



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

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**REGULAR MEETING AGENDA**

**SAN DIEGO COUNTY**  
**LOCAL AGENCY FORMATION COMMISSION**

**MONDAY, NOVEMBER 2, 2020 9:00 A.M.**

VIDEOCONFERENCE ATTENDANCE ONLY

Chair Dianne Jacob  
Vice Chair Andy Vanderlaan

Executive Officer Keene Simonds  
Commission Counsel Holly O. Whatley

Consistent with the Governor's Executive Order N-29-20, the November 2, 2020 meeting will occur remotely through videoconferencing. The public may watch the meeting live using the link on our website home page ([www.sdlafco.org](http://www.sdlafco.org)).

The public may submit comments remotely and/or register to speak by:

1. Submitting an eComment at [www.sdlafco.org](http://www.sdlafco.org) prior to 2:00 P.M. on Friday, October 30, 2020
  - These comments will be distributed and posted online ahead of the meeting
  - This includes the option to request a call-in to directly comment during the meeting
2. Emailing [erica.blom@sdcounty.ca.gov](mailto:erica.blom@sdcounty.ca.gov) during the meeting on Monday, November 2, 2020
  - These comments will be read by staff into the record and subject to a three-minute limit

**1. 9:00 A.M. – WELCOME AND ROLL CALL**

**2. PLEDGE OF ALLEGIANCE**

**3. AGENDA REVIEW**

The Chair will confirm with the Executive Officer if any changes to the agenda are needed.

**4. PUBLIC COMMENT AND RELATED REQUESTS**

Opportunity for members of the public to address the Commission on any subject matter within the Commission's jurisdiction but not an item listed on the agenda. Each speaker's presentation may not exceed three minutes. This is also an opportunity for members of the public to request discussion on any items listed under the consent calendar.

**5. CONSENT ITEMS**

All items calendared as consent are considered ministerial or non-substantive and subject to a single motion approval. The Chair will also consider Commissioner requests to pull an item for discussion before entertaining a motion.

**CONSENT ITEMS CONTINUED...**

- a) **Approval of Meeting Minutes for October 5, 2020 (action)**  
The Commission will consider approving action minutes prepared by the Commission Clerk for the October 5, 2020 regular meeting. Recommendation to approve.
- b) **Commission Ratification | Recorded Payment for September 2020 (action)**  
The Commission will review payments received and made for the month of September 2020. These payments cover all recorded transactions made by the Executive Officer for the period and include \$143,393 in total distributions. Recommendation to ratify.
- c) **Budget Update for 2020-2021 | 1st Quarter Actuals with Year-End Projections (action)**  
The Commission will review a report comparing budgeted and actual transactions for 2020-2021 through the first quarter. The report projects the Commission will finish with an operating surplus of \$0.035 million or 1.8%. Savings in the services and supplies unit underlie the projected surplus. Recommendation to accept and file.
- d) **Proposed “Fuerte Ranch Estates Change of Organization” | Annexation to the San Diego County Sanitation District (CO20-08) (action)**  
The Commission will consider a change of organization proposal to annex 27.9 acres of unincorporated territory to the San Diego County Sanitation District. The affected territory as submitted includes one undeveloped parcel in Valle de Oro and already in the San Diego County Sanitation District sphere of influence. The proposal purpose is to extend public wastewater and facilitate the development of a 36-lot single-family residential subdivision. Staff recommends approval without modifications along with standard terms and waiver of the protest hearing. The subject parcel is identified as 498-153-01.
- e) **Proposed “Lindauer-Olive Street Reorganization” | Concurrent Annexation to the Vallecitos WD and Detachment from the Vista ID (RO20-11) (action)**  
The Commission will consider a reorganization proposal to annex 4.0 incorporated acres in the City of San Marcos to the Vallecitos Water District along with a concurrent detachment from the Vista Irrigation District. The proposal purpose is to provide permanent public water service to an existing single-family residence and in doing so replace a temporary out-of-agency service agreement approved by the Executive Officer in July 2020 due to documented water quality concerns with groundwater. Staff recommends approval with modifications to include 0.6 acres comprising adjacent public rights-of-way. Standard approval terms are also recommended along with waiving protest proceedings. The subject parcel is identified as 182-101-01.
- f) **Progress Report on 2020-2021 Workplan (action)**  
The Commission will receive a progress report on accomplishing specific projects included in the adopted workplan for 2020-2021. This report notes two-thirds of all scheduled workplan projects have been initiated. Recommendation to accept and file.
- g) **Current Proposals and Related Activities (information)**  
The Commission will receive a report identifying active proposals on file as well as a summary of pending proposal submittals. The item is for information and concurrently serves as notice to local agencies of all landowner/voter petition proposals filed with the Commission.

**6. PUBLIC HEARING ITEMS**

Public hearing items require expanded public notification per provisions in State law or have been voluntarily scheduled by the Executive Officer to ensure opportunity for public input.

**a) Proposed “Valley Center Community Services District Reorganization” | Concurrent Dissolution of Valley Center Community Services District and Formation of County Service Area No. 138 and Sphere Establishment (RO20-13 et al.) (action)**

The Commission will consider a joint proposal filed by the Valley Center Community Services District and County of San Diego to reorganize park and recreation services in the unincorporated community of Valley Center. The proposal involves concurrent dissolution of the Valley Center CSD and formation of County Service Area No. 138 as the designated successor agency. The proposal is intended to improve services in Valley Center and the estimated 19,133 residents by drawing on the economies of scale of the County and its Parks and Recreation Department. Staff recommends approval of the proposal along with establishing a sphere of influence for CSA No. 138 subject to specified terms – including conditions requested by the Valley Center CSD. Delegation of protest proceedings to the Executive Officer are also recommended.

**7. BUSINESS CALENDAR**

Business items involve regulatory, planning, or administrative items that do not require a hearing.

None

**8. EXECUTIVE OFFICER REPORT**

**9. COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS**

**10. CLOSED SESSION**

Closed session items are calendared by Commission Counsel.

**a) Conference with Legal Counsel – Initiation of Litigation:**

Pursuant to Government Code Section 54956.9(d)(4): (One potential case.)

**11. ADJOURNMENT TO NEXT MEETING**

December 7, 2020

Attest to Posting:

Tamaron Lockett  
Commission Clerk

All associated agenda reports are available for viewing at [www.sdlafco.org](http://www.sdlafco.org).

Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) business days prior to the meeting for any requested accommodations.

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

**5a**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Tamaron Lockett, Commission Clerk

**SUBJECT:** Approval of Meeting Minutes for October 5, 2020

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the regular meeting held on Monday, October 5, 2020. The minutes are in action-form and being presented for formal approval with any desired corrections or clarifications as requested by the Commission.

**BACKGROUND**

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and – among other items – requires public agencies to maintain written minutes for qualifying meetings.

**DISCUSSION**

This item is for San Diego LAFCO to consider approving action minutes for the October 5, 2020 regular meeting. The attendance record for the meeting follows.

- All Commissioners were present except Commissioners Chris Cate (City of San Diego alternate) and Greg Cox (County of San Diego alternate).

<b>Administration</b> Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org	<b>Jim Desmond</b> County of San Diego	<b>Mary Casillas Salas</b> City of Chula Vista	<b>Mark Kersey</b> City of San Diego	<b>Jo MacKenzie</b> Vista Irrigation	<b>Vice Chair Andy Vanderlaan</b> General Public
	<b>Chair Dianne Jacob</b> County of San Diego	<b>Bill Wells</b> City of El Cajon	<b>Chris Cate, Alternate</b> City of San Diego	<b>Barry Willis</b> Alpine Fire Protection	<b>Harry Mathis, Alternate</b> General Public
	<b>Greg Cox, Alternate</b> County of San Diego	<b>Paul McNamara, Alternate</b> City of Escondido		<b>Erin Lump, Alternate</b> Rincon del Diablo MWD	

## ANALYSIS

The attached draft minutes for the October 5, 2020 regular meeting accurately reflect San Diego LAFCO's deliberations as recorded by staff. A video recording of the meeting has also been posted on the Commission's website ([www.sdlafco.org](http://www.sdlafco.org)).

## RECOMMENDATION

It is recommended San Diego LAFCO approve the draft minutes prepared for the October 5, 2020 regular meeting as presented. This recommendation is consistent with Alternative One in the proceeding section.

## ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

Approve the draft minutes prepared for the October 5, 2020 regular meeting with any desired corrections or clarifications.

Alternative Two:

Continue item to the next regular meeting and provide direction to staff as needed.

## PROCEDURES

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 as provided unless otherwise specified by the Commission.

Respectfully,



Tameron Lockett  
Commission Clerk

Attachment:

- 1) Draft Meeting Minutes for October 5, 2020

**DRAFT MINUTES  
SAN DIEGO LAFCO  
October 5, 2020 REGULAR MEETING**

**Via Videoconference Only  
Per Governor's Executive Order N-29-20**

**1. CALL TO ORDER | ROLL CALL**

The regular meeting was called to order by videoconference at 9:00 a.m. by Chair Jacob.

The Commission Clerk performed the roll call with the following attendance recorded.

Regulars Present: Jim Desmond, County of San Diego  
Dianne Jacob, County of San Diego (CHAIR)  
Mark Kersey, City of San Diego  
Jo MacKenzie, Vista Irrigation District  
Mary Casillas Salas, City of Chula Vista  
Andy Vanderlaan, Public (VICE CHAIR)  
Bill Wells, City of El Cajon  
Barry Willis, Alpine Fire Protection District

Alternates Present: Erin Lump, Rincon del Diablo Municipal Water District  
Harry Mathis, Public  
Paul McNamara, City of Escondido

Members Absent: Chris Cate, City of San Diego (alternate)  
Greg Cox, County of San Diego (alternate)

The Commission Clerk confirmed a quorum was present with eight voting members.

Also present during the meeting were the following LAFCO staff members: Executive Officer Keene Simonds; Commission Counsel Holly Whatley; Chief Policy Analyst Robert Barry; Local Government Analyst II Linda Heckenkamp; Local Government Analyst I Priscilla Allen; Consultant Ed Sprague; Administrative Assistant Erica Blom; and Commission Clerk Tamaron Lockett.

**2. PLEDGE OF ALLEGIANCE**

Commissioner MacKenzie led meeting attendees in the Pledge of Allegiance.

### 3. AGENDA REVIEW AND RELATED REQUESTS

Chair Jacob asked the Executive Officer if there were requests to remove or rearrange items on the agenda. The Executive Officer responded no changes were needed to the agenda as presented. The Executive Officer also noted the meeting was being live streamed on LAFCO's YouTube page and instructions for the public to participate and provide comments are provided on the agenda.

### 4. PUBLIC COMMENT

Chair Jacob invited anyone from the public to address the Commission on a matter not related to an agenda item. The Commission Clerk confirmed no members of the public had registered to address the Commission. The Administrative Assistant also confirmed there were no live e-mail comments received for public comment.

### 5. CONSENT ITEMS

#### Item 5a

#### **Approval of Meeting Minutes for August 3, 2020**

Item presented to approve draft action minutes prepared for the Commission's August 3, 2020 regular meeting. Recommendation to approve.

#### Item 5b

#### **Commission Ratification | Recorded Payments for July and August 2020**

Item presented to ratify recorded payments made and received by the Executive Officer for the months of July and August 2020. Recommendation to ratify.

#### Item 5c

#### **Proposed "Schirber-Hymettus Avenue Change of Organization" | Annexation to the Leucadia Wastewater District (CO20-07)**

Item presented to consider a change of organization filed by the Leucadia Wastewater District to annex 1.7 incorporated acres within the District's sphere of influence. The proposal purpose is to extend public wastewater and facilitate the development of an accessory dwelling unit within the subject parcel (254-331-12) as allowed under City of Encinitas zoning. Recommendation to approve a modification of 0.5 acres of adjacent public right-of-way along with standard terms as well as waiving protest proceedings.

#### Item 5d

#### **Progress Report on 2020-2021 Workplan**

Item presented to receive a progress report on accomplishing specific projects as part of the adopted 2020-2021 workplan. Recommendation to accept and file while providing the Commission the opportunity to provide direction going forward.



## CONSENT ITEMS CONTINUED...

### Item 5e

#### Current Proposals and Related Activities

Item presented to update current proposals on file with LAFCO along with identifying anticipated submittals. Item for information only.

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Commissioner Desmond motioned with a second from Commissioner Vanderlaan to approve the staff recommendations as provided in the agenda reports. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis  
NOES: None  
ABSENT: Cate and Cox  
ABSTAINING: None

The Commission Clerk confirms the motion was approved 8-0.

## 6. PUBLIC HEARING ITEMS

### Item 6a

#### Proposed “San Diego County Fire Protection District Reorganization” | Concurrent Divestiture of Fire Protection and Emergency Medical Service Functions for County Service Area No. 135 and Formation of the San Diego County Fire Protection District along with Conforming Sphere of Influence Actions (RO20-14 et. al.)

Item presented to consider a reorganization filed by the County of San Diego to transition fire protection and emergency medical service functions into a new dependent special district. The proposal involves concurrent divestiture of fire protection and emergency medical service powers for County Service Area No. 135 and formation of the San Diego County Fire Protection District as the designated successor agency. The proposal’s purpose is to provide a more traditional governance model for the County Fire Authority to organize, fund, and deliver fire protection emergency medical services. Recommendation to approve with terms and conforming sphere of influence actions as well delegating protest proceedings to the Executive Officer.

Chief Policy Analyst Robert Barry and Consultant Ed Sprague presented the item to the Commission and detailed the recommendations.

Chair Jacob invited Commissioner comments or questions. No initial comments or questions received.

## **PUBLIC HEARING ITEMS CONTINUED...**

### **Item 6a Continued**

Chair Jacob proceeded to open the public hearing and invited e-comments and live comments from the audience.

The Commission Clerk noted there was one registered speaker for the item and proceeded to invite the following person to address the Commission:

- Chief Tony Mecham with County of San Diego Fire Authority, Support

The Administrative Assistant confirmed there were no live e-mail comments from the public.

Chair Jacob proceeded to close the public hearing.

Commission discussion followed.

**\*\***

Commissioner Jacob motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner MacKenzie. Roll call requested:

AYES: Desmond, Jacob, MacKenzie, Kersey, Salas, Vanderlaan, Wells, and Willis  
NOES: None  
ABSENT: Cate and Cox  
ABSTAINING: None

The Commission Clerk confirms the motion was approved 8-0.

### **Item 6b**

#### **Proposed “SVBF Temple Reorganization” |**

#### **Concurrent Annexation to Rincon del Diablo Municipal Water District, San Diego County Water Authority, and Metropolitan Water District of Southern California with Conforming Sphere of Influence Actions (RO20-16 et. al.)**

Item presented to consider a reorganization filed by the Rincon del Diablo Municipal Water District to annex 19.5 unincorporated acres outside of the District’s sphere of influence. Concurrent annexations also requested involving Rincon’s wholesale water supply providers: San Diego County Water Authority and Metropolitan Water District of Southern California. The purpose of the reorganization is to extended public water service to the subject lot (241-080-47) and facilitate the development of a religious facility and accessory unit as permitted by the County of San Diego. Recommendation to approve with modifications to include 3.8 acres of adjacent public right-of-way as well as inclusion into Rincon’s Improvement District “E” along with standard terms.

## **PUBLIC HEARING ITEMS CONTINUED...**

### **6b Continued**

Chief Policy Analyst Robert Barry presented the item to the Commission and detailed the recommendations.

Chair Jacob invited Commissioner comments or questions. No initial comments or questions received.

Chair Jacob proceeded to open the public hearing and asked if there any public comments. The Commission Clerk confirmed no registered speakers had been received for this item. The Administrative Assistant confirmed there were no live e-mail comments from the public.

Chair Jacob proceeded to close the public hearing.

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Commissioner Willis motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner MacKenzie. Roll call requested:

AYES: Desmond, Jacob, MacKenzie, Kersey, Salas, Vanderlaan, Wells, and Willis  
NOES: None  
ABSENT: Cate and Cox  
ABSTAINING: None

The Commission Clerk confirms the motion was approved 8-0.

### **Item 6c**

#### **Proposed Update to Agricultural and Open Space Lands Policy**

Item presented to consider approving a proposed update to the “Preservation of Open-Space and Agricultural Lands Policy.” The proposed update is part of the adopted workplan and includes several substantive revisions to balance the Commission’s statutory direction to preserve agricultural and open space resources while reflecting local conditions and objectives. Recommendation to approve.

The Executive Officer presented the item to the Commission and noted correspondences were received in support of the update.

Chair Jacob invited questions and comments from the Commission. Commissioner Desmond commented he was pleased with the stakeholder outreach and in support of the policy update as proposed.

## PUBLIC HEARING ITEMS CONTINUED...

### 6c Continued

Chair Jacob opened the public hearing and asked if there were any public comments. The Commission Clerk confirmed no registered speakers had been received for this item. The Administrative Assistant confirmed there were no live e-mail comments from the public.

Chair Jacob proceeded to close the public hearing.

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Commissioner Desmond motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Willis. Roll call requested:

AYES: Desmond, Jacob, MacKenzie, Kersey, Salas, Vanderlaan, Wells, and Willis  
NOES: None  
ABSENT: Cate and Cox  
ABSTAINING: None

The Commission Clerk confirms the motion was approved 8-0.

## 7. BUSINESS ITEMS

### Item 7a

#### Ad Hoc Committee Update |

#### Proposed Rainbow MWD and Fallbrook PUD Reorganizations

Item presented to the Commission to receive an update on the Ad Hoc Committee and its tasks to assist in the administrative reviews of the reorganization proposals separately filed by the Rainbow Municipal Water District and Fallbrook Public Utility District to detach from the San Diego County Water Authority.

The Executive Officer presented the item to the Commission.

Chair Jacob invited comments or questions from the Commission.

Commission discussion followed.

Chair Jacob proceeded to invite members of the public to comment on the item. Commission Clerk invited two registered speakers to address the Commission:

- Hayden Hamilton with Rainbow MWD
- Gary Croucher with San Diego County Water Authority

## **BUSINESS ITEMS CONTINUED...**

### **7a Continued**

Commission Clerk noted there were no other members of the public registered to speak on the item. The Administrative Assistant confirmed there were no live e-mail comments from the public.

Chair Jacob thanked the two public members for their comments and directed staff to continue to provide the Commission with updates going forward.

### **Item 7b**

#### **Proposed Amendment to Employment Agreement for Executive Officer Keene Simonds**

Item presented to the Commission to consider a recommendation by the Executive Officer Compensation Committee (Chair Jacob, Vice Chair Vanderlaan, and Immediate Past Chair MacKenzie) to approve a third amendment to the employment agreement with Executive Officer Keene Simonds. The proposed amendment adjusts the Executive Officer's annual salary by 2.0% from \$182,624 to \$186,277.

Commission Counsel Holly Whatley summarized the item and with concurrence from the Chair announced the Commission would take this item up following closed session.

**\*\***

Following closed session, the Commission returned to the item and Commissioner Willis motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Wells. Roll call requested:

AYES:	Desmond, Jacob, MacKenzie, Kersey, Salas, Vanderlaan, Wells, and Willis
NOES:	None
ABSENT:	Cate and Cox
ABSTAINING:	None

The Commission Clerk confirms the motion was approved 8-0.

## **8. EXECUTIVE OFFICER REPORT**

The Executive Officer made the following comments:

- Introduced new Analyst I Priscilla Allen to the Commission.
- Updated the Commission on the audit process for FY19-20.

## 9. COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

None

## 10. CLOSED SESSION

The Chair adjourned the Commission into closed session for the items presented on the agenda at 10:19 a.m.

### a) **Public Employee Performance Evaluation**

Pursuant to California Government Code § (54957(b))

Employee: Keene Simonds, Executive Officer

### b) **Conference with Labor Negotiators**

Pursuant to California Government Code Section 54957.6

Agency designated representatives: Jacob, MacKenzie and Vanderlaan

Unrepresented Employee: Executive Officer

### c) **Conference with Legal Counsel – Existing Litigation:**

Pursuant to Government Code Section 54956.9(d)(1): Julian-Cuyamaca Fire Protection District, et al. v. San Diego LAFCO et al. (4<sup>th</sup> Appellate Dist. Case No. D077048 [San Diego Superior Court Case No. 37-2019-00018076-CU-M C-TL])

### d) **Conference with Legal Counsel – Existing Litigation:**

Pursuant to Government Code Section 54956.9(d)(1): Julian Fire Company Association, et al. v. Julian-Cuyamaca Fire Protection District, et al., (4<sup>th</sup> Appellate Dist. Case No. D076639 [San Diego Superior Court Case No. 37-2018-00020015-CU-MC-CTL])

### e) **Conference with Legal Counsel – Initiation of Litigation:**

Pursuant to Government Code Section 54956.9(d)(4): (One potential case.)

Chair Jacob reconvened into open session at 10:57 a.m. with Commission Counsel Holly Whatley announcing there were no reportable actions.

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## 11. ADJOURNMENT TO NEXT MEETING

With no further business the Chair adjourned the videoconference meeting at 11:00 a.m.

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I hereby attest the minutes above accurately reflect the deliberations of the Commission at its October 5, 2020 videoconference meeting.

ATTEST,

//

Tamaron Luckett  
Commission Clerk

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A video recording of the October 5, 2020 regular meeting is also available online at [www.sdlafco.org](http://www.sdlafco.org) or by contacting LAFCO staff at 858-614-7755.

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**San Diego County**  
**Local Agency Formation Commission**  
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**5b**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer  
 Erica Blom, Administrative Assistant

**SUBJECT: Commission Ratification |  
 Recorded Payments for September 2020**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will review a report identifying all payments received and made for September 2020. These payments cover all recorded transactions for the month and include \$143,393 in total distributions made by the Executive Officer with more than four-fifths tied to reimbursements to the County of San Diego for payroll, rent, overhead, and information technology services. Payments received during the month total \$385,973 and tied to collecting agency apportionments. The payments are being presented for formal ratification.

**BACKGROUND**

**Accounting Policies and Procedures**

San Diego LAFCO’s policies provide direction to the Executive Officer to establish and maintain appropriate accounting controls for all financial transactions on behalf of the Commission. These policies specify the Executive Officer shall ensure accounting controls conform to standard procedures commonly enlisted by local governmental. Purchasing allowances are specified and include bid procedures for transactions at or above \$10,000 and separate Commission approval for transactions at or above \$125,000.

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Imperial Beach</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
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## DISCUSSION

This item is for San Diego LAFCO to consider ratification of all payments made and received by the Executive Officer in September 2020. A detailing of these transactions prepared by the Administrative Assistant is provided in Attachment One. The item also provides the Commission the opportunity to provide feedback on related matters and inform potential changes in accounting procedures going forward.

## ANALYSIS

San Diego LAFCO's recorded payments made by the Executive Officer for September 2020 totaled \$143,393 with 84% – or \$121,122 – tied to expenditures with the County of San Diego. This includes covering payroll obligations, office rent, overhead, and information technology services. Professional service expenses represent most of the remaining expenditures during the period and tallied \$18,734 and include consultant and legal activities. Recorded revenues during the period totaled \$1385,972 and entirely drawn from collecting agency apportionments for the current fiscal year. All transactions recorded during the period are consistent with the adopted budget.

## RECOMMENDATION

It is recommended San Diego LAFCO ratify the payments received and made by the Executive Officer for September 2020 as presented. This recommendation is consistent with Alternative One in the proceeding section.

## ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

Ratify the recorded payments received and made by the Executive Officer in September 2020 as shown in Attachments One and Two.

Alternative Two:

Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three

Take no action.<sup>1</sup>

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<sup>1</sup> Payment ratifications are not required under LAFCO policy, but are presented to the Commission per practice.

## PROCEDURES

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 by the Commission.

On behalf of the Executive Officer:

A handwritten signature in blue ink that reads "Erica A. Blom". The signature is written in a cursive style.

