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**9**

**AGENDA REPORT**

**Public Hearing**

June 4, 2018

**TO:** San Diego Commissioners

**FROM:** Keene Simonds, Executive Officer  
Linda Zambito, Analyst I

**SUBJECT:** **Secondary Service-Specific Sphere Amendment and Change of Organization | Connemara Drive-Trinh Wastewater-Specific Sphere Amendment and Wastewater Latent Power Area Expansion to Olivenhain Municipal Water District (SA18-01; LPE18-01)**

**SUMMARY**

The San Diego Local Agency Formation Commission (LAFCO) will consider a concurrent secondary service-specific sphere amendment and change of organization filed by the Olivenhain Municipal Water District (OMWD) to provide wastewater to a planned single-family residence. The affected territory is 17.76 acres and consists of an undeveloped and unincorporated parcel in Rancho Cielo. The affected territory already lies in OMWD's primary sphere and jurisdictional boundary relating to its water (domestic and recycled), recreation, and power services. However, it lies outside the wastewater-specific sphere and latent power area established by LAFCO. Staff recommends approval without modifications. Standard terms are also recommended. The subject parcel is identified as 264-130-69.

**BACKGROUND**

**Applicant Request |  
Affected Territory as Proposed**

San Diego LAFCO has received a proposal from the OMWD on behalf of an interested landowner (Joe H. Trinh) requesting approval to establish wastewater services to an unincorporated 17.76-acre parcel located at 18892 Connemara Drive in Rancho Cielo. The subject parcel is vacant with development opportunities limited to a 0.29-acre portion. The rest of the subject parcel is under two open-space easements with the County.

## Subject Agencies

OMWD serves as the lone subject agency to the proposal.<sup>1</sup> OMWD is an independent special district formed in 1959 and originally for the purposes of providing domestic water service to unincorporated coastal areas north of the City of San Diego. OMWD's services have subsequently expanded to now include recycled water, hydroelectric generation, park and recreation, and wastewater. Markedly, wastewater services were established in 1998 through a latent-power activation by LAFCO and instep with dissolving the 4S Ranch and Rancho Cielo Sanitation Districts and designating OMWD as successor. LAFCO also established a secondary service-specific sphere for OMWD for wastewater replicating the former boundaries of the 4S Ranch and Rancho Cielo Sanitation Districts. Overall, OMWD's jurisdictional boundary – which includes the referenced wastewater latent power boundary – is approximately 49 square miles covering portions of the Cities of Carlsbad, Encinitas, San Diego, San Marcos, and Solana Beach. The estimated resident population within OMWD is 86,000. LAFCO most recently affirmed OMWD's primary and secondary spheres in 2013. The undesignated fund balance of July 30<sup>th</sup> 2017 totaled \$53.1 million and represents more than eight months of budgeted operating expenses.

## Affected Local Agencies

The affected incorporated territory lies within the authorized service areas of the following local agencies subject to San Diego LAFCO.<sup>2</sup>

- Olivenhain Municipal Water District (water, power, parks)
- Metropolitan Water District of Southern California
- San Diego County Water Authority
- Rancho Santa Fe Fire Protection District
- CSA No. 17 (San Dieguito Ambulance)
- CSA No. 135 (Regional Communications)
- North County Cemetery District
- Palomar Health Healthcare District
- Resource Conservation District of Greater San Diego County

## DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without modifications – the request to concurrently (a) amend OMWD's wastewater-specific sphere and (b) expand its wastewater latent power area to include the affected territory as defined. The Commission may also consider applying approval conditions so long as it does not directly regulate land use, property development, or subdivision requirements. The item has been scheduled as part of a noticed hearing given the needed sphere amendment.

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<sup>1</sup> State law defines "subject agency" to mean any district or city for which a change or organization or reorganization is proposed.

<sup>2</sup> State law defines "affected local agencies" means any local agency that contains, or would contain, or whose sphere of influence contains or would contain, any territory for which a change or organization is proposed or ordered, either singularly or as part of a reorganization or for which a study is to be reviewed by LAFCO.

## Proposal Purpose

The purpose of the proposal is to allow the landowner to satisfy an occupancy permit condition with the County of San Diego. As referenced, the affected territory as proposed includes an entire 17.76-acre parcel at 18892 Connemara Drive in Rancho Cielo that was purchased by the landowner in 2015. However, only a small portion of the subject parcel – approximately 0.29 acres – is developable. The landowner is now in the process of developing this portion of the affected territory with a single-family residence consistent with County zoning. The remainder of the subject parcel is under two recorded open-space easements with the County and cannot be developed or otherwise improved.

## Development Potential

All of the affected territory as proposed is designated under the County General Plan as Semi-Rural Residential (SR-2). The maximum density range under this designation is one dwelling unit for every 2 to 8 acres depending on topography. All of the affected territory is also zoned by the County as Rural Residential and further prescribes development opportunities to include minimum lot sizes of two acres. These assignments coupled with the open-space easements limits development of a 0.29-acre portion to include one single-family residence and accessory unit.<sup>3</sup>

## Commission Focus

Staff has identified three central and sequential policy items for San Diego LAFCO in considering the proposal merits. These central policy items for Commission consideration are the stand-alone merits of the (a) amendment of the wastewater-specific sphere, (b) timing of the latent power area expansion, and (c) whether discretionary modifications or terms are appropriate. Secondly, the Commission must also consider other relevant statutes outside of LAFCO law as detailed in the succeeding sections.

