

SAN DIEGO LAFCO



**COMMISSION MEETING
OCTOBER 6, 2025**

SAN DIEGO LAFCO

Agenda Item No. 6a

Proposed “Valiano-Eden Hills Reorganization”



10/6/2025



Proposal Summary

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Reorganize integrated fire protection, rescue, and emergency medical services

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Area: ~ 11 acres of unincorporated land in Harmony Grove area

- Part of a 240-acre project

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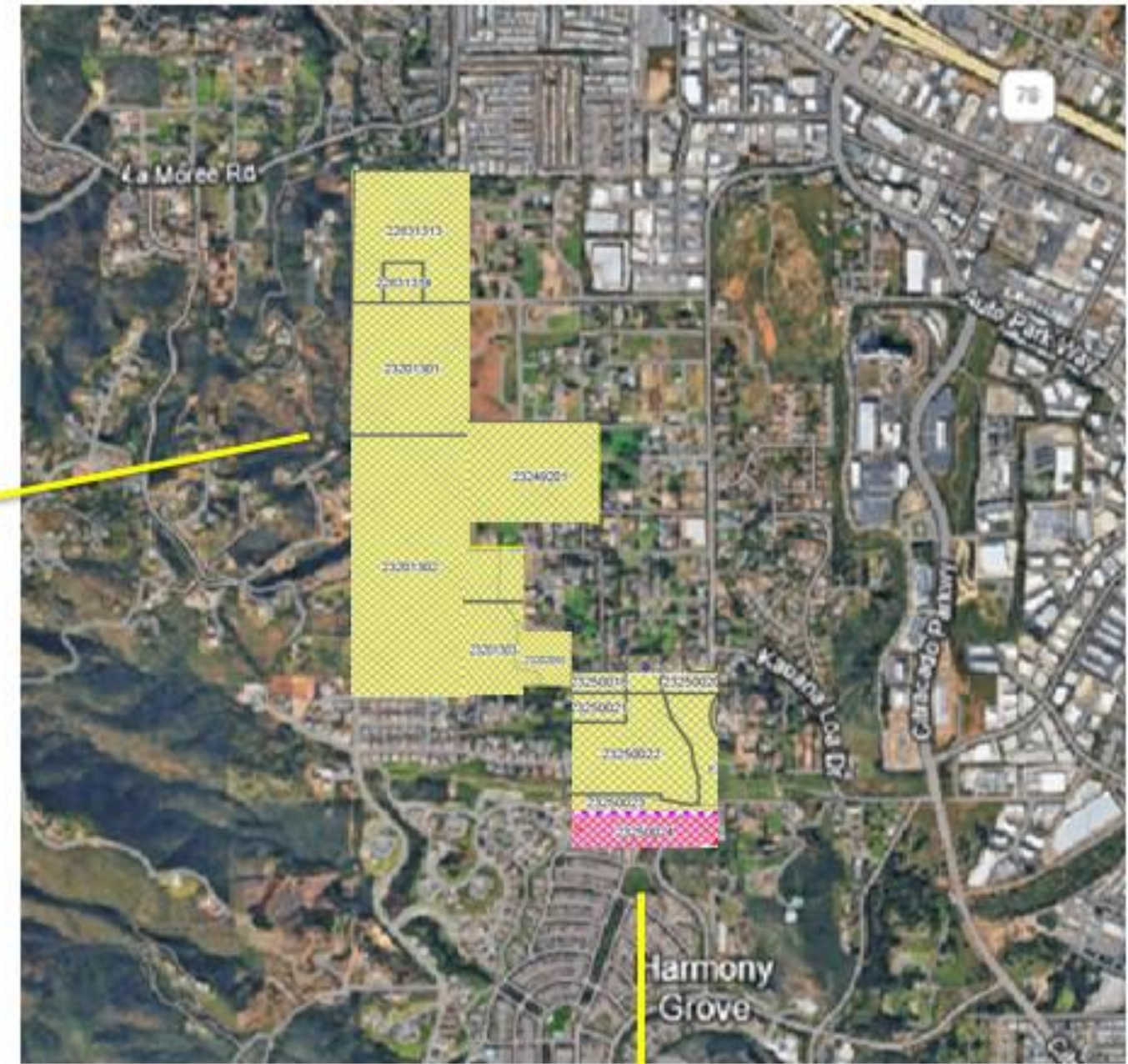
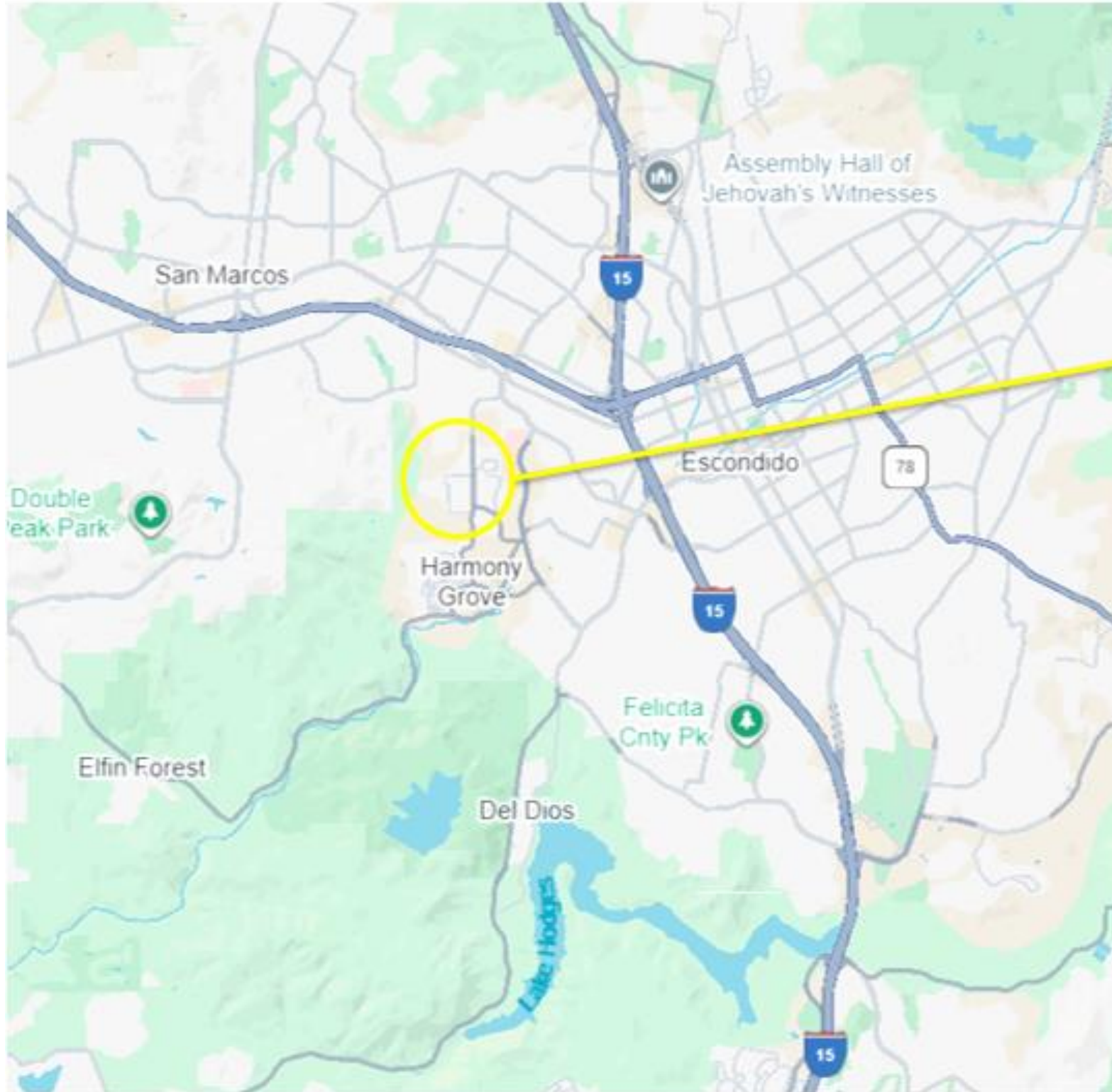
Transfer of services from Rancho Santa Fe FPD to San Marcos FPD

