

**APPROVED
SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
JULY 10, 2017**

There being a quorum present, the meeting was convened at 9:02 a.m. by Chairman, Mayor Sam Abed. Also present were: Regular Commissioners – Vice Chairwoman, Special District Member Jo MacKenzie; Supervisor Dianne Jacob (arrived 9:03 a.m.); Supervisor Bill Horn; City Councilmember Lori Zapf; Special District Member Ed Sprague and Public Member Andy Vanderlaan. Alternate Commissioners – City Commissioner, Mayor Racquel Vasquez; Special District Member Judy Hanson and Public Member Harry Mathis. LAFCO Staff – Executive Officer Michael Ott; Chief Analyst Robert Barry; Chief Analyst Joe Serrano and Legal Counsel Michael Colantuono. Absent were: Regular Commissioner – City Member, Mayor Catherine Blakespear. Alternate Commissioners – Supervisor Greg Cox and City Councilmember Chris Cate.

Item 1

Pledge of Allegiance

Public Member Andy Vanderlaan led the Pledge of Allegiance at the meeting.

Item 2

Roll Call

The Commission Clerk performed the roll call for the July 10, 2017, LAFCO meeting. With the exception of Regular Commissioner City Member, Mayor Catherine Blakespear; Alternate Commissioners: Supervisor Greg Cox and City Councilmember Chris Cate, all other Commissioners were present. Alternate City Commissioner, Mayor Raquel Vasquez voted in place of Commissioner Blakespear, who was absent.

Item 3

Approval of Minutes of Meeting Held June 5, 2017

On motion of Commissioner Vasquez, seconded by Commissioner Vanderlaan, and carried unanimously by the Commissioners present, the Commission dispensed with reading the minutes of June 5, 2017 and approved said minutes.

Item 4

Executive Officer's Recommended Agenda Revisions

Chairman Sam Abed asked the Executive Officer if there were any agenda revisions. Executive Officer Michael Ott said that there were several agenda revisions. Mr. Ott requested that the closed session items be moved to open session. He recommended that Item 12 be moved to Item 5c and Item 13 be moved to Item 5d.

Item 5

Commissioner/Executive Officer Announcements

Chairman Sam Abed asked if there were any announcements from the Commissioners or the Executive Officer.

a. August 7, 2017 Recognition Event

Executive Officer Michael Ott indicated that a number of staff will be leaving LAFCO service at the end of August.

b. City Member Voting Requirements

Executive Officer Michael Ott discussed the City Member Voting Requirements.

c. Refer to Item 12

d. Refer to Item 13

Item 6

Proposed “Vista Grande Drive Reorganization” (City of Vista) (RO17-02)

Michael Ott indicated that the proposal involves annexation of 17-acres to the City of Vista with a concurrent detachment from the Vista Fire Protection District.

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

- (1) Find that the Commission, acting as a responsible agency, has considered the environmental effects of the project as shown in the attached mitigated negative declaration prepared by the City of Vista. The mitigation is within the jurisdiction of the City and not LAFCO because the affected resources and services will be within the city limits upon annexation; and
- (2) Adopt the form of resolution approving this reorganization 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 reorganization subject to the following conditions:

Payment by the property owners of State Board of Equalization charges.

Item 7

Proposed “Olive Avenue Reorganization” (City of Vista) (RO17-04)

Michael Ott indicated that the proposal involves annexation of 3.19-acres to the City of Vista with a concurrent detachment from the Vista Fire Protection District.

Chairman Abed indicated that a speaker slip was received in support of Item 7 from Lloyd Topzand, land owner. Mr. Topzand did not wish to speak, but to register his support for Item 7.

On motion of Commissioner Horn, seconded by Commissioner Vanderlaan, and carried unanimously by the Commissioners present; the Commission took the following actions:

- (1) Find that the Commission, acting as a responsible agency, has considered the environmental effects of the project as shown in the attached mitigated negative declaration prepared by the City of Vista. The mitigation is within the jurisdiction of the City and not LAFCO because the affected resources and services will be within the city limits upon annexation; and
- (2) Adopt the form of resolution approving this reorganization 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 reorganization subject to the following conditions:

Payment by the property owners of State Board of Equalization charges.

