

**APPROVED  
SAN DIEGO LAFCO  
MINUTES OF THE REGULAR MEETING  
AUGUST 1, 2016**

**3**

There being a quorum present, the meeting was convened at 9:05 a.m. by Vice Chairman Mayor Sam Abed. Also present were: Regular Commissioners – Supervisor Dianne Jacob; City Councilmember Lorie Zapf; City Councilmember Lorraine Wood; Special District Member Jo MacKenzie; Special District Member Ed Sprague and Public Member Andy Vanderlaan. Alternate Commissioners – City Councilmember Racquel Vasquez; Special District Member Judy Hanson and Public Member Harry Mathis. LAFCO Staff – Executive Officer Michael Ott; Local Governmental Analyst Joe Serrano and Legal Counsel Michael Colantuono. Absent were: Regular Commissioners – Chairman Supervisor Bill Horn. Alternate Commissioners – Supervisor Greg Cox and City Councilmember Chris Cate.

**Item 1**

**Pledge of Allegiance**

Commissioner Jo MacKenzie led the Pledge of Allegiance at the meeting.

**Item 2**

**Roll Call**

The Commission Clerk performed the roll call for the August 1, 2016, LAFCO meeting. With the exception of Chairman Supervisor Bill Horn; Alternate Commissioners Supervisor Greg Cox and City Councilmember Chris Cate, all other Commissioners were present.

**Item 3**

**Approval of Minutes of Meeting Held June 6, 2016**

On motion of Commissioner MacKenzie, seconded by Commissioner Sprague, and carried unanimously by the Commissioners present; the Commission dispensed with reading the minutes of June 6, 2016 and approved said minutes.

**Item 4**

**Executive Officer's Recommended Agenda Revisions**

Vice Chairman Sam Abed asked the Executive Officer if there were any agenda revisions. Executive Officer Michael Ott said that there were no agenda revisions.

## **Item 5**

### **Commissioner / Executive Officer Announcements**

Vice Chairman Sam Abed asked the Executive Officer if there were any announcements. Executive Officer Michael Ott indicated that several fire reorganizations became effective: Dissolution of Rural Fire Protection District on July 1, 2016 and Dissolution of County Service Area No. 107 (Elfin Forest/Harmony Grove) on July 22, 2016.

Mr. Ott also informed the Commission that there will be additional fire items that will be discussed as part of the FY 2015-2016 Fourth Quarter Budget Update.

## **Item 6**

### **Proposed “Orpheus Avenue – Cohen Annexation” to the Leucadia Wastewater District (DA16-05)**

Executive Officer Michael Ott indicated that the proposal involves annexation of one parcel totaling 0.26-acre to the Leucadia Wastewater District and that the property has a failing septic system and the owner wants to obtain public sewer service. Mr. Ott requested that the staff report be waived by the Commission.

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

- (1) Concur in the determination by the Leucadia Wastewater District that this annexation is exempt from CEQA review pursuant to Section 15319(a) of the State CEQA Guidelines because the proposal area contains existing structures and is developed to the density allowed by current zoning/prezoning of either the gaining or losing governmental agency (whichever is more restrictive), and any utility extensions would only have the capacity to serve existing structures; and
- (2) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer’s Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the annexation subject to the following conditions:

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

## **Item 7**

### **Proposed “1752 Eolus Avenue – Frazee Annexation” to the Leucadia Wastewater District (DA16-07)**

Executive Officer Michael Ott indicated that the proposal involves annexation of one parcel totaling 0.88-acre to the Leucadia Wastewater and that the property has a failing septic system and the owner wants to obtain public sewer service. Mr. Ott requested that the staff report be waived by the Commission.

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

- (1) Concur in the determination by the Leucadia Wastewater District that this annexation is exempt from CEQA review pursuant to Section 15319(a) of the State CEQA Guidelines because the proposal area contains existing structures and is developed to the density allowed by current zoning/prezoning of either the gaining or losing governmental agency (whichever is more restrictive), and any utility extensions would only have the capacity to serve existing structures; and
- (2) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer’s Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the annexation subject to the following conditions:

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

## **Item 8**

### **Five-Year Sphere of Influence and Service Review of North County Coastal Cities: City of Carlsbad; City of Del Mar; City of Encinitas; City of Oceanside and City of Solana Beach (MSR13-100; SR13-100; MSR13-103; SR13-103; MSR13-105; SR13-105; MSR13-111; SR13-111; MSR13-116; SR13-116)**

Vice Chairman Abed opened the public hearing for Item 8.

Executive Officer Michael Ott provided a PowerPoint presentation to the Commission regarding the Five-Year Sphere of Influence and Service Review of North County Coastal Cities: City of Carlsbad, City of Del Mar, City of Encinitas, City of Oceanside and City of Solana Beach. Mr. Ott indicated that the city spheres are being evaluated as part of a comprehensive Sphere of Influence and Service Review that is required by State Law and San Diego LAFCO Policy. He said that the review includes financial and service information for the five cities as well as population projections and overviews on governance.