- Concurrent detachment & annexation
- Ensure uniform fire and building code administration

Map of Affected Territory



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Background & Context



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2018: County conditionally approved Valiano Project (326 units)

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Legal Challenges: Resolved late 2024, reduced to 243 units

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Fire Reorganization: Still required via County's conditional approval of project

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Operational Complication

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2020: Rancho Santa Fe FPD opens a new fire station (0.5 miles away)

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San Marcos FPD: 2.5 miles away, across SR-78

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Implication: Rancho Santa Fe remains first responder despite reorganization

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Jurisdiction vs. Reality

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Legal Authority: San Marcos FPD

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First Response: Rancho Santa Fe FPD

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Challenge: LAFCO's mission is to align jurisdiction w/service delivery

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Staff Recommendation

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Approve with Condition:

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Require Out-of-Agency Service Agreement between San Marcos FPD & Rancho Santa Fe FPD

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*Before Certificate of Completion is issued

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OAS would:

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1. Formalize first-response roles

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2. Address compensation

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3. Avoid Rancho Santa Fe FPD constituents from subsidizing outside area services



Staff Recommendations (continued)

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Sphere Amendment:

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- Remove from Rancho Santa Fe FPD's sphere

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- No amendment needed for San Marcos FPD ("zero sphere")

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MSR Waiver: Due to limited scope

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CEQA: Rely on County's EIR Addendum (Dec 2024)

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Common Sense Exemption: for LAFCO's sphere action

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Protest Waiver:

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- Territory is uninhabited

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- Landowner consents

- Staff recommends waiving protest proceedings



Bottom Line

- 1 • New fire station changed operational landscape post-county approval
- 2 • LAFCO can't realign jurisdiction, but can formalize service reality
- 3 • Out-of-Agency agreement protects interest, supports project

Alternative One (recommended)

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8 Adopt the attached resolution conditionally approving the reorganization proposal along with a conforming sphere of influence amendment to Rancho Santa Fe FPD.

- 9 • Waive policy L-106
- Waive Protest Proceedings
- Make CEQA Findings

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Comments/Questions?**



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**COMMISSION MEETING
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Agenda Item No. 7a

Proposed “Brown - Quarry Rd. Change of Organization”



10/6/2025



Proposed “Brown - Quarry Rd. Change of Organization”

Background

- Vacant 10.7 acre Unincorporated Parcel within Bonita Community
- Plans to Develop Self Storage Facility and Leasing Office
- Seeking annexation to the San Diego County Sanitation District for Wastewater Services without SOI amendment



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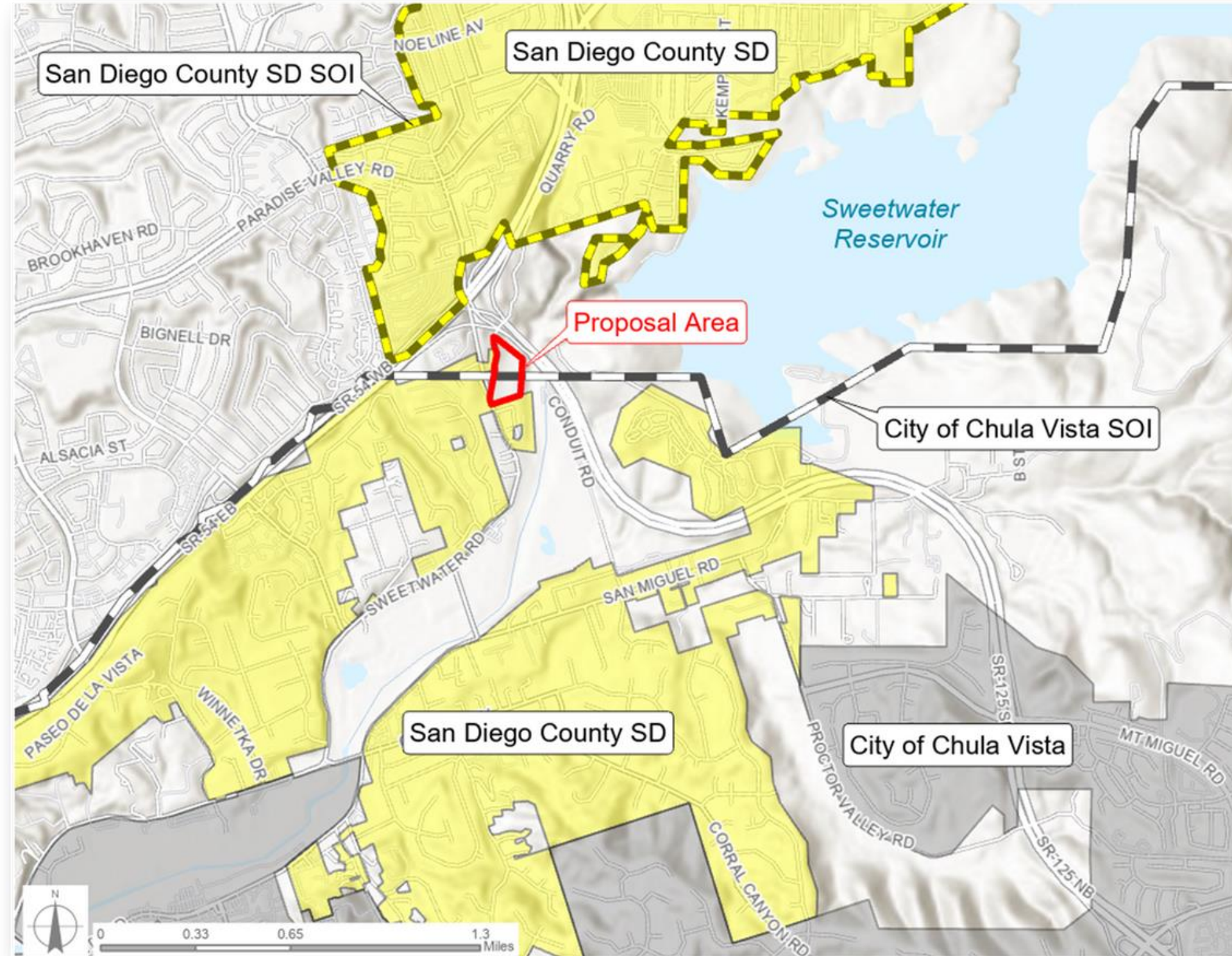
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Proposed “Brown - Quarry Rd. Change of Organization”