Item 8A

Municipal Service Review and Sphere of Influence: County Service Area No. 115 (Pepper Drive) (MSR13-62; SR13-62) Lakeside Fire Protection District (MSR13-70; SR13-70) San Miguel Consolidated Fire Protection District (MSR13-90; SR13-90)

Item 8B

Adoption of an Amendment to the Spheres of Influence of County Service Area No. 115 (Pepper Drive) (SA14-12; SA14-13) Lakeside Fire Protection District (SA14-12) San Miguel Consolidated Fire Protection District (SA14-13)

Item 8C

Proposed "County Service Area No. 115 (Pepper Drive) Reorganization No. 1" (San Miguel Consolidated Fire Protection District) and "County Service Area No. 115 (Pepper Drive) Reorganization No. 2" (Lakeside Fire Protection District)

Chairman Abed opened the public hearing for Items 8A, 8B and 8C.

Executive Officer Michael Ott indicated that Items 8A, 8B and 8C are related to the Municipal Service Review, Sphere of Influence review and reorganization of County Service Area (CSA) No. 115 (Pepper Drive), San Miguel Consolidated Fire Protection District and Lakeside Fire Protection District. Mr. Ott said that Chief Analyst Joe Serrano will provide a PowerPoint presentation.

Joe Serrano, Chief Analyst, discussed the background of the proposals. Mr. Serrano said that the East County Fire Protection and Stakeholders Committees were formed due to the competing applications and that it was a nine month process with six meetings, the last in June. He also discussed the Municipal Service Review and Sphere of Influence review determinations, the three technical reports and LAFCO staff findings and recommendations.

Chairman Abed indicated that there were speaker slips received for public comment requests for agenda Items 8A, 8B and 8C.

Don Butz, Fire Chief, Lakeside Fire Protection District, addressed the Commission.

Criss Brainard, Fire Chief, San Miguel Consolidated Fire Protection District, addressed the Commission.

Colin Stowell, Fire Chief, Heartland Fire and Rescue, addressed the Commission.

Chairman Abed commended Commissioners Jacob, MacKenzie, Sprague and Vanderlaan for their work on the East County Fire Protection Committee.

Commissioner Jacob asked for clarification on the completeness of the staff report. In regards to the question, Joe Serrano, Chief Analyst, said that the CSA No. 115 reorganization is not ready for Commission consideration because Lakeside and San Miguel Consolidated Fire Protection Districts need to finalize the map and legal description and adopt a property tax exchange agreement. Commissioner Jacob expressed caution moving forward and to give the districts more time to resolve issues.

Commissioner Sprague applauded the efforts of the districts and placed a motion on the floor to approve the staff recommendation. Commissioner Jacob seconded the motion.

Commissioner Vanderlaan thanked all the agencies involved and showed support in approving the special study area recommended in the staff report.

Chairman Abed also thanked all of the agencies involved and that public safety first.

Commissioner Jacob clarified the motion, asking about the timeline to bring back the CSA No. 115 reorganization to the Commission. In response to the question, Executive Officer Michael Ott indicated that the staff report recommended postponement of 6-12 months. Commissioner Jacob requested to have the information to the Commission as soon as possible, but no later than 12 months. She also said that the County Fire Authority has contracts with many fire agencies and to have staff analyze dissolving CSA No. 115 and naming CSA No. 135 as successor.

Commissioner Sprague amended his original motion to include an analysis of dissolving CSA No. 115 into CSA No. 135 as part of the staff report. Commissioner Jacob seconded the motion.

With no further discussion from the public or the Commission, Chairman Abed closed the public hearing.

