

**APPROVED
SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
AUGUST 3, 2015**

There being a quorum present, the meeting was convened at 9:00 a.m. by Chairman Bill Horn. Also present were: Regular Commissioners – Supervisor Dianne Jacob; Special District Member Jo Mackenzie; City Councilmember Lorraine Wood; City Councilmember Lori Zapf; and Public Member Andy Vanderlaan. Alternate Commissioners – Public Member Harry Mathis. LAFCO Staff – Executive Officer Michael Ott; Local Government Analyst Robert Barry; LAFCO Consultants John Traylor and Harry Ehrlich; and Legal Counsel Michael Colantuono. Absent were: Regular Commissioner - Vice Chairman/Mayor Sam Abed. Alternate Commissioners - Supervisor Greg Cox; Special District Member Ed Sprague; City Councilmember Chris Cate; and City Councilmember Racquel Vasquez.

Item 1

Pledge of Allegiance

Commissioner Jacob led the Pledge of Allegiance at the meeting.

Item 2

Roll Call

The Commission Secretary performed the roll call for the August 3, 2015, LAFCO meeting. With the exception of Vice Chairman/Commissioner Sam Abed and Alternate Commissioners Greg Cox, Ed Sprague, Racquel Vasquez and Chris Cate, all other Commissioners were present.

Item 3

Approval of Minutes of Meeting Held July 6, 2015

On motion of Commissioner Vanderlaan, seconded by Commissioner Mackenzie, and carried unanimously by the Commissioners present; the Commission dispensed with reading the minutes of July 6, 2015 and approved said minutes.

Item 4

Commissioner / Executive Officer Announcements

Executive Officer Michael Ott said that he had no announcements.

Item 5

Executive Officer's Recommended Agenda Revisions

Chairman Bill Horn asked the Executive Officer if there were any agenda revisions. Executive Officer Michael Ott requested approval from the Commission to waive the staff presentation for Item 8, "Amanda Estates Reorganization" (City of Escondido) (Ref. No.: RO15-03) and move that item from a public hearing item to a consent item since the proposal had written consent from all landowners. Mr. Ott indicated there were no requests from the public to speak in opposition and that this request was also acceptable to the proponent.

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

Move Item 8 of the Agenda to the Consent calendar and approve the following Executive Officer recommendations:

- (1) Find that the Commission, acting as a responsible agency, has considered the environmental effects of the project as shown in the attached mitigated negative declaration prepared by the City of Escondido. The mitigation is under the jurisdiction of the City and not LAFCO because the affected resources and the extension of public services will be within the city limits upon annexation; and
- (2) Modify the proposed reorganization area to include Assessor's Parcel Number 235-202-37; and,
- (3) Waive the unincorporated island restrictions per Government Code Section 56375(m) for the reasons set forth in the Executive Officer's Report; and,
- (4) Approve the modified reorganization involving annexation to the City of Escondido and concurrent detachment from County Service Area No. 135 (San Diego Regional Communications System) and exclusion from Rincon Del Diablo Municipal Water District Improvement District "E"; and,
- (5) Adopt the form of resolution approving this reorganization for the reasons set forth in the Executive Officer's Report, waiving the Conducting Authority proceedings according to Government Code Section 56663(c), and ordering the reorganization subject to the following conditions:

Payment of City of Escondido fees and State Board of Equalization charges.

Item 6A

Adoption of an Amendment for a Transitional (zero) Sphere of Influence for the Pine Valley Fire Protection District and an Amendment to the Service-Specific Sphere of Influence for CSA No. 135 (San Diego County Regional Communications System/Fire Protection) to Include the Territory Formerly within the Pine Valley FPD (Ref No: SA14-09(a)(b))

Item 6B

**Proposed “Dissolution of Pine Valley Fire Protection District”
(Ref No: DT14-09)**

Item 6C

“Expansion of Latent Powers of CSA No. 135 (San Diego County Regional Communications System/Fire Protection) (Ref No: LP(F)14-09)

Item 7A

**Adoption of an Amendment for a Transitional (zero) Sphere of Influence for the San Diego Rural Fire Protection District and an Amendment to the Service-Specific Sphere of Influence for CSA No. 135 (San Diego County Regional Communications System/Fire Protection) to Include the Territory Formerly within the San Diego Rural Fire Protection District
[Ref No: SA14-10(a)(b)]**

Executive Officer Michael Ott requested from the Chairman that the public hearing be opened concurrently prior to the presentation of Items 6 A-C and 7 A-C due to similar information to be presented by staff to the Commission.