## ANALYSIS

The analysis of the proposal is organized into two subsections. The first subsection considers the three central policy issues introduced in the preceding section. This pertains to evaluating the merits of amending the wastewater-specific sphere, timing of the latent power boundary expansion, and whether approval modifications or terms are appropriate. The second subsection considers issues required by other applicable State statutes and highlighted by making findings under the California Environmental Quality Act (CEQA).

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<sup>3</sup> Per County Zoning Code 6156 an accessory dwelling unit (ADU) shall not exceed 50% of the floor area of the primary dwelling up to a maximum of 1,200 square feet. May be rented. An ADU means an attached or a detached residential dwelling unit which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated.

## Central Policy Items

### Item No. 1 | Sphere Amendment

OWMD is requesting an amendment to its wastewater-specific sphere to accommodate the requested expansion of the District's wastewater latent power boundary to include the affected territory as proposed. Staff believes the amendment is sufficiently justified given three related policy factors. First, the affected territory lies in a developing residential community of Rancho Cielo in which OMWD is the established wastewater provider as a result of becoming successor agency in 1998 to the Rancho Cielo Sanitation District. Second, the affected territory lies in close proximity to OMWD's existing wastewater main. Third, an amendment would appropriately memorialize a Commission preference to promote the planning and connection therein of public wastewater systems in developing residential areas as opposed to relying on private septic systems. An expanded justification addressing the factors required under LAFCO law is provided as Appendix A.

#### Conclusion:

The amendment to OMWD's wastewater-specific sphere to include the affected territory is justified under LAFCO law and adopted policy.

### Item No. 2 | Latent Power Expansion Timing

OMWD is requesting the expansion of its wastewater latent power area to include the affected territory and allow therein the landowner to proceed with the development of a planned single-family residence on a 0.29-acre portion of the subject parcel as allowed by the County of San Diego. The timing of the expansion appears appropriate and highlighted by the analysis of the 16 factors required for consideration under LAFCO law. The majority of the prescribed factors under LAFCO law focus on the impacts of the proposed expansion – which is defined as a jurisdictional change and analyzed consistent with annexations, detachments, etc. – on the service and financial capacities of the subject agency, OMWD. No single factor is determinative and the intent is to provide a uniform baseline for LAFCOs in considering all boundary changes in context to the Commission's own adopted policies and practices. A summary of key conclusions generated in the review of these factors for the boundary change proposal follows with a complete analysis provided in Appendix B.

- Establishing public wastewater services to the affected territory is consistent with the adopted land use policies of the County of San Diego; the governmental entity tasked now and into the foreseeable future with community planning by LAFCO as evident by the land not being within any city sphere.

- There is an existing and reasonable need for public wastewater service to accommodate the planned residential use of the affected territory consistent with existing development patterns in Rancho Cielo. The alternative to public wastewater service would be the construction and maintenance of a private on-site septic system, which – and among other concerns – would heighten risks associated with future failures to downhill properties.
- OMWD has sufficient wastewater collection and treatment capacities to accommodate projected service demands within the affected territory at 18892 Connemara Drive at its potential maximum uses without impacting current ratepayers. This maximum use is limited to one single-family residence and an accessory dwelling unit given the majority of the subject parcel cannot be developed given two recorded easements.
- The affected territory already lies within OMWD’s jurisdictional boundary. Expansion of the wastewater latent power boundary adds governance consistency by allowing OMWD to manage both water and wastewater services to the affected territory.

Conclusion:

The timing of the expansion of OMWD’s wastewater latent power area is justified under LAFCO law and adopted policy.

**Item No. 3 |**

**Modification and Terms**

No boundary modifications have been identified by staff in the review of the proposal that merits action by the Commission at this time. This conclusion follows staff’s analysis of one potential modification to reduce both the amendment to the wastewater-specific sphere and wastewater latent power area to include only the 0.29-acre portion of the subject parcel that can be developed. This potential modification is a reasonable option for the Commission to consider given it would explicitly synch up the service-specific sphere and latent power boundary to the pending and future need for wastewater services, and in doing so provide controls against unexpected/disorderly future development of the remainder of the parcel. However, in this case, the modification does not appear sufficiently merited given local circumstances. This includes noting all of the affected territory already lies in OMWD’s jurisdictional boundary coupled with the existing protections against unexpected/disorderly future development of the remainder of the parcel given the existing open-space easements. It also avoids the potential of the Assessor needing to create a new assessor parcel should a future wastewater assessment be established by OMWD. Nonetheless, should the Commission want to limit wastewater to the 0.29-acre portion, staff believes a related option is more appropriate through a condition as described below.

The application of standard approval terms appears sufficient and are recommended as detailed in the accompanying footnote.<sup>4</sup> One special term has been considered and would address the aforementioned issue of synching the availability of wastewater services to just the portion of the affected territory available for development. This would involve a special condition to require the landowner and OMWD to record an agreement that limits the provisions of wastewater services to just the 0.29-acre portion that is presently available for development per zoning and the existing open-space easements. While not recommended, this special term remains a viable option for the Commission to consider.

## Other Statutory Considerations

### Exchange of Property Tax Revenues

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies before LAFCO can consider any jurisdictional change unless an applicable master agreement applies.<sup>5</sup> Towards this end, LAFCO has confirmed the County of San Diego Board of Supervisors has adopted a Master Enterprise District Resolution applicable to the proposed expansion of OMWD's wastewater latent power boundary expansion to include the affected territory. The application of this master agreement will result in a "no" exchange.

