

**SAN DIEGO LAFCO
MINUTES OF THE REGULAR MEETING
MAY 7, 2007**

There being a quorum present, the meeting was convened at 9:00 a.m. by Chairman Andy Vanderlaan. Also present were: Regular Commissioners – Supervisor Bill Horn, Supervisor Dianne Jacob, Andy Menshek, Mayor Ron Morrison, and Councilmember Betty Rexford. Alternate Commissioners – Mayor Mark Lewis, and John Ingalls; LAFCO Staff – Executive Officer Michael Ott; Chief, Policy Research, Shirley Anderson; LAFCO Consultants John Goss, Harry Ehrlich, and John Traylor; and LAFCO Legal Counsel William Smith. Absent were: Regular Commissioners – Councilmember Toni Atkins, and Bud Pocklington; and Alternate Commissioner – Supervisor Greg Cox, and Harry Mathis.

Item 1

Approval of Minutes of Meeting Held April 2, 2007

On motion of Commissioner Horn, seconded by Commissioner Menshek, and carried unanimously by the commissioners present, the Commission dispensed with reading the minutes of April 2, 2007, and approved said minutes.

Item 2

Executive Officer's Recommended Agenda Revisions

At the request of Michael Ott, the Commission accepted Items No. 6 (Proposed East Boyle Avenue Reorganization [City of Escondido]), No. 7 (Third Quarter Budget Report and Update FY 2006-07), and No. 8 (Quarterly Self-Approved Expense Claim) as consent items.

Item 3

Commissioner/Executive Officer Announcements

Michael Ott indicated that there were no Commissioner/Executive Officer Announcements.

Item 4

Public Comment

There were no public comments.

Item 5

Proposed "East Boyle Avenue Reorganization" (City of Escondido) (RO06-30)

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

- (1) Certified that the information contained in the Negative Declaration (ER 2004-32) prepared by the City of Escondido for the proposed development on APN No. 234-460-10 has been reviewed and considered;
- (2) Found in accordance with the Executive Officer's determination, that pursuant to Section 15319(b) of the State CEQA Guidelines, the nine additional parcels included in the reorganization are not subject to the environmental impact evaluation process because this portion of the proposal area involves annexation of individual small parcels of the minimum size for facilities exempted by Section 15303; and
- (3) Adopted the form of resolution approving this reorganization for the reasons set forth in the Executive Officer's Report, waived the Conducting Authority proceedings according to Government Code Section 56663(c), and ordered the reorganization subject to the following condition:

Payment by property owner of City annexation fees and State Board of Equalization charges.

Item 6

Third Quarter Budget Report and Update FY2006-07

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

Received and ratified the Third Quarter FY 2006-07 Budget Update and authorized the Executive Officer to implement necessary appropriations adjustments consistent with the FY 2006-07 and 2007-08 Budgets.

Item 7

Quarterly Self-Approved Expense Claims Report

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

Accepted and ratified the quarterly self-approved expense claims report.

Item 8

2007 Legislative Report

Legislative Director Harry Ehrlich reported that he attended a Legislative meeting in Sacramento on May 4, 2007. He said that SB 806 (Hollingsworth) has become a two-year bill, and that he will be attending another Legislative meeting on May 9th when SB 819 will be considered.

Item 9A

Adoption of an Amendment to the Sphere of Influence for the Vallecitos Water District (SA07-01)

Item 9B

Proposed “Carlsbad Fire Station #6 Reorganization” (Vallecitos Water District and Leucadia Wastewater District) (RO07-01)

Chairman Andy Vanderlaan opened the public hearing.

Michael Ott indicated that there were no speaker slips submitted to the Commission for the item.

With no speakers from the public and no discussion from the Commission, on motion of Commissioner Horn, seconded by Commissioner Jacob, and carried unanimously by the commissioners present, the Commission closed the public hearing and took the following action:

- 1) Concurred in the determination by the Leucadia Wastewater District that this minor sphere amendment and reorganization are exempt by Section 15319(b) of the State CEQA Guidelines;
- 2) Amended the sphere of influence for the Vallecitos Water District as shown on the attached map, and adopted the written Statement of Determinations as proposed in Exhibit A; and
- 3) Adopted the form of resolution approving the minor sphere amendment and reorganization for the reasons set forth in the Executive Officer’s Report, waived the Conducting Authority proceedings according to Government Code Section 56663(c), and ordered the reorganization subject to the following terms and conditions:

Vallecitos WD:

- (a) Annexation into Sewer Improvement Districts 1, 2, 6 & “A” for sewer service only;
- (b) Payment of an annexation fee of \$1,326.73 (\$2,653.47 per acre; 0.5 acre);
- (c) Payment of a State Board of Equalization fee of \$300.00; and
- (d) Approval from LAFCO, payment of annexation fees, payment of sewer capital facilities fees (\$4,049.00 per EDU), and payment of all current fees and charges.

