



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

**5d**

**AGENDA REPORT**  
 Consent | Action

March 2, 2020

**TO:** Commissioners

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

**SUBJECT: Proposed “Orpheus Avenue-Gupta Change of Organization” |  
 Annexation to the Leucadia Wastewater District (CO19-29)**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal filed by the Leucadia Wastewater District (WWD) to annex approximately 1.0 acres of incorporated territory within the District’s sphere of influence. The affected territory as submitted includes one legal lot divided into two assessor parcels with an existing gas station in the City of Encinitas. The proposal purpose is to extend public wastewater service to facilitate a remodel and expansion to include a quick-service restaurant. Staff recommends approval of the proposal with a modification to include 2.7 acres of adjacent public right-of-way along Orpheus Avenue and Leucadia Boulevard. Standard approval terms are also recommended along with waiving protest proceedings.

**BACKGROUND**

**Applicant Request**

San Diego LAFCO has received a proposal from Leucadia WWD on behalf of an interested landowner (Ravi Gupta) requesting approval to annex approximately 1.0 acres within the District’s sphere of influence. The affected territory as submitted comprises two assessor parcels already developed with an existing gas station (Chevron) that includes a mini-mart and

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auto service mechanic shop with a situs of 865 Orpheus Avenue in the City of Encinitas. The existing gas station was built in 1970 and currently utilizes an onsite septic tank. The County of San Diego Assessor identifies the two subject assessor parcels as 256-121-29 and 256-121-34.

### Affected Territory

The following map shows the approximate location of the affected territory. Attachment One shows the affected territory relative to the proposed boundary change involving the lone subject agency (Leucadia WWD) and the principal affected agency (City of Encinitas).



Source: San Diego LAFCO

### Subject Agency

The proposed change of organization filed with San Diego LAFCO involves one subject agency: Leucadia WWD.<sup>1</sup> A summary of the subject agency in terms of resident population, municipal service functions, and financial standing follows.

- Leucadia WWD is an independent special district formed in 1959 and provides wastewater services within an approximate 15 square-mile service area with a projected resident service population of 63,000. The jurisdictional boundary is divided between two municipalities with the City of Encinitas on the north and the City of Carlsbad on the south. Key infrastructure includes 218 miles of wastewater lines that collect and convey wastewater for treatment and discharge to the Encina Wastewater Authority; a joint-powers authority co-membered by the District and operator of the Encina Wastewater Pollution Control Facility in Carlsbad. LAFCO most recently updated Leucadia WWD’s sphere of influence in 2013 and it includes 547 non-jurisdictional acres. The undesignated fund balance as of July 30, 2019

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

totaled \$32.7 million and sufficient to cover 27 months of normal operating costs based on the current budget.

### Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of four local agencies directly subject to San Diego LAFCO. These agencies qualify as “affected agencies” relative to the proposed change of organization and listed below.<sup>2</sup>

- City of Encinitas
- San Dieguito Water District
- San Diego County Water Authority
- CSA No. 17 (San Dieguito Ambulance)
- CSA No. 135 (Regional Communications)

### DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the change of organization proposal to annex the affected territory to the Leucadia WWD. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion with respect to proposal purpose and Commission focus follows.

### Proposal Purpose

The primary purpose of the proposed change of organization before San Diego LAFCO is to facilitate the remodel and expansion of the existing gas station comprising the affected territory by making available public wastewater service. The City of Encinitas has conditionally approved a use permit for the remodel and involves demolishing an existing mini-mart and auto-service shop and construct a new and larger marketplace and quick-service restaurant. Connection to Leucadia WWD is a condition of approval. Leucadia WWD’s wastewater main is located immediately adjacent to the affected territory within the public right-of-way on Orpheus Avenue and accessible by a private lateral connection.

### Development Potential

The City of Encinitas General Plan designates the affected territory as Visitor Serving Commercial (VSC) with a matching zoning assignment. This latter assignment prescribes a minimum lot size of 0.2 acres and would allow the affected territory to be further divided up to a maximum of four legal lots. The City of Encinitas approved a major use permit in December 2018 to allow the landowner to proceed with a remodel and expansion as described in the preceding section.