### Environmental Review

OMWD assumed lead agency for assessing potential impacts of the proposal under CEQA in step with initiating the proceedings. OMWD determined the action – i.e., amending the wastewater-specific sphere and expanding the wastewater latent power boundary – qualifies as a project under CEQA, but exempt under Public Resources Code 21080(b)(1) and its coverage of ministerial projects carried out by public agencies. Staff concurs OMWD has made a reasonable determination and the Commission as the responsible agency under CEQA should proceed with a concurrent finding. It is also noted another available exemption is provided under Public Resources Code Section 15319(b) and allowance to proceed with projects that facilitate no more than three single-family residences.

### Protest Proceedings

The affected territory is uninhabited (under 12 registered voters) as defined by under LAFCO law. The landowner has provided their written consent to the proposal and the lone subject agency – OMWD – does not oppose waiving protest. All protest proceedings, accordingly, may be waived under Government Code Section 56662.

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<sup>4</sup> These standard terms include requiring the applicant to coordinate with the real party of interest to submit outstanding fees, prepare a final map and description of the affected territory with any required modifications, and complete the necessary reconsideration periods under both LAFCO law and CEQA.

<sup>5</sup> Jurisdictional change is defined under State law to include latent power expansions.

## ALTERNATIVES FOR ACTION

The following alternative actions are available San Diego LAFCO and can be accomplished through a single-approved motion.

### **Alternative One (Recommended):**

- a) Accept and incorporate the analysis of the Executive Officer's written report.
- b) Find the proposal qualifies as a project under CEQA, but consistent with OMWD's findings as lead agency the actions are exempt from additional review pursuant to Public Resources Code Section 21080(b)(1).
- c) Determine the affected territory is uninhabited, that 100% of the qualifying landowners have provided written consent to the annexation, and OMWD has not submitted written opposition to the waiver of protest proceedings.
- d) Adopt the form of resolution approving the "Connemara Drive-Trinh Wastewater - Specific Sphere Amendment and Wastewater Latent Power Area Expansion to the Olivenhain Municipal Water District" as proposed without modifications (LAFCO No. SA-LPE 18-01). Include determinative sphere statements shown in Appendix A. Protest proceedings are waived. Standard terms apply as follows and must be satisfied within 12 months year unless a time extension is approved by the Commission:
  - Completion of the 30-day reconsideration period under Government Code 56895.
  - Submittal of a final map and geographic description of the affected territory as approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Division.
  - Payment of any outstanding fees generated in the processing of the proposal pursuant to the LAFCO Fee Schedule.

### **Alternative Two:**

Continue to a time-specified regular meeting and provide direction to staff concerning additional information, as needed.

### **Alternative Three:**

Disapprove the proposal. This option would preclude a similar proposal being presented to the Commission for a period of no less than one year.

## RECOMMENDATION

Staff recommends the Commission proceed with Alternative One.

## PROCEDURES FOR CONSIDERATION

This item has been placed on the agenda as part of a noticed public hearing.<sup>6</sup> The following procedures, accordingly, are recommended in the consideration of this item:

- 1) Receive verbal report from staff;
- 2) Invite comments from the applicant or representatives;
- 3) Open the hearing and invite audience comments (mandatory); and
- 4) Close the hearing, discuss item, and consider action on recommendation.

On behalf of staff,



Linda Zambito  
Analyst I

### Attachments:

- 1) Vicinity Map
- 2) OMWD's Resolution of Application
- 3) Proof of Publication

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<sup>6</sup> LAFCO law requires all sphere changes be considered at noticed public hearings (G.C. Section 56427).



## **APPENDIX A**

### **Statement of Determinations Sphere of Influence Factors**

#### **1) The present and planned land uses, including agricultural and open-space lands.**

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The affected territory is designated under the County of San Diego General Plan as Semi-Rural Residential (SR-2). The entire affected territory is also zoned by the County as Rural Residential, which prescribes minimum lot sizes of two acres. These assignments coupled with the open-space easements limits development to a 0.29-acre portion to include a single-family residence and accessory unit. These planned uses are consistent with the proposal's purpose to establish wastewater services in a developing area. The affected territory has not been cultivated for agricultural products and is not subject to the Williamson Act. The lands would not be considered prime agriculture under LAFCO law.

#### **(2) The present and probable need for public facilities and services in the area.**

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There is an existing and reasonable need for public wastewater service to accommodate the planned residential use of the affected territory consistent with existing development patterns in Rancho Cielo. The alternative to public wastewater service would be the construction and maintenance of a private on-site septic system, which – and among other concerns – would heighten risks associated with future failures to downhill properties. OMWD has sufficient capacities to accommodate estimated demands within the affected territory without adversely impacting current ratepayers.

#### **(3) The present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.**

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OMWD has sufficient capacities to accommodate estimated demands within the affected territory at its planned buildout without adversely impacting current ratepayers.

#### **(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

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The affected territory already lies within OMWD's primary sphere and jurisdictional boundary. Approval of the proposal to expand the secondary sphere and wastewater latent power boundary to include the affected territory will reinforce social and economic communities of interest by simplifying government structure and improving accountability.

#### **(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.**

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The affected territory is not in a census tract qualifying as a disadvantaged unincorporated community.