11A

Sphere of Influence Review in Association with Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County (SR05-10A-M; SA05-10A-M; SI05-10)

11B

“Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County: Phase I” – Borrego Springs Fire Protection District; Deer Springs Fire Protection District; East County Fire Protection District; Julian-Cuyamaca Fire Protection District; Pine Valley Fire Protection District; San Diego Rural Fire Protection District; Valley Center Fire Protection District; County Service Area No. 107 (Elfin Forest); County Service Area No. 109 (Mount Laguna); County Service Area No. 110 (Palomar Mountain); County Service Area No. 111 (Boulevard); County Service Area No. 112 (Campo); County Service Area No. 113 (San Pasqual); Mootamai Municipal Water District; Pauma Municipal Water District; Ramona Municipal Water District and Yuima Municipal Water District (SR05-10A-M;SA05-10A-M;SI05-10;RO05-10;DF05-10)

Chairman Andy Vanderlaan opened the public hearing.

Michael Ott provided the Commission with LAFCO staff’s recommendations and said that Shirley Anderson, John Traylor, and John Goss would provide the Commission with a PowerPoint presentation of the staff report.

Shirley Anderson provided a history of the proposed fire reorganization process. She indicated that per State Law, the Mootamai, Pauma, Ramona, and Yuima Municipal Water Districts (MWDs) would be removed from the Phase I fire reorganization; but the MWDs can volunteer to be included in the fire reorganization. In addition, Ms. Anderson reported that Borrego Springs, Deer Springs, Julian-Cuyumaca, and Valley Center Fire Protection Districts, and CSA No. 107 (Elfin Forest), CSA No. 110 (Palomar Mountain), and CSA No. 113 (San Pasqual) all requested to be excluded from the Phase I fire reorganization. Ms. Anderson also provided the Commission with funding and governance options for the fire reorganization.

John Traylor provided information of LAFCO staff’s outreach efforts. He reported that LAFCO staff met with all the agencies that were identified in the proposed Phase I fire reorganization. Mr. Traylor said that three workshops were held in a form of public hearings, where discussion, comments, and public testimony of the fire reorganization were obtained and transcribed.

John Goss provided information regarding the importance of maintaining the involvement of volunteer firefighters.

In response to several questions from Commissioner Betty Rexford, Michael Ott said that the 7 agencies requesting to be excluded from the Phase I fire reorganization could be deferred to a subsequent phase of the reorganization. In regards to governance,

Mr. Ott said that it would be helpful if the successor fire agency would have access to county general funds to help with the regional system.

At the request of Commissioner Andy Menshek, the Commission adjourned for a 5 minute break at 10:10 a.m. and re-adjourned at 10:15 a.m.

Chairman Andy Vanderlaan opened the public hearing.

The following people addressed the Commission in support of LAFCO staff's recommendations:

Dennis Sherman	Jeff Carle	Gilbert Turrentine
Kevin Dublar	Mary G. Schoepfer	Dr. Peter Orner
David Ott	Erick Anderson	Laurel Nicholson
Frank Twohy	Darrell Jobes	Paula de Sousa
Alan Black	Tom Gardner	Randy Scales
Jack Shelver	Marty Orenyak	

The following people addressed the Commission in opposition to the proposed fire agency reorganization:

Diane Brehm
Rosalind Orner
Weaver Simonsen

NOTE: The attached transcript of the May 7, 2007 proceedings should be reviewed for further details regarding testimony and Commission deliberations.

Chairman Andy Vanderlaan closed the public hearing.

Commissioners Horn and Jacob agreed that the Commission should honor the request of the 7 districts to be excluded from the Phase I fire reorganization.

In response to several questions from Commissioner Jacob, Michael Ott said that there would be no negative impact to the Phase I fire reorganization if the 7 agencies were excluded. John Traylor said that approximately 12 fire stations would be excluded from the Phase I fire reorganization, leaving approximately 31 fire stations to be included in the reorganization. Mr. Ott said that tribal lands (including Campo) could be excluded from the fire reorganization without impacting the overall reorganization.

Ivan Holler, Deputy Director of the County's Department of Planning and Land Use, responded to several questions from the Commission regarding the County's Fire Enhancement Program. In response to a question from Commissioner Jacob regarding competitive bidding, Mr. Holler said that the County would consider Request for Proposals (RFI) from agencies interested in providing fire protection and emergency medical services.

