

**SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
MARCH 4, 2013**

There being a quorum present, the meeting was convened at 9:00 a.m. by Chairman Andrew Vanderlaan. Also present were: Regular Commissioners – Supervisor Dianne Jacob, Mayor Jim Janney, Mayor Mark Lewis, Special District Members John Ingalls, Bud Pocklington and Councilmember Lorie Zapf. Alternate Commissioners – Jo MacKenzie, and Mayor Sam Abed. LAFCO Staff – Executive Officer Michael Ott, Assistant Executive Officer Shirley Anderson, Local Governmental Analyst Robert Barry, and Legal Counsel Thomas Bosworth. Absent were: Regular Commissioners – Supervisor Bill Horn; and Alternate Commissioners – Public Member Harry Mathis, Councilmember Sherri Lightner and Supervisor Greg Cox.

Item 1

Roll Call

The Commission Secretary performed the roll call for the March 4, 2013, LAFCO meeting. With the exception of Commission Horn, Alternate Commissioners Mathis, Cox and Lightner, all other commissioners were present.

Item 2

Approval of Minutes of Meeting Held February 4, 2013

On motion of Commissioner Lewis, seconded by Commissioner Ingalls and carried unanimously by all other commissioners present; the Commission dispensed with reading the minutes of February 4, 2012 and approved said minutes.

Item 3

Executive Officer's Recommended Agenda Revisions

Chairman Vanderlaan asked the Executive Officer if there were any agenda revisions. Executive Officer Michael Ott indicated that there were no revisions to the agenda.

Item 4

Commissioner / Executive Officer Announcements

Chairman Vanderlaan asked the Commission and Executive Officer if there were any announcements. There were no announcements from the Commissioners and Executive Officer.

Item 5

Public Comments

Chairman Vanderlaan asked the public if anyone requested to speak on an item that is not related to the agenda. He indicated that there was one speaker slip received from one member of the public for comments from Michael Hunsaker on Item 6.

Item 6

Final Report: Implementation of SB244 (Wolk)

Michael Ott provided a brief history of SB244 (disadvantaged communities) and introduced Robert Barry, who presented a PowerPoint presentation and final implementation report to the Commission regarding SB244.

Mr. Barry indicated SB244 became effective on January 1, 2012 and LAFCO's requirements became effective July 1, 2012. He informed the Commission that the overall implementation has been successful.

Mr. Barry explained the information analyzed by LAFCO staff to identify where disadvantaged communities exist in the County of San Diego and fall within the SB244 LAFCO requirements. He also explained to the Commission the qualifying factors of disadvantaged unincorporated communities, annual household median incomes, affected cities and districts, agency planning, contiguous agency areas, sphere of influence and municipal review determinations.

Mr. Barry indicated LAFCO is requesting procedural direction from the Commission on the specific undefined terms identified in the report.

Commissioners Jacob and Pocklington and Alternate Commissioners Abed and Mackenzie, Executive Officer Michael Ott and Legislative Director, Harry Ehrlich commented on protest provisions, voter rights and participation, fees, agency costs and CALAFCO's input related to this bill.

Chairman Vanderlaan opened the public hearing for Item 6.

Michael Hunsaker, requested to speak on behalf of the Property Owner's Defense League of San Marcos, to express citizens' concerns. Mr. Hunsaker made a request to the Commission to provide a more user-friendly website, document formats and more clarification of procedures related to SB244. Mr. Hunsaker expressed his concerns regarding annexation procedures, petition clarification and environmental issues within the North County area.

Manjeet Ranu, Planning Manager, requested to speak on behalf of the City of El Cajon. Mr. Ranu made a request to the Commissioners present to have LAFCO staff review the income levels of the census tract data in relation to SB 244. He also requested that the Commission to consider and direct their staff to review and determine which agencies with disadvantaged unincorporated communities already provide fire, sewer and water services.

Commissioner Jacob recommended LAFCO's staff to look into Mr. Hunsaker's concerns regarding LAFCO's website. Mr. Ott informed the Commission that LAFCO staff will review the website and make adjustments to place the SB244 information in a prominent location on LAFCO's website.

On motion of Commissioner Pocklington, seconded by Commissioner Zapf, and carried unanimously by the commissioners present, the Commission took the following actions:

- 1) Accept the SB244 implementation progress report and accept the procedures for SB244 qualifying city annexations and overall SB244 compliance; and
- 2) Accept the SB244 Sphere and MSR Determinations; and
- 3) Continue LAFCO's position of opposition for legislation related to SB244 (Wolk).

Item 7

Five-Year Sphere of Influence and Service Review and Proposed Affirmation of Spheres for the "Resource Conservation Districts, Small Craft Harbor District, and Recreation and Park District

Shirley Anderson, Assistant Executive Officer, provided a report to the Commission regarding evaluations and recommendations of the Five-Year Sphere of Influence and Service Review and Proposed Affirmations of Spheres. She indicated the report includes the following three district categories: (1) Resource Conservation Districts; (2) Small Craft Harbor District; and (3) Recreation and Park District.

Mission Resource Conservation District: Established in 1944 to assist property owners in the San Luis Rey and Santa Margarita watershed areas to implement soil, water and other resource conservation practices. The district covers approximately 185.2 miles. It has a coterminous sphere and it is recommended that the existing coterminous sphere be affirmed.

Resource Conservation District of Greater San Diego County: Originally formed in 1941 and is the largest of the three Resource Conservation Districts. This district covers 2889 square miles. The District works in conjunction with the U.S. Department of Agriculture Natural Resources Conservation Services and coordinates program and services with other RCDs and related local, state, and federal agencies. No sphere or jurisdictional changes are recommended at this time. It is recommended that the existing larger-than-district sphere should be affirmed.