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## APPENDIX B

### **Mandatory Factors Jurisdictional Changes**

- 1) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent areas, during the next 10 years.**

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The affected territory is undeveloped and comprises an approximate 17.76-acre unincorporated parcel with a situs address of 18892 Connemara Drive in Rancho Cielo. The majority of the land spanning 17.49 acres is entirely unimproved with steep slopes and consists of native vegetation and rocks. This portion of the affected territory is also subject to two open-space easements recorded with the County of San Diego. These easements prohibit development. The remainder of the affected territory spans 0.29 acres and has recently been graded and expected to be developed shortly with a detached single-family residence as allowed under County zoning. It is also reasonable to assume an accessory dwelling unit will be constructed on this portion of the affected territory within the next 10 years. The current assessed value of the affected territory is \$383,154.

The majority of surrounding lands immediate to the affected territory are undeveloped or developed with low-density uses. Relative significant growth to the near south is expected in the next 10 years and involves the buildout of the Cielo Subdivision with these lands already within OMWD's wastewater latent power boundary. Other significant development in the adjacent area is not expected in the next 10 years based on current County zoning.

- (2) The need for municipal services; the present cost and adequacy of municipal services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

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The County of San Diego acts as the primary purveyor of general governmental services to the affected territory and highlighted by providing law enforcement and community planning. Fire protection and emergency services are provided by the Rancho Santa Fe Fire Protection District and CSA No. 17 (San Dieguito Ambulance), respectively. The affected territory already lies within OMWD's jurisdictional boundary, and as such is eligible to receive potable water services upon connection to the nearby service main. This proposal affects only wastewater and is the focus of the succeeding analysis.

- Extending Public Wastewater to Affected Territory**

The affected territory is currently undeveloped and without any improvements with respect to managing wastewater. As detailed in the agenda report, the landowner is pursuing building permits (grading, retaining walls, structure, etc.) with the County of San Diego to develop a single-family residence as allowed under zoning, which requires connection to OMWD to ultimately secure an occupancy permit. An additional intensity improvement of one accessory dwelling unit is also permissible, albeit subject to its own discretionary permit approval process. No further development is possible for the affected territory given the existence of two recorded open-space easements with the County.

With the preceding uses in mind, it is estimated the average maximum daily wastewater flow for the affected territory at buildout (two units) is 400 gallons during dry weather months.<sup>7</sup> It is also estimated the maximum daily flows increase to 532 gallons during wet weather months; the latter representing a 1.33 seasonal peaking factor. The addition of these flow estimates can be readily accommodated by OMWD with its available treatment capacity negligibly decreasing by less than a tenth of one percent. The following table summarizes flow conditions under (a) baseline and (b) expansion of the wastewater latent-power boundary to include the affected territory at buildout.

**OMWD Wastewater System**
**Baseline Without Serving the Affected Territory**

(Amounts in Gallons)

Capacity Dry Day	Demand Average Dry Day	Demand Average Wet Day	Capacity Wet Day
2,000,000	890,000	1,200,000	2,000,000
Demand-to-Capacity Ratio: 44.50%		Demand-to-Capacity Ratio: 60.00%	

**OMWD Wastewater System**
**Baseline With Serving the Affected Territory @ Planned Buildout**

(Amounts in Gallons)

Capacity Dry Day	Demand Average Dry Day	Demand Average Wet Day	Capacity Wet Day
2,000,000	890,400	1,200,532	2,000,000
Demand-to-Capacity Ratio: 44.52%		Demand-to-Capacity Ratio: 60.03%	

### (3) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

The affected territory already lies within OMWD's primary sphere and jurisdictional boundary, and as such has established relevant economic and social ties with respect to other services provided by the District (i.e., water, parks, etc.) Approving the proposal would recognize these existing ties and formally establish OMWD as the single governing body responsible for both water and wastewater services to the affected territory.

<sup>7</sup> This estimate is based on a maximum average of 200 gallons per unit.

**(4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.**

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Approval of the proposal would not affect the existing pattern of urban development in adjacent areas of Rancho Cielo and the San Dieguito Community Plan. The proposal is consistent with the Commission's adopted policies to synch urban type uses – which include low density residential uses – with urban type services.

**(5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.**

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The affected territory does not qualify as “prime agricultural land” under LAFCO law. Specifically, the lands are not used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program.

**(6) The definiteness and certainty of the boundaries, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and similar matters affecting the proposed boundaries.**

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The affected territory as proposed is parcel-specific to include an approximate 17.76-acre residential zoned lot located at 18892 Connemara Drive and identified for assessment purposes as 264-130-69. No other lines of assessment are crossed. No modification to the proposed latent power boundary is recommended. A draft map and geographic description of the affected territory is on file with LAFCO. A final version of these documents with any necessary changes requested by the Commission is included as standard approval term and will be evaluated for completeness by the County Assessor's Office.

**(7) Consistency with the city or county general plans, specific plans, and adopted regional transportation plan.**

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The affected territory is designated under the County of San Diego General Plan as Semi-Rural Residential (SR-2). The maximum density range under this designation is one dwelling unit for every 2 to 8 acres depending on topography. The entire affected territory is also zoned as Rural Residential, which further prescribes minimum lot sizes of two acres. These assignments coupled with the open-space easements limits development to a 0.29-acre portion to include a single-family residence and accessory unit. These planned uses are consistent with the proposal's purpose to establish wastewater services. The proposal would not conflict with San Diego Forward, the regional transportation plan.

**(8) The sphere of influence of any local agency affected by the proposal.**

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See earlier analysis concerning Factor No. 3.

**(9) The comments of any affected local agency or other public agency.**

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As of the preparation of the staff report, no written comments had been provided to LAFCO.

**(10) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.**

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Information collected and reviewed as part of this proposal indicates OMWD has established sufficient financial resources and administrative controls therein in establishing wastewater service to the affected territory without adversely impacting current ratepayers. This statement is supported by the following factors.