Commissioner Jacob placed the following motion on the floor:

- 1) Approve LAFCO staff's recommendations with the following amendments:
 - a) Add to 4a, the opportunity for the four water districts to voluntarily opt back into the Phase I reorganization within 60 days;
 - b) Add to 4b, grant the requests of the seven agencies wishing to opt out from Phase I of the proposed reorganization and add a condition that those agencies have the opportunity to opt back in within the next 60 days;
 - c) Remove tribal lands from the fire reorganization;
 - d) Authorize latent powers for structural fire protection and emergency medical services, within a zone of CSA No. 135 (Regional Communications) that is coterminous with the boundary of Phase I as amended by the Commission; and
 - e) Add Andy Vanderlaan and a special district commissioner to the LAFCO Fire Reorganization Subcommittee (Supervisors Horn and Jacob).

Commissioner Andy Menshek suggested that CSA 110 (Palomar Mt.) reconsider being excluded from the Phase I reorganization.

In response to questions from Commissioners Menshek and Rexford, Michael Ott said that approval of the fire reorganization is conditioned on securing funds.

In response to questions from Commissioners Morrison and Ingalls, Michael Ott said that per State Law, County Service Areas (CSAs) can contract with private volunteer fire organizations; however, fire protection districts cannot be parties to such contracts.

Commissioner Morrison requested that the motion be amended to indicate that the fire reorganization proposal return to the Commission for ratification.

The Commission first considered Commissioner Jacob's motion prior to Commissioner Morrison's requested amendment.

Chairman Andy Vanderlaan requested a roll call vote from Commission Secretary Mandapat. The Commission Secretary recorded the following votes:

AYES:	Commissioners Vanderlaan, Horn, Jacob, and Menshek
NOES:	Commissioner Morrison, Rexford, and Alternate Commissioner Ingalls
ABSENT:	Commissioners Atkins and Pocklington
ABSTAINING:	None

William D. Smith, LAFCO Legal Counsel, said that five members of the Commission must vote in favor of the motion in order for it to pass.

At the request of Commissioner Morrison, Commissioner Jacob amended her motion as follows:

- a. Add to 4a, the opportunity for the four water districts to voluntarily opt back into the Phase I reorganization within 60 days;
- b. Add to 4b, grant the requests of the seven agencies wishing to opt out from Phase I of the proposed reorganization and add a condition that those agencies have the opportunity to opt back in within the next 60 days;
- c) Remove tribal lands from the fire reorganization;
- d) Authorize latent powers for structural fire protection and emergency medical services, within a zone of CSA No. 135 (Regional Communications) that is coterminous with the boundary of Phase I as amended by the Commission;
- e) Add Andy Vanderlaan and a special district commissioner to the LAFCO Fire Reorganization Subcommittee (Supervisors Horn and Jacob); and
- f) Return to the Commission with the fire reorganization proposal for ratification after designated conditions for approval have been satisfied.

Commissioner Horn seconded the motion.

Chairman Andy Vanderlaan requested another roll call vote from Commission Secretary Mandapat. The Commission Secretary recorded the following votes:

AYES:	Commissioners Vanderlaan, Horn, Jacob, Morrison, Rexford, and Menshek
NOES:	Alternate Commissioner Ingalls
ABSENT:	Commissioners Atkins and Pocklington
ABSTAINING:	None

Accordingly, the following actions were approved by the Commission:

1. Certified in accordance with the Executive Officer's determinations that pursuant to § 15061 (b)(3) of the State CEQA guidelines, sphere affirmations and determinations 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. Certified that the Commission reaffirms its approval of the Municipal Service Review for Unincorporated Area Structural Fire Protection and Emergency Medical Services, originally adopted on February 7, 2005, and the Review of Special District Spheres

of Influence, approved on August 7, 2006; and therefore, directs the Executive Officer to prepare the form of resolution to:

