



MISSION RESOURCE CONSERVATION DISTRICT
138 S. Brandon Rd, Fallbrook, CA 92028

SPECIAL MEETING, Monday – June 15, 2026
4:45 p.m.

Board Members: President Scott Murray, Vice President Robert Lin, Treasurer Peggy Brown, Director Lynne Barnett
Associate Directors: Ross Pike, Mark Mervich, Cheryl Lindberg

AGENDA

I. CALL TO ORDER

II. Welcome Guests

III. Roll Call, Determination of Quorum

IV. Additions to the Agenda (Gov. Code 54954.2(b))

In accordance with Government Code Section 54954.2 (the Brown Act), additions/changes to the agenda generally require a determination by a two-thirds majority vote of the members of the Board present at the meeting, or, if less than two-thirds of the members present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the District subsequent to the agenda being posted.

V. Oral Communications to the Board of Directors (Gov. Code 54954.3 (a))

This portion of the agenda may be used by any person to address the Board of Directors on any matter within the jurisdiction of Mission Resource Conservation District. However, depending on the subject matter, the Board of Directors may be unable to respond to at this time until the specific item is placed on the addenda at a future meeting in accordance with the Brown Act. Speakers are limited to three minutes.

SECTION 1 – BOARD ACTION / DISCUSSION ITEMS

1-1: LAFCO MSR working group updates

SECTION 2 – AGENDA SUGGESTIONS for NEXT MEETING & ADJOURNMENT

SWOT Summary

The consolidation of RCDs presents a strong opportunity to improve operational efficiency, expand programmatic reach, and enhance competitiveness for grant funding. By combining resources, the organization can reduce redundancy, streamline administrative processes, and better serve the full county – particularly in high-demand areas such as fire and weed management.

At the same time, consolidation introduces organizational and governance challenges. Managing a larger entity will require thoughtful leadership structure, sufficient operational capacity, and careful attention to board dynamics. Physical space limitations and compensation structures also present constraints that will need to be addressed to support growth.

While grant funding remains an ongoing risk regardless of structure, consolidation may improve the organization's ability to secure larger and more complex funding opportunities. Success will depend on balancing efficiency gains with preservation of local presence, particularly maintaining Mission RCD's community connection.

The potential consolidation is not simply a merger of similar organizations, but the integration of a localized, agriculture-focused district with a regional, multi-program conservation entity, creating both significant opportunity for scale and some risk around organizational alignment and community connection.

SWOT Analysis: Consolidation of RCDs

SWOT Matrix

Strengths	Weaknesses
Consolidation of redundant or overlapping programs improves efficiency and reduces duplication	Organizational capacity may be insufficient to support a larger, combined entity
Streamlined operations with fewer MOUs and grants to manage	Management complexity increases with a larger organization
Greater ability to secure and manage larger grants due to increased scale and resources	Limited physical office space; both locations are near capacity
Opportunity to leverage Greater RCD's professional finance/accounting expertise (succession planning for Mission RCD's retiring bookkeeper)	Limited professional development opportunities at both RCDs

Leadership flexibility; opportunity to design a right-sized management structure

Compensation challenges, including wages and retirement benefits

Complementary service models

- Mission RCD = deep, place-based agricultural expertise
- RCDGSDC = broad, multi-program regional delivery platform

Existing collaboration ecosystem

- Both already partner with agencies, nonprofits, and landowners across the region
- Evidence of coordination (e.g. shared program participation, agricultural planning efforts)

Established credibility and longevity

- RCDGSDC dates to 1941; Mission RCD to 1944
- Longstanding institutional trust

Programmatic depth across sectors

- Combined entity would cover:
 - Agricultural & water efficiency
 - Wildfire resilience & forest health
 - Habitat restoration & pollinators
 - Community education

Opportunities

Threats

True countywide service integration

- Combine Mission's North County strength with RCDGSDC's broader footprint
- Eliminate geographic fragmentation

Expand successful services and programs into new geographies and improve regional impact

Launch or grow programs in high-demand areas (e.g., fire management in North County)

Improve operational efficiency through consolidation and shared resources

Board governance challenges; potential resistance to restructuring or loss of board seats

Risk of losing local identity or presence (importance of maintaining Mission RCD office location)

Ongoing grant funding uncertainty (applies with or without consolidation)

Transition risks during consolidation (staff alignment, systems integration)

Competition for internal resources. Programs may compete for:

- Staff time

Unified, strengthened voice in regional policy, planning and advocacy

- grant-writing capacity
- leadership attention

Strengthened organizational competitiveness for funding and partnerships

- Climate, wildfire, water and biodiversity funding increasingly favors regional, multi-benefits program

Mission RCD is deeply embedded in specific communities (Fallbrook, Bonsall, etc.)