Erica Blom  
Administrative Assistant

Attachment:

- 1) Recorded Payments in September 2020

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**SAN DIEGO LAFCO**  
**Expenses by Vendor Detail**  
September 2020

Payable   Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
<b>E   After Effects</b>						
	9/13/2020	52270 · Memberships	20.99	Monthly Video Editing Software Subscription	credit card	3558-60 · SDCCU Visa Credit Card
<b>E   Amazon</b>						
	9/2/2020	52330 · Office Expense	52.79	Work Office Supplies for PA	credit card	3558-60 · SDCCU Visa Credit Card
	9/2/2020	52344 · Stores Unallocated	170.67	Home Office Supplies for PA	credit card	3558-60 · SDCCU Visa Credit Card
	9/23/2020	52344 · Stores Unallocated	706.36	Home Office Supplies for RA	credit card	3558-60 · SDCCU Visa Credit Card
	9/23/2020	52330 · Office Expense	206.39	General Work Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
			1,136.21			
<b>E   Ambius</b>						
	9/16/2020	52370.J · Professional Services	103.94	Monthly Office Plants Service	check	3558 · SDCCU Checking
<b>E   Billing Hostway</b>						
	9/9/2020	52370.E · Professional Services	21.95	Monthly Website Hosting Services	debit card	3558 · SDCCU Checking
<b>E   Blue Barn Creative LLC</b>						
	9/4/2020	52370 · Professional Services	1,000.00	Video Recording Services for Commission Meeting	electronic	1000 · County Account (44595)
<b>E   Chase Design Inc</b>						
	9/30/2020	52370.K · Professional Services	3,000.00	Consultant Services   Social Media	electronic	1000 · County Account (44595)
<b>E   Colantuono, Highsmith &amp; Whatley</b>						
	9/18/2020	52370.B · Professional Services	5,290.60	Legal Services	electronic	1000 · County Account (44595)
<b>E   County of San Diego</b>						
	9/1/2020	52530 · Office Lease	6,993.64	Rent	electronic	1000 · County Account (44595)
	9/1/2020	52354 · Mail/Postage ISF	670.55	Mail/Postage Services	electronic	1000 · County Account (44595)
	9/1/2020	52178 · Vehicle Maintenance	28.82	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	9/1/2020	52182 · Vehicle Fuel	0.00	Vehicle Fuel	electronic	1000 · County Account (44595)
	9/1/2020	52758 · Vehicle Lease	165.49	Vehicle Lease	electronic	1000 · County Account (44595)
	9/1/2020	52721 et al. · Communications (IT) Services	11,026.81	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	9/4/2020	52504 · Equipment Rental	6.33	County Surcharge   Xerox	electronic	1000 · County Account (44595)
	9/4/2020	51110 et al. · Employee Payroll	45,303.90	Payroll   Pay Period 2021-05	electronic	1000 · County Account (44595)
	9/18/2020	51110 et al. · Employee Payroll	46,442.43	Payroll   Pay Period 2021-06	electronic	1000 · County Account (44595)
	9/30/2020	52550 · Special Department	5,400.00	FY20-21 SANGIS	electronic	1000 · County Account (44595)
	9/30/2020	52270 · Memberships	5,084.35	FY20-21 ESRI (Licensed through County)	electronic	1000 · County Account (44595)
			121,122.32			
<b>E   CP &amp; DR (Ventura Publishing)</b>						
	9/2/2020	52490 · Publications	238.00	Annual Subscription to Planning Journal	debit card	3558 · SDCCU Checking
<b>E   Culigan of San Diego</b>						
	9/2/2020	52330 · Office Expense	6.00	Monthly Water Service	check	3558 · SDCCU Checking
<b>E   East County Californian</b>						
	9/15/2020	52490 · Publications	210.00	PHN for SDCFPD Reorg (RO20-16)	debit card	3558 · SDCCU Checking
<b>E   Erica Blom</b>						
	9/17/2020	52178 · Vehicle Maintenance	6.00	Reimbursement for LAFCO Car Wash	cash	1040 · Petty Cash
<b>E   Gourmet Island</b>						
	9/6/2020	52610 · Non-Travel/In-County	26.59	KS, RA & PA Training	debit card	3558 · SDCCU Checking
<b>E   Grubhub</b>						
	9/2/2020	52610 · Non-Travel/In-County	198.69	Quarterly Staff Meeting	credit card	3558-60 · SDCCU Visa Credit Card
<b>E   IKEA</b>						
	9/3/2020	52344 · Stores Unallocated	176.23	Home Office Supplies for PA (Desk)	credit card	3558-60 · SDCCU Visa Credit Card
<b>E   Leaf &amp; Cole LLP</b>						
	9/18/2020	52370.H · Professional Services	515.00	Consultants Services   Accounting	electronic	1000 · County Account (44595)
<b>E   Linda Heckenkamp</b>						
	9/16/2020	52074 · Telecommunications	34.99	COVID-19 Telework Internet Reimbursement	check	3558 · SDCCU Checking
	9/16/2020	52344 · Stores Unallocated	442.43	Home Office Supplies Reimbursement	check	3558 · SDCCU Checking
			477.42			
<b>E   Planwest Partners Inc</b>						
	9/18/2020	52370.F · Professional Services	5,798.00	Consultants Services   MSRs	electronic	1000 · County Account (44595)
<b>E   Price Self Storage</b>						
	9/20/2020	52504 · Equipment Rental	75.00	Storage Unit Monthly Payment	debit card	3558 · SDCCU Checking
<b>E   RJ Ricciardi Inc.</b>						
	9/2/2020	52370.H · Professional Services	440.50	Consultants Services   Audit Services	check	3558 · SDCCU Checking

**SAN DIEGO LAFCO**  
**Expenses by Vendor Detail**  
September 2020

Payable   Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
<b>E   San Diego History Center</b>						
	9/9/2020	52490 · Publications	60.00	Photograph Publication Rights for MSRs	debit card	3558 · SDCCU Checking
<b>E   SDCCU</b>						
	9/2/2020	52304 · Miscellaneous Expense	25.00	Annual Fee for Credit Card	electronic	3558-60 · SDCCU Visa Credit Card
<b>E   Sprague &amp; Associates</b>						
	9/4/2020	52370.F · Professional Services	2,520.00	Consultants Services   MSR & Fire	electronic	1000 · County Account (44595)
<b>E   Target</b>						
	9/2/2020	52330 · Office Expense	88.32	Office Supplies for PA (Headphones & Speakers)	credit card	3558-60 · SDCCU Visa Credit Card
	9/6/2020	52330 · Office Expense	43.09	Office Supplies for EB (Headphones)	credit card	3558-60 · SDCCU Visa Credit Card
			131.41			
<b>E   Twitter</b>						
	9/3/2020	52370.K · Professional Services	44.33	Consultant Services   Social Media	debit card	3558 · SDCCU Checking
<b>E   Xerox</b>						
	9/9/2020	52504 · Equipment Rental	718.92	Xerox Rental (Two Months)	electronic	1000 · County Account (44595)
<b>E   Zoom</b>						
	9/4/2020	52270 · Memberships	14.99	LAFCO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
	9/13/2020	52270 · Memberships	14.99	EO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
			29.98			
		<b>EXPENSE TOTAL</b>	<b>143,393.08</b>			
<b>R   County of San Diego</b>						
	9/1/2020	45918 · LAFCO Apportionment	385,972.96	LAFCO Apportionment for FY20-21	electronic	1000 · County Account (44595)
		<b>REVENUE TOTAL</b>	<b>385,972.96</b>			



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

**5C**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer  
 Erica Blom, Administrative Assistant

**SUBJECT: Budget Update for 2020-2021 |  
 1<sup>st</sup> Quarter Actuals with Year-End Projections**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will review a report comparing budgeted and actual transactions for 2020-2021 through the first quarter and related projections. The report projects the Commission will finish with an operating surplus of \$0.035 million or 1.8%. Savings in the services and supplies unit underlie the projected surplus and are helping to absorb some unplanned expenses as detailed. Should the projected surplus hold it will allow the Commission to reduce its budgeted use of reserves by nearly one-half and limit the overall change in the fund balance from \$1.631 to \$1.593 million. The report is being presented to accept and file as well as provide direction to staff as needed.

**BACKGROUND**

San Diego LAFCO’s adopted budget for 2020-2021 totals \$1.916 million. This amount represents the total approved operating expenditures for the fiscal year divided between three active expense units: salaries and benefits; service and supplies; and other. A matching revenue total was also budgeted to provide a projected year-end net of \$0 and with the purposeful aid of a planned \$0.072 million transfer from unassigned reserves. Budgeted revenues are divided between four active units: intergovernmental contributions; service

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Escondido</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
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charges; earnings; and miscellaneous.<sup>1</sup> The Commission’s total fund balance as of July 1, 2020 was \$1.631 million (unaudited).<sup>2</sup> No amendments have been approved to date.

**DISCUSSION**

This item is for San Diego LAFCO to receive an update comparison of budget to actual expenses and revenues through the first quarter (September 30<sup>th</sup>). The report provides the Commission the opportunity to track expenditure trends and consider year-end operating projections from the Executive Officer. The report is being presented to the Commission to formally accept and file along with providing related direction to staff as needed.

**Operating Expenses**

San Diego LAFCO’s budgeted operating expense total for 2020-2021 is \$1.916 million. Actual expenses booked through the first quarter totaled \$0.451 million. This booked amount represents 23.5% of the budgeted total with 25.0% of the fiscal year complete. A breakdown of budget to actual expenses by unit through September 30<sup>th</sup> follows.

Expense Units	Adopted	Actuals Through 9/30	Percent Expended	Unexpended Balance
1) Salaries and Benefits	1,249,712	292,501	23.4	957,211
2) Services and Supplies	661,588	158,219	23.9	503,369
3) Other	5,000	0	0.0	5,000
<b>Total</b>	<b>\$1,916,300</b>	<b>\$450,720</b>	<b>23.5%</b>	<b>\$1,465,580</b>

Actuals through the first quarter of the fiscal year and related analysis suggest San Diego LAFCO is on pace to finish with \$1.884 million in total expenses. Should this projection hold, the Commission will achieve an unexpended budgeted savings in expenses of \$0.032 million or 1.7%. An expanded discussion on budgeted and actuals through the first three months along with year-end projections within the three expense units follow.

**Expense Unit | Salaries and Benefits**

San Diego LAFCO budgeted \$1.250 million in salaries and benefits for 2020-2021 with the proceeds largely tied to funding 8.0 fulltime equivalent employees as well as existing retiree obligations.<sup>3</sup> Through the first quarter, actual expenses within the affected line item accounts totaled \$0.293 million or 23.4% of the budgeted amount with 25.0% of the fiscal year complete. Going forward it is expected overall actuals will total \$1.285 million through the end of the fiscal year and this includes incorporating new employer pension contribution rates that are higher than budgeted. If this projection holds, the Commission will generate an overall unit deficit of (\$35,610) or (2.8%) less any amendments.

<sup>1</sup> State law mandates operating costs for LAFCOs shall be annually funded among their represented agency membership categories. San Diego LAFCO’s operating costs, accordingly, are divided among four distinct membership categories with the largest apportionment assigned to the County of San Diego at 28.6%. The independent special districts and cities less the City of San Diego are also apportioned funding percentages of 28.6% with individual amounts divided thereafter based on total revenue shares in a given fiscal year. The City of San Diego – and based on special legislation providing the City a dedicated seat on LAFCO – is responsible for the remaining 14.3% of annual operating costs.  
<sup>2</sup> The fund balance total of \$1.631 million includes \$0.883 million in unassigned monies.  
<sup>3</sup> Commission per diem payments are also booked in the salaries account.



## Expense Unit | Services and Supplies

San Diego LAFCO budgeted \$0.662 million in services and supplies for 2020-2021 to provide funding for direct support services. Most of the budgeted funds are dedicated to making reimbursements to the County of San Diego for office rent, information technology, and general overhead as well as professional services (e.g. consultants, legal, etc.). Through the first quarter, actual expenses within the affected line item accounts totaled \$0.158 million or 23.9% of the budgeted amount with 25.0% of the fiscal year complete. More than one-third of these booked expenses – or \$57,927 – involve professional services and represent the single largest actual cost in the unit with almost one-half tied to legal. Going forward it is expected overall actuals will total \$0.597 million through the end of the fiscal year and this includes absorbing two notable unplanned expenses: purchasing general liability insurance and reconfiguring the LAFCO office to provide more physical distancing between workstations. If this projection holds, the Commission will achieve an overall unit savings of \$65,056 or 9.8% less any amendments.

## Expense Unit | Other

San Diego LAFCO budgeted \$5,000 in two separate units to collectively address equipment depreciation and potential fixed asset purchases in 2020-2021. The Commission has not billed any charges through the first quarter. Going forward it is expected actuals will total \$2,500 and result in a year-end balance of \$2,500 or 50% less any amendments.

## Operating Revenues

San Diego LAFCO's budgeted operating revenue total for 2020-2021 is \$1.916 million. Actual revenues collected through the first quarter totaled \$1.731 million. This amount represents 90.3% of the budgeted total with 25.0% of the fiscal year complete. A breakdown of budget to actual revenues within each of the four affected units through September 30<sup>th</sup> follows.

Revenue Units	Adopted	Actuals Through 9/30	Percent Collected	Outstanding Balance
1) Intergovernmental	1,693,700	1,692,884	99.9%	816
2) Service Charges	130,000	35,212	27.1%	94,788
3) Earnings	20,000	2,898	14.5%	17,102
4) Miscellaneous	72,600	0	0	72,600
<b>Total</b>	<b>\$1,916,300</b>	<b>\$1,730,993</b>	<b>90.3%</b>	<b>\$185,307</b>

Actuals through the first quarter and related analysis suggest San Diego LAFCO's year-end revenue totals will tally \$1.918 million. Should this projection hold, the Commission will achieve a small budgeted surplus of \$0.002 million or 0.1% and attributed to additional application fees. An expanded discussion on budgeted and actual revenues in the four units through the first three months along with year-end projections follows.

## Revenue Unit | Intergovernmental Fees

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San Diego LAFCO budgeted \$1.694 million in intergovernmental fees in 2020-2021. This total budgeted amount was subsequently divided between San Diego LAFCO's four agency membership categories based on statutory formula and detailed in the accompanying footnote.<sup>4</sup> Through the first quarter, the Commission collected \$1.693 million – or 99.5% – in intergovernmental fees with all agencies submitting payment except for three special districts. All apportionments are expected to be collected by the end of the fiscal year.

## Revenue Unit | Service Charges

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San Diego LAFCO budgeted \$0.130 million in application fees in 2020-2021. Through the first quarter, the Commission collected \$0.35 million in application fees and represents 27.1% of the budgeted amount with 25.0% of the fiscal year complete. It is expected actuals will total \$0.141 million by the end of the fiscal year. Should this projection hold, the Commission will achieve a budgeted surplus of \$0.011 million or 8.3%.

## Revenue Unit | Interest

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San Diego LAFCO budgeted \$0.020 million in interest earnings in 2020-2021. Through the first quarter, the Commission collected \$0.003 million in interest earnings and represents 14.5% of the budgeted total. Staff anticipates the unit ultimately tallying \$0.012 million and result in a year-end deficit of (\$0.008 million) or (42.0%).

## Revenue Unit | Miscellaneous

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San Diego LAFCO budgeted \$0.073 million in operating transfers from unassigned reserves in 2020-2021. This transfer was purposefully budgeted in conjunction to use reserves to reduce increases in agency contributions. No transfers were made through the first quarter. A full transfer is expected for budgeting purposes at this time but will be reduced and/or eliminated in conjunction with any operating surplus.

## ANALYSIS

Activity through the first quarter of the fiscal year shows San Diego LAFCO is generally proceeding as planned and without the need for any correcting amendments at this time. As detailed in the preceding sections, it is projected the Commission will finish with an overall operating surplus of \$0.035 million or 1.8%. This includes – notably – absorbing two unplanned costs associated with purchasing general liability insurance and reconfiguring the office to increase physical distancing between workstations and largely offset by deferring non-critical consultant activities. Nonetheless, and as a placeholder to a future item, amendments are probable to remedy a projected deficit in the salaries and benefits unit due to higher-than-expected pension contribution rates to ensure all units end with positive balances.

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<sup>4</sup> The County of San Diego, independent districts, and cities less San Diego all received apportionments equaling \$0.484 million. The remaining amount – \$0.242 million – was apportioned to the City of San Diego.

## RECOMMENDATION

It is recommended San Diego LAFCO accept and file the report and provide related direction to staff as needed. This recommendation is consistent with Alternative One outlined below.

## ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

Accept and file the report with any additional direction to staff as needed.

Alternative Two:

Continue to a future meeting and provide direction to staff with respect to any additional analysis or information requested.

## PROCEDURES

This item has been placed on the agenda as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Keene Simonds  
Executive Officer

Attachment:

- 1) 2020-2021 Operating Budget with Actuals Through September 30th and Year-End Projections

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# San Diego County Local Agency Formation Commission

## Regional Service Planning | Subdivision of the State of California

### OPERATING EXPENSES

		FY 2018-2019		FY 2019-2020		FY 2020-2021				
		Adopted	Actuals	Adopted	Actuals	Adopted	Actuals 1st Quarter	Actuals % Expended	Projected Year End	Projected % Expended
<b>Salaries and Benefits Unit</b>										
<u>Account No.</u>	<u>Description</u>									
51110-51310	Salaries and Wages	689,719	638,748	722,780	695,356	763,339	174,161	22.8%	766,384	100.4%
51410	Retirement - SDCERA	239,780	230,865	258,148	255,294	272,668	68,061	25.0%	298,345	109.4%
51415	Retirement - OPEB	10,560	10,091	10,539	10,165	10,977	2,272	20.7%	10,717	97.6%
51421	Retirement - OPEB Bonds	41,598	37,308	40,321	38,219	41,998	8,758	20.9%	41,028	97.7%
51450	Payroll Taxes (Social Security and Medicare)	48,958	46,163	53,393	49,698	55,613	12,837	23.1%	55,621	100.0%
51510-51550	Group Insurance (Health and Dental)	96,958	95,405	100,234	105,031	103,116	26,360	25.6%	113,018	109.6%
51560	Unemployment Insurance	4,032	163	3,769	138	2,000	52	2.6%	208	10.4%
		<b>1,131,604</b>	<b>1,058,743</b>	<b>1,189,184</b>	<b>1,153,901</b>	<b>1,249,712</b>	<b>292,501</b>	<b>23.4%</b>	<b>1,285,322</b>	<b>102.8%</b>
<b>Services and Supplies Unit</b>										
<u>Account No.</u>	<u>Description</u>									
52074	Telecommunications	2,500	3,860	3,600	3,829	3,636	1,009	27.8%	3,736	102.8%
52138	General Liability Insurance	-	-	-	3,419	-	-	-	10,576	-
52178	Vehicle - Maintenance	2,000	610	1,500	1,309	980	92	9.3%	366	37.4%
52182	Vehicle - Fuel	1,500	367	1,000	245	1,000	-	0.0%	300	30.0%
52270	Memberships	13,000	14,601	28,139	18,049	25,412	17,110	67.3%	20,960	122.5%
52304	Miscellaneous	50	20	50	10	50	25	50.0%	25	50.0%
52330	Office: General	8,500	6,399	7,420	4,781	7,420	505	6.8%	2,527	34.1%
52332	Office: Postage	500	84	500	275	500	-	0.0%	500	100.0%
52334	Office: Printing	10,000	4,795	10,000	1,199	10,000	-	0.0%	3,500	35.0%
52336	Office: Books and Guidelines	2,000	3,226	2,000	4,112	2,000	-	0.0%	1,500	75.0%
52338	Office: Drafting/Engineering	50	-	50	-	50	-	0.0%	-	0.0%
52344	Office: Supplies and Furnishings	17,500	9,302	17,800	8,145	15,800	1,824	11.5%	12,000	75.9%
52354	Office: County Mail Services	9,000	18,896	10,000	8,514	10,000	1,748	17.5%	6,993	69.9%
52370	Professional Services: Consultants	259,110	398,125	234,505	226,762	190,094	57,927	30.5%	188,527	99.2%
52490	Publications and Legal Notices	5,000	10,382	4,650	8,088	4,650	1,724	37.1%	6,896	148.3%
52504	Leases: Equipment	6,500	8,137	6,600	5,915	6,600	952	14.4%	6,000	90.9%
52530	Leases: Office Space	79,880	79,555	82,657	81,877	84,764	20,981	24.8%	84,764	100.0%
52550	Special Expenses: County Overhead	155,000	113,842	100,896	48,613	91,507	14,216	15.5%	71,078	77.7%
52562	Special Expenses: New Hire Backgrounds	-	689	-	-	-	1,112	-	1,112	-
52566	Special Expenses: Minor Equipment	1,000	2,788	1,000	641	1,000	-	0.0%	750	75.0%
52602	Computer Training	2,000	-	2,000	-	2,000	-	0.0%	-	0.0%
52610	Travel and Training   In County	5,000	6,634	4,500	7,367	4,500	361	8.0%	1,803	40.1%
52612	Employee Auto	10,000	9,069	9,700	8,779	9,700	1,800	18.6%	8,100	83.5%
52622	Travel and Training   Out of County	10,000	25,432	23,550	13,271	19,925	-	0.0%	5,000	25.1%
52704-52722	Reimbursements: Network	30,000	26,450	30,000	29,065	30,000	7,861	26.2%	31,443	104.8%
52723	Reimbursements: Data Center	45,000	30,728	45,000	29,233	45,000	7,364	16.4%	29,455	65.5%
52725	Reimbursements: Financial Systems	20,000	27,556	20,000	23,320	20,000	4,937	24.7%	19,746	98.7%
52726-52732	Reimbursements: Desktop Computing	25,000	25,311	25,000	51,246	25,000	12,513	50.1%	50,054	200.2%
52734	Reimbursements: Help Desk	3,000	4,743	3,000	2,689	3,000	594	19.8%	2,375	79.2%
52750-52754	Reimbursements: Catalog Equipment	45,000	32,097	45,000	38,602	45,000	4,077	9.1%	24,460	54.4%
52758	Reimbursements: Vehicle Lease	2,000	1,986	2,000	1,986	2,000	496	24.8%	1,986	299.3%
		<b>770,090</b>	<b>865,684</b>	<b>722,117</b>	<b>631,341</b>	<b>661,588</b>	<b>158,219</b>	<b>23.9%</b>	<b>596,532</b>	<b>90.2%</b>

**OPERATING EXPENSES CONTINUED...**

**Other Units**

Account No.	Description									
53585	Equipment Depreciation	2,500	2,500	2,500	2,500	2,500	-	-	2,500	100.0%
54955-54961	Fixed Assets	2,500	-	2,500	-	2,500	-	-	-	0.0%
		<b>5,000</b>	<b>2,500</b>	<b>5,000</b>	<b>2,500</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>0.0%</b>
	EXPENSE TOTALS	1,906,694	1,926,927	1,916,300	1,787,742	1,916,300	450,720	23.5%	1,884,353	98.3%

**OPERATING REVENUES**

Account No.	Description	FY 2018-2019		FY 2019-2020		FY 2020-2021				
		Adopted	Actuals	Adopted	Actuals	Adopted	Actuals 1st Quarter	Actuals % Collected	Projected Year End	Projected % Collected
<b>Intergovernmental Unit</b>										
45918.1	Apportionments   County	475,684	475,684	486,771	486,771	483,914	483,914	100.0%	483,914	100.0%
45918.2	Apportionments   Cities (less SD)	475,684	475,684	486,771	486,771	483,914	483,914	100.0%	483,914	100.0%
45918.3	Apportionments   City of San Diego	237,842	237,842	243,386	243,386	241,957	241,957	100.0%	241,957	100.0%
45918.4	Apportionments   Special Districts	475,684	475,684	486,771	486,771	483,914	483,382	99.9%	483,914	100.0%
		<b>1,664,894</b>	<b>1,664,894</b>	<b>1,703,700</b>	<b>1,703,700</b>	<b>1,693,700</b>	<b>1,692,884</b>	<b>99.9%</b>	<b>1,693,700</b>	<b>100.0%</b>
<b>Service Charges Unit</b>										
46234	Service Charges	125,000	82,147	125,000	201,419	130,000	35,212	27.1%	140,848	108.3%
		<b>125,000</b>	<b>82,147</b>	<b>125,000</b>	<b>201,419</b>	<b>130,000</b>	<b>35,212</b>	<b>27.1%</b>	<b>140,848</b>	<b>108.3%</b>
<b>Earnings Unit</b>										
44105	Interest and Dividends	6,800	19,052	15,000	25,812	20,000	2,898	14.5%	11,590	58.0%
		<b>6,800</b>	<b>19,052</b>	<b>15,000</b>	<b>25,812</b>	<b>20,000</b>	<b>2,898</b>	<b>14.5%</b>	<b>11,590</b>	<b>58.0%</b>
<b>Miscellaneous Unit</b>										
47540	Transfer from Fund Balance	110,000	217,186	72,600	-	72,600	-	-	72,600	100.0%
		<b>110,000</b>	<b>217,186</b>	<b>72,600</b>	<b>-</b>	<b>72,600</b>	<b>-</b>	<b>-</b>	<b>72,600</b>	<b>100.0%</b>
	REVENUE TOTALS	1,906,694	1,983,279	1,916,300	1,930,931	1,916,300	1,730,993	90.3%	1,918,738	100.1%

<b>OPERATING NET</b>	-	<b>56,352</b>	-	<b>143,189</b>	-	<b>34,384.23</b>
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**FUND BALANCE | JUNE 30th**  
Audited

	175,000
	75,000
	<u>1,238,223</u>
	1,488,223

**FUND BALANCE | JULY 1st**  
Unaudited

Committed		
... Stabilization	250,000	250,000
... Opportunity	300,000	300,000
Assigned	125,000	125,000
Unassigned	<u>813,223</u>	<u>883,812</u>
	1,488,223	1,631,412



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

**5d**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer  
 Robert Barry, Chief Policy Analyst

**SUBJECT: Proposed “Fuerte Ranch Estates Change of Organization” |  
 Annexation to the San Diego County Sanitation District (CO20-08)**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal filed by an interested landowner to annex approximately 27.9 acres of unincorporated territory to the San Diego County Sanitation District (SD). The affected territory as submitted includes one undeveloped parcel in the unincorporated community of Valle de Oro and already within the San Diego County SD sphere of influence. The proposal purpose is to extend public wastewater service to the subject parcel and facilitate the planned development of a 36-lot single-family residential subdivision titled “Fuerte Ranch Estates.” Staff recommends approval of the proposal without modifications and with standard terms and waiver of the protest hearing.

**BACKGROUND**

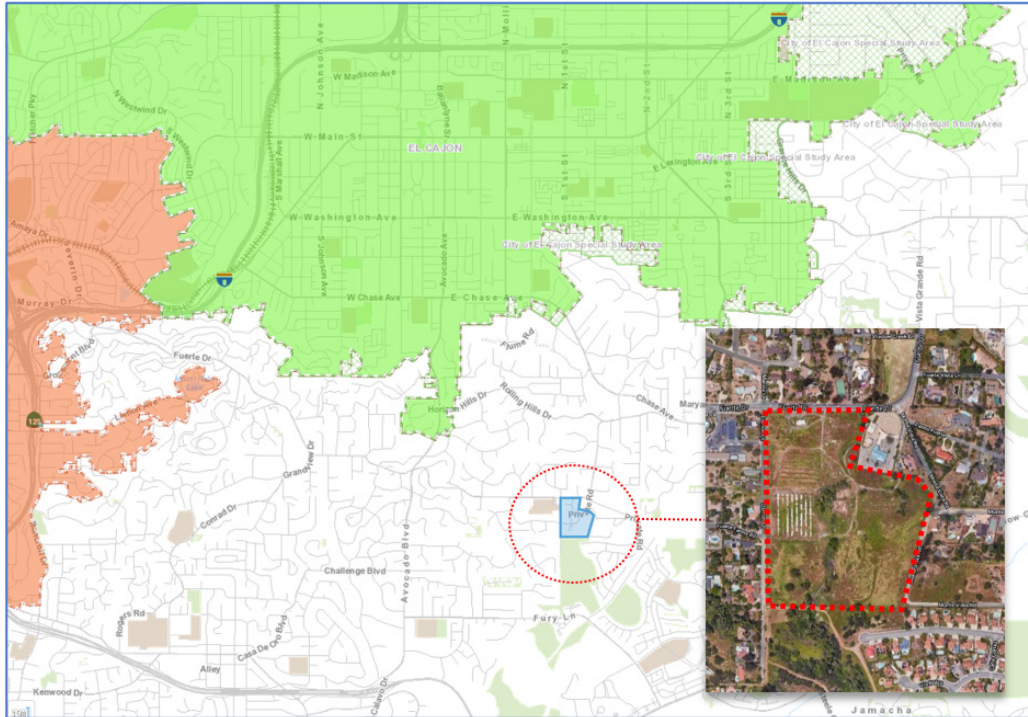
**Applicant Request**

SD LAFCO has received a petition application from a landowner – Shea Homes – requesting approval to annex 27.9 acres of unincorporated territory in Valle de Oro to the San Diego County SD. The affected territory as submitted involves one unincorporated and undeveloped parcel with a situs of 11739 Fuerte Drive. The subject parcel lies in the District sphere of influence and identified as 498-153-01 by the County of San Diego Assessor’s Office.

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Escondido</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
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## Affected Territory

The affected territory lies within the unincorporated community of Valle de Oro and approximately one mile south of the City of El Cajon. The affected territory lies south of Interstate 8, west of Jamacha Road, north of State Route 94, and east of Avocado Boulevard. An aerial map of the affected territory relative to the Valle de Oro community and neighboring City of El Cajon follows. Attachment One shows the affected territory relative to the proposed boundary change involving the lone subject agency (San Diego County SD).



## Subject Agency

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

- San Diego County SD is a dependent special district governed by the County of San Diego and serves as successor agency to a multi-agency consolidation completed in 2010. The lone active municipal service function is wastewater (collection, treatment, and disposal classes). The jurisdictional boundary spans 46 square miles or 29,571 acres and divided between seven distinct service areas with a combined LAFCO estimated resident service population of 149,798. The affected territory lies in the Spring Valley service area. This is the largest service area with an estimated resident service population of 92,717 and an accompanying average annual growth rate of

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



0.63% since 2010. San Diego County SD utilizes approximately 266 miles of collection lines in the Spring Valley service area to convey flows to the City of San Diego’s adjacent collection system and thereafter to the Point Loma Treatment Facility; the latter operated by the Metro Wastewater Joint Powers Authority with the District as one of the signatories. LAFCO established a sphere of influence for San Diego County SD at the time of its formation in 2011 with a smaller-than-agency designation to exclude 9,141 jurisdictional acres with the majority in the Spring Valley service area that concurrently lying in the sphere for the City of Chula Vista. The most recently prepared audit shows San Diego County SD’s net position at \$120.0 million as of June 30, 2019 and reflects an overall decrease of (1.8%) over the prior three fiscal years.