- a. Approved the affirmation or approval of transitional spheres of influence for: Alpine FPD; Bonita-Sunnyside FPD; Deer Springs FPD; East County FPD; Julian-Cuyamaca FPD; Lakeside FPD; Lower-Sweetwater FPD; North County FPD; Pine Valley FPD; Rancho Santa Fe FPD; San Diego Rural FPD; San Marcos FPD; San Miguel Consolidated FPD; Valley Center FPD; Vista FPD; CSA No. 107 (Elfin Forest); CSA No. 109 (Mt. Laguna); CSA 110 (Palomar Mtn.); CSA 111 (Boulevard); CSA No. 112 (Campo); CSA113 (San Pasqual); and CSA 115 (Pepper Drive); Mootamai Municipal Water District (MWD); Pauma MWD; Ramona MWD; Yuima MWD; and Rincon del Diablo MWD Improvement District E; and adopted the coterminous sphere of influence for the Borrego Springs FPD;
 - b. Approved a transitional sphere of influence, contingent upon ratification of the reorganization, for all special districts included in a conditionally approved Phase I Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County; and
 - c. Directed the Executive Officer to prepare written Statements of Determinations for approved and affirmed spheres of influence;
3. Found in accordance with the Executive Officers determination, that pursuant to § 15320 of the State CEQA Guidelines, the proposed *Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County: Phase I* is not subject to the environmental impact evaluation process because the reorganization would not change the geographical area in which previously existing powers, mutual aid and automatic aid agreements are exercised;
4. For the reasons set forth in the Micro Report:
- a. Amended the proposed Phase I Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County to remove the Mootamai, Pauma, Ramona, and Yuima Municipal Water Districts in accordance with State Law, with an alternative to reconsider, by July 13, 2007, the option of being included in the Phase I fire reorganization. The Commission also approved a 60-day opt-in provision authorizing the municipal water districts to voluntarily relinquish and transfer their structural fire protection and emergency medical services functions and assigned revenue to the Phase I successor agency;
 - b. Approved requests for removal / deferral, from Phase I of the proposed reorganization, made by the Borrego Springs FPD; Deer Springs FPD; Julian-Cuyamaca FPD; Valley Center FPD; CSA 107 (Elfin Forest); CSA 110 (Palomar Mtn.); and CSA 113 (San Pasqual), with the option that the agencies have 60 days to voluntarily opt-in and be included in the Phase I fire reorganization;

- c. Approved the request from the Campo Kumeyaay Nation regarding removal from the proposed reorganization and that all other tribal reservation lands also be removed from the reorganization;
 - d. Directed the Executive Officer to prepare the form of resolution pursuant to Government Code § 56880 and the determination in Government Code § 56881 for the conditional approval of the *Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County: Phase I*, including dissolution of special districts within the boundary of Phase I as amended by the Commission; and concurrent approval of the following form of regional governance:
 - Authorization of latent powers for structural fire protection and emergency medical services, within a zone of CSA No. 135 (Regional Communications) that is coterminous with the boundary of Phase I as amended by the Commission;
5. Appointed Commissioners Vanderlaan, Horn, Jacob, and a special district representative (Menshek) to the LAFCO Fire Reorganization Subcommittee;
 6. Directed the Executive Officer to work with the Commission's Subcommittee to present the Commission's reorganization determination and associated actions to the full Board of Supervisors, including but not limited to the following:
 - a. Calculating and transferring property tax revenue from dissolved Phase I agencies to the regional provider of structural fire protection and emergency medical services provider as conditionally approved by the Commission;
 - b. Calculating and transferring County property tax revenue to a regional provider of structural fire protection and emergency medical services as conditionally approved by the Commission, in an amount equal to the County's cost during the most recent fiscal year, as determined by the Commission, for providing structural fire protection and emergency medical services in the unincorporated area;
 - c. Calculating and transferring supplemental County property tax revenue to a regional provider of structural fire protection and emergency medical services as conditionally approved by the Commission, in an amount, as determined by the Board of Supervisors, to provide funding for a regional provider at the service level determined by the Commission;
 7. Directed the Executive Officer to prepare a request to the Board of Supervisors and the County Assessor/Surveyor asking the County to submit:
 - a. A metes-and-bounds legal description for the boundary of the proposed Phase I Reorganization of Structural Fire Protection and Emergency Medical Services in Unincorporated San Diego County as determined by the Commission to satisfy requirements of the State Board of Equalization; and
 - b. Board of Equalization filing fees;
 8. Delegated the responsibility of conducting all related protest proceedings to the Executive Officer;

9. Directed the Executive Officer to prepare terms and conditions of reorganization, including but not limited to:
 - a. Requirements to establish advisory and fiscal oversight boards;
 - b. Naming the effective date of reorganization;
 - c. Requiring districts within Phase I as amended by the Commission, to complete an audit of district assets within 60 days of the date of adoption of a conditional approval of a Phase I Reorganization;
 - d. Transferring all assets of dissolved districts to the successor agency;
 - e. Transferring all equipment, apparatus, and facilities, utilized for structural fire protection and emergency medical service, in which the County of San Diego holds title to a regional service provider;
 - f. Transferring employees and employment rights from dissolved districts to the Phase I service provider;
10. Directed the Executive Officer to prepare a provisional Gann limit according to Government Code § 56811; if formation of a Regional Fire Protection District is approved; or a suggested Gann Limit if the latent fire protection and emergency medical services functions are activated for CSA No. 135; and
11. Directed the Executive Officer to regularly update the Commission about the completion of ministerial items associated with the completion of the proposed reorganization and to return to the Commission as needed, with items that require LAFCO approval or ratification.

There being no further business to come before the Commission, the meeting adjourned at 12:20 p.m. to the June 11, 2007 meeting, in Rooms 302-303, County Administration Center.

Tita Jacque Cayetano
Administrative Assistant