- Consolidation could weaken “boots on the ground” perception

Enhanced workforce development

- RCD already runs internships/fellowships
- Could create stronger pipeline across the combined organization

If the two districts are being encouraged by LAFCO to explore a consolidation, the process is generally governed by the California Cortese-Knox-Hertzberg Act and the Resource Conservation District statutes. For two RCDs such as Mission Resource Conservation District and Resource Conservation District of Greater San Diego County, the process typically looks like this:

1. Preliminary Discussions and Due Diligence

Before any formal filing, the two boards usually:

- Meet jointly to discuss objectives.
- Review finances, grants, contracts, assets, liabilities, and staffing.
- Evaluate governance options (board size, director representation, headquarters, committees, etc.).
- Develop a conceptual consolidation plan.
- Consult with the relevant LAFCOs (likely both [San Diego LAFCO](#) and possibly [Ventura LAFCO](#) if Mission RCD territory is involved). LAFCOs are specifically authorized to encourage and initiate special district consolidations.

2. Board Resolutions

Each district board generally adopts substantially similar resolutions expressing support for consolidation and outlining key terms.

These resolutions often address:

- Name of successor district.
- Governance structure.
- Transfer of assets and liabilities.
- Continuity of programs and employees.
- Representation of different geographic regions.

3. Application to LAFCO

A consolidation proposal can be initiated by:

- The affected districts,
- A petition, or
- LAFCO itself.

The application package typically includes:

- Resolutions from the districts.
- Maps and legal descriptions.
- Financial information.
- Service plans.

- CEQA documentation.

4. Municipal Service Review (MSR) and Sphere of Influence Analysis

LAFCO generally relies on:

- Existing or updated Municipal Service Reviews (MSRs).
- Sphere of Influence (SOI) studies.

These reviews examine:

- Current and future service needs.
- Financial capability.
- Operational efficiencies.
- Governance alternatives.
- Community and agricultural interests.

5. CEQA Review

The proposal must undergo environmental review under the California Environmental Quality Act (CEQA).

Many district consolidations qualify for exemptions, but LAFCO must make that determination.

6. LAFCO Public Hearing

LAFCO holds a noticed public hearing and evaluates:

- Service efficiencies.
- Fiscal impacts.
- Public benefit.
- Effects on stakeholders and landowners.
- Terms and conditions of approval.

LAFCO may approve, deny, or conditionally approve the consolidation.

7. Protest Proceedings

After approval, LAFCO generally conducts a protest process.

Depending on:

- Number of registered voters,
- Landowners,
- Level of protest,

the proposal may:

- Become effective without election,
- Require an election,
- Or be terminated if protest thresholds are exceeded.

8. Election (If Required)

Some consolidations require voter approval; others can proceed administratively if protest levels remain below statutory thresholds. The determination is made under the CKH Act's protest provisions.

9. Certificate of Completion

When all conditions are satisfied, the LAFCO Executive Officer issues a Certificate of Completion.

At that point:

- The successor district legally exists.
- Assets, contracts, grants, rights, and obligations transfer to the consolidated district.
- The predecessor districts cease to exist as separate entities.

Special Consideration for RCDs

California law specifically contemplates consolidation of Resource Conservation Districts and allows LAFCO to temporarily expand the size of the governing board after consolidation to ensure representation from the former districts during the transition.

Typical Timeline

For two functioning districts that are voluntarily pursuing consolidation:

Phase	Typical Duration
Exploration and negotiations	3–12 months
Application preparation	2–6 months
LAFCO review and hearings	4–12 months
Protest/election process	2–6 months
Implementation	3–12 months

A realistic estimate is **12–24 months** from initial board discussions to a fully operational consolidated district.

For the current discussions between the two districts, LAFCO's interest is usually not just "Can they merge?" but "Will consolidation improve public service, governance, and fiscal sustainability?" The specific issues LAFCO is likely examining can be inferred from California LAFCO consolidation criteria and the common challenges facing RCDs.

Issues LAFCO Is Likely Focusing On

1. Financial Sustainability

This is often the most important issue.

LAFCO will likely ask:

- Are both districts financially viable on a standalone basis?
- Does one district have significantly stronger reserves than the other?
- Would consolidation reduce administrative overhead?
- How would grant administration improve?
- Are there outstanding liabilities, unfunded obligations, or pending legal issues?

Key documents:

- Audits (3–5 years)
- Annual budgets
- Reserve policies
- Grant portfolios
- Contracts and leases

2. Administrative Capacity

Many RCDs struggle with limited staffing.

LAFCO will likely examine:

- Number of employees and contractors
- Executive management capacity
- Grant management systems
- HR and payroll systems
- IT and accounting infrastructure

Questions include:

- Can a single organization administer more projects more efficiently?
- Will consolidation create a stronger back-office operation?

3. Service Effectiveness

LAFCO's core mission is service delivery.