Chairman Horn indicated that would be acceptable and concurrently opened the public hearings for Items 6 A-C and 7 A-C.

Mr. Ott informed the Commission that John Traylor, LAFCO Consultant, will present a report to the Commission regarding the subject agencies involved in both of these items. Mr. Ott provided some historical background of those agencies and other related events that have occurred over the past several years. He indicated a few of the events taking place were the initiation of the San Diego County’s Fire Hybrid Plan which resulted in the creation of the San Diego County Regional Fire Authority; and expansion of latent powers for the County Service Area No. 135 (San Diego County Regional Communications System/Fire Protection/EMS). Mr. Ott informed the Commission that if the dissolutions of the Pine Valley and San Diego Rural FPD are approved, the successor, CSA No. 135, would increase its territory by an additional 400,000

acres. Mr. Ott informed the commissioners, a revised terms and conditions for Items 6 A-C were distributed for review and discussion.

John Traylor provided a PowerPoint presentation and additional information related to the districts profiles regarding governance, funding sources, population, ISO (Insurance Services Office) ratings; the County of San Diego's Hybrid Plan, territory and services provided.

Commissioner Jacob announced that she would have to recuse herself from Agenda Items 6 A-C and 7 A-C under the Political Reform Act because she received political contributions of more than \$250 within the preceding 12 months from San Diego Rural FPD Consultant Shirley Anderson and San Diego Rural FPD Legal Counsel Cindy Eldred who are participants and agents associated with the LAFCO application.

Michael Ott clarified for the public regarding the order for the items to receive passage at this meeting and that a unanimous vote from the Commission would be required due to the remaining five member quorum.

Mr. Ott proceeded to inform the Commission regarding the modified conditions between LAFCO staff, the Pine Valley FPD, the San Diego Rural FPD and several of the County of San Diego departments on these terms and conditions. Specifically, he mentioned the revisions for Pine Valley FPD terms and conditions on item 11 (automatic aid agreements) and item 16 (effective date). Mr. Ott thanked Cindy Eldred and Thomas May for their working with LAFCO staff to achieve these agreements.

Chairman Horn requested anyone submitting speaker slips to speak before the Commission. The following speakers and comments were presented to the Commission:

Items 6 A-C:

Chief Roberto Uribe, Pine Valley FPD, in support of Items 6 A-C, requested from the Commission to consider options within their ability regarding the completion of the fire station rebuild, completion of a training facility renovation and utilization of grant funds for facility improvements. Chief Uribe also requested that the Commission consider the budget pending approval from their Board later that day and to submit it under this proposal as their current budget.

Chairman Horn indicated there were no other members of the public requesting to speak on Items 6 A-C.

Items 7 A-C:

Dale Amato, Elected Director, San Diego Rural FPD, spoke in support of Item 7 A-C, and thanked LAFCO staff for their hard work and Commissioner Jacob for her leadership related to this proposal.

San Diego Rural FPD Legal Counsel Cindy Eldred; Chief Dave Nissen; and Consultant Shirley Anderson, all in support of Items 7 A-C informed the Commission that they were available to answer any questions for this item.

Chairman Horn indicated there were no other members of the public requesting to speak to the Commission on Items 7 A-C and closed the public hearing for Items 6 A-C and 7 A-C.

Commissioner Wood asked Executive Officer Michael Ott about the procedure to incorporate some of the revised terms and conditions addressed by Chief Uribe from Pine Valley FPD. Mr. Ott encouraged discussion amongst the Commissioners and the representatives present regarding the sequence of events with respect to the concerns and issues related to the recordation, effective date and the real estate aspects. April Heinze; General Services; Herman Reddick, SD County Fire Authority; Sherry Hoffman, County Counsel; and Fire Chief Tony Meecham, answered questions related to the issues addressed by Chief Uribe.

Commissioner Vanderlaan thanked Commissioners Horn and Jacob for their support and efforts to the fire services. He also thanked Michael Ott, John Traylor for their hard work and to the fire service employees for their hard work and services provided to the community.

