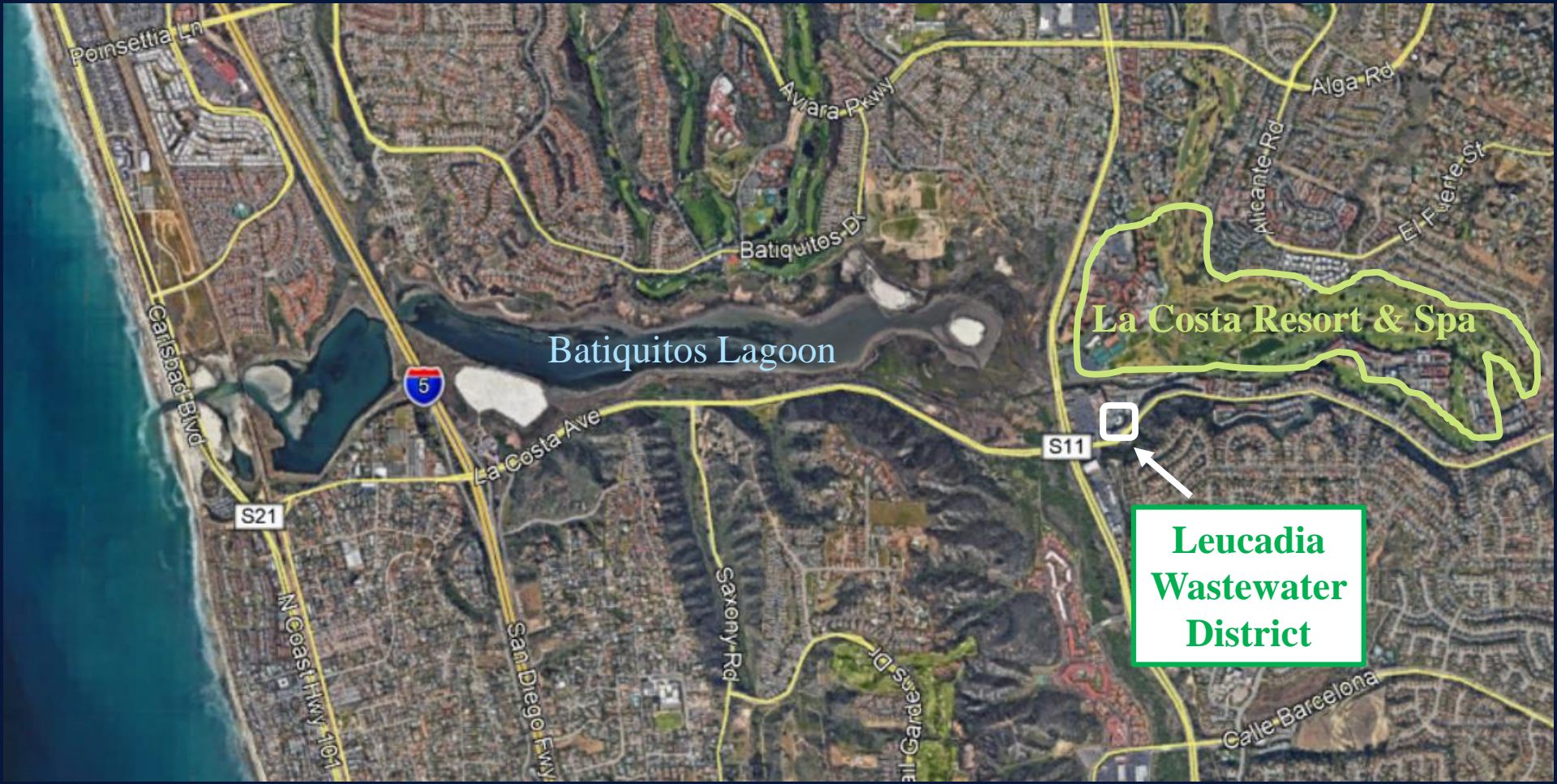


LAFCO Special District Advisory  
Committee  
LWD Recycled Water Service  
to Omni La Costa Presentation  
(October 11, 2019)