On motion of Commissioner Sprague, seconded by Commissioner Jacob, and carried unanimously by the Commissioners present; the Commission took the following actions:

- (1) Find in accordance with the Executive Officer's determination, pursuant to Sections 15061(b)(3) and 15320 of the State CEQA Guidelines, that the Sphere of Influence Update, in association with "County Service Area No. 115 (Pepper Drive) Reorganization Nos. 1 & 2" are exempt from CEQA review because: (1) it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and the activity is not subject to CEQA [Section

15061(b)(3) of the State CEQA Guidelines], and (2) the project consists of changes in the organization or reorganization of local governmental agencies and sphere of influence amendments, where the changes do not change the geographical area in which previously existing powers are exercised [Section 15320 of the State CEQA Guidelines];

- (2) Find in accordance with the Executive Officer's determination, that pursuant to Section 15262 of the State CEQA Guidelines, the Proposed Municipal Service Review in association with the "County Service Area No. 115 (Pepper Drive) Reorganization Nos. 1 & 2" involves only feasibility or planning studies for possible future actions which LAFCO has not approved, adopted, or funded and does not require the preparation of an EIR or Negative Declaration, and will not have a legally binding effect on later activities;
- (3) For the reasons set forth in the Proposed Municipal Service Review and Sphere of Influence Update Analysis, reaffirm the sphere of influence of the County Service Area No. 115 (zero sphere), Lakeside FPD (larger-than-district), and San Miguel Consolidated FPD (larger-than-district); approve the assignment of a special study area designation among the affected agencies; and adopt the written Statements of Determinations as proposed in Appendix A;
- (4) Direct the Executive Officer to coordinate with San Miguel and Lakeside Fire Protection Districts and modify the reorganization map & legal descriptions to acknowledge the new proposed jurisdictional boundaries upon finalization of the Bradley Avenue Fire Station or a different fire station as determined by the San Miguel FPD.
- (5) Direct the Executive Officer to request San Miguel and Lakeside Fire Protection Districts to provide audited financial information depicting and analyzing any deviation of LAFCO financial projections with actual data, if applicable, at the end of the next fiscal year (June 30, 2018).
- (6) Direct the Executive Officer to continue monitoring the San Miguel Fire Protection District's transition to a standalone fire agency, the CSA No. 115 4-way contract, and the accuracy of LAFCO staff's 10-year projection and return to the Commission with an update in 6-12 months or as directed by the Commission.
- (7) Postpone Commission consideration of the CSA No. 115 reorganization for 6-12 months in order to provide San Miguel and Lakeside Fire Protection Districts a sufficient amount of time and complete the statutorily requirements including but not limited to the finalization of the map & legal description and adoption of the property tax exchange agreement.
- (8) Direct the Executive Officer to include in the analysis of the CSA No. 115 Reorganization an alternative jurisdictional option involving the possible dissolution of County Service Area No. 115 and expansion of County Service Area No. 135's Fire Protection and Emergency Medical Services Latent Powers, upon dissolution of County Service Area No. 115.

Item 9

Proposal and Major Jurisdictional Activity

Executive Officer Michael Ott indicated that the Proposal and Major Jurisdictional Activity is to update the Commission on LAFCO's major projects and activities. Mr. Ott indicated that the dissolution of Pine Valley Fire Protection District will become effective August 8, 2017. He said that the County and the district are in support of the dissolution.

This item is for information purposes only and no action was recommended by the Commission.

Item 10

Legislative Update Report

Executive Officer Michael Ott provided an update to the Commission regarding the following activities of the Legislative bills:

AB 464 (Gallagher) – Local government reorganization

This bill is sponsored by CALAFCO to address a situation in current law wherein Government Code Section 56653 does not address certain conditions of services currently provided when a plan for services is submitted for an annexation. This situation arose from a court decision on a lawsuit (City of Patterson v. Turlock Irrigation District) in Stanislaus County.

AB 979 (Lackey) Cortese-Knox-Hertzberg Act: Special District representation on LAFCO

This bill is sponsored by CSDA and cosponsored by CALAFCO addressing the procedure for special districts to propose to hold an election on having representation on a commission.

SB37 (Roth) Local government finance: property tax revenue allocations

This bill is identical to SB 817 (Roth in 2016) that calls for reinstatement of the Vehicle License Fee through a change in ERAF funds for cities that incorporated between January 1, 2004 and 2012.