### Affected Local Agencies

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

- County Service Area No. 135 (Regional Communications)
- Grossmont Healthcare District
- Metropolitan Water District of Southern California
- Otay Water District
- Resource Conservation District of Greater San Diego County
- San Diego County Water Authority
- San Miguel Consolidated Fire Protection District

### 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 San Diego County SD. 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 purpose of the proposed change of organization before San Diego LAFCO is to extend wastewater service for a County of San Diego conditional approval of a 36-lot single-family residential subdivision (Fuerte Ranch Estates).<sup>3</sup> This project was initially filed with the County in 2003 and conditionally approved in May 2010.

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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.

<sup>3</sup> Reference to Tentative Map No. 5343.

## Development Potential

The County of San Diego General Plan designates the entire affected territory as Semi-Rural Residential with a corresponding zoning assignment of Rural Residential. This zoning assignment prescribes a minimum lot size of 0.5 acres as well as a maximum of two dwelling units per acre. These allowances, accordingly, provide for a maximum development within the subject parcel to include up to 55 residential parcels or dwelling units. The landowner has received conditional approval from the County to develop the subject parcel into a 36-lot single-family residential subdivision consistent with these land use policies.

## Commission Focus

San Diego LAFCO’s adopted sphere of influence designation for San Diego County SD includes the affected territory and can readily accommodate the proposed annexation to the District without amendment. This existing sphere determination narrows the Commission’s consideration of the proposed change of organization to two central and sequential policy items. 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 environmental review 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 involving annexation to the San Diego County SD for public wastewater service appears appropriate. This conclusion draws from the analysis of the statutory factors required for consideration of proposed jurisdictional changes along with the proposal’s conformance with locally adopted Commission policies. Most of the prescribed review factors and applicable policies focus on the effects of the proposed annexation on the service and financial capacities of the *receiving* agency, San Diego County SD (emphasis added). These factors help to quantify the annexation of the affected territory to San Diego County SD as appropriate and summarized below.

- Service Needs

Annexation of the affected territory to San Diego County SD would represent a logical and orderly expansion of the District’s jurisdictional boundary and public wastewater services therein and marked by accommodating the County of San Diego’s conditional development approval of a 36-lot residential subdivision. Additional details on relevant service needs follow.

- The Commission has previously designated San Diego County SD as the appropriate long-term wastewater provider for the affected territory through its standing inclusion 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 initiate the proposal.
- Annexation of the affected territory to San Diego County SD for purpose of establishing public wastewater services going forward is consistent with the adopted land use policies of the County of San Diego. The County is the current and appropriate long-term land use authority and memorialized – notably – by the Commission’s standing exclusion of the lands from any cities’ spheres of influence.
- The proposal has a demonstrated present need for public wastewater service to accommodate the planned and conditionally-approved residential use within the affected territory given the alternative would be to establish private onsite septic disposal systems. This alternative – among other items – would be counter to the Commission’s interest and practice in discouraging private septic disposal systems in developing urban areas.

- Service Capacities and Levels

San Diego County SD 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 existing public infrastructure. Additional details on relevant service capacities and levels follow.

- An existing San Diego County SD wastewater main is located immediately adjacent to the affected territory on the south within a private residential subdivision and accessible through an existing private easement.
- It is projected the maximum average day wastewater demand generated by the proposed 36-lot residential development within the affected territory is 8,640 gallons. This amount represents 0.0015% of the existing available capacity of San Diego County SD, and as such can be readily accommodated without additional resources or infrastructure planning.
- Ultimate buildout would potentially include an accessory unit per lot and increase the average day wastewater flow to 17,280 gallons per day or 0.003% of the remaining available capacity.

- **Service Funding and Costs**

San Diego County SD has the financial resources coupled with administrative controls to provide wastewater to the affected territory in support of its planned residential use without adversely impacting ratepayers. This comment is reflected in the District operating as an enterprise fund coupled with staff analysis of the agency’s recent audited statements. These statements show – among other items – the District’s net position remained generally constant with a slight decline over the last three audited fiscal years by (3.3%) and finished at \$120.0 million as of June 30, 2019.<sup>4</sup>

**CONCLUSION |  
MERITS OF CHANGE OF ORGANIZATION TIMING**

The timing of the change of organization and annexation of the affected territory to San Diego County SD is warranted. Justification is marked by the preceding analysis and highlighted by syncing the timing of the annexation with a known and immediate service need while reflecting available capacities and infrastructure. Additional analysis supporting the conclusion is provided in Appendix A.

**Item No. 2 |**

**Modifications and Terms**

No modifications to the submitted change of organization proposal are recommended by staff and application of standard Commission approval terms is appropriate. This includes noting annexation of affected territory as proposed would not result in any unserved corridors within San Diego County SD or any otherwise irregularities. A map of the affected territory as submitted is provided as Attachment One.

**CONCLUSION |  
MODIFICATIONS AND TERMS**

No modifications to the proposal area as submitted appear appropriate. Standard approval 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 a proposed change of organization involving an annexation unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make

<sup>4</sup> Audited statements cover FY2017, 2018, and 2019.

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 annexation. The application of this master tax exchange agreement will result in no transfer of property taxes to San Diego County SD.

## **Environmental Review**

CEQA requires San Diego LAFCO to assess whether environmental impacts would result from activities approved under the Commission’s statutory authority. As detailed in the accompanying footnote, LAFCO has assumed lead agency role under CEQA and has determined the change of organization qualifies as a project but excluded from additional rule under State Guidelines Section 15320.<sup>5</sup> Staff believes this categorical exemption appropriately applies given the affected territory is presently located within the Otay WD for wastewater services and the proposed annexation would not change the geographical area where previously existing services are exercised.

## **Protest Proceedings**

Protest proceedings for the proposed change of organization may be waived by San Diego LAFCO should the Commission proceed with an approval under Government Code Section 56662. The recommended 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 all landowners have consented to the underlying action.<sup>6</sup>

## **RECOMMENDATION**

Staff recommends conditional approval of the change of organization proposal without any modifications. This recommendation is consistent with the action listed as Alternative One in the proceeding section.

## **ALTERNATIVES FOR ACTION**

The following alternative actions are available to San Diego LAFCO:

### Alternative One (recommended):

Adopt the attached draft resolution approving the change of organization proposal as submitted and without modification along with standard terms as specified.

### Alternative Two:

Continue consideration to the next regular meeting.

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<sup>5</sup> The County of San Diego, as lead agency for the proposed residential subdivision and development, evaluated the project’s potential environmental impacts and certified a Mitigated Negative Declaration in accordance with CEQA; however, the County’s environmental review evaluated the extension of Otay WD wastewater service to the project and did not contemplate wastewater service from San Diego County SD or the associated LAFCO annexation action. San Diego LAFCO, accordingly, is tasked with assuming the lead agency role under CEQA with respect to the change of organization.

<sup>6</sup> LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.

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.

**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 'R. Barry', with a horizontal line extending from the end of the signature.

Robert Barry, AICP  
Chief Policy Analyst

Appendices:

- A) Analysis of Boundary Change Factors

Attachments:

- 1) Map of the Affected Territory
- 2) Draft Resolution of Approval
- 3) Application Materials

## 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.**
- 

The affected territory is undeveloped and includes one unincorporated parcel (498-153-01) addressed as 11739 Fuerte Drive within the Valle de Oro unincorporated community south of the City of El Cajon. The planned development of 36 single-family residences is consistent with existing County of San Diego land uses and zoning designations as further detailed. The affected territory is located within the Sweetwater watershed with an elevation of 600 feet above sea-level. Continued growth is anticipated in the surrounding Valle do Oro area within the next 10-year period and consistent with recent trends. Total assessed value (land and no improvements) in the affected territory is \$3,070,564 as of July 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.**
- 

The County of San Diego serves as the primary purveyor of general governmental services to the affected unincorporated territory. These governmental services include community planning, roads, and law enforcement via the County Sheriff. Other pertinent service providers include Otay Water District (potable water) and San Miguel Consolidated Fire Protection District (fire protection and emergency medical services). This proposal affects only wastewater and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**

Annexation of the affected territory to San Diego County SD would represent a logical and orderly expansion of the District’s jurisdictional boundary and public wastewater services therein and marked by the County of San Diego’s conditional development approvals for a proposed 36-lot residential subdivision. An existing San Diego County SD wastewater main is located immediately adjacent to the affected territory on the south within a private residential subdivision and accessible through a private easement. It is projected the maximum average day wastewater demand generated by the proposed 36 units within the affected territory is 8,640 gallons. This amount represents 0.0015% of the existing available capacity of San Diego County SD, and as such can be readily accommodated without additional resources or infrastructure planning. Ultimate buildout would potentially include an accessory unit per lot and

increase the average day wastewater flow to 17,280 gallons per day or 0.003% of the remaining available capacity.

**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.**

---

Approval of the proposed change of organization and annexation therein to San Diego County SD 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 affected territory and the surrounding region within San Diego County SD’s sphere of influence and signaled 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.**

---

Approving the proposed annexation to San Diego County SD would facilitate the extension of public wastewater services to a County-approved subdivision and development of 36 single-family residences in accordance with present land uses and zoning. Approval would be consistent with the Commission’s adopted policies to sync urbanized uses with urbanized services. The affected territory does not contain “open-space” as defined under LAFCO law and no conflicts exists under Government Code Section 56377. Additional analysis concerning conformance with germane Commission policies follow.

- San Diego LAFCO Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals and if applicable requires a consultation process with affected agencies, interested parties, or organizations to help discuss and potentially remedy concerns unless waived by the San Diego LAFCO Executive Officer. No jurisdictional disputes or related concerns were identified or disclosed by the applicant or by affected agencies or interested parties in the review of the proposal with additional details footnoted.<sup>7</sup>

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

---

The affected territory does not contain agricultural lands as defined under LAFCO law. Specifically, the affected territory does not contain lands 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 San Diego County SD

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<sup>7</sup> Although not a formal dispute, it is noted the applicant initially approached Otay Water District to receive both water and wastewater service for their development project given the affected territory lies within the District’s boundary. This initial arrangement was contemplated in the associated CEQA document. However, and after discussions between Otay Water District and San Diego County SD, the agencies agreed to redirect the applicant to seek wastewater from San Diego County SD.



would have no effect on maintaining the physical and economic integrity of agriculture.

**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.**

---

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 and conforming with lines of assessment. LAFCO approval would be conditioned on submittal of a final map and description conforming to the referenced standards and addressing any proposal area modifications enacted by the Commission. Approval would not create service islands or corridors.

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

---

The County of San Diego has approved environmental review for the associated development project with mitigation measures designed to avoid any significant impacts to traffic or circulation. Therefore, the proposed change of organization for annexation to the San Diego County SD does not conflict with *San Diego Forward*, the regional transportation plan adopted by the San Diego Association of Governments.

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

---

The primary purpose of the proposed change of organization before San Diego LAFCO is to extend wastewater service for a County-approved 36-lot single-family residential subdivision on the affected territory (Tentative Map No. 5343). The planned residential uses are consistent with the County of San Diego General Plan and zoning designations as footnoted.<sup>8</sup>

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

---

The affected territory lies entirely within the sphere of influence designated for the San Diego County SD. Annexation of the affected territory to San Diego County SD for purpose of establishing public wastewater services going forward is consistent with the adopted land use policies of the County of San Diego. The County is the current and appropriate long-term land use authority and marked by the subject land’s standing exclusion from nearby cities’ spheres of influence as determined by Commission.

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<sup>8</sup> The landowner’s annexation request is intended to facilitate a County-approved subdivision and development of 36 single-family residences on the affected territory (1.3 du/ac). The County General Plan designates the affected territory as Semi-Rural Residential (Sr-0.5) (up to 2.0 dwelling units/one acre) with adopted zoning as Rural Residential (0.5-acre minimum lot size, up to 2.0 du/ac).

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

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Notice of the change of organization proposal was distributed to all affected, subject, and interested agencies as required under LAFCO law. No written comments on the proposal were received ahead of preparing this agenda report for distribution on October 22, 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 San Diego County SD has sufficient and available 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 staff analysis of San Diego County SD’s recent audited statements which shows – among other items – the District’s net position remained generally constant over recent years and finished the last audited fiscal year (2018-2019) at \$120.0 million; an amount that represents a change of (3.3%) over the corresponding 36 months. San Diego County SD’s average total margin (i.e. bottom line) over the last three-year period was 2.1% with two of the three years finishing with positive end balances.

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

---

The affected territory is presently within the Otay Water District’s retail domestic water system with wholesale supplies provided by the San Diego County Water Authority. Approval of the proposed change of organization would not affect the timely availability of water supplies to the affected territory for the proposed residential uses.

**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.**

---

The proposed change of organization would not impact any local agencies in accommodating their regional housing needs. All potential units tied to the lands are already assigned to the County of San Diego by the region’s council of governments. The annexation to the San Diego County SD would not affect this assignment.

**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 written consent to the proceedings as the initiating applicant.

**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 and the proposed provision of public services would be limited to the planned single-family residences. Approval of the proposed change of organization is not anticipated to affect the promotion of environmental justice.

**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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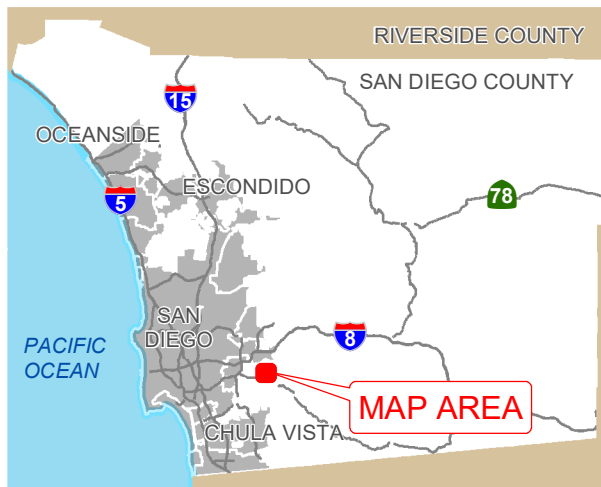
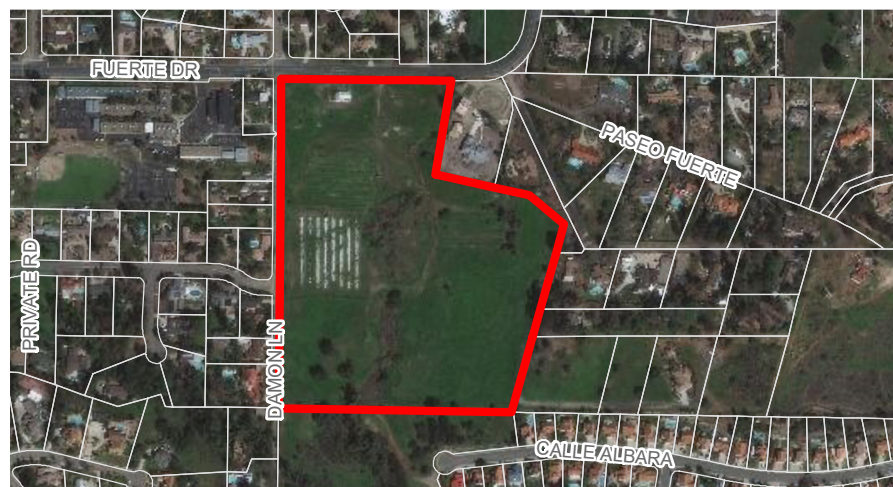
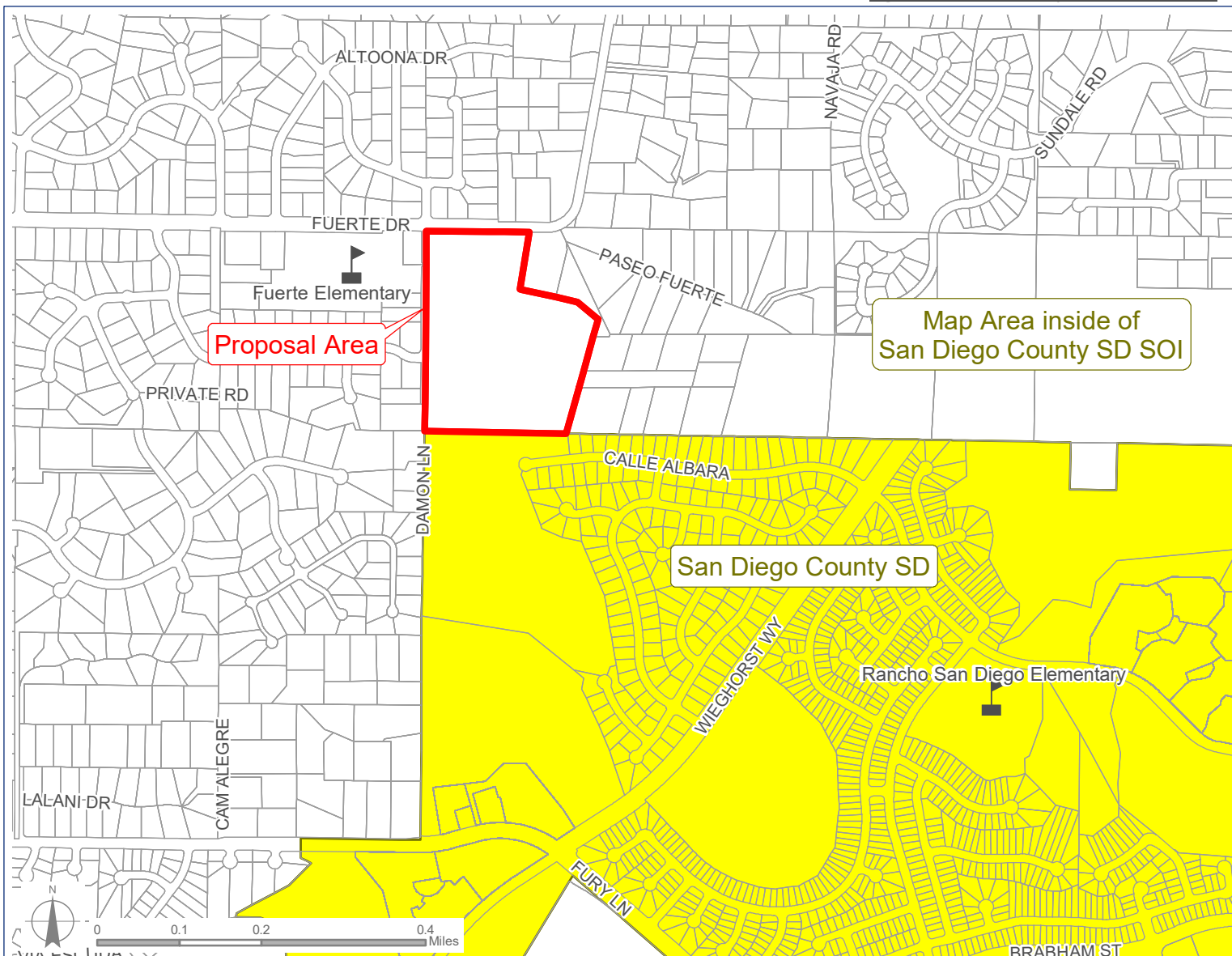
The County of San Diego has adopted a multi-jurisdictional hazard mitigation plan for potential fire, flooding and earthquakes. The affected territory lies outside any identified threat designations.

**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.**

---

Approval of the change of organization would be in the best interest of the current and future landowners and/or residents of the affected territory by providing access to reliable public wastewater service going forward. Approval would also benefit adjacent landowners and/or residents by eliminating the potential operation of one or more private septic systems and the potential therein for failures.

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CO20-08

**"FUERTE RANCH ESTATES CHANGE OF ORGANIZATION" | PROPOSED ANNEXATION TO SAN DIEGO COUNTY SANITATION DISTRICT**

- Proposal Area
- San Diego County SD

SOI = Sphere of Influence



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

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

**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION**

**MAKING DETERMINATIONS, APPROVING, AND ORDERING A CHANGE OF ORGANIZATION**

**“FUERTE RANCH ESTATES CHANGE OF ORGANIZATION”  
ANNEXATION TO THE SAN DIEGO COUNTY SANITATION DISTRICT  
LAFCO FILE NO. CO20-08**

**WHEREAS**, on May 8, 2020, landowner Shae Homes filed a petition 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 27.9 acres of unincorporated territory within the County of San Diego to the San Diego County Sanitation District; and

**WHEREAS**, the affected territory as proposed includes one undeveloped assessor parcel proposed for development with 36 single-family residences and identified by the County of San Diego Assessor’s Office as 498-153-01; 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 November 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. The Commission serves as lead agency for environmental review of the proposed change of organization under the California Environmental Quality Act (CEQA) as detailed in the Executive Officer's report. The Commission's findings follow.
  - a) The Commission finds the proposed change of organization to annex the affected territory as described to the San Diego County Sanitation District qualifies as a project under CEQA but is categorically exempt from further environmental review under State CEQA Guidelines Section 15320. This exemption appropriately applies because the change of organization will not change the geographical area in which previously existing wastewater powers are authorized and exercised.
4. The Commission APPROVES the change of organization without modifications and subject to conditions as provided. Approval involves all of the follow:
  - a) Annexation of the affected territory to the San Diego County Sanitation 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 November 2, 2021 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 \$1,200.00.
6. The Commission assigns the proposal the following short-term designation:

"Fuerte Ranch Estates 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 San Diego County Sanitation District is a registered-voter district.
10. The San Diego County Sanitation 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 San Diego County Sanitation 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.

\*\*

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

AYES:

NOES:

ABSENT:

ABSTAIN:

\*\*

Attest:

---

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**

-Placeholder-

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PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: Annex into the Spring Valley Sanitation District

2. The reason(s) for the proposal are: Otay Water District has declined to provide sewer service to our property as was anticipated with the tentative map. An annexation into OWD sewer would not be approved.

Sarah Morrell
Proponent's Name (print) Signature of proponent or representative
9990 Mesa Rim Road Suite 200 San Diego, CA 92121
Proponent's Address City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on
Date
Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than \$250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at HTTP://WWW.SDLAFCO.ORG or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes \$1,000 or more, or expend \$1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes \$1,000 or more, or expends \$1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are: Annex into the Spring Valley Sanitation District.

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions: Spring Valley Sanitation will provide sewer services to the Fuerte Ranch Estates community by Shea Homes.

(d) The reason(s) for the proposal is/are: Otay Water District refuses to provide sewer services to the project/community Fuerte Ranch Estates.

(e) Signers of this petition have signed as (select one): [x] landowner; [ ] registered voter.

(f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

- 1. Sarah Morrell 9990 Mesa Rim Road Suite 200, San Diego, CA 92121
Name of chief proponent (print) mailing address
2.
Name of chief proponent (print) mailing address
3.
Name of chief proponent (print) mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) [x] is [ ] is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) [ ] inhabited (12 or more registered voters) [x] uninhabited (11 or less registered voters).

(j) If the formation of a new district(s) is included in the proposal:
1. The principal act under which said district(s) is/are proposed to be formed is/are: Provide Sewer
2. The proposed name(s) of the new district(s) is/are: Spring Valley Sanitation District

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:
1. The name of the proposed city is: N/A
2. Provisions are requested for appointment of: [ ] city manager [ ] city clerk [ ] city treasurer

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is: N/A



Part IVb: LANDOWNER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

**Each of the undersigned states:**

- I personally signed this petition.
- I am a landowner of the affected territory.
- I personally affixed hereto the date of my signing this petition and the Assessor's Parcel Number(s), or a description sufficient to identify the location of my land.

Name of Signer	Assessor's Parcel Number(s)	Date Signed	Official Use
Sign <u><i>Sarah Morrell</i></u> Print Sarah Morrell	498-153-01	5/8/2020	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

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

**5e**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer  
 Robert Barry, Chief Policy Analyst

**SUBJECT: Proposed “Lindauer – Olive Street Reorganization” |  
 Concurrent Annexation to the Vallecitos Water District and Detachment from  
 the Vista Irrigation District (RO20-11)**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal filed by an interested landowner with the principal action to annex approximately 4.0 incorporated acres in the City of San Marcos to the Vallecitos Water District (WD). A concurrent detachment from the Vista Irrigation District (ID) is also proposed. The proposal purpose is to provide permanent public water service to an existing single-family residence within the affected territory and in doing so replace a temporary out-of-agency service agreement approved by the Executive Officer in July 2020 due to documented water quality concerns with available groundwater. Staff recommends approval with modifications to include an additional 0.6 acres comprising adjacent public rights-of-way. Standard approval terms are also recommended along with waiving protest proceedings.

**BACKGROUND**

**Applicant Request**

San Diego LAFCO has received an application from a landowner – Lloyd Lindauer – requesting approval to reorganize approximately 4.0 acres of incorporated territory within the City of San Marcos with the principal action to annex to Vallecitos WD. A concurrent detachment from

<b>Administration</b> Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org	<b>Jim Desmond</b> County of San Diego	<b>Mary Casillas Salas</b> City of Chula Vista	<b>Mark Kersey</b> City of San Diego	<b>Jo MacKenzie</b> Vista Irrigation	<b>Vice Chair Andy Vanderlaan</b> General Public
	<b>Chair Dianne Jacob</b> County of San Diego	<b>Bill Wells</b> City of El Cajon	<b>Chris Cate, Alternate</b> City of San Diego	<b>Barry Willis</b> Alpine Fire Protection	<b>Harry Mathis, Alternate</b> General Public
	<b>Greg Cox, Alternate</b> County of San Diego	<b>Paul McNamara, Alternate</b> City of Escondido		<b>Erin Lump, Alternate</b> Rincon del Diablo MWD	

## San Diego LAFCO

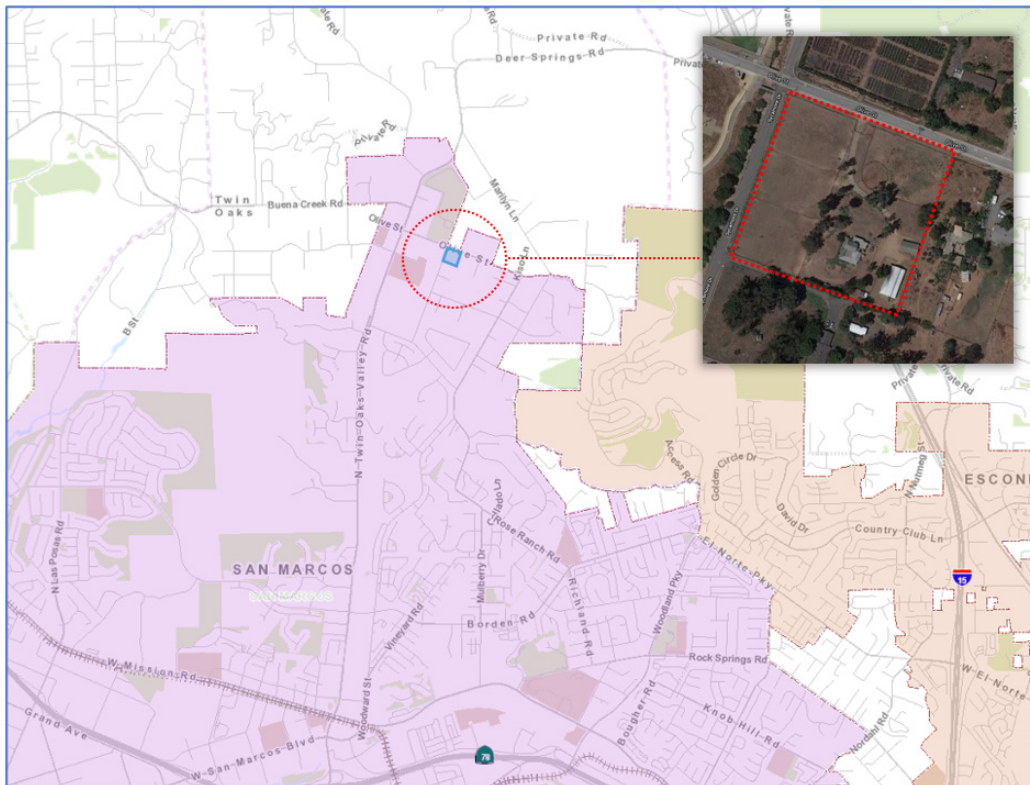
November 2, 2020 Meeting

Agenda Item No. 5e | “Lindauer – Olive St. Reorganization” (RO20-11)

Vista ID is also proposed. The affected territory as submitted encompasses one parcel already developed with a 1,930 square foot single-family residence built in 1920. The County of San Diego Assessor’s Office identifies the subject parcel as 182-101-01 with a situs of 317 East Olive Street. The affected territory lies entirely within Vista ID but outside its sphere of influence as well as beyond reach of its water distribution system. The affected territory lies within the Vallecitos WD sphere of influence and within proximity to its water distribution system.