Upper San Luis Rey Resource Conservation District: Originally formed in 1945 and covers 402 square miles just south of the San Diego/Riverside County boundary. The District provides educational and technical help to local property owners to assist in implementing soil, water, and other natural resource conservation practices. No sphere or jurisdictional changes are recommended at this time. . It is recommended that the existing larger-than-district sphere should be affirmed.

Oceanside Small Craft Harbor District: Originally formed in 1960 and covers 42.16 square miles. It is located in Oceanside and is responsible for the public marine facilities and leasehold improvements that are associated with the north and south

basins of Oceanside Harbor and adjacent shoreline within the City of Oceanside. The District operates permanent and transient moorings, fueling dock; fishing pier, launching ramp, and tourist facilities. No sphere or jurisdictional changes are recommended at this time. It is recommended that the existing larger-than-district sphere should be affirmed.

Lake Cuyamaca Recreation and Park District: This district covers 12.1 square miles. It is specifically authorized by special legislation to oversee water recharge activities that preserve recreational areas and to develop the recreational potential of Lake Cuyamaca. The District is owned by the Helix Water District and operated as a water storage reservoir. No sphere or jurisdictional changes are recommended at this time. It is recommended that the existing coterminous sphere should be affirmed.

On motion of Commissioner Pocklington, seconded by Commissioner Jacob, and carried unanimously by the commissioners present, the Commission took the following action:

- (1) Find in accordance with the Executive Officer's determination that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, sphere affirmations are not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA.
- (2) Find in accordance with the Executive Officer's determination that pursuant to Section 15306 of the State CEQA Guidelines, the service review is not subject to the environmental impact evaluation process because the service review consists of basic data collection, research, management, and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource. The project is strictly for information gathering purposes and is a part of a study leading to an action that has not yet been approved, adopted or funded.
- (3) For the reasons set forth in the *2012 Five-Year Sphere of Influence and Service Review*, adopt the written statements on file specifying the functions and classes of services and affirm coterminous spheres for the Mission Resource Conservation District and Lake Cuyamaca Recreation and Park District; and larger than district spheres for the Resource Conservation District of Greater San Diego County, Upper San Luis Rey Resource Conservation District, and Oceanside Small Craft Harbor District.
- (4) Direct the Executive Officer to prepare written Statements of Determinations and associated resolutions, consistent with the recommendations in the March 4, 2013 LAFCO staff report.

Chairman Vanderlaan closed the public hearing.

Item 8

Administrative Approval of a Contractual Service Agreement: City of Escondido/Toni Clem

Michael Ott explained to the Commission that Item 8 is a contractual sewer service agreement involving the City of Escondido and a private property owner due to a failing septic system and that the item is on the agenda for information purposes. Mr. Ott informed the Commission that in consideration of a health and safety issue, he administratively approved a contractual service agreement between the City of Escondido and subject property owner on January 18, 2013.

This was an information item and no action was required by the Commission.

Item 9

FY 2011-12 LAFCO Audit

Michael Ott provided a report of the FY2011-12 Audit performed by Mayer, Hoffman and McCann (MHM) accountants and reviewed by the LAFCO's Audit Committee members: Vanderlaan, Ingalls, Mathis, MacKenzie. Executive Officer Ott and Assistant Executive Officer Anderson met with the Audit Committee and LAFCO's Auditor Jennifer Farr (MHM) after the February 4, 2013 LAFCO meeting.

Mr. Ott reported to the Commission that the audit was conducted in a thorough and timely manner by MHM. Mr. Ott introduced and commended MHM and Shannon Ayala, LAFCO's Accountant/Bookkeeper. Mr. Ott provided information on the following categories: 1) Journal Entries; 2) County of San Diego Charges; 3) Monthly Reconciliation of Financial Statements; 4) LAFCO Policies/Procedures; 5) Leave System Review. He reported two additional items the Audit Committee discussed for future consideration and direction by the Commission: 1) The rate of return LAFCO receives from its funds held within the County Treasury; 2) Establishing a LAFCO Fund Allocation/Assignment Policy. Mr. Ott indicated the policies will be presented to the Commission in the context of the upcoming budget for FY2013-14.

Commissioner Pocklington, Jacob and Alternate Commissioner MacKenzie and Executive Officer Ott commented and discussed some of the issues regarding the investment fund item.

On motion of Commissioner Jacob, seconded by Commissioner Pocklington, and carried unanimously by the commissioner's present, the Commission took the following action:

- 1) Receive and file LAFCO's FY 2011-12 Audit prepared by Mayer Hoffman McCann, P.C.; and
- 2) Direct, management to coordinate with the Audit Committee (Commissioners Vanderlaan, Ingalls, Mackenzie, and Mathis) to assist management with investment and fund balance policy development matters that may be recommended at the March 4, 2013 LAFCO meeting.

Item 10
March 2013 Legislative Status Report

Harry Ehrlich, Director of Legislative provided an update to the Commission regarding the current state legislation. He informed the Commission that approximately 2200 new bills have been submitted to legislation and 38-40 are directly affecting LAFCO's.

Mr. Ehrlich informed the Commission that he is working with CALAFCO as part of the CALAFCO Legislative Committee on several legislative proposals and will provide an update at the April 8, 2013 meeting.

On motion of Commissioner Pocklington, seconded by Commissioner Janney, and carried unanimously by the commissioner's present, the Commission took the following action

To receive and accepted the March 2013 Legislative Report.

There being no further business to come before the Commission, the meeting adjourned at 10:25 a.m. to the April 8, 2013 meeting, in Room 302, County Administration Center.

Ruth Arellano
Administrative Assistant
San Diego Local Agency Formation Commission