- OMWD's last audit covers 2016-2017 and shows the District finished with good liquidity levels with an agency-wide current ratio of 6.3 (i.e., \$6.30 in current assets for every \$1.00 in current liabilities).
- OMWD's finished 2016-2017 with high capital as evident by a low debt ratio of 19% (i.e., only \$19 out of every \$100.00 in net assets are financed.)
- OMWD's profitability levels as measured by total and operating margins have generally finished in deficits in each of the last five audited years. A closer review of the audits, however, show these margin losses are tied to planned capital improvements and covered by drawing down on OMWD's sizeable reserve balance. This latter comment is highlighted by OMWD finishing 2016-2017 with an overall reserve balance \$387.2 million with \$53.1 million categorized as unrestricted.

OMWD will collect annexation and capacity fees from the landowner of the affected territory. The District's wastewater service fees are calculated to recover the cost to collect, treat and dispose of wastewater as well as to maintain ancillary facilities. In May 2016, OMWD increased wastewater service rates for the first time in six years after adoption of a rate study as a part of a notice public hearing. The current annual service access charge is \$175.81 and supplemented by a monthly user fee of \$6.39 per hundred cubic feet.

**(11) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.**

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The affected territory already lies within OMWD's primary sphere and jurisdictional boundary, and as such provides the landowner the means to connect to the District's nearby water main without additional approvals. The most recent municipal service review prepared by LAFCO covering OMWD concluded the District had sufficient water supplies to meet its projected demands under normal conditions. Additional analysis prepared as part of the review of this proposal further substantiates the water demands associated with the maximum development of the affected territory will not have a substantive impact on OMWD given current capacities.

**(12) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs.**

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Approval of the proposal would directly facilitate the construction of a single-family residence with the future potential of an accessory unit. These unit additions will support – but not significantly affect – the County of San Diego in meeting its regional housing needs allocation as established by the San Diego Association of Governments (SANDAG).

**(13) Any information or comments from the landowner or owners, voters, or residents.**

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The affected territory is uninhabited as defined by LAFCO law (12 registered voters or less). The landowner supports the proposal.

**(14) Any information relating to existing land use designations.**

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Please refer to the discussion concerning Factor No.7.

**(15) The extent to which the proposal will promote environmental justice.**

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The affected territory is not within a census tract that would be considered a disadvantaged unincorporated community. There appears to be no other germane environmental justice factors to consider.

**(16) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annex to the district.**

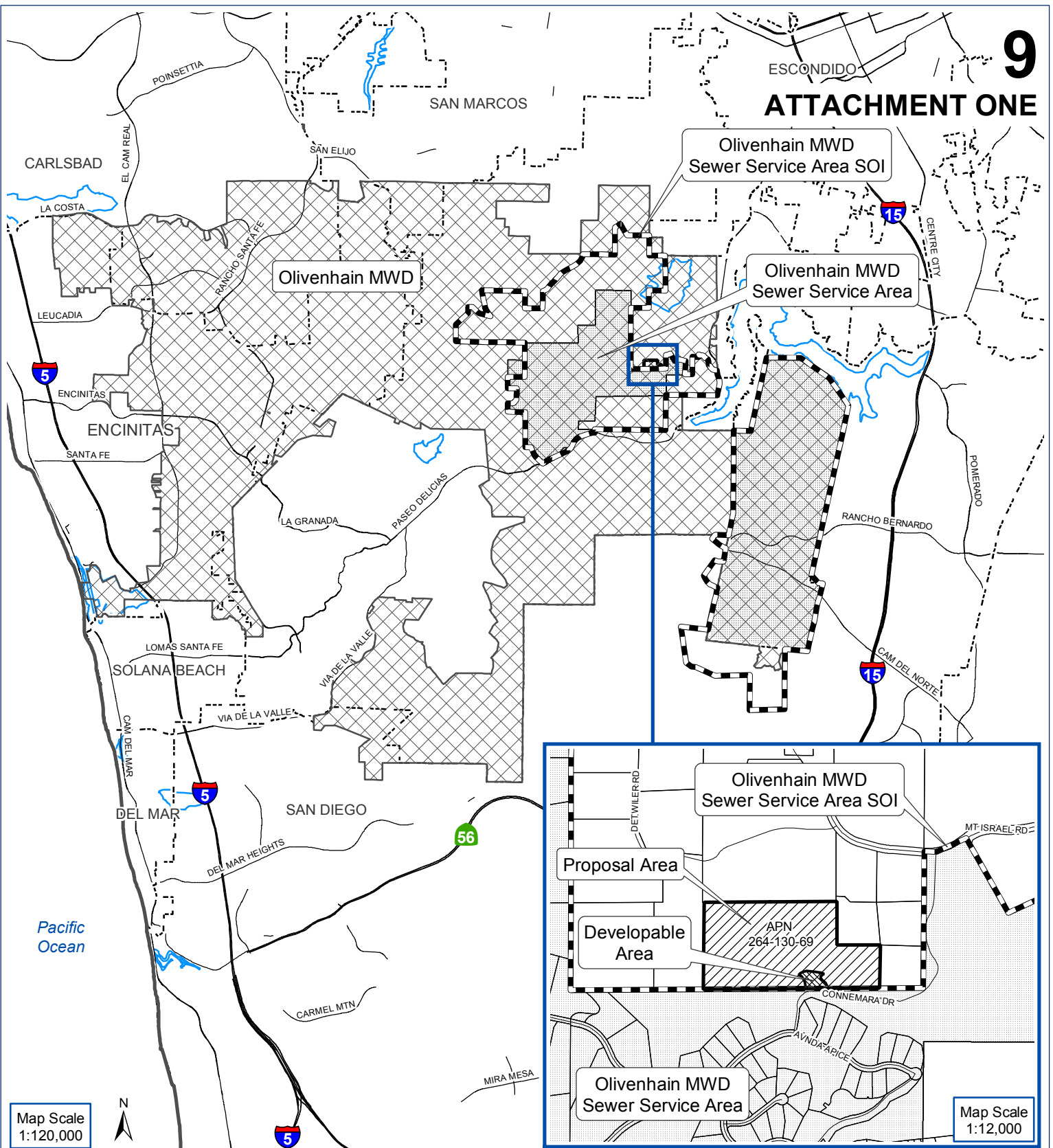
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Approval of the proposal and the extension of wastewater services to the affected territory would be in the best interest of the landowner and allow the construction of a planned single-family residence to be completed. Approval would also benefit neighboring landowners and residents – and especially those located downhill – by helping to avoid the establishment on a private onsite septic system that over time will be prone to failure.