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Proposed “Brown - Quarry Rd. Change of Organization”

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Recommendations

- 1 Approve Proposal
- 2 Waive Protest Proceedings
- 3 Adopt Parallel CEQA Findings to the County of San Diego

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Comments/Questions?**



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Agenda Item No. 7b

Proposed Update to the Study Schedule



10/6/2025

2025-2026 + 2026-2027



Carlsbad + Encinitas Region

- **Part I: Carlsbad**
 - City of Carlsbad
 - Carlsbad MWD
- **Part II: Encinitas**
 - City of Encinitas
 - Leucadia WWD
 - Olivenhain MWD
 - San Dieguito WD

Oceanside Region

San Marcos + Vista Region

- **Part I: San Marcos**
 - City of San Marcos
 - Vallecitos WD
 - San Marcos FPD
 - Vista ID
- **Part II: Vista**
 - City of Vista
 - Buena SD

San Diego County Healthcare Districts

- **Part I: Macro + Part II: Micro**
 - Palomar HD
 - Tri-City HD
 - Fallbrook HD
 - Grossmont HD
 - County Partners

Council of Governments

- San Diego Association of Governments (SANDAG)

Wholesale Water Service Providers

- San Diego County Water Authority
- Metropolitan Water District of Southern California

Del Mar + Solana Beach Region

- City of Del Mar
- City of Solana Beach
- Santa Fe ID

San Diego Unified Port District



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2027-2028



SOUTHWEST COUNTY FOCUS

Rancho Santa Fe Region

- Fairbanks Ranch CSD
- Questhaven MWD
- Rancho Santa Fe CSD
- Rancho Santa Fe FPD
- Whispering Palms CSD

San Diego County Wastewater JPAs

- Encinitas JPA
- San Elijo JPA
- Metro JPA

City of San Diego

Silver Strand Cities

- City of Coronado
- City of Imperial Beach

South Coast Region

● Part I: Cities

- City of Chula Vista
- City of National City

● Part II: Special Districts

- South Bay Water District
- Sweetwater Authority
- Bonita-Sunnyside
- Sweetwater FPD

Transit Service Providers

- North County TD
- Metropolitan Transit Service

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2028-2029



EAST COUNTY FOCUS

Otay WD

La Mesa - Lemon Grove Region

- City of La Mesa
- City of Lemon Grove
- Lemon Grove SD

El Cajon - Santee Region

- City of El Cajon
- City of Santee

East County Water Districts

- Lakeside WD
- Helix WD
- Padre Dam MWD

East County FPDs

- Lakeside FPD
- San Miguel Consolidated FPDs
- Alpine FPD

San Diego County Sanitation District

Countywide Recycled Water Services

Cemetery Districts

- North County
- Pomerado
- Ramona
- Valley Center

San Diego County Airports

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2029-2030



MISCELLANEOUS

Countywide Fire Protection Services (Fire, Rescue, and EMS)