## Affected Territory

The affected territory lies within the City of San Marcos at its northern perimeter towards the unincorporated community of Twin Oaks. The affected territory lies north State Route 78 with principal access provided by North Twin Oaks Valley Road. An aerial map of the affected territory relative to the San Marcos incorporated boundary and neighboring Twin Oaks follows. Attachment One shows the affected territory relative to the proposed boundary changes involving the two subject agencies (Vallecitos WD and Vista ID).



## Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: Vallecitos WD and Vista ID.<sup>1</sup> A summary of the subject agencies in terms of municipal functions, resident population, and financial standing follows.

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

- Vallecitos WD is an independent special district formed in 1955 and spans approximately 28,800 acres or 45 square miles and includes most of the City of San Marcos as well as portions of the Cities of Carlsbad, Escondido, and Vista. The Vallecitos WD also extends into adjacent unincorporated territory, including the communities of Twin Oaks and Deer Springs. A five-member elected Board of Directors oversees Vallecitos WD’s three active municipal functions: potable water service (retail class); recycled water service (retail class); and wastewater service (collection, treatment, and disposal classes). The estimated resident population is 102,129 with an average annual growth rate of 1.9% since 2010 and the last census reset. LAFCO established a sphere of influence for Vallecitos WD in 1985, which was last updated in 2007 with a larger-than-agency designation to include 2,150 non-jurisdictional acres and equals 7.5% of the jurisdictional boundary. Vallecitos WD’s audited net position is \$279.179 million as of June 30, 2019 and has increased by 6.5% over the prior three audited fiscal years.
- Vista ID is an independent special district formed in 1923 and spans approximately 63,569 acres or 99 square miles and includes most of the City of Vista as well as portions of the Cities of Escondido, Oceanside, and San Marcos. Vista ID also extends into the adjacent unincorporated community of Twin Oaks. A five-member Board of Directors oversees Vista ID’s one active municipal service function: water (retail class). The estimated resident population is 134,829 with an average annual growth rate of 1.1% since 2010 and the last census reset. LAFCO established a sphere of influence for Vista ID in 1988, which was last updated in 2007 with a smaller-than-agency designation to exclude 43,459 jurisdictional acres and equals 68.4% of the District boundary. (The majority of the excluded jurisdictional land lies within the Lake Henshaw watershed.) Vista ID’s audited net position is \$124.4 million as of June 30, 2019 and has increased by 17.1% over the prior three audited fiscal years.

### Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and/or spheres of influence of eight local agencies directly subject to San Diego LAFCO’s planning and regulatory responsibilities. These agencies qualify as “affected agencies” relative to the proposed reorganization and listed below.<sup>2</sup>

- City of San Marcos
- County Service Area No. 135 (Regional Communications)
- Metropolitan Water District of Southern California
- North County Cemetery District
- North County Transit District
- Palomar Health Healthcare District
- Resource Conservation District of Greater San Diego County
- San Diego County Water Authority

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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 reorganization is proposed or ordered. Notice of the proposal and hearing were provided to the agencies.

- San Marcos Fire Protection District

## DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and the principal action to annex the affected territory to Vallecitos WD. An associated boundary change to concurrently detach the affected territory from Vista ID is also part of the requested reorganization. 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 purpose of the proposed reorganization before San Diego LAFCO is to permanently establish public water service to the affected territory and its existing developed single-family residence through annexation to Vallecitos WD. Annexation would replace a temporary out-of-agency service extension between Vallecitos WD and the landowner that was approved by the Executive Officer in July 2020 given documented evidence of excessive nitrates in the groundwater generated from an onsite well. Approval of the earlier out-of-agency service extension – notably – was conditioned on the landowner filing for reorganization and terminates in July 2021 absent an approved extension by LAFCO.

### Development Potential

The City of San Marcos General Plan designates the affected territory as Agricultural Residential along with a zoning assignment of Agricultural – 1 or A1.<sup>3</sup> This zoning assignment provides a minimum parcel size between 1.0 and 4.0 according to site slopes. Based on this assignment, the maximum potential density development of the subject parcel comprising the affected territory is four residential lots. Additional intensity is also allowed to permit one accessory dwelling unit for each existing single-family residence.<sup>4</sup> The combined result of these existing allowances under San Marcos policy is a potential maximum of eight residential units (i.e. four single family residences and four accessory dwelling units) subject to future approvals by the City and dependent on slope conditions less than 15%.

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<sup>3</sup> The Agricultural Residential designation under the City General Plan provides 0.125-1.0 dwelling units per parcel based on location and slope.

<sup>4</sup> Construction of one accessory dwelling unit shall be permitted on all A Zone and R-1 Zone parcels, subject to the following minimum parcel standards: parcel is zoned for single-family use and has an existing single-family detached dwelling; parcel size is a minimum size of 10,000 square feet; an accessory dwelling unit does not already exist on the parcel; and accessory dwelling unit would be: (i) created within the living area of an existing dwelling unit or accessory structure located on the parcel; (ii) attached to an existing dwelling unit located on the parcel; or (iii) detached from an existing dwelling unit located on the parcel, but located on the same parcel as the existing dwelling unit.

## Commission Focus

San Diego LAFCO’s current sphere of influence designation for Vallecitos WD includes the affected territory and can readily accommodate the proposed annexation without amendment. Similarly, the affected territory lies outside the Vista ID sphere and can readily accommodate the proposed detachment. These existing sphere determinations narrows the Commission’s consideration to two central and sequential policy items. These policy items take the form of determinations and serve to orient the Commission to consider the stand-alone merits of the (a) timing of the reorganization and (b) whether discretionary boundary modifications or approval terms are appropriate. The Commission must also consider other relevant statutes in and outside LAFCO law as detailed.

## ANALYSIS

San Diego LAFCO’s analysis of the reorganization is organized into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and specifically analyzing the merits of reorganization and whether modifications and/or terms are appropriate to further address Commission goals and policies. The second subsection considers other germane issues required under LAFCO law or other applicable statutes and marked by making findings under the California Environmental Quality Act (CEQA).

## Central Policy Items

### Item No. 1 |

#### Reorganization Timing

The timing of the reorganization – and specifically the annexation of the affected territory to Vallecitos WD and concurrent detachment from Vista ID – appears appropriate. This conclusion draws from the analysis of the statutory factors required for consideration of proposed jurisdictional changes along with the proposal’s conformance with locally adopted Commission policies. Most of the prescribed review factors and applicable policies focus on the effects of the proposed annexation on the service and financial capacities of the *receiving* agency, Vallecitos WD (emphasis added). A summary of key conclusions generated from the review of these factors and applicable local policies follow.

- Service Needs

The affected territory’s present and anticipated residential uses would be appropriately aided by the reorganization and annexation Vallecitos WD given its ability to readily provide public water service and abate an existing deficiency with groundwater and evidence of excess nitrates. These present and anticipated residential uses will similarly be aided by connection to Vallecitos WD’s nearby public wastewater system.

- The Commission has previously designated Vallecitos WD as the ultimate water and wastewater service provider for the affected territory through the standing inclusion in the WD sphere. Annexation to Vallecitos WD memorializes this standing Commission expectation and accommodates the expressed interest of the current landowner to establish permanent public water service as evident by their initiation of the reorganization proceedings.
- The landowner of the affected territory has initiated the reorganization in response to contaminated groundwater and in consultation with both subject agencies and LAFCO staff. These factors help to quantify the reorganization and annexation of the affected territory to Vallecitos WD is appropriate by synching the timing of the boundary changes with a known and immediate service need.
- Annexation of the affected territory to Vallecitos WD for purpose of establishing permanent public water and make available public wastewater services going forward is consistent with the adopted land use policies of the City of San Marcos. San Marcos is the current and appropriate long-term land use authority as determined by Commission and marked by the subject land's standing inclusion in the City's sphere of influence.
- Service Capacities and Levels

Vallecitos WD has available and sufficient capacities to permanently provide public water service to the affected territory at its planned maximum uses without expanding any public infrastructure. Vallecitos WD also has sufficient capacities to establish public wastewater services to the affected territory based on existing infrastructure. Additional details on relevant service capacities and levels follow.

  - The single-family residence comprising the affected territory has already established connection to Vallecitos WD's public water system through a temporary out-of-agency extension. The connection is facilitated through a 50-foot private lateral to the water main located adjacent to the single-family residence and in the public right-of-way on East Olive Street. No public infrastructure expansion is needed to continue to serve the residence.
  - Vallecitos WD projects the average day water demand generated within the affected territory based on its current development is 500 gallons, or one equivalent dwelling unit (EDU). This projected amount can be readily accommodated by Vallecitos WD and represents .00004% of its available supply capacity remaining within its distribution system based on recent demands. Ultimate buildout would potentially include a total of eight residences (four single family residences and four accessory dwelling units) and increase the average day water demand to 4,000 gallons per day or 0.003% of the remaining available capacity.



- An existing Vallecitos WD wastewater main is located immediately adjacent to the affected territory within the frontage public right-of-way of Sycamore Drive and accessible through an approximate 50-foot lateral connection. No public infrastructure expansion is needed to serve the residence.
  
  - It is projected the maximum average day wastewater demand generated within the affected territory is 240 gallons per equivalent dwelling units (EDU). The maximum potential EDUs for the affected territory includes eight residential units (i.e. four single family residences and four accessory dwelling units subject to future approvals by San Marcos) is equals to 1,920 gallons of the average daily wastewater demands. This amount represents 0.0004% of the of the current approximate 5.0 million gallons of available and remaining daily contracted capacity allocated to Vallecitos WD, and as such can be readily accommodated without additional resources or infrastructure planning.
- Service Funding and Costs  
Vallecitos WD has adequate financial resources and administrative controls to provide water (continue) and wastewater (future) to the affected territory in support of its existing and planned development without adversely impacting current ratepayers. Vallecitos WD’s recent audited statements reflects the District remained profitable in each of the last three audited fiscal years with an average total margin of 13.7%.

**CONCLUSION |  
MERITS OF REORGANIZATION TIMING**

The timing of the reorganization and principal action to annex the affected territory to Vallecitos WD is warranted. Justification is marked by the preceding analysis and highlighted by appropriately responding to the need for permanent public water service to support current and future residential uses in a developing urban area and reflects existing infrastructure. Making available public wastewater is also appropriate and further supports existing and future uses. Additional analysis supporting the conclusion is provided in Appendix A.

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

Staff believes modifications to the submitted reorganization proposal are appropriate and it involves San Diego LAFCO adding the adjacent frontage public rights-of-way surrounding the subject parcel to the centerline of Olive Street and Sycamore Drive. This recommendation expands the annexation by 0.64 acres and in doing so eliminates any adjacent non-jurisdictional corridors. The recommended modification does not have a material effect on the applicant and would provide consistency with adjacent roadway territory presently within Vallecitos WD. 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

Modifications appear warranted to expand the affected territory to include 0.64 acres of adjacent public rights-of-way to the centerline of Olive Street and Sycamore Drive and thereby provide a more consistent and orderly Vallecitos WD boundary. Standard approval 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. LAFCO staff has confirmed the County Board of Supervisors has adopted a master agreement applicable to the proposed reorganization. The application of this master agreement will result in a “no” exchange with respect to the 1% collected on land and improvements within the affected territory.

#### Environmental Review

CEQA requires San Diego LAFCO to serve as lead agency and assess whether impacts would result from the proposed reorganization initiated by a landowner. Staff believes the proposed reorganization qualifies as a project under CEQA but is categorically exempt from environmental review per State CEQA Guidelines Section 15319(a). This exemption appropriately applies given the project area contains existing private structures developed to the current zoning and the extension of services would be sized to only serve the existing facilities and there is no corresponding need for an expansion of public infrastructure.

#### Protest Proceedings

Protest proceedings for the proposed reorganization may be waived by San Diego LAFCO should the Commission proceed with an approval under Government Code Section 56662. The recommended waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law; the subject agencies have not filed objections to the waiver; and all landowners have consented to the underlying action.<sup>5</sup> Approval of the recommended modification to include the adjacent public rights-of-ways would not affect the proposed waiver of protest proceedings.

<sup>5</sup> LAFCO law defines uninhabited as territory in which 11 or less registered voters reside.

## RECOMMENDATION

Staff recommends approval of the reorganization proposal with modification as specified along with standard terms. This recommendation is consistent with the action outlined as Alternative One in the proceeding section.

## ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):

Adopt the attached draft resolution approving the reorganization proposal with a modification to include the adjacent public rights-of-way to the centerline on Olive Street and Sycamore Drive along with standard terms.

Alternative Two:

Continue consideration to the next regular meeting.

Alternative Three:

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

## 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,



Robert Barry, AICP  
Chief Policy Analyst

Appendices:

- A) Analysis of Boundary Change Factors

Attachments:

- 1) Map of the Affected Territory
- 2) Draft Resolution of Approval
- 3) Application Materials

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## 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, in the next 10 years.**
- 

The affected territory as submitted includes one incorporated parcel within the City of San Marcos totaling 4.0 acres. Staff recommends expanding the affected territory to include approximately 0.64 acres of adjacent public rights-of-way. The subject parcel is presently developed with an approximate 1,932 square-foot detached single-family residence with four bedrooms and two bathrooms constructed in 1920. The current assessed value of the subject parcel – including land and improvements – is \$525,588 with the last transaction recorded in December 2006. The application materials identify the affected territory is currently occupied with two residents with a per capita assessed valuation of \$262,794. The affected territory lies within a developing urban-residential area of the City of San Marcos south of the Twin Oaks Valley unincorporated community. No significant growth is anticipated in the surrounding area within the next 10-year period beyond existing residential land use and zoning designations.

- 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.**
- 

The City of San Marcos serves as the primary purveyor of general governmental services to the affected incorporated territory. These governmental services include community development (planning and engineering), parks and recreation, streets and roads, and public safety with the latter including fire protection by the dependent San Marcos Fire Protection District and law enforcement via a contract with the County Sheriff. The affected territory also lies within Vista ID but has not established water service. This proposal affects water and wastewater services and are the focus of the succeeding analysis.

- **Extending Public Water Service to the Affected Territory**

The affected territory and its existing single-family residence is currently connected to Vallecitos WD through a temporary out-of-agency extension approved by LAFCO in July 2020 in response to documentation of contaminated groundwater. Vallecitos WD projects the average day water demand generated within the affected territory is 500 gallons. This projected amount coupled with existing Vallecitos WD's daily demands based on recent averages represents 0.00004% of Vallecitos WD's total available supply capacity. Ultimate buildout would expand the total number of residences to eight (four single-family residences and four accessory dwelling units) and increase the average

day water demand to 4,000 gallons and increase the total volume of demand relative to capacity to 0.003%

- **Extending Public Wastewater Service to the Affected Territory**

The affected territory and its existing single-family residential use is currently dependent on an on-site underground septic disposal system. The septic system was initially established in the 1920s and subsequently and presumably repaired as needed to date. Connection to Vallecitos WD is readily available through an approximate 50-foot lateral to an existing wastewater main located within the adjacent public right-of-way of Sycamore Drive. The average daily wastewater flow for the affected territory at planned maximum use under current San Marcos zoning is projected at 1,920 gallons based on accommodating eight residential units (four single-family residences and four accessory dwelling units.) This amount represents 0.0004% of the of the current approximate 5.0 million gallons of available and remaining daily contracted capacity allocated to Vallecitos WD, and as such can be readily accommodated without additional resources or infrastructure planning.

**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 reorganization would formalize and make more permanent existing economic and social ties between Vallecitos WD and the affected territory. These ties were initially established with the Commission previously adding all of the affected territory to Vallecitos WD’s sphere of influence and in doing so signal its policy expectation the District should ultimately accommodate and support current and present land uses through the provision of both water and wastewater. LAFCO – notably – also drew on these ties in recently approving a temporary out-of-agency extension to connect the affected territory’s single-family residence to Vallecitos WD’s water system to abate a documented public health threat.

**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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The affected territory is presently developed with one single-family residence that is currently dependent on an out-of-agency water extension to Vallecitos WD due to the contamination within the local groundwater. Annexation of the affected territory would make the existing service arrangement permanent and is consistent with the policies and practices of the Commission to sync urban uses with urban services. None of the affected territory includes lands qualifying as “open-space” as defined under LAFCO law and the proposal therefore does not conflict with 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.

**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 contain “prime agricultural land” or “agricultural land” as defined under LAFCO law or further prescribed in local Commission policy. Specifically, the affected territory does not contain lands 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 reorganization proposal and annexation to Vallecitos WD 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 and conforming with lines of assessment. LAFCO approval would be conditioned on submittal of a final map and description conforming to the referenced standards and addressing any proposal area modifications enacted by the Commission. Recommendations by staff to expand the annexation to include adjacent public rights-of-way, pertinently, would eliminate the creation of non-jurisdictional corridors.

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

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The proposal involves existing residential development and would not conflict with San Diego Forward, the regional transportation plan established by the San Diego Association of Governments (SANDAG) for the San Diego Region.

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

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The affected incorporated territory is presently designated for low-density single-family residential use under the adopted land use policies of the City of San Marcos. The affected territory is zoned as A-1, which prescribes a minimum parcel size of 1, 2, or 4 acres dependent on slope. The existing residential uses are consistent with the proposal’s purpose to provide public water and wastewater to the existing single-family residence in response to a documented threat to public health and safety due a contaminated well. Approval of the proposed reorganization would be consistent with the San Marcos General Plan.

**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 Vallecitos WD. 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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Notice of the submitted reorganization proposal was distributed to all affected and interested agencies as required under LAFCO law. No written comments on the proposal were received ahead of preparing this agenda report for distribution on October 23, 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 Vallecitos WD has sufficient and available financial resources and administrative controls therein relative to providing public water and wastewater to the affected territory without adversely impacting existing ratepayers. This statement is supported by the following factors.

- Vallecitos WD's last audit covers 2018-2019 and shows the District finished with good liquidity levels with an agency-wide current ratio of 5.5% (i.e., \$5.50 in current assets for every \$1.00 in current liabilities).
- Vallecitos WD finished 2018-2019 with high capital levels as evident by a relatively low debt ratio of 3.82% (i.e., only \$3.82 out of every \$100.00 in net assets are financed.)
- Vallecitos WD has remained profitable in each of the last three audited fiscal years with an average operating margin of 13.7%. The most recent year – 2018-2019 – the operating margin was 15.6%.

**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 presently within the Vista ID's retail domestic water service territory with wholesale supplies provided by the San Diego County Water Authority. Approval of the proposed reorganization would make permanent and transfer retail water service responsibility to Vallecitos WD, which is also a member agency of the County Water Authority and 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 reorganization would not impact any local agencies in accommodating their regional housing needs. All potential units tied to the lands are already assigned to the City of San Marcos by the region's council of governments, SANDAG. The proposed reorganization would not affect this assignment.

**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 reorganization and has provided 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 reorganization does not include locating new public facilities and the proposed provision of public services would be limited to the existing single-family residence and proposed accessory dwelling unit. Approval of the proposed reorganization is not anticipated to affect the promotion of environmental justice.

**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.**

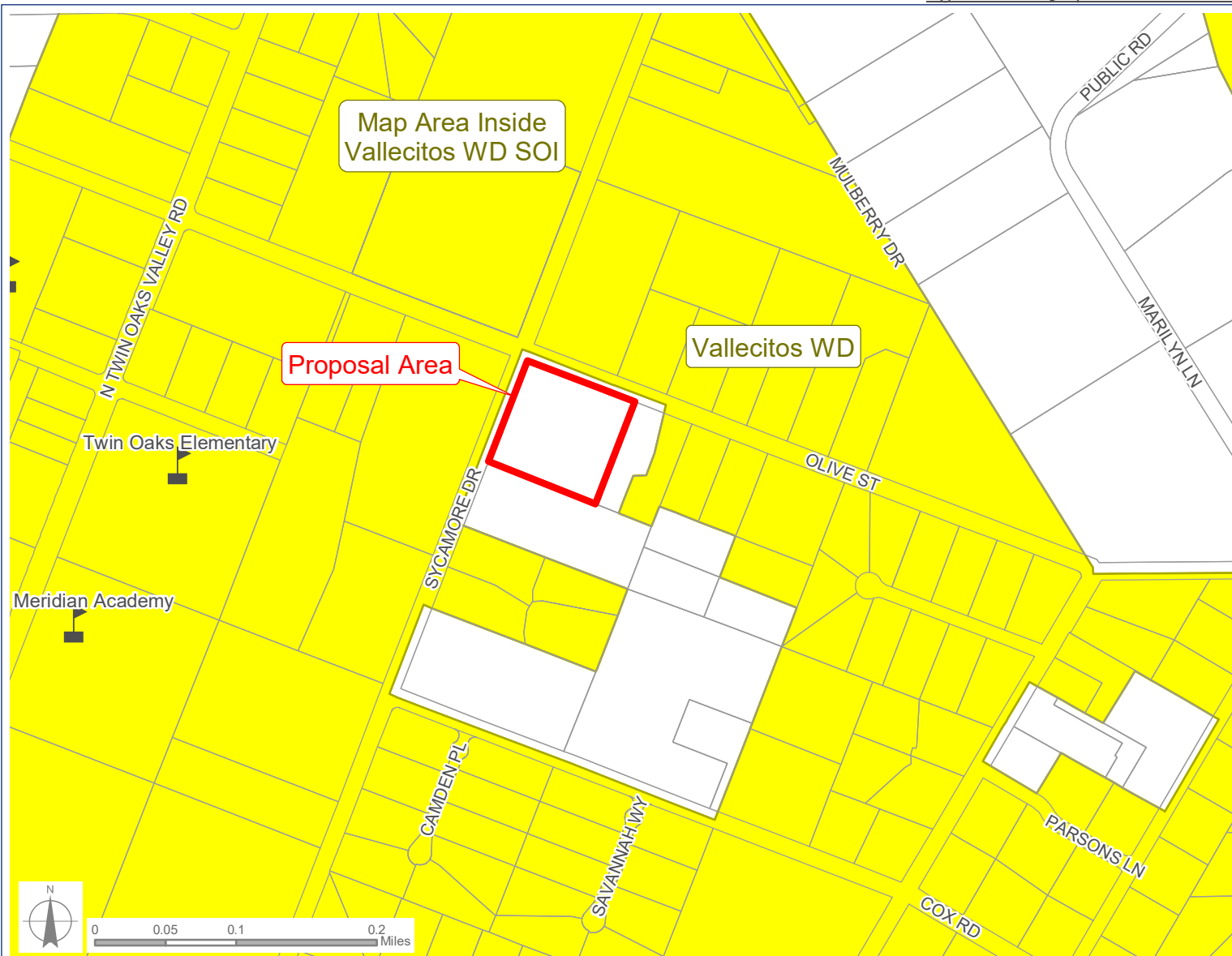
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The City of San Marcos is a participating agency within the County of San Diego's adopted multi-jurisdictional hazard mitigation plan for potential fire, flooding and earthquakes. The affected territory lies outside any identified hazard areas.

**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 reorganization would be in the best interest of the current and future landowners and/or residents of the affected territory by providing access to reliable public water and wastewater services going forward. Extension of Vallecitos WD water service will remediate an existing failing on-site well. Approval would also benefit adjacent landowners and/or residents by eliminating the operation of a private septic system and the heighten potential therein for future failures.



**"LINDAUER - OLIVE STREET REORGANIZATION" |**  
**RO20-11 ANNEXATION TO VALLECITOS WD WITH CONCURRENT**  
**DETACHMENT FROM VISTA ID**

SOI = Sphere of Influence

-  Proposal Area
-  Vallecitos WD
-  Vallecitos WD SOI

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

**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION**

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

**“LINDAUER – OLIVE STREET REORGANIZATION”  
CONCURRENT ANNEXATION TO THE VALLECITOS WATER DISTRICT AND  
DETACHMENT FROM THE VISTA IRRIGATION DISTRICT  
LAFCO FILE NO. CO20-11**

**WHEREAS**, on June 15, 2020, landowner Lloyd Lindauer filed a petition 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 reorganization to annex approximately 4.0 acres of incorporated territory within the City of San Marcos to the Vallecitos Water District with a concurrent detachment of the affected territory from the Vista Irrigation District; and

**WHEREAS**, the affected territory as proposed includes one incorporated assessor parcel developed with an existing single-family residence identified by the County of San Diego Assessor’s Office as 182-101-01; and

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

**WHEREAS**, the Commission’s Executive Officer has reviewed the proposed reorganization 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 November 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. The Commission serves as lead agency for environmental review of the proposed reorganization under the California Environmental Quality Act (CEQA) as detailed in the Executive Officer's report. The Commission's findings follow.
  - a) The Commission finds the proposed reorganization 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.
4. The Commission APPROVES the reorganization 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 Olive Street and Sycamore Drive totaling 0.6 acres.
  - b) Detachment of the affected territory as modified from the Vista Irrigation District is shown in "Exhibit A-1" and described in "Exhibit A-2."
  - c) Annexation of the affected territory as modified to the Vallecitos Water 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 November 2, 2021 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 \$350.00.
6. The Commission assigns the proposal the following short-term designation:

"Lindauer – Olive Street Reorganization"

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 Vista Irrigation District and Vallecitos Water District are registered-voter districts.
10. The Vista Irrigation District and Vallecitos Water District utilize the County of San Diego assessment roll.
11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Vallecitos Water 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.

\*\*

PASSED AND ADOPTED by the Commission on October 5, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\*\*

Attest:

---

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**

-Placeholder-

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# PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

## Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: Annexation To Vallecitos Water District

2. The reason(s) for the proposal are: To attach water and sewer to my home from Vallecitos water District and detach from Vista Irrigation District easement.

Lloyd Lindauer Lloyd Lindauer  
Proponent's Name (Print) Signature of proponent or representative

317 E. Olive St., San Marcos, CA 92069  
Proponent's Address City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on \_\_\_\_\_

Date

\_\_\_\_\_  
Executive Officer (Print and Sign)

## PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than \$250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at [HTTP://WWW.SDLAFCO.ORG](http://www.sdlafco.org) or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes \$1,000 or more, or expend \$1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes \$1,000 or more, or expends \$1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

- (a) The specific change(s) of organization proposed is/are: Annex To Vallecitos Water District, Detach From Vista Irrigation District
(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.
(c) The proposed action(s) will be subject to the following terms and conditions: To be determined

(d) The reason(s) for the proposal is/are:

(e) Signers of this petition have signed as (select one): [X] landowner; [ ] registered voter.

(f) The name(s) and mailing address(s) of the chief petitioner(s) (not to exceed three) is/are:

1. Lloyd Lindauer 317 E. Olive St., San Marcos, CA 92069
Name of chief proponent (print) mailing address

2.
Name of chief proponent (print) mailing address

3.
Name of chief proponent (print) mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) [X] is [ ] is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) [ ] inhabited (12 or more registered voters) [X] uninhabited (11 or less registered voters).