Batiquitos Lagoon

La Costa Resort & Spa

Leucadia  
Wastewater  
District



**Omni La Costa  
Resort**

**Omni LA  
COSTA  
POND**

**Recycled Water  
Supply Line**

**GAFNER  
PLANT**

La Costa Ave

Rep

Tort

at Ctr

# Overall Perspective

- \* Began Supplying RW to La Costa in Early 1960's
- \* Supplied By LWD Owned Facilities Since Inception
- \* If Carlsbad Prevails, Gafner Forced to Shut-Down
- \* Strand Appx. \$9M in Public Assets
- \* Does Not Make Logical Sense

# Brief History

- \* Began Service Delivery in Early 1960's
  - \* Direct Relationship w/ La Costa
- \* Agreement w/ Carlsbad in 1991
  - \* Facilitate Financing
- \* Carlsbad Terminated Agreement 2012
- \* LWD Directly Served RW to La Costa – Summer 2013
- \* Agreement w/ Carlsbad in Sept. 2013 (5 Yrs.)
- \* Carlsbad Terminated in 2018
- \* LWD Directly Serve La Costa – Sept. 2018 - Present

# Carlsbad Service to La Costa Would Contradict LAFCO Purpose

*LAFCO Goal - “Promote Logical and Efficient Public Services for Cities and Special Districts”*

- \* Carlsbad Would Require La Costa to Pay For New Infrastructure to Allow RW Delivery
  - \* Estimated at \$1M
  - \* RW Commodity Cost is \$250 a/f Greater (\$60k/Yr.)
- \* Significant Financial Burden for La Costa
  - \* Reliable RW Currently Available
- \* Not Logical or Efficient Public Service

# Under LAFCO Rules, LWD's Service Is Properly Classified as Reclamation

## 4.4 CLASSIFICATION OF FUNCTIONS AND SERVICES -

The following classifications of functions and services are hereby established:

<b>FUNCTION</b>	<b>SERVICES</b>
Sewer	Collection, Transportation, Treatment, <b><i>Reclamation</i></b> , Disposal

# The Preliminary Determination Would Apply a Classification That Does Not Exist

## Section 4.2(8):

“Service” means a class established within a single local agency function including the necessary facilities to perform the function. **The San Diego LAFCO’s adopted service classification system adopted per Government Code Section 56074 is applicable to all local agencies for purposes of defining functions and services**



# The Preliminary Determination Would Apply a Classification That Does Not Exist

- \* There is No Separate Recycled Water Classification.
- \* Reclamation is the Only Available Classification Regardless of Whether it is Considered Wholesale or Retail.
- \* Changes in Classifications Require a Formal Notice and Hearing Process Under Government Code Section 56821.

# LAFCO Standards For Determining an Existing Use Support LWD's Position

- \* LAFCO Rule 4.5 - Requirements for Special Districts:

*“For the Purposes of these rules and regulations a district shall be deemed to be providing a function or service if bonds have been heretofore authorized therefore, if substantial sums have been expended, if substantial financial obligations have been incurred, if property, facilities or equipment have been acquired or constructed for such purpose, or if the district is actually exercising its powers to provide such function or service for the benefit of lands or inhabitants with the district.”*

# Prelim. Determination Inconsistent w/ Prior Executive Officer Determination

- \* Carlsbad Challenged LWD's Ability to Provide RW to La Costa in 2013
- \* Same Body of Facts As Today
- \* EO Determined that *"LWD's Decision to once again provide direct reclamation service to the South Course does not constitute a new service and that LAFCO does not have purview over this matter"*
- \* LWD believes 2013 Determination Correctly Applied LAFCO Rules

# Regulators Acknowledge LWD's Ability to Provide Direct RW Service La Costa

- \* Regional Water Quality Control Board Master Reclamation Permit for Gafner Facility
  - \* Contemplates both Direct & Indirect Service to South Course
  - \* Direct Service - Additional Requirements
- \* LWD has Adopted Required Rules for Direct Service
- \* LWD met 120 Day Notification Requirement in both 2013 & 2018
- \* Regional Board Authorized Direct Service to South Course in both 2013 & 2018

# Summary

- \* Historical Service - Not a New Service
- \* LWD's Service - Most Efficient & Best Use of Public Funds
- \* LWD Service in Conformance w/ LAFCO Goals - Most Logical & Efficient
- \* LWD's Service in Conformance w/ LAFCO Rules
- \* Authorized by the Regional Board
- \* Most Cost Effective & Reliable for Omni La Costa

*Questions*