Mr. Ott said a Special Study Area is recommended for territory that is located within the adopted sphere of influence for the City of Encinitas and adjacent to the City of Carlsbad because the territory is not located within the authorized service area of a public fire protection agency. He also said that the cities of Encinitas, Carlsbad, and San Marcos should discuss the potential annexation of the study area if municipal services can be extended efficiently.

Commissioner MacKenzie asked about the Special Study Area. In response to the question, Michael Ott indicated that if approved by the Commission, LAFCO will notify the cities regarding the special study areas.

Vice Chairman Abed asked about LAFCO's role if the cities cannot reach a consensus. In response to the question, Michael Ott said the study area will facilitate discussions only.

With no speaker slips and no further discussion from the Commission, Vice Chairman Abed closed the public hearing for Item 8.

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

- (1) Find in accordance with the Executive Officer's determination that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, sphere affirmations are not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA.
- (2) Find in accordance with the Executive Officer's determination that pursuant to Section 15306 of the State CEQA Guidelines, the service review is not subject to the environmental impact evaluation process because the service review consists of basic data collection, research, management, and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource. This project is strictly for information gathering purposes as part of a study leading to an action which has not yet been approved, adopted, or funded.
- (3) For the reasons set forth in the North County Coastal Cities Five-Year Sphere of Influence and Service Review, (a) affirm a coterminous sphere with a Special Study Area designation for the City of Carlsbad; (b) affirm a coterminous sphere for the City of Del Mar; (c) affirm a larger-than-city sphere with a Special Study Area designation for the City of Encinitas; (d) affirm a coterminous sphere for the City of Oceanside; and, (e) affirm a coterminous sphere for the City of Solana Beach, per to Maps 8-1 to 8-6; and,
- (4) Adopt the written Statements of Determinations as shown in Exhibit A.

## **Item 9**

### **Proposed “Chandler Ranch Annexation” to the North County Fire Protection District / “Chandler Ranch Removal” (Divestiture) from the Structural Fire Protection and Emergency Medical Services Latent Powers Area of County Service Area No. 135 (San Diego County Regional Communications System) (DA14-19/LP(R)14-19)**

Vice Chairman Abed opened the public hearing for Item 9.

Executive Officer Michael Ott indicated that Joe Serrano, Local Governmental Analyst, will provide a report to the Commission. Mr. Serrano said that the proposal involves annexation of four parcels totaling 77.40± acres to the North County Fire Protection District to obtain fire protection and emergency medical services for the proposed development of four single-family residential lots per the Boundary Adjustment (BA12-0009) and Tentative Parcel Map 21193 approved by the County of San Diego. Final approval of the development plans requires annexation to the North County Fire Protection District. The remaining boundary adjustment territory was included so that the entire ownership would be annexed for fire services.

Mr. Serrano said that the proposed annexation area is located within the adopted sphere of influence of the North County Fire Protection District. He also said that the annexation is conditioned on the initiation of a second proposal to divest (remove) the area from the fire protection and emergency medical services latent powers area of County Service Area No. 135.

With no speaker slips and no further discussion from the Commission, Vice Chairman Abed closed the public hearing for Item 9.

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

- (1) Concur in the determination by the County of San Diego as documented in the attached § 15183 Exemption Checklist that the annexation and divestiture is exempt from additional environmental review per CEQA Guidelines Section 15183, Projects Consistent with a Community Plan, General Plan, or Zoning, because the Chandler Minor Subdivision (TPM 21193) and Boundary Adjustment (BA12-0009) are consistent with the development density and use characteristics established by the County of San Diego General Plan, as analyzed by the San Diego County General Plan Update Final Program Environmental Impact Report (GPU EIR, ER No. 02-ZA-001, SCH No. 2002111067, adopted April 4, 2013), and all required findings can be made; and,
- (2) Approve the “Chandler Ranch Annexation” to the North County Fire Protection District (DA14-19) and pursuant to Government Code Section 56885.5(a)(2), condition the annexation (DA14-19).

- (3) Initiation of the “Chandler Ranch Removal” (Divestiture) from the structural fire protection and emergency medical services latent powers area of County Service Area No. 135 (San Diego County Regional Communications System) (LP(R)14-19); and,
- (4) Adopt the form of resolution approving this annexation for the reasons set forth in the Executive Officer’s Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the reorganization subject to the following conditions:

Payment of North County Fire Protection District fees and State Board of Equalization charges.

**Item 10**

**Proposed “OSI Trailers Annexation” to the San Diego County Sanitation District (DA16-02)**

Executive Officer Michael Ott indicated that this item is for information purposes only and no action was recommended by the Commission.

**Item 11**

**Proposed “Teresa Long-San Miguel Avenue Annexation” to the Helix Water District (DA16-04)**

Executive Officer Michael Ott indicated that this item is for information purposes only and no action was recommended by the Commission.

