

**SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
DECEMBER 3, 2012**

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

Item 1

Roll Call

The Commission Secretary performed the roll call for the December 3, 2012, LAFCO meeting. With the exception of Regular Commissioners Jacob, Janney, Zapf, and Alternate Commissioner Lightner, all other commissioners were present.

Item 2

Approval of Minutes of Meeting Held November 5, 2012

On motion of Commissioner Horn, seconded by Commissioner Ingalls, and carried unanimously by the commissioners present; the Commission dispensed with reading the minutes of November 5, 2012 and approved said minutes.

Item 3

Executive Officer's Recommended Agenda Revisions

Vice Chairman Andy 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

- a. **Presentation of Distinguished Service Plaque to Vice Chairman Andy Vanderlaan recognizing his service on CALAFCO and CCL**

- b. **Presentation of Distinguished Service Plaque to Michael Ott recognizing 20-years of service as LAFCO's Executive Officer**

Vice Chairman Vanderlaan asked the Commission and Executive Officer if there were any announcements. Executive Officer Michael Ott presented a Distinguished Service plaque to Commissioner Andy Vanderlaan in recognition of his dedicated service as

CALAFCO's first regional representative from Southern California. Mr. Ott said that Commissioner Vanderlaan's term on CALAFCO was instrumental in the reorganization of this statewide association and assisted in making it more responsive and representative of four regions that comprise California. He also said that Commissioner Vanderlaan also concurrently served as the first Chairman of the Coalition of California LAFCO's and presided over the adoption of CCL's inaugural Bylaws, operational rules and mission statement.

Commissioner Vanderlaan presented a Distinguished Service plaque to the Michael Ott in recognition of his dedicated service as LAFCO's Executive Officer for 20-years. He indicated that Mr. Ott served as the first Deputy Executive Officer of CALAFCO from (1987-92) and also served as the Executive Officer of the Coalition of California LAFCOs. Mr. Vanderlaan also said that Mr. Ott completed the first LAFCO-initiated district consolidation in California and oversaw the reorganization of more than 90 local agencies. He said that Mr. Ott also received the "*Most Effective Commission in California*" in 1998, 2002, and 2004 and the "*Outstanding Professional of the Year*" in 2008 by CALAFCO. He said that Mr. Ott was also appointed to the Governor's Office of Planning and Research's Incorporation Task Force and Municipal Service Review Working Group.

Item 5 **Public Comments**

Vice Chairman Vanderlaan asked the public if anyone requested to speak on an item that is not related to the agenda. He indicated that there were no speaker slips received from members of the public for comments.

Item 6 **Proposed "Bryan – Cassou Road Annexation"** **to the Vallecitos Water District (DA08-16)**

Michael Ott provided a brief report to the Commission regarding an annexation involving 0.58-acre of territory to the Vallecitos Water District. At the request of Michael Ott, the Commission waived the staff presentation.

On motion of Alternate Commissioner Cox, seconded by Commissioner Ingalls, and carried unanimously by the commissioners present, the Commission took the following actions:

- (1) Find in accordance with the Executive Officer's determination, that pursuant to Section 15319(a) of the State of CEQA Guidelines, this annexation is not subject to the environmental impact evaluation process because the proposal area contains existing public or private structures and is developed to the density allowed by current zoning or rezoning of either the gaining or losing governmental agency whichever is more restrictive, provided however that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities; and
- (2) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer's Report, waiving the Conducting Authority proceedings

according to Government Code Section 56663(c), and ordering the annexation subject to the following conditions:

Payment by property owner of Vallecitos Water District fees and State Board of Equalization charges.

Item 7

Proposed “Cope – Fulvia Street Annexation” to the Leucadia Wastewater District (RO12-08)

Michael Ott provided a brief report to the Commission regarding an annexation involving 2.80-acres of territory to the Leucadia Wastewater District. At the request of Michael Ott, the Commission waived the staff presentation.