On motion of Commissioner MacKenzie, seconded by Commissioner Vanderlaan, and carried unanimously by the commissioners present, the Commission took the following actions for Items 6 A, B, and C:

Item 6 A-C

1. Find in accordance with the Executive Officer's determinations that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, sphere amendments for Pine Valley FPD and for the service-specific sphere of influence for the latent powers subarea within CSA No. 135 are not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the sphere actions would have a significant effect on the environment and is not subject to CEQA;

2. Amend the spheres of Influence for Pine Valley FPD to a transitional (zero) designation and CSA No. 135 to include the unincorporated territory of dissolved Pine Valley FPD per Map 1;
3. Find in accordance with the Executive Officers determination, that pursuant to Section 15320 of the State CEQA Guidelines, the proposed jurisdictional changes consisting of dissolution of Pine Valley FPD and the expansion of the latent powers subarea for fire protection services within CSA No. 135 are not subject to the environmental impact evaluation process because the proposed jurisdictional changes do not change the geographical area in which previously existing powers are exercised;
4. Direct the Executive Officer to commence a Municipal Service Review of County Fire Protection and Structural Fire Protection Services within CSA No. 135 three years after the effective date of the proposed dissolution of the Pine Valley FPD;
5. Conclude that CSA No. 135 has provided an adequate Plan for Services demonstrating that as successor to the Pine Valley FPD, it will be able to deliver all of the services at service levels no less than those provided by Pine Valley FPD; that CSA No. 135 can provide services at the public service costs less than or substantially similar to the costs of Pine Valley FPD, but may also improve services at costs relative to the improve service level; and that the County Board of Supervisors will endeavor to promote public access and accountability for community services needs and financial resources;
6. Encourage the County Board of Supervisors and/or County Fire Advisory Board to hold educational meetings regarding the proposed dissolution of the Pine Valley FPD and prepare regular communications as necessary following the effective date of dissolution regarding changes and improvement to services or service levels in affected communities;
7. Find that an exchange of property taxes associated with the subject proposal was approved by the Board of Supervisors on June 24, 2015;
8. For the reason set forth in the Executive Officers Report, approve the associated sphere amendments, and proposed jurisdictional changes consisting of dissolution of Pine Valley FPD and expansion of the latent powers subarea for fire protection services within CSA No. 135;
9. Direct and delegate to the Executive Officer the responsibility for conducting the protest proceedings per Government Code Section 57000 et seq., subject to the proposed Terms and Conditions in Exhibit A;

10. Determine that per Government Code Section 56425(i), the written statements on file with the Commission specifying the nature, location, and extent of any functions or classes of services provided by the Pine Valley FPD will be consolidated with the written statements on file with County Service Area No. 135 and CSA No. 135 shall have all the powers and authorities of the Pine Valley FPD with respect to the nature, location, and extent of those functions or classes of services within subject area;
11. Determine that if the Pine Valley FPD dissolution is disapproved by the Commission or if the voters reject the dissolution that the Pine Valley FPD sphere of influence will remain as currently designated on August 3, 2015, and its written statements on file with LAFCO per Government 56425(i) shall not be consolidated with CSA No. 135. Further determine that if the Pine Valley FPD is not dissolved, the expansion of CSA No. 135's structural fire protection and emergency medical services latent powers shall not be approved;
12. Determine that the proposal, as approved, consists of dissolution of the Pine Valley FPD and expansion of CSA No. 135's latent fire protection and emergency medical services authorizing CSA No. 135 to provide service within the former boundaries of the Pine Valley FPD for the reasons set forth in the Executive Officer's report;
13. Pursuant to Government Code Section 57077.1(a), and 57000(c), delegate to the Executive Officer to conduct protest proceedings and to order the dissolution without confirmation of the voters except that if the dissolution meets the requirements of subdivision (b) of Section 57077.1, to order the dissolution subject to an election based upon the submittal of written protests meeting specified thresholds;
14. Determine that CSA No. 135 has provided evidence demonstrating that sufficient revenue to provide fire protection and emergency medical services within the boundaries of the Pine Valley FPD per the reasons contained in the Executive Officer's report pursuant to Government Code Section 56824.14;
15. Determine that the Commission has considered the factors enumerated in Government Code Sections 56425 and 56668 as discussed in the Executive Officer's report;
16. Determine that the proposed dissolution and latent powers proposals are in compliance with applicable LAFCO Policies L-102 (Spheres of Influence of Cities and Special Districts), L-106 and L-107 (Jurisdictional Conflicts) in that the proposals will simplify governmental services, stabilize financial

resources for the provision of fire protection and emergency medical services and result in planned, orderly, and efficient development patterns; and conform to LAFCO's related sphere and service review, and conflict resolution policies;