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<sup>2</sup> State law defines “affected local agency” as any entity that contains, or would contain, or whose sphere contains or would contain, any territory for which a change of organization is proposed or ordered. Notice of the proposal and hearing were provided to the agencies.

## Commission Focus

Two central and sequential policy items underlie the San Diego LAFCO's consideration of the change of organization. These policy items ultimately take the form of determinations and orient the Commission to consider the stand-alone merits of the (a) timing of the change of organization and (b) whether discretionary boundary modifications or approval terms are appropriate. The Commission must also consider other relevant statutes as detailed.

## ANALYSIS

San Diego LAFCO's analysis of the proposed change of organization is divided into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section regarding the timing of the change of organization relative to the factors mandated for review by the Legislature and local policies as well as whether modifications and terms are appropriate in further addressing Commission goals and policies. The second subsection considers other germane issues and highlighted by applicability under the California Environmental Quality Act (CEQA) and the disposition of protest proceedings.

## Central Policy Items

### Item No. 1 |

#### Change of Organization Timing

The timing of the change of organization appears appropriate. This conclusion draws from the analysis of the factors required for consideration under statute anytime jurisdictional changes are proposed along with locally adopted Commission policies. Most of the prescribed factors and applicable policies focus on the impacts of the proposed annexation on the service and financial capacities of the receiving agency, Leucadia WWD (emphasis added). A summary of key conclusions generated in the review of these factors and applicable local policies follow with a complete analysis provided in Appendix A.

- Service Needs

Annexation of the affected territory to Leucadia WWD would represent a logical and orderly expansion of the District's jurisdictional boundary and wastewater services therein and marked by accommodating a planned intensification of an infill commercial use. Additional details on relevant service needs follow.

- The Commission has previously designated Leucadia WWD as the appropriate long-term wastewater provider for the affected territory through the standing inclusion of land within the District's sphere of influence. Annexation now implements this standing expectation through a public process and accommodates the expressed interest of the affected landowner as evident in their decision to request Leucadia WWD initiate the proceedings.

- Annexation of the affected territory to Leucadia WWD for purpose of establishing public wastewater services going forward is consistent with the adopted commercial land use policies of the City of Encinitas; the current and appropriate long-term land use authority as determined by Commission and marked by the subject lands' standing inclusion in the City's sphere of influence.
- There is an existing need for public wastewater service to accommodate the current and planned commercial use within the affected territory given the alternative would be to maintain a private on-site septic system. This alternative – among other items – would counter the Commission's interest and practice in discouraging private septic systems in developing urban areas.
- Service Capacities and Levels

Leucadia WWD has available and sufficient collection and contracted treatment capacities to accommodate projected service demands within the affected territory at its planned maximum uses without expanding any public infrastructure. Additional details on relevant service capacities and levels follow.

  - An existing Leucadia WWD wastewater main is located immediately adjacent to the affected territory within the public right-of-way on Orpheus Avenue and accessible through an approximately 50-foot lateral connection. The adjacent right-of-way is already entirely within Leucadia WWD's jurisdiction.
  - It is projected the maximum average day wastewater demand generated within the affected territory based on its planned expanded commercial use is 3,440 gallons. This amount represents 0.11% of the existing available capacity of Leucadia WWD, and as such can be readily accommodated without additional resources or infrastructure planning.
- Service Funding and Costs

Leucadia WWD has the financial resources coupled with administrative controls to provide wastewater services to the affected territory in support of its current and planned development without adversely impacting current ratepayers. This comment is reflected in the staff analysis of Leucadia WWD's recent audited statements which shows – among other items – the District remained profitable in each of the last three audited fiscal years with an average total margin of 151%.

### **Conclusion | Merits of Change of Organization Timing**

The timing of the change of organization and annexation therein of the affected territory to Leucadia WWD is warranted. Justification is marked by the preceding analysis and highlighted by appropriately responding to the need for wastewater service in a developing urban area and reflects available capacities and infrastructure. Additional analysis supporting the conclusion is provided in Appendix A.