(j) If the formation of a new district(s) is included in the proposal:

- 1. The principal act under which said district(s) is/are proposed to be formed is/are:
2. The proposed name(s) of the new district(s) is/are:

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:

- 1. The name of the proposed city is:
2. Provisions are requested for appointment of: [ ] city manager [ ] city clerk [ ] city treasurer

(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is:

## Part IVb: LANDOWNER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

**Each of the undersigned states:**

- I personally signed this petition.
- I am a landowner of the affected territory.
- I personally affixed hereto the date of my signing this petition and the Assessor's Parcel Number(s), or a description sufficient to identify the location of my land.

Name of Signer	Assessor's Parcel Number(s)	Date Signed	Official Use
Sign <u>Lloyd Lindauer</u> Print <u>Lloyd Lindauer</u>	182-101-01-00	6-15-20	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

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

**5f**

**AGENDA REPORT**  
 Consent | Action

November 2, 2020

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer

**SUBJECT:** **Progress Report on 2020-2021 Workplan**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will receive a progress report on accomplishing the 26 specific projects in the adopted workplan for 2020-2021. This includes noting through one-third of the fiscal year close to two-thirds of all workplan projects have been initiated with four complete and three others nearing completion. The report is being presented to the Commission to receive and file as well as to provide related direction – including identifying possible amendments – for future consideration.

**BACKGROUND**

**2020-2021 Workplan**

San Diego LAFCO’s current fiscal year workplan was adopted at a noticed public hearing held on May 4, 2020. The workplan includes 26 projects and divided into two distinct categories – statutory and administrative – with one of three priority rankings: high; moderate; or low. The intent of the workplan is to serve as a management tool to allocate resources over the 12-month period and track performance. The Commission also reserves discretion to amend the workplan during the fiscal year to address changes in priorities or resources as well as to continue projects into subsequent fiscal years.

<b>Administration</b> Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org	<b>Jim Desmond</b> County of San Diego  <b>Chair Dianne Jacob</b> County of San Diego  <b>Greg Cox, Alternate</b> County of San Diego	<b>Mary Casillas Salas</b> City of Chula Vista  <b>Bill Wells</b> City of El Cajon  <b>Paul McNamara, Alternate</b> City of Escondido	<b>Mark Kersey</b> City of San Diego  <b>Chris Cate, Alternate</b> City of San Diego	<b>Jo MacKenzie</b> Vista Irrigation  <b>Barry Willis</b> Alpine Fire Protection  <b>Erin Lump, Alternate</b> Rincon del Diablo MWD	<b>Vice Chair Andy Vanderlaan</b> General Public  <b>Harry Mathis, Alternate</b> General Public
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## DISCUSSION

This item provides San Diego LAFCO with its regular update on the 26 targeted projects formally established for the fiscal year. This includes staff assigning one of four status categories to projects ranging from pending to complete and detailed in Attachment One. The item is being presented for the Commission to receive and file as well as provide general direction on listed projects. The item also provides the Commission the opportunity to discuss the merits of new projects and/or amendments for future consideration.

## ANALYSIS

San Diego LAFCO is generally proceeding as planned with work having been initiated on 17 of the 26 projects through the first four months. Four projects have already been completed and highlighted by updating the Agricultural and Open Space Lands Policy. Three other projects are nearing their completion and this includes two municipal services reviews – Resources Conservation Districts and Poway Region – that are expected to be presented to the Commission in draft form in December. Other projects expected to be presented to the Commission in the immediate future includes a municipal service review on the Ramona region and an outside audit on 2019-2020.

## RECOMMENDATION

It is recommended San Diego LAFCO receive and file the item with the invitation to discuss as needed. This recommendation would be accommodated by taking the actions outlined in the proceeding section as Alternative One.

## ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

Receive and file the item as presented.

Alternative Two:

Continue consideration of the item to a future meeting and provide direction to staff for more information as needed.

Alternate Three:

Take no action.

## PROCEDURES

This item has been placed on the 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 by the Commission.

Respectfully,



Keene Simonds  
Executive Officer

Attachment:

- 1) 2020-2021 Workplan with Status Notations

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## San Diego County Local Agency Formation Commission

### Regional Service Planning | Subdivision of the State of California

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#### 2020-2021 Workplan

##### Introduction:

Local Agency Formation Commissions' (LAFCOs) operate under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2001 ("CKH") and are delegated regulatory and planning responsibilities by the Legislature to oversee the formation and subsequent development of local government agencies and their municipal service areas. Common regulatory functions include approving jurisdictional changes (annexations, detachments, etc.) and outside service requests. Common planning functions include preparing studies to independently evaluate the availability, performance, and need for municipal services and establishing and updating spheres of influence – which are the Legislature's version of urban growth boundaries and gatekeepers to future jurisdictional changes – for all cities and special districts. All regulatory and planning activities undertaken by LAFCOs may be conditioned and must be consistent with policies and procedures.

##### Objective:

This document represents San Diego LAFCO's ("Commission") formal 2020-2021 Workplan. The Workplan draws on the recommendations of the Executive Officer as vetted and approved by the Commission. The Workplan is divided into two distinct categories – statutory and administrative – with one of three priority rankings: high; moderate; or low. The underlying intent of the Workplan is to serve as a management tool to allocate Commission resources in a transparent manner over the 12-month period. Further, while it is a stand-alone document, the Workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly. Additionally, and as needed, the Commission reserves discretion to amend the Workplan during the fiscal year to address changes in resources and or priorities and to carry-forward projects into subsequent years.

##### Executive Summary:

The 2020-2021 Workplan continues to guide the Commission to prioritize resources in addressing statutory duties and responsibilities. This includes continuing work on existing projects established – but not yet completed – from earlier fiscal years and marked by completing municipal service reviews for the Escondido, Vista, San Marcos, and Fallbrook-Rainbow regions. Several policy updates are also scheduled and include reviewing LAFCO's existing policies regarding the identification and authorization of special district service functions and classes. Other administrative projects filling the Analyst I/II position and securing a long-term office lease.

Priority	Level	Type	Project	Description and Key Issues	Status
Continual	...	Statutory	Applicant Proposals	LAFCO will prioritize resources to address proposals involving boundary changes and outside service requests and includes the following prominent proposals already on file or expected to be filed in 2020-2021: <ul style="list-style-type: none"> <li>- Fallbrook PUD/Rainbow MWD/County Water Authority</li> <li>- Reorganization of CSA No. 135 into FPD</li> <li>- Fallbrook PUD Latent Powers Activation</li> <li>- Reorganization of Valley Center CSD into CSA</li> <li>- Harvest Hills (Escondido et al)</li> </ul>	
Continual	...	Administrative	Targeted LAFCO Presentations	LAFCO will prioritize public outreach; emphasis on informing stakeholders ahead of MSR work	
1	High	Statutory	MSR   Fallbrook-Rainbow Region	Reviews of Fallbrook PUD, Rainbow MWD, San Luis Rey MWD, & North County FPD	In progress
2	High	Statutory	MSR   Escondido Region Part II	Review of the City of Escondido; follows completion of Part I (Rincon del Diablo MWD and Deer Springs FPD) in 2019-2020	In progress
3	High	Statutory	MSR   Resource Conservation Services	Countywide study on RCD services; reviews of Mission RCD, Upper San Luis Rey RCD, & Greater San Diego RCD	Near completion
4	High	Administrative	Policy Review   Ag and Open Space	Update existing policies and procedures involving ag and open space; incorporate stakeholder outreach (Farm Bureau, etc.)	<b>Completed</b>
5	High	Administrative	Policy Review   Rule No. 4	Update Rule No. 4 and its provisions guiding LAFCO's duty to identify and establish special districts' service functions and classes	In progress
6	High	Statutory	MSR   Poway Region	Review is specific to the City of Poway	Near completion
7	High	Statutory	MSR   San Marcos Region	Reviews of the City of San Marcos, San Marcos FPD, & Vallecitos WD	In progress
8	High	Statutory	MSR   Vista Region	Reviews of the City of Vista, Vista ID, Vista FPD, & Buena SD	In progress
9	High	Administrative	Analyst I/II Position	Perform recruitment and hire of a new Analyst I/II	<b>Completed</b>
10	High	Administrative	Office Space	Current lease for office space with County of San Diego expires in August 2020 with no extension options	Pending
11	Moderate	Statutory	MSR   Ramona Region	Review is specific to the Ramona MWD	Near completion
12	Moderate	Statutory	MSR   Pauma Valley Region	Reviews of Pauma MWD, Pauma CSD, Yuima MWD, Mootamai MWD, and Rincon Ranch CSD	Pending
13	Moderate	Administrative	Cities Advisory Committee	Staff and maintain feedback with Cities Advisory Committee and hold no less than two formal meetings in FY	In progress
14	Moderate	Administrative	Special Districts Advisory Committee	Staff and maintain feedback with Special Districts Advisory Committee and hold no less than three formal meetings in FY	Pending
15	Moderate	Administrative	Live-Streaming and On-Demand Video	Expand LAFCO's real-time accessibility to the public to include live streaming meetings with on demand accessibility	<b>Completed</b>
16	Moderate	Administrative	2019-2020 Audit	Coordinate outside consultant's review of financial statements for 2019-2020 and identify opportunities to improve accounting system	In progress
17	Moderate	Administrative	Policy Review   Study Schedule	Update study schedule calendaring municipal service reviews to reflect current progress and related observations	Pending
18	Moderate	Administrative	SANDAG	Re-establish regular participation in SANDAG's Technical Working Group (TWG)	Pending
19	Moderate	Administrative	State Groundwater Management Act	Prepare report on State Groundwater Management Act (SGMA) implementation in San Diego County relative to LAFCO duties/interests	Pending
20	Moderate	Administrative	CALAFCO	Participate in CALAFCO through the Board, Leg Committee, and Annual Workshop and Conference in FY	In progress
21	Low	Administrative	Application Procedures	Streamline existing application packet to be more user-friendly; address new statutory requirements	Pending
22	Low	Statutory	MSR   Oceanside and Carlsbad Region	Reviews of the Cities of Oceanside and Carlsbad as well as Carlsbad MWD and Morro Hills	In progress
23	Low	Statutory	MSR   Encinitas Region	Reviews of the City of Encinitas and Leucadia WWD, Olivenhain MWD, & San Dieguito WD	Pending
24	Low	Administrative	SOI/MSR Annual Report	Prepare annual report to serve as living record of all sphere actions in San Diego County	Pending
25	Low	Administrative	Local Agency Directory	Create user-friendly publication identifying and summarizing local governmental agencies subject to LAFCO oversight	In progress
26	Low	Administrative	Social Media	Establish social media presence as a new communication forum	<b>Completed</b>



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

**5g**  
**AGENDA REPORT**  
 Consent | Information

November 2, 2020

**TO:** Commissioners

**FROM:** Robert Barry, Chief Policy Analyst  
 Linda Heckenkamp, Analyst II  
 Priscilla Allen, Analyst I

**SUBJECT: Active Proposals and Related Activities**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report identifying active proposals on file with the Commission as well as a summary of anticipated submittals based on ongoing discussions with local agencies. A total of 32 proposals are active with three-fourths currently under administrative review. The item is for information and concurrently satisfies LAFCO’s reporting requirement to affected agencies for notification of proposal filings made by landowner or registered voter petitions.

**BACKGROUND**

**Processing Procedures and Timelines**

LAFCO proceedings for consideration of proposed changes of organization or reorganizations – which typically involves annexations, detachments, and service function activations or divestures – are generally initiated by outside applicants (subject landowners or registered voters, and/or local affected agencies). LAFCOs may also initiate proposals specific to forming, consolidating, or dissolving special districts if consistent with the recommendations of approved municipal service reviews. LAFCO staff proceeds with administrative reviews

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and within 30 days provides status letters to applicants advising what – if any – additional information is needed. Once deemed complete, proposals are scheduled for Commission consideration and placed on the agenda as consent, business, or hearing items based on noticing requirements.<sup>1</sup> Overall, most proposals are forwarded to the Commission within six months from the date of submittal.

## DISCUSSION

This item is being presented for information only and identifies all active proposals currently on file with San Diego LAFCO. The report also – and for telegraphing purposes of future workload – identifies pending proposals staff anticipates being submitted with LAFCO in the near term based on discussions with local agencies. The information item also concurrently satisfies the Commission’s reporting requirement to provide notice on agendas to affected special districts when proposed annexation applications are initiated by landowner or registered voter petitions.<sup>2</sup> A summary of active and pending proposal applications follow and further detailed in Attachment One.

### Active Proposals & Related Petition Notifications

There are 32 active proposals on file with San Diego LAFCO. Current processing stages of these active proposals range from administrative reviews (24) to post-Commission action (8) with the latter category representing items already approved but awaiting the completion of conducting authority proceedings (i.e. protest) and/or terms.

No new proposals have been filed with LAFCO since the October meeting.

### Pending Agency Proposals

There are four substantive agency proposals staff anticipates being submitted to San Diego LAFCO in the near future.<sup>3</sup> These four pending proposals are currently under local agency consideration with respect to development entitlements and environmental review. Three of these pending proposals would involve city annexations in North County to accommodate relatively large residential subdivision projects and involve Harvest Hills (Escondido), Sager Ranch (Escondido), and Rancho Lomas Verdes (Vista).

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<sup>1</sup> The Executive Officer may also place proposals otherwise meriting consent on the business calendar to solicit additional review and discussion if warranted. Separately, applications involving outside-of-agency service extension requests follow separate proceedings and may be administratively approved by the Executive Officer if addressing documented public health or safety threats.

<sup>2</sup> Government Code Section 56857 directs LAFCOs to provide notice on agendas of any proposal involving special districts that have been initiated by landowners or registered voters. The agenda notification starts a 60-day period in which the affected special districts may request termination of the proceedings due to financial or service-related concerns.

<sup>3</sup> Staff uses discretion in listing pending proposals and limits notice to only activities to be initiated by a local governmental agency. Pending proposals to be initiated by landowners and/or registered voters are not disclosed until an actual filing is made.



## ANALYSIS

San Diego LAFCO remains active in processing nearly three dozen proposals with the majority awaiting consideration by the Commission. Most active proposals have been initiated by landowners and involve single lots in the unincorporated area subject to tentative development approvals and as such require annexations to water and/or wastewater providers. Notable exceptions include two contested reorganization proposals separately filed by Rainbow Municipal Water District and Fallbrook Public Utility District to detach from the San Diego County Water Authority and annex to Eastern Municipal Water District. An update on these latter proposals will be provided in December.

## RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

## ALTERNATIVES FOR ACTION

This item is being presented for information only; no action is necessary.

## PROCEDURES

This item has been placed on the 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 by the Commission.

On behalf of staff,



Priscilla Allen  
Analyst I

Attachment:

- 1) Active and Pending Proposal Applications as of October 23, 2020

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File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
<b>ACTIVE PROPOSAL APPLICATIONS   PENDING COMMISSION ACTION</b>			
1	DA08-10 “Avocado Way-Potter Annexation” - Vallecitos WD (Annexation)	Robert Barry	Application submitted in March 2008 for a proposed annexation to Vallecitos WD to obtain wastewater service for two existing residences along Avocado Way but deemed incomplete in April 2008 status letter. A new status letter was sent to the applicant in January 2018 stating the proposal will be considered abandoned unless notified otherwise. The current property owner has responded and conveyed their interest to proceed with the annexation. There have been ongoing discussions with Vallecitos WD as of 2018.
2	RO08-09 “South Mollison Ave-Snyder Reorganization” - City of El Cajon (Annexation)	Robert Barry	Application submitted in May 2008 for a proposed annexation to the City of El Cajon. The annexation area includes approximately 1.25 acres and is subject to a proposed multi-family residential project and was deemed incomplete in June 2008 status letter. A new status letter was sent in January 2018 to the applicant, new property owner, and City stating the proposal will be considered abandoned unless notified otherwise. No response from any of the interested parties to date. (Expected abandonment subject to pending policy authorization.)
3	RO08-15 SA08-15 “Crestlake Estates Reorganization” - San Diego County SD (Annexation) - Lakeside FPD (Annexation) - CSA 69 (Annexation)	Robert Barry	Application submitted in May 2008 requesting a reorganization to provide wastewater services to an approved Tentative Map allowing the development of 60 single-family residences and was deemed incomplete in June 2008 status letter. A new status letter was sent to the applicant in February 2018 stating the proposal will be considered abandoned unless notified otherwise. No response to date. (Expected abandonment subject to pending policy authorization.)
4	DA12-02 “Lorch Annexation” - Borrego WD (Annexation)	Robert Barry	Application submitted in March 2012 to annex approximately 9.4 acres to the Borrego Water District to provide water service to one parcel within the District sphere. Application deemed incomplete in an April 2012 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Borrego WD responded to the letter and has reinitiated discussions with the landowner regarding possible service terms. Ongoing discussions with Borrego WD continue.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
5	RO06-17 "Tobacco Road Reorganization" - City of Escondido (Annexation)	Robert Barry	Application submitted in March 2006 to annex six parcels to the City of Escondido for wastewater service. In 2006, LAFCO approved two out-of-service agreements to allow the City of Escondido to provide wastewater service to two residences with failing septic systems located along Tobacco Road. The agreements between the City and landowners required the annexation of the two parcels. The proposal was deemed incomplete in April 2006 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Two of the affected landowners have responded to the letter and are now working with the City in determining if the other landowners are interested/willing to proceed with the annexation at this time. Ongoing discussions continue.
6	DA16-10 "CSA 17 Harmony Grove Annexation" - CSA 17 (Annexation)	Linda Heckenkamp	Application submitted in May 2016 to annex approximately 3,600 acres to CSA 17 for ambulance service and done so as a cross-condition of the Rancho Santa Fe Fire Protection District Reorganization: Dissolution of CSA No. 107 (Elfin Forest/Harmony Grove). The proposal was deemed incomplete in June 2016 status letter. The CSA 17 Advisory Committee has opposed the annexation. A negotiated property tax exchange agreement is also necessary. LAFCO staff met with the applicant in August 2019 to provide assistance and continues to discuss opportunities to proceed forward.
7	RO16-11 "Rancho Hills Annexation" - Rancho Santa Fe CSD (Annexation)	Robert Barry	Application submitted in October 2016 to annex a portion of a 37-lot residential subdivision titled "Rancho Hills" to Rancho Santa Fe CSD for wastewater service. A concurrent latent power expansion for Olivenhain MWD is needed to accommodate sewer to the remaining project site. The proposal was deemed incomplete in November 2016 status letter. Applicant has requested the proposal processing be placed on hold. Staff has remained in contact with the applicant and is awaiting their confirmation to proceed.
8	R019-04 "Ortega – Olde Highway 80 Change of Organization" - San Diego County Sanitation District (Annexation)	Linda Heckenkamp	Application submitted in February 2019 by landowner petition to annex two residential lots totaling approximately 5.07 acres to San Diego County Sanitation District for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
9 SA19-26 RO19-26 OAS19-26	“Valiano - Eden Valley Reorganization” - City of Escondido (Sphere Amendment, OSA) - San Marcos FPD (Annexation) - Rancho Santa Fe FPD (Sphere Amendment, Detachment)	Robert Barry	Application submitted in November 2019 by landowner petition and the City of Escondido. Proposal involves reorganization of approximately 10.76 acres with annexation to San Marcos Fire Protection District (FPD) and concurrent detachment and sphere exclusion from Rancho Santa Fe FPD; and, amendments to the spheres of influence for the Cities of Escondido (inclusion) and San Marcos (exclusion) for two unincorporated parcels totaling 82.9 acres and subject to a 240.6 acre County of San Diego-approved Specific Plan (TM-5575); and, approval of a contractual wastewater agreement between the landowner of the unincorporated Specific Plan area and the City of Escondido to extend City wastewater service to 326 single-family residences to be constructed within the Escondido sphere. The submitted proposal application is incomplete and pending staff’s analysis. (On January 27, 2020, the San Diego Superior Court overturned the County development approvals for the project. The applicant is appealing the Court decision and has requested LAFCO continue to process the reorganization.)
10 LP(E)19-27	“Fallbrook Public Utility District Latent Power Expansion Park & Rec et,al.”	Robert Barry	Application submitted in November 2019 by resolution seeking approval to activate Fallbrook PUD’s latent power to exercise park and recreation, street lighting and roads and street functions within its boundaries. The submitted proposal application is incomplete and pending receipt of additional documentation and this includes completion of a scheduled municipal service review for the Fallbrook-Rainbow region.
11 RO20-04	“Rainbow MWD – Eastern MWD Wholesale Water Service Reorganization” – San Diego County Water Authority (detachment) – Eastern Municipal Water District (annexation)	Robert Barry	Application submitted April 2020 by resolution from the Rainbow MWD to concurrently detach from the San Diego County Water Authority and annex to the Eastern MWD. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis. A 10-member advisory committee has also been established by the Commission to assist staff in evaluating the proposal.
12 RO20-05	“Fallbrook PUD – Eastern MWD Wholesale Water Service Reorganization” – San Diego County Water Authority (detachment) – Eastern Municipal Water District (annexation)	Robert Barry	Application submitted April 2020 by resolution from the Fallbrook PUD to concurrently detach from the San Diego County Water Authority and annex to the Eastern MWD. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis. A 10-member advisory committee has also been established by the Commission to assist staff in evaluating the proposal.
13 CO20-08	“Fuerte Ranch Estates Change of Organization” - San Diego County Sanitation District (Annexation)	Robert Barry	Application submitted in May 2020 by landowner petition and involves annexation of approximately 27.3 acres to San Diego County Sanitation District to facilitate the development of 36 single-family homes. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis. The submitted proposal is scheduled for the November 2 <sup>nd</sup> Commission hearing.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
14	SA20-09 OAS20-09 “Mercurio – Grossmont Boulevard Out-of-Agency Wastewater Contractual Service Agreement” - City of La Mesa (Annexation)	Robert Barry	Application submitted in June 2020 by landowner request and involves an out-of-agency contractual wastewater service agreement with the City of La Mesa for one existing single-family residence and one proposed ADU. The unincorporated property totals approximately 0.91 acres, is not contiguous with the City, and is not within the La Mesa sphere of influence. Per Government Code Section 56133, the proposed wastewater OAS agreement requires an amendment for inclusion of the affected territory within the La Mesa sphere in anticipation of a future annexation. The request is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
15	RO20-10 “Meadowood Reorganization” - Rainbow Municipal Water District (Annexation) - Valley Center Municipal Water District (Detachment)	Robert Barry	Application submitted in June 2020 by resolution from the Rainbow MWD and involves annexation of approximately 374.7 acres and the development of 844 units for water and wastewater service. A concurrent detachment from Valley Center MWD is also proposed. The submitted proposal application is incomplete and pending receipt of additional documentation and this includes completing a scheduled municipal service review involving Rainbow MWD.
16	RO20-11 “Lindauer – Olive Street Reorganization” - Vallecitos Water District (Annexation) - Vista Irrigation District (Detachment)	Robert Barry	Application submitted in June 2020 by landowner petition and involves annexation of approximately 4.0 acres for water and wastewater service. The affected territory is developed with a single-family residence experiencing a failing well for domestic water uses. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis. The submitted proposal is scheduled for the November 2 <sup>nd</sup> Commission hearing.
17	RO20-12 “Ortiz – Olive Avenue Reorganization” - City of Vista (Annexation) - Vista Fire Protection District (Detachment)	Linda Heckenkamp	Application submitted in June 2020 by landowner petition and involves annexation to the City of Vista of approximately 4.94 acres for wastewater service and concurrent detachment from Vista Fire Protection District. The affected territory has proposed development of 15 residential lots. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
18	RO20-13 "Valley Center Community Services District -County Service Area No. 138 Reorganization" - Valley Center Community Services District (Dissolution) - County Service Area No. 138 (Formation)	Linda Heckenkamp	Application submitted in June 2020 by resolution and involves the concurrent dissolution of Valley Center Community Services District and formation of County Service Area No. 138 to assume park and recreation services. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis. The submitted proposal is scheduled for the November 2 <sup>nd</sup> Commission hearing.
19	RO20-15 "Sunrise-Barham Drive Reorganization" - City of San Marcos (Annexation) - Vallecitos Water District (Annexation)	Robert Barry	Application submitted in July 2020 by landowner petition and involves annexation to the City of San Marcos and Vallecitos Water District of approximately 14.4 acres for wastewater and fire protection services. The affected territory has proposed development of 192 multi-family units. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis.
20	RO20-17 "Papp-Olive Avenue Reorganization" - Vallecitos Water District (Annexation) - Vista Irrigation District (Detachment)	Robert Barry	Application submitted in August 2020 by landowner petition and involves annexation of approximately 1.2 acres for water and wastewater service. The affected territory is developed with a single-family residence. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.
21	RO20-18 "Plumosa Avenue Reorganization" - City of Vista (Annexation) - Vista Fire Protection District (Detachment)	Linda Heckenkamp	Application submitted in September 2020 by resolution of the City of Vista and involves annexation of approximately 0.7 acres for wastewater service. The affected territory is developed with a single-family residence. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.

	File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
22	RO20-19	“Lakeside Water District – Riverford Road Reorganization” - Lakeside Water District (Annexation) - Padre Dam Municipal Water District (Detachment)	Linda Heckenkamp	Application submitted in September 2020 by resolution of the Lakeside Water District and involves annexation of approximately 5.0 acres for water service. The affected territory is undeveloped with a proposed development by the District for a groundwater treatment facility. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff’s analysis.
23	CO20-20 OAS20-20	“Estrada – Veijas View Place Change of Organization” - San Diego County Sanitation District (Annexation)	Linda Heckenkamp	Application submitted in September 2020 by landowner petition and involves annexation of approximately 1.0 acres for wastewater service. The affected territory is developed with a single-family residence experiencing a failing septic. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff’s analysis.
24	RO20-21	“Rancho Corrido RV Park Reorganization” - Yuima Municipal Water District (Annexation) - San Diego County Water Authority (Annexation) - Metropolitan Water District (Annexation)	Linda Heckenkamp	Application submitted in September 2020 by resolution of the Yuima Municipal Water District and involves annexation of approximately 31.0 acres for water service. The affected territory is developed with 20 mobile homes, 80 time-limited recreational vehicle (RV) spaces, and 20 RV spaces with 90-day time limits. The property includes an office, laundry, and swimming facilities. No new development is anticipated. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff’s analysis.