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# ATTACHMENT ONE



LP(E)18-01  
SA18-01

## PROPOSED "CONNEMARA DR. - TRINH LATENT POWERS EXPANSION AND SPHERE OF INFLUENCE AMENDMENT" FOR THE OLIVENHAIN MWD SEWER SERVICE AREA

SOI = Sphere of Influence

- Proposal Area
- Developable Area
- Olivenhain MWD
- OMWD Sewer Service Area
- OMWD Sewer Service Area SOI

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## ATTACHMENT TWO

STATE OF CALIFORNIA)  
COUNTY OF SAN DIEGO)

I, KIMBERLY A. THORNER, Assistant Secretary of the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT, DO HEREBY CERTIFY THAT the foregoing Resolution was duly adopted by the Board of Directors of said District at a Regular Meeting of said Board of Directors held on the 8th day of November, 2017, and that it was so adopted by the following vote:

AYES: Directors Guerin, Sprague, Topolovac, Varty and Watt


NOES: None

ABSTAIN: None

ABSENT: None

I DO HEREBY CERTIFY THAT the foregoing is a full, true and correct copy of Resolution Number 2017-22, of said Board of Directors and that same has not been amended or repealed.

DATE: 11/13/2017

  
KIMBERLY A. THORNER  
Assistant Secretary, Board of Directors  
Olivenhain Municipal Water District



RESOLUTION NO. 2017-22

A RESOLUTION OF THE DIRECTORS OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TAKE PROCEEDINGS FOR: 1) A REORGANIZATION CONSISTING OF ANNEXATION TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT AND THE EXPANSION OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S SEWER LATENT POWERS AND 2) AN AMENDMENT OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT SEWER SERVICE SPHERE OF INFLUENCE TO INCLUDE LOT 1 OF MAP 15806 (ASSESSOR'S PARCEL NO. 264-130-69-00) IN THE RANCHO CIELO SANITATION DISTRICT

WHEREAS, the Board of Directors of the Olivenhain Municipal Water District (District) desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code, and pursuant to California Government Code Section 56654 to service Lot 1 of Map 15806, the Connemara Project (Project); and

WHEREAS, the Local Agency Formation Commission (LAFCO) has previously granted latent powers to the District for the provision of sewer services consisting of the collection, treatment, reclamation, and disposal within specified areas of the District;; and

WHEREAS, the Project consists of Lot 1 of Map 15806, located adjacent to the District's existing Rancho Cielo Sanitation District and currently not within the sewer service-specific sphere of influence of another agency; and

WHEREAS, the proposed sewer-specific sphere of influence action and change of organization are:

1. An amendment of approximately 17.76 acres to the Olivenhain District's Sewer Service-specific Sphere of Influence.
2. The expansion of the District's sewer latent powers of approximately 17.76 acres to include the Project as legally describe in in Exhibit "A" and shown in Exhibit "B".
3. The annexation of approximately 17.76 acres to include the Project into the District's sewer service area; and

WHEREAS, the Project is represented by Joe H. Trinh; and

WHEREAS, the reason for the proposed expansion of sewer service latent powers and annexation into the District are:

1. The Project is located on vacant land, is uninhabited, and is located within the County of San Diego.
2. The Project is located within the San Dieguito Planning area.

3. The Project is adjacent to the Rancho Cielo Sanitation District and will be pumped to the District's sanitation service area via a private sewer pump station and an existing sewer forcemain.
4. It is not feasible due to distance and lack of facilities for the Project to discharge to any other sanitation district. While the parcel is large, the underlying rock and hilly terrain would make it difficult to serve the Project via a septic system.
5. The District has facilities to treat 1.6 million gallons of wastewater per day. The current flows are approximately 1 million gallons per day.

WHEREAS, the District's desires that the expansion of sewer latent power and annexation of the Project into the District's Rancho Cielo Sanitation District be subject to the following terms and conditions:

1. Project will be required to pay all applicable sewer capacity and annexation fees, and all other fees and charges of the District in accordance with the District's rules and regulations.
2. The Project proponent, Joe H. Linh, is required to provide all fees sites and easements as required by the District for the construction of on-site and off-site facilities as determined by the District, at its sole discretion.
3. The Project is required to construct all on-site and off-site sewer facilities as required by the District, at its sole discretion, All sewer facilities shall be built in accordance with District approved plans and specifications and shall be dedicated to the District.
4. The Project must obtain California Environmental Quality Act (CEQA) findings certified by the County of San Diego with no challenges within the time frame authorized by the State of California.
5. The Project will pay the District for all staff time, engineer's time, attorney's fees, and consulting fees and costs incurred in the effort to obtain this approval.
6. The Project will be required to comply with all LAFCO terms and conditions and to pay all LAFCO fees and charges.

