Chair Katz, Vice-Chair Serrano, and Secretary Hilliker,

At the November 16, 2023 Board meeting, a truncated presentation was made to a reduced number of Board members resulting in “The Board directed the General Counsel and General Manager to finalize and execute a settlement agreement with Fallbrook and Rainbow in material conformity with documents reviewed during the Closed Session.”

After more than three years evaluating this issue and whether it supports the function, purpose, and benefit of the San Diego County Water Authority (SDCWA), this process was insufficient in allowing meaningful Board review. Therefore, we are requesting a Special Board meeting be set in December 2023 (suggest December 19, 20, or 21, 2023) with an agenda item to rescind, repeal, cancel, or otherwise nullify or amend the referenced Board action (Item 12-D on November 16, 2023) as allowed by the San Diego County Water Authority Administrative Code 2.00.080 (k) (8).

There are still significant financial, operational, legal, regional, and public issues that have not been fully detailed or addressed including: (1) decommissioning costs, (2) water supply costs, (3) operational costs, (4) overall total costs to SDCWA, (5) rate impacts to SDCWA and member agencies, (6) operational actions, (7) SDCWA neutral position and policy on detachment, (8) reverse validation in SDCWA’s litigation briefs, (9) SDLAFCO’s authority and rights, (10) all Metropolitan Water District of Southern California (MWD) detachment/attachment and transfer costs and requirements, (11) MWD voting rights, (12) effect of AB 399, (13) overall schedule, and (14) public announcement notification of rate impacts to ratepayers.

Any settlement agreement with Fallbrook and Rainbow requires integration of all actions, requirements, and terms with MWD and Eastern MWD of the de-annexation, which would constitute a material change to settlement. Meaningful discussions with MWD and Eastern MWD haven’t even started, and actions, requirements, and terms have yet to be defined.

The San Diego County Water Authority Secretary shall not file a certificate of proceedings on this matter until all the issues identified in the letter are addressed. There is sufficient time for a thorough review of all these issues at our Board before any final decisions are made.

Thank you,
Dir. Jim Madaffer
City of San Diego

Dir. Gary Croucher
Otay Water District

Timothy Smith
Otay Water District

Dir. Marty Miller
Vista Irrigation District

Dir. Michael T. Hogan
Santa Fe Irrigation District