File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
<b>ACTIVE PROPOSALS   POST COMMISSION ACTION</b>			
25	SA16-20 LP16-20 “CSA 135 Islands Reorganization” - CSA 135 – LP Fire Area (Latent Powers Expansion) - Bonita-Sunnyside FPD (Annexation) - Lakeside FPD (Annexation) - San Miguel FPD (Annexation) - Ramona MWD (Annexation)	Robert Barry	Proposal submitted November 2016 by resolution of the San Diego County Fire Authority. Involved annexation of remaining unserved Islands 2, 3, and 4 via reorganization of local fire service territory among five local agencies: CSA 135; Bonita-Sunnyside FPD; Lakeside FPD; Ramona MWD; and San Miguel FPD. Reorganization involved annexation to the subject agencies and expansion of CSA No. 135’s latent powers to provide fire protection and emergency medical services to three unincorporated and unserved island areas totaling approximately 21,048 acres. Conforming amendments to add the affected territory to the subject agencies’ spheres of influence were also required. The reorganization proposal was approved February 4, 2018 and is now pending recordation once all terms are satisfied. A noticed protest hearing was held on March 13, 2019 at the LAFCO office. No protest was received by affected registered voters or landowners. Other terms remain pending.
26	SA18-07 OAS18-07 “Carmichael Drive – Wyman Service Agreement” - City of La Mesa (Sphere Amendment, OAS)	Robert Barry	Proposal involves an outside-of-agency contractual wastewater service agreement between the property owner and the City of La Mesa. OAS covers extension of City wastewater sewer service to one existing unincorporated single-family residence located outside of the La Mesa sphere of influence. The purpose of the OAS is to allow the landowner to proceed with an intensity improvement to develop an accessory workshop unit, which exceeds the permitted capacity of the existing onsite septic system. The proposal was approved by the Commission on April 8, 2018 and is now pending recordation once all terms are satisfied.
27	CO20-06 “County Service Area No. 137 - Live Oak Springs Formation” - Formation of County Service Area No.137 (Live Oak Springs Water)	Linda Heckenkamp	Proposal application submitted April 2020 by resolution of the County of San Diego. Involves formation of County Service Area No. 137 to assume retail water service responsibility for a failing private water company located in the unincorporated community of Live Oak Springs in the southeastern portion of unincorporated San Diego County. The affected territory includes approximately 151.5 acres. The proposal was approved by the Commission on June 1st, 2020 with a protest hearing held on July 2 <sup>nd</sup> and now pending recordation once all terms are satisfied.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
28	RO19-15 OAS19-15 “Hamilton-Felicita Reorganization” - City of Escondido (Annexation) - CSA No. 135 (Detachment) - Rincon del Diablo MWD (ID”E”) (Exclusion)	Linda Heckenkamp	Proposal application submitted in August 2019 by landowner petition requesting reorganization with the City of Escondido of two unincorporated parcels totaling approximately 0.63 acres and each developed with one single-family residence. Both residences provided documentation of failing/failed septic systems. Emergency OAS agreements for wastewater were granted to resolve the health and emergency situation in advance of annexation to Escondido. Reorganization with Escondido also required concurrent detachment from CSA No. 135 (Regional Communications) and exclusion from RDDMWD ID”E.” The proposal was approved by the Commission on June 1st, 2020 and is now pending recordation once all terms are satisfied.
29	CO20-01 “Anthony Heights - Lupa Change of Organization” - Vallecitos Water District (Annexation)	Robert Barry	Application submitted in February 2020 by landowner petition and involves annexation of one unincorporated residential parcel totaling approximately 1.35 acres to Vallecitos WD for wastewater service along with a 0.16-acre frontage portion of Nordahl Road. The proposal was approved by the Commission on August 3, 2020 and now pending recordation once all terms are satisfied.
30	CO20-07 “Schirber – Hymettus Avenue Change of Organization” - Leucadia Wastewater District (Annexation)	Linda Heckenkamp	Application submitted in April 2020 by resolution from Leucadia WWD and involves annexation of approximately 1.69 acres for connection to public wastewater service to facilitate intensity improvement. \ The proposal was approved by the Commission on October 5, 2020 and now pending recordation once all terms are satisfied.
31	RO20-14 “SD County Fire Protection District Reorganization” - County Service Are No. 135 (Divestiture of Fire Protection and EMS Functions) - San Diego County Fire Protection District (Formation)	Robert Barry	Application submitted June 2020 by resolution of the County Board of Supervisors. Involving the divestiture of latent powers for fire protection and emergency medical service functions of County Service Area No. 135 and the concurrent formation of a dependent San Diego County Fire Protection District within the divestiture territory. The proposal was approved by the Commission on October 5, 2020 and now pending recordation once all terms are satisfied.
32	RO20-16 “Sringeri Vidya Bharati Foundation Temple Reorganization” - Rincon Del Diablo Water District (Annexation)	Robert Barry	Application submitted August 2020 by resolution and involves annexation to the City of San Marcos and Vallecitos Water District of approximately 19.52 acres for water service. The affected territory has proposed development of a temple project. The proposal was approved by the Commission on October 5, 2020 and now pending recordation once all terms are satisfied.

File Number	Proposal Name   Affected Agencies	Project Manager	Proposal Summary
<p><b>PENDING PROPOSAL APPLICATION SUBMITTALS</b>                      (No project manager; inquiries should be direct to Robert Barry)</p>			
33	Pending “Harvest Hills Reorganization” - City of Escondido		This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido. Submittal to LAFCO anticipated for late 2020-2021. The anticipated proposal involves annexation of approximately 1,098 acres to the City for the primary purpose of developing a 550-lot residential subdivision. All of the affected territory lies outside the adopted Escondido sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint review with other stakeholders. Project was originally titled as “Safari Highlands.”
34	Pending “Rancho Lomas Verde Reorganization” - City of Vista		This anticipated reorganization proposal is undergoing development and environmental review by the City of Vista. The anticipated proposal involves annexation of approximately 300 acres to the City of Vista and concurrent detachments from CSA 135 and the Vista FPD to facilitate a 153-lot residential development. Close to three-fourths of the project area lies outside the adopted Vista sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint review with other stakeholders.
35	Pending “Sager Ranch Reorganization” - City of Escondido		This anticipated reorganization involves annexation of approximate 1,800 unincorporated acres to the City of Escondido and concurrent detachments from CSA 135 and the Valley Center FPD. The reorganization would facilitate the proposed development of approximately 200 acres to include 203 residential units and a 225-room resort. Portions of the project area lies outside the current City sphere. Due to the scope of the proposal area a comprehensive update of the City’s sphere is warranted along with preparing the supporting municipal service review document. These and issues have been communicated to the City and are currently under joint review with other stakeholders.
36	Pending Harmony Grove Village South (TM-626)		This anticipated reorganization involves the unincorporated Harmony Grove Village South project and specific to accommodating sewer services (among a variety of options) for the planned development of approximately 111 acres to include 453 residential units. On January 27, the San Diego Superior Court overturned the County development approvals for the project.

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

**6a**

**AGENDA REPORT**  
 Public Hearing

November 2, 2020

**TO:** Commissioners

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

**SUBJECT:** **Proposed “Valley Center Community Services District Reorganization” | Concurrent Dissolution of the Valley Center Community Services District and Formation of County Service Area 138 and Sphere Establishment (RO20-13 et al.)**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider a joint proposal filed by the Valley Center Community Services District (CSD) and County of San Diego to reorganize park and recreation services in the unincorporated community of Valley Center in north San Diego County. The proposed reorganization involves the concurrent dissolution of the Valley Center CSD and formation of County Service Area (CSA) No. 138 as the designated successor agency. The proposal is consistent with a recommendation in a recent LAFCO municipal service review and intended to improve services in Valley Center and the estimated 19,133 residents by drawing on the economies of scale of the County and its Parks and Recreation Department. Staff recommends approval of the proposal along with establishing a sphere of influence for CSA No. 138 subject to specified terms – including conditions requested by the CSD and this includes the establishment of an Advisory Park and Recreation Committee. All property taxes collected by the Valley Center CSD would be transferred to CSA No. 138 as part of the reorganization. It is also recommended the Commission delegate protest proceeding to the Executive Officer.

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Escondido</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
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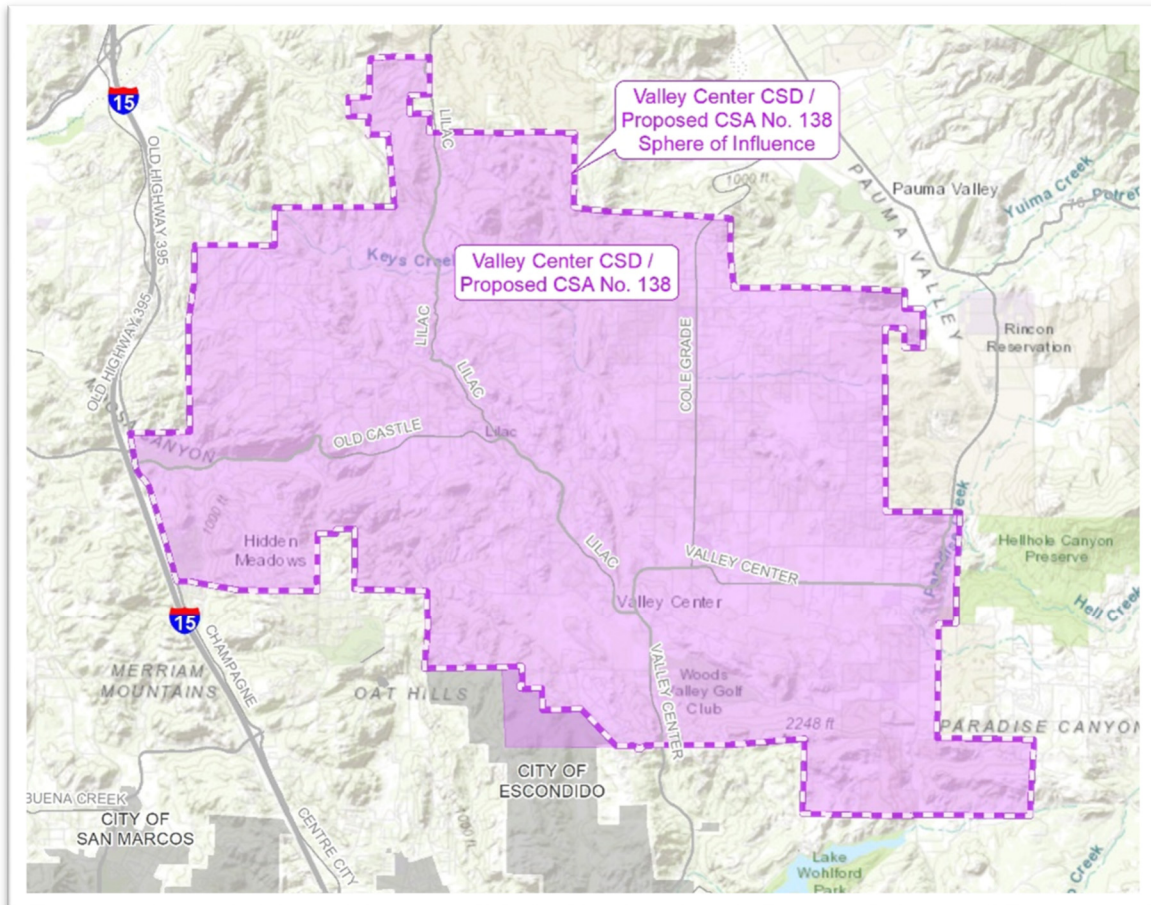
## BACKGROUND

### Applicants’ Request

San Diego LAFCO has received a joint-application request by adopted resolutions from Valley Center CSD and County of San Diego. The joint application proposes the concurrent dissolution of Valley Center CSD and its lone active municipal service function involving parks and recreation and formation of CSA No. 138 as the designated successor agency. The affected territory spans 42,420 acres and includes 34,644 assessor parcels with an estimated resident population of 19,133. There are also 12,171 registered voters. The affected territory primarily consists of semi-rural residential uses along with commercial agriculture.

### Affected Territory

The affected territory is specific to the current jurisdictional boundary of Valley Center CSD and comprises mostly the unincorporated community of Valley Center north of the City of Escondido. A small portion of the affected territory – approximately 550 acres or 1.3% of the total territory – is also within Escondido. An aerial map of the affected territory follows showing topography and land use feature. A more detailed map of the affected territory relative to the affected territory’s metes and bounds is provided as Attachment One.



## Subject Agencies

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

- The Valley Center CSD is an independent special district formed in 1966. It spans 66.3 square miles or 42,420 acres and anchored by the unincorporated community of Valley Center. A five-member elected Board of Directors oversees Valley Center CSD and its one active municipal service function: park and recreation. Current park properties owned by Valley Center CSD total 73.5 acres and divided between five distinct sites within the jurisdictional boundary. The estimated resident population is 19,113 with an average annual growth rate of 0.9% since 2010 and the last census reset. LAFCO established a sphere of influence for Valley Center CSD in 1986, which was last updated in 2005 with a smaller-than-agency designation to exclude 584 jurisdictional acres and equals 1.4% of the District boundary. The last audit for Valley Center CSD covered 2017-2018 and showed the agency’s net position at \$1.3 million and represents an overall change of 55.4% over the prior three audited fiscal years.

## Affected Local Agencies

The affected territory lies within the jurisdictional boundaries and/or spheres of influence of ten 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 Escondido
- County Service Area No. 135 (Regional Communications and Fire Protection)
- Deer Springs Fire Protection District
- Metropolitan Water District of Southern California
- North County Transit District
- Resource Conservation District of Greater San Diego County
- San Diego County Water Authority
- Valley Center Cemetery District
- Valley Center Fire Protection District
- Valley Center Municipal Water District

## DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal to dissolve Valley Center CSD and form CSA No. 138 as the designated successor agency. The Commission may also consider applying conditions so long as it does not directly regulate land use, property development, or

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

<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.

subdivision requirements. Additional discussion with respect to proposal purpose, development opportunities, and Commission focus follows.

### Proposal Purpose

The purpose of the proposed reorganization before San Diego LAFCO is to improve park and recreation services within the Valley Center community by reorganizing responsibilities from Valley Center CSD to the County of San Diego via the formation of CSA No. 138. Governance would be transferred from an independent CSD Board to the dependent CSA Board comprising the County Board of Supervisors. The proposal follows a recent LAFCO municipal service review and is intended to steady and improve park and recreation services by drawing on the expanded resources of the County’s Park and Recreation Department. Valley Center CSD’s proposal also – notably – includes specified terms to assist in the transition of park and recreation services and outlined below.

- County to review and add Star Valley Park development to the community master plan and County’s Capital Project Program.
- County Department of Parks and Recreation to engage community prior to development of Star Valley Park. It is also requested the County allow equestrian activities to continue.
- Star Valley Park name remains unchanged.
- Appoint a five-member advisory board initially consisting of the Valley Center CSD Board.
- County to consider building a senior center within CSA No. 138.
- Honor existing leases Valley Center CSD has with the following organizations:
  - Valley Center Stampede Rodeo
  - Valley Center Pauma Unified School District
  - Valley Center Fire Protection District
  - Valley Center Vaqueros
- Consider retaining existing employees.
- CSA No. 138 to follow County policy and engage public in the decision to reserve dedicated space at Star Valley Park for privately funded first responders and veterans memorial.

The County has communicated their consent to these requested conditions.



## Current and Potential Development

The Valley Center region historically has focused on commercial agriculture with ancillary rural residential uses. These land uses are undergoing a substantive transition to a more traditional suburban development patterns and marked by planned “villages” that include more moderate and clustered residential densities with local serving retail uses. This transition is highlighted by three prominent developments – Meadowood (824 units), Orchard Run (300 units), and Park Circle (332 units) – already approved by the County of San Diego with the latter project currently under construction.

## Commission Focus

Three central and sequential policy items underlie San Diego LAFCO’s consideration of the proposed reorganization. These policy items take the form of determinations and orient the Commission to consider the interrelated merits of the (a) timing of the reorganization, (b) establishment of a sphere of influence for CSA No. 138, and (c) whether modifications or approval terms for either of the preceding items are warranted.

## ANALYSIS

San Diego LAFCO’s analysis of the proposed reorganization is divided into two distinct subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section and headlined by analyzing the merits of the proposed reorganization and the associated sphere of influence determination. The second subsection considers other germane issues required for consideration by the Commission in evaluating the proposal and highlighted by applicability under the California Environmental Quality Act (CEQA).

## Central Policy Items

### Item No. 1 | Reorganization Timing

The timing of the proposed reorganization to dissolve Valley Center CSD and its lone active municipal service function (park and recreation) and form CSA No. 138 as the designated successor agency 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 formation on the service and financial capacities of the receiving agency, CSA No. 138 though the County of San Diego (emphasis added). A summary of key conclusions generated in the review follow.

- Service Needs

The dissolution of Valley Center CSD and the formation of County Service Area No. 138 addresses the current and pressing need for a public operator with sufficient resources to fully assume responsibility of park and recreation service within the affected territory. Additional details follow.

- The affected territory’s transition to more residential uses highlights the increasing importance of park and recreation services to current and future families.
- Valley Center CSD’s current available parkland produces a ratio of 1.5 acres for every 1,000 residents. This ratio falls substantially below baseline standards established by the State of California for local communities under the Quimby Act, which specifies 3.0 acres for every 1,000 residents.
- Valley Center CSD does not have a master plan or other formal document to guide park and recreation services within the District. The absence of this type of document hinders the District’s ability to strategically plan and allocate resources in a manner consistent with Board objectives and priorities.
- Service Capacities and Levels

The County of San Diego has included an appropriately detailed plan of service to formally assume and improve the park and recreation service within the affected territory as part of their application to form CSA No. 138. Additional details follow.

  - Approval of the reorganization would transfer all park and recreation responsibilities in the affected territory to the County of San Diego’s Park and Recreation Department via the governance vehicle of CSA No. 138. This includes assuming management of the current five park sites and commitment therein to operate and maintain seven days a week.
  - CSA No. 138’s plan of service includes commitment to make all of the following improvements within the five park sites in the affected territory: ensure ADA accessibility and major maintenance of all structures; parking lot paving; roofing repairs; sports field rehabilitation; pool facility upgrades; and playground replacement.
- Service Funding and Costs

The County of San Diego has financial resources and related administrative controls to readily assume and improve park and recreation services in the affected territory through the formation of CSA No. 138. Additional details follow.

  - The County Board of Supervisors has authorized \$4.0 million in general funds to CSA No. 138 to improve the park and recreation services over the initial three fiscal years in the affected territory and as enumerated in the preceding section.
  - The County Board of Supervisors has also authorized an additional \$0.500 million to CSA No. 138 for initial costs to cover staffing, services, and supplies in the first fiscal year.

- All currently allocated property taxes and reserves to Valley Center CSD would be transferred to the CSA No. 138 and support daily operations going forward.

**CONCLUSION |  
MERITS OF REORGANIZATION TIMING**

The timing of the reorganization involving the dissolution of Valley Center CSD and formation of County Service Area No. 138 as successor agency is sufficiently warranted. Justification is marked by the preceding analysis and appropriately responds to the need for a more dependable and resourced entity to assume park and recreation service for the affected territory in support of its evolving and growing role as a bedroom community for the San Diego metropolitan area. Additional analysis supporting analysis is provided in Appendix A.

**Item No. 2 | Establishment of Sphere of Influence**

The proposed reorganization necessitates San Diego LAFCO consider the establishment of a sphere of influence to compliment the formation of CSA No. 138. Consideration of the establishment is premised on the Commission’s statutory task to designate spheres to demark the affected agencies’ appropriate service areas relative to community needs and – among other features – inform future annexation opportunities. To this end, staff believes establishing a sphere for CSA No. 138 to match the current sphere designation for Valley Center CSD and is generally contiguous with the jurisdictional boundary with the exception of excluding 584 acres. These excluded acres overlap into the City of Escondido and comprise a portion of the Daley Ranch property. It would be appropriate to revisit the designation – including the disposition of the Daley Ranch property – as part of a future sphere update.

**CONCLUSION |  
MERITS OF ESTABLISHING A SPHERE OF INFLUENCE**

The establishment of a sphere of influence for CSA No. 138 to match the existing designation for Valley Center CSD is sufficiently warranted. This designation would ensure a like-for-like transition of all current and anticipated park and recreation services from Valley Center CSD to the County of San Diego via CSA No. 138. This designation would service as the Commission’s policy statement that CSA No. 138 is the appropriate and exclusive provider of public parks and recreation services within the subject lands. Additional analysis supporting analysis is provided in Appendix B.

### Item No. 3 | Modifications and Terms

Staff believes no modifications to the proposed jurisdictional boundary for CSA No. 138 are merited at this time. Proceeding with the proposed jurisdictional boundary as submitted, notably, matches the existing service area of the Valley Center CSD and mitigates – among other considerations – the need for additional environmental review. Staff also believes the requested terms included in Valley Center CSD’s resolution of application and enumerated on page four of this agenda report are appropriate and should be applied to any approval. Other standard terms enumerated under LAFCO statute are also appropriate.<sup>3</sup>

#### CONCLUSION | MODIFICATIONS AND TERMS

No modifications to the proposed CSA No. 138 jurisdictional boundary appear merited. Approval terms are appropriate and include all conditions requested of Valley Center CSD in its resolution of application, and this includes establishment of an Advisory Board initiating consisting of the current members of the CSD Board. Standard LAFCO terms should also be incorporated into any approval.

### Other Statutory Considerations

#### Exchange of Property Tax Revenues

San Diego LAFCO is responsible under statute to determine the amount of property tax revenue – if any – to be formally exchanged and/or provided to CSA No. 138.<sup>4</sup> Accordingly, and given all active service functions are proposed to be transferred, staff believes it is appropriate to transfer all property tax revenue currently assigned to Valley Center CSD to CSA No. 138 beginning at the effective date of the reorganization. The substantive effect of this exchange involves 0.1% of the 1.0% currently collected within the affected territory and totaled \$130,926 in 2018-2019.

#### Environmental Review

CEQA requires San Diego LAFCO to assess whether environmental impacts would result from activities approved under the Commission’s statutory authority. Accordingly, San Diego LAFCO is tasked with making two distinct determinations as lead agency under CEQA with respect to this proposal. This involves addressing the (a) proposed reorganization and (b) establishing a sphere of influence for CSA No. 138. The Executive Officer has determined both actions qualify as projects under CEQA but are exempt from further review under State Guidelines based on the following findings.

<sup>3</sup> Reference to California Government Code 57302.

<sup>4</sup> Reference to California Government Code Section 56810(a)(2).

- The reorganization to dissolve Valley Center CSD and form CSA No. 138 as successor agency qualifies for exemption under State CEQA Guidelines Section 15320. This exemption appropriately applies given the underlying action involves the transfer of existing municipal service functions within the same area with no additional powers or expansions therein.
- The establishment of a sphere of influence for CSA No. 138 qualifies for exemption under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and their establishments and subsequent amendments and/or updates do not change the environment or authorize any new uses or services.

### Protest Proceedings

An approval of the proposed reorganization by San Diego LAFCO would require protest proceedings under Government Code Section 57000. As allowed under State law and further contemplated under local policy, it is recommended the Commission delegate these proceedings to the Executive Officer and hold a noticed hearing to accept written objections filed by registered voters and/or landowners within the affected territory. The following thresholds would apply in valuing protests and determining next steps:

- Should less than 25% of (a) registered voters and/or (b) landowners holding less than 25% of the assessed value of land within the affected territory file written protests the change of organization will be ordered without an election.
- Should 25% to 50% of (a) registered voters and/or (b) landowners holding 25% to 50% of the assessed value of land within the affected territory file written protests the change of organization will be ordered subject to an election at a future date.
- Should more than 50% of (a) registered voters and/or (b) landowners holding 50% or more of the assessed value of land within the affected territory file written protests the change of organization will be terminated.

Should the Commission proceed with an approval, staff has tentatively scheduled a protest hearing on the reorganization on December 3, 2020 with the details as to time and place to be determined so as to comply with the physical distancing requirements applicable per the state and local orders regarding COVID-19. Notice for the protest hearing would be provided to landowners and registered voters in a manner provided under statute no less than 21-days in advance.<sup>5</sup> Further – and importantly should this apply – all protest forms would need to be signed on or after the date the protest hearing is noticed; signatures dated ahead of the noticing are invalid under statute.

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<sup>5</sup> Official protest forms for both landowners and voters are available on the LAFCO website with additional instructions.

## RECOMMENDATION

Staff recommends San Diego LAFCO approve the proposed reorganization to dissolve Valley Center CSD and form CSA No. 138 as successor agency without modifications and subject to specified terms based on the analysis provided in the preceding analysis. This recommendation also includes establishing a sphere of influence for CSA No. 138 and is consistent with Alternative One in the proceeding section.

## 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 conditionally approving the reorganization proposal without modification while also establishing a sphere of influence for CSA No. 138.

Alternative Two:

Continue consideration to a future meeting and provide direction to staff concerning additional information, as needed.

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.

## PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO’s agenda for action as part of a noticed public hearing. The following procedures are recommended in the consideration of this item:

- 1) Receive verbal presentation from staff unless waived.
- 2) Initial questions or clarifications from the Commission.
- 3) Open the hearing and invite comments in the following order:
  - Representatives from Valley Center CSD and County of San Diego
  - General public
- 4) Discuss item and consider the staff recommendation.

On behalf of the Executive Officer,



Linda Heckenkamp  
Analyst II

Appendices:

- A) Analysis of Boundary Change Factors
- B) Analysis of Sphere of Influence Factors

Attachments:

- 1) Vicinity Map of the Affected Territory
- 2) Draft Resolution of Approval
- 3) Application Materials
  - a. Valley Center CSD
  - b. County of San Diego

## 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.**
- 

The affected territory as proposed by the applicants is 42,438 acres in size and includes 34,644 assessor parcels within the unincorporated community of Valley Center in northern San Diego County. The subject parcels are mostly developed with low to moderate single-family residential uses along with commercial agriculture. The estimated resident population is 19,113. The total assessed value (land only) is \$3.2 billion as of November 2019. Three major new developments (Meadowood, Orchard Run and Park Circle) are planned and/or expected within the affected territory within the next 10-year period. Additional growth within the affected territory is expected going forward.

- 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.**
- 

The County of San Diego acts as the primary purveyor of general governmental services to the affected territory. This includes community planning, roads, and law enforcement. The affected territory also overlaps several other special districts that provide a range of municipal services in support of existing and future development. This includes – but not limited to – the Valley Center Municipal Water District (water and wastewater) and Valley Center Fire Protection District (fire protection and emergency medical). This proposal affects park and recreation service and is the focus of the succeeding analysis.

- **Public Park and Recreation Service to Affected Territory**

Valley Center CSD initiated its park and recreation services within the affected territory at the time of its formation in 1966 and currently includes five distinct community parks: Robert Adams Park (6-acres), Cole Grade Park (5.83-acres), Scibilia Field Park (3.04-acres), Star Valley Park (43.98-acres), and Valley Center Community Park (14.1-acres). Valley Center CSD has faced financial challenges to effectively address facility operations and maintenance. Limited funds have caused shortages in staffing, services, and supplies and – pertinently – have engendered the proposed reorganization and transfer of responsibilities to the County via the formation of CSA No. 138. The County’s initial assessment identifies significant improvements are needed to the park and recreation system to meet baseline standards. To this end, the County has developed a three-year capital improvement plan and include:

improvements to the maintenance building, driveway and parking lots, utility upgrades, roofing, HVAC systems, pool rehabilitation, structures (restrooms, office, out buildings), host sites, landscaping, trees, and irrigation, lighting, amenities (playgrounds, picnic amenities, fixtures, signage), ballfield rehabilitation and adding ADA accessibility at an estimated cost of \$4.0 million. The Board of Supervisors has authorized funding the capital improvement plan through general fund monies.

**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 reorganization proposal to dissolve Valley Center CSD and form CSA No. 138 as the successor agency would strengthen existing economic and social ties between the County of San Diego and the affected territory. Formation would expand existing County-controlled municipal services that support current and future development to include enhanced park and recreation service and in doing so further empower the County and its Board of Supervisors to effectuate and support development in the area.

**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 reorganization to dissolve Valley Center CSD and form CSA No. 138 as successor agency would affirmatively respond to an earlier recommendation of the Commission in its “Valley Center Region Municipal Service Review” (2020).

**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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A sizeable portion of the affected territory qualifies as “prime agricultural land” under LAFCO law. Specifically, approximately one-half of the lands are currently used for the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program. However, approval of the reorganization proposal and formation of CSA No. 138 to assume park and recreation services would have no substantive 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 the



reorganization of the affected territory would not create service islands or corridors of unincorporated territory.

