Yuima Municipal Water District in conjunction with the Upper San Luis Rey RCD (USLRRCS) and the Pauma Valley Community Services District.

One of the main questions that our Ad Hoc Subcommittee discussed at length was whether or not the Upper San Luis Rey RCD was providing 'water management' functions in the year 2000 or prior. Based on the information provided, we note that Upper San Luis Rey RCD provided documentation that it was providing water management functions back to at least the early 1990's and as shown specifically in 1998 via agreements with National Resource Conservation Services and others thereafter. Water quality, water conservation, watershed education and watershed protection are all water management functions that have been and continue to be offered by the Upper San Luis Rey RCD, as supported by the documentation provided.

We also noted that pursuant to LAFCO's own Rule 4.4, neither groundwater management nor water distribution are listed as functions. Rule 4.4 only lists "Water" with "Retail, Wholesale, Replenishment and Injection" as functions. We again believe that rule 4.4 should be updated to reflect current industry terms and functions.

If USLRRCD planned on extracting water, replenishing water, installing any pipes, etc., we agree that they would need to come to LAFCO to ask for permission to activate these powers. Mere participation at the water management level in a SGMA GSA does not require an additional activation of powers, as we believe that USLR RCD has been practicing water management via conservation, protection and education programs since before 2000.

We wanted to get you our thoughts and input at this time. Please let us know if you would like to have another meeting with the LAFCO staff to follow up and discuss further. Thank you, Kim Kimberly A. Thorner, Esq.

General Manager
Olivenhain Municipal Water District

San Diego LAFCO

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