17. Pursuant to Government Code Section 57102, determine that one of the findings is applicable because the Pine Valley FPD has by unanimous resolution (4 in favor, 0 opposed, and 1 absent) consented to the dissolution; therefore, the Commission may order the dissolution without an election after holding a protest hearing;
18. Approve the subject proposals subject to the revised terms and conditions attached hereto in Exhibit A for the reasons set forth in the Executive Officer's report, and delegate to the Executive Officer pursuant to Government Code Section 57000(c) to commence Conducting Authority proceedings;
19. Acknowledge that notice of the public hearing has been given pursuant to Government Code Sections 56661, 56155, and 56157; and
20. Direct the Executive Officer to include the aforementioned actions in a resolution approving the subject proposals and to mail copies of the resolution as may be required by State Law and make any and all 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.

Item 7 A-C

1. Find in accordance with the Executive Officer's determinations that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, sphere amendments for Rural FPD and for the service-specific sphere of influence for the latent powers subarea within CSA No. 135 are not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the sphere actions would have a significant effect on the environment and is not subject to CEQA;
2. Amend the spheres of Influence for Rural FPD and CSA No. 135 to include the unincorporated territory of dissolved Rural FPD per Map 1;
3. Find in accordance with the Executive Officers determination, that pursuant to Section 15320 of the State CEQA Guidelines, the proposed jurisdictional changes consisting of dissolution of Rural FPD and the expansion of the latent powers subarea for fire protection services within

- CSA No. 135 are not subject to the environmental impact evaluation process because the proposed jurisdictional changes do not change the geographical area in which previously existing powers are exercised;
4. Direct the Executive Officer to commence a Municipal Service Review of County Fire Protection and Structural Fire Protection Services within CSA No. 135 three years after the effective date of the proposed dissolution of the Rural FPD;
 5. Conclude that CSA No. 135 has provided an adequate Plan for Services demonstrating that as successor to the Rural FPD, it will be able to deliver all of the services at service levels no less than those provided by Rural FPD; that CSA No. 135 can provide services at the public service costs less than or substantially similar to the costs of Rural FPD, but may also improve services at costs relative to the improve service level; and that the County Board of Supervisors will endeavor to promote public access and accountability for community services needs and financial resources;
 6. Encourage the County Board of Supervisors and/or County Fire Advisory Board to hold educational meetings regarding the proposed dissolution of the Rural FPD and prepare regular communications as necessary following the effective date of dissolution regarding changes and improvement to services or service levels in affected communities;
 7. Find that an exchange of property taxes associated with the subject proposal was approved by the Board of Supervisors on June 24, 2015;
 8. For the reason set forth in the Executive Officers Report, approve the associated sphere amendments, and proposed jurisdictional changes consisting of dissolution of Rural FPD and expansion of the latent powers subarea for fire protection services within CSA No. 135;
 9. Determine that If the proposed dissolution and latent powers proposals are approved, the portion of CSA No. 135's fire protection and emergency medical service area that is currently located within the sphere of influence of the Alpine FPD, may be removed from the latent powers area if the Alpine FPD initiates an annexation application with LAFCO including the affected territory;
 10. Direct and delegate to the Executive Officer the responsibility for conducting the protest proceedings per Government Code Section 57000 et seq., subject to the proposed Terms and Conditions in Exhibit A;
 11. Determine that per Government Code Section 56425(i), the written statements on file with the Commission specifying the nature, location,

and extent of any functions or classes of services provided by the Rural FPD will be consolidated with the written statements on file with County Service Area No. 135 and CSA No. 135 shall have all the powers and authorities of the Rural FPD with respect to the nature, location, and extent of those functions or classes of services within subject area;