County Service Areas

- CSA 17 - Ambulance, San Dieguito
- CSA 26 - Parks and Recreation, Rancho San Diego
- CSA 81 - Parks and Recreation, Fallbrook
- CSA 83 - Parks and Recreation, San Dieguito
- CSA 122 - Infrastructure Planning, Otay East
- CSA 128 - Parks and Recreation, Spring Valley
- CSA 135 - Regional Communications, Countywide
- CSA 136 - Flood Control and Drainage, Lakeside
- CSA 137 - Retail Water Services, Live Oak Springs
- CSA 138 - Parks and Recreation, Valley Center

Countywide Police Protection Services

San Diego County Flood Control District

Pauma Valley Region

- Mootami MWD
- Rincon Ranch CSD
- Pauma CSD
- San Luis Rey MWD
- Yuima MWD

Borrego Region

- Borrego WD
- Coachella Valley WD

East Laguna Summit Region

- Canebrake WD
- Descanso WD
- Jacumba CSD

Geological Hazard Abatement Districts

- Casa de Playa Geologic Hazard Abatement District
- Oceanus Geologic Hazard Abatement District

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**Agenda Item No. 7b
Comments/Questions?**



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Agenda Item No. 7c
Update on CWA-MWD MSR



10/6/2025



Today's Focus

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- Last Check-In before Staff firms-up a Draft Report (Early 2026)
- Commission's Opportunity to Provide Feedback on **Scope & Framing**



Where the Analysis is Heading...

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- CWA has made remarkable progress
- Impressively diverse water supply portfolio at a steep financial cost
- Cost structure + water demand patterns = Challenges
- Real-Time stress-test: Underway for the CWA + 22 member agencies



Key Themes

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- 1 Transformation Period
- 2 Structural Problem
- 3 Challenge Ahead
- 4 Emerging LAFCO Themes



Transformation Period (2008-2023)

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Major Capital Investments in response to 1991 Drought:

1. Quantification Settlement Agreement securing Colorado River water through IID transfers and canal lining
2. Carlsbad Desalination Plant partnership with Poseidon
3. \$1.5 billion in emergency storage infrastructure

Dependency on MET ↓ 88% (2008) → 19% (2023)

As a result... CWA has tripled its water rates

- All-in untreated rate: \$520 to \$1,579 per acre-foot
- Treated rate: \$684 to \$1,929 per acre-foot



Structural Problem

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Core Financial Vulnerability:

- **Fixed Costs:** Approximately 90 cents of every \$1.00
- **Variable Revenues:** Approximately 30 cents of every \$1.00
- Take-or-pay contracts = Continuing to pay for water it doesn't need



Tipping Point

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CWA Board taking an aggressive approach to course-correcting:

1. Negotiated sale of 50k acre-feet of QSA water to U.S. Department of Interior, **saving \$15-20 million**

2. Cut \$10 million from capital budget (deferring critical infrastructure projects)

3. Settled 15 years of litigation with MWD, **fundamentally changing financial flexibility** by enabling QSA water sales to other agencies

4. And most significantly to ratepayers, approved an up-to 14% rate increase for 2025, with 16.4% for 2026 and 5.6% projected for 2027 — **a cumulative 40% over the next three years**

Challenge Ahead



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Demand forecast: further $\frac{1}{3}$ reduction due to...

- Upcoming potable reuse projects:
 - City of San Diego Pure Water Phase 1 (2027): 38,110 acre-feet/year
 - City of San Diego Pure Water Phase 2 (2035): 59,407 acre-feet/year
 - East County Advanced Water Purification (2026): 12,890 acre-feet/year
 - Oceanside expansion (ongoing): 1,680 acre-feet/year



Emerging Themes

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Legislature's ask of LAFCO:

Address community needs – present and future - and offer up potential remedies in the form of recommendations.

1 Governance and Accountability

- Voting Power vs. Cost Burden (Divergence...)
- How should LAFCO address this in terms of meeting community needs – present and future?

2 Potable Reuse Coordination

- Local Water Development vs. Wholesale Water Procurement
- May need to better sync the two....



Emerging Themes

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Legislature's ask of LAFCO:

Address community needs – present and future - and offer up potential remedies in the form of recommendations.

3 Defining Service Adequacy

- Secure supply vs. financial sustainability
- How does LAFCO define “service adequacy?”

4 Encouraging Sign

- Positive Leadership + Executive Management Changes
- Restoring organizational focus: punctuated by the long-awaited settlement with MWD



Next Steps

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- October 2025: Admin draft to agencies (60-day review)
- Stakeholder outreach & advisory committees
 - Commission's Cities and Special Districts Advisory Committees
 - CWA + MWD MSR Working Group
- Spring 2026: Draft MSR to Commission

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Agenda Item No. 7c
Comments/Questions?



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