NOW THEREFORE, the Board of Directors of the Olivenhain Municipal Water District does hereby find, resolve, determine, and order as follows:

SECTION 1: The foregoing facts are found and determined to be true and correct.

SECTION 2: The Board of Directors of the Olivenhain Municipal Water District finds that the reasons for the proposed annexation and expansion of latent powers of the Rancho Cielo Sanitation District are to provide wastewater collection and treatment services for the proposed Project; to enable the District to provide consistent and efficient public sewer services to the area; to further promote accountability for community services; and to promote and provide a

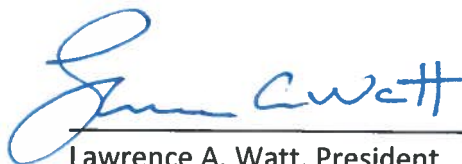
program of total resource management encompassing potable water, municipal wastewater, and water reclamation and reuse.

SECTION 3: The District has adequate sewer capacity to serve the project.

SECTION 4: The Board of Directors of the Olivenhain Municipal Water District directs the General Manager to file a certified copy of this Resolution with LAFCO and request LAFCO take proceedings for the annexation and expansion of latent sewer powers authorizing the District to serve the Project as described in Exhibit "A" and show on Exhibit "B" according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Act of 2000.

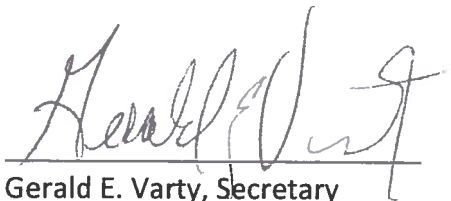
SECTION 5: The approval of the amendment to the District's sewer service-specific sphere of influence and expansion of the District's latent sewer powers are exempt from CEQA review under California Public Resources Code Section 21080(b)(1) which states CEQA does not apply to ministerial projects proposed to be carried out or approved by public agencies. State of California CEQA Guidelines Section 15061(b)(3) also exempts from CEQA projects that are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The expansion of sewer latent powers and amendment to the District's sewer service-specific sphere of influence themselves do not have potential for causing a significant effect on the environment.

PASSED, ADOPTED, AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on November 8, 2017.



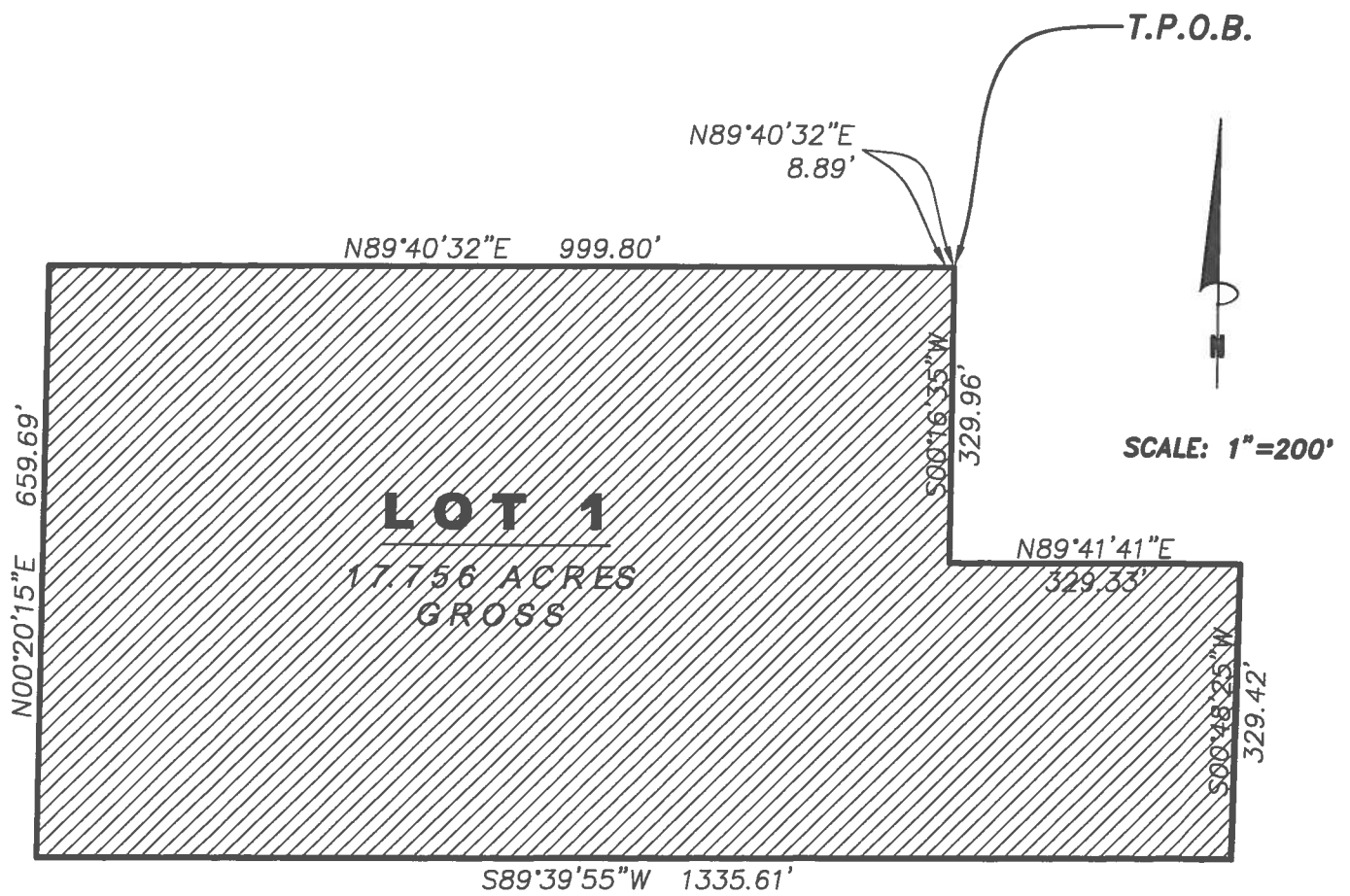
Lawrence A. Watt, President  
Board of Directors  
Olivenhain Municipal Water District