AB 892 (Waldron) Municipal water districts: Water service to Indian tribes

This bill was amended on March 23, 2017 to authorize, rather than require, a Municipal Water District to provide water service to an Indian tribe. Sycuan has objected to the proposed change and the author has not moved the bill forward. This is now a two-year bill.

AB 1725 (ALGC) Omnibus Bill

This is the annual Assembly Local Government Committee (ALGC) bill that usually addresses any issues involving the Cortese-Knox-Hertzberg Act and LAFCO.

SB 448 (Wieckowski) Local government organization: districts and audits

This bill as amended proposes to define inactive special districts and to establish a process for the State Controller to annually publish a list of inactive districts for information to LAFCO.

Mr. Ott added AB1361 to the legislative report. He indicated that this bill was recently amended to allow Municipal Water Districts, upon a request of an Indian Tribe, to provide service to a tribe's lands that are not within the district boundaries without going through the current statutory process of review and approval by the LAFCO.

The Commission received this Legislative Update Report and provided direction to staff on the identified legislative bills as appropriate.

Chairman Abed asked the Executive Officer to discuss the CALAFCO Annual Conference. Executive Officer Michael Ott indicated that this year's conference will be held in San Diego on October 25-27. Mr. Ott said that Chairman Abed was asked to give the welcome address at the conference.

Item 11

Public Comment

Chairman Sam Abed 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 12

CLOSED SESSION: ADJOURNED TO CLOSED SESSION (IF NECESSARY) TO CONFERENCE WITH LEGAL COUNSEL PURSUANT TO SUBDIVISION (D)(1) OF GOVERNMENT CODE SECTION 54956.9 – REGARDING EXISTING LITIGATION WITHIN THE RESPONSIBILITY OF THE SAN DIEGO LAFCO

Chairman Abed indicated that no closed session was required for this item and that agenda Item 12 was moved to Item 5c.

Legal Counsel Michael Colantuono gave a brief presentation in open session regarding litigation in the matter of *City of Coronado v. San Diego LAFCO and City of Imperial Beach (United States District Court Southern District of California, Case No.: 16-cv-3020-CAB-WVG)*. Mr. Colantuono reported to the Commission that all parties have agreed to the settlement and that the case has been dismissed.

Item 13

CLOSED SESSION: ADJOURNED TO CLOSED SESSION AS PERMITTED BY GOVERNMENT CODE SECTION 54950 ET. SEQ., TO CONSIDER MATTERS PERTAINING TO PUBLIC EMPLOYMENT ASSOCIATED WITH THE EXECUTIVE OFFICER POSITION OF THE SAN DIEGO LAFCO

Chairman Abed indicated that no closed session was required for this item and that agenda Item 13 was moved to Item 5d.

Mr. Ott said that Clay Phillips, Peckham & McKenney, will provide an update to the Commission regarding the recruitment for the Executive Officer position. Mr. Phillips addressed the Commission regarding the progress of the recruitment plans. He said that there were 21 applicants for the position and six candidates will be interviewed on July 11, 2017. He also said that the results from the interview process will be presented to the Sub-Committee on July 20, 2017 and final interviews will be on July 27, 2017.

Chairman Abed indicated that a speaker slip was received for public comment for agenda Item 13 (Moved to Item 5d).

Stephen Abbott, Fire Chief, San Diego County Fire Chiefs Association, addressed the Commission. He asked that the Commission consider his comments and if possible, involve the Fire Chiefs Association in the recruitment process of the Executive Officer.

Chairman Abed thanked Chief Abbott for his comments and said that fire protection is one of the top priorities for LAFCO and will be considered throughout the recruitment process.

There being no further business to come before the Commission, the meeting adjourned at 9:44 a.m. to the August 7, 2017 meeting, in Room 302, County Administration Center.

**ERICA BLOM
ADMINISTRATIVE ASSISTANT
SAN DIEGO LOCAL AGENCY COMMISSION FORMATION**