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

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A notice of the proposed reorganization to dissolve the Valley CSD and form CSA No. 138 as successor agency was provided to the San Diego Association of Governments or SANDAG. No comments were received from SANDAG and as such no conflicts have been identified with respect to its regional transportation plan, San Diego Forward.

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

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The proposed dissolution of Valley Center CSD and formation of CSA No. 138 as successor agency does not conflict with the County General Plan.

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

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See analysis provided as part of Appendix B.

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

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Staff provided notice of the reorganization 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 October 23, 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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The County of San Diego has prepared a detailed plan of service as part of its reorganization filing with the Commission. This includes a capital improvement plan to steady and improve park and recreation services in the affected territory over the first three fiscal years.

**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 presently within and connected to Valley Center Municipal Water District’s retail domestic water system with wholesale supplies provided by the San Diego County Water Authority. Approval of the proposed reorganization 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 reorganization to dissolve Valley Center CSD and form CSA No. 138 as successor agency would not impact any local agencies in accommodating their regional housing needs. All potential units tied to the lands within the affected territory are already assigned to the County of San Diego by the region's council of governments, SANDAG.

**n) Any information or comments from the landowner or owners, voters, or residents of the affected territory.**

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The affected territory includes 12,171 registered voters and qualifies as "inhabited" as defined by LAFCO law (containing 11 registered voters or greater). Notice of the proposal and associated public hearing scheduled on November 2<sup>nd</sup> have been provided in a manner consistent with law with no comments received to date.

**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 reorganization does not include locating new public facilities and therefore approval is not anticipated to directly influence the promotion of environmental justice within the affected territory.

**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 County of San Diego General contains a hazard mitigation plan for potential fire, flooding and earthquakes. The affected territory lies within a "very high" fire hazard zone. It is also mapped within a State Responsibility Area with respect to wildland fire protection. Fire services within the affected territory are primarily the responsibility of the Valley Center Fire Protection District. The Deer Springs Fire Protection District also serves a small portion of the affected territory.

**APPENDIX B  
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 as submitted totals 42,438 acres and anchored by the unincorporated community of Valley Center with an estimated resident population of 19,113. The low to moderate residential uses within the affected territory are augmented by commercial agricultural uses and open space and consistent with the County General Plan. Establishing a sphere of influence to replicate the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency is consistent with these present and planned land uses.

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

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The affected territory includes an estimated 19,133 residents and underlie a present and probable need going forward for park and recreation services. Establishing a sphere of influence to replicate the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these present and probable needs.

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

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The County of San Diego has prepared a detailed plan of service as part of the proposed reorganization to transfer park and recreation services from Valley Center CSD to the County via the formation of CSA No. 138. This includes a three-year capital improvement plan to steady and improve critical infrastructure deficiencies. Establishing a sphere of influence to replicate the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these capacity considerations.

**(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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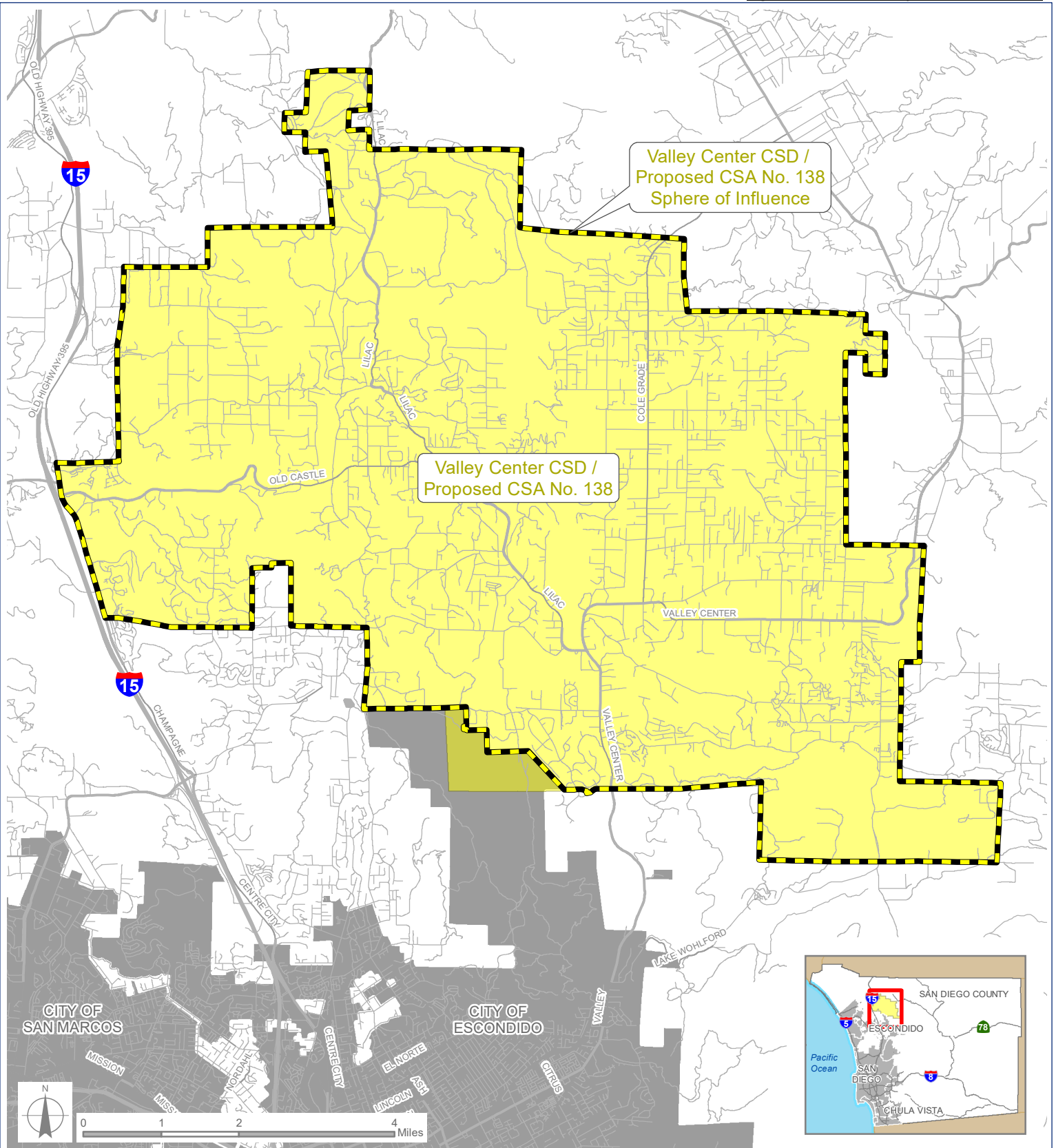
The County of San Diego has established explicit social and economic ties within the affected territory as the primary municipal service provider and headlined by community planning, roads, and law enforcement. Establishing a sphere of influence to replicate the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services further consolidates the County’s ties within the affected territory.

**(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 does not lie within a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.

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RO20-13

**Proposed "Concurrent Dissolution of Valley Center Community Services District and Formation of County Service Area No. 138"**

- Valley Center CSD / CSA No. 138
  - Valley Center CSD / CSA No. 138 SOI
- SOI = Sphere of Influence



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

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**RESOLUTION OF THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION**

**APPROVING THE VALLEY CENTER COMMUNITY SERVICES DISTRICT REORGANIZATION  
CONCURRENT DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICES DISTRICT AND  
FORMATION OF COUNTY SERVICE AREA NO. 138 AND ESTABLISHING A COTERMINOUS SPHERE OF  
INFLUENCE  
(RO20-13 et al.)**

**WHEREAS**, the Valley Center Community Services District (CSD) filed a resolution of application with the San Diego County Local Agency Formation Commission (Commission) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

**WHEREAS**, the Valley Center CSD’s application requests for the dissolution and cession of all corporate powers contingent upon the formation of a new County Service Area (CSA) to formally assume park and recreation service responsibility for approximately 42,420 acres in the unincorporated community of Valley Center in north San Diego County and its estimated 19,113 residents; and

**WHEREAS**, the County filed a supporting resolution of application with the Commission requesting the formation of CSA No. 138 to formally assume park and recreation service to the affected territory; and

**WHEREAS**, the application filings by Valley Center CSD and County of San Diego are complementary and processed by the Commission as a joint-reorganization proposal; and

**WHEREAS**, the application filed by the County is processed by the Commission as a proposal to form a county service area and is referred to in short-order as:

“VALLEY CENTER COMMUNITY SERVICES DISTRICT REORGANIZATION - DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICE DISTRICT WITH CONCURRENT FORMATION OF CSA NO. 138,”; and

**WHEREAS**, in its resolution of application the County of San Diego, as applicant has consented to an exchange or dedication of property taxes related to the County Service Area No. 138 formation approved by the Commission; and

**WHEREAS**, the Commission’s Executive Officer has reviewed the joint-proposal to concurrently dissolve Valley Center CSD and form County Service Area No. 138 and prepared a written report with recommendations; and

**WHEREAS**, the Executive Officer’s written report and recommendations on the County Service Area No. 138 formation proposal and need for concurrent sphere of influence establishment 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 hearing along with reviewing the necessary concurrent sphere of influence establishment for consistency under Government Code Section 56375.5 on November 2, 2020.

**NOW, THEREFORE, BE IT RESOLVED**, the Commission hereby finds, determines, and orders the following:

1. The hearing was held on the date set therefore, and due notice of said hearing was given in the manner required by law.
2. At the hearing, the Commission called for, heard, and considered all interested parties and public comments and read and considered the Executive Officer's written report.
3. The community served by the Valley Center CSD is not a disadvantaged unincorporated community as defined in Government Code section 56033.5.
4. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering the County Service Area No. 138 Formation and as detailed in the Executive Officer's report: (a) the formation itself along with the associated dissolution; and (b) the establishment of a sphere of influence. The Commission's findings follow.
  - a) The sphere of influence establishment qualifies as a project under CEQA but is exempt from further review under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres of influence are planning policies and any amendments do not make any changes to the environment or authorize any new uses or services.
  - b) The concurrent dissolution of Valley Center CSD and the formation of County Service Area No. 138 qualifies as a project under CEQA but is exempt from further review under State CEQA Section 15320. This exemption appropriately applies given the underlying action enables the County through CSA No. 138 to formally assume park and recreation service responsibilities for the unincorporated community of Valley Center with no additional service powers and no expansion of the existing service territory.
5. The Commission conditionally APPROVES the following sphere of influence establishment.
  - a) The sphere of influence for County Service Area No. 138 is established to match the current sphere designation for Valley Center CSD and is generally contiguous with the jurisdictional boundary except for acreage in the City of Escondido and shown in Exhibit A.
  - b) The Commission conditions the approved sphere of influence establishment as described below in Section 7(a).
6. The written statements of the Commission addressing the mandatory factors required for consideration any time spheres of influence are adopted, amended, or updated under Government Code Section 56425 are provided as Exhibit B.
7. The Commission conditionally APPROVES the proposed Valley Center CSD dissolution and concurrent formation of CSA No. 138 as the designated successor agency as shown in Exhibit C and detailed in Exhibit D.



- a. The following conditions must be satisfied within one calendar year – or November 2, 2021 – unless prior written request for an extension is received and approved by the Commission through its designee, Executive Officer.
  - i. Completion of the 30-day reconsideration period provided under Government Code Section 56895.
  - ii. The concurrent dissolution of Valley Center CSD and formation of CSA No. 138 is contingent on the completed acquisition by the CSA, as successor in interest, of the property, assets, and taxing or assessment authority of the Valley Center CSD.
  - iii. County to review and add Star Valley Park development to the community master plan and County’s Capital Project Program.
  - iv. County Department of Parks and Recreation to engage community prior to development of Star Valley Park. It is also requested the County allow equestrian activities to continue.
  - v. Star Valley Park name remains unchanged.
  - vi. Appoint a five-member advisory board initially consisting of the Valley Center CSD Board.
  - vii. County to consider building a senior center within CSA No. 138
  - viii. Honor existing leases Valley Center CSD has with the following organizations:
    - Valley Center Stampede Rodeo
    - Valley Center Pauma Unified School District
    - Valley Center Fire Protection District
    - Valley Center Vaqueros
  - ix. Consider retaining existing employees.
  - x. CSA No. 138 to follow County policy and engage public in the decision to reserve dedicated space at Star Valley Park for privately funded first responders and veterans memorial.
  - xi. Receipt and confirmation by the County of San Diego Assessor’s Office of the completeness of maps and geographic descriptions of the affected territory showing the CSA No. 138’s boundaries.
- b. The following conditions apply upon and after the effective date of the County Service Area No. 138 formation:
  - i. Tax Revenues. Upon the effective date, the legal existence of Valley Center CSD shall cease except as otherwise required by law. All property tax revenues and voter approved special tax or special assessment revenues (if any), received or receivable by Valley Center CSD as of the effective date shall be collected or collectible by CSA No. 138

for the exclusive use of funding the services within the Territory. CSA No. 138 property taxes, special taxes, and special assessments shall not be available for other CSA No. 138 or County purposes.

- ii. Plan for Service. CSA No. 138 shall provide the services within the territory provided by Valley Center CSD per the Plan for Services adopted by the County of San Diego. Levels of services may improve or increase prior to the day immediately preceding the Effective Date.
  - iii. Transfer of Facilities. Upon the effective date, the facilities located at the real properties identified on Exhibit B of Valley Center CSD Application shall be transferred to CSA No. 138 for use in providing the services.
8. The Executive Officer has the sole discretion to release and or waive any condition of approval before filing the Certificate of Completion.
  9. The population in the affected territory is approximately 19,113 and, thus, the affected territory is inhabited as defined in Government Code Section 56046.
  10. The Commission delegates to the Executive Officer performing all conducting authority proceeding requirements under Government Code Section 57000.
  11. The effective date of the reorganization proposal shall be the date of recordation of the Certificate of Completion as determined by the Executive Officer.
  12. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the San Diego County Local Agency Formation Commission on November 2, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

**EXHIBIT A  
SPHERE OF INFLUENCE  
CSA NO. 138**

Placeholder

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**EXHIBIT B**  
**DETERMINATIVE STATEMENTS**  
**ESTABLISHMENT OF A SPHERE OF INFLUENCE FOR CSA NO. 138**

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

---

The affected territory totals 42,438 acres and anchored by the unincorporated community of Valley Center with an estimated resident population of 19,113. The low to moderate residential uses within the affected territory are augmented by commercial agricultural uses and open space and consistent with the County of San Diego General Plan. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency is consistent with these present and planned land uses.

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

---

The affected territory includes an estimated 19,133 residents and underlie a present and probable need going forward for park and recreation services. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these present and probable needs.

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

---

The County of San Diego has prepared a detailed plan of service as part of the proposed reorganization to transfer park and recreation services from Valley Center CSD to the County via the formation of CSA No. 138. This includes a three-year capital improvement plan to steady and improve critical infrastructure deficiencies. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services reflects these capacity considerations.

**(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.**

---

The County of San Diego has established explicit social and economic ties within the affected territory as the primary municipal service provider and headlined by community planning, roads, and law enforcement. The establishment of a sphere of influence to match the sphere designation of Valley Center CSD for CSA No. 138 as the successor agency to park and recreation services further consolidates the County's ties within the affected territory.

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

---

The affected territory does not lie within a census tract qualifying as a disadvantaged unincorporated community under State statute or LAFCO policy.

**EXHIBIT C**  
**JURISDICTIONAL BOUNDARY**  
**CSA NO. 138**

Placeholder

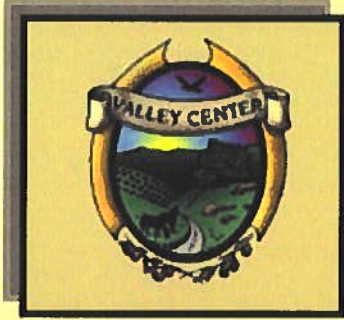
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**EXHIBIT D**  
**GEOGRAPHIC DESCRIPTION**  
**CSA NO. 138**

Placeholder

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**VALLEY CENTER PARKS &  
RECREATION DISTRICT**

*Established 1966*

28246 Lilac Road ♦ PO Box 141  
Valley Center, CA 92082

Phone (760) 749-8852 ♦ Fax (760) 749-8893

June 17, 2020

Linda Heckencamp  
San Diego County LAFCO  
9335 Hazard Way, Suite 200  
San Diego, CA 92123

RECEIVED

JUN 23 2020

SAN DIEGO LAFCO

Re: Resolution and LAFCO Application for Reorganization

Dear Linda:

Enclosed please find the certified copy of Valley Center Parks and Recreation Resolution 2020-175, Exhibit "A" and Exhibit "B".

Exhibit "A" is the LAFCO application for reorganization. I have executed the contract and completed what I can. I do not have the metes-and-bounds. Please let me know if you need anything else from our district.

Sincerely,

A handwritten signature in blue ink, appearing to read "Darcy LaHaye", with a long horizontal flourish extending to the right.

Darcy LaHaye  
General Manager

Enclosures

**RESOLUTION NO. 2020-175**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
VALLEY CENTER PARKS AND RECREATION DISTRICT, REQUESTING THE SAN DIEGO  
COUNTY LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS TO DISSOLVE THE  
VALLEY CENTER PARKS AND RECREATION DISTRICT  
WITH RECOMMENDED TERMS.**

**WHEREAS**, the Valley Center Parks and Recreation District (VCPRD) is a public agency duly organized and existing under and by virtue of the California Government Code §6100, *et seq.* and the laws of the State of California, and also known as the Valley Center Community Services District; and

**WHEREAS**, VCPRD desires to file an application with the San Diego County Local Agency Formation Commission (LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for REORGANIZATION and request dissolution of the District with recommended terms including concurrent formation of a new County Service Area (CSA) to serve as successor agency; and

**WHEREAS**, the reason for reorganization follows LAFCO'S recently completed municipal service review on the region and recommendation therein to reorganize VCPRD into a new CSA to directly draw on the expanded resources of the County of San Diego in providing park and recreational amenities to constituents; and

**WHEREAS**, this application and request for dissolution is contingent on the County of San Diego concurrently applying and receiving approval and order from LAFCO to form a new CSA to serve as successor agency to VCPRD.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE VALLEY CENTER PARKS AND RECREATION DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

**SECTION 1.** VCPRD will forthwith file an Application for Reorganization with LAFCO as provided in Exhibit "A" with authorization to the General Manager to provide and/or sign any related documentation required by LAFCO thereafter.

**SECTION 2.** VCPRD will hold a public hearing to adopt this Resolution giving at least 21 days prior notice.

**SECTION 3.** Recommended terms and conditions of the reorganization are specified on Exhibit "B".

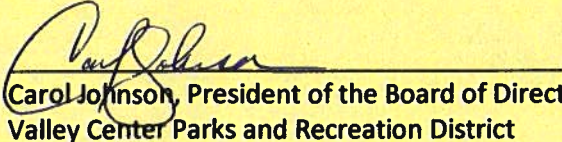
**APPROVED, SIGNED AND ADOPTED** this 16th day of June, 2020 by the following roll call vote:

**AYES:** Johnson, Trok, Wiedenkiller, Guilliano, Laird    **NOES:** 0    **ABSTAIN:** 0    **ABSENT:** 0

**Attest:**

**APPROVED:**

  
Darcy laHaye, General Manager of the  
Board of Directors  
Valley Center Parks and Recreation District

  
Carol Johnson, President of the Board of Directors  
Valley Center Parks and Recreation District

Resolution No. 2020-175

EXHIBIT "B"  
RECOMMENDED TERMS AND CONDITIONS

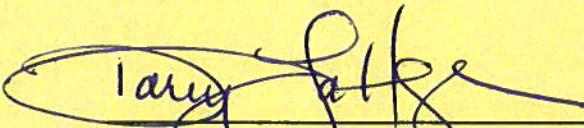
1. County to review and add Star Valley Park development to the community master plan and County's Capital Project Program.
2. County Department of Parks and Recreation (DPR) to engage community prior to development of Star Valley Park. Currently, VCPRD allows equestrian activities at Star Valley Park and would recommend the continued use for equestrians in the community.
3. Star Valley Park name remains unchanged.
4. Appoint 5 member advisory board initially consisting of Valley Center Parks and Recreation board members at time of dissolution.
5. DPR to consider building a senior center within the District.
6. Honor existing leases Valley Center Parks and Recreation District has with:
  - A. Valley Center Stampede Rodeo
  - B. Valley Center Pauma Unified School District
  - C. Valley Center Fire Protection District
  - D. Valley Center Vaqueros
7. Consider retaining existing employees.
8. DPR to follow County policy and engage public in the decision to reserve dedicated space at Star Valley Park for privately funded first responders and veterans memorial.

**CERTIFICATE OF GENERAL MANAGER**

I, Darcy LaHaye, hereby certify that the foregoing Resolution No. 2020-175 was duly adopted by the Board of Directors of the Valley Center Parks and Recreation District at a public hearing held via teleconference at the offices of the District, 28246 Lilac Road, Valley Center, California, on Tuesday, June 16, 2020 and that the same has not been amended or repealed.

Dated this 16<sup>th</sup> day of June, 2020



  
\_\_\_\_\_  
Darcy LaHaye, General Manager for the  
Board of Directors  
Valley Center Parks and Recreation District

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Resolution No.:

Meeting Date:

**RESOLUTION OF APPLICATION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO INITIATE PROCEEDINGS WITH THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION TO FORM A COUNTY SERVICE AREA AND AUTHORIZATION THEREIN TO PROVIDE LOCAL PARKS AND RECREATION SERVICES WITHIN THE AFFECTED TERRITORY AS SPECIFIED**

**WHEREAS**, the County of San Diego (County) is a political division of the State of California with corporate powers pursuant to Government Code Sections 23000-33205;

**WHEREAS**, the unincorporated community of Valley Center in north San Diego County currently receives local parks and recreation services from the Valley Center Community Services District (VCCSD), a community services district formed and operating pursuant to Government Code Section 61000 et seq.;

**WHEREAS**, the VCCSD by Resolution No. 2020-175 adopted on June 16, 2020 submitted an application to the San Diego Local Agency Formation Commission (LAFCO) requesting that VCCSD be dissolved and replaced by a County Service Area to be operated by the County for the purpose of continuing to provide the park and recreational services currently offered by VCCSD;

**WHEREAS**, the County desires to initiate an application with the LAFCO pursuant to the County Service Area Law, Government Code Section 25210 et seq. and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 et seq. to form a CSA to succeed to the interests and responsibilities of VCCSD; and

**WHEREAS**, the County provided notice of the hearing on this application to be published and provided to the Executive Officer of LAFCO in accordance with Government Code Section 25211.3.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that the Board of Supervisors does hereby order as follows:

1. This resolution of application initiates the LAFCO process to form a County Service Area to be referred to as “County Service Area No. 138 - Valley Center Parks & Recreation” to assume responsibility for and provide local parks and recreation services to the Valley Center community in place of the VCCSD as shown in Exhibit “A” and further described in Exhibit “B.”

A plan for providing services for this resolution of application to the LAFCO has been prepared pursuant to Government Code Section 56653 and is attached hereto as Exhibit "C." The County intends to provide park and recreation services using one time contributions from the County of \$4,473,000, property tax revenue, user fees, and any lease or other revenue currently collected by VCCSD together with such additional or increased charges as may be necessary to ensure the facilities and services continue to meet the needs of the community.

2. The Board of Supervisors finds the proposal to LAFCO is exempt from the provisions of the California Environmental Quality Act under Section 15320 of the State CEQA Guidelines because the action consists of the formation of a new County Service Area to assume responsibility for the provision of park and recreational services from VCCSD without a change in the geographic area where services are provided.
3. The Board of Supervisors requests LAFCO approve the resolution of application with the following terms and conditions:
  - (a) The concurrent dissolution of VCCSD and formation of the County Service Area contingent on the completed acquisition by the County Service Area, as successor in interest, of the property, assets, and taxing or assessment authority of the VCCSD.
  - (b) LAFCO approval, as necessary, of a proposed property tax exchange to allow for the County Service Area to obtain the property tax revenue currently allocated to VCCSD for operation of local parks and recreation facilities.
4. The Clerk of the Board of Supervisors is authorized and directed to file a certified copy of this resolution of application with the LAFCO Executive Officer along with completing all associated documentation in the application process.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of San Diego on October 28, 2020

APPROVED AS TO FORM AND LEGALITY

By: \_\_\_\_\_  
Justin A. Crumley, Sr. Deputy



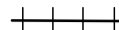

# **EXHIBIT A**

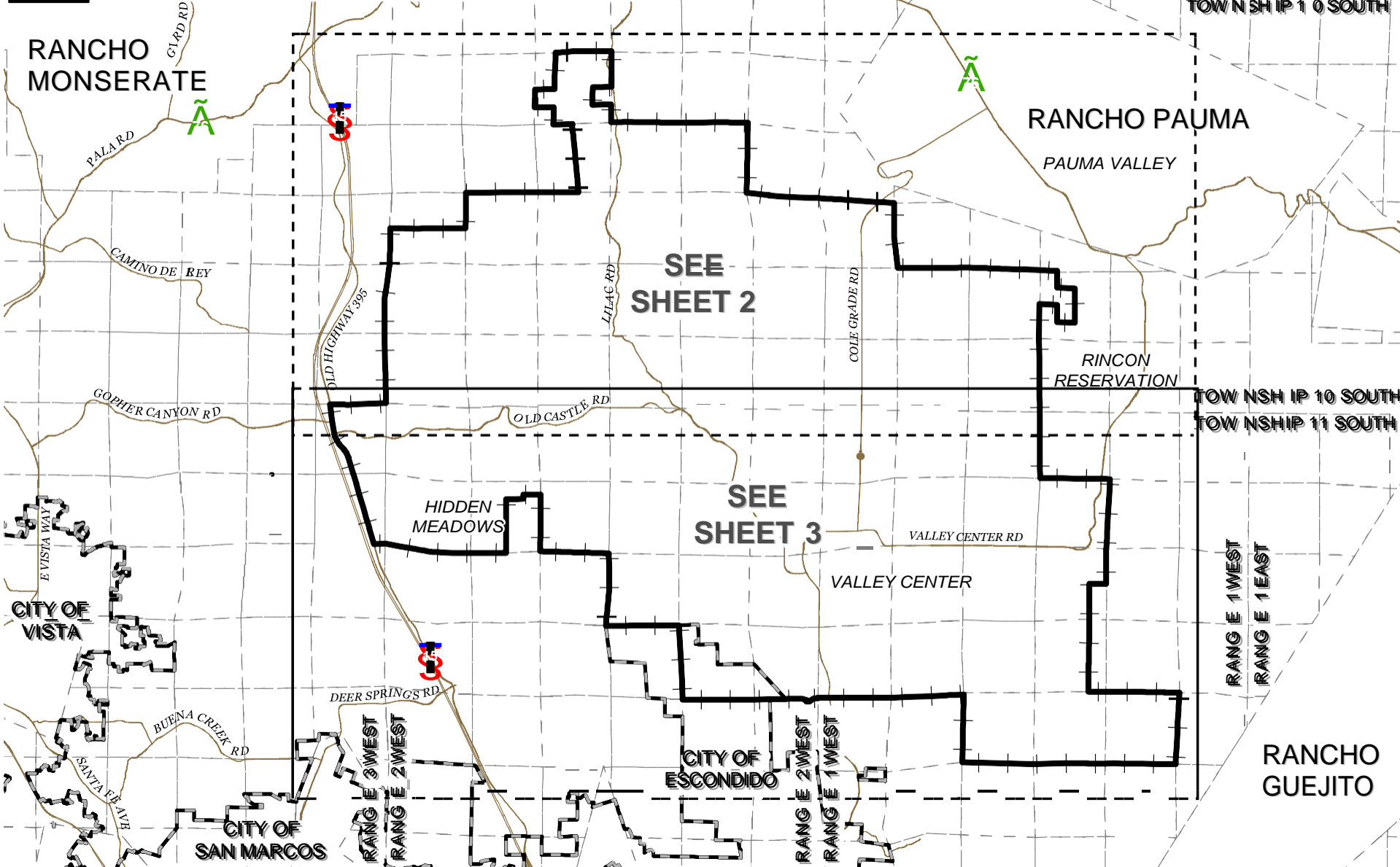
## **Index Map**



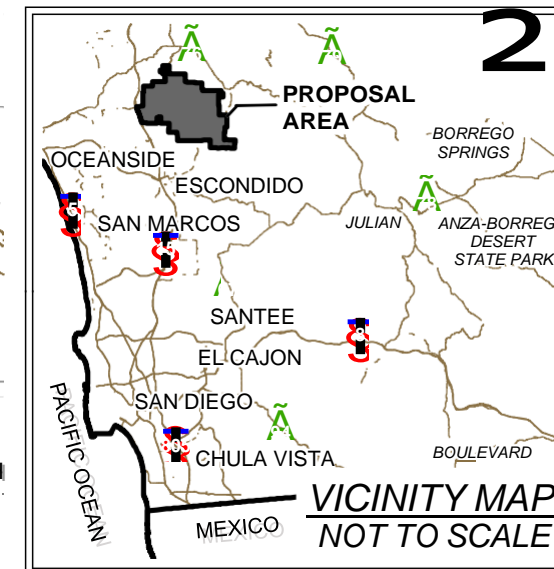
# INDEX MAP

## LEGEND

-  EXISTING VALLEY CENTER CSD BOUNDARY
-  PROPOSED COUNTY SERVICE AREA NO 138 BOUNDARY



# EXHIBIT "A" 2



**DISCLAIMER:**  
 FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.

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CONCURRENT DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICES DISTRICT AND FORMATION OF COUNTY SERVICE AREA NO. 138