The analysis often focuses on:

- Conservation planning
- Watershed management
- Wildfire resilience programs
- Agricultural assistance
- Habitat restoration
- Community outreach

Questions:

- Will landowners receive equal or better service?
- Are there service gaps today?
- Can the combined district expand services?

4. Geographic Representation

This is likely to be one of the most sensitive topics.

Mission RCD and Greater San Diego County RCD cover different communities and landscapes.

Concerns often include:

- Loss of local voice
- Rural versus urban priorities
- Coastal versus inland interests
- Agricultural versus habitat priorities

LAFCO will want assurance that no area becomes politically marginalized.

5. Governance Structure

LAFCO will likely scrutinize:

- Board composition
- Director appointment procedures
- Transition governance

Questions include:

- How many directors?
- How are seats allocated?
- Will both legacy districts be represented?

Many consolidations use temporary board expansion so directors from both districts remain involved during the transition.

6. Existing Grants and Funding Agreements

This can become a major technical issue.

Questions include:

- Can existing grants be assigned?
- Will state and federal agencies approve transfers?
- Are there grant restrictions tied to the original district?

Potential agencies involved:

- California Department of Conservation
- Natural Resources Conservation Service
- California Department of Fish and Wildlife

7. Strategic Value

LAFCO often asks whether consolidation creates a stronger regional conservation organization.

Benefits might include:

- Larger grant competitiveness
- More technical expertise
- Greater political influence
- Improved succession planning
- Better resilience to staff turnover

8. Sphere of Influence and Territory Questions

LAFCO will evaluate:

- Whether boundaries should change
- Whether all territory should remain in the consolidated district
- Future growth and service areas

What a Merger Term Sheet Normally Contains

Before attorneys draft formal documents, the boards often negotiate a term sheet or memorandum of understanding.

A comprehensive term sheet might include:

1. Purpose Statement

Example:

The parties agree to pursue consolidation to improve conservation services, strengthen organizational capacity, increase grant competitiveness, and reduce duplicative administration.

2. Successor Entity

Specify:

- Legal name of the consolidated district
- Principal office location
- Effective date

Example issues:

- Keep one district's name
 - Create a new name
 - Location of headquarters
-

3. Governance Structure

One of the most important sections.

Address:

- Board size
- Appointment process
- Terms of directors
- Officer positions
- Committee structure

Example:

Topic	Example
Initial board	10 directors
Transition period	2 years
Permanent board	7 directors
Representation	Geographic balance requirement

4. Asset Transfer

List:

- Cash reserves
- Equipment
- Vehicles
- Real property
- Intellectual property
- Databases

Questions:

- Are assets pooled?
 - Are any assets restricted?
-

5. Liability Assumption

Identify:

- Debts
- Lease obligations
- Contractual commitments
- Pending litigation

The successor district generally assumes all obligations.

6. Staff Integration

Often a sensitive section.

Address:

- Executive leadership
- Employee retention
- Compensation
- Benefits
- Seniority

Questions include:

- Who becomes General Manager/Executive Director?
 - Will positions be eliminated?
-

7. Program Continuity

Specify how existing programs continue.

For example:

- Watershed projects
- Agricultural technical assistance
- Fire resilience efforts
- Habitat restoration projects

Goal:

No interruption in services.

8. Grant Transition Plan

Identify:

- Active grants
- Funding agencies
- Required approvals
- Reporting obligations

A grant-by-grant transition schedule is often attached.

9. Financial Policies

Cover:

- Reserve targets
- Budget process
- Cost allocation
- Audit requirements

Important when one district has significantly larger reserves.

10. Stakeholder Engagement

LAFCO generally likes to see a public outreach plan.

Examples:

- Landowner meetings
 - Agricultural stakeholder meetings
 - Tribal consultation
 - Public workshops
 - Partner agency briefings
-

11. Due Diligence Process

The term sheet often includes a due diligence checklist:

- Financial review
- Legal review
- HR review
- Property review
- Grant review

And a schedule for completing each task.

12. Exit Clause

The boards usually want a mechanism allowing either district to stop the process if due diligence reveals major concerns.

Questions LAFCO Is Most Likely to Ask the Boards

If I were preparing the boards for a LAFCO discussion, I would expect questions such as:

1. What specific public benefit will consolidation provide?
2. What services will improve?
3. What measurable efficiencies will be created?
4. How will local representation be protected?
5. What are the fiscal impacts?
6. How will grants be preserved?
7. How will employees be treated?
8. What risks have been identified?
9. What alternatives were considered?
10. Why is consolidation preferable to a shared-services agreement?

That last question is especially important. LAFCOs often want to know why the districts need a full consolidation rather than a joint powers agreement, shared executive director, shared accounting system, or other collaborative arrangement. A persuasive answer usually focuses on long-term governance stability, grant competitiveness, and organizational resilience rather than merely reducing costs.