On motion of Alternate Commissioner Cox, seconded by Commissioner Ingalls, and carried unanimously by the commissioners present, the Commission took the following actions:

- (1) Find in accordance with the Executive Officer’s determination, that pursuant to Section 15319(b) of the State of CEQA Guidelines, this annexation is not subject to the environmental impact evaluation process because the annexation area consists of individual small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small Structures; and
- (2) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer’s Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the annexation subject to the following conditions:

Payment by property of district capacity fees and sewer service fees, and State Board of Equalization charges.

Item 8

Proposed “Stewart – Rockcrest Road Annexation” to the San Diego County Sanitation District (DA12-10)

Michael Ott provided a brief report to the Commission regarding an annexation involving 2.80-acres of territory to the Leucadia Wastewater District. At the request of Michael Ott, the Commission waived the staff presentation.

On motion of Alternate Commissioner Cox, seconded by Commissioner Ingalls, and carried unanimously by the commissioners present, the Commission took the following actions:

- (1) Find in accordance with the Executive Officer’s determination, that pursuant to Section 15319(b) of the State of CEQA Guidelines, this annexation is not subject to the environmental impact evaluation process because the annexation area consists of individual small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small Structures; and

- (2) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer's Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the annexation subject to the following conditions:

Payment by property of district capacity fees and sewer service fees, and State Board of Equalization charges.

Item 9A

Proposed Adoption of an Amendment to the Sphere of Influence for the Valley Center Municipal Water District[a]

Item 9B

Proposed Adoption of an Amendment to the Sphere of Influence for the San Diego County Water Authority[b]

Item 9C

Proposed Adoption of an Amendment to the Sphere of Influence for the Metropolitan Water District[c]

Item 9D

**Proposed "Meadowood Reorganization"
(Valley Center Municipal Water District)[d]**

Michael Ott provided a brief summary of Items 9A-D involving a reorganization including annexation to the Valley Center Municipal Water District (Valley Center MWD), San Diego County Water Authority, Metropolitan Water District of Southern California and North County Fire Protection District and detachment from the San Luis Rey Municipal Water District and County Service Area No. 135 (Structural Fire Protection and Emergency Services Zone. He said that the proposal is a jurisdictional information item that is required to be placed on the agenda by State Law to allow subject agencies a 60-day period to adopt a resolution terminating proceedings. Mr. Ott indicated that Chief of Governmental Services, Ingrid Hansen will provide a staff report.

Ingrid Hansen provided a staff presentation to the Commission regarding the reorganization. She said that the reorganization territory consists of 384[±] acres and that 267[±] acres is proposed for development. She also said that the remaining area will consist of natural open space and will not be developed, and will not require water and sewer services. Ms. Hansen indicated that the San Diego County Fire Authority recommends that the reorganization be modified to annex additional territory in order to avoid creating an island in County Service Area No. 135 (fire protection zone). She also said that the Valley Center MWD has provided "will serve" letters indicating that water and sewer services can be provided. She also discussed the financial and service related concerns regarding the proposal.

Commissioner Bill Horn asked if the annexation will create an island out of Valley Center MWD. In response to the question, Ms. Hansen indicated that creation of islands are permitted within municipal water districts.

Alternate Commissioner Jo MacKenzie asked for clarification regarding the boundaries of the vicinity map that would show the territory being developed. In response to the question, Mr. Ott indicated that when the proposal is brought forward LAFCO staff will provide an updated map showing the boundaries of the territory that will be annexed and developed.

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

Item 10
Re-Appointment of Regular Public Member
and Selection of 2013 LAFCO Chair and Vice Chair

Vice Chairman Andy Vanderlaan provided comments to the Commission about the current status of LAFCO's Chair and Vice Chairman.

Commissioner Bud Pocklington placed a motion on the floor to nominate Commissioner Andy Vanderlaan to serve as the 2013 Chair and Commissioner John Ingalls to serve as the Vice Chair for 2013, respectively. An amendment was made to the motion to also reappoint Andy Vanderlaan to serve a new term on LAFCO for four years, effective May 1, 2013.