ATTEST:



Gerald E. Varty, Secretary  
Board of Directors  
Olivenhain Municipal Water District

**EXHIBIT 'B'**



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# The San Diego Union-Tribune

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ATTACHMENT THREE

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MAY 17 2018

SAN DIEGO LAFCO

**Bill To:**

LOCAL AGENCY FORMATION COMMISSION (LAFCO) - CU00476103  
9335 Hazard Way  
Ste 200  
San Diego, CA 92123-1222

**STATE OF ILLINOIS  
COUNTY OF Cook**

The Undersigned, declares under penalty of perjury under the laws of the State of California: That he/she is and at all times herein mentioned was a citizen of the United States, over the age of twenty-one years, and that he/she is not a party to, nor interested in the above entitled matter; that he/she is Chief Clerk for the publisher of

Proof of Publication of

See Attached

**San Diego Union-Tribune**

a newspaper of general circulation, printed and published daily in the City of San Diego, County of San Diego, and which newspaper is published for the dissemination of local news and intelligence of a general character, and which newspaper at all the times herein mentioned had and still has a bona fide subscription list of paying subscribers, and which newspaper has been established, printed and published at regular intervals in the said City of San Diego, County of San Diego, for a period exceeding one year next preceding the date of publication of the notice hereinafter referred to, and which newspaper is not devoted to nor published for the interests, entertainment or instruction of a particular class, profession, trade, calling, race, or denomination, or any number of same; that the notice of which the annexed is a printed copy, has been published in said newspaper in accordance with the instruction of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

**May 14, 2018**

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated in the City of Chicago, State of Illinois  
on this 14th of May 2018.

Stefanie Robie  
San Diego Union-Tribune  
Legal Advertising

5610211

# The San Diego Union-Tribune

## Bill To:

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### SAN DIEGO LOCAL AGENCY FORMATION COMMISSION NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION (LAFCO) will hold a regular meeting on Monday, June 4, 2018 at 9:00 A.M. at the County Administration Center located at 1600 Pacific Highway, Room 302 in San Diego to consider and bring other items to the following action:

CONSIDERATION OF AN AMENDMENT TO THE SEWER SERVICE SPECIFIC SPHERE OF INFLUENCE FOR THE OLIVEROHIO MUNICIPAL WATER DISTRICT IN ASSOCIATION WITH THE PROPOSED "CONNETTARA DRIVE - TRENCH LATENT PUMP SEWER SERVICE EXPANSION"

The proposed sewer service-specific sphere amendment area total approximately 17.74 acres of unincorporated territory presently located within the authorized water service area and general sphere of influence for the Olivenhain Municipal Water District (MWD). Commission approval of the proposed service-specific sphere amendment will allow for expansion of the previously-authorized Olivenhain MWD sewer service (latent pump) area to extend sewer service to the proposal area.

State Law provides that notification of the impending sphere amendment may be published in a newspaper serving the area if the number of property owners and registered voters within the affected territory and within 150 feet of the exterior boundary of the property exceeds 1,000. (Government Code Section 56157.01)

The proposed sewer service-specific sphere amendment is requested in a proposal to expand the previously-authorized Olivenhain MWD sewer service (latent pump) area to allow the MWD to provide both water and sewer service to the proposal area. The proposed service-specific sphere amendment will provide consistency with the approved expansion of the latent sewer service power area. There is potential for the extension or continuation of any previously authorized charge fee, assessment, or fee by the local agency in the affected territory.

State Law requires notice to all registered voters and landowners within the affected territory that unless written opposition to the proposal is received before the conclusion of the June 4, 2018 Commission proceedings on the proposal, the Commission intends to waive protest proceedings. (Government Code Section 56641(b))

At the hearing, the Commission will hear any person who wishes to speak and will consider the application and report of the Executive Officer. The first may be announced in the LAFCO office. An associated agenda report will be available for download at [www.sdiato.org](http://www.sdiato.org) approximately one week prior to the hearing date. You may also request a written copy of the associated agenda report by contacting LAFCO at (619) 614-7755.

Ref. Nos.: SA(15)18-01  
SP(15)18-01  
"Connetterra Drive - Trench Latent Pump Sewer Service Expansion" (Olivenhain Municipal Water District)

Kenna Simonetti, Executive Officer  
San Diego Local Agency Formation Commission  
County of San Diego