**Item 12**

**Fourth Quarter FY 2015-16 Budget Update**

Executive Officer Michael Ott presented a report to the Commission regarding the Fourth Quarter FY 2015-16 Budget Update. Mr. Ott said that the FY2015-16 operations and expenditures are about \$102,000 under budget. He indicated that the Services and Supplies expenses have increased due to items related to: litigation; Geographic Information Technology (GIS) delayed invoices; County Information Technology (IT) support; Records Management; and completion of service reviews.

Michael Ott informed the Commission that LAFCO will be working on a proposed fire project in FY 2016-17 related to County Service Area No. 115 (Pepper Drive) Reorganization. Mr. Ott said the proposed project involves dissolution of County Service Area No. 115 and annexation to Lakeside Fire Protection District and/or San Miguel Consolidated Fire Protection District. Mr. Ott indicated that a Service Review is required and that this proposed project would create a budgetary impact for LAFCO in FY 2016-17.

Mr. Ott suggested that an ad hoc Budget and Service Review Committee be formed to help LAFCO evaluate service and financial issues affecting both fire districts. He said the ad hoc Committee would be temporary and would be used to assist him with budgetary and service review matters.

The following Commissioners volunteered to serve on the ad hoc Budget and Service Review Committee:

- Special Districts Member Jo MacKenzie
- Supervisor Dianne Jacob
- Public Member Andy Vanderlaan
- Special Districts Member Ed Sprague

Commissioner Jacob asked if there would be discussion with the City El Cajon and the City of Santee regarding the proposed fire project. In response to the question, Mr. Ott said there will be discussion.

Commissioner Jacob also asked if the representatives from both Lakeside and San Miguel Consolidated Fire Protection Districts would like to address the Commission.

Fire Chief Scott Walker, Lakeside Fire Protection District, and Fire Chief Darrin Howell, San Miguel Consolidated Fire Protection District, addressed the Commission and indicated that they would like to see these issues resolved between both districts. Commissioner Jacob asked if either Lakeside or San Miguel's Board voted to approve funds for a new fire station. In response to the question, Chief Howell, San Miguel Consolidated Fire Protection District, indicated that their Board approved the funds. Chief Walker, Lakeside Fire Protection District, said a permanent site has already been built.

Theresa McKenna, Board President of San Miguel Consolidated Fire Protection District, addressed the Commission and indicated that this project is a sensitive issue. She said the Board voted a 4-3 decision to move forward to build the new fire station.

Commissioner Wood commended LAFCO staff for finishing the fiscal year under budget and the completion of the Records Management project.

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

- (1) Receive, accept, and approve the Fourth Quarter FY 2015-16 LAFCO Budget Update.
- (2) Accepted acting Chairman Abed's formation of an ad hoc Budget and Service Review Committee. Consisting of Commissioners MacKenzie, Jacob, Vanderlaan and Sprague.

### **Item 13**

#### **Legislative Update Report**

Joe Serrano, Local Governmental Analyst, provided an update to the Commission regarding the following legislation:

AB 2470 (Gonzalez) Municipal Water Districts: Provision of Water Service to Indian Tribal Lands

The Commission adopted a Watch position for this bill on May 2, 2016. The Padre Dam Municipal Water District Board adopted a Support position on May 3, 2016. The bill was passed out of the committee and is pending consideration by the Senate Appropriations Committee.

SB 1318 (Wolk) Local Government: Drinking Water Infrastructure or Services; Wastewater Infrastructure or Services

The Commission adopted an Oppose and Send Letter position on May 2, 2016. The bill was heavily opposed and the author decided to not move the bill this year.

AB 2910 (Committee on Local Government) Local Government: Organization; Omnibus Bill

This bill was sponsored by CALAFCO and provides clarifications to the Cortese-Knox-Hertzberg Act language. The Commission adopted a Support and Send Letter position for this bill on May 2, 2016.

The Commissioners present took the following action:

Receive this Legislative Update Report and provide comments or direction to staff as appropriate.

### **Item 14**

#### **Cancellation of the September 12, 2016 Meeting**

Executive Officer Michael Ott indicated that no proposals will be impacted by the cancellation of the September meeting and requested cancellation of the September 12, 2016 meeting due to the Labor Day holiday.

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

Cancel the September 12, 2016 meeting and adjourn the August 1, 2016 meeting to October 3, 2016.



**Item 15**

**Public Comment**

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

Vice Chairman Abed asked for a moment of silence for the recent fallen San Diego police officer.

**Item 16**

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

Legal Counsel Michael Colantuono informed the Commission that Item 16 will be considered in open session regarding litigation in the matter of *City of Coronado v. San Diego LAFCO and City of Imperial Beach*. Mr. Colantuono reported that the two cities have reached a settlement regarding sewer service responsibility and economic benefit of the treated wastewater. Mr. Colantuono said LAFCO had to renew the Demur. He said LAFCO is waiting for a hearing date.

There being no further business to come before the Commission, the meeting adjourned at 9:58 a.m. to the October 3, 2016 meeting, in Room 302, County Administration Center.

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