12. Determine that if the Rural FPD dissolution is disapproved by the Commission or if the voters reject the dissolution that the Rural FPD sphere of influence will remain as currently designated on August 3, 2015, and its written statements on file with LAFCO per Government 56425(i) shall not be consolidated with CSA No. 135. Further determine that if the Rural FPD is not dissolved, the expansion of CSA No. 135's structural fire protection and emergency medical services latent powers shall not be approved;
13. Determine that the proposal, as approved, consists of dissolution of the Rural FPD and expansion of CSA No. 135's latent fire protection and emergency medical services authorizing CSA No. 135 to provide service within the former boundaries of the Rural FPD for the reasons set forth in the Executive Officer's report;
14. Pursuant to Government Code Section 57077.1(a), and 57000(c), delegate to the Executive Officer to conduct protest proceedings and to order the dissolution without confirmation of the voters except that if the dissolution meets the requirements of subdivision (b) of Section 57077.1, to order the dissolution subject to an election based upon the submittal of written protests meeting specified thresholds;
15. Determine that CSA No. 135 has provided evidence demonstrating that sufficient revenue to provide fire protection and emergency medical services within the boundaries of the Rural FPD per the reasons contained in the Executive Officer's report pursuant to Government Code Section 56824.14.
16. Determine that the Commission has considered the factors enumerated in Government Code Sections 56425 and 56668 as discussed in the Executive Officer's report;
17. Determine that the proposed dissolution and latent powers proposals are in compliance with applicable LAFCO Policies L-102 (Spheres of Influence of Cities and Special Districts), L-106 and L-107 (Jurisdictional Conflicts) in that the proposals will simplify governmental services, stabilize financial resources for the provision of fire protection and emergency medical services and result in planned, orderly, and efficient development patterns;

and conform to LAFCO's related sphere and service review, and conflict resolution policies;

18. Pursuant to Government Code Sections 56881 and 57102, determine that none of the findings per Government Code Section 57102 are applicable because the corporate powers of the Rural FPD have been used per Government Code Section 56871; the Rural FPD has not by unanimous resolution consented to the dissolution; and the proposed dissolution is not consistent with a prior action of the Commission pursuant to the adoption of special studies (Section 56378), spheres of influence (Section 56425), or service review (Section 56430);
19. Approve the subject proposals subject to the terms and conditions attached hereto in Exhibit A for the reasons set forth in the Executive Officer's report, and delegate to the Executive Officer pursuant to Government Code Section 57000(c) to commence Conducting Authority proceedings;
20. Acknowledge that notice of the public hearing has been given pursuant to Government Code Sections 56661, 56155, and 56157; and
21. Direct the Executive Officer to include the aforementioned actions in a resolution approving the subject proposals and to mail copies of the resolution as may be required by State Law and make any and all 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.

Item 9

"Randrock 1, LLC, et al. Annexation" to the San Diego County Sanitation District (DA15-08)

This item was an informational item and no action was required by the Commission.

Item 10

Fourth Quarter Budget Update

Michael Ott reported that completion of Fiscal Year operations are currently 15% under budget. Mr. Ott stated that an update of the FY 2014-15 budget to the Commission and indicated the majority of savings was due to salary savings from vacancies, and from services and supplies. Mr. Ott also noted that a transfer of \$125,000 from reserves was made to the operating account, per the Commission's direction for fire related proposals.

Mr. Ott introduced new staff member, Erica Blom, Administrative Aide.

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

The Commission received and accepted the First-Fourth Quarter FY 2014-15 LAFCO Budget Update.

Item 11

Legislative Status Report

Harry Ehrlich provided an update regarding the status of the most recent state legislation activities to the Commission. Mr. Ehrlich informed the Commission about that the legislature is in recess and will return August 17, 2015. Mr. Ehrlich provided information of the latest activity on the following bills that LAFCO staff is recommending a support or opposed position:

AB 851(Mayes R) – Support. Disincorporation rewrite bill. Pending Senate appropriations at this time.

SB 239 (Hertzberg D) – Opposed. Cities and Districts: extended fire services. This bill would require additional independent fiscal review by LAFCO for contract services.

AB 1532 (Committee on Local Government) – Support. Annual Omnibus bill passed and was signed in to law by Governor Brown, effective January 1, 2016.

The Commission received, discussed, and provided direction, as necessary related to the Legislative Status Report.

Item 12

Public Comments

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

There being no further business to come before the Commission, the meeting adjourned at 10:00 a.m. to the September 14, 2015 meeting, in Room 310, County Administration Center.

**Ruth Arellano
Administrative Assistant
San Diego Local Agency Formation Commission**