## **Item No. 2 | Modifications and Terms**

Staff believes one modification to the submitted change of organization proposal is appropriate and it involves San Diego LAFCO adding the adjacent public right-of-way to the centerline of Orpheus Avenue. This recommendation expands the annexation by 2.7 acres of public right of way. The recommended modification does not have a material effect on the applicant. Applying standard approval terms also appears appropriate. A map of the affected territory with the recommended modification is provided as Attachment One.

### **Conclusion | Modifications and Terms**

One modification appears warranted to expand the affected territory to include 2.7 acres of adjacent public right-of-way on Orpheus Avenue and Leucadia Boulevard in providing a more orderly Leucadia WWD boundary. Standard terms are recommended.

## **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 San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff has confirmed the County Board of Supervisors has adopted a master tax exchange agreement applicable to the proposed change of organization. The application of this master tax exchange agreement will result in no transfer of property taxes to Leucadia WWD.

### **Environmental Review**

Leucadia WWD serves as the lead agency for assessing potential impacts of the proposal under CEQA given the District has initiated the change of organization proceedings. Leucadia WWD has determined the action qualifies as a project, but is exempt from further review under State CEQA Guidelines Section 15319(a). Staff independently concurs Leucadia WWD has made an appropriate determination given the affected territory contains existing private structures consistent with the applicable zoning and there is no corresponding need for an expansion of public infrastructure.

## Protest Proceedings

Protest proceeding for the change of organization may be waived by San Diego LAFCO should the Commission proceed with an approval under Government Code Section 56662. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law, the subject agency has not filed an objection to the waiver, and the landowner has consented to the underlying action.<sup>3</sup> Applying the recommended modification to include the adjacent public right-of-way on Orpheus Avenue and Leucadia Boulevard to the affected territory also does not trigger protest.

## RECOMMENDATION

Staff recommends approval of the change of organization proposal with modifications as specified along with standard terms. This recommendation is consistent with Alternative One in the proceeding section and generates the following boundary change in Leucadia WWD:

- Annexation of all 3.7 acres of the affected territory as modified to Leucadia WWD.

## ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished with a single-motion:

### Alternative One (recommended):

Adopt the attached draft resolution approving the change of organization proposal with a modification to include the adjacent public right-of-way on Orpheus Avenue and Leucadia Boulevard along with standard terms.

### Alternative Two:

Continue consideration to the next regular meeting.

### Alternative Three:

Disapprove the change of organization proposal with direction to staff to return at the next regular meeting with a conforming resolution for adoption.

(continued)

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<sup>3</sup> LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.

## PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified.

On behalf of the Executive Officer,

A handwritten signature in black ink, appearing to read 'Linda Heckenkamp', written over a faint horizontal line.

Linda Heckenkamp  
Analyst I

Appendices:

- A) Analysis of Boundary Change Factors

Attachments:

- 1) Map of the Affected Territory with Recommended Modification
- 2) Draft Resolution of Approval



## APPENDIX A

### Government Code Section 56668 Proposal Review Factors

- a) **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 as submitted is approximately 0.995 acres in size and within the City of Encinitas. It includes one legal lot that is divided for tax purposes into two assessor parcels with a common situs of 865 Orpheus Avenue (256-121-29 and 31). The affected territory is currently developed with a gas station that includes service bays and a mini-mart. Staff independently recommends expanding the affected territory to include 2.7 acres on the adjacent public right-of-way on Orpheus Avenue. The City of Encinitas General Plan designates and zones the subject parcels for commercial uses. No significant growth is anticipated in the surrounding area within the next 10-year period with the qualifier there are undeveloped properties to the immediate south that are zoned for low-density residential uses. Total assessed value (land and structures) of the affected territory is \$1,371,768 as of February 2020.

- b) **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 City of Encinitas acts as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and public safety with the latter including fire protection and law enforcement via a contract with the County Sheriff. Other pertinent service providers include San Dieguito Water District (domestic water) and County Service Area No. 17 (ambulance). This proposal affects only wastewater and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**

The affected territory and its existing commercial uses is currently dependent on an on-site septic system. The septic system was established in 1970 with the construction of the current gas station, and as such is being removed in-step with the planned remodel and expansion of the site. Connection to Leucadia WWD is readily available through an approximate 50-foot lateral to an existing wastewater main located within the adjacent public right-of-way on Orpheus Avenue. It is projected the average daily wastewater flow for the affected territory at its planned maximum use is approximately 3,440 gallons per day. This projected amount represents less than 0.11% of the current 3.100 million gallons of available and remaining

daily contracted capacity allocated to Leucadia WWD.