LAFCO REFERENCE NO.: RO20-13

**COUNTY OF SAN DIEGO**  
 Assessor/Recorder/County Clerk  
 Assessor's Mapping Division

AREA: 66.31 SQ MILES

APN: VARIOUS

SCALE: 1" = 2 MILES

DATE: 07/02/2020

DRAWN BY: J. DELAROSA

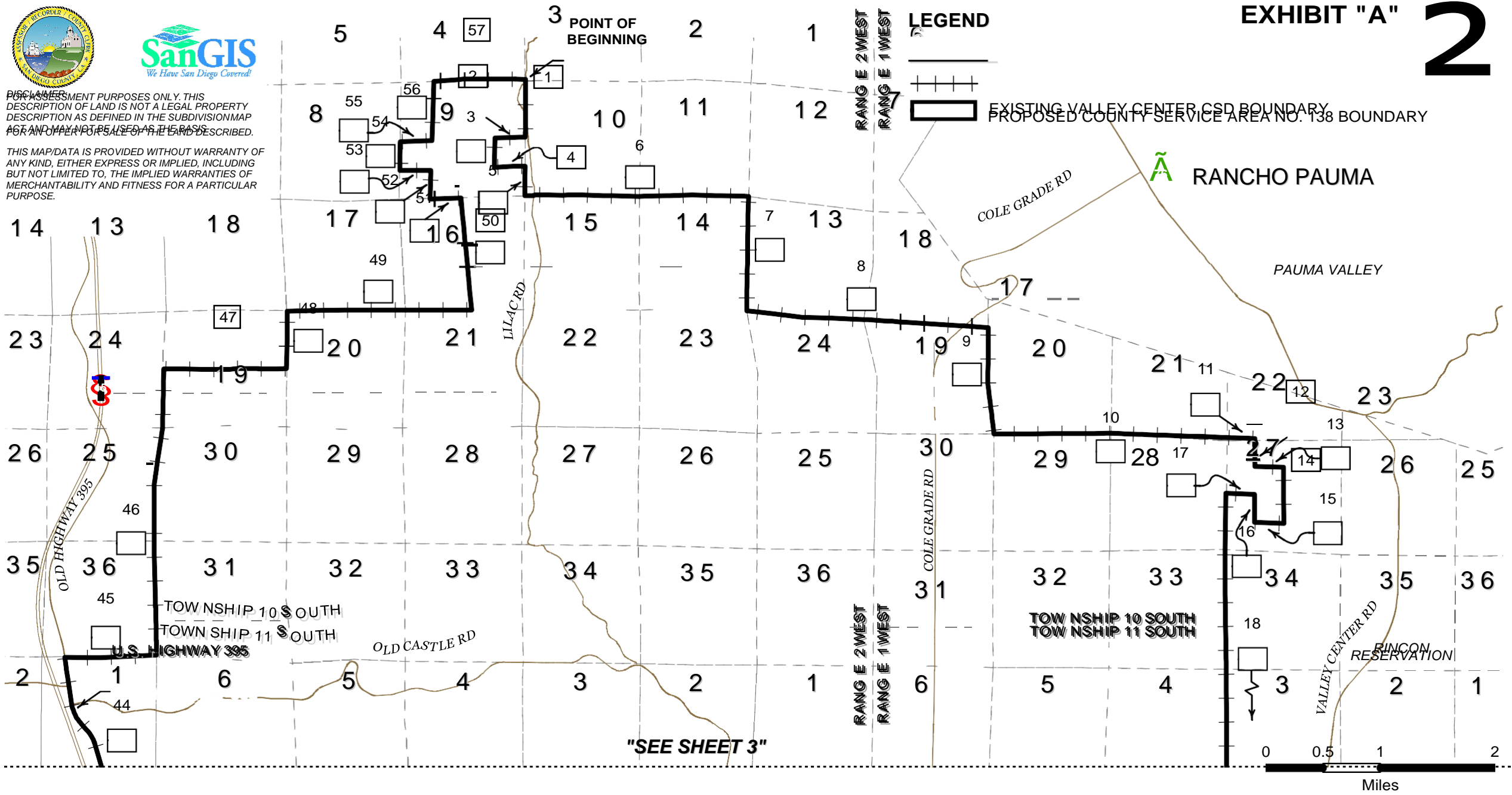
SHEET: 1 OF 3



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# EXHIBIT "A" 2



CONCURRENT DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICES DISTRICT AND FORMATION OF COUNTY SERVICE AREA NO. 138

LAFCO REFERENCE NO.: RO20-13

**COUNTY OF SAN DIEGO**  
 Assessor/Recorder/County Clerk  
 Assessor's Mapping Division

AREA: 66.31 SQ MILES

APN: VARIOUS

SCALE: 1" = 1 MILE

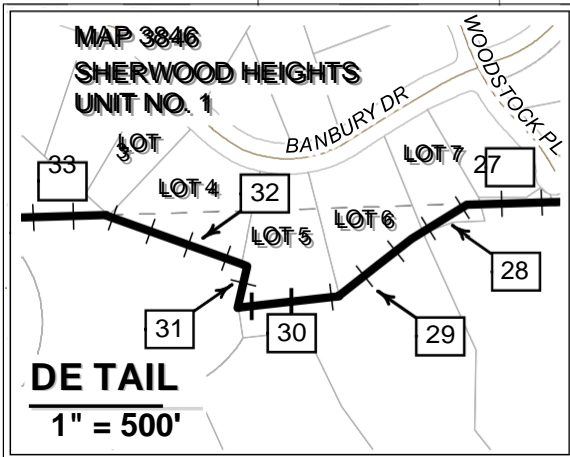
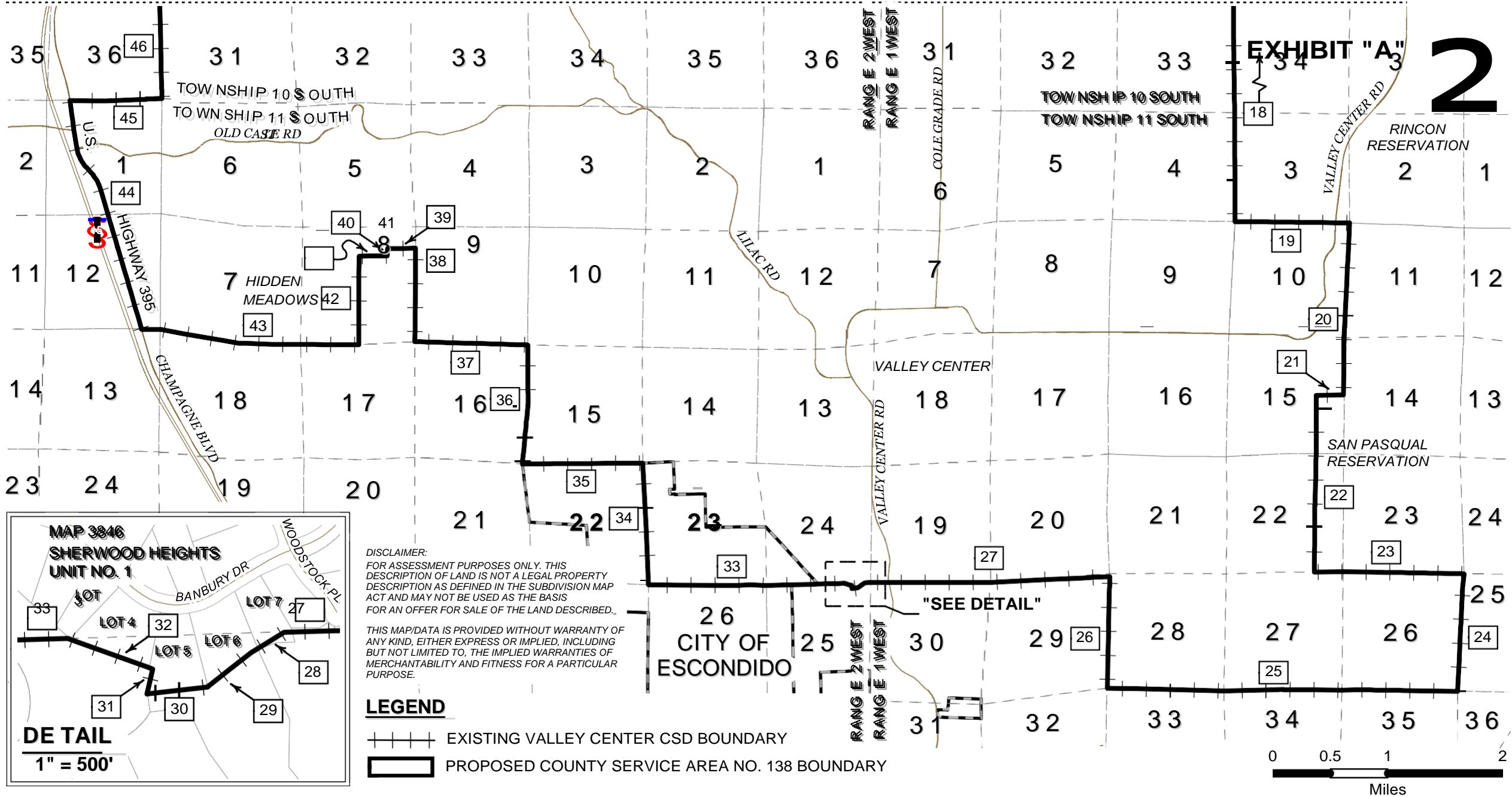
DATE: 07/02/2020

DRAWN BY: J. DELAROSA

SHEET: 2 OF 3

"SEE SHEET 2"

**EXHIBIT "A"**  
**2**



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**LEGEND**

- ++++ EXISTING VALLEY CENTER CSD BOUNDARY
- ▬ PROPOSED COUNTY SERVICE AREA NO. 138 BOUNDARY



CONCURRENT DISSOLUTION OF VALLEY CENTER COMMUNITY SERVICES DISTRICT AND FORMATION OF COUNTY SERVICE AREA NO. 138

**COUNTY OF SAN DIEGO**  
Assessor/Recorder/County Clerk  
Assessor's Mapping Division

AREA: 66.31 SQ MILES

DATE: 07/02/2020

APN: VARIOUS

DRAWN BY: J. DELAROSA

SCALE: 1" = 1 MILE

SHEET: 3 OF 3

LAFCO REFERENCE NO.: RO20-13



# **EXHIBIT B**

## **Geographic Description**





## EXHIBIT "B"

### GEOGRAPHIC DESCRIPTION

**" CONCURRENT DISSOLUTION OF THE VALLEY CENTER COMMUNITY SERVICES DISTRICT  
AND FORMATION OF COUNTY SERVICE AREA NO. 138 "  
LAFCO REFERENCE NO.: RO20-13**

ALL THAT TERRITORY IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, LYING WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

**BEGINNING** AT THE NORTHEAST CORNER OF SECTION 9, TOWNSHIP 10 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN;

1. THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION TO THE EAST AND WEST CENTER LINE THEREOF;
2. THENCE WEST ALONG SAID EAST AND WEST CENTER LINE TO THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION;
3. THENCE SOUTH ALONG SAID WEST LINE TO THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER;
4. THENCE EAST ALONG SAID SOUTH LINE TO THE EAST LINE OF SAID SECTION 9;
5. THENCE SOUTH ALONG SAID EAST LINE TO THE SOUTHEAST CORNER OF SAID SECTION;
6. THENCE EAST ALONG SECTION LINES TO THE NORTHEAST CORNER OF SECTION 14, SAID TOWNSHIP;
7. THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 14 TO THE NORTHWEST CORNER OF SECTION 24, TOWNSHIP 10 SOUTH, RANGE 2 WEST;
8. THENCE EAST ALONG SECTION LINES TO THE WEST LINE OF SECTION 20, TOWNSHIP 10 SOUTH, RANGE 1 WEST;
9. THENCE SOUTHERLY ALONG SAID WEST LINE TO THE SOUTH LINE OF SAID SECTION 20;
10. THENCE EASTERLY ALONG SAID SOUTH LINE AND ALONG THE SOUTH LINE OF SECTION 21 OF SAID TOWNSHIP TO THE SOUTHEAST CORNER OF SAID SECTION;
11. THENCE EAST ALONG SECTION LINES TO THE WEST LINE OF THE NORTH EAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 27 OF SAID TOWNSHIP;
12. THENCE SOUTHERLY ALONG SAID WEST LINE TO THE SOUTH LINE OF SAID QUARTER-QUARTER;

13. THENCE EASTERLY ALONG SAID SOUTH LINE TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 27;
14. THENCE SOUTHERLY ALONG SAID NORTH AND SOUTH CENTER LINE TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SOUTHWEST QUARTER OF SAID SECTION 27;
15. THENCE WESTERLY ALONG SAID SOUTH LINE TO THE WEST LINE OF SAID QUARTER-QUARTER;
16. THENCE NORTHERLY ALONG SAID WEST LINE TO THE EAST AND WEST CENTER LINE OF SAID SECTION 27;
17. THENCE WESTERLY ALONG SAID EAST AND WEST CENTER LINE TO THE WEST LINE OF SAID SECTION 27;
18. THENCE SOUTHERLY ALONG SECTION LINES TO THE NORTH LINE OF SECTION 10, TOWNSHIP 11 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN;
19. THENCE EASTERLY ALONG SAID NORTH LINE TO THE EAST LINE OF SAID SECTION 10;
20. THENCE SOUTHERLY ALONG SECTION LINES TO THE EAST AND WEST CENTER LINE OF SECTION 15 OF SAID TOWNSHIP;
21. THENCE WESTERLY ALONG SAID CENTER LINE TO THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 15;
22. THENCE SOUTHERLY ALONG SAID WEST LINE AND ALONG THE WEST LINE OF THE EAST QUARTER OF SECTION 22 OF SAID TOWNSHIP TO THE SOUTH LINE OF SAID SECTION 22;
23. THENCE EASTERLY ALONG SAID SOUTH LINE AND ALONG THE NORTH LINE OF SECTION 26 OF SAID TOWNSHIP TO THE EAST LINE OF SAID SECTION 26;
24. THENCE SOUTHERLY ALONG SAID EAST LINE TO THE NORTH LINE OF SECTION 35 OF SAID TOWNSHIP;
25. THENCE WESTERLY ALONG SECTION LINES TO THE EAST LINE OF SECTION 29 OF SAID TOWNSHIP;
26. THENCE NORTHERLY ALONG SAID EAST LINE TO THE NORTH LINE OF SAID SECTION 29;
27. THENCE WESTERLY ALONG SECTION LINES TO THE SOUTHERLY LINE OF SHERWOOD HEIGHTS UNIT NO. 1, ACCORDING TO MAP THEREOF NO. 3846, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 26, 1958;
28. THENCE ALONG SAID SOUTHERLY LINE OF SAID MAP NO. 3846, SOUTH 59°22'39" WEST 149.63 FEET;
29. THENCE CONTINUING ALONG THE SOUTHERLY LINE OF SAID MAP NO. 3846, SOUTH 50°52'54" WEST 273.65 FEET TO THE MOST SOUTHERLY CORNER THEREOF;

30. THENCE LEAVING THE SOUTHERLY LINE OF SAID MAP NO. 3846, SOUTH 82°34'37" WEST 265.74 FEET;
31. THENCE NORTH 12°25'24" EAST 112 FEET TO THE SOUTHERLY LINE OF SAID MAP NO. 3846;
32. THENCE ALONG SAID SOUTHERLY LINE OF SAID MAP NO. 3846, NORTH 70°54'44" WEST 390.78 FEET TO THE NORTH LINE OF SAID SECTION 25;
33. THENCE WEST ALONG SECTION LINES TO THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 11 SOUTH, RANGE 2 WEST;
34. THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 23 TO THE NORTHWEST CORNER OF SAID SECTION;
35. THENCE WEST ALONG SECTION LINES TO THE SOUTHWEST CORNER OF SECTION 15, SAID TOWNSHIP;
36. THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 15 TO THE NORTHWEST CORNER OF SAID SECTION;
37. THENCE WEST ALONG SECTION LINES TO THE SOUTHEAST CORNER OF SECTION 8, SAID TOWNSHIP;
38. THENCE NORTH ALONG THE WEST LINE OF SAID SECTION TO THE NORTH LINE OF THE SOUTH 330 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 8, SAID TOWNSHIP;
39. THENCE WEST ALONG SAID NORTH LINE TO THE EAST LINE OF THE NORTHWEST QUARTER OF SAID NORTHEAST QUARTER;
40. THENCE SOUTH ALONG SAID EAST LINE TO THE SOUTHEAST CORNER OF SAID QUARTER-QUARTER;
41. THENCE WEST ALONG THE SOUTH LINE THEREOF TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 8;
42. THENCE SOUTH ALONG SAID CENTER LINE TO THE SOUTH LINE OF SAID SECTION;
43. THENCE WEST ALONG SECTION LINES TO THE SURVEY LINE OF U.S. HIGHWAY 395, AS SHOWN ON STATE HIGHWAY MAPS NOS. 23 AND 24, FILED IN THE RECORDER'S OFFICE OF SAID COUNTY;
44. THENCE NORTHERLY ALONG SAID SURVEY LINE TO THE NORTH LINE OF SECTION 1, TOWNSHIP 11 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN;
45. THENCE EAST ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SECTION 1, SAID TOWNSHIP;

46. THENCE NORTH ALONG SECTION LINES TO THE WEST QUARTER CORNER OF SECTION 19, TOWNSHIP 10 SOUTH, RANGE 2 WEST;
47. THENCE EAST ALONG THE EAST AND WEST CENTER LINE OF SAID SECTION 19 TO THE EAST QUARTER CORNER OF SAID SECTION;
48. THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 19 TO THE NORTHWEST CORNER OF SECTION 20, SAID TOWNSHIP;
49. THENCE EAST ALONG SECTION LINES TO THE SOUTH QUARTER CORNER OF SECTION 16, SAID TOWNSHIP;
50. THENCE NORTH ALONG THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 16 TO THE NORTH QUARTER CORNER OF SAID SECTION;
51. THENCE WEST ALONG SECTION LINES TO THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9 OF SAID TOWNSHIP;
52. THENCE NORTH ALONG SAID EAST LINE TO THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER;
53. THENCE WEST ALONG SAID NORTH LINE TO THE WEST LINE OF SAID SECTION 9;
54. THENCE NORTH ALONG SAID WEST LINE TO THE EAST AND WEST CENTER LINE OF SAID SECTION;
55. THENCE EAST ALONG SAID EAST AND WEST CENTER LINE TO THE WEST LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID SECTION;
56. THENCE NORTH ALONG SAID WEST LINE TO THE NORTH LINE OF SAID SECTION 9;
57. THENCE EAST ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID SECTION 9 AND THE **POINT OF BEGINNING**.

CONTAINING **66.31 SQUARE MILES** OF LAND MORE OR LESS.

*FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.*



**COUNTY OF SAN DIEGO**  
**ASSESSOR'S MAPPING DIVISION**  
JGD 07.02.20

# **EXHIBIT C**

# **PLAN OF SERVICE**



## PLAN OF SERVICE

Pursuant to Government Code Sections 56653 and 56824.12, this plan describes services to be provided by the County of San Diego within Valley Center, an unincorporated community in the north San Diego County. The community currently receives local parks and recreation service from the Valley Center Community Services District (VCCSD), a public special district that adopted a Resolution of Dissolution on June 16, 2020. It is the County of San Diego's intention to form CSA No. 138 Valley Center Parks & Recreation and assume the local parks and recreation services provided by VCCSD for the benefit of the Valley Center community.

**(1) An enumeration and description of the services currently provided:**

The VCCSD is a 66 square mile public special district that serves approximately 19,000 residents in the unincorporated community of Valley Center, located in north San Diego County. The VCCSD consists of 73-acres of public park land. The VCCSD operates five public park facilities: Robert Adams Park (6-acres), Cole Grade Park (5.83-acres), Scibilia Field Park (3.04-acres), Star Valley Park (43.98-acres), and Valley Center Community Park (14.1-acres). For several years, VCCSD has faced financial challenges to effectively address facility operations and maintenance. Limited funds have caused shortages in VCCSD staffing, services, and supplies. The current state of the VCCSD facilities do not meet the park and recreational needs of the community.

**(2) The level and range of services to be provided:**

The County shall operate and maintain the five park facilities, totaling 73-acres of park land. The County will provide administrative, operational, and maintenance services to operate CSA No. 138 at County Parks and Recreation standards. The County shall also provide specialized skills, major maintenance, planning, and capital improvement services to expand park amenities and facilities. Additionally, the County will incorporate community involvement, stakeholder collaborations, and volunteer opportunities to enhance parks and recreational experiences for the community.

**(3) An indication of when those services can feasibly be extended to the affected territory, if new services are proposed:**

The County plans to provide operations and maintenance services by February 2021, and major maintenance services by Spring 2021. Capital improvement management and planning services will be provided in fiscal year 2021-22.

**(4) An indication of any improvements or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.**

Facility improvements at the five park facilities include ADA accessibility, major maintenance to structures, parking lot resurfacing, roofing repairs, sports field rehabilitation, pool facility upgrades, playground replacement, efficiency upgrades to utility systems, replacement of park amenities, and landscape improvements, including tree planting.

**(5) Information with respect to how those services will be funded**

On August 25, 2020 the County Board of Supervisors approved \$4,000,000 for Initial Facility Improvements, \$150,000 for Initial Startup Costs, and \$323,000 for Staffing, Services and Supplies to operate and maintain CSA No. 138 from February to June 2021.

Initial existing facility improvements will be provided by County general-purpose funds.

Improvements	Cost
ADA accessibility	\$350,000
Maintenance Building	\$300,000
Driveway and parking lots	\$950,000
Utility upgrades	\$500,000
Roofing	\$200,000
HVAC systems	\$150,000
Pool complex improvements	\$150,000
Structures (restrooms, office, out bldgs.)	\$275,000
Host Sites	\$125,000
Landscaping, trees, and irrigation	\$150,000
Lighting	\$100,000
Amenities (playgrounds, picnic amenities, site furnishings, signage)	\$225,000
Ballfield Rehabilitation	\$150,000
Total:	\$3,625,000
10% Contingency	\$362,500
TOTAL	\$3,987,500*

\*\$4,000,000 approved by the Board of Supervisors

**Operations and Maintenance Budget (Initial Fiscal Year)**

Initial Fiscal Year	Funding Amount
Feb – Jun 2021	\$473,000*

\*County general-purpose funds, February 1, 2021 – June 30, 2021; Initial Startup Costs (\$150,000), and Labor, Services & Supplies (\$323,000).



Subsequent annual operations and maintenance budgets will be adopted through the County annual budget process.

CSA No. 138 Projected Annual Operations and Maintenance Funding:

<b>Funding Source</b>	<b>Amount</b>
Property Tax (existing)	\$138,000
Park User Fees and Rents	\$238,000
General-Purpose Funding	\$397,000
<b>TOTAL</b>	<b>\$773,000</b>

CSA No. 138 Projected Annual Operations and Maintenance Budget:

<b>Budget Item</b>	<b>Cost</b>
Labor (salaries and benefits)	\$399,000
Services and Supplies	\$286,000
Utilities	\$80,000
Vehicles/Equipment	\$8,000
<b>TOTAL</b>	<b>\$773,000</b>

CSA No. 138 Projected Annual Operations and Maintenance Budgets (Three Fiscal Years):

<b>Fiscal Year</b>	<b>Cost</b>
2021-22	\$773,000
2022-23	\$773,000
2023-24	\$773,000

**(6) The total estimated cost to provide the new or different function or class of services within the special district’s jurisdictional boundaries.**

Initial Costs:

<b>Initial Costs</b>	<b>Amount</b>
Initial Facility Improvements	\$4,000,000
Startup Costs (equipment)	\$150,000
Operations and Maintenance Feb-Jun 2021	\$323,000
<b>Total Initial Cost</b>	<b>\$4,473,000</b>

CSA No. 138 Projected Ongoing Operations and Maintenance Budgets (Three Fiscal Years):

<b>Fiscal Year</b>	<b>Amount</b>
2021-22	\$773,000
2022-23	\$773,000
2023-24	\$773,000

Star Valley Park Development: Environmental review, design, and construction.

Fiscal Year	Funding Amount
2021-22	\$650,000
2022-23	\$10,000,000
2023-24	\$10,000,000
TOTAL	20,650,000

**(7) An indication of existing providers, if any, of the new or different function or class of services proposed to be provided and the potential fiscal impact to the customer of those existing providers:**

No other existing provider operates in the VCCSD or new CSA No. 138 boundary.

**(8) A written summary of whether the new or different function or class of service will involve the activation or divestiture of the power to provide service or services, service function or functions, or class of function:**

No anticipated activation or divestiture of latent powers during this CSA formation.

**(9) A plan for financing the establishment of the new or different function or class of services within the special district’s jurisdictional boundaries:**

See items (5) and (6) above. Cost of Initial Facility Improvements (\$4,000,000), Startup Costs (\$150,000), and Operations and Maintenance Budget for February - June 2021 (\$323,000) will be provided by County general-purpose funds.

Ongoing Operations and Maintenance Budgets will be provided by existing property tax (\$138,000), park use fees and rents (\$238,000), and general-purpose funding (\$397,000).

Capital Improvements will be provided by the County Department of Parks and Recreation Capital Improvement Needs Assessment program and available Park Land Dedication Ordinance funds.

**(10) Alternatives for the establishment of the new or different functions or class of services within the special district’s jurisdictional boundaries:**

No alternatives have been identified to assume the functions of VCCSD and provide the improvements and services proposed by the County for the new CSA No. 138 – Valley Center Parks & Recreation.