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

- (1) Review the summary of past LAFCO officers and appoint a 2013 Chair and Vice Chair, effective January 1, 2013, and reappoint public member Andy Vanderlaan to a new four-year term on LAFCO, effective May 1, 2013.

Item 11
2012 Directory of Sphere of Influence
and Municipal Service Review Actions

Michael Ott indicated that Ingrid Hansen, Chief of Governmental Services, will provide a brief presentation for this item.

Ingrid Hansen, Chief of Governmental Services provided a brief report to the Commission regarding the Directory of Sphere of Influence and Municipal Service Review Actions. She indicated that the directory contains descriptions of adopted spheres and all related sphere activity over the past year for each city and special district in San Diego County. Ms. Hansen also said that a total of eight sphere amendments were approved by the Commission and that four of the sphere amendments related to the "Hybrid Plan Step II Reorganization" proposal have not been recorded yet so the associated spheres have not changed.

Alternate Commission Jo MacKenzie asked when the proposal will be recorded. In response to the question, Ms. Hansen said that once the Terms and Conditions are submitted by the District the recordation will be processed.

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

Reviewed, accepted and approved the 2012 Directory of Sphere of Influence and Municipal Service Review Actions.

Item 12

Response to Grand Jury Recommendation (12-48):

Tri-City Healthcare District

Michael Ott provided a brief report to the Commission regarding the response to the Grand Jury Recommendation related to Tri-City Healthcare District. He said that on August 6th the commission determined that further analysis was needed related to the Grand Jury's recommendation for Tri-City Healthcare District. Mr. Ott indicated that the 2011-12 Grand Jury found no evidence of wrong-doing or inaccessibility of hospital records. He also said that the Grand Jury Recommendation 12-48 recommended that LAFCO examine the healthcare governance options and determine if an elected board is an option.

Mr. Ott indicated that two new board members were elected and according to the election results it does not appear that LAFCO will need to appoint a panel to further examine the governance options.

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

- (1) Direct the Executive Officer to respond to the Grand Jury that (Recommendation 12-48) requires further analysis; and
- (2) Direct LAFCO staff to continue monitoring Tri-City Healthcare District governance issues.

Item 13

2012 Annual Legislative Report

Harry Ehrlich, Director of Legislative provided a brief report to the Commission regarding the year end Annual Legislative Report. Mr. Ehrlich indicated that LAFCO staff has tracked twenty-one bills this year related to policy issues that are affecting LAFCO and CALAFCO. He said that the Commission approved positions on three bills AB 2238 (Perez) (Public water systems; drinking water); AB 2624 (Smyth) (Sustainable Communities); and AB 2698 (Committee on Local Government) (Assembly Omnibus Bill) and that letter were submitted in review of these bills. He noted that the Governor vetoed ninety bills this year. He indicated that Proposition 30 bill passed that would increase sales tax by $\frac{1}{4}$ percent for the next five years.

Mr. Ehrlich indicated that AB 2238 and AB 2624 both failed by the Legislature. He said that AB 2698 passed which allow the rewrite of the Cortese-Knox-Hertzberg Act section on Protest Provisions and Waiver of Notice Provisions.

The Commission received, discussed and accepted the Annual Legislative Report, as recommended in the December 2012 Legislative Report.

Item 14
Holiday Office Closure (December 24-31, 2012) and
Approval of the 2013 LAFCO Meeting Calendar

Michael Ott provided a brief report to the Commission requesting closure of the LAFCO office during the holiday of December 24th – 31st, 2012 and approval of the 2013 LAFCO Meeting Calendar.

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

Authorized the Executive Officer to close the LAFCO office from December 24 through December 31, 2012; adjourned the December 3, 2012 meeting to February 4, 2013; and approved the 2013 Meeting Calendar.

There being no further business to come before the Commission, the meeting adjourned at 10:37 a.m. to the February 4, 2013 meeting, in Room 302, County Administration Center.

Tamaron Lockett
Administrative Assistant
San Diego Local Agency Formation Commission