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

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Approving the change of organization and annexation therein to Leucadia WWD would recognize and strengthen existing economic and social ties between the District and the affected territory. These ties were initially established in the 1980's when the Commission included the entire area into Leucadia WWD's sphere of influence and signaling the lands would eventually warrant public wastewater service from the District when appropriate.

**d) 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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Approving the proposed change of organization and annexation to Leucadia WWD would facilitate a planned improvement to the affected territory to remodel and expand the existing gas station and its ancillary uses to include a new marketplace and quick-serve restaurant. This planned improvement has been approved by the City of Encinitas and termed – and among other factors – on annexation and connection to Leucadia WWD. Approval would be consistent with the Commission's adopted policies to sync urban type uses with urban type services. The affected territory does not qualify as "open-space" as defined under LAFCO law and no conflicts exists under G.C. Section 56377. Additional analysis concerning applicability of germane Commission policies follow.

- Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable require a consultation process with the affected agencies, interested parties, or organizations to help remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were disclosed by the applicant or identified by subject and affected agencies in the review of the proposal.

**e) 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 currently 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. Approval of the change of organization proposal and annexation to Leucadia WWD would have no effect on maintaining the physical and economic integrity of agricultural lands.

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

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LAFCO is in receipt of a draft map and geographic description of the affected territory that details metes and bounds consistent with the standard of the State Board of Equalization. Approval would be conditioned on a final map and description conforming to the referenced standards and address any modifications required by the Commission. Approval for reorganization of the affected territory would not create service islands or corridors.

**g) A regional transportation plan adopted pursuant to Section 65080.**

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The proposed change of organization would facilitate the improvement and expansion of an existing commercial use in an established and urbanizing metropolitan area and within close proximity to two major transportation corridors in North Coast Highway 101 and Interstate 5. The proposal, accordingly, does not conflict with San Diego Forward, the regional transportation plan prepared by San Diego Association of Governments (SANDAG).

**h) Consistency with the city or county general and specific plans.**

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The City of Encinitas General Plan identifies the affected territory land use designation and zoning for the affected territory as Visitor Serving Commercial VSC. These existing and planned uses are consistent with the proposal's purpose to provide public wastewater.

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

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The affected territory lies entirely within the sphere of influence designated for the Leucadia WWD. Additional details are provided in the analysis provided on page 10.

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

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Staff provided notice of the change of organization proposal to all subject and affected agencies as required under LAFCO law. No written comments were received ahead of preparing this agenda report for distribution on February 21, 2020.

**k) 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 Leucadia WWD appears to have established sufficient financial resources and administrative controls therein relative to providing public wastewater to the affected territory without adversely impacting existing ratepayers. This statement is supported by the following factors.

- Leucadia WWD’s last audit covers 2018-2019 and shows the District finished with good liquidity levels with an agency-wide current ratio of 8.0 (i.e., \$8.00 in current assets for every \$1.00 in current liabilities).
- Leucadia WWD finished 2018-2019 with high capital as evident by a relatively low debt ratio of 4.9% (i.e., only \$4.90 out of every \$100.00 in net assets are financed.)
- Leucadia WWD has remained profitable in each of the last three audited fiscal years with an average operating margin of 151%. The most recent year – 2018-2019 – the operating margin was 32.9%.

The landowners of the affected territory will pay all required fees and service charges commensurate with Leucadia WWD’s adopted fee ordinance in establishing wastewater services. At present, the wastewater service charge is \$5,089 per Equivalent Dwelling Unit (EDU) and \$343.68 per year for each EDU. The wastewater rates are fixed and are not based on flow or water usage. Serving one additional home as a result of approval of the proposed annexation will not adversely impact existing ratepayers.

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

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The affected territory’s existing residential uses are already within and connected to San Dieguito Water District’s retail domestic water system with wholesale supplies provided by the San Diego County Water Authority. Approval of the change of organization would not affect the timely availability of water supplies to the affected territory.

**m) 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 as determined by the appropriate council of governments.**

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The proposed change of organization would extend wastewater service to facilitate the planned improvement and expansion of an existing gas station consistent with the commercial zoning established by the City of Encinitas. Additional employment generated as a result of the planned improvement is expected to have a negligible impact on the City of Encinitas with respect to future housing need assignments by SANDAG.

**n) Any information or comments from the landowners, voters, or residents.**

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The affected territory is considered uninhabited as defined by LAFCO law (containing 11 registered voters or less). The landowner supports the proposed change of organization and has provided their written consent to the proceedings.

**o) Any information relating to existing land use designations.**

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See above analysis for (h).

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

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As used in this review factor, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed change of organization does not include locating new public facilities. Approval of the proposed change of organization is not anticipated to influence and/or hinder the promotion of environmental justice in the affected territory or within the adjacent areas.

**q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the affected territory.**

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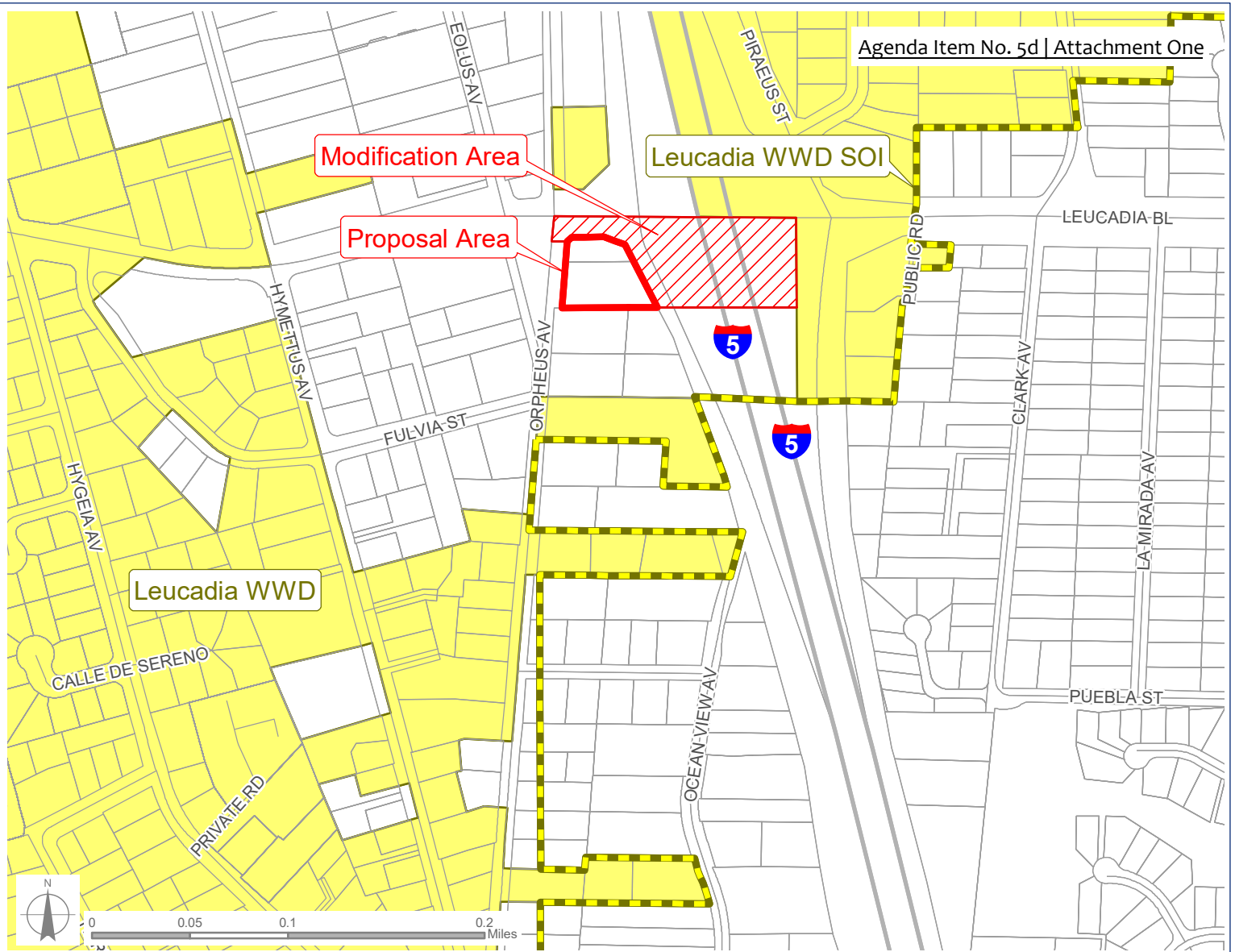
The City of Encinitas General contains a hazard mitigation plan for potential fire, flooding and earthquakes. The affected territory lies outside any threat designations.

**Section 56668.3(a)(1) 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 change of organization proposal would be in the best interest of the current and future landowners by providing access to reliable public wastewater service going forward.





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CO19-29

**PROPOSED "ORPHEUS AVENUE - GUPTA CHANGE OF ORGANIZATION" TO LEUCADIA WASTEWATER DISTRICT**

SOI = Sphere of Influence

-  Proposal Area
-  Modification Area
-  Leucadia WWD
-  Leucadia WWD SOI



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**RESOLUTION NO. \_\_\_\_\_**

**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION**

**MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION**

**“ORPHEUS AVENUE-GUPTA CHANGE OF ORGANIZATION”  
ANNEXATION TO THE LEUCADIA WASTEWATER DISTRICT  
LAFCO FILE NO. CO19-29**

**WHEREAS**, on December 27, 2019, Leucadia Wastewater District filed a resolution to initiate proceedings and an application with the San Diego County Local Agency Formation Commission, hereinafter referred to as “Commission,” pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

**WHEREAS**, the application seeks approval of a change of organization to annex approximately 0.995 acres of incorporated territory within the City of Encinitas to the Leucadia Wastewater District; and

**WHEREAS**, the affected territory as proposed includes two incorporated assessor parcels developed with an existing gas station and identified by the County of San Diego Assessor’s Office as 256-121-29 and 256-121-34; and

**WHEREAS**, an applicable master property tax transfer agreement applies to the proposed change of organization dated December 14, 1982; and

**WHEREAS**, the Commission’s Executive Officer has reviewed the proposed change of organization and prepared a report with recommendations; and

**WHEREAS**, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all the evidence presented at a noticed public meeting on the proposal on March 2, 2020; and

**WHEREAS**, the Commission considered all the factors required by law under Government Code Section 56668 and adopted local policies and procedures.

**NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER** as follows:

1. The public meeting was held on the date set therefore, and due notice of said meeting was given in the manner required by law.

2. At the public meeting, the Commission considered the Executive Officer's report.
3. Leucadia Wastewater District serves as the lead agency for assessing potential impacts of the proposal under CEQA given the District has initiated the change of organization proceedings. Leucadia WWD has determined the action qualifies as a project, but is exempt from further review under State CEQA Guidelines Section 15319(a) given the affected territory contains existing private structures consistent with the applicable zoning and there is no corresponding need for an expansion of public infrastructure. The Commission serves as the responsible agency and independently concurs Leucadia WWD has made an appropriate determination.
4. The Commission APPROVES the change of organization with a discretionary modification as described below and subject to conditions as provided. Approval involves all of the follow:
  - a) The affected territory is modified to include the adjacent incorporated public right-of-way to the centerline on Orpheus Avenue and Leucadia Boulevard.
  - b) Annexation of the affected territory as modified to the Leucadia Wastewater District is shown in "Exhibit A-1" and described in "Exhibit A-2."
5. The Commission CONDITIONS all approvals on the following terms being satisfied by March 2, 2020 unless an extension is requested in writing and approved by the Executive Officer:
  - a) Completion of the 30-day reconsideration period provided under Government Code Section 56895.
  - b) Submittal to the Commission of 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.
  - c) Submittal to the Commission of the following payments:
    - A check made payable to LAFCO in the amount of \$50.00 for the County of San Diego-Clerk Recorder to reimburse for filing a CEQA Notice of Exemption consistent with the findings in the resolution.
    - A check made payable to the State Board of Equalization for processing fees in the amount of \$300.00.
6. The Commission assigns the proposal the following short-term designation:

"Orpheus Avenue - Gupta Change of Organization"

7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.
8. The Commission waives conducting authority proceedings under Government Code Section 56662.
9. The Leucadia Wastewater District is a registered-voter district.
10. The Leucadia Wastewater District utilizes the County of San Diego assessment roll.
11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Leucadia Wastewater District as provided under Government Section 57328.
12. The effective date of the approval shall be the date of recordation but not before the completion of a 30-day reconsideration period and only after all terms have been completed as attested by the Executive Officer.
13. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defects, errors, irregularities, or omissions.
14. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Sections 56880-56882 of the Government Code.
15. The Executive Officer is further authorized and directed to prepare, execute, and record a Certificate of Completion, make the required filings with the County Assessor, County Auditor, and the State Board of Equalization as required by Section 57200, et seq., of the Government Code.

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PASSED AND ADOPTED by the Commission on March 2, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Attest:

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Keene Simonds  
Executive Officer

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**EXHIBIT A**  
**MAP OF THE AFFECTED TERRITORY**

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**EXHIBIT B**  
**GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY**

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**RESOLUTION NO. 2322**

**A RESOLUTION OF APPLICATION BY THE  
BOARD OF DIRECTORS OF LEUCADIA WASTEWATER DISTRICT  
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION  
TO TAKE PROCEEDINGS FOR THE PROPOSED  
GUPTA CHANGE OF ORGANIZATION**

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**RESOLVED**, by the Board of Directors of the Leucadia Wastewater District, that

**WHEREAS**, the Board of Directors of the LEUCADIA WASTEWATER DISTRICT (LWD), San Diego County, State of California, 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 for the proposed Gupta Change of Organization; and

**WHEREAS**, the proposed Gupta Change of Organization includes annexation of the Gupta territory (**APNs 256-121-29 & 34-00**) to the LWD; and

**WHEREAS**, the reasons for this proposed Change of Organization are as follows:

1. LWD is empowered to and is engaged in the collection, treatment, and disposal of wastewater and has existing facilities to provide wastewater service to the territory proposed to be annexed.
2. The owners of the territory desire to utilize the LWD facilities.
3. The territory to be annexed is within LWD's Sphere of Influence.

**WHEREAS**, the territory subject to the proposed Change of Organization is inhabited, and a description of the external boundary of the territory is set forth in Exhibit "A" and a map thereof is set forth in Exhibit "B", both attached hereto and by this reference incorporated herein; and

**WHEREAS**, LWD requests that the proposed Change of Organization be subject to the following terms and conditions:

1. The annexed property is thereafter subject to capacity fees, sewer service fees, and all other district-wide Ordinances and Resolutions of LWD.

**WHEREAS**, LAFCO is authorized to approve this proposed Change of Organization without notice or hearing and without an election. If no express effective date is indicated, the effective date of the Change of Organization shall be the date of recordation of the Certificate of Completion and Resolution ordering the change of organization by the County Recorder.

**WHEREAS**, the staff of LWD has reviewed this proposed Change of Organization under the California Environmental Quality Act (CEQA) and has found it to be categorically exempt from CEQA pursuant to Section 15319 (a) of the California Environmental Quality Act.

**NOW, THEREFORE**, this Resolution of Application is hereby approved and adopted by the Board of Directors of the LEUCADIA WASTEWATER DISTRICT. The Local Agency Formation Commission of San Diego County is hereby requested to take proceedings for the proposed Change of Organization that includes the territory as described in Exhibit "A" and shown in Exhibit "B", according to the terms and conditions stated above and in a manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

**PASSED AND ADOPTED** at a Regular meeting of the Board of Directors held on December 11<sup>th</sup>, 2019 by the following vote:

AYES: Kulchin, Juliussen, Omsted, Hanson  
NOES: None.  
ABSTAIN: None.  
ABSENT: Sullivan

  
\_\_\_\_\_  
David Kulchin, President

ATTEST:   
\_\_\_\_\_  
Paul Bushee